

# Mining Policy and Legislation

## National Mineral Policy (NMP), 1993

In pursuance of the reforms initiated by the Government of India in July, 1991 in fiscal, industrial and trade regimes, the National Mineral Policy was announced in March, 1993. The National Mineral Policy recognized the need for encouraging private investment including Foreign Direct Investment (FDI), and for attracting state-of-art technology in the mineral sector. The policy stressed that the Central Government, in consultation with the State Governments, shall continue to formulate legal measures for the regulation of mines and the development of mineral resources to ensure basic uniformity in mineral administration so that the development of mineral resources keeps pace, and is in consonance with the national policy goals.

## Need for Review of National Mineral Policy of 1993

Mining is a three-stage operation, involving regional exploration, detailed exploration, and actual mining. Regional exploration is mainly a survey activity to identify areas bearing mineral deposits. Detailed exploration is a little more invasive and can involve close spaced drilling (depending on the mineral) and substantial testing to establish commercially exploitable ore bodies. Mining projects, therefore, have a long gestation period requiring large investments in exploration and other development activities before commercial production can begin, and are thus considered as a high risk venture for the reason that a prospector's investment may or may not result in finds of commercially exploitable deposits. In India, investment has been lacking in such high-risk ventures and the exploration done by Geological Survey of India (GSI) continues to be the main basis for investment in mining.

The growing global demand for metals and minerals has been continuously pushing up both domestic and international prices of minerals. Moreover, the country's accelerated growth rate warranted a rapid development of the mining sector because most of the basic industries in the manufacturing sector are dependent on assured ore supply. Similarly, the world mineral scenario had changed significantly, and in today's globalised economy, it was noticeable that investments in mining and exploration flow into such countries where apart from existence of mineral potential the regulatory regime is also investor friendly. Realizing this fact, many developing countries had significantly reoriented their mining laws and policies to attract global investment.

The slow pace of Foreign Direct Investments (FDI) in the mining sector even five years after the liberalization of the investment regime with the enunciation of the National Mineral Policy 1993, the lack of enthusiasm for investment in prospecting shown by the domestic private sector, and the limited budget with public sector agencies such as GSI, MECL, and other state and central agencies for undertaking promotional exploration had meant that the sector was unable to contribute to growth of the Gross Domestic Product (GDP) of the country to an optimal extent.

During the Mid-term Appraisal of the 10<sup>th</sup> Plan in the Planning Commission, it was observed that the 1993 Policy had not been able to achieve the aim of encouraging the flow of private investment and introduction of high end technology for exploration and mining because of procedural delays, etc. A High Level Committee under the Chairmanship of Shri Anwarul Hoda was therefore constituted on 14<sup>th</sup> September, 2005 by the Planning Commission to review the existing policy and make recommendations for possible amendments to the Mines and Minerals (Development and Regulation) Act, 1957 to give a fillip to private investment in the mining sector. Based on recommendations of Hoda Committee, the National Mineral Policy, 2008 was announced by the Government of India in March, 2008. The National Mineral Policy, 2008 (NMP) endeavors to attract technology and fresh investment through specific measures.

## National Mineral Policy 2008

The new NMP enunciates measures like assured right to next stage mineral concession, transferability of mineral concessions and transparency in allotment of concessions, in order to reduce delays which are seen as impediments to investment and technology flows in the mining sector in India. The Mining Policy also seeks to develop a Sustainable Development 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.

Other features of the National Mineral Policy 2008, inter alia, are:-

- (a) NMP recognizes that minerals are valuable natural resources being the vital raw material for infrastructure, capital goods and basic industries and development of the extraction and management of minerals has to be integrated into the overall strategy of the country's economic development.
- (b) The exploitation of minerals has to be guided by long-term national goals and perspectives which are dynamic and responsive to the changing global economic scenario.
- (c) The NMP, also, recognizes that the country is blessed with ample resources of a number of minerals and has the geological environment for many others being a part of the ancient Gondwanaland, which includes parts of Australia, South Africa, and Latin America.
- (d) NMP lays out that the guiding strategy for development of any mineral should naturally keep in view its ultimate end uses in terms of demand and supply in the short, medium and long terms and this would be market oriented. However, a disaggregated approach in respect of each mineral will be adopted and a mineral specific strategy will be developed to maximise gains from the comparative advantage which the country enjoys and mineral development will be prioritized in terms of import substitution, value addition and export, in that order.
- (e) Conservation of minerals shall be construed not in the restrictive sense of abstinence from consumption or preservation for use in the distant future but as a positive concept leading to augmentation of reserve base through improvement in mining methods, beneficiation and utilisation of low grade ore and rejects and recovery of associated minerals.

