

IMMEDIATE

No. 16(1)/2010-RM-I (Pt)
Government of India
Ministry of Steel
(RM Division)

Udyog Bhawan, New Delhi
the November 2, 2016

To

The Chief Secretaries of States
(as per list attached)

Sub : Mineral (Auction) Rules 2015 – clarification on ‘End Use’ for the purpose of allocation of Iron Ore Mine reg.

Sirs,

Ministry of Mines, while framing the Mineral (Auction) Rules, 2015, vide its notification No.G.S.R.406(E) dated 20th May, 2015 mentioned the following under Chapter-II para-6(3) of the Rules –

‘The Powers of Central Government under the proviso to sub-section (6) of section 10B shall be exercised by the State Government for reservation of particular mine or mines for any particular end use including the end use as specified in Schedule II and the State Government may earmark certain percentage of mines for end use.’

2. As per Schedule II of the said Rules, i.e, Indicative list of specified End Use for allocation of Iron ore mines, a specific term ‘*Integrated Steel Plants*’ has been shown as End Use. Considering that presence of the specific term ‘*Integrated Steel Plants*’ would create a sense of disadvantage to Sponge Iron Plants and other Steel Plants which are smaller in size and not falling within the category of *Integrated Steel Plants*, this Ministry had taken up the matter with Ministry of Mines that the term ‘*Integrated Steel Plants*’ in Schedule-II of the Rules be replaced with a more neutral term ‘*Production of Iron and Steel*’. Further, para-6 of notification No.8(1)/2015-TD (Vol. IV) dated 12th May, 2016 issued by Ministry of Steel (copy enclosed) mentions that-

“No Steel producers will be classified/certified as ‘Integrated Steel Producers’, ‘Primary Steel Producers’, ‘Secondary Steel Producers’ ‘Main Producers, ‘Major Producers’ or ‘Others’ by Ministry of Steel or Joint Plant Committee (JPC). The


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classification/certification issued by Ministry of Steel and/or JPC Kolkata prior to this notification on classification of steel producers/plants stands withdrawn and becomes null and void with immediate effect".

3. Clarifications have since been received from Ministry of Mines informing that the List given in Schedule-II of the Mineral (Auction) Rules, 2015 notified vide its Notification No.G.S.R.406(E) dated 20th May, 2015 is only indicative in nature and is not restrictive to Integrated Steel Plants in case of iron ore. State Governments may reserve mine(s) for any end use like sponge iron, iron ore pellet etc also by using the end use mentioned in Schedule-II for iron ore. Considering this, there is no need to amend Schedule-II of the Mineral (Auction) Rules, 2015 as the States have been delegated powers in this regard and the wording of the said Rule is very clear and unambiguous so as to not to warrant any misapprehension that it would create a sense of bias in favour of a particular end use. Copies of Ministry of Mine's letters No. 16/131/2015-M.VI dated 23.10.2015 and 19.08.2016 are enclosed.

4. All concerned State Governments may please see for information and appropriate action.

Encl : as above


(K.B. Nair)

Under Secretary to the Government of India

Email : rml@nic.in

Copy to :

1. Secretary, Ministry of Mines, New Delhi
2. Secretary, Ministry of Environment, Forest and Climate Change, New Delhi
3. Principal Secretary/Secretary, Department of Mining, State Govts concerned (as per list)
4. Chairman/CMDs of concerned Steel PSUs
5. DG,Confederation of Indian Industries(CII), New Delhi–For circulation among Members
6. Secretary General, FICCI, New Delhi - For circulation among Members.
7. President, Indian Steel Association (ISA), New Delhi - For circulation among Members.
8. Chairman, SIMA, New Delhi – For circulation among Members.

Copy, for information, to :

1. Secretary (Steel)
2. JS(B)/JS(A)/JS(K)/JS(S)
3. Director (Tech), NIC, MoS for uploading on MoS website

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GOVERNMENT OF INDIA
Ministry of Steel

Udyog Bhawan, New Delhi
Dated the 17th May, 2016

NOTIFICATION

No. 8(1)/2015-II (Vol-IV) in supersession of this Ministry's Notification No. 4(8)/2010 (SI) I dated 24.04.2015 on classification of Steel Plants/ Producers, revised guidelines for classification of Steel Producers is hereby issued as follows:

