



Government of West Bengal
Office of the District Magistrate & Collector
Purba Medinipur :: Tamluk
(R.M. Section)

2/10/16
E mail : rm.purb@gmail.com

Memo No. 07-

/V/1(c)/58/15

Dated 4.1 / 2016

To,
The District Land & Land Reforms Officer,
Purba Medinipur,
(Law Cell), Tamluk.

Sub. : MAT No. 2037 of 2014 arising out of WP No.16526(W) of 2013
In the matte of the State of W.B - Swapan Sarkar & Ors.

Sir,

In enclosing herewith a copy of letter alongwith enclosures dated Kolkata the 15th December,2015 from the Deputy Secretary to the Government of West Bengal, Commerce and Industries Department, Mines Branch, Kolkata -16, which speaks for itself, you are for taking necessary action.

With thanks.

Encl: As stated above.

Yours faithfully,

For District Magistrate & Collector
Purba Medinipur
5/1/16

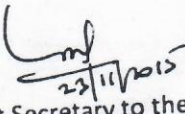
Comprehensive guideline for disposal of pending mining lease applications, fresh as well as renewal and also disposal of those applications where orders have been passed by the Hon'ble High Court, Calcutta.

It has come to the notice of this department that the District Authorities in several districts, engaged in litigations in Court of Law consequent to the quashing of WBMM (Amendment) Rules, 2011 vide order dated 04/07/2014 by the Single Bench of the Hon'ble High Court, Calcutta, in connection with W.P.No. 16526 (W) of 2013 in the matter of Swapan Sarkar & Ors. -Vs- The State of West Bengal are facing complications while disposing mining lease applications in the light of the WBMM Rules, 2002, as per direction of the Hon'ble High Court, Calcutta. An appeal vide MAT No. 2037 of 2014 has been filed in the Division Bench of Hon'ble High Court, Calcutta challenging the said order.

Framing of WBMMC Rules, 2015 of Govt. of West Bengal is in progress and the same will be published shortly after approval of Competent Authority.

In the intervening period, to cope up with this complicated situation, the following guidelines may be followed till disposal of MAT No. 2037 of 2014 :-

- (i) In case of mandatory orders from the Hon'ble High Court for grant of mining lease, the District Magistrates/DL&LROs may file Memo. of Appeal in the light of the instructions issued in D.O. No. 117/Secy/C&I dated 23/07/2015 by the Secretary, C & I Deptt. Analogous Appeal cases may be clubbed with MAT No. 2037 of 2014 which is still pending. The Ld. State Advocate Janab Talay Masood Siddique, Court No. 4, Mob. No. 9831260304, appearing for the state in the instant Appeal case, may be contacted in this matter. The same procedure may be adopted in case of renewal of mining lease where mandatory court order has been passed.
- (ii) Fresh mining lease applications may be disposed of under 4(A) of the WBMM Rules, 2002 (as amended on 09/01/2006). As per such rule, notice inviting applications for granting mining lease was prescribed as the only mode for accepting/ disposal of such applications. Accordingly, the D.L. & L.R.O.s are advised to consider all pending applications under rule 4(A) of the WBMM Rules, 2002 along with applications as to be submitted under notice as and when necessity arises.
- (iii) Applications for renewal of mining lease may be considered in terms of the prevailing WBMM Rules, 2002. However, wherever applicable, conditions like availability of Environment Clearance (EC) and Approved Mining Plan should be fulfilled by the applicant at the time of renewal of lease as per extant laws.
- (iv) D.L.&L.R.O.s may contact Ld. L.R., W.B. and obtain approval for appointment of State Advocate(s) for the purpose of filing appeal before the Division Bench. Appeal cases as preferred by the District Authorities may be clubbed together in case they are completely analogous in terms of typology of mineral or procedure.
- (v) A copy of the Mines and Minerals (Development & Regulation) Amendment Act, 2015 of Ministry of Mines, Government of India is enclosed herewith which may be consulted while disposing of the pending mining lease cases.


