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## States to continue to have rights over mineral concessions

*Friday, 26 Dec, 2008*

BL reported that it's not the best of times for big mining companies. While both domestic and global players are waiting for the proposed amendment in the Minerals and Metals Act 1957 to end delays in receiving mineral concessions from State Governments, they may not be lucky.

As per report, the provision that allows the Centre to intervene in disposing of a company's application for mineral concessions in case the State does not take a decision in the prescribed time limit is being done away with. This provision was one of the reform recommendations made by the high level committee set up under Mr Anwarul Hoda member of Planning Commission for the mining sector with the objective to woo big investments.

Officials in the Ministry of Mines said that the Indian government has not agreed to the Hoda Committee recommendation on this issue. Officials said that "Constitutionally, State Governments are the owners of all mineral resources in their region. Mineral rich States had opposed the proposal and the Centre has agreed with them."

Chief Ministers of Orissa, Jharkhand, Chhattisgarh, Madhya Pradesh and Rajasthan in December 2007 had submitted a joint memorandum to the Prime Minister opposing the power given to the Centre in the draft National Mineral Policy. The chief ministers said that "This approach is fundamentally flawed in so far as bulk minerals like iron ore, bauxite, chromite, limestone, dolomite and manganese are concerned."

(Sourced from Business Lines)

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