## IMPLEMENTATION OF THE NATIONAL MINERAL POLICY- INITIATIVES TAKEN SO FAR

### Amendment to Act and Rules

The new Policy states that the Central Government in consultation with State Governments shall formulate legal measures necessary for giving effect to new National Mineral Policy, 2008, to ensure basic uniformity in mineral administration across the country, to ensure that the development of mineral resources keeps pace, and is in consonance with the national goals. Some of the important areas of focus in the new National Mineral Policy, inter-alia, are:

- (i) Ushering in greater liberalization and private sector involvement, and to widen the scope of the regulatory framework of the Government in the mining sector by shifting the focus from conventional areas of managing the mineral concession systems to new areas of regulating the mineral sector holistically through addressing issues of simplification, transparency and sectoral best practices in order to attract capital and technology in the sector from new sources.

- (ii) Developing partnerships with stakeholders including State Government, Mineral and mineral based industries and various Ministries / Departments of the Central Government concerned, for development and conservation of mineral resources and formulation of strategy to ensure raw materials security. The policy also seeks to deepen the scope of the developmental framework by mandating better management of resources and enhancing the Research and Development impetus as also develop the Human Resources in the sector.
- (iii) Ensuring that the interests of host populations and other vulnerable sections are fully protected and stakeholder interests are developed, and the benefit of the economic activity in the mining sector flows equitably to the stakeholders. Since a large proportion of the mineral wealth is situated in areas under forest cover, inhabited by tribal or under-privileged communities, and of late, socio-economic issues of tribal and remote communities which, inter-alia, include perceptions about displacement, control of area by outsiders, economic isolation, environmental degradation and loss of livelihood and habitat, have come into focus, articulated through various means as constituting alienation and loss of identity, there is a felt need to incorporate provisions in the mining legislation enabling institutional mechanisms for involvement of the local people, especially the tribal and under privileged communities, in the development of mineral resources through sharing of benefits of mining and creation of stakeholder rights.

The Ministry of Mines has prepared a new draft Mines and Minerals (Development and Regulation) Bill, 2011 in line with the Mineral Policy, after due consultations with all the stakeholders including State Governments, industries and concerned Ministries /Departments of Central Government, and representatives of civil society groups concerned with environmental/societal impact. The draft Mines and Minerals (Development and Regulation) Bill, was circulated to all the stakeholders in July, 2009, for comments. Subsequently, follow up meetings and workshops were held with the various stakeholders on 11<sup>th</sup> August 2009, 17<sup>th</sup> August 2009, 20<sup>th</sup> August 2009, 3<sup>rd</sup> September 2009, 9<sup>th</sup> October 2009 (Workshop), 10<sup>th</sup> October 2009 (Workshop), 14<sup>th</sup> October 2009, 20<sup>th</sup> January 2010 and 20<sup>th</sup> April 2010. The successive versions of the draft Act was also circulated /uploaded on the website of the Ministry for obtaining the comments of the stakeholders on 5<sup>th</sup> August 2009, 17<sup>th</sup> September 2009, 17<sup>th</sup> November 2009, 8<sup>th</sup> January 2010, 31<sup>st</sup> March 2010 and 3<sup>rd</sup> June 2010.

Subsequently, the draft Mines and Minerals (Development and Regulation) Bill, duly vetted by the Ministry of Law and Justice was referred to a Group of Ministers headed by Shri Pranab Mukherjee, Hon'ble Finance Minister. The Group of Ministers held detailed deliberations in a series of meetings on the draft Bill and finally recommended to the Cabinet, which approved the draft Mines and Minerals (Development and Regulation) Bill 2011 on 30<sup>th</sup> September, 2011. The draft Mines and Minerals (Development and Regulation) Bill, 2011 has, since, been introduced in the Lok Sabha on 12<sup>th</sup> December, 2011 and referred to the Standing Committee on Coal and Steel on 5<sup>th</sup> January, 2012. The recommendations of the Standing Committee on Coal and Steel are awaited.

### Strengthening of Geological Survey of India

The Mineral Policy states that in order to effectively regulate the mineral sector through enforcement of mining plans for adoption of proper mining methods and optimum utilization of minerals, the Geological Survey of India (GSI), the India Bureau of Mines (IBM) and the State Directorates of Mining & Geology will be strengthened with manpower, equipment and skill sets upgraded to the level of state-of-art. The Policy, further, states that these Government

agencies will expend public funds primarily in areas where private sector investments are not forthcoming despite the desirability of programs due to reasons such as high uncertainties.

