Minutes of the Central Coordination-Cum- Empowered-Committee (CCEC) meeting held on March 08, 2018 at New Delhi under the chairmanship of Shri Arun Kumar, Union Secretary (Mines).

The CCEC meeting held on March 08, 2018 at Hotel Samarat, Chanakyapuri, New Delhi under the chairmanship of Shri Arun Kumar, Union Secretary (Mines) was attended by the representatives of the various major mineral producing states. The list of participants is at Annexure-I.

1. The Union Secretary (Mines) welcomed all the participants and laid out the agenda of the day. He mentioned that so far 34 mineral blocks have been successfully auctioned by 9 State Governments wherein mineral resources worth more than 1.78 lakh crore rupees were successfully auctioned and the State Governments are likely to receive more than 1.35 lakh crore rupees over the lives of the mining leases including 35 thousand crore rupees of royalties. He further stated that the amendments to Mineral (Auction) Amendment Rules, 2015 have been well received and already 35 mineral blocks have been put upon auction in 3 months after the amendment, where as 27 blocks are put up for auction in 8 months of the year 2017-2018 preceding the amendment.

2. The Union Secretary (Mines) stated that large amount of funds has accrued under the DMFs across the country and he advised the states to be more proactive in implementing the Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) scheme. He also mentioned that Members of Parliament (MP) may also be co-opted in various bodies/committees of DMFs, at least where the Ministers and MLAs of the area are already part of these bodies.

3. The states need to actively adopt mining surveillance system for minor minerals also. He also mentioned that the Hon’ble Supreme Court had advised the Ministry to file an affidavit regarding the illegal mining upto 9th March, 2018 for which immediately the States need to furnish relevant information as sought by the Ministry for timely submission of the affidavit.

4. He also expressed concern regarding the lack of detailed exploration proposals from State Governments to be funded by the NMET.

5. Secretary (Mines) invited the participants of the CCEC meeting to attend the final meeting of the committee constituted for sand mining framework in the second half which is to discuss and finalise the recommendations of the committee as the final report is proposed to be released on 20th March 2018. He then asked the States to give updates on the agenda items.

6. Shri Deepak Kumar Mohanty, Director of Mines, Government of Odisha mentioned about the following key updates in Odisha.

a) The state has successfully auctioned 5 blocks in 3 phases (i.e. 3 iron ore, 1 limestone and 1 manganese blocks in FY 2016-17). Under Phase IV of mineral block auctions, the state has issued Notice Inviting Tender (NIT) in February 2018 for another 5 blocks (i.e. 2 iron ore and 3 limestone blocks).

b) The state is in the process of developing 4 blocks (3 iron ore blocks and 1 manganese block) and intends to initiate auction for the same before March 31, 2018. Besides these blocks, the state is currently carrying out exploration in
advanced stage for 5 blocks (3 iron ore blocks, 1 limestone block and 1 graphite block), which are expected to be ready for auction by June 2018. The Directorate of Geology, Odisha has taken up exploration of 4 mineral blocks and these blocks would be taken up for auction in FY 2018-19. Exploration of another block being carried out by the Mineral Exploration Corporation Limited (MECL) is delayed, which was originally expected to be completed by December 2017.

c) The state has sanctioned more than 6,000 schemes and has executed more than 4,000 schemes under PMKKKY.

d) The Star Rating system will also be implemented for the minor minerals but is likely to take some time as revenue department officials need to be trained for this.

e) 30 mining leases are expected to expire in 2020. The state is expediting exploration in such lease areas. He requested for help from the Ministry in expediting clearances/ pursues relaxation from the Ministry of Environment, Forest and Climate Change (MoEFCC) for carrying out exploration in these areas.

7. Shri R. K. Kataria, Secretary of Commerce & Industries (Mines & MSME), Government of Karnataka gave the following key updates in Karnataka.

a) Out of 51 C-category mines, the state has decided not to auction 9 mines as they are not economically viable. Besides the C-category mines, 8 new blocks have been identified and are in the process of being made ready for auction and are expected to be auctioned within a period of 3 to 4 months.

b) In the next 2 months, the star rating system will be implemented for minor minerals in the state.

c) 46 mining leases are expected to expire by 2020. Out of these 46 blocks, in 6 blocks - no exploration is required; in 25 mines - exploration is required; 4 mines have been dropped as they are not viable anymore; 5 mines have been kept on hold and for 6 mines, the committee is yet to initiate a review.

d) Illegal mining of major minerals has been efficiently controlled and is no longer a significant issue in Karnataka. For minor minerals, the state is still facing illegal mining related challenges. Inadequate workforce has led to great difficulty in physical monitoring of mines.

e) The state has amended rules pertaining illegal mining. Confiscation of vehicles engaged in illegal mining in addition to seizure of material and equipment has been introduced in the amended rules. The penal provisions have been made stricter, the offenders are now required to pay double the value of the confiscated vehicle and five times the value of royalty of material that has been seized.

