

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:3199

ANSWERED ON:16.03.2015

MINERAL EXPLORATIONS

Ahlawat Smt. Santosh;Boianapalli Shri Vinod Kumar;Choudhary Col. (Retd) Sona Ram;De(Nag) Dr. (Smt.) Ratna;Gandhi Shri Feroze Varun;Karunakaran Shri P.;Khuba Shri Bhagwanth;Kothapalli Smt. Geetha;Mani Shri Jose K.;Meghwal Shri Arjun Ram ;Subbareddy Shri Yerram Venkata

Will the Minister of MINES be pleased to state:

- (a) the number of Public Sector Undertakings engaged in the survey and explorations of various minerals including bauxite and iron ore and the details of mineral reserves in the country at present, State and mineral-wise;
- (b) the details of the production of various minerals during each of the last three years and the current year, State and mineral-wise;
- (c) whether the mining sector has experienced decline in production and if so, the reasons therefor;
- (d) whether the Government proposes to establish a National Mineral Exploration Trust to facilitate the exploration work in the country and if so, the details thereof;
- (e) whether the Government granted permission for non-exclusive reconnaissance to foreign companies interested in mineral exploration in the country, and if so, the details thereof, company-wise; and
- (f) the other steps taken by the Government to enhance production of various minerals in the country?

Answer

MINISTER OF STATE FOR MINES AND STEEL (SHRI VISHNU DEO SAI)

(a): Mineral Exploration Corporation Limited [MECL], a Public Sector Undertaking [PSU] under Ministry of Mines and National Mineral Development Corporation [NMDC], a PSU under Ministry of Steel are engaged in the exploration of various non-fuel minerals including bauxite and iron ore.

The State and Mineral wise details of mineral reserves in the country are available in the Indian Mineral Year Book available on the website of Indian Bureau of Mines [www.ibm.nic.in].

(c): The Gross Domestic Product [GDP] of mining and quarrying sector at constant prices (2004-05) during the last four years and the current year, is given below:

Mineral	2010-11	2011-12	2012-13	2013-14	2013-14	2014-15
	(PE)	(Apr- Sept)	(Apr- Sept)			
GDP of Mining & Quarrying Sector	110617	110725	108328	106838	49974	50960

(at Constant
Prices) (in Rs
Crore)
Growth Rate in
Mining &
Quarrying
Sector (in %)

(at Constant
Prices) 6.5 0.1 -2.2 -1.4 -2.0 2.0

PE: Provisional estimates; Source: CSO

It can be seen that the growth rate which was negative during 2012-13 and 2013-14 has now turned positive by 2% during the first two quarters of 2014-15 as compared to the same period of previous year.

On account of suspension/restriction on mining of iron ore due to illegal mining by the Hon'ble Supreme Court and Government

Orders, the production of iron ore was reduced in the country during 2011-12, 2012-13 & 2013-14 compared to the earlier year.

(d) : Yes, under Section 9C of the Mines and Minerals (Development and Regulation) Amendment Ordinance 2015, a National Mineral Exploration Trust (NMET), a non-profit body, is to be established with an objective to use the funds accrued to the Trust for the purposes of regional and detailed exploration. The holder of a mining lease or a prospecting licence-cum-mining lease shall pay to the Trust, a sum equivalent to two per cent of the annual royalty paid in terms of the Second Schedule as amended by MMDR Ordinance, 2015.

(e) : One of the provisions of the Amendment Ordinance is for grant of non-exclusive reconnaissance permits in respect of any notified or non-notified minerals or a group of specified minerals. However, as per section 5(1) of the MMDR Act, 1957, only an Indian National or a Company registered under section 2(20) of the Companies Act, 2013 can be granted a reconnaissance permit, prospecting licence or mining lease.

(f) : As regards enhancing the production of minerals in the country, it is stated that with the liberalization of mining sector in the year 1993, exploration and mining of minerals is open to private sector. State Governments, as the owners of minerals, grant mineral concessions. In case of some minerals listed in the First Schedule of the Mines and Minerals (Development & Regulation) Act, prior approval of the Central Government is necessary. Further, mineral exploitation is a function of demand of a particular mineral subject to grant of mineral concessions by the State Governments.