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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 22nd August, 1986/Sravana 31, 1908 (Saka)

The following Act of Parliament received the assent of the President on the 21st August, 1986, and is hereby published for general information:—

THE MINES AND MINERALS (REGULATION AND DEVELOPMENT) AMENDMENT ACT, 1986

No. 37 OF 1986

[21*st August*, 1986.]

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

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

Short title and commencement

1. (*1*) This Act may be called the Mines and Minerals (Regulation and Development) Amendment Act, 1986.

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

Amendment of section 4.

67 of 1957.

2. In section 4 of the Mines and Minerals (Regulation and Development) Act, 1957 (hereinafter referred to as the principal Act),—

(*a*) in sub-section (*1*), after the proviso, the following proviso shall be inserted, namely:—

"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

Division 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 section 617 of the Companies Act, 1956."; 1 of 1956.

(b) after sub-section (2), the following sub-section shall be inserted, namely:—

"(3) Any State Government may, after prior consultation with the Central Government and in accordance with the rules made under section 18, undertake prospecting or mining operations with respect to any minerals specified in the First Schedule in any area within that State which is not already held under any prospecting licence or mining lease.".

Substitution of new section for section 4A.

3. For section 4A of the principal Act, the following section shall be substituted, namely:—

Termination of prospecting licences or mining leases.

"4A. (1) 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 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.

(2) Where the State Government, after consultation with the Central 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 such other purposes, as the State Government may deem fit, it may, by an order, in respect of any minor mineral, make premature termination of a prospecting licence or mining lease with respect to the area or any part thereof covered by such licence or lease:

Provided that the State Government may, after the premature termination of a prospecting licence or mining lease under sub-section (1) or sub-section (2), as the case may be, grant a prospecting licence or mining lease in favour of such Government company or corporation owned or controlled by Government as it may think fit.

(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.

(4) Where the holder of a mining lease fails to undertake mining operations for a period of one year after the date of execution of the lease or, having commenced mining operations, has discontinued the same for a period of one year, the lease shall lapse on the expiry of the period of one year from the date of execution of the lease or, as the case may be, discontinuance of the mining operations:

Provided that the State Government may, on an application made by the holder of such lease before its expiry under this sub-section 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, subject to such conditions as may be prescribed, to the effect that such lease shall not lapse:

Provided further that the State Government may, on an application 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 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 second provisio for more than twice during the entire period of the lease.".

Substitution of new section for section 5. Restrictions on the grant of prospecting licences or mining leases.

4. For section 5 of the principal Act, the following section shall be substituted, namely:—

"5. (*1*) No prospecting licence or mining lease shall be granted by a State Government to any person unless he—

(*a*) is an Indian national; and

(*b*) satisfies such conditions as may be prescribed:

Provided that in respect of any mineral specified in the First Schedule, no prospecting licence or mining lease shall be granted except with the previous approval of the Central Government.

Explanation.—For the purposes of this sub-section, a person shall be deemed to be an Indian national,—

(*a*) in the case of a public company as defined in the Companies Act, 1956, only if a majority of the directors of the company are citizens of India and not less than sixty per cent. of the share capital thereof is held by persons who are either citizens of India or companies as defined in the said Act;

1 of 1956.

(*b*) in the case of a private company as defined in the said Act, only if all the members of the company are citizens of India;

(*c*) in the case of a firm or other association of individuals, only if all the members of the firm or members of the association are citizens of India; and

(*d*) in the case of an individual, only if he is a citizen of India.

(2) No mining lease shall be granted by the State Government unless it is satisfied that—

(a) there is evidence to show that the area for which the lease is applied for has been prospected earlier and the existence of mineral contents therein has been established:

Provided that nothing in this clause shall apply to any area if such area has already been prospected by a Department or an agency of the Government and the existence of mineral contents therein has been established;

(b) there is a mining plan duly approved by the Central Government for the development of mineral deposits in the area concerned.".

Amendment of section 6.

5. In section 6 of the principal Act, in sub-section (*1*), in the opening portion, the words "in any one State" shall be omitted.

Amendment of section 7.

6. In section 7 of the principal Act, for sub-section (*2*), the following sub-section shall be substituted, namely:—

"(*2*) A prospecting licence shall, if the State Government is satisfied that a longer period is required to enable the licensee to complete prospecting operations, be renewed for a period not exceeding one year:

Provided that such prospecting licence may, subject to such satisfaction of the State Government, also be renewed for a further period not exceeding one year:

Provided further that no prospecting licence granted in respect of a mineral included in the First Schedule shall be renewed except with the previous approval of the Central Government.".

Amendment of section 8.

7. In section 8 of the principal Act, for sub-sections (*1*) and (*2*), the following sub-sections shall be substituted, namely:—

"(*1*) The period for which a mining lease may be granted shall not exceed twenty years.

(*2*) A mining lease may be renewed for two periods each not exceeding ten years:

Provided that no mining lease granted in respect of a mineral specified in the First Schedule shall be renewed except with the previous approval of the Central Government.".

Amendment of section 9.

