

THE MINES AND MINERALS (REGULATION AND DEVELOPMENT) AMENDMENT ACT, 1994

No. 25 OF 1994

[28th March, 1994.]

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

BE it enacted by Parliament in the Forty-fifth 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, 1994.

(2) It shall be deemed to have come into force on the 25th day of January, 1994.

Amendment of section 4A.

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

67 of 1957.

(a) in sub-section (2), the words “, after consultation with the Central Government,” shall be omitted;

(b) in sub-section (4), for the words “one year” wherever they occur, the words “two years” shall be substituted.

Amendment of section 5.

3. In section 5 of the principal Act,—

(i) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) A State Government shall not grant a prospecting licence or mining lease to any person unless such person—

(a) is an Indian national, or a company as defined in sub-section (1) of section 3 of the Companies Act, 1956; and

1 of 1956.

(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 firm or other association of individuals, only if all the members of the firm or members of the association are citizens of India; and

(b) in the case of an individual, only if he is a citizen of India.”;

(ii) in sub-section (2), in clause (a), the proviso shall be omitted.

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

Substitution of new section for section 7.

“7. (1) The period for which a prospecting licence may be granted shall not exceed three years.

Periods for which prospecting licences may be granted or renewed.

(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 such period or periods as that Government may specify:

Provided that the total period for which a prospecting licence in granted does not exceed five years:

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.”.

5. In section 8 of the principal Act,—

Amendment of section 8.

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

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

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

(b) in sub-section (2), for the words “two periods each not exceeding ten years”, the words “a period not exceeding twenty years” shall be substituted;

(c) in sub-section (3), for the words “in each case the period for which the mining lease was originally granted”, the words “twenty years in each case” shall be substituted.

6. In section 16 of the principal Act,—

Amendment of section 16.

(a) in sub-section (1),—

(i) in clause (a), for the portion beginning with the words “if in force at such commencement” and ending with the words “six months from such commencement”, the following shall be substituted, namely:—

“if in force at the date of commencement of the Mines and Minerals (Regulation and Development) Amendment Act, 1994, shall be brought in conformity with the provisions of

this Act and the rules made thereunder within two years from the date of the commencement of the Mines and Minerals (Regulation and Development) Amendment Act, 1994”;

(ii) in clause (b), for the words, brackets and figures “six months from the commencement of the Mines and Minerals (Regulation and Development) Amendment Act, 1972”, the words, brackets and figures “two years from the commencement of the Mines and Minerals (Regulation and Development) Amendment Act, 1994” shall be substituted;

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

“(1A) Where any action is taken under clause (a) or clause (b) of sub-section (1) to bring the period of any lease in conformity with the provisions of this Act and the rules made thereunder, then, notwithstanding anything contained in section 8, the period of such lease shall continue to operate for a period of two years from the date of bringing such lease in conformity with the provisions of this Act.”

Amend-
ment of
section
17A.

7. In section 17A of the principal Act,—

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

“(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.”;

(b) in sub-section (2), the words “or by the Central Government” shall be omitted;

(c) in sub-section (3), for the words, brackets and figure “Where in exercise of the powers conferred by sub-section (2) the State Government”, the words, brackets, figures and letter “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,” shall be substituted.

Amend-
ment of
section 19.

8. In section 19 of the principal Act, in the *Explanation*, the words “in any State” shall be omitted.

Insertion
of new
section
23B.

9. After section 23A of the principal Act, the following section shall be inserted, namely:—

Power to
search.

“23B. If any gazetted officer of the Central or a State Government authorised by the Central Government in this behalf by general

2 of 1974

or special order has reason to believe that any mineral has been raised in contravention of the provisions of this Act or the rules made thereunder or any document or thing in relation to such mineral is secreted in any place, he may search for such mineral, document or thing and the provisions of section 100 of the Code of Criminal Procedure, 1973 shall apply to every such search.”

10. In section 28 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—

Amendment of section 28.

“(3) Every rule and every notification made by the State Government under this Act, shall be laid, as soon as may be after it is made, before each House of the State Legislature where it consists of two Houses, or where such Legislature consists of one House, before that House.”

11. In section 30 of the principal Act, the words “with respect to any mineral other than a minor mineral” shall be inserted at the end.

Amendment of section 30.

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

Substitution of new Schedule for the First Schedule.

“THE FIRST SCHEDULE

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

SPECIFIED MINERALS

PART A

Hydro carbons/energy minerals

1. Coal and lignite.

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. Rutile.
8. Tantalum-bearing minerals.
9. Uraniferous allanite, monzite and other thorium minerals.
10. Uranium bearing tailings left over from ores after extraction of copper and gold, ilmenite and other titanium ores.
11. Zircon.

PART C

Metallic and non-metallic minerals

1. Asbestos.
2. Bauxite.
3. Chrome ore.
4. Copper ore.
5. Gold.
6. Iron ore.
7. Lead.
8. Limestone, except when it is used in kilns for the manufacture of lime as building material.
9. Manganese ore.
10. Precious stones.
11. Zinc."

Repeal
and
saving.

13. (1) The Mines and Minerals (Regulation and Development) Amendment Ordinance, 1994 is hereby repealed.

Ord. 2 of
1994.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.