

3 Status of Reconnaissance Permits, Prospecting Licences and Mining Leases in India

INTRODUCTION

Under the Mines & Minerals (Development & Regulation) Act, 1957 and Mineral Concession Rules, 1960, the State Governments accord grant/renewal of reconnaissance permits, prospecting licences and mining leases. Also, the State Governments are required to submit a copy of every permit/licence/lease granted/renewed to the Controller General, IBM, under Rule 57 (1) of Mineral Concession Rules, 1960. Additionally, the State Governments also have to submit a consolidated Annual Return of all reconnaissance permits, prospecting licences and mining leases granted or renewed to the Controller General, IBM, in a prescribed format under Rule 57 (2) of Mineral Concession Rules, 1960 not later than 30th day of June of each year, for the previous financial year.

RECONNAISSANCE PERMITS

Reconnaissance Permit is a permit granted for the purpose of undertaking “reconnaissance operations” which means any operation undertaken for preliminary prospecting of a mineral through regional, aerial, geophysical or geochemical surveys and geological mapping, but does not include pitting, trenching, drilling (except drilling boreholes on a grid specified from time to time by the Central Government) or subsurface excavation.

The provision of Reconnaissance Permits (RP) was introduced in 1999 under the Mines & Minerals

(Development & Regulation) Act, 1957 and in 2000 under the Mineral Concession Rules, 1960 and Mineral Conservation & Development Rules, 1988 made under the Act.

During 2009-10, the Government has approved/granted 55 Reconnaissance Permits covering a total area of 58,382.71 sq km. Out of these, the maximum number of RPs were in Madhya Pradesh (28), Rajasthan (14), Andhra Pradesh (4), Chhattisgarh & Uttar Pradesh (3 each), Odisha (2) and Karnataka (1). The details of the RPs granted / approved during 2009-10 are given in Table - 1.

PROSPECTING LICENCES

Under the Mines & Minerals (Development & Regulation) Act, 1957, "Prospecting Licence" (PL) means a licence granted for the purpose of undertaking “prospecting operations” with a view to exploring, locating or proving mineral deposits. The State Governments and Union Territories are empowered to grant/renew/revoke Prospecting Licence (PL) under provisions of Mineral Concession Rules, 1960.

As per information received from the State Governments/Union Territories, 81 prospecting licences were granted covering an area of 21386 ha during 2009-10 as compared with 21 prospecting licences covering 1,623 ha area during 2008-09. The statewise distribution of prospecting licences granted during 2007-08 to 2009-10 is given in Table-2.

Table – 1 : Reconnaissance Permits Approved / Granted during 2009-10

| State | Mineral | No. | Area (sq km) |
|----------------|---|-----------|-----------------|
| India | | 55 | 58382.71 |
| Andhra Pradesh | Diamond, Gold, Copper, Lead, Zinc Silver, Bismuth, Cadmium, etc. | 4 | 6153.30 |
| Chhattisgarh | Diamond, Gemstone, Precious stones | 3 | 2161.50 |
| Karnataka | Diamond, Gold & Associated minerals | 1 | 243.34 |
| Madhya Pradesh | Diamond, Bauxite, Iron ore, Manganese ore, Copper, Lead, Zinc, Gold & Associated minerals | 28 | 27704.42 |
| Odisha | Gold, Silver, Copper, Lead, Zinc & Associated minerals | 2 | 878.34 |
| Rajasthan | Diamond, Gold, Copper Lead, Zinc & Associated minerals | 14 | 19001.81 |
| Uttar Pradesh | Diamond, Gold, Precious Stones & Associated minerals | 3 | 2240.00 |

STATUS OF RECONNAISSANCE PERMITS, PROSPECTING LICENCES AND MINING LEASES IN INDIA

**Table – 2 : Prospecting Licences Granted, 2007-08 to 2009-10
(By States)**

| State | 2007-08 | | 2008-09 | | 2009-10 | |
|-------------------|-----------|--------------|-----------|-------------|-----------|--------------|
| | No. | Area (ha) | No. | Area (ha) | No. | Area (ha) |
| India | 75 | 35726 | 21 | 1623 | 81 | 21386 |
| Andhra Pradesh | 22 | 22435 | 6 | 140 | 9 | 4854 |
| Arunachal Pradesh | 1 | 2400 | – | – | 2 | 42 |
| Chhattisgarh | – | – | – | – | 1 | 5 |
| Gujarat | 14 | 610 | – | – | – | – |
| Himachal Pradesh | 3 | 2605 | – | – | – | – |
| Jharkhand | 1 | 1389 | – | – | – | – |
| Karnataka | 1 | 1500 | 2 | 728 | – | – |
| Madhya Pradesh | 14 | 2976 | 11 | 710 | 50 | 11182 |
| Maharashtra | – | – | – | – | 5 | 2802 |
| Rajasthan | 16 | 1798 | 2 | 45 | 12 | 2499 |
| Tamil Nadu | 2 | 5 | – | – | 2 | 2 |
| Uttarakhand | 1 | 8 | – | – | – | – |

Area figures rounded off.