8. In section 9 of the principal Act, in the proviso to sub-section (*3*), for the words "four years", the words "three years" shall be substituted.

Amendment of section 9A.

9. In section 9A of the principal Act, in the proviso to sub-section (*2*), for the words "four years", the words "three years" shall be substituted.

Amendment of section 9A.

10. In sub-section (*1*) of section 11 of the principal Act, for the proviso, the following proviso shall be substituted, namely:—

"Provided that the State Government is satisfied that the licensee—

(a) has undertaken prospecting operations to establish mineral resources in such land;

(*b*) has not committed any breach of the terms and conditions of the prospecting licence; and

(*c*) is otherwise a fit person for being granted the mining lease.".

Amendment of section 13.

11. In sub-section (*2*) of section 13 of the principal Act,—

(*i*) clause (*d*) shall be omitted;

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

"(*i*) the fixing and collection of fees for prospecting licences or mining leases, surface rent, security deposit, fines, other fees or charges and the time within which and the manner in which the dead rent or royalty shall be payable;";

(*iii*) clause (*o*) shall be omitted;

(*iv*) in clause (*q*), after the words "may be made", the words "the fees to be paid therefor and the documents which shall accompany such applications" shall be inserted;

(*v*) after clause (*q*), the following clause shall be inserted, namely:—

"(*qq*) the manner in which rehabilitation of flora and other vegetation such as trees, shrubs and the like destroyed by reason of any prospecting or mining operations shall be made in the same area or in any other area selected by the Central Government (whether by way of reimbursement of the cost of rehabilitation or otherwise) by the person holding the prospecting licence or mining lease.".

Amendment of section 14.

12. In section 14 of the principal Act, for the words and figures "sections 4 to 13", the words and figures "sections 5 to 13" shall be substituted.

Amendment of section 15.

13. In section 15 of the principal Act,—

(*a*) after sub-section (*1*), the following sub-section shall be inserted, namely:—

"(*1A*) 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:—

(*a*) the person by whom and the manner in which, applications for quarry leases, mining leases or other mineral concessions may be made and the fees to be paid therefor;

(*b*) the time within which, and the form in which, acknowledgement of the receipt of any such applications may be sent;

(*c*) the matters which may be considered where applications in respect of the same land are received within the same day;

(*d*) the terms on which, and the conditions subject to which and the authority by which quarry leases, mining leases or other mineral concessions may be granted or renewed;

(*e*) the procedure for obtaining quarry leases, mining leases or other mineral concessions;

(*f*) the facilities to be afforded by holders of quarry leases, mining leases or other mineral concessions to persons deputed by the Government for the purpose of undertaking research or training in matters relating to mining operations;

(*g*) the fixing and collection of rent, royalty, fees, dead rent, fines or other charges and the time within which and the manner in which these shall be payable;

(*h*) the manner in which rights of third parties may be protected (whether by way of payment of compensation or otherwise) in cases where any such party is prejudicially affected by reason of any prospecting or mining operations;

(*i*) the manner in which rehabilitation of flora and other vegetation such as trees, shrubs and the like destroyed by reason of any quarrying or mining operations shall be made in the same area or in any other area selected by the State Government (whether by way of reimbursement of the cost of rehabilitation or otherwise) by the person holding the quarrying or mining lease;

(*j*) the manner in which and the conditions subject to which, a quarry lease, mining lease or other mineral concession may be transferred;

(*k*) the construction, maintenance and use of roads, power transmission lines, tramways, railways, serial ropeways, pipelines and the making of passage for water for mining purposes on any land comprised in a quarry or mining lease or other mineral concession;

(*l*) the form of registers to be maintained under this Act;

(*m*) the reports and statements to be submitted by holders of quarry or mining leases or other mineral concessions and the authority to which such reports and statements shall be submitted;

(*n*) the period within which and the manner in which and the authority to which applications for revision of any order passed by any authority under these rules may be made, the fees to be paid therefor, and the powers of the revisional authority; and

(*o*) any other matter which is to be, or may be, prescribed.";

(*b*) in sub-section (3),—

(*i*) for the words "royalty", the words "royalty or dead rent, whichever is more" shall be substituted;

(*ii*) in the proviso—

(*a*) for the word "royalty", the words "royalty or dead rent" shall be substituted;

(*b*) for the word "four", the word "three" shall be substituted.

Insertion of new section 17A.

14. After section 17 of the principal Act, the following section shall be inserted, namely:—

Reservation of area for purposes of conservation.

"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.

(*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 or by the Central Government 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.

(*3*) Where in exercise of the powers conferred by sub-section (*2*) the State Government undertakes prospecting or mining operations in any area in which the minerals vest in a private person, it shall be liable to pay prospecting fee, royalty, surface rent or dead rent, as the case may be, from time to time at the same rate at which it would have been payable under this Act if such prospecting or mining operations had been undertaken by a private person under prospecting licence or mining lease.".

Amendment of section 18.