23/11/2015
Joint Secretary to the
Government of West Bengal
Commerce & Industries Department


भारत का राजपत्र
The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं 13]

No. 13]

नई दिल्ली, शुक्रवार, मार्च 27, 2015/ चैत्र 6, 1937 (शक)

NEW DELHI, FRIDAY, MARCH 27, 2015/ CHAITRA 6, 1937 (SAKA)

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 27th March, 2015/Chaitra 6, 1937 (Saka)

The following Act of Parliament received the assent of the President on the 26th March, 2015, and is hereby published for general information:—

**THE MINES AND MINERALS (DEVELOPMENT AND REGULATION)
AMENDMENT ACT, 2015**

No. 10 of 2015

[26th March, 2015.]

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

Enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Mines and Minerals (Development and Regulation) Amendment Act, 2015.

(2) It shall be deemed to have come into force on the 12th day of January, 2015.

Short title and commencement.

Amendment
of section 3.

2. In the Mines and Minerals (Development and Regulation) Act, 1957 (hereinafter referred to as the principal Act), in section 3,—

(i) after clause (c), the following clause shall be inserted, namely:—

“(ca) “notified minerals” means any mineral specified in the Fourth Schedule;”

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

“(ga) “prospecting licence-cum-mining lease” means a two stage concession granted for the purpose of undertaking prospecting operations followed by mining operations;”

(iii) in clause (hb), the word “and”, occurring at the end, shall be omitted;

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

“(hc) “Special Court” means a Court of Session designated as Special Court under sub-section (1) of section 30B; and”.

Amendment
of section 4.

3. In section 4 of the principal Act, in the second proviso to sub-section (1), for the words and figures “section 617 of the Companies Act, 1956”, the words, brackets and figures “clause (45) of section 2 of the Companies Act, 2013, and any such entity that may be notified for this purpose by the Central Government” shall be substituted.

Amendment
of section
4A.

4. In section 4A of the principal Act, in sub-section (4), for the provisos, the following provisos shall be substituted, namely:—

“Provided that the State Government may, on an application made by the holder of such lease before it lapses and on being satisfied that it will not be possible for the holder of the lease to undertake mining operations or to continue such operations for reasons beyond his control, make an order, within a period of three months from the date of receiving of such application, subject to such conditions as may be prescribed, to the effect that such lease shall not lapse:

Provided further that such lease shall lapse on failure to undertake mining operations or inability to continue the same before the end of a period of six months from the date of the order of the State Government:

Provided also that the State Government may, on an application made by the holder of a lease submitted within a period of six months from the date of its lapse and on being satisfied that such non-commencement or discontinuance was due to reasons beyond the control of the holder of the lease, revive the lease within a period of three months from the date of receiving the application from such prospective or retrospective date as it thinks fit but not earlier than the date of lapse of the lease:

Provided also that no lease shall be revived under the third proviso for more than twice during the entire period of the lease.”]

Amendment
of section 5.

5. In section 5 of the principal Act,—

(A) in sub-section (1),—

(i) in clause (a), for the words, brackets and figures “sub-section (1) of section 3 of the Companies Act, 1956”, the words, brackets and figures “clause (20) of section 2 of the Companies Act, 2013” shall be substituted;

(ii) for the proviso, the following proviso shall be substituted, namely:—

“Provided that in respect of any mineral specified in Part A and Part B of the First Schedule, no reconnaissance permit, prospecting licence or mining lease shall be granted except with the previous approval of the Central Government.”

1 of 1957

1 of 1956,
18 of 2013

1 of 1956,
18 of 2013

(B) in sub-section (2),—

(i) for clause (a), the following clause shall be substituted, namely:—

“(a) there is evidence to show the existence of mineral contents in the area for which the application for a mining lease has been made in accordance with such parameters as may be prescribed for this purpose by the Central Government;”;

(ii) after clause (b), the following proviso shall be inserted, namely:—

“Provided that a mining lease may be granted upon the filing of a mining plan in accordance with a system established by the State Government for preparation, certification, and monitoring of such plan, with the approval of the Central Government.”;

6. In section 6 of the principal Act, in sub-section (1), in clause (b), for the proviso, the following proviso shall be substituted, namely:—

Amendment of section 6.

