

Bill No. 101 of 2023

THE MINES AND MINERALS (DEVELOPMENT AND REGULATION)
AMENDMENT BILL, 2023

A

BILL

further to amend the Mines and Minerals (Development and Regulation) Act, 1957.

BE it enacted by Parliament in the Seventy-fourth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

5 **1.** (1) This Act may be called the Mines and Minerals (Development and Regulation) Amendment Act, 2023.

Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Amendment of section 3.	<p>2. In section 3 of the Mines and Minerals (Development and Regulation) Act, 1957 (hereinafter referred to as the principal Act), in section 3,—</p> <p>(i) after clause (aa), the following clause shall be inserted, namely:—</p> <p>'(aaa) "exploration licence" means a licence granted for undertaking reconnaissance operations or prospecting operations or both in respect of minerals specified in the Seventh Schedule;'</p> <p>(ii) in clause (ae), after the words "composite licence", the words ", exploration licence" shall be inserted;</p> <p>(iii) for clause (ha), the following clause shall be substituted, namely:—</p> <p>'(ha) "reconnaissance operations" means any operations undertaken for preliminary prospecting of a mineral through regional, aerial, geophysical or geochemical surveys and geological mapping, and include pitting, trenching, drilling and sub-surface excavation;'</p>	67 of 1957. 5 10
Amendment of section 4.	<p>3. In section 4 of the principal Act, in sub-section (1), after the words "prospecting licence", the words "or of a exploration licence" shall be inserted.</p>	15
Amendment of section 4A.	<p>4. In section 4A of the principal Act,—</p> <p>(i) for the marginal heading, the following marginal heading shall be substituted, namely:—</p> <p>"Termination of prospecting licences, exploration licences or mining leases.";</p> <p>(ii) in sub-section (1), for the words "prospecting licence", at both places where they occur, the words "prospecting licence or exploration licence" shall be substituted;</p> <p>(iii) in sub-section (3), after the words "prospecting licence", the words "or exploration licence" shall be inserted.</p>	20
Amendment of section 5.	<p>5. In section 5 of the principal Act, for the marginal heading, the following marginal heading shall be substituted, namely:—</p> <p>"Restrictions on the grant of mineral concession."</p>	25
Amendment of section 6.	<p>6. In section 6 of the principal Act,—</p> <p>(a) for the marginal heading, the following marginal heading shall be substituted, namely:—</p> <p>"Maximum area for which mineral concession may be granted.";</p> <p>(b) in sub-section (1),—</p> <p>(i) after clause (aa), the following clause shall be inserted, namely:—</p> <p>'(ab) one or more exploration licences covering a total area of more than five thousand square kilometres:</p> <p>Provided that the area granted under a single exploration licence shall not exceed one thousand square kilometers;'</p> <p>(ii) in clause (c), for the words "reconnaissance permit, mining lease or prospecting licence", the words "mineral concession" shall be substituted.</p>	30 35
Substitution of Chapter heading of Chapter III.	<p>7. In Chapter III of the principal Act, for Chapter heading, the following Chapter heading shall be substituted, namely:—</p> <p>"PROCEDURE FOR OBTAINING MINERAL CONCESSION IN RESPECT OF LAND IN WHICH THE MINERALS VEST IN THE GOVERNMENT".</p>	40

8. In section 10 of the principal Act,—

Amendment
of section 10.

(i) for the marginal heading, the following marginal heading shall be substituted, namely:—

"Application for mineral concession.";

5 (ii) in sub-section (4), in clause (a), for the words, figures and letters "sections 10B, 11, 11A or the rules made under section 11B", the words, figures and letters "sections 10B, 10BA, 11, 11A, 11B or 11D" shall be substituted.

9. After section 10B of the principal Act, the following section shall be inserted, namely:—

Insertion of
new section
10BA.