15. In section 18 of the principal Act,—

(*a*) in sub-section (*1*),—

(*i*) for the words "for the conservation and development of minerals in India", the words "for the conservation and systematic development of minerals in India and for the protection of environment by preventing or controlling any pollution which may be caused by prospecting or mining operations" shall be substituted;

(*ii*) for the words "for that purpose", the words "for such purposes" shall be substituted;

(*b*) in sub-section (*2*), after clause (*h*), the following clauses shall be inserted, namely:—

"(*i*) the regulation of prospecting operations;

(*j*) the employment of qualified geologists or mining engineers to supervise prospecting or mining operations;

(*k*) the disposal or discharge of waste slime or tailings arising from any mining or metallurgical operations carried out in a mine;

(*l*) the manner in which and the authority by which directions may be issued to the owners of any mine to do or refrain from doing certain things in the interest of conservation or systematic development of minerals or for the protection of environment by preventing or controlling pollution which may be caused by prospecting or mining operations;

(*m*) the maintenance and submission of such plans, registers of records as may be specified by the Government;

(*n*) the submission of records or reports by persons carrying on prospecting or mining operations regarding any research in mining or geology carried out by them;

(*o*) the facilities to be afforded by persons carrying out prospecting or mining operations to persons authorised by the Central Government for the purpose of undertaking research or training in matters relating to mining or geology;

(*p*) the procedure for and the manner of imposition of fines for the contravention of any of the rules framed under this section and the authority who may impose such fines;

(*q*) the authority to which, the period within which, the form and the manner in which applications for revision of any order passed by any authority under this Act and the rules made thereunder may be made, the fee to be paid and the documents which should accompany such applications.".

Amendment of section 21.

16. In section 21 of the principal Act,—

(*a*) in sub-section (*1*), for the words "with imprisonment for a term which may extend to one year, or with fine which may extend to five thousand rupees", the words "with imprisonment for a term which may extend to two years, or with fine which may extend to ten thousand rupees" shall be substituted;

(*b*) in sub-section (*2*),—

(*i*) for the words "with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees", the words "with imprisonment for a term which may extend to one year, or with fine which may extend to five thousand rupees" shall be substituted;

(*ii*) for the words "one hundred rupees", the words "five hundred rupees" shall be substituted;

(*c*) in sub-section (*4*), for the words "a magistrate" the words "an officer or authority" shall be substituted;

(*d*) after sub-section (*5*), the following sub-section shall be inserted, namely:—

"(*6*) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, an offence under sub-section (*1*) shall be cognizable.". 2 of 1974.

Insertion of new section 24A.

17. After section 24 of the principal Act, the following section shall be inserted, namely:—

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

"24A. (*1*) On the issue of a prospecting licence or mining lease under this Act and the rules made thereunder, it shall be lawful for the holder of such licence or lease, his agents or his servants or workmen to enter the lands over which such lease or licence had been granted at all times during its currency and carry out all such prospecting or mining operations as may be prescribed:

Provided that no person shall enter into any building or upon an enclosed court or garden attached to a dwelling-house (except with the consent of the occupier thereof) without previously giving such occupier at least seven days' notice in writing of his intention to do so.

(*2*) The holder of a prospecting licence or mining lease referred to in sub-section (*1*) shall be liable to pay compensation in such manner as may be prescribed to the occupier of the surface of the land granted under such licence or lease for any loss or damage which is likely to arise or has arisen from or in consequence of the mining or prospecting operations.

(*3*) The amount of compensation payable under sub-section (*2*) shall be determined by the State Government in the manner prescribed.".

Substitution of the First Schedule by new Schedule.

18. For the First Schedule to the principal Act, the following Schedule shall be substituted, namely:—

'THE FIRST SCHEDULE

[*See* sections 4(*3*), 5(*1*), 7(*2*) and 8(*2*)]

SPECIFIED MINERALS

1. Apatite and phosphatic ores.
2. Asbestos.
3. Barytes.
4. Bauxite.
5. Beryl and other Berrylium bearing minerals.
6. Chrome ore.
7. Coal and lignite.
8. Copper ore.
9. Dolomite.
10. Gold.
11. Gypsum.
12. Iron ore.
13. Kyanite.
14. Lead.
15. Limestone, except when it is used in kilns for the manufacture of lime as building material.

16. Lithium bearing minerals.
17. Magnesite.
18. Manganese ore.
19. Minerals of the "rare earths" group containing Uranium and Thorium.
20. Molydenum.
21. Niobium bearing minerals.
22. Nickel ores.
23. Phosphorites and other phosphatic ores containing Uranium.
24. Platinum and other precious metals and their ores.
25. Pitchblende and other uranium ores.
26. Precious stones.
27. Rutile.
28. Silver.
29. Sillimanite.
30. Sulphur and its ores.
31. Tantallium bearing minerals.
32. Tin.
33. Tungsten ores.
34. Uraniferous allanite, monazite and other thorium minerals.
35. Uranium bearing tailings left over from ores after extraction of copper and gold, ilmenite and other titanium ores.
36. Vanadium ores.
37. Zinc.
38. Zircon.'.

S. RAMAIAH,
Secy. to the Govt. of India.

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