

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
STARRED QUESTION NO. 300
ANSWERED ON 23.03.2022

ECONOMIC POTENTIAL OF MINING SECTOR

†*300. SHRI ANIL FIROJIYA:

Will the Minister of MINES be pleased to state:

- (a) whether arrangements have been made for any major improvement to showcase the economic potential of the mining sector;
- (b) if so, the details thereof; and
- (c) the manner in which private innovation agencies are working towards increasing employment opportunities in this sector along with the details thereof?

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 LOK SABHA STARRED QUESTION NO. 300 FOR ANSWER ON 23.03.2022 RAISED BY SHRI ANIL FIROJIYA REGARDING ECONOMIC POTENTIAL OF MINING SECTOR

(a) & (b): In order to showcase the economic potential of the mining sector, significant reforms have been implemented through amendment in the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957, in the years 2015 and 2021. The amendment in 2015, *inter-alia*, provides for auction process in the grant of mineral concession to private companies and for setting up of the National Mineral Exploration Trust (NMET) to give impetus to exploration activities. The amendment to the MMDR Act in 2021, *inter-alia*, provides for removal of distinction between captive and merchant mines, seamless composite exploration-cum-mining licence regime, notification of private entities for conducting exploration, transfer of clearances to new lessees, etc. Further, emphasis is being given on simplification of exploration norms and auction process, and preparing mineral blocks for auction.

As part of the measures for *Atma Nirbhar Bharat* announced on 16.05.2020, it was outlined that 500 mining blocks would be offered through an open and transparent auction process. From March 2015 till date, 146 mineral blocks have been successfully auctioned by the States, including 38 blocks auctioned so far in 2021-22. At present, 95 more mineral blocks are in the process of auction.

The details of increase in the value of mineral production, geological reports handed over to States and funding under NMET are given in Annexure.

(c): Private companies are being involved in all aspects of mining sector i.e. exploration, mining operations and monitoring of mining activities. A scheme for accreditation of private exploration agencies has been notified and till date, seven such agencies have been accredited out of which one agency has been notified under Section 4(1) of the MMDR Act. The private agencies are participating in auction of mineral blocks for grant of mining lease as well as composite license. The Mineral Conservation and Development Rules (MCDR), 2017 have been recently modified to prescribe submission of drone images by mining lease holders every year. The drone surveys of mines will be conducted mostly by private agencies. Increasing involvement of private agencies in various aspects of the mining sector has led to growth of the sector and increasing employment opportunities in this sector.

ANNEXURE REFERRED IN REPLY TO LOK SABHA STARRED QUESTION NO. 300 FOR ANSWER ON 23.03.2022 RAISED BY SHRI ANIL FIROJIYA REGARDING ECONOMIC POTENTIAL OF MINING SECTOR

Economic potential

- The increase in the value of production of minerals (excluding petroleum & natural gas, coal & lignite and minor minerals) from Rs. 44,560 crores in 2014-15 to Rs. 78,474 crores in 2020-21 at a compound annual growth rate (CAGR) of 9.9 per cent, and further to Rs. 94,328 crores in the period April - December 2021-22 showcases the unlocking of economic potential of the mineral sector due to reforms undertaken.

Geological reports

From March 2015 - March 2021

- 144 G3/G2 reports of GSI handed over to States.
- 44 G3/G2 reports of MECL handed over to States.

From April 2021 - so far

- 16 G3/G2 reports of GSI handed over to States.
Moreover, GSI has submitted 152 G4 information memoranda to States for auctioning as composite license.
- 10 G3/G2 reports of MECL handed over to States.

Funding under NMET

- Since 2015-16 up to February 2022, 219 projects for a total sanctioned amount of Rs. 1,661 crores approved.
- Expenditure of Rs. 421 crores incurred up to February 2022.
