



Indian Minerals Yearbook 2019

(Part- I : GENERAL REVIEWS)

58th Edition

MINERAL POLICY & LEGISLATION (ADVANCE RELEASE)

**GOVERNMENT OF INDIA
MINISTRY OF MINES
INDIAN BUREAU OF MINES**

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POLICY

1. Mineral Scenario in India

- Mining sector is one of the core sectors of economy. It provides basic raw materials to many important industries.
- Mining & Quarrying sectors contribution (at current price) to GVA accounted for about 2.38% for 2018-19 as per provisional estimates of Annual National Income, 2018-19 published by CSO.
- Based on the overall trend, the index of mineral production (base 2011-12 = 100) for the year 2018-19 is estimated to be 107.9 as compared to 104.9 of previous year showing a positive growth of 2.9%.
- There has been a notable turnaround ever since Government has taken initiative for policy reforms. This turnaround is very much visible in terms of growth in Gross Value Added (GVA) in Mining & Quarrying sector which includes Coal, Petroleum, metallic and non-metallic minerals. The Mining & Quarrying sector (at constant price) grew by 0.6%, 0.2%, 9.7%, 10.1 %, 9.5%, 5.1% and 1.3% in 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19, respectively.
- Also, there is a noticeable surge in mineral production in India. The production of major minerals during the year 2017-18 has recorded a growth of 22.7% when compared to last year in terms of value. Similarly, in 2018-19 the mineral production in terms of value registered a growth of 25%. The real contributors to this growth story have been lead concentrate (42.8%), iron ore (31.9%) & copper concentrate (21.3%) in the Metallic segment and wollastonite (37.3%) and Limestone (14%) in the Non- metallic segment, in value terms.

2. Mineral Policy & Legislation

Policy

Steel Scrap Recycling Policy

Ministry of Steel through Gazette Notification dated 7th Novemebr, 2019, has issued the Steel Scrap Recycling Policy that aims to achieve the following objectives –

- To promote circular economy in the Steel sector.
- To promote a formal and scientific collection, dismantling and processing activities for end-of-life products that are sources of recyclable (ferrous, non-ferrous and other non-metallic) scraps which will lead to resource conservation and energy savings and setting up of an environmentally sound management system for handling ferrous scrap.
- Processing and recycling of products in an organised, safe and environment friendly manner.
- To evolve a responsive ecosystem by involving all stakeholders.
- To produce high quality ferrous scrap for quality steel production thus minimising the dependency on imports.
- To decongest the Indian cities from ELVs and reuse of ferrous scrap.
- To create a mechanism for treating waste streams and residues produced from dismantling and shredding facilities in compliance to Hazardous & Other Wastes (Management & Transboundary Movement) Rules, 2016 issued by MoEF & CC.
- To promote 6 Rs principles of Reduce, Reuse, Recycle, Recover, Redesign and Remanufacture through scientific handling, processing and disposal of all types of recyclable scraps.

Background

Steel Ministry's endeavour is to develop a globally competitive Steel Industry by adopting state-of-the-art environment-friendly technologies. Ferrous scrap being the primary raw material for EAF/IF based steel production, the policy envisages a framework to facilitate and promote establishment of metal scrapping centers in India. This will ensure scientific processing & recycling of ferrous scrap generated from various sources and a variety of products. The policy framework shall provide standard guidelines for collection, dismantling and shredding activities in an organised, safe and environmentally sound manner.

Steel is a material most conducive for circular economy as it can be used, reused and recycled infinitely. While iron ore remains the primary source of steel making, used or re-used steel in the form of scrap is the secondary raw material for the Steel Industry. Indian Steel Industry is characterised by the presence of a large number of small steel producers who utilise scrap with other inputs in EAF/IF for steel making. As on March 2019, 47 Electric Arc Furnaces & 1,128 Induction Furnaces are in operation in the country and these largely depend upon scrap as a raw material to produce steel.

