

[Mr. Deputy-Speaker]

moved by Prof. Nurul Hasan to the vote of the House.

The question is :

Page 6, line 24—

for "archive," substitute—
"archive ; or" (11)

Page 6,—

after line 24, insert—

(iv) in an educational or cultural institution," (12)

The motion was adopted.

MR. DEPUTY-SPEAKER : The question is :

"That Clause 18, as amended, stand part of the Bill"

The motion was adopted.

Clause 18, as amended, was added to the Bill.

Clause 19—(Power of Central Government to compulsorily acquire antiquities and art treasures)

SHRI M. C. DAGA : I beg to move :

Page 6, lines 33 to 35,—

for "and it shall be lawful for the Collector to take possession of such antiquity or art treasure, for which purpose the Collector may use such force as may be necessary."

substitute

"and if the owner of the antiquity or art treasure objects to the decision of the Government, he may within a period of thirty days from the date of the intimation, make a representation to the Central Government putting forth his objections." (9)

Page 6,—

omit lines 36 to 40. (10)

MR. DEPUTY-SPEAKER : I shall now

put Amendments 9 and 10, moved by Shri M. C. Daga to Clause 19 to the vote of the House.

Amendments Nos. 9 and 10 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

"That clause 19 stand part of the Bill."

The motion was adopted.

Clause 19 was added to the Bill.

MR. DEPUTY-SPEAKER : There are no further amendments. I shall put the rest of the Clauses and the rest of the Bill to the vote of the House.

The question is :

"That Clauses 20 to 33, Clause 1, the Enacting Formula and the Title stand part of the Bill."

The motion was adopted.

Clauses 20 to 33, Clause 1, the Enacting Formula and the Title were added to the Bill.

PROF. S. NURUL HASAN : I beg to move :

"That the Bill, as amended, be passed."

MR. DEPUTY-SPEAKER : The question is :

"That the Bill, as amended, be passed."

The motion was adopted

14.42 hrs.

**MINES AND MINERALS (REGULATION AND DEVELOPMENT)
AMENDMENT BILL**

**THE MINISTER OF STATE IN THE
MINISTRY OF STEEL AND MINES (SHRI**

SHAHNAWAZ KHAN: I beg to move* :

"That the Bill further to amend the Mines and Minerals (Regulation and Development) Act, 1957, be taken into consideration."

This is a very simple but very important Bill that this is being brought forward before the House. The Mines and Minerals (Regulation and Development) Act 1957 was enacted with a view to promoting and developing the mines in this country. This Act has been in operation since 1957, during which period the country has made tremendous progress and advances in mines. For instance, the coal production has increased from 39 million tonnes in 1955 to 75 million tonnes by the end of 1971. Iron ore production has increased from 4.7 million tonnes to 33 million tonnes and so have all the other minerals like bauxite, copper, zinc. The industries which depend on the use of minerals as feedstock have also made gigantic strides. Progress in respect of iron and steel, fertiliser, cement, chemical and other industries, not to speak of power generation, could not have been possible without a parallel growth in the mining industry. In all this growth, a dominant role has been played by the public sector, and it has been established beyond doubt that rapid industrial development can take place only when an integrated approach is built up through the public sector. A stage has now been reached when, unless proper integration is brought about between the discovery, development and production of minerals on the one hand and the industries based on these minerals on the other, difficulties will be faced in maintaining rapid and even growth in all sectors. Time has, therefore, come when a suitable legislative framework should be provided to permit rapid development of mineral industries at minimum cost to the nation and to the tax payer.

The Industrial Policy Resolution of 1956 imposed a responsibility on the Central Government for regulation and development of minerals. By and large, over these 15 years it has been found possible to maintain a degree of co-operation and co-ordination between the Centre on the one hand and the States on the other, which is essential for the proper development of mines and minerals. It has been

our experience that the State Governments have played a significant role in promoting the growth of the mining sector through their administration of the laws and regulations relating to mines and mining.

The development targets for electricity, steel, fertilisers, aluminium, copper, zinc, cement and other products based on minerals during the fifth and sixth plans will call for a scale of development of mineral resources of the country of much larger dimensions than has been experienced in the past. It will be necessary to break through many established conceptions and to initiate many bold steps if the country is to go forward to the attainment of these targets—targets which are essential for our survival as an economically self-reliant nation. Time has, therefore, come to see whether the legal framework is adequate for the attainment of these objectives.

Over the years the Central Government has developed an institutional framework for periodical consultation both with the mining interests as well as with the State Governments with regard to the administration of the laws affecting mines and mining as well as the progress in implementation of development targets. The Mineral Advisory Board, consisting of representatives of all State Governments and Union Territory Administrations as well as representatives of associations of mine-owners and Chamber of Commerce, has met on an average once a year during the 18 years for this purpose. It has been possible through these meetings for the representatives of the Government and those of the mining industry to sit around the same table for detailed discussion on the problems facing the mining industry, with particular reference to the legislative framework provided by the Mines and Minerals (Regulation and Development) Act. Much valuable information has thereby been collected and made use of, whenever possible, either in policy framing or in legislation. Similarly, with the purpose of a closer integrated approach in the framing of legislative policies and in the administration of the relevant laws, an annual conference of State Ministers in charge of geology and mining has been held during the last few years. This conference also provided a forum for exchange of experiences and mutual consultations.

Largely, as a result of the discussions

*Moved with the recommendation of the President.

