

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:3524
ANSWERED ON:14.12.2012
IMPLEMENTATION OF OBJECTIVES OF EITI
Singh Shri Dhananjay

Will the Minister of MINES be pleased to state:

- (a) whether the Government is planning to implement the objectives of Extractive Industrial Transparency Initiative (EITI) a globally recognised standard for revenue transparency in the extractive industries, in the country;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

Answer

THE MINISTER OF MINES (SHRI DINSHA PATEL)

(a) to (c): Extractive Industries Transparency Initiative [EITI] is a globally developed standard for extraction of natural resources to promote revenue transparency at the local level. India is not a signatory to the EITI. However we have an elaborate legal and constitutional framework to manage mineral sector as indicated below:

- (i) The mineral sector is guided in terms of a Government approved National Mineral Policy, 2008.
- (ii) The mining operations are regulated in terms of a Mines and Minerals (Development and Regulation) [MMDR] Act 1957 framed by the Parliament.
- (iii) The State Governments, as owners of minerals, grant mineral concessions and collect royalty, dead rent and fees as per the provisions of MMDR Act 1957.
- (iv) The royalty and dead rent revenues collected by the State Government accrue to the Consolidated Fund of State Government concerned and are then appropriated for public spending through a budgetary process which has to be approved by the Legislative House of the State Government concerned.