8. Shri B R V Susheel Kumar, Director of Mines and Geology, Government of Telangana provided the following key updates regarding Telangana.

a) Around 32 limestone blocks have been identified for auction. The State is proposing to issue NIT for 3 limestone blocks once the Ministry gives an approval for relaxation of exploration norms prescribed under the Minerals (Evidence of Mineral Contents) Rules, 2015.
b) MPs are being co-opted into the DMF committees and the same has been decided in November 2017.

c) 45% of minor mineral blocks are geo-referenced by the Telangana State Remote Sensing Applications Centre (TRAC). The rest 55% are in process of being geo-referenced and geo-fenced. The same is expected to be completed by July 2018.

d) Further, District level and state level task force committees have been formed and are diligently monitoring to curb illegal mining in the state.


a) Auction process for a bauxite block and 2 emerald blocks is awaiting the notification of selling prices of these Minerals by IBM. The proposal of 2 limestone blocks for grant of auction under PL-cum-ML at C3 level is also being processed for relaxation from Ministry of Mines for putting up on auction. Additionally, 3 Graphite blocks would be auctioned in the next financial year.

b) For a copper block in the state – MECL has given GR (Geological Report), but no DGPS report has been given for the same. The DGPS report will take 3 months post which this block will be auctioned.

c) Work for 2 graphite and 1 limestone block is in process and the blocks will be auctioned soon.

d) MECL was given 17 blocks for which MECL proposed that they will go ahead with 7 blocks in 2018 and work on 5 blocks will be initiated in 2019.

e) A total of Rs. 2,500 crore of funds has been collected under the PMKKEY, out of which more than Rs. 1,700 crore of the total fund has been allocated till date.

f) It was informed that leases of 18 Iron-ore mines, 3 Limestone mines, 2 China-clay mines, 2 Graphite mines and 3 Magnette mines in the state are expiring in 2020. Other than 18 Iron-ore mines, no mines are viable to be re-auctioned as per state’s screening committee.

g) GPS for vehicle tracking and RFID (radio frequency identification) system are being introduced to monitor mining activities. New rules for prevention of illegal mining have been introduced by the state in the year 2018.

10. Smt. Alarmon Manaig, Director of Geology and Mining, Government of Chhattisgarh gave the following key updates regarding Chhattisgarh.

a) 3 limestone blocks and 1 gold block have been successfully auctioned so far. In this financial year, only one block will be auctioned. Another limestone block will be auctioned in May 2018. The State Government has 5 bauxite blocks ready for auction and is awaiting the sale price to take up auction of the these blocks. Total 7 blocks i.e. 2 limestone and 5 bauxite blocks are expected to be auctioned in FY 2018-19.

b) Till date, a sum of Rs. 2600 crore has been collected under PMKKEY and works worth Rs. 700 crore have been sanctioned in the state under PMKKEY. An expenditure of Rs. 1,381 crore has been incurred on various schemes in the State.
District Collectors have been asked to develop an annual work plan for the next 5 years for implementing PMKVKKY. More than 26,000 schemes have been sanctioned under PMKVKKY.

c) No mining leases will expire by 2020.

d) In the next 90 days the State will be able to implement Mining Surveillance System (MSS) for all dolomite blocks in the State. Stricter illegal mining rules have been framed by the State. "Kanij Online Portal implemented by the State is capable of end-to-end tracking and hence is being used to curb illegal mining. Integration of weigh-bridge and GPS vehicle tracking will be introduced soon on this portal. District level task force, State level task force and central flying squad are diligently monitoring to curb illegal mining activities.

11. Shri W B Chandra Shekhar, Joint Director of Mines and Geology, Govt. of Andhra Pradesh provided the following key updates regarding Andhra Pradesh.

a) NIT will be issued for 7 limestone blocks and 2 gold blocks by end of March 2018.

b) In 2018-19, the State has planned to ready 9 manganese blocks for auction and GSI is to carry out necessary exploration for the same.

c) A district level task force has been established for the implementation of PMKVKKY. A sum of Rs. 311 crore has been collected till February 2018. More than 4,400 works have been identified to be taken up under PMKVKKY. More than 1,800 works worth Rs. 120 crore have been sanctioned.

d) A total of 9 mining leases (i.e. 4 limestone, 1 manganese and 2 iron ore blocks) will expire by 2020.