10 "10BA. (1) The provisions of this section shall not apply to—

(a) the areas covered under section 17A;

(b) the minerals specified in Part A of the First Schedule;

15 (c) the minerals specified in Part B of the First Schedule where the grade of atomic mineral is equal to or greater than such threshold value as may be notified by the Central Government from time to time;

(d) any land in respect of which the minerals do not vest in the Government.

Grant of
exploration
licence for
minerals
specified in
Seventh
Schedule
through
auction.

20 (2) Notwithstanding anything contained in sections 10B and 11, an exploration licence may be granted in any area by the State Government for the purpose of undertaking reconnaissance or prospecting operations or both in respect of any mineral specified in the Seventh Schedule.

(3) The Central Government may, by notification in the Official Gazette, and for reasons to be recorded in writing, amend the Seventh Schedule so as to modify the entries therein with effect from such date as may be specified in the said notification.

25 (4) The State Government shall, after obtaining the previous approval of the Central Government, and in such manner as may be prescribed by the Central Government, notify the areas in which exploration licence shall be granted, subject to such terms and conditions as may be specified in the notification.

30 (5) The Central Government may require the State Government to notify the area for grant of exploration licence within such period as may be fixed in consultation with the State Government, and in case the State Government does not notify the area within such period, the Central Government may, after the expiry of the period so fixed, notify the area for grant of exploration licence.

35 (6) The State Government shall, for the purpose of granting exploration licence through auction by method of competitive bidding, including e-auction, select an applicant who fulfils the eligibility conditions as specified in this Act and grant exploration licence to such applicant.

(7) Where—

(a) the State Government has not successfully completed auction for the grant of exploration licence; or

40 (b) after completion of auction, the exploration licence or letter of intent for grant of exploration licence has been terminated or lapsed for any reason whatsoever,

45 the Central Government may require the State Government to conduct and complete the auction or re-auction process, as the case may be, within such period as may be fixed in consultation with the State Government, and in cases where such auction or re-auction process is not completed within such period, the Central Government may, after the expiry of the period so fixed, conduct auction for the grant of exploration licence for such area:

Provided that upon successful completion of the auction, the Central Government shall intimate the details of the preferred bidder in the auction to the State Government and the State Government shall grant exploration licence for such area to such preferred bidder in such manner as may be prescribed by the Central Government.

(8) The holder of exploration licence shall be entitled to a share of applicable amount quoted in the auction of mining leases payable by the lessee to the State Government in respect of the area granted in mining lease pursuant to the prospecting operations undertaken by the holder of such exploration licence: 5

Provided that the share in applicable amount payable to the holder of exploration licence by the lessee of such area shall be allowed only in respect of the minerals specified in the Seventh Schedule. 10

(9) The Central Government shall by rules provide for the manner of conducting auction for grant of exploration licence, including its terms and conditions, the bidding parameters for selection, share payable to the holder of exploration licence from out of the applicable amount quoted in auction of mining leases payable by the lessee of such area, the period for such payment and such other conditions as may be necessary. 15

(10) Notwithstanding anything contained in section 7,—

(a) the exploration licence shall be granted for a period of five years from the date of execution of the exploration licence;

(b) if, after three years from the date of execution of exploration licence, but before the date of its expiry, the holder of the exploration licence makes an application for the extension of the period of that licence, the State Government may, on being satisfied that within the period of five years, it shall not be possible for the holder of such licence to complete the reconnaissance or prospecting operations for reasons beyond his control, extend the said period to a further period not exceeding two years. 20 25

(11) After three years from the date of execution of the exploration licence, the holder of such licence may retain an area not exceeding twenty-five per cent. of the total area covered under that licence for the purpose of continuing reconnaissance or prospecting operations and shall surrender the remaining area after submitting a report to the State Government stating the reasons for retention of the area proposed to be retained by him and the boundaries of that area. 30

(12) The holder of the exploration licence shall, within three months of the completion of the operations for which licence has been granted, or of the date of expiry of the exploration licence, whichever is earlier, submit a geological report to the State Government explaining the result of the reconnaissance and prospecting operations, in such manner as may be prescribed. 35

