

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 1494
ANSWERED ON 28.07.2021

MINERAL RESOURCES

†1494 SHRI ASHOK MAHADEORAO NETE:

Will the Minister of MINES be pleased to state:

- (a) whether the Government contemplates to promote and conserve the huge mineral resources of the country;
- (b) if so, the details thereof; and
- (c) the measures taken by the Government in this regard?

ANSWER

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

(a) to (c) Yes, Sir. The Ministry of Mines administers the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act, 1957) which is the Central Act that governs the development and regulation of mines and minerals in terms of the powers vested in the Central Government as per Entry 54 of the Seventh Schedule of the Constitution.

The MMDR Act, 1957 has been amended from time to time to promote and conserve the mineral resources of the country. Through the amendment in the MMDR Act in year, 2015, it has been made mandatory that the mineral concessions will be granted through transparent and non-discriminatory method of auction to ensure the fair value of mineral resources to States.

Recently, Ministry of Mines has amended MMDR Act, 1957 through the MMDR Amendment Act, 2021 which has been notified on 28.03.2021 for giving boost to mineral production, improving ease of doing business in the country and increasing mineral production. The amended Act, *inter-alia*, contains following provisions which promote the mineral sector in the country:

- Simplification of exploration regime - (i) To ensure seamless transition of the concession from exploration to production (ii) Mineral Blocks for Composite Licence can be auctioned at G4 level of exploration instead of G3 level as per the earlier standard. (iii) Mineral Block for surfacial mineral can be auctioned for grant of Mining Lease at G3 level instead of G2 level. (iv) Private entities may be notified under Section 4(1) of the MMDR Act for conducting exploration.
- National Mineral Exploration Trust shall be a non profit autonomous body; the entities notified under Section 4(1) of the MMDR Act are eligible for funding through funds accrued under NMET.

Further, Section 18 of the MMDR Act, 1957 empowers Central Government to frame rules for conservation and systematic development of minerals and for the protection of environment by preventing or controlling any pollution which may be caused by prospecting or mining operations. Accordingly, Mineral Conservation and Development Rules (MCDR), 2017(amended from time to time) were framed. As per Section 5(2) (b) of the MMDR Act 1957, no mining lease can be granted unless there is a mining plan for the development of mineral deposits in the area concerned duly approved by the Central Government or by the State Government. Mining Plan incorporates detailed proposals for systematic and scientific mining, conservation of minerals and protection of environment with respect to the lease area. Indian Bureau of Mines IBM is mandated for approval of Mining Plan, as per the provisions of Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016. As per the provisions of MCDR, 2017, Indian Bureau of Mines carries out periodical inspections of mines to monitor conservation of minerals, systematic and scientific mining and protection of environment in the leasehold areas of minerals other than minor minerals, coal and atomic minerals.

Further, section 4A of MMDR Act 1957 empowers the Central Government after consultation with the State Government to terminate Prospecting Licence or Mining Lease, *inter alia*, for conservation of mineral resources.
