PRODUCTION OF MINERALS

*107. SHRI D. KUPENDRA REDDY:

Will the Minister of MINES be pleased to state:

(a) whether the mineral production of the country has increased this year in comparison to previous years, if so, the details thereof; and

(b) the details of innovative ideas being imparted to increase the mineral production and to generate employment in this sector?

ANSWER

THE MINISTER FOR MINES AND STEEL (SHRI NARENDRA SINGH TOMAR)

(a) and (b): A Statement is laid on the Table of the House.
Statement referred in reply to Rajya Sabha Starred Question Number *107 for reply on 06.05.2015 regarding ‘Production of Minerals’ asked by Shri D. Kupendra Reddy

(a): According to new series of the Gross Domestic Product, the Gross Value Added (GVA) by the mining and quarrying sector at constant prices (2011-12) is increasing in comparison to previous years, as indicated below:

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<td>GVA of Mining &amp; Quarrying Sector (at constant Prices) (in Rs. crore)</td>
<td>262253</td>
<td>276380</td>
<td>282605</td>
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<td>Year on Year increase (in %)</td>
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<td>5.39%</td>
<td>2.25%</td>
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NS: New Series Estimates; AE: Advance Estimates
Source: Central Statistical Office

(b): The Government has amended the Mines and Minerals (Development and Regulation) (MMDR) Act 1957, through the MMDR Amendment Act 2015 with effect from 12.1.2015, to address the constraints faced by the mining and quarrying sector. The amendments in the MMDR Act, 1957 will give impetus to the mining sector by:

(i) removing discretion in grant of mineral concessions, as mineral concessions will be granted through auction by competitive bidding;

(ii) allowing opening of mines which were closed due to pendency of decision on applications for second or subsequent renewal through extension of validity of lease period of the existing leases;

(iii) providing security of tenure of mining lease period with a uniform lease period of 50 years;

(iv) simplification of procedure, and removal of delay by eliminating requirement of prior approval of Central Government for grant of mining lease through auction;

(v) establishment of National Mineral Exploration Trust, a dedicated fund to encourage exploration to augment mineral resources;

(vi) allowing easy transferability of mineral concessions granted through auction, which would facilitate investments into the mining sector;

(vii) safeguarding the interest of mining affected persons through establishment of District Mineral Foundation, which will work for the interest and benefit of persons, and areas affected by mining related operations.

The Central Government has further empowered State Governments in respect of 31 minerals, which have been notified as minor minerals on 10.2.2015, for regulation of grant of mineral concessions and for purposes connected therewith.

These measures are expected to further increase mineral production in the liberalized mining sector.

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