The states where prospecting licences were granted during 2009-10 include Madhya Pradesh (50), Rajasthan (12), Andhra Pradesh (9), Maharashtra (5), Arunachal Pradesh and Tamil Nadu (2 each) and Chhattisgarh (1). Areawise, Madhya Pradesh covered 11,182 hectares and Andhra Pradesh 4,854 hectares. The remaining area of 5,350 hectares was accounted for by rest of the States.

Mineralwise, in 2009-10, prospecting licences granted were for limestone (17), manganese ore (16), laterite (11), iron ore (6) and dolomite (3). Twenty one prospecting licences were granted in respect of group of minerals. The mineralwise distribution of prospecting licences granted during 2007-08 to 2009-10 is given in Table-3.

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**Table – 3 : Prospecting Licences Granted, 2007-08 to 2009-10
(By Minerals)**

| Mineral | 2007-08 | | 2008-09 | | 2009-10 | |
|---------------------|-----------|--------------|-----------|-------------|-----------|--------------|
| | No. | Area (ha) | No. | Area (ha) | No. | Area (ha) |
| All Minerals | 75 | 35726 | 21 | 1623 | 81 | 21386 |
| Barytes | – | – | 1 | 3 | – | – |
| Bauxite | 1 | 74 | – | – | – | – |
| Calcite | – | – | 1 | 25 | – | – |
| China clay | 4 | 763 | – | – | – | – |
| Corundum | 1 | 4 | – | – | – | – |
| Dolomite | – | – | 1 | 9 | 3 | 10 |
| Diamond | 7 | 11725 | – | – | – | – |
| Garnet (abrasive) | 1 | 180 | – | – | 1 | 26 |
| Gold | – | – | 2 | 728 | – | – |
| Gypsum | 1 | 175 | – | – | – | – |
| Iron ore | 2 | 1395 | 1 | 22 | 6 | 460 |
| Jaspar | – | – | – | – | 1 | 185 |
| Laterite | – | – | – | – | 11 | 2392 |
| Limestone | 15 | 4166 | 2 | 482 | 17 | 11159 |
| Manganese ore | 2 | 12 | 7 | 210 | 16 | 3156 |
| Mica | – | – | – | – | 1 | 30 |
| Moon stone | – | – | – | – | 1 | 1 |
| Pyrophyllite | – | – | – | – | 1 | 5 |
| Quartz | 1 | 10 | 1 | 9 | – | – |
| Red ochre | 1 | 9 | – | – | 1 | 5 |
| Soapstone/steatite | 2 | 28 | – | – | – | – |
| Shale | – | – | – | – | 1 | 18 |
| Silica sand | – | – | 2 | 40 | – | – |
| White clay | 4 | 64 | – | – | – | – |
| Group of minerals* | 33 | 17121 | 3 | 95 | 21 | 3939 |

Area figures rounded off.

**Relates to two or more minerals in a prospecting licence.*

MINING LEASES

Section 3 (c) of the Mines & Minerals (Development & Regulation) Act 1957 defines "Mining Lease" (ML) as a lease granted for the purpose of undertaking mining operations and includes a sub-lease granted for such purpose. The Act defines "mining operations" as any operation undertaken for the purpose of winning any mineral.

The status of mining leases as on 31.3.2010 indicates that 10,488 mining leases were in force in the country in 23 states covering an area of 507,404 ha for 65 metallic and non-metallic minerals excluding lignite, coal, petroleum, natural gas, atomic minerals and minor minerals.

During 2009-10, the statewise break up of leases as reflected in Table-4 indicates Rajasthan was leading with 2,587 leases followed by Andhra Pradesh (1,948), Gujarat (1,125), Madhya Pradesh (963), Tamil Nadu (925), Karnataka (615), Odisha (528), Goa (337), Jharkhand (330), Chhattisgarh (314), and Maharashtra (254). These eleven states together accounted for about 92% of the total mining leases in force.

The maximum mining lease area covered by different States are Rajasthan (21%) followed by Odisha (15%), Andhra Pradesh (14%), Karnataka (9%), Jharkhand (7%), Madhya Pradesh and Gujarat (6% each), Goa (5%), Chhattisgarh (4%) and Maharashtra (3%). These ten States account for about 90% of the total mining lease area granted and the remaining 10% was accounted for by the rest of the thirteen States.

