

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO – 382
ANSWERED ON 27.11.2024

MINING LEASE CONTRACT

†382 SHRI GANESH SINGH:

Will the Minister of MINES be pleased to state:

- (a) Whether it is a fact that there is a provision to auction mineral bearing areas on mining lease;
- (b) Whether it is a fact that there is a provision to execute contract for the auctioned lease mining area;
- (c) whether it is a fact that a lot of time is taken for obtaining environmental no-objection certificate under environmental rules framed for the purpose which delay execution of mining lease contract and as such leads to revenue loss to the State Government;
- (d) Whether any action is being taken to make the above process easy and quick; and
- (e) If so, the details of action being taken in this above regard?

ANSWER

THE MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)

(a): Yes Sir. The Mines and Minerals (Development and Regulation) Act, 1957 [MMDR Act, 1957] provides for grant of mining leases through auction.

(b): The mining lease which is executed between the State Government and the successful bidder in auction is a contract.

(c): Before execution of mining lease, every successful bidder is required to obtain the requisite statutory clearances from various departments of the Central Government and respective State Government. Therefore, a period of three years, extendable by another 2 years, from the date of issue of Letter of Intent(LOI), issued after the completion of auction process, is prescribed for execution of mining lease.

(d) to (e): The Government is taking several measures to expedite the environmental clearance process and reduce delays in operationalization. These include introduction

of e-governance platforms like parivesh portal and mining tenement system which streamlines submissions and approvals; implementation of time-bound approval processes to ensure quicker decision-making; time to time revision of environmental guidelines to simplify clearance requirements etc. Additionally, the Ministry of Mines holds regular review meetings with State Governments and concerned authorities for faster issue of clearances.
