

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

STARRED QUESTION NO:224

ANSWERED ON:10.08.2010

MINING REFORMS

Mahant Dr. Charan Das;Reddy Shri Komatireddy Raj Gopal

Will the Minister of MINES be pleased to state:

- (a) whether there are differences of opinion amongst various Central Ministries and the stakeholders over the proposed Mines and Minerals (Development and Regulation) law and grant of mineral concessions;
- (b) if so, the details thereof;
- (c) whether the Government has constituted or proposes to constitute a Group of Ministers (GoM) to resolve the differences;
- (d) if so, the details thereof alongwith the terms of reference of the GoM; and
- (e) the details of the steps/measures being taken by the Government to simplify the procedures and bring transparency in the mining sector?

Answer

THE MINISTER OF MINES AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI B. K. HANDIQUE)

(a) to (e) : A statement is laid on the Table of the House.

Statement referred in reply to Lok Sabha Starred Question No. 224 for 10.8.2010 regarding Mining Reforms by Shri K.R.G. Reddy and Dr. Charan Das Mahant.

(a) to (d): The Government has constituted a Group of Ministers on 14th June 2010 with the specific term of reference of considering the draft Mines and Minerals (Development and Regulation) Bill 2010 and giving its recommendations in the matter.

(e): The National Mineral Policy, 2008 adopted by the Government in March, 2008, inter alia enunciates adoption of quick and transparent procedures for grant of mineral concessions. In pursuance thereof, the Ministry of Mines has taken several steps in this direction, as mentioned below:

(i) A Model State Mineral Policy has been framed and circulated by the Ministry of Mines to all State Governments on 12.10.2009 with the request to finalise and adopt a Mineral Policy as per their priority and requirements, for enabling consistency in recommendation of proposals.

(ii) A Central Coordination-cum-Empowered Committee has been constituted in the Ministry of Mines under the chairpersonship of Secretary (Mines) to monitor and minimize delays in grant of approvals for mineral concessions. The Committee consists of the Central Ministries/Departments concerned and the Secretaries in charge of Mining & Geology in the States and meets six-monthly. Three meetings of the Committee have been held so far on 24.7.2009, 22.12.2009 and 18.6.2010, wherein important decisions aimed at minimizing delays for processing of mineral concession applications at various levels and improving the overall mineral concession regime were taken as given below with regular follow up with the State Governments and other offices / agencies concerned:

(a) State Governments have been instructed to constitute State level Coordination-cum-Empowered Committee for: # Effective coordination with Revenue Department for managing the land for purposes of concession.

Ensuring clearances/NOCs/approvals are given by Forest, Environment and other departments in a streamlined way.

Monitoring process of approval of concessions and compliance with concession conditions.

Ensuring building up of a computerized data base, effectively integrated with other State level databases.

So far, the Governments of Andhra Pradesh, Chhattisgarh, Gujarat, Goa, Haryana, Karnataka, Maharashtra, Orissa, Rajasthan and West Bengal have already constituted their State Level Committees.

(b) Minimizing delays at various levels especially in forest clearance.

(c) Expeditious issuance of Letter of Intent (LOI) and minimizing delays in execution of lease/licence subsequent to Central Government's prior approval.

(d) Timely decisions in accordance with the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act), and Mineral

Concession Rules, 1960, and submission of quarterly reports on pending mineral concession applications, lease execution and renewal applications.

(e) Time-bound action for disposal of Reconnaissance Permit (RP) cases pending with the State Governments.

(f) Application of 'special reasons' for invoking section 11 (5) of the MMDR Act, while considering a later applicant.

(g) Advising States to coordinate action on management and transportation of ore.

(iii) The Ministry of Mines has, in consultation with the State Governments, issued detailed guidelines on 24th June, 2009, 25th September, 2009, 9th February, 2010 and 3rd June, 2010 in order to bring more clarity in processing the mineral concession proposals. These guidelines are available on the Ministry's website (<http://mines.gov.in>).

(iv) The Ministry of Mines is using internet services to ensure more accessibility to data and transparency in processing of mineral concession proposals recommended by the State Governments.