

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:4509

ANSWERED ON:07.09.2012

WELFARE SCHEMES BY MINING COMPANIES

Reddy Shri K. Jayasurya Prakash;Shankar Alias Kushal Tiwari Shri Bhisma

Will the Minister of MINES be pleased to state:

- (a) whether mining is being undertaken in several parts of the country including tribal areas;
- (b) if so, the details of the welfare scheme/programmes introduced by mining companies in the tribal areas alongwith the amount spent thereon during each of the last three years and the current year;
- (c) whether farmers/tribals of some States are opposing land acquisition for mining and bauxite mining in their States;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the measures being taken to resolve the disputes and problems arising out of land acquisition and to check bauxite mining by amending the existing law, if necessary?

Answer

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

- (a): Yes, Madam, as per available information, mining is being undertaken in several parts of the country including tribal areas.
- (b): The State Governments as the owners of minerals grant mineral concessions which include mining leases allotted to mining companies. The welfare scheme/programmes implemented by these companies are monitored by the State Government and the information regarding these programmes is not centrally maintained. However, the Central Government has enunciated 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 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.
- (c) & (d): Land for mining purpose may consist either of voluntary agreement between the land owner and the miner or land acquisition by the requiring bodies/State Government/Union Territories. Information regarding the acquisition of land for mining activities is not maintained by the Ministry of Mines, since State Governments grant mineral concessions as the owner of the minerals and any acquisition of land for mining purposes is done by the State Governments. However, The Government had received 13 fresh proposals seeking prior approval for grant of mining lease for bauxite in Visakhapatnam district in favour of M/S APMDC Limited. These proposals were returned back to Andhra Pradesh Government taking into account the concerns expressed by the local people relating to environment and ecology.
- (e): In order to ensure inclusiveness of local population in Mining activities, including mining of bauxite in the country, the Government has introduced a draft Mines and Minerals(Development & Regulation) Bill in Lok Sabha which 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.