

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:880
ANSWERED ON:25.11.2011
DEVELOPMENT OF MINING AREAS
Mahato Shri Narahari

Will the Minister of MINES be pleased to state:

- (a) whether the Government has any policy for the development of the areas close to the mining areas to further improve the living conditions of the people residing there;
- (b) if so, the details thereof; and
- (c) the financial allocation made for the purpose and the utilisation thereof during each of the last three years and the current year, State-wise?

Answer

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

(a) to (c): The Government has announced the new National Mineral Policy, 2008, which seeks to develop a sustainable framework for optimum utilisation of the country's natural mineral resources for the industrial growth in the country and at the same time improving the life of people living in the mining areas, which are generally located in the backward and tribal regions of the country. The new Mineral policy also enunciates that special care will be taken to protect the interest of host and indigenous (tribal) populations through developing models of stakeholder interest based on international best practice. Project affected persons will be protected through comprehensive relief and rehabilitation packages in line with the National Rehabilitation and Resettlement Policy.

Further the Government has approved a draft MMDR Bill 2011 on 30th September, 2011 which provides that

- I. For all exploration activities suitable compensation shall be payable to the person or family holding occupation or usufruct or traditional rights on the area of exploration.
- II. All mining Lease holders to pay annually into District Mineral Foundation a sum equivalent to royalty in case of major minerals(other than coal) and a sum equivalent to 26% of profit in case of coal minerals and in case of minor minerals a sum prescribed by the State Government will be payable to District Mineral Foundation
- III. Mining Companies allot at-least one share at par to each person of the family affected by mining so as to give a sense of ownership in the enterprise.
- IV. Mining Companies provide employment or other Compensation as stipulated under the R&R policy.
- V. After mining is complete, mining companies need to pay for damages, if any, to affected persons as part of the mine closure and restoration process.
- VI. A portion of the amount paid into the District Mineral Foundation by the lease holders will be used to make recurring payments to people affected by mining related operations.
- VII. In case a family is not already headed by a woman, half the monetary benefits distributed to the affected family, shall accrue to the eldest woman member of the family.
- VIII. For the purpose of identification of persons or families affected by mining operation, 1.1.1997 shall be reckoned as the cut off date.

Details on financial allocation and utilization are not available as the provision are in draft stage.