“Provided that if the Central Government is of the opinion that in the interest of the development of any mineral or industry, it is necessary so to do, it may, for reasons to be recorded in writing, increase the aforesaid area limits in respect of prospecting licence or mining lease, in so far as it pertains to any particular mineral, or to any specified category of deposits of such mineral, or to any particular mineral located in any particular area.”;

7. For section 8 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 8.

“8. (1) The provisions of this section shall apply to minerals specified in Part A of the First Schedule.

(2) The maximum period for which a mining lease may be granted shall not exceed thirty years:

Periods for which mining leases may be granted or renewed.

Provided that the minimum period for which any such mining lease may be granted shall not be less than twenty years.

(3) A mining lease may be renewed for a period not exceeding twenty years with the previous approval of the Central Government.”;

8. After section 8 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 8A.

“8A. (1) The provisions of this section shall apply to minerals other than those specified in Part A and Part B of the First Schedule.

(2) On and from the date of the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, all mining leases shall be granted for the period of fifty years.

(3) All mining leases granted before the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 shall be deemed to have been granted for a period of fifty years.

(4) On the expiry of the lease period, the lease shall be put up for auction as per the procedure specified in this Act.

(5) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, where mineral is used for captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2030 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of

Period of grant of a mining lease for minerals other than coal, lignite and atomic minerals.

fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

(6) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, where mineral is used for other than captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2020 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

(7) Any holder of a lease granted, where mineral is used for captive purpose, shall have the right of first refusal at the time of auction held for such lease after the expiry of the lease period.

(8) Notwithstanding anything contained in this section, the period of mining leases, including existing mining leases, of Government companies or corporations shall be such as may be prescribed by the Central Government.

(9) The provisions of this section, notwithstanding anything contained therein, shall not apply to a mining lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, for which renewal has been rejected, or which has been determined, or lapsed.”

Insertion of
new sections
9B and 9C.

District
Mineral
Foundation.

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

“9B. (1) In any district affected by mining related operations, the State Government shall, by notification, establish a trust, as a non-profit body, to be called the District Mineral Foundation.

(2) The object of the District Mineral Foundation shall be to work for the interest and benefit of persons, and areas affected by mining related operations in such manner as may be prescribed by the State Government.

(3) The composition and functions of the District Mineral Foundation shall be such as may be prescribed by the State Government.

(4) The State Government while making rules under sub-sections (2) and (3) shall be guided by the provisions contained in article 244 read with Fifth and Sixth Schedules to the Constitution relating to administration of the Scheduled Areas and Tribal Areas and the Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 and the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006.

(5) The holder of a mining lease or a prospecting licence-cum-mining lease granted on or after the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, shall, in addition to the royalty, pay to the District Mineral Foundation of the district in which the mining operations are carried on, an amount which is equivalent to such percentage of the royalty paid in terms of the Second Schedule, not exceeding one-third of such royalty, as may be prescribed by the Central Government.

(6) The holder of a mining lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, shall, in addition to the royalty, pay to the District Mineral Foundation of the district in which the mining operations are carried on, an amount not exceeding the royalty paid in terms of the Second Schedule in such manner and subject to the categorisation of the mining leases and the amounts payable by the various categories of lease holders, as may be prescribed by the Central Government.

9C' (1) The Central Government shall, by notification, establish a Trust as a non-profit body, to be called the National Mineral Exploration Trust

(2) The object of the Trust shall be to use the funds accrued to the Trust for the purposes of regional and detailed exploration in such manner as may be prescribed by the Central Government.

(3) The composition and functions of the Trust shall be such as may be prescribed by the Central Government.

(4) The holder of a mining lease or a prospecting licence-cum-mining lease shall pay to the Trust, a sum equivalent to two per cent. of the royalty paid in terms of the Second Schedule, in such manner as may be prescribed by the Central Government".

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

*10A. (1) All applications received prior to the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, shall become ineligible.

