

GOVERNMENT OF INDIA  
MINISTRY OF MINES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 4289**  
ANSWERED ON 26.03.2025

**SEA SAND MINING TENDER**

4289.SHRI HIBI EDEN:

Will the Minister of MINES be pleased to state:

- (a) whether the Government intends to revise the tendering process to mandate an Environmental Impact Assessment (EIA) before awarding mining contracts rather than allowing it to be conducted afterward, if so, the details thereof and if not, the reasons therefor;
- (b) whether the Government considers it appropriate to award a sea sand mining tender before conducting a detailed EIA, if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government will take steps to ensure that the EIA is conducted by an independent and neutral agency instead of the firm/organization/individual that wins the mining bid, if so, the details thereof and if not, the reasons therefor;
- (d) whether the Government will consider halting or reviewing the mining tender process until a comprehensive and transparent EIA is conducted, if so, the details thereof and if not, the reasons therefor; and
- (e) whether the Government acknowledges the risk that mining companies may manipulate EIAs in their favour, if not, the details thereof?

**ANSWER**

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

(a) to (e): The Central Government has launched the first tranche of auction of 13 offshore blocks on 28.11.2024 for grant of composite licence, i.e. exploration licence-cum-production lease, in accordance with the Offshore Areas Minerals (Development and Regulation) Act, 2002.

Before notifying the above blocks in offshore areas, the Central Government had consulted several key Ministries, including the Ministry of Environment, Forest and Climate Change (MoEFCC) and the Department of Fisheries under the Ministry of Fisheries, Animal Husbandry, and Dairying, among others, as mandated under Rule 5 of the Offshore Areas Operating Right Rules (OAORR), 2024.

Further, the preferred bidder, selected in auction (or tendering) process, becomes entitled to grant of composite licence, subject to fulfilment of various conditions under the Act and the Rules made thereunder. As per the provisions of the Offshore Areas Mineral (Auction) Rules, 2024, before execution of an operating right (i.e. exploration licence, production lease, etc.), the bidders are required to obtain all consents, approvals, permits, no-objections and the like as may be required under applicable laws for commencement of exploration or production operations. Approval of exploration plan and production plan are some of the necessary clearances. Thus, auction is only a first step, and the preferred bidder cannot commence exploration or production before obtaining the necessary clearances and the licence or lease, as the case may be.

There are adequate provisions in the Act and the Rules made thereunder to safeguard ecology, bio-diversity and protecting the interests of fishermen. As per the provisions of the Offshore Areas Mineral Conservation and Development Rules, 2024, no production operations shall be undertaken except in accordance with a production plan. The production plan, *inter-alia*, includes environment management plan indicating baseline information, Environment Impact Assessment (EIA) and mitigation measures. Comprehensive provisions are available under the Act and the Rules to carry out EIA before commencing production to safeguard environment, biodiversity and the interest of fishing community. Approval of production plan is necessary before grant of production lease.

In case of auction of a mineral block onshore also, the EIA is carried out by the project proponent (preferred bidder) only under the Environment Protection Act, 1986 as EIA and mitigation measures depend on various factors, such as, mining method proposed, geology and mineral occurrence in the block, machines and infrastructure proposed in the block, etc. Similar provisions have been made in the Offshore Area (Development and Regulation) Act, 2002 and Rules made thereunder. Adequate safeguards are in place against any manipulation by the project proponents while carrying out EIA.

In view of above, need for reviewing the mining tender process does not arise.

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