

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:1689

ANSWERED ON:16.08.2013

DEVELOPMENT WORKS AROUND MINING AREAS

Singh Shri Pashupati Nath;Tudu Shri Laxman

Will the Minister of MINES be pleased to state:

- (a) whether there is any scheme or policy of the Government for carrying out development works for the areas surrounding the mines and the people living in the said areas by the mining companies;
- (b) if so, the details thereof indicating the funds spent by the mining companies for the said works during the last three years and the current year, company-wise;
- (c) whether some mining companies have shown reservation in spending the amount for said purposes;
- (d) if so, the details thereof indicating the complaints received in this regard and the action taken by the Government thereon; and
- (e) the measures taken by the Government to persuade the mining companies to spend the amount for the said purpose?

Answer

MINISTER OF COAL (SHRI SRIPRAKASH JAISWAL)

(a) to (e): The National Mineral Policy, 2008 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 policy 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 introduced the Mines and Minerals (Development and Regulation) Bill, 2011 (MMDR Bill) in the Lok Sabha on 12.12.2011 which provides that

- (i) 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.
- (ii) All mining lease holder are required to share their mining benefits with the local population affected by mining, including those in tribal areas. This would give mining companies "social licence" to mine in tribal areas without compromising on scientific mining.
- (iii) 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.
- (iv) A portion of the amount paid into the District Mineral Foundation shall be used to make recurring payments to people affected by mining activities.
- (v) 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.
- (vi) All mining companies to provide employment or other compensation as stipulated under Rehabilitation & Resettlement Policy.
- (vii) 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.

As per information made available by Indian Bureau of Mines, expenditure incurred by companies during the last three years on Development/ Corporate Social Responsibility is as follows:

Year Number of Companies Expenditure incurred (in Rs. Lakh)

2010-11 274 1439752.2

2011-12 339 34960.42