Scheduled minerals are those listed in the First Schedule to the MMDR Act, 1957. There are 10 minerals under Scheduled Minerals for which mining leases were in existence as on 31.3.2010. The number of existing mining leases are 1,551, i.e., 15% of the total mining leases accounting for an area of 1,79,445.32 hectares which is 35% of the total mining area in the country. Out of the

ten scheduled minerals, the total number of mining leases for iron ore is placed at 769 followed by bauxite (345), manganese ore (321), asbestos & chromite (35 each), copper ore (17), lead and zinc ores (13), gold (12), diamond (2) and ruby and sapphire (1 each).

During 2009-10, mining leases in force were in both Private and Public sectors including Central and State Govt. Undertakings. Out of the total 10,488 mining leases in force in the country, 9,967 (95%) mining leases with an area of 3,58,471.08 ha (71%) are in the Private Sector and the remaining 521 (5%) leases are in the Public Sector extending over an area of 1,48,932.76 ha (29%) of the total mining lease area. Most of the scheduled minerals, namely copper ore, lead & zinc ores, gold, iron ore, manganese ore, chromite, asbestos and non-scheduled minerals like limestone, dolomite, pyrite, fluorite, apatite, barytes, kyanite & magnesite, etc. are being exploited by both Public and Private Sectors.

The metallic minerals (ferrous, non-ferrous and noble metals) of which ferrous group of minerals includes iron ore, manganese ore, chromite, while non-ferrous group of minerals comprises bauxite, copper-lead-zinc, molybdenum, nickel, tin and the noble metals include gold, silver and platinum group of metals. There were no mining leases for molybdenum, nickel, silver and platinum group of metals in the country. In 2009-10 for 8 metallic minerals, existing mining leases were 1,526 (15%) covering an area of 1,76,824.06 ha (35%). On the other hand, existing leases for non-metallic minerals/industrial minerals were 8,962 (85%) covering an area of 3,30,579.78 ha (65%).

The statewise summary of mining leases during 2007-08 to 2009-10 is given in Table-4. The mineral wise summary of existing mining leases as on 31.3.2010 is given in Table-5. Sectorwise distribution of mining leases as on 31.3.2010 is given in Table-6.

STATUS OF RECONNAISSANCE PERMITS, PROSPECTING LICENCES AND MINING LEASES IN INDIA

**Table – 4 : Existing Mining Leases, 2007-08 to 2009-10
(By States)**

| State | 2007-08 | | 2008-09 | | 2009-2010 | |
|------------------|-------------|------------------|-------------|------------------|--------------|------------------|
| | No. | Area (ha) | No. | Area (ha) | No. | Area (ha) |
| India | 8784 | 480003.09 | 9415 | 491445.64 | 10488 | 507403.84 |
| Andhra Pradesh | 1578 | 54470.79 | 1578 | 54470.79 | 1948 | 71072.74 |
| Assam | 8 | 929.5 | 8 | 929.50 | 8 | 929.50 |
| Bihar | 10 | 2030.16 | 10 | 2030.16 | 11 | 2074.72 |
| Chhattisgarh | 310 | 16927.08 | 312 | 17650.66 | 314 | 20143.54 |
| Goa | 252 | 18219.56 | 422 | 31457.43 | 337 | 24445.88 |
| Gujarat | 1228 | 27962.54 | 1228 | 27962.54 | 1125 | 30817.62 |
| Haryana | 107 | 11151.04 | 108 | 11471.52 | 110 | 11638.53 |
| Himachal Pradesh | 61 | 2234.28 | 54 | 2027.18 | 54 | 2665.09 |
| Jammu & Kashmir | 49 | 1723.94 | 55 | 1814.75 | 57 | 2671.84 |
| Jharkhand | 323 | 36974.67 | 323 | 36974.67 | 330 | 37059.58 |
| Karnataka | 670 | 55566.24 | 693 | 57398.26 | 615 | 46784.85 |
| Kerala | 102 | 2930.82 | 109 | 3042.12 | 85 | 2943.33 |
| Madhya Pradesh | 928 | 28003.98 | 948 | 28442.41 | 963 | 28524.20 |
| Maharashtra | 270 | 17740.66 | 280 | 17703.21 | 254 | 16312.35 |
| Manipur | 2 | 610.17 | 2 | 610.17 | 2 | 610.17 |
| Meghalaya | 17 | 1424.45 | 19 | 1433.97 | 22 | 1448.53 |
| Odisha | 384 | 67023.87 | 387 | 67212.90 | 528 | 76356.67 |
| Rajasthan | 1793 | 103469.96 | 2167 | 105607.10 | 2587 | 106479.18 |
| Sikkim | 3 | 96.30 | 3 | 96.30 | 3 | 96.32 |
| Tamil Nadu | 482 | 6652.01 | 482 | 6652.01 | 925 | 11180.67 |
| Uttar Pradesh | 88 | 9290.11 | 88 | 9290.11 | 88 | 9290.11 |
| Uttarakhand | 68 | 3073.34 | 69 | 3077.78 | 69 | 3077.78 |
| West Bengal | 51 | 11497.62 | 70 | 4090.10 | 53 | 780.64 |