The Ministry had constituted a High Powered Committee (HPC) to suggest measures to strengthen the GSI. The HPC had submitted its report on 31<sup>st</sup> March, 2009 with a number of recommendations including on issues of training and capacity building. The recommendations are being implemented in a phased manner. HPC has envisioned to make GSI a world class Survey Organization. To achieve these, HPC has proposed rightsizing of the GSI apart from providing technological inputs. An Implementation Committee has been set up to go into the details for implementation and for further follow up its recommendations. Out of the 74 major recommendations, 56 recommendations have been implemented and another 16 recommendations have been partially implemented and 2 are yet to be implemented.

### Strengthening of Indian Bureau of Mines

A committee has been constituted in the Ministry of Mines for reviewing and restructuring of functions and role of Indian Bureau of Mines (IBM) in terms of the Policy directions given in the National Mineral Policy, 2008. The Committee has prepared a draft report which has been put up on the website of the Ministry for inviting comments of the stakeholders.

Separately, the IBM had obtained administrative clearance to fill up 86 scientific and technical previewed posts in various groups. Of these 29 posts have been filled up. The remaining posts are at various stages of being filled up.

### Strengthening of State Directorate of Mining and Geology

Keeping in view the increase in royalty revenues to the State Governments subsequent to revision of royalty rates in August 2009, the State Governments have been requested to prepare Action Plan for strengthening of the State Directorate of Mining and Geology in line with the recommendation of the National Mineral Policy. This item is regularly reviewed in the meeting of Central Coordination-cum-Empowered Committee meetings in the Ministry of Mines where the State Governments, also, participate.

### Mining Tenement & Registry System

The Policy lays down that a national inventory of mineral resources will be based on a comprehensive and updated exploration data, and further that in coordination with Geological Survey of India, the Indian Bureau of Mines will maintain a database in digitized form comprising both a Resource Inventory and a Tenement Registry in accordance with the latest version of the UNFC system. The Tenement Registry will give information on both Leasehold Areas as well as Freehold Areas classified in terms of green field, brown field and relinquished areas including areas given up by the GSI and other reconnaissance permit /prospecting licence holders. It is envisaged in the Policy that the digitized data would be maintained online giving instant access to prospective investors on what is available for reconnaissance, prospecting and mining. Summaries of work done by public agencies will be kept in the form of meta-data in the public domain and detailed reports will be made available to interested investors on cost recovery basis.

In order to introduce such a system, the Ministry of Mines has started work on a Mining Tenement System, in consultation with the concerned Ministries/ Departments of the Central Government and State Government. A pilot project for Durg and Bellary District has been developed and successfully demonstrated.



Systematic Mining

Source IBM

In respect of Registry component of the project, M/s Ernst & Young have been commissioned to prepare a Detailed Project Report (DPR). Based on the DPR, the Ministry will initiate the next stage of 'Request for Proposal' (RFP) for selecting appropriate vendor for Software Development. Initial trials of software are likely to be conducted in the year 2013-14.

### Forest & Environment Issues

The policy lays down creation of a framework for sustainable development which will be designed to take care of bio diversity issues and to ensure that mining activity takes place along with suitable measures for restoration of the ecological balance. 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.

The matter has been raised with the Ministry of Environment and Forests in the light of the new Mineral Policy, expressing the readiness of the Ministry to strengthen the IBM in order to ensure that the provisions of the Policy and statutory requirements in Forests and Environment Legislation are fulfilled in letter and spirit. At present, the Ministry of Environment and Forests (MoEF), under section 10 of Environment Protection Act have authorized the

officers of IBM (CCOM, COM, RCOM, and DCOM) to collect samples, analyse the same and report to MoEF.

The Hoda Committee, set up to review the National Mineral Policy, held that one of the challenges facing the Indian Mining sector to develop in a sustainable manner would be to identify the appropriate use of land within a Land Planning framework through a democratic decision making process on the basis of integrated assessment of ecological environmental economical and social impact. The Committee also held that mining should contribute to economic, social and cultural well-being of indigenous host populations and local communities by creating stakeholder interest in mining operations for the Project affected Persons (PAP). The Committee recommended development of a Sustainable Development Framework specially tailored to Indian context.