1. Steel Producers with their registered office addresses will be listed Plant & location wise in accordance with crude steel capacity in descending order indicating process route adopted for iron making and steel making with or without rolling/ finishing operations, as the case may be, and product-mix by Joint Plant Committee (JPC), Kolkata.
2. Where iron making/ steel making/ rolling operations are in different locations, the same will be listed suitably location wise under the same producer as long as all operations are carried out by the same company or its subsidiary companies.
3. JPC will maintain the list of steel producers on its website which can be accessed on payment basis.
4. The list will be updated on annual basis, based on the previous year's data to be submitted by the steel producers to JPC or information available with them.
5. The listing will be purely for statistical purpose and will have no bearing on the quality of steel produced. It is upto the users to ascertain the quality of the steel products to be procured, as per relevant standards.
6. No Steel producers will be classified/ certified as 'Integrated Steel Producers', 'Primary Steel Producers', 'Secondary Steel Producers', 'Main Producers', 'Major Producers' or 'Others' by Ministry of Steel or Joint Plant Committee (JPC). The classification/ certification issued by Ministry of Steel and/or JPC Kolkata prior to this notification on classification of steel producers/plants, stands withdrawn and becomes null and void with immediate effect.



(Subhash Bhattacharya)
Deputy Secretary to the Government of India

सुधाकर शुक्ला
SUDRAKER SHUKLA
आर्थिक सलाहकार
Economic Adviser



भारत सरकार
शास्त्री भवन, नई दिल्ली-110001
MINISTRY OF MINES
GOVERNMENT OF INDIA
SHASTRI BHAWAN, NEW DELHI-110001

DO No. 16/131/2015-M.VI

Dated 23rd October, 2015

Dear Abbasi

Please refer to your DO letter No-16(1)/2010-RM-I (Pt) dated 07.10.2015 regarding amendment to Schedule-II of the Mineral (Auction) Rules, 2015.

2. In this regard the concerns expressed by you do not warrant changes in the List given in Schedule-II, as the list is only indicative in nature and is not restrictive to only integrated steel plants in case of Iron ore. State Governments may reserve a mine or mines, for any other end use like (i.e. sponge iron, iron ore pellet etc.) including also the end use mentioned in Schedule-II for iron ore.

3. This position is further clarified by drawing your attention to sub-section (3) of section (6) of Mineral (Auction) Rules, 2015 which states that; "The power of Central Government under the proviso to sub-section (6) of section 10B shall be exercised by the State Government for reservation of particular mine or mines for any particular end use including the end use as specified in Schedule-II and the State Government may earmark certain percentage of mines for end use".

4. Considering the above, Ministry of Mines is of the view that there is no need to amend Schedule-II of the Mineral (Auction) Rules, 2015 as the States have been delegated powers in this regard and the wording of the said rule is very clear and unambiguous as to not warrant any misapprehension that it could create a sense of bias in favour of Integrated Steel Plants with regard to end-use.

with regards

Yours sincerely,

Sudhaker Shukla

(Sudhaker Shukla)

Shri Syedain Abbasi
Joint Secretary
Ministry of Steel
Government of India
Udyog Bhawan,
New Delhi-110107

*up for
note & 3/10/15
27/10/15
Jan (Sudhaker)*

*6/3/SCA
1.10.15*

New Delhi, Shastri Bhawan
Dated: 19th August, 2016

OFFICE MEMORANDUM

Sub: Reference received from Ministry of Steel regarding Amendment in Schedule-II of the Mineral (Auction) Rules, 2015

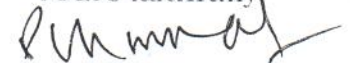
The undersigned is directed to refer to the Ministry of Steel's D.O. letter No-16(1)/2010-RM-I dated 08.08.2016 regarding the amendment to Schedule-II of the Mineral (Auction) Rules, 2015.

2. In this regard, it is to inform that it has already been clarified vide D.O. letter dated 23.10.2015 that the List given in Schedule-II is only indicative in nature and is not restrictive to only integrated steel plants in case of Iron ore. State Governments may reserve a mine or mines, for any end use like (i.e. sponge iron, iron ore pellet etc.) including also the end use mentioned in Schedule-II for iron ore.

3. The nomenclature followed by Ministry of Steel would not have a bearing on the provision of rule 6(3) of Mineral (Auction) Rules, 2015 which states that; "The power of Central Government under the proviso to sub-section (6) of section 10B shall be exercised by the State Government for reservation of particular mine or mines for any particular end use including the end use." The State Government could earmark a particular block for any particular use. The leverage with State Government in this regard will take care of the entire range of possible end-use.

4. Considering the above, Ministry of Mines is of the view that there is no need to amend Schedule-II of the Mineral (Auction) Rules, 2015 as the States have been delegated powers in this regard and the wording of the said rule is very clear and unambiguous so as to not to warrant any misapprehension that it could create a sense of bias in favour of a particular end-use.

Yours faithfully



(P. Vinay Kumar)

Under Secretary to the Government of India
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To,

Sh. Syedain Abbasi
Joint Secretary
Ministry of Steel
Government of India
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