

**GOVERNMENT OF INDIA  
MINES  
LOK SABHA**

UNSTARRED QUESTION NO:1720

ANSWERED ON:16.08.2013

NATIONAL MINERAL POLICY

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**Will the Minister of MINES be pleased to state:**

- (a) whether the National Mineral Policy, 2008 protects the interest of tribals and helps in checking illegal mining in the country;
- (b) if so, the details thereof indicating the provisions available therein;
- (c) whether the Government proposes to amend the National Mineral Policy for stringent check on illegal mining and to ensure optimum utilisation of natural resources;
- (d) whether the Government also proposes to incorporate the provisions of Forest and Environmental Protection Act in the said Policy to make it more holistic and comprehensive;
- (e) if so, the details thereof indicating the views of the State Governments and public in this regard; and
- (f) the progress made in regard to amendment in the said Policy?

**Answer**

MINISTER OF COAL (SHRI SRIPRAKASH JAISWAL)

(a) & (b): Yes, Madam. National Mineral Policy, 2008 (NMP, 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 NMP, 2008 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. As to take a regulatory step to check illegal mining in country, NMP, 2008 enunciates that the states will be assisted to overcome the problem illegal mining through operational and financial linkages with the Indian Bureau of Mines, a sub-ordinate office of Ministry of Mines. NMP, 2008 also described that while promoting small scale mining of small deposits in a scientific and efficient manner to safeguard vital environmental and ecological imperatives, regulation of these conditionalities will be tightened so as to control and prevent the growth of illegal mining.

(c) : At present, no proposal to amend the National Mineral Policy is under consideration of the Government. However, the Government has introduced the MMDR Bill, 2011 in Lok Sabha on 12.12.2011 which provides the following provisions in this regard:

(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 (DMF) – 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 (since royalty for minor minerals are set by States and vary from State to State) will be payable to DMF.

(iii) A portion of the amount paid into the DMF by the leaseholders will be used partly to making recurring payments to people affected by mining related operations.

(iv) Mining companies allot at least one share at par to each person of the family affected by mining.

(v) Mining Companies provide employment or other compensation as stipulated under R&R policy.

(vi) 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.

(vii) Grant of Mineral Concessions in Fifth and Sixth Schedule Areas requires consultation with Gram Sabha / District Council, in terms of any process defined under PESA.

(viii) In Fifth and Sixth Schedule Areas, State may give preference in grant of mineral concession to a cooperative of Scheduled

Tribes.

(ix) It empowers the Central Government to intervene in the cases of illegal mining where the concerned State Government fails to take action against illegal mining.

(x) The Central Government may issue general directions to the State Governments or the National Mining Regulatory Authority for inter alia to detect, prevent and prosecute cases of illegal mining.

(xi) The National Mining Regulatory Authority may, in case of a written complaint alleging illegal mining in respect of major minerals on a large scale or organized or inter-state basis may cause investigation and prosecution.

(xii) It ensures speedier disposal of application for mineral concessions, with recourse to Tribunal for delays.

(xiii) Every lessee, trader, stockiest and exporter to register himself with the IBM to facilitate an on line ore-accounting system. Currently, this process has been started by amending Rule 45 of the Mineral Conservation and Development Rules, 1988 vide notification G. S. R. 75(E) dated 9.2.2011 making it mandatory for all miners, traders, stockists, exporters and end-users to register with the Indian Bureau of Mines and report on movement of minerals to Indian Bureau of Mines and report on movement of minerals to Indian Bureau of Mines and State Government. Such end-to-end accounting will reduce the scope for transportation illegally mines minerals, including export of iron ore.

(xiv) Existing concessions would be cancelled of those persons convicted of illegal mining and debarred from future concessions.

(xv) Data relating to grant of concessions will be placed on the official website. This will include geospatial data based on the cadastral land records data as well as GPS coordinates of the lease boundaries. Since minimum area for a lease will be 10 ha, it will be feasible to do GPS in areas not fully delineated in cadastral maps (being forest areas etc.)

(xvi) Whistle blowing on illegal mining is recognized under the draft MMDR Bill, and State cess can be used to reward whistle blowers.

(d) to (f): Does not arise in the view of (c) above.