National Steel Policy 2017 (NSP-2017) aims to develop a globally competitive Steel Industry by creating 300 Million TPA Steel production capacity by 2030 with a contribution of 35-40% from EAF/IF route. Although, scrap is the main raw material for Secondary Sector, Primary Sector too uses scrap in the charge mix of BOF to the tune of 15% to improve efficiency, minimise cost of production and for other process needs. The availability of raw materials at competitive rates is imperative for the growth of the Steel Industry and to achieve NSP-2017 target. Thus, the availability of right quality of scrap in adequate quantity is one of the critical factors for the future growth of both EAF/IF Sector & Primary Sector.

Further, scrap-based steel making technologies have been envisaged as one of the important options to reduce Green House Gas (GHG) emission intensity. This shall feature as an important initiative of the Steel Sector to minimise GHG emissions. This shall also contribute in adopting the principle of 6 Rs, i.e., Reduce, Reuse, Recycle, Recover, Redesign and

Remanufacture which will largely help preventing/any adverse impact caused to the environment and in furtherance would establish the ethos of sustainable development.

There is a worldwide trend to increase steel production using scrap as the main raw material as it helps in conservation of vital natural resources besides other numerous benefits. The use of every tonne of scrap shall save 1.1 tonne of iron ore, 630 kg of coking coal and 55 kg of limestone. There shall be considerable saving in specific energy consumption also as the same will reduce from around 14 MJ/kg in BF/BOF route to less than 11 MJ/kg in EAF/IF route, i.e., saving of energy by 16-17%. It also reduces the water consumption and GHG emission by 40% and 58%, respectively. Thus, the demand for steel scrap has increased considerably in the past globally from 367 mt in 2000 to 589 mt in 2017.

The availability of scrap is a major issue in India and in 2017 the deficit was to the tune of 7 million tonnes. This was imported at the cost of more than Rs. 24,500 crore (approx.) in 2017-18. The gap between demand and supply could be reduced in the future if the country grows to become self-sufficient by 2030. There has been considerable consumption of steel in the recent past and consequently, the generation of scrap is likely to be on a relatively higher scale. This scrap has to be channelised so that the same can be utilised for steel production in an environment-friendly manner.

The scrapping policy shall ensure that quality scrap is available for the Steel Industry. Scrap is an important input for the electric furnaces. If quality scrap is provided as the charge to the electric furnaces, then the furnaces can produce high-grade steel. High-grade steel scrap shall not have the impurities if processing is done at the scrap processing centres and by shredders etc. The high-grade steel scrap therefore could be recycled to produce high-grade steel again, which in turn could find use in industries, such as, equipment manufacturing, automobiles and other downstream industries. Scrap with less or no impurities could find use in the manufacture of quality long products that are commonly used in Construction Industry. Indigenous production of better

processed scrap in the country, could result in not only import substitution of scrap but also import substitution of high-end steel.

In the current supply of scrap about 25 million tonnes are from the domestic unorganised Scrap Industry and 7 million tonnes from imports of scrap. India has the potential to harness this 7 million tonnes of scrap that is currently being imported from the domestic market. This shall require adequate collection centres, dismantling centres which would have to work in a hub-spoke model and feed the scrap to the processing centres. To produce 7 million tonnes more of scrap, the country shall require 70 scrap processing centres each with the capacity of 1 lakh tonnes; this is without disturbing the existing dismantling centres. For these 70 scrap processing centres to function there must be about 300 collections and dismantling centres on the presumption that 4 collecting and dismantling centres cater to each scrap processing centre. Based on these statistics, when the production of steel rises to 250 million tonnes by 2030-31, as is envisaged in the National Steel Policy, then the requirement of scrap shall rise to 70-80 million tonnes. This shall require about 700 scrap processing centres, that is 700 shredders. These shall in turn be fed by 2800-3000 collections and dismantling centres spread all over the country.

In terms of the prospects for employment generation the potential of the Scrap Industry operating in the Organised Sector could be overwhelming. Operating on the 4+1 hub and spoke model, where 4 collection and dismantling centres were to cater to the 1 scrap processing centre then 400 jobs would be created by one such composite unit. And for 70 units producing a total of 7 million tonnes of scrap the potential for employment generation would be of 2,800 persons. If the country was to produce 70 million tonnes, as expected as per NSP 2017, the employment generation could be in the range of 3 lakh jobs. In addition, there would be skilling of persons, capacity building and training of ragpickers, kabaddi-walas and aggregators. Employment would also arise from the logistics support that the collection, dismantling and scrapping centres would require to move the material in and out of the centres and to the user-industry.