(2) Without prejudice to sub-section (1), the following shall remain eligible on and from the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015:—

(a) applications received under section 11A of this Act;

(b) where before the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 a reconnaissance permit or prospecting licence has been granted in respect of any land for any mineral, the permit holder or the licensee shall have a right for obtaining a prospecting licence followed by a mining lease, or a mining lease, as the case may be, in respect of that mineral in that land, if the State Government is satisfied that the permit holder or the licensee, as the case may be,—

(i) has undertaken reconnaissance operations or prospecting operations, as the case may be, to establish the existence of mineral contents in such land in accordance with such parameters as may be prescribed by the Central Government;

(ii) has not committed any breach of the terms and conditions of the reconnaissance permit or the prospecting licence;

(iii) has not become ineligible under the provisions of this Act; and

(iv) has not failed to apply for grant of prospecting licence or mining lease, as the case may be, within a period of three months after the expiry of reconnaissance permit or prospecting licence, as the case may be, or within such further period not exceeding six months as may be extended by the State Government;

(c) where the Central Government has communicated previous approval as required under sub-section (1) of section 5 for grant of a mining lease, or if a letter of intent (by whatever name called) has been issued by the State Government to grant a mining lease, before the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, the mining lease shall be granted subject to fulfilment of the conditions of the previous approval or of the letter of intent within a period of two years from the date of commencement of the said Act;

Section
Mines
Exploration
Trust

Insertion of
new sections
10A, 10B,
and 10C

Rights of
existing
concession
holders and
applicants

Provided that in respect of any mineral specified in the First Schedule, no prospecting licence or mining lease shall be granted under clause (b) of this sub-section except with the previous approval of the Central Government.

Grant of mining lease in respect of notified minerals through auction

10B. (1) The provisions of this section shall not be applicable to cases covered by section 10A or section 17A or to minerals specified in Part A or Part B of the First Schedule or to land in respect of which the minerals do not vest in the Government.

(2) Where there is adequate evidence to show the existence of mineral contents of any notified mineral in respect of any area, a State Government may, after obtaining the previous approval of the Central Government, grant a prospecting licence-cum-mining lease for the said notified mineral in such area in accordance with the procedure laid down in section 11.

(3) In areas where the existence of mineral contents of any notified mineral is established in the manner prescribed by the Central Government, the State Government shall notify such areas for grant of mining leases for such notified mineral, the terms and conditions subject to which such mining leases shall be granted, and any other relevant conditions, in such manner as may be prescribed by the Central Government.

(4) For the purpose of granting a mining lease in respect of any notified mineral in such notified area, the State Government shall select, through auction by a method of competitive bidding, including e-auction, an applicant who fulfils the eligibility conditions as specified in this Act.

(5) The Central Government shall prescribe the terms and conditions, and procedure, subject to which the auction shall be conducted, including the bidding parameters for the selection, which may include a share in the production of the mineral, or any payment linked to the royalty payable, or any other relevant parameter or any combination or modification of them.

(6) Without prejudice to the generality of sub-section (5), the Central Government shall, if it is of the opinion that it is necessary and expedient to do so, prescribe terms and conditions, procedure and bidding parameters in respect of categories of minerals, size and area of mineral deposits and a State or States, subject to which the auction shall be conducted:

Provided that the terms and conditions may include the reservation of any particular mine or mines for a particular end-use and subject to such condition which allow only such eligible end users to participate in the auction.

(7) The State Government shall grant a mining lease to an applicant selected in accordance with the procedure laid down in this section in respect of such notified mineral in any notified area.

Grant of non-exclusive reconnaissance permits.

10C. (1) Non-exclusive reconnaissance permits may be granted in respect of any notified mineral or non-notified mineral or a group of specified minerals, other than minerals specified in Part A or Part B of the First Schedule, subject to such terms and conditions as may be prescribed by the Central Government.

(2) The holder of such non-exclusive reconnaissance permit shall not be entitled to make any claim for the grant of any prospecting licence-cum-mining lease or a mining lease."

11. For section 11 of the principal Act, the following section shall be substituted, namely

Sub-section (1) of section 11 of the principal Act shall be deleted. Grant of prospecting licence-cum-mining lease through auction in respect of minerals other than notified minerals.

"11. (1) The provisions of this section shall not be applicable to cases covered by section 10A or section 13A or to minerals specified in Part A or Part B of the First Schedule or to land in respect of which minerals do not vest in the Government.

(2) In areas where there is evidence to show the existence of mineral contents as required by clause (a) of sub-section (2) of section 5, the State Government shall grant a mining lease for minerals other than notified minerals following the procedure laid down in section 10B.