(13) If the holder of the exploration licence fails to complete the reconnaissance and prospecting operations before expiry of the exploration licence, or fails to submit the geological report within the period specified in sub-section (12), the State Government may take such action as it deems fit, including imposition of penalty. 40

(14) Within six months from the date of receipt of the geological report from the holder of the exploration licence, the Central Government or the State Government shall initiate the auction process for grant of one or more separate mining leases under section 10B or section 11 or section 11D, as the case may be, in respect of the area where existence of mineral content is established and shall select the preferred bidder for grant of such mining leases within one year from the date of receipt of the geological report: 45

Provided that in case the preferred bidder is not selected within the period so specified, the State Government shall pay to the person who was the holder of exploration licence such amount, and in such manner, as may be prescribed." 50

10. After section 11C, the following section shall be inserted, namely:—

Insertion of new section 11D.

"11D. (1) Notwithstanding anything contained in this Act, the Central Government shall, for the purpose of granting mining lease or composite licence in any area in respect of any mineral specified in the Part D of the First Schedule, select, through auction by method of competitive bidding, including e-auction, a preferred bidder who fulfils the eligibility conditions as specified in section 5, on such terms and conditions, and in such manner, as may be prescribed.

Central Government to conduct auction for grant of mining lease or composite licence in respect of minerals specified in Part D of First Schedule.

(2) Upon successful completion of the auction, the Central Government shall intimate the details of the preferred bidder in the auction to the State Government and the State Government shall grant mining lease or composite licence for such area, to such preferred bidder, in such manner, as may be prescribed by the Central Government.

(3) The royalty, dead rent, applicable amount quoted in the auction and any other statutory payment in relation to the mining lease or composite licence auctioned by the Central Government shall accrue to the State Government or concerned authorities, as the case may be, as if the auction has been conducted by the State Government."

11. In section 12 of the principal Act,—

Amendment of section 12.

(a) for the marginal heading, the following marginal heading shall be substituted, namely:—

"Registers of mineral concession.";

(b) in sub-section (1),—

(i) in clause (e), the word "and" shall be omitted;

(ii) after clause (f), the following clauses shall be inserted, namely:—

"(g) a register of applications for exploration licences; and

(h) a register of exploration licences,".

12. In section 12A of the principal Act,—

Amendment of section 12A.

(i) after the words "composite licence", wherever they occur, the words "or exploration licence" shall be inserted;

(ii) in sub-section (4), in the proviso, for the words "or of a composite licence", the words "or composite licence" shall be substituted.

13. In Chapter IV of the principal Act, for Chapter heading, the following Chapter heading shall be substituted, namely: —

Substitution of Chapter heading of Chapter IV.

"RULES FOR REGULATING THE GRANT OF MINERAL CONCESSIONS".

14. In section 13 of the principal Act, in sub-section (2),—

Amendment of section 13.

(i) clause (ac) shall be omitted;

(ii) in clause (qqg), for the words, figures and letters "mining lease or composite licence under section 10B, 11, 11A, 11B", the words, figures and letters "mineral concession under section 10B, 10BA, 11, 11A, 11B, 11D" shall be substituted;

(iii) after clause (v), the following clauses shall be inserted, namely:—

"(va) the manner of notifying the areas for grant of exploration licence under sub-section (4) of section 10BA;

(vb) the manner of granting exploration licence to the preferred bidder under the proviso to sub-section (7) of section 10BA;

(vc) the manner of conducting auction for grant of exploration licence, the terms and conditions thereof, the bidding parameters for selection, the share payable to the holder, the period for payment and other conditions under sub-section (9) of section 10BA;

(vd) the manner of submitting geological report under sub-section (12) of section 10BA; 5

(ve) the amount to be paid and the manner of payment under the proviso to sub-section (14) of section 10BA;";

(iv) after clause (x), the following clauses shall be inserted, namely: —

"(xa) the terms and conditions and the manner of selecting a preferred bidder under sub-section (1) of section 11D; 10

(xb) the manner of granting a mining lease or composite licence to a preferred bidder under sub-section (2) of section 11D;".

