

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 2576
ANSWERED ON 11.12.2024

SUSTAINABLE MINING MANAGEMENT

†2576. SHRI ANIL FIROJIYA:

Will the Minister of MINES be pleased to state:

- (a) whether the Government has started various schemes like Sustainable Mining Management and restoration of forest cover area to mitigate the environmental effects of mining resources;
- (b) if so, the details thereof;
- (c) whether various initiatives have been taken to encourage investment in the mining sector under Public-Private Partnership (PPP) model and bring improvement in the utility graph of mining resources and expansion; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)

(a) & (b): Ministry of Mines has implemented Sustainable Mining Practices by making provisions under Chapter-V of Mineral Conservation and Development Rules (MCDR), 2017. Provisions have been incorporated in the rules for precaution against air pollution, prevention of discharge of toxic liquid, precaution against noise, control of surface subsidence etc.

Rule 35 of MCDR, 2017 provides for star rating of the mining leases based on the sustainable mining practices adopted by the miners. The star rating scheme is designed to have an inbuilt compliance mechanism for environment and forest safeguards and has been helpful in recognizing good performers in the sector while encouraging all mining lease holders to strive for excellence.

Further, as per Rule 35 (4) of MCDR, 2017, every holder of a mining lease is mandated to achieve at least three-star rating within a period of four years from the date of commencement of mining operations and thereafter maintain the same on year-on-year basis.

As per existing law, before execution of the mining lease, it is mandatory to obtain the requisite statutory clearances from various departments of the Central Government

and respective State Governments, including Forest Clearance. As part of the Forest Clearance, the prospective lessee is required to undertake compensatory afforestation in lieu of the diversion of forest land for mining.

(c) & (d): The MMDR, Act 1957 provides for auction in which private companies participate and obtain Mining Lease or Composite Licence of mineral blocks. Mining lease is given for fully explored blocks where the leaseholder has to invest in mine development to start mineral production. Composite licence is given for unexplored blocks where the licence holder has to invest in further exploration and mine development to start mineral production

Further, to encourage investment in exploration of 29 critical and deep-seated minerals, a new mining concession called Exploration Licence has been introduced through MMDR Amendment Act, 2023. The Exploration Licence is given through auction. Exploration Licence holder invests in exploration of in licenced area and is eligible for revenue share from the mine(s) which have been explored by the Exploration Licence holder when these mine(s) start production and dispatch of minerals.

There is a provision to reimburse part of the exploration expenditure incurred by the Exploration Licence holder under a scheme of NMET, if Exploration Licence holder so desires to reduce the risk taken. However, the amount spent by the NMET is required to be returned to NMET once mineral production starts from such mine(s).