(3) In areas where there is inadequate evidence to show the existence of mineral contents as required under clause (a) of sub-section (2) of section 5, the State Government shall grant a prospecting licence-cum-mining lease for minerals other than notified minerals in accordance with the procedure laid down in this section.

(4) The State Government shall notify the areas in which prospecting licence-cum-mining leases shall be granted for any minerals other than notified minerals, the terms and conditions subject to which such prospecting licence-cum-mining leases shall be granted, and any other relevant conditions, in such manner as may be prescribed by the Central Government.

(5) For the purpose of granting prospecting licence-cum-mining leases, the State Government shall select, through auction by method of competitive bidding, including e-auction, an applicant who fulfils the eligibility conditions as specified in this Act.

(6) The Central Government shall prescribe the terms and conditions, and procedure, subject to which the auction shall be conducted, including the bidding parameters for the selection, which may include a share in the production of the mineral, or any payment linked to the royalty payable, or any other relevant parameter, or any combination or modification of them.

(7) Without prejudice to the generality of sub-section (6), the Central Government shall, if it is of the opinion that it is necessary and expedient to do so, prescribe terms and conditions, procedure and bidding parameters in respect of categories of minerals, size and area of mineral deposits and a State or States, subject to which the auction shall be conducted.

(8) The State Government shall grant a prospecting licence-cum-mining lease to an applicant selected in accordance with the procedure laid down in this section.

(9) The holder of a prospecting licence-cum-mining lease shall be required to complete, within the period laid down in section 7, the prospecting operations satisfactorily as specified in the notice inviting applications.

(10) A holder of a prospecting licence-cum-mining lease, who completes the prospecting operation as laid down in sub-section (9) and establishes the existence of mineral contents in the area in conformity with such parameters as may be prescribed for this purpose by the Central Government, shall be required to apply for a mining lease for such area and shall have the right to get the mining lease and thereafter undertake mining operations in accordance with the provisions of this Act."

12. After section 11A of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 11B and 11C

"11B. The Central Government may, by notification in the Official Gazette, make rules for regulating the grant of mining leases or other mineral concessions in respect of minerals specified in Part B of the First Schedule and for purposes connected therewith, and the State Government shall grant a reconnaissance permit, prospecting licence or mining lease in respect of any such mineral in accordance with such rules.

Power of Central Government to make rules for regulating atomic minerals specified under Part B of First Schedule.

11C The Central Government may, by notification in the Official Gazette, amend the First Schedule and the Fourth Schedule so as to add or delete any mineral as may be specified in the notification.”

Power of
Central
Government
to amend
First Schedule
and Fourth
Schedule

Insertion of
new section
12A

Transfer of
mineral
concessions

13. After section 12 of the principal Act, the following section shall be inserted, namely:—

“12A. (1) The provisions of this section shall not apply to minerals specified in Part A or Part B of the First Schedule.

(2) A holder of a mining lease or a prospecting licence-cum-mining lease granted in accordance with the procedure laid down in section 10B or section 11 may, with the previous approval of the State Government, transfer his mining lease or prospecting licence-cum-mining lease, 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 prospecting licence-cum-mining lease in accordance with the provisions of this Act and the rules made thereunder.

(3) If the State Government does not convey its previous approval for transfer of such mining lease or prospecting licence-cum-mining lease, 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 prospecting licence-cum-mining lease 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 prospecting licence-cum-mining lease, 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 prospecting licence-cum-mining lease, shall be made in contravention of any condition subject to which the mining lease or the prospecting licence-cum-mining lease 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 prospecting licence-cum-mining lease, as the case may be.

(6) The transfer of mineral concessions shall be allowed only for concessions which are granted through auction.”

Amendment of
section 13.

