

<sup>1</sup>[reconnaissance permit, prospecting licence or mining lease] and where it proposes to do so, it shall, by notification in the Official Gazette—

- (a) specify the boundaries of such area;
- (b) state whether <sup>2</sup>[reconnaissance, prospecting or mining operations] will be carried out in the area; and
- (c) specify the mineral or minerals in respect of which such operations will be carried out.

(3) Where, in exercise of the powers conferred by sub-section (2), the Central Government undertakes <sup>2</sup>[reconnaissance, prospecting or mining operations] in any area, the Central Government shall be liable to pay <sup>3</sup>[reconnaissance permit fee or prospecting fee] royalty, surface rent or dead rent, as the case may be, at the same rate at which it would have been payable under this Act, if such <sup>2</sup>[reconnaissance, prospecting or mining operations] had been undertaken by a private person under a <sup>1</sup>[reconnaissance permit, prospecting licence or mining lease].

(4) The Central Government, with a view to enabling it to exercise the powers conferred on it by sub-section (2) may, after consultation with the State Government, by notification in the Official Gazette, declare that no <sup>1</sup>[reconnaissance permit, prospecting licence or mining lease] shall be granted in respect of any land specified in the notification.

**<sup>4</sup>[17A. Reservation of area for purposes of conservation.—**(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.

<sup>5</sup>[(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.]

(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 <sup>6</sup>[\*\*\*] and where it proposes

1. Subs. by Act 38 of 1999, sec. 15, for "prospecting licence or mining lease" (w.e.f. 18-12-1999).
2. Subs. by Act 38 of 1999, sec. 15, for "prospecting or mining operations" (w.e.f. 18-12-1999).
3. Subs. by Act 38 of 1999, sec. 15, for "prospecting fee" (w.e.f. 18-12-1999).
4. Ins. by Act 37 of 1986, sec. 14 (w.e.f. 10-2-1987).
5. Ins. by Act 25 of 1994, sec. 7 (w.r.e.f. 25-1-1994).
6. The words "or by the Central Government" omitted by Act 25 of 1994, sec. 7 (w.r.e.f. 25-1-1994).

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.

<sup>1</sup>[(2A) 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, reserves any area for undertaking prospecting or mining operations, the State Government shall grant prospecting licence or mining lease, as the case may be, in respect of such area to such Government company or corporation:

Provided that in respect of any mineral specified in Part A and Part B of the First Schedule, the State Government shall grant the prospecting licence or mining lease, as the case may be, only after obtaining the previous approval of the Central Government.]

<sup>1</sup>[(2B) Where the Government company or corporation is desirous of carrying out the prospecting operations or mining operations in a joint venture with other persons, the joint venture partner shall be selected through a competitive process, and such Government company or corporation shall hold more than seventy-four per cent. of the paid up share capital in such joint venture.]

<sup>1</sup>[(2C) A mining lease granted to a Government company or corporation, or a joint venture, referred to in sub-sections (2A) and (2B), shall be granted on payment of such amount as may be prescribed by the Central Government.]

(3) <sup>2</sup>[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,] 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.]