

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 6417
TO BE ANSWERED ON 05.04.2018

UPGRADATION OF MINING SECTOR

†6417. SHRI ALOK SANJAR:

Will the Minister of MINES be pleased to state:

- (a) whether the Government proposes to upgrade the mining sector in a bid to improve it more;
- (b) if so, the details thereof; and
- (c) the steps taken/proposed to be taken by the Government in this regard?

ANSWER

THE MINISTER OF STATE FOR MINES AND COAL (SHRI HARIBHAI PARTHIBHAI CHAUDHARY)

(a) to (c): Upgradation/ reform in mining sector is an ongoing process to bring an overall positive impact in the mining sector. The Government has already taken steps to upgrade the mining sector by amending the Mines and Minerals (Development and Regulation) (**MMDR**) Act, 1957 through the MMDR Amendment Act, 2015. This has been further amended in 2016 to allow transfer of mining leases granted otherwise than through auction for captive purpose.

The most important provision of the MMDR Amendment Act, 2015, is the grant of mineral concessions through auction by competitive bidding which is a transparent and non-discriminatory method. The other important provisions of the MMDR Amendment Act, 2015 are as follows:

- i. Assured tenure and easy transferability of concessions granted through auctions, in order to attract private investment and Foreign Direct Investment;
- ii. Constitution of District Mineral Foundation (DMF) to work for the interest and benefit of persons, and areas affected by mining related operations;
- iii. Stricter punitive provisions to deter illegal mining, wherein penalties have been increased from Rs. 25 thousand per hectare to Rs. 5 Lakh per hectare and the term of imprisonment has also been increased from 2 years to 5 years;
- iv. Creation of National Mineral Exploration Trust (NMET) for regional and detailed exploration.

Rules to provide for implementation of the provisions of the MMDR Amendment Act, 2015 have been framed and published in the Official Gazette.

A “Star Rating” system has been instituted by the Ministry of Mines through Indian Bureau of Mines (a subordinate office under Ministry of Mines) to recognise the efforts and initiatives taken for undertaking sustainable mining, which is based on self assessment to be done by the lessees. This has been made a statutory requirement. Rule 35 of the Mineral Conservation Development Rules, 2017 mandates that all working mines of major minerals would be required to have at least 4 star rating.

The Ministry of Mines, through Indian Bureau of Mines, has developed the Mining Surveillance System (MSS), which is a satellite based monitoring system which aims to check illegal mining activity through automatic remote sensing detection technology in order to establish a regime of responsive mineral administration.

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Will the Minister of **MINES** be pleased to state:

- (d) whether the Government proposes to upgrade the mining sector in a bid to improve it more;
- (e) if so, the details thereof; and
- (f) the steps taken/proposed to be taken by the Government in this regard?

ANSWER

**THE MINISTER OF STATE FOR MINES AND COAL
(SHRI HARIBHAI PARTHIBHAI CHAUDHARY)**

(a) to (c): Upgradation/ reform in mining sector is an ongoing process to bring an overall positive impact in the mining sector. The Government has already taken steps to upgrade the mining sector by amending the Mines and Minerals (Development and Regulation) (**MMDR**) Act, 1957 through the MMDR Amendment Act, 2015. This has been further amended in 2016 to allow transfer of mining leases granted otherwise than through auction for captive purpose.

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- iv. Creation of National Mineral Exploration Trust (NMET) for regional and detailed exploration.

The following rules to provide for implementation of the provisions of the MMDR Amendment Act, 2015 have been framed and published in the Official Gazette:

- i. Minerals (Evidence of Mineral Contents) Rules, 2015
- ii. Mineral (Auction) Rules, 2015
- iii. Mines and Minerals (Contribution to District Mineral Foundation) Rules, 2015
- iv. Mineral (Mining by Government Company) Rules, 2015
- v. Mineral (Non-exclusive Reconnaissance Permits) Rules, 2015
- vi. National Mineral Exploration Trust Rules, 2015
- vii. Minerals (Transfer of Mining Lease Granted Otherwise than through Auction for Captive Purpose) Rules, 2016
- viii. Atomic Minerals Concession Rules, 2016
- ix. Mineral (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules 2016
- x. Mineral Conservation and Development Rules, 2017

A “Star Rating” system has been instituted by the Ministry of Mines through Indian Bureau of Mines (a subordinate office under Ministry of Mines) to recognise the efforts and initiatives taken for undertaking sustainable mining, which is based on self assessment to be done by the lessees. This has been made a statutory requirement. Rule 35 of the Mineral Conservation Development Rules, 2017 mandates that all working mines of major minerals would be required to have at least 4 star rating.

The Ministry of Mines, through Indian Bureau of Mines, has developed the Mining Surveillance System (MSS), which is a satellite based monitoring system which aims to check illegal mining activity through automatic remote sensing detection technology in order to establish a regime of responsive mineral administration. The system records activity outside the lease boundary and generates a trigger for action on part of the State Governments to investigate encroachment and take necessary action. MSS has been made functional throughout the country for major minerals. Ministry of Mines has requested State Governments to extend MSS for surveillance of concessions, quarries/reaches given for minor minerals also.

Further, a committee under the chairmanship of Additional Secretary (Mines) has been constituted by the Ministry of Mines to review the National Mineral Policy, 2008. The Committee submitted its report on 31.12.2017. The New National Mineral Policy is yet to be finalized.

A “Star Rating” system has been instituted to recognise the efforts and initiatives taken for undertaking sustainable mining, which is based on self assessment to be done by the lessees. This has been made a statutory requirement. Rule 35 of the Mineral Conservation Development Rules, 2017 mandates that all working mines of major minerals would be required to have at least 4 star rating.

The Ministry of Mines, through IBM, has developed the Mining Surveillance System (MSS), which is a satellite based monitoring system which aims to check illegal mining activity through automatic remote sensing detection technology in order to establish a regime of responsive mineral administration. The system records activity outside the lease boundary and generates a trigger for action on part of the State Governments to investigate encroachment and take necessary action. MSS has been made functional throughout the country for major minerals. Ministry of Mines has requested the State Governments to extend MSS for surveillance of concessions, quarries/reaches given for minor minerals also. So far, a total of 296 triggers across the country were generated under MSS and sent to respective State Governments for follow-up. Field verification of the 256 triggers has resulted in detection of unauthorized mining in 47 cases.

Reforms in the mining sector have been successfully implemented, which is an ongoing process to bring an overall positive impact in the mining sector.

(a): The Ministry of Mines had constituted a committee under the chairmanship of Additional Secretary (Mines) to review the National Mineral Policy, 2008. The Committee submitted its report on 31.12.2017. Based on the report submitted by the committee, a draft National Mineral Policy 2018 was uploaded on the official website of the Ministry on 10.01.2018 for seeking comments/suggestions from all stake holders. The New National Mineral Policy is yet to be finalized.

(b) and (c): The Ministry of Mines has not conducted any study to identify the most pollutant States in the country.