Amendment of section 17A. **15.** In section 17A of the principal Act, in sub-sections (1), (1A) and (2), after the words "prospecting licence", the words "or exploration licence" shall be inserted. 15

Amendment of section 18A. **16.** In section 18A of the principal Act, in sub-section (1), after the words "prospecting licence", at both places where they occur, the words "or exploration licence" shall be inserted.

Amendment of section 19. **17.** In section 19 of the principal Act, for the marginal heading, the following marginal heading shall be substituted, namely:—
"Mineral concession to be void if in contravention of Act." 20

Amendment of section 21. **18.** In section 21 of the principal Act, in the *Explanation*, after the words "composite licence", the words ", exploration licence" shall be inserted.

Amendment of section 24A. **19.** In section 24A of the principal Act, for the marginal heading, the following marginal heading shall be substituted, namely:—
"Rights and liabilities of a holder of mineral concession." 25

Amendment of First Schedule. **20.** In the principal Act, in the First Schedule,—
(i) after the figures and letter "11C", the figures and letters "11D" shall be inserted;
(ii) for Part B, the following Part shall be substituted, namely:—

"PART B

Atomic minerals 30

1. Minerals of the "rare earths" group containing Uranium and Thorium.
2. Phosphorites and other phosphatic ores containing Uranium.
3. Pitchblende and other Uranium ores.
4. Uraniferous allanite, monazite and other thorium minerals.
5. Uranium bearing tailings left over from ores after extraction of copper and gold, ilmenite and other titanium ores. 35
6. Beach sand minerals, that is, economic heavy minerals found in the teri or beach sands, which include ilmenite, rutile, leucosene, garnet, monazite, zircon and sillimanite.";

(iii) after Part C, the following Part shall be inserted, namely:—

"PART D

Critical and Strategic Minerals

1. Beryl and other beryllium bearing minerals.
- 5 2. Cadmium bearing minerals.
3. Cobalt bearing minerals.
4. Gallium bearing minerals.
5. Glauconite.
6. Graphite.
- 10 7. Indium bearing minerals.
8. Lithium bearing minerals.
9. Molybdenum bearing minerals.
10. Nickel bearing minerals.
11. Niobium bearing minerals.
- 15 12. Phosphate (without uranium).
13. Platinum group of elements bearing minerals.
14. Potash.
15. Minerals of the "rare earths" group not containing Uranium and Thorium.
16. Rhenium bearing minerals.
- 20 17. Selenium bearing minerals.
18. Tantalum bearing minerals.
19. Tellurium bearing minerals.
20. Tin bearing minerals.
21. Titanium bearing minerals and ores (ilmenite, rutile and leucoxene).
- 25 22. Tungsten bearing minerals.
23. Vanadium bearing minerals.
24. Zirconium bearing minerals and ores including zircon."

21. In the principal Act, after Sixth Schedule, the following shall be inserted, namely:—

Insertion of
new Seventh
Schedule.

"THE SEVENTH SCHEDULE

30 [See sections 3 (aaa), 10BA(2) and 10BA(3)]

Minerals

1. Apatite.
2. Beryl and other beryllium bearing minerals.
3. Cadmium bearing minerals.
- 35 4. Cobalt bearing minerals.
5. Copper bearing minerals.

6. Diamond.
7. Gold.
8. Graphite.
9. Indium bearing minerals.
10. Lead bearing minerals. 5
11. Lithium bearing minerals.
12. Molybdenum bearing minerals.
13. Niobium bearing minerals.
14. Nickel bearing minerals.
15. Potash. 10
16. Platinum group of elements bearing minerals.
17. Minerals of 'rare earths' group.
18. Rhenium bearing minerals.
19. Rock Phosphate.
20. Selenium. 15
21. Silver.
22. Tantalum bearing minerals.
23. Tellurium bearing minerals.
24. Tin bearing minerals.
25. Titanium bearing minerals and ores (ilmenite, rutile and leucosene). 20
26. Tungsten bearing minerals.
27. Vanadium bearing minerals.
28. Zinc bearing minerals.
29. Zirconium bearing minerals and ores including zircon."

