

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

STARRED QUESTION NO:195
ANSWERED ON:24.08.2012
SHARES TO MINING PROJECT AFFECTED PERSONS
Tarai Shri Bibhu Prasad

Will the Minister of MINES be pleased to state:

- (a) whether suggestions have been received from various quarters for allotment of shares to evacuees Projects Affected Persons (PAP) in the mining projects;
- (b) if so, the details thereof; and
- (c) the reaction of the Government thereto?

Answer

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

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO LOK SABHA STARRED QUESTION NO. 195 FOR REPLY ON 24.8.2012 REGARDING SHARES TO MINING PROJECT AFFECTED PERSONS ASKED BY SHRI BIBHU PRASAD TARAI

(a) to (c): In accordance with the National Mineral Policy, 2008, which provides that special care will be taken to protect the interest of tribal populations by developing models of stakeholder interest in mining projects and stakeholder consultations, the Government has introduced the draft Mines and Minerals (Development and Regulation) Bill (MMDR Bill), 2011 in Lok Sabha on 12.12.2011 in which there is a provision for sharing of benefits with the local population which would enable monetary benefit to families affected by mining related activities and creation, management and maintenance of local infrastructure in areas affected by mining related operations. The draft provision provides for:

- a. suitable compensation for all exploration activities to be payable to the person or family holding occupation or usufruct or traditional rights on the area of exploration,
- b. all Mining Lease holders, including public sector undertakings and private sector companies to pay annually into a District Mineral Foundation set up at District level –
 - i. a sum equivalent to royalty in case of major minerals (other than coal);
 - ii. a sum equivalent to 26% of profit in case of coal minerals; and
 - iii. in case of minor minerals a sum prescribed by the State Government.
- c. a portion of the amount paid into the District Mineral Foundation shall be used to make recurring payments to people affected by mining related operations.
- d. all mining companies to allot atleast one share at par to each person of the family affected by mining, so as to give a sense of ownership in the enterprise.
- e. all mining companies to provide employment or other compensation as stipulated under Rehabilitation & Resettlement policy.