[Shri Shahnawaz Khan]

held in the Mineral Advisory Board, it appeared necessary to bring about certain modifications in the Mines and Minerals (Regulation and Development) Act so as to remove certain lacunae as well as to introduce certain new provisions in keeping with the emerging pattern of development. Notably, the land reform measures carried out in various States reveal the need for modifying the Mines and Minerals (Regulation and Development) Act in such a manner as to remove the last vestiges of the old system of landlordism in the field of minerals. The experience of the administration of the Land Reforms Act, particularly in such States as Bihar and West Bengal, underlined the need for streamlining certain provisions which have been incorporated in clause 9 of the Bill under consideration.

In addition to the above, the amendments now proposed incorporate new thinking with regard to the imposition of a ceiling on individual holdings of mining leases. Members will agree that it will be in consonance with the spirit of the times if some limit was imposed on the extent of mineral concessions an individual can hold so that, without in any way discouraging small scale mining activities, provision is also made against concentration of wealth in the field of minerals. The amendments also cover mineral concessions in respect of minerals underlying the ocean within the territorial waters or the continental shelf of India. The measure has become necessary in view of the new vistas that have opened up by the emergence of new methods of mineral exploration and exploitation under the sea.

In drawing up of development plans for industry it is essential also to have as precise a knowledge as possible of the extent of reserves of the minerals which will provide the raw materials for these industries. At present the assessment of such reserves is possible only in respect of lands over which no prospecting licence or mining lease has been granted to any person. However it is common knowledge that large areas are held under prospecting lease about which precise information about the extent of reserves is not available. It is now proposed by one of the amendments *vide* Clause 11 of the Bill, by which the Central Government may authorise the GSI or any other agency to go and explore for minerals within such areas.

Certain other amendments are being proposed on the suggestion of various State Governments such as enhancement of penalties for infringement of the Mineral Concession Rules, creation of a first charge on the assets of the holder of mining lease on account of mining dues and applicability of Minor Mineral Rules to quarry leases.

Finally, it has been the view of many State Governments, which the Central Govt. fully shares, that the existence of mining leases should not be allowed to stand in the way of development of an industry of national importance. There are instances where the existence of such private interests proved to be a stumbling block in the way of smooth functioning of the industries in the public sector. Clause 2 of the Bill accordingly provides that if the public interest so demands the Central Government, in consultation with the State Governments, may request the State Governments to make a premature termination of such a mining lease and to grant that area to a public sector corporation.

Sir, I move.

MR. DEPUTY-SPEAKER : There are notices of two amendments. One is by Shri Modi and the other by Shri Daga. Mr. Daga is not present. Do you want to move Mr Modi ?

SHRI SHRIKISHAN MODI (Sikar) : I do not want to move.

MR. DEPUTY-SPEAKER : So, these are not moved.

Motion moved :

"That the Bill further to amend the Mines and Minerals (Regulation and Development) Act, 1957, be taken into consideration."

Shri Halder.

SHRI KRISHNA CHANDRA HALDER (Ausgram) : Sir, I support the amendments in general. It took 14 years for the Government to rectify the defects in the functioning of the Mines and Minerals. I agree with the following principal points :—

- (1) Imposition of a ceiling on individual holdings of prospecting licences and mining leases ;

- (ii) Imposition of a specific obligation on holders of mining leases in respect of payment of royalty for minerals removed by their agents, sub-lessees or employees ;
- (iii) Provision of a statutory basis for calculation of dead rent ;
- (iv) Introduction of regulations governing mineral concessions in respect of minerals underlying the ocean within the territorial waters or the continental shelf of India ; and
- (v) Application of Minor Mineral Rules to Quarry leases.

Sir, the provision regarding the termination of mining leases which is going to be inserted in Clause 4A(1) and (2) is reasonable. It says :

"Where the Central Govt., after consultation with the State Govt., is of opinion that it is expedient in the interest of regulation of mines and mineral development so to do, it may request the State Govt. to make a premature termination of a mining lease in respect of any mineral, other than a minor mineral and, on receipt of such request, the State Govt. shall make an order making a premature termination of such mining lease and granting a fresh mining lease in favour of such Govt. company or corporation owned or controlled by Government as it may think fit."

I think that this is a reasonable provision.

Then, new section 6(1) would read thus :

"No person shall acquire in any one State in respect of any mineral or prescribed group of associated minerals—

- (a) one or more prospecting licences covering a total area of more than fifty square kilometers ; or
- (b) one or more more mining leases covering a total area of more than ten square kilometres ;".

Since a proviso has been incorporated, the limits fixed under these now sub-sections (a) and (b) could have been reduced further and that would have been a step towards a more

equitable distribution of wealth. The reduction of the limit should not be allowed to be made a pretext by the mineowners to victimise or retrench the workers, and the hon. Minister should give us an assurance to that effect. I demand here that for the development of the mines and for the progress of the country, all the mines should be nationalised.

In this amending Bill, provision has been made for a statutory basis for taking up investigations. I want to say that the powers given to the Geological Survey of India under the proposed sections 18A (1) and (2) should be exercised with great care and attention so that only a very small portion of the standing crop is destroyed. The hon. Minister should give an assurance in this regard so that the least possible damage is done, and I would also request the hon. Minister to see that the time for the standing crops is extended.

Lastly, I would like to say that unless we protect the interests of the workers and their rights, all the talk of regulating and developing the functioning of the mines will be of no use.

MR. DEPUTY-SPEAKER : We shall resume discussion on this Bill on the next day. Now, we shall take up Private Members' Business.

14.58 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

SEVENTEENTH REPORT

SHRI MADHURYYA HALDAR (Mathurapur) : I beg to move :

"That this House do agree with the Seventeenth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 23rd August, 1972."

MR. DEPUTY-SPEAKER : The question is :

"That this House do agree with the Seventeenth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 23rd August, 1972".

The motion was adopted