

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:5005

ANSWERED ON:02.09.2011

PROFIT SHARING IN MINING WITH LOCALS

Choudhry Smt. Shruti; Gowda Shri D.B. Chandre; Raghavan Shri M. K.; Reddy Shri Modugula Venugopala ; Singh Chaudhary Lal; Tarai Shri Bibhu Prasad

Will the Minister of MINES be pleased to state:

- (a) whether there is any provision in the mining sector to share certain percentage of profits earned by the mining companies through mining with the people, particularly with tribal people displaced by such projects;
- (b) if so, the details thereof including the details of such profits earned by mining companies alongwith amount spent by them for the rehabilitation of displaced people and development of mining areas during each of the last three years and the current year, State-wise;
- (c) whether some mining companies have shown reservations in sharing their profits with the locals;
- (d) if so, the details thereof alongwith the complaints received in this regard during the said period and the action taken by the Government thereon;
- (e) the remedial measures taken/to be taken by the Government for sharing of profits earned by mining companies with the locals;
- (f) whether the Government is reconsidering its decision to share profits of miners with locals; and
- (g) if so, the details thereof alongwith the reasons therefor?

Answer

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

(a): The National Mineral Policy, 2008 provides that special care will be taken to protect the interest of host and indigenous population through developing models of stakeholder interest based on international best practice. In terms of the policy, the Government has drafted legislation taking into view the concerns of various stakeholders including industry, and the same are consideration.

(b) to (g): Does not arise in view of (a) above.