

GOVERNMENT OF INDIA
MINISTRY OF MINES
RAJYA SABHA
STARRED QUESTION NO. 3
ANSWERED ON 18.07.2022

EMPLOYMENT GENERATION IN MINERAL RICH STATES

3. SHRI S. SELVAGANABATHY:

Will the Minister of MINES be pleased to state:

- (a) whether Government is planning to focus on expanding participation, increasing production, and facilitating direct and indirect employment generation for the people in mineral rich States;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

ANSWER

THE MINISTER OF MINES, COAL AND PARLIAMENTARY AFFAIRS
(SHRI PRALHAD JOSHI)

(a) to (c): A Statement is laid on the Table of the House.

**STATEMENT REFERRED IN REPLY TO PARTS (a) TO (c) OF RAJYA SABHA
STARRED QUESTION NO. 3 FOR ANSWER ON 18.07.2022 ASKED BY SHRI S.
SELVAGANABATHY REGARDING EMPLOYMENT GENERATION IN MINERAL
RICH STATES**

(a) to (c): Yes, Sir. The Ministry of Mines has amended the Mines and Minerals (Development and Regulation) Act, 1957 (**MMDR Act, 1957**) through the MMDR Amendment Act, 2021 with effect from 28.03.2021. The reforms *inter-alia* include the following:

- (i) Removal of distinction between captive and non-captive mines by mandating auction of mineral blocks without any end use restriction. Further, existing captive mines have been allowed to sell up to 50% of the minerals produced after meeting the requirement of linked plants and on payment of additional amount to State Government.
- (ii) Provision has been made for transfer of valid statutory clearances in relation to a mine which is expiring or terminated to the successful bidder of such mine in auction.
- (iii) Restrictions on transfer of mineral concessions for non-auctioned mines have been removed.
- (iv) Private exploration agencies which have been accredited are allowed to carry out exploration without prospecting licence upon their notification. These agencies have also been made eligible for obtaining funding under National Mineral Exploration Trust (NMET).

The objectives of the MMDR Amendment Act, 2021 *inter alia* are increasing mineral production and time bound operationalization of mines, increasing employment and investment in the mining sector, maintaining continuity in mining operations after change of lessee and increasing the pace of exploration and auction of mineral resources.

In addition to the above reforms, several others policy initiatives have been taken up by the Ministry to promote 'Ease of Doing Business', expedite auction of mineral blocks and increase the pace of exploration of minerals. These reforms include, simplification of exploration norms for auction of mineral blocks; enabling any person to submit a proposal to the State Government for notification of an area for auction of composite licence; incentive for production & dispatch earlier than the scheduled date of commencement of production; cap on net worth requirement for participating in auction of mining lease and composite license; decriminalization of offences of minor nature; and allowing GPS for identification and demarcation of the area where a composite licence is proposed to be granted through auction.

As a result of above reforms the pace of auction of mineral blocks and production of minerals has increased. Consequently, direct and indirect employment generation for the people in mineral rich States has been facilitated.
