GOVERNMENT OF INDIA
MINISTRY OF MINES
RAJYA SABHA
UNSTARRED QUESTION NO.751
TO BE ANSWERED ON THE 2ND MARCH, 2016
NATIONAL MINERAL EXPLORATION TRUST

751. DR. SANJAY SINH:

Will the Minister of MINES be pleased to state:

(a) the objectives of formation of the National Mineral Exploration Trust (NMET) established by Government recently;
(b) whether any amendment has been made in the Mines and Minerals (Development and Regulation) Act, ‘1957 for promotion of mining sector;
(c) if so, the details thereof; and
(d) the result achieved so far as a result of amendment?

A N S W E R

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

(a): The primary objective of the formation of the National Mineral Exploration Trust [NMET] is to promote regional and detailed mineral exploration in the country to increase overall mineral production and achieve sustainable development of the mineral sector. The NMET Rules, 2015, as available on the website of Ministry of Mines i.e. www.mines.nic.in, detail the objects and functions of the Trust.

(b) & (c): Yes, Sir. The Mines and Minerals (Development and Regulation) Act, 1957 was amended through the MMDR Amendment Act, 2015 for promotion of mining sector, which has been notified in the Official Gazette on 27th March, 2015, and is deemed to have come into force with effect from 12th January, 2015.

The most important provision of the MMDR Amendment Act, 2015 is the introduction of the method of auction by competitive bidding for grant of mineral concessions for major minerals. The other important provisions of the MMDR Amendment Act, 2015 are:

(i) provisions for extension of the period of existing mining leases to avoid disruptions in supply of ore and to ensure regular supply of raw material to industry especially in cases where downstream industries have been set up depending upon such leases, and to provide for adequate time for preparatory activities for auction of mineral concessions;
(ii) establishment of District Mineral Foundation for the interest and benefit of persons, and areas, affected by mining related operations;
(iii) assured tenure and easy transferability of mineral concessions granted through auction;
(iv) establishment of National Mineral Exploration Trust for regional and detailed exploration; and
(v) strict penalty provisions to deal with illegal mining.

(d): The auction process has been rolled out in the States. The results of the auctions are very encouraging which are yielding handsome revenue to the State governments.

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