

**GOVERNMENT OF INDIA  
MINES  
LOK SABHA**

UNSTARRED QUESTION NO:2751  
ANSWERED ON:11.03.2011  
NEW MINING POLICY  
Reddy Shri Magunta Srinivasulu

**Will the Minister of MINES be pleased to state:**

(a) whether the Union Government has consulted the State Governments of mineral-rich States on value additions and the new mining policy; and

(b) if so, the State-wise details in this regard?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINES(SHRI DINSHA PATEL)

(a)&(b): The Government had constituted a High Level Committee (HLC) on 14.09.2005 under the chairmanship of Shri Anwarul Hoda, Member Planning Commission to review the National Mineral Policy and to suggest changes in the Mines and Minerals (Development and Regulation) Act, 1957, in order to give a fillip to the investment in the mining sector. The Committee considered submissions by Government of Rajasthan, Government of Bihar, Government of Himachal Pradesh, Government of Uttaranchal, Government of Madhya Pradesh, Government of Chhattisgarh, Government of Orissa and Government of Uttar Pradesh. The submission of State Government are on the issues relating to concerns on the need to allow the State Government to give preference to value addition within the State, policy on seamless transition, security of tenure, need to strengthen Public Sector Undertakings (PSUs) and allow preferential treatment in grant of mineral concessions to PUSs, apart from requesting for levy of royalty on ad valorem basis.

State Governments of Orissa, Jharkhand, Chhattisgarh and Karnataka pressed for provision to keep back the minerals even in the absence of value adders. The HLC recommended that though preference may be given to the value adders state government should not keep pending the mineral concession is in anticipation of value adders in future.

These issues alongwith the recommendations of the High Level Committee were discussed in the meeting of the Mineral Advisory Council held on 6.11.2006, where the Chief Ministers of all the States were invited. The National Mineral Policy was referred to a Group of Ministers (GOM) headed by Shri Shivraj V Patil. The Chairman of Group of Ministers held consultations with the Chief Ministers of State Government of Orissa, Jharkhand, Rajasthan, Karnataka and Chhattisgarh on 6.8.2007. All the views and concerns in the various meetings mentioned above were considered and appropriately addressed by the Government before finalisation of National Mineral Policy (NMP), 2008. The GOM recommended that the National Mineral Policy, 2008 for consideration of the Government. The National Mineral Policy, 2008 was approved by the Government on 13.3.2008, which is available on the website of Ministry of Mines (<http://mines.nic.in>).