STATEMENT OF OBJECTS AND REASONS

The Mines and Minerals (Development and Regulation) Act, 1957 was enacted to provide for the development and regulation of mines and minerals under the control of the Union.

2. The Act was comprehensively amended in 2015 to bring several reforms in the mineral sector, notably, mandating method of auction for grant of mineral concessions to bring transparency in allocation of mineral resources, for establishing District Mineral Foundation for the welfare of the people and areas affected by mining and for establishing National Mineral Exploration Trust to give thrust to exploration and for ensuring stringent penalty for illegal mining. The Act was further amended in 2016 and 2020 to address specific emergent issues and was last amended in 2021 to bring further reforms in the sector, such as, removing the distinction between captive and merchant mines, transfer of statutory clearances to ensure continuity in mining operations even with change of lessee, removing the restrictions on transfer of mineral concessions, lapsing of rights of non-auctioned concession holders which have not resulted in mining leases to ensure that concessions to private sector are only granted through auction, etc.

3. However, the mineral sector requires certain more reforms particularly for increasing exploration and mining of critical minerals that are essential for economic development and national security in the country. The lack of availability of the critical minerals or concentration of their extraction or processing in a few geographical locations may lead to supply chain vulnerabilities and even disruption of supplies. The future global economy will be underpinned by technologies that depend on minerals such as lithium, graphite, cobalt, titanium, and rare earth elements. Critical minerals have gained significance in view of India's commitment towards energy transition and achieving net-zero emission by 2070.

4. Therefore, it is proposed to further amend the said Act by enacting the Mines and Minerals (Development and Regulation) Amendment Bill, 2023. One of the major reforms proposed in the Bill is to introduce exploration licence for deep-seated and critical minerals. The exploration licence granted through auction shall permit the licensee to undertake reconnaissance and prospecting operations for critical and deep-seated minerals mentioned in the newly proposed the Seventh Schedule to the Act. The blocks explored by the exploration licence holder would be auctioned for mining lease within the prescribed timeline, which will fetch better revenue to the State Governments. The exploration agency shall be entitled to a share in the auction premium payable by the mining lease holder. Deep-seated minerals, such as gold, silver, copper, zinc, lead, nickel, cobalt, platinum group of minerals, diamonds, etc. are difficult and expensive to explore and mine as compared to surfacial or bulk minerals and thus share of deep-seated minerals in total mineral production is meager at present. The country is mostly dependent on imports of these minerals. The proposed exploration licence would facilitate, encourage and incentivize private sector participation in all spheres of mineral exploration for critical and deep-seated minerals.

5. Further, from the list of 12 atomic minerals specified in Part-B of the First Schedule to the Act, it is proposed to omit 6 minerals, namely, (i) Beryl and other beryllium-bearing minerals (ii) Lithium-bearing minerals, (iii) Niobium-bearing minerals, (iv) Titanium bearing minerals and ores, (v) Tantalum-bearing minerals and (vi) Zirconium-bearing minerals and ores. These minerals have various applications in space industry, electronics, communications, energy sector, electric batteries and are critical in net-zero emission commitment of India. Due to their inclusion in the list of atomic minerals, their mining and exploration is reserved for government entities. Upon removal of these minerals from the said list, exploration and mining of these minerals will be opened up for the private sector as well. As a result, exploration and mining of these minerals is expected to increase significantly in the country.

6. It is also proposed to empower Central Government to exclusively auction mining lease and composite licence for certain critical minerals listed in new Part-D of the First Schedule to the said Act. As these critical minerals are indispensable for the growth of our economy, authorising the Central Government to auction concession for these critical minerals would increase the pace of auction and early production of the minerals. Even in case of conduct of auction by the Central Government, the mineral concession shall be granted to the selected bidders by the State Government only and the auction premium and other statutory payments shall accrue to the State Government.