STATUS OF RECONNAISSANCE PERMITS, PROSPECTING LICENCES AND MINING LEASES IN INDIA

**Table - 5 : Existing Mining Leases as on
31.3.2010
(By Minerals)**

| Mineral | No. of Leases | Lease area (ha) |
|-----------------|---------------|------------------|
| India | 10488 | 507403.84 |
| Agate | 3 | 59.62 |
| Amethyst | 7 | 75.91 |
| Apatite | 2 | 20.17 |
| Asbestos | 35 | 1680.75 |
| Ball clay | 48 | 2366.97 |
| Barytes | 159 | 2432.58 |
| Bauxite | 345 | 30059.10 |
| Borax | 1 | 159.00 |
| Calcareous sand | 14 | 151.54 |
| Calcite | 80 | 1626.19 |
| Chalk | 156 | 635.01 |
| China clay | 511 | 17292.39 |
| Chromite | 35 | 9469.28 |
| Clay (Others) | 106 | 1384.52 |
| Copper ore | 17 | 12389.24 |
| Corundum | 13 | 155.24 |
| Diamond | 2 | 576.51 |
| Diaspore | 12 | 86.28 |
| Dolomite | 489 | 8863.22 |
| Dunite | 1 | 14.28 |
| Epidote | 1 | 5.00 |
| Felsite | 6 | 102.29 |
| Felspar | 774 | 11241.64 |
| Fireclay | 267 | 7226.78 |
| Fluorite | 17 | 1675.71 |
| Garnet | 96 | 1005.89 |
| Garnet (Gem) | 1 | 12.08 |
| Gold | 12 | 6599.54 |
| Graphite | 122 | 3821.11 |
| Gypsum | 89 | 15418.96 |
| Iolite | 11 | 104.04 |

(Contd.)

Table - 5 (Concl'd.)

| Mineral | No. of Leases | Lease area (ha) |
|-----------------|---------------|-----------------|
| Iron ore | 769 | 88064.89 |
| Jasper | 5 | 211.70 |
| Kyanite | 29 | 2947.08 |
| Laterite | 179 | 2425.49 |
| Lead & Zinc ore | 13 | 7135.95 |
| Lime kankar | 17 | 432.44 |
| Limeshell | 27 | 4248.42 |
| Limestone | 1958 | 144979.05 |
| Magnesite | 41 | 3056.68 |
| Manganese ore | 321 | 22792.59 |
| Marl | 7 | 2673.26 |
| Mica | 322 | 7635.69 |
| Moulding sand | 54 | 1097.15 |
| Ochre | 139 | 3110.69 |
| Perlite | 1 | 144.88 |
| Phosphorite | 15 | 3352.30 |
| Pyrites | 1 | 647.50 |
| Pyrophyllite | 88 | 2900.51 |
| Pyroxenite | 10 | 90.84 |
| Quartz | 1814 | 16242.63 |
| Quartzite | 85 | 1994.86 |
| Ruby | 1 | 4.07 |
| Sand (Others) | 58 | 15789.74 |
| Sapphire | 1 | 673.40 |
| Shale | 34 | 517.96 |
| Silica sand | 524 | 16952.67 |
| Sillimanite | 6 | 434.97 |
| Slate | 18 | 683.31 |
| Steatite | 457 | 18462.68 |
| Tin | 14 | 313.47 |
| Vermiculite | 16 | 261.05 |
| White clay | 11 | 135.66 |
| White shale | 15 | 68.01 |
| Wollastonite | 6 | 211.41 |

**Table - 6 : Existing Mining Leases as on 31.3.2010
(By Sectors)**

| Sector | No. of leases | % | Area (ha) | % |
|---------------------------------|---------------|------------|------------------|------------|
| India | 10488 | 100 | 507403.84 | 100 |
| Public | 521 | 5 | 148932.76 | 29 |
| Central Government Undertakings | 190 | 2 | 76049.43 | 15 |
| State Government Undertakings | 331 | 3 | 72883.33 | 14 |
| Private | 9967 | 95 | 358471.08 | 71 |