

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOKSABHA
UNSTARRED QUESTION NO. 3371
ANSWERED ON 09.08.2023

SELF RELIANT IN MINERALS

†3371. SHRIMATI RANJANBEN DHANANJAY BHATT:

Will the Minister of MINES be pleased to state:

- (a) whether the Government proposes to become self-reliant with regard to minerals;
- (b) if so, the steps proposed to be taken by the Government in this regard; and
- (c) if not, the reasons therefor?

ANSWER

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

(a) to (c): Yes, Sir. Central Government has made several policy reforms to boost the mineral production in the country and make the country self-reliant in mineral sector. In this regard the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957 has been amended several times. Details of some of the important reforms are:

In order to address the issue of decline in production of minerals in the country the MMDR Act was amended in 2015 with the following objectives.

- (i) Eliminating discretion;
- (ii) Improving transparency in the allocation of mineral resources;
- (iii) Simplifying procedures;
- (iv) Eliminating delay in administration, so as to enable expeditious and optimum development of the mineral resources of the country;
- (v) Obtaining for the government an enhanced share of the value of the mineral resources of the country; and
- (vi) Attracting private investment and the latest technology.

The MMDR Amendment Act, was further amended in 2021 to fully harness the potential of the mineral sector, increase employment and investment in the mining sector including coal, increase the revenue to the States, increase the production and time bound operationalisation of mines, maintain continuity in mining operations after change of lessee, increase the pace of exploration and auction of mineral resources and resolve long pending issues that have slowed the growth of the sector.

Further, Mines and Minerals (Development and Regulation) Amendment Bill, 2023 has been passed by the Lok Sabha on 28.07.2023 and by Rajya Sabha on 02.08.2023, which proposes to amend the MMDR Act, 1957 to introduce exploration licence for deep-seated and critical minerals such as gold, silver, copper, zinc, lead, nickel, cobalt, platinum group of minerals, diamonds, etc. which are mentioned in the 7th schedule of the MMDR Act. Exploration licence granted through auction shall permit the licensee to undertake reconnaissance and prospecting operations for critical and deep seated minerals mentioned in the new Seventh Schedule to the Act. The exploration licence would facilitate, encourage and incentivize private sector participation in all spheres of mineral exploration for critical and deep seated minerals.

The MMDR amendment Bill 2023 further omits six minerals including Lithium bearing minerals from the list of atomic minerals specified in Part-B of the First Schedule to the Act. These minerals have various applications in sectors such as space, electronics, communications, energy, electric batteries and are critical in net-zero emission commitment of India. Due to their inclusion in the list of atomic minerals, their mining and exploration was reserved for government entities. Upon removal of these minerals from Part-B of first schedule, exploration and mining of these minerals will be opened up for the private sector as well. The minerals which are removed from the list of atomic minerals along with certain other critical and strategic mineral is now included in the new part of the first schedule of the Act and the power to auction these mineral is vested with the Central Government. However, revenue from such auctions will accrue to the State Government only. As a result, exploration and mining of these minerals is expected to increase significantly in the country.
