

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

STARRED QUESTION NO:118
ANSWERED ON:09.12.2003
MINERAL EXPLORATION
CHANDRA BHUSHAN SINGH;SRIPRAKASH JAISWAL

Will the Minister of MINES be pleased to state:

- (a) whether MNCs have been allowed to enter in the mineral exploration in the country;
- (b) if so, the facts thereof;
- (c) the States where these companies have been allowed to participate in mineral exploration;
- (d) whether some States have allowed these companies despite the opposition of environmentalists and warning of World Mining Congress;
- (e) if so, the details thereof and the reasons therefor;
- (f) the steps taken by the Government to ensure the safeguards of mineral wealth in the country; and
- (g) the number of proposals cleared so far, for mineral exploration of these companies, State-wise?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF MINES(SHRI RAMESH BAIS)

(a) to (g): A statement is laid on the table of the House.
Statement referred to in Lok Sabha Starred Question No. 118 to be answered on 9.12.2003 regarding Mineral Exploration asked by S/Shri Chandra Bhushan Singh & Shriprakash Jaiswal.

(a) to (c): Under Section 5(1) of the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act), only an Indian national or a company registered in India can be granted a reconnaissance permit (RP) or prospecting licence (PL) or mining lease (ML) for exploration or mining of minerals. As such, under the existing scheme of the mining legislation, a multi-national company (MNC) is not allowed to undertake reconnaissance /prospecting operations for exploration of minerals, unless they are registered in India as an Indian company.

On the recommendations of the State Governments, approvals have been given by the Central Government for grant of 65 Prospecting Licences for large areas (during October, 1996 till Dec, 1999) and 157 Reconnaissance Permits (since 2000 till November, 2003), in respect of minerals included in the First Schedule of MMDR Act including those in favour of Indian subsidiaries of MNCs. The States where these permissions have been granted pertain to Andhra Pradesh, Karnataka, Rajasthan, Chhattisgarh, Orissa, Madhya Pradesh, Uttar Pradesh, Bihar, Gujarat, Haryana, Jharkhand, West Bengal and Maharashtra.

(d) No information about opposition to mining exploration by environmentalists and/or World Mining Congress has been brought to the notice of this Ministry. In fact, the Declaration of World Mining Congress, December 2003 identified that increasing investment in exploration was a key area for which efforts should be made.

(e) Does not arise.

(f) To safeguard the mineral wealth, Government of India has enacted Mines and Minerals (Development and Regulation) Act, 1957 and framed Mineral Concession Rules, 1960 (MCR, 1960) and Mineral Conservation and Development Rules, 1988 (MCDR, 1988) While MCR, 1960 deals with regulation of Reconnaissance Permits, Prospecting Licences and Mining Leases, MCDR takes care of conservation of minerals, scientific mining and protection of environment in respect of prospecting and mining operations.

(g) The details of the proposals cleared by Central Government so far for mineral exploration (i.e. PLs for large area and RPs) State-wise are given in Annexure.

ANNEXURE

Annexure referred to in reply to Lok Sabha Starred Question No. 118 for 9.12.2003 asked by ShriChandra Bhushan Singh and Shri Shriprakash Jaiswal regarding Mineral Exploration

S.No. Name of State No. of PL for large area approved No. of R.Ps approved

1.	Andhra Pradesh	-	37
2.	Bihar	1	-
3.	Gujarat	2	-
4.	Haryana	3	1
5.	Karnataka	-	37
6.	Chhattisgarh	1	23
7.	Maharashtra	1	-
8.	Rajasthan	54	30
9.	Uttar Pradesh	3	2
10.	Jharkhand	-	1
11.	Orissa	-	13
12.	Madhya Pradesh	-	12
13.	West Bengal	-	1
	Total	65	157