12. Shri R K Nalwaya, Additional Director of Mines and Geology, Govt. of Rajasthan gave the following key updates about Rajasthan.

a) 5 limestone blocks have been auctioned in this financial year. Apart from the above 5 blocks, 2 more blocks will be taken up for auction in March 2018. In the next financial year, 4 copper blocks and 5 limestone blocks will be taken up for auction.

b) A total collection of Rs. 1,400 crore has been accrued under DMF and out of this collection, Rs. 900 crore has been allocated. Works worth Rs. 56 crore has been completed.

c) The state has online systems for activities across the value chain, starting from application submission and processing to e-transit system. Weigh bridges have also been integrated with the online system. Most leases have already been uploaded on the online monitoring system. For minor minerals, some leases are to be uploaded and the same will be completed soon.

d) Bajri and Quartz are some of the key minerals facing the challenge of illegal mining in the state. The Hon’ble Supreme Court has banned Bajri mining in Rajasthan. Illegal mining in major minerals in Rajasthan is under control and no major cases have been recorded in the recent past.

13. Shri Anup Mishra, Deputy Director, Directorate of Geology and Mining, MP provided the following key updates about Madhya Pradesh.
a) A diamond block has been auctioned in FY 2016-17. In FY 2017-18, a total of 8 blocks have been taken up for auction (5 limestone, 1 bauxite and 1 iron ore blocks). In FY 2018-19, a total of 13 blocks are being readied for auction. These include 2 gold, 2 zinc, 2 manganese, 1 bauxite and 6 limestone blocks.

b) The State has collected a sum of Rs. 1,564 crore under DMF and has incurred more than Rs. 270 crore for works under PMKKKY.

c) 13 mining leases are expected to expire by 2020. Out of these 13 leases, the State has initiated process for auction of 3 blocks. The remaining 10 blocks are either exhausted or cannot be re-auctioned because of new habitation over their surfaces.

14. Shri K. Vivekanandan, Director of Geology and Mining, TN gave following the key updates about Tamil Nadu.
   a) 3 molybdenum blocks are ready for auction and the department is awaiting sale price notification for molybdenum from IBM.
   b) Rs. 226 crore has been collected in the State under DMF. For minor minerals star rating template provided by the GoI is being customised for implementation in the State. The state is also in process of integrating GPS for vehicle tracking.

15. The Union Secretary (Mines) summarised the proceedings of the meeting as follows.
   a. Regarding an affidavit to be submitted to the Supreme Court, he sought for a two page write up from each State covering the following:
      - Committees (and their respective functions) that have been formed in each state to curb illegal mining.
      - Key initiatives to curb illegal mining for major minerals and recent amendments in their rules regarding the same.
      - Comparative statement showing data pertaining relevant parameters (for illegal mining) of the last 5 years (preceding FY 2016-17) being compared with data for FY 2016-17.
      - Data pertaining to only two relevant parameters to be submitted - cases filed and fines realised.
   b. He advised all states to develop 3 year work plans for better planning and implementation of PMKKKY.
   c. He advised that the funds should be used only to holistically cover two or three schemes instead of being diversified for several schemes, which would lead to funds being unproductively utilised.
   d. Regarding categorisation of schemes under PMKKKY, the Secretary (Mines) suggested that each beneficiary should not be treated as a separate project, as is being currently treated in various states. He advised that an entire project or a sub-project should be treated as a scheme.
   e. Regarding NMET, he mentioned that the Ministry has engaged a third party audit firm to do the audit of NMET. Additionally, he sought for cooperation from the States and their respective departments towards the audit.
f. He suggested departments to point/put up signboard showing scheme implementation is under PMKKKY undertaken under the funds from PMKKKY. This will educate the people and to create positive impact about mining in the society.

g. He advised MECL to also focus on exploration work relating to non-coal blocks when there is a huge demand from the States.

The meeting ended with thanks to the Chair.
### Annexure

The list of participants in the CCEC meeting held on 08 March, 2018 at Hotel Samrat, Kautilya Marg, Chanakyapuri, New Delhi

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<thead>
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