7. The Bill seeks to achieve the above objectives.

PRALHAD JOSHI.

NEW DELHI;

The 19th July, 2023.

FINANCIAL MEMORANDUM

The Bill seeks to amend the Mines and Mineral (Development and Regulation) Act, 1957 to increase exploration and mining of critical and deep-seated minerals in the country and to put the nation's mineral resources to the best use for national economic growth. The Bill, if enacted, is not likely to involve any recurring or non-recurring expenditure.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 9 of the Bill seeks to insert a new section 10BA in the Mines and Minerals (Development and Regulation) Act, 1957. Sub-section (3) of the said section empowers the Central Government to amend, by notification in the Official Gazette and for reasons to be recorded in writing, the Seventh Schedule which specifies the minerals for which an exploration licence may be granted.

2. Clause 14 of the Bill seeks to amend sub-section (2) of section 13 of the said Act to empower the Central Government to make rules to provide for - (i) the manner of notifying the areas for grant of exploration licence; (ii) the manner of granting exploration licence to the preferred bidder; (iii) the manner of conducting auction for grant of exploration licence, the terms and conditions thereof, the bidding parameters for selection, the share payable to the holder and the period for payment and other conditions; (iv) the manner of submitting geological report; (v) the amount to be paid and the manner of payment; (vi) the terms and conditions and the manner of selecting a preferred bidder; and (vii) the manner of granting a mining lease or composite licence to a preferred bidder.

3. The matters in respect of which rules may be made and notification issued are matters of procedure and administrative detail and it is not practicable to provide for them in the proposed legislation itself. The delegation of legislative power is, therefore, of a normal character.

ANNEXURE

EXTRACTS FROM THE MINES AND MINERALS (DEVELOPMENT AND REGULATION)
ACT, 1957

(67 OF 1957)

3. In this Act, unless the context otherwise requires,—

Definitions.

* * * * *

(*ae*) "minerals concession" means either a reconnaissance permit, prospecting licence, mining lease, composite licence or a combination of any of these and the expression "concession" shall be construed accordingly;

* * * * *

(*ha*) "reconnaissance operations" means any operations undertaken for preliminary prospecting of a mineral through regional, aerial, geophysical or geochemical surveys and geological mapping, but does not include pitting, trenching, drilling (except drilling of boreholes on a grid specified from time to time by the Central Government) or sub-surface excavation;

* * * * *

CHAPTER II

GENERAL RESTRICTIONS ON UNDERTAKING PROSPECTING AND MINING OPERATIONS

4. (*I*) No person shall undertake any reconnaissance, prospecting or mining operations in any area, except under and in accordance with the terms and conditions of a reconnaissance permit or of a prospecting licence or, as the case may be, of a mining lease, granted under this Act and the rules made thereunder:

Prospecting or mining operations to be under licence or lease.

Provided that nothing in this sub-section shall affect any prospecting or mining operations undertaken in any area in accordance with terms and conditions of a prospecting licence or mining lease granted before the commencement of this Act which is in force at such commencement:

Provided further that nothing in this sub-section shall apply to any prospecting operations undertaken by the Geological Survey of India, the Indian Bureau of Mines, the Atomic Minerals Directorate for Exploration and Research of the Department of Atomic Energy of the Central Government, the Directorates of Mining and Geology of any State Government (by whatever name called), and the Mineral Exploration Corporation Limited, a Government company within the meaning of clause (*45*) of section 2 of the Companies Act, 2013, and any other entities including private entities that may be notified for this purpose, subject to such conditions as may be specified by the Central Government:

18 of 2013.

Provided also that nothing in this sub-section shall apply to any mining lease (whether called mining lease mining concession or by any other name) in force immediately before the commencement of this Act in the Union territory of Goa, Daman and Diu.