Accordingly, in terms of National Mineral Policy, 2008, the Ministry of Mines engaged M/s ERM India Private Limited, Gurgaon as Consultant for preparation of Sustainable Development Framework (SDF) for the Indian Mining Sector in terms of Rule 163 of General Financial Rules, 2005. The Consultant has since then prepared a draft Sustainable Development Framework (SDF) document after taking into consideration the fact that mining should contribute to economic, social and cultural well being of indigenous host populations and local communities through a consultation process enabling inclusive growth and ensuring stakeholders interests in mining operations for the project affected people (PAP). The draft SDF has been finalized in the Ministry, and the Ministry is now undertaking a process of wider consultation and dissemination of the SDF document with the stakeholders before its final roll-out.

### Geological Programming Board

Coordination of the regional exploration work by government agencies is at present being done by the Central Geological Programming Board of the GSI. The disaggregated projects are generally discussed in the State Level Committees and other technical forums before being incorporated into the annual programme. The National Mineral Policy 2008 (NMP) required that the existing arrangement shall be revamped to ensure that projects and programmes are prioritized in line with the national policy goals and are chalked out after taking into account the exploration work undertaken by the private sector.

The Central Geological Programming Board has, since, been revamped and the Board will meet at least twice a year as part of the process to strengthen the linkage between the Central Geological Programming Board and the State Geological Programming Boards. The CGPB has held its latest meetings on 2<sup>nd</sup> and 3<sup>rd</sup> February, 2012. Accordingly, it is expected that the Central Board will effectively articulate the policy and programmatic requirements in a technically feasible and scientifically desirable manner, so that projects and programmes are prioritized in line with national policy goals and take into account and facilitate the exploration work of the private sector.

### Enforcement of Data Filing by Concession Holders

As per the National Mineral Policy data filing requirements will be rigorously applied and all concession holders will be subjected to detailed monitoring in this regard. The lock-in arrangements will be assured and released data will be integrated with the data generated by the state agencies and made available to other prospectors.

GSI and IBM have been instructed to closely monitor data filing requirements, particularly among Reconnaissance Permit (RP) holders. The matter is a regular item of review in the Central and State Geological Programming Boards.

GSI has been entrusted with the responsibility of maintaining data base of all the RP reports by RP holders as per Rule 7 of MCR, 1960. The RP reports are being sent to GSI by RP holders from the year 2005 onwards. To streamline the data filing system and for authentication of reports, the work of preparation of database of the submitted final RP reports has been initiated.

Similarly, the IBM has been directed to review the data filing by prospecting licence holders, and prepare a list of prospecting reports which could be put in the public domain after the mandatory lock in period is over.

### Re-assessment of Threshold Values of Important Minerals

As per the National Mineral Policy, 2008, minerals being a valuable resource, the extraction of mineral resources located through exploration and prospecting has to be maximised through scientific methods of mining, beneficiation and economic utilization and zero waste mining will be the national goal and mining technology will be upgraded to ensure extraction and utilisation of the entire run-of-mines.

In the interest of systematic development of mineral deposits and conservation of minerals, Controller General, IBM issued directives under Rule 54 of MCDR, 1988, notifying threshold value of minerals for general information and immediate compliance by the mine owners. Subsequently, circulars highlighting the procedure to be followed for exploration within the leaseholds in respect of which the threshold values have been significantly changed i.e. for iron ore, chromite, bauxite, limestone & dolomite, wollastonite and magnesite were also issued for reassessing the reserves / resources.

In respect of lease areas the Ministry of Mines has issued a direction to all the State Governments on 23<sup>rd</sup> December, 2010 to impose a special condition under Rule 27(3) of Mineral Concession Rules, 1960, in the mining leases, making it mandatory for all the mining lease holders to ensure time-bound prospecting of the mining lease area in accordance with the UNFC standards, as per revised threshold values.

### Mine Development and Mineral Conservation

The National Mineral Policy lays down that the mine development and mineral conservation as governed by the Rules and Regulations will be on sound scientific basis, with the regulatory agencies, viz. IBM and the State Directorates, closely interacting with R&D organisation, and scientific and professional bodies to ensure optimal Mining Plans. The NMP further states that conditions of mining leases regarding size, shape, disposition with reference to geological boundaries and other mining conditions shall be such as to favourably predispose the leased areas to systematic and complete extraction of minerals. To this effect the regulatory agencies, namely, the Indian Bureau of Mines and the State Directorates will be suitably strengthened through capacity building measures. The Implementation Committee has directed the IBM to prepare detailed guidelines for mine closure, best practices, and the actual process of obtaining approval from the IBM for the Mine closure plan, detailing the socio-economic aspect of mine closure, long-term impact, costs involved, etc. The same has been incorporated in the draft IBM Restructuring Report which is available on IBM website.