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

(i) after clause (j), the following clause shall be inserted, namely:—

“(jj) parameters of existence of mineral contents under clause (a) of sub-section (2) of section 5:”

(ii) in clause (qq), the word “and” occurring at the end shall be omitted;

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

“(qqa) the amount of payment to be made to the District Mineral Foundation under sub-sections (5) and (6) of section 9B;

(*qqb*) the manner of usage of funds accrued to the National Mineral Exploration Trust under sub-section (2) of section 9C;

(*qqc*) the composition and functions of the National Mineral Exploration Trust under sub-section (3) of section 9C;

(*qqd*) the manner of payment of amount to the National Mineral Exploration Trust under sub-section (4) of section 9C;

(*qqe*) the terms and conditions subject to which mining leases shall be granted under sub-section (3) of section 10B;

(*qqf*) the terms and conditions, and procedure, subject to which the auction shall be conducted including the bidding parameters for the selection under sub-section (5) of section 10B;

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

(*qqh*) the terms and conditions for grant of non-exclusive reconnaissance permits under sub-section (1) of section 10C;

(*qqi*) the terms and conditions for grant of prospecting licence-cum-mining leases under sub-section (4) of section 11;

(*qqj*) the terms and conditions, and procedure, including the bidding parameters for the selection under sub-section (6) of section 11;

(*qqk*) the amount to be payable by a Government company or corporation, or a joint venture for grant of mining lease under sub-section (2C) of section 17A; and”.

15. In section 15 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

Amendment of section 15

“(4) Without prejudice to sub-sections (1), (2) and sub-section (3), the State Government may, by notification, make rules for regulating the provisions of this Act for the following, namely:—

(a) the manner in which the District Mineral Foundation shall work for the interest and benefit of persons and areas affected by mining under sub-section (2) of section 9B;

(b) the composition and functions of the District Mineral Foundation under sub-section (3) of section 9B; and

(c) the amount of payment to be made to the District Mineral Foundation by concession holders of minor minerals under section 15A.”.

16. After section 15 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 15A

“15A. The State Government may prescribe the payment by all holders of concessions related to minor minerals of amounts to the District Mineral Foundation of the district in which the mining operations are carried on.”.

Power of State Government to collect funds for District Mineral Foundation in case of minor minerals

17. In section 17A of the principal Act, after sub-section (2), the following sub-sections shall be inserted, namely:—

“(2A) Where in exercise of the powers conferred by sub-section (1A) or sub-section (2), the Central Government or the State Government, as the case may be, reserves any area for undertaking prospecting or mining operations, the State Government shall grant prospecting licence or mining lease, as the case may be, in respect of such area to such Government company or corporation:

Provided that in respect of any mineral specified in Part A and Part B of the First Schedule, the State Government shall grant the prospecting licence or mining lease, as the case may be, only after obtaining the previous approval of the Central Government.

(2B) Where the Government company or corporation is desirous of carrying out the prospecting operations or mining operations in a joint venture with other persons, the joint venture partner shall be selected through a competitive process, and such Government company or corporation shall hold more than seventy-four per cent. of the paid up share capital in such joint venture.

(2C) A mining lease granted to a Government company or corporation, or a joint venture, referred to in sub-sections (2A) and (2B), shall be granted on payment of such amount as may be prescribed by the Central Government.”

18. After section 20 of the principal Act, the following section shall be inserted, namely:—

“20A. (1) Notwithstanding anything contained in this Act, the Central Government may issue such directions to the State Governments, as may be required for the conservation of mineral resources, or on any policy matter in the national interest, and for the scientific and sustainable development and exploitation of mineral resources.

(2) In particular, and without prejudice to the generality of the foregoing powers, the Central Government may also issue directions in respect of the following matters, namely:—

(i) improvement in procedure for grant of mineral concessions and to ensure co-ordination among agencies entrusted with according statutory clearances;

(ii) maintenance of internet-based databases including development and operation of a mining tenement system;

(iii) implementation and evaluation of sustainable development frameworks;

(iv) reduction in waste generation and related waste management practices and promotion of recycling of materials;

(v) minimising and mitigating adverse environmental impacts particularly in respect of ground water, air, ambient noise and land;

(vi) ensuring minimal ecological disturbance, in terms of bio-diversity, flora, fauna and habitat;

(vii) promoting restoration and reclamation activities so as to make optimal use of mined out land for the benefit of the local communities; and

(viii) such other matters as may be necessary for the purposes of implementation of this Act.”

19. In section 21 of the principal Act, for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:—

“(1) Whoever contravenes the provisions of sub-section (1) or sub-section (1A) of section 4 shall be punishable with imprisonment for a term which may extend

Whoever
contravenes
17A

Insertion of
new section
20A

Power of
Central
Government
to issue
directions

Amendment
of section 21