* * * * *

4A. (*I*) Where the Central Government, after consultation with the State Government, is of opinion that it is expedient in the interest of regulation of mines and mineral development, preservation of natural environment, control of floods, prevention of pollution, or to avoid danger to public health or communications or to ensure safety of buildings, monuments or other structures or for conservation of mineral resources or for maintaining safety in the

Termination of prospecting licences or mining leases.

mines or for such other purposes, as the Central Government may deem fit, it may request the State Government to make a premature termination of a prospecting licence or mining lease in respect of any mineral other than a minor mineral in any area or part thereof, and, on receipt of such request, the State Government shall make an order making a premature termination of such prospecting licence or mining lease with respect to the area or any part thereof.

* * * * *

(3) No order making a premature termination of a prospecting licence or mining lease shall be, made except after giving the holder of the licence or lease a reasonable opportunity of being heard.

* * * * *

Restrictions on the grant of prospecting licences or mining leases.

5. (1) * * * * *

Maximum area for which a prospecting licence or mining lease may be granted.

6. (1) No person shall acquire in respect of any mineral or prescribed group of associated minerals in a State—

* * * * *

(c) any reconnaissance permit, mining lease or prospecting licence in respect of any area which is not compact or contiguous:

* * * * *

CHAPTER III

PROCEDURE FOR OBTAINING PROSPECTING LICENCES OR MINING LEASES, IN RESPECT OF LAND IN WHICH THE MINERALS VEST IN THE GOVERNMENT

Application for prospecting licences or mining leases.

10. (1) * * * * *

(4) Notwithstanding anything contained in this section, no person shall be eligible to make an application under this section unless—

(a) he has been selected in accordance with the procedure specified under sections 10B, 11, 11A or the rules made under section 11B;

* * * * *

Registers of prospecting licences and mining leases.

12. (1) The State Government shall cause to be maintained in the prescribed form—

* * * * *

(e) a register of applications for reconnaissance permits; and

* * * * *

Transfer of mineral concessions.

12A. (1) * * * * *

(2) A holder of a mining lease or a composite licence granted in accordance with the procedure laid down in this Act may, with the previous approval of the State Government, transfer his mining lease or composite licence, as the case may be, in such manner as may be prescribed by the Central Government, to any person eligible to hold such mining lease or composite licence in accordance with the provisions of this Act and the rules made thereunder:

Provided that the transferee of mining lease shall not be required to pay the amount or transfer charges referred to in sub-section (6), as it stood prior to the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2021, after such commencement but no refund shall be made of the charges already paid.

(3) If the State Government does not convey its previous approval for transfer of such mining lease or composite licence, as the case may be, within a period of ninety days from the date of receiving such notice, it shall be construed that the State Government has no objection to such transfer:

Provided that the holder of the original mining lease or composite licence shall intimate to the State Government the consideration payable by the successor-in-interest for the transfer, including the consideration in respect of the prospecting operations already undertaken and the reports and data generated during the operations.

(4) No such transfer of a mining lease or composite licence, referred to in sub-section (2), shall take place if the State Government, within the notice period and for reasons to be communicated in writing, disapproves the transfer on the ground that the transferee is not eligible as per the provisions of this Act:

Provided that no such transfer of a mining lease or of a composite licence, shall be made in contravention of any condition subject to which the mining lease or the composite licence was granted.

(5) All transfers effected under this section shall be subject to the condition that the transferee has accepted all the conditions and liabilities under any law for the time being in force which the transferor was subject to in respect of such a mining lease or composite licence, as the case may be.

* * * * *

CHAPTER IV

RULES FOR REGULATING THE GRANT OF PROSPECTING LICENCES AND MINING LEASES

13. (1) * * * * *

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

* * * * *

(ac) the level of exploration in respect of deep-seated minerals or such minerals and the procedure, including the bidding parameters for selection of the holders under the proviso to sub-section (2) of section 10C;

* * * * *

(qqg) the time limits for various stages in processing applications for grant of mining lease or composite licence under sections 10B, 11, 11A, 11B, and section 17A, and their renewals;

* * * * *

Power of Central Government to make rules in respect of minerals.