### Coordination-cum-Empowered Committee

A Central Coordination-cum-Empowered Committee (CEC) was constituted in the Ministry of Mines on 4.3.2009 under the chairmanship of Secretary (Mines) to monitor and minimize delays in grant of approvals for mineral concessions. The Committee consists of the Central

Ministries / Departments concerned and the Secretaries in charge of Mining & Geology in the States and meets once in 3 months.

Considering the need for having more effective coordination among the Central Ministries / Departments and the State Governments for grant of mineral concessions as well as for dealing with other important matters relating to mineral development and regulation in the country, the Ministry has reconstituted the CEC as "Coordination-cum-Empowered Committee on Mineral Development and Regulation" on 20<sup>th</sup> December, 2011. The terms of Reference (TOR) have, also, been broadened so as to bring within its ambit other important matters, viz. Sustainable Development Framework, Coordination/review of steps for prevention of illegal mining, issues arising out of the National Mineral Policy, and legislation governing mineral development etc. All State Governments have also been requested to review the composition and TOR of their State Empowered Committees, and effect suitable changes therein.

So far Seven meetings of the Central Coordination-cum-Empowered Committee have been held on 24<sup>th</sup> July, 2009, 22<sup>nd</sup> December, 2009, 18<sup>th</sup> June, 2010, 22<sup>nd</sup> December, 2010, 3<sup>rd</sup> May, 2011, 20<sup>th</sup> September, 2011, and 16<sup>th</sup> January, 2012, wherein important decision aimed at minimizing delays for processing of mineral concession applications at various levels; finding ways to deal with issues facing the mineral sector; and improving the overall mineral concession regime were taken which are being regularly followed up by the Ministry with the State Governments and other offices / agencies concerned.

#### Measures to Control Illegal Mining:-

- Railways have instituted a mechanism to allow transportation of iron ore only against permits issued rake-wise and verified by State Government, apart from taking measures to fence and set up check post at the railway sidings.
- Customs Department has issued instructions to all its field units to share information on ore export with State Governments.
- Ministry of Shipping has issued a direction to all major Ports to streamline the verification procedures for movement of consignment by road and rail to Ports for exports.
- All State Governments have been requested to computerize the system for collection of royalty and issue of transport permits on similar basis as the Online Royalty Pass System implemented by (n) Code Solutions, a Division of Gujarat Narmada Valley Fertilizers Company (GNFC) Ltd.
- All State Governments have also been requested to include representatives of Railways, Customs, Ports and in case of iron ore producing States, representative of Ministry of Steel in the State Coordination-cum-Empowered Committees set up in the State, for better monitoring of the transportation and export of ore.
- All State Governments have, further, been asked to send list of mineral concession cases pending with Ministry of Environment and Forests for clearances to reduce delays.
- All State Governments have been asked to impose the special condition under Rule 27(3) of Mineral Concession Rules, 1960, for ensuring that all the mining lease holders assess the resources in their leases in a time bound manner as per the UNFC.
- The State Governments have also been requested to be more actively engaged in improving the quality of mineral administration, by taking the following steps:-
  - (a) Increasing personnel at railway sidings;
  - (b) Removal of restrictions on loading of ores in sidings not used optimally;

- (c) Improving security features of the transit passes (for this purpose, the system of a single permit per rake would need to be implemented);
- (d) Take action against overloading of trucks which is a substantial factor in royalty evasion besides being responsible for deteriorating road quality in mining areas and increasing transport inefficiency;
- (e) Putting in place in-motion weigh-bridges and modernization of checkgates;
- (f) Registration of loading contractors and transporters;
- (g) Better enforcement through intelligence sharing, enforcement squads, joint inspection, mining cell in police organization etc.
- (h) Ministry of Mines has further directed all the State Governments to start the process of registration of end users, constitution of Special Cell in State Police, use of satellite imagery to track down illegal mining. hologram-marking / bar-coding of transport permit, etc.
- (i) The State Governments are also planning to set up special camp at sites and deployment of additional police personnel in the areas where there have been complaints about illegal mining.

