

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 281
TO BE ANSWERED ON 19.07.2018

EXPLOITATION OF MINERAL DEPOSITS

281. SHRI S.P. MUDDAHANUME GOWDA:
SHRI B.V. NAIK:

Will the Minister of MINES be pleased to state:

- (a) whether the Union Government has taken any new initiatives and adopted new policies for total development and exploitation of mineral deposits in the country and if so, the details thereof;
- (b) the profits earned by various mining companies during the last three years and the current year;
- (c) whether the Union Government is considering disinvestment of loss suffering Public Sector Undertakings (PSUs) and has taken over some of the profit earning PSUs in mining sector; and
- (d) if so, the details thereof and the reasons therefor?

ANSWER

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

(a): Yes, Madam. The Mines and Minerals (Development and Regulation) Act [MMDR], 1957 has been amended through the MMDR Amendment Act 2015, which is deemed to have come into force with effect from 12.01.2015. The following new initiatives and policies for the development and exploitation of mineral deposits in the country have been introduced through the MMDR Amendment Act:

i) Auction to be the sole method of allotment of mining concessions thus bringing in greater transparency and dispensing with discretion for realisation of fair value of mineral resources.

ii) Boost to exploration through National Mineral Exploration Trust (NMET). An amount equivalent to 2% of the royalty to be collected from the miners to accrue in a dedicated NMET account and to be utilised for enhancing exploration activities.

iii) Security of tenure of mining leases by raising the lease period uniformly to 50 years. Extension of lease period provided for existing mines till 31.03.2020 and 31.03.2030 for merchant mines and captive mines respectively.

iv) Assured transferability to encourage private sector participation.

Further, a National Mineral Exploration Policy (NMEP) has been notified to provide a framework for fostering exploration activities primarily by private sector companies. Unveiling of NMEP has placed special thrust on much needed exploration of deep-seated concealed deposits for triggering economic growth of the country.

The Ministry has also started star rating of mining leases for implementation of sustainable development framework in the mining sector. In the star rating the performance of mining leases is evaluated based on technical, socio-economic, environmental and adoption of best practices.

(b): The details of profit earned and losses suffered by the mining companies are not maintained centrally. However, on the basis of information received from National Aluminium Company Limited (NALCO) and Hindustan Copper Limited (HCL) which are the Public Sector Enterprises under the administrative control of Ministry of Mines, the details of profit earned during the last three years is given below:

(Profit after tax) (Rs in crore)

Name of the Company	2015-16	2016-17	2017-18
NALCO	731	669	1342
HCL	37.74	61.94	79.83

(c) and (d): Decision regarding disinvestment of equity in loss suffering Central Public Sector Enterprises (CPSEs) are taken by NITI Aayog and Department of Investment and Public Asset Management. However, NALCO and HCL (PSEs of Ministry of Mines) are earning profit as shown in above table.