CHAPTER V

SPECIAL POWERS OF CENTRAL GOVERNMENT TO UNDERTAKE PROSPECTING OR MINING OPERATIONS IN CERTAIN CASES

* * * * *

17A. (1) The Central Government, with a view to conserving any mineral and after consultation with the State Government, may reserve any area not already held under any prospecting licence or mining lease and, where it proposes to do so, it shall, by notification in the Official Gazette, specify the boundaries of such area and the mineral or minerals in respect of which such area will be reserved.

Reservation of areas for purposes of conservation.

(1A) The Central Government may in consultation with the State Government, reserve any area not already held under any prospecting licence or mining lease, for undertaking prospecting or mining operations through a Government company or corporation owned or controlled by it, and where it proposes to do so, it shall, by notification in the Official Gazette, specify the boundaries of such area and the mineral or minerals in respect of which such area will be reserved.

(2) The State Government may, with the approval of the Central Government, reserve any area not already held under any prospecting licence or mining lease, for undertaking prospecting or mining operations through a Government company or corporation owned or controlled by it and where it proposes to do so, it shall, by notification in the Official Gazette, specify the boundaries of such area and the mineral or minerals in respect of which such areas will be reserved.

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CHAPTER VI

DEVELOPMENT OF MINERALS

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Power to
authorise
Geological
Survey of
India, etc., to
make
investigation.

18A. (1) Where the Central Government is of opinion that for the conservation and development of minerals in India, it is necessary to collect as precise information as possible with regard to any mineral available in or under any land in relation to which any prospecting licence or mining lease has been granted, whether by the State Government or by any other person, the Central Government may authorise the Geological Survey of India, or such other authority or agency as it may specify in this behalf, to carry out such detailed investigations for the purpose of obtaining such information as may be necessary:

Provided that in the cases of prospecting licences or mining leases granted by a State Government, no such authorisation shall be made except after consultation with the State Government.

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CHAPTER VII

MISCELLANEOUS

Prospecting
licences and
mining leases
to be void if
in
contravention
of Act.

19. * * * * *

Penalties.

21. (1) * * * * *

Explanation.—On and from the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2021, the expression "raising, transporting or causing to raise or transport any mineral without any lawful authority" occurring in this section, shall mean raising, transporting or causing to raise or transport any mineral by a person without prospecting licence, mining lease or composite licence or in contravention of the rules made under section 23C.

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Rights and
liabilities of a
holder of
prospecting
licence or
mining lease.

24A. (1) * * * * *

THE FIRST SCHEDULE

[See sections 4(3), 5(1), 7(2) and 8(1), 8A(1), 10A, 10B(1), 10C(1), 11(1), 11B, 11C, 12A(1), and 17A(2A)]

SPECIFIED MINERALS

* * * * *

*PART B**Atomic minerals*

1. Beryl and other beryllium-bearing minerals.
2. Lithium-bearing minerals.
3. Minerals of the "rare earths" group containing Uranium and Thorium.
4. Niobium-bearing minerals.
5. Phosphorites and other phosphatic ores containing Uranium.
6. Pitchblende and other Uranium ores.
7. Titanium bearing minerals and ores (ilmenite, rutile and leucoxene).
8. Tantalum-bearing minerals.
9. Uraniferous allanite, monazite and other thorium minerals.
10. Uranium bearing tailings left over from ores after extraction of copper and gold, ilmenite and other titanium ores.
11. Zirconium-bearing minerals and ores including Zircon.
12. Beach sand minerals, that is, economic heavy minerals found in the teri or beach sands, which include ilmenite, rutile, leucoxene, garnet, monazite, zircon and sillimanite.

LOK SABHA

A

BILL

further to amend the Mines and Minerals (Development and Regulation) Act, 1957.

(Shri Pralhad Joshi, Minister of Coal and Mines)