Separately, the Central Government through the Indian Bureau of Mines (IBM) has constituted Special Task Force for inspection of mines in endemic areas by taking the help of satellite imageries. As on 1<sup>st</sup> December, 2011, the Special Task Force has conducted inspections in a total of 454 mines in the States of Goa, Madhya Pradesh, Maharashtra, Chattisgarh, Jharkhand, Orissa, Karnataka, Andhra Pradesh, and Gujarat. While IBM had suspended 155 mines after the inspection, suspension has been revoked after compliance of the rules in case of 97 mines. IBM has further, recommended termination of 8 leases to the State Governments.

The Mineral Conservation and Development Rules, 1988 (MCDR) provides for measures to ensure scientific management of the mining process. Rule 45 of the MCDR provides for the mining companies to provide periodic reports on the extraction and disposal of the mined material. Keeping in view the need to improve the monitoring of the production, movement and sale of ore, Rule 45 of MCDR has been extensively amended on 9<sup>th</sup> February, 2011 to provide for an end-to-end accounting of all ore produced, from the source (mine) to sink (end-use plant or export). The amended Rule now makes it mandatory for all miners, traders, stockists, exporters and end-users of minerals to register and report on the production, trade and utilization of minerals to the State Government and Indian Bureau of Mines. Online registration of mining lease holders, traders, exporters, stockist and end-users has already commenced. The online reporting systems are likely to be in place by March 2012 and made functional by September 2012. This would facilitate end-to-end national scale accounting of all minerals produced in the country from the pit head to its end-use, reducing the scope for illegal mining, royalty evasion etc. and attendant corruption in inspection of mines, and in issue of transportation permits.

Shri Justice M.B. Shah, Commission of Inquiry

Central Government has appointed a Commission of Inquiry consisting of Shri Justice M.B. Shah, Retd. Judge of the Supreme Court of India, vide Notification 22nd November, 2010 to enquire into the large scale mining of iron ore and manganese ore without lawful authority in several states. The terms of reference of the Commission are as follows:

- (i) to inquire into and determine the nature and extent of mining and trade and transportation, done illegally or without lawful authority, of iron ore and manganese ore,

and the losses therefrom; and to identify, as far as possible, the persons, firms, companies and others that are engaged in such mining, trade and transportation of iron ore and manganese ore, done illegally or without lawful authority;

- (ii) to inquire into and determine the extent to which the management, regulatory and monitoring systems have failed to deter, prevent, detect and punish offences relating to mining, storage, transportation, trade and export of such ore, done illegally or without lawful authority, and the persons responsible for the same;
- (iii) to inquire into the tampering of official records, including records relating to land and boundaries, to facilitate illegal mining and identify, as far as possible, the persons responsible for such tampering; and
- (iv) to inquire into the overall impact of such mining, trade, transportation and export, done illegally or without lawful authority, in terms of destruction of forest wealth, damage to the environment, prejudice to the livelihood and other rights of tribal people, forest dwellers and other persons in the mined areas, and the financial losses caused to the Central and State Governments.

The Commission was, also, mandated to submit interim report Accordingly, Commission of Inquiry has submitted an Interim Report to the Government on 14th July, 2011 recommending, inter alia:

- Amendment in section 24 of the Mines and Minerals (Development and Regulation) Act 1957
- Amendments in Rules 24A of Mineral Concession Rules (MCR), 1960 regarding deemed extension of mining leases, in Rule 26 and Rule 27 of MCR restricting persons convicted for illegal mining from renewal of mining lease and cancellation of mining lease;
- Amendments in field circulars issued by Indian Bureau of Mines for stringent regulation of boundary pillars of mining leases;
- Ban on export of iron ore and manganese ore; and
- Measures to be taken by State Governments for improving regulation by:
  - (i) introducing Computerized weigh bridges,
  - (ii) installing Check Posts at exit points,
  - (iii) proper maintenance of roads and collection of toll tax, and
  - (iv) providing adequate staff for regulatory purposes in State.

The Government has considered the recommendation of the Commission of Inquiry and has accepted recommendations pertaining to amendment of Rule 26 and Rule 27 of MCR, restricting persons convicted for illegal mining from renewal of mining lease and cancellation of mining lease, amendments in field circulars issued by Indian Bureau of Mines for stringent regulation of boundary pillars of mining leases, and measures to be taken by State Governments for introducing computerized weigh bridges, installing Check Posts at exit points, proper maintenance of roads and collection of toll tax, and providing adequate staff for regulatory purposes in State. The Government has commenced suitable action for implementation of the accepted recommendations.