Working Model

The rise in production of vehicles and increased use of consumer durable white goods in the last two decades and their rapid obsolescence shall generate large quantities of end-of-life products. This shall result in generation of continuous flow of large ferrous scrap for recycling in steel production. To address the issue of collecting such end-of-life products for increasing scrap generation in India and also to structure the informal Recycling Sector based on sound environmental and scientific framework, a hub and the spoke model has been promulgated.

An Inter-Ministerial Coordination Committee has been set up with Secretary, Ministry of Steel as Convener and Secretaries of Ministry of Road Transport & Highways (MoRTH), Department of Heavy Industry (DHI), Ministry of Environment, Forest & Climate Change (MoEF&CC), Department Revenue and Ministry of Labour & Employment as members. The mandate of the Committee was as under:

Policy changes required for creating an organised steel scrapping ecosystem; Monitoring the operationalisation and enforcement of relevant laws/regulations in this regard.

Guidelines regarding Dismantling Center and Scrap Processing Center are part of the policy. Steel Scrap recycling policy is available on Ministry's website www.steel.gov.in

LEGISLATION

Notifications

Important notifications notified/resolution issued during the period under review are furnished below:

The following notification have been issued under Mines and Minerals (Development and Regulation) Act, 1957 during period under review.

A. In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i) G.S.R. 389(E), dated 23rd April, 2018, it reads —In pursuance of the second proviso to Sub-section (1) of Section 4 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby notifies the Odisha Mineral

Exploration Corporation Limited for the purposes of the second proviso to Sub-section (1) of Section 4 of the said Act:

Provided that the Odisha Mineral Exploration Corporation Limited shall make over the data generated by it, in respect of the prospecting operations undertaken by it, to the State Government.

This notification shall come into force on the date of its publication in the Official Gazette.

B. In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i) G.S.R. 707(E) dated 27th July, 2018, it reads—In pursuance of the second proviso to Sub-section (1) of Section 4 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby notifies the Hindustan Copper Limited for the purposes of the second proviso to Sub-section (1) of Section 4 of the said Act:

Provided that the Hindustan Copper Limited shall make over the data generated by it, in respect of the prospecting operations undertaken by it, to the concerned State Government.

This notification shall come into force on the date of its publication in the Official Gazette.

C. In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i), G.S.R. 634(E) dated the 5th September, 2019, it reads - In exercise of the powers conferred under Sub-section (3) of Section 9 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) read with Section 21 of the General Clauses Act, 1897 (10 of 1897), the Central Government hereby rescinds the notification of the Government of India in the Ministry of Mines, published in the Gazette of India, Part II, Section 3, Sub-section (i), vide number G.S.R. 621(E), dated the 2nd September, 2019 with effect from 2nd September, 2019.

D. In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i) G.S.R. 697(E) dated 30th September, 2019, it reads.— In exercise of the powers conferred by Sub-section (1A) of Section 17A of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government, after consultation with the State Government of Chhattisgarh hereby reserves

an area of 646.596 hectares in Bailadila reserve forest, Deposit No. 4, District South Bastar, Chhattisgarh for mineral iron ore for undertaking prospecting or mining operations through M/s National Mineral Development Corporation – Chhattisgarh Mineral Development Corporation Limited (NCL), a joint venture of National Mineral Development Corporation Limited (a Central Government Public Sector Undertaking under the administrative control of Ministry of Steel), and Chhattisgarh Mineral Development Corporation Limited (a Government of Chhattisgarh Public Sector Undertaking), for a period of five years lying within the boundary (demarcated by latitude and longitude) of such reserve area as specified in the said notification.

Ordinance Promulgated for Amendment of MMDR Act and CMSP Act

The ordinance for amendment in the MMDR Act 1957 and the CMSP Act 2015 has been promulgated on 10th January, 2020. The Union Cabinet had earlier approved the amendments intending to open up new areas of growth in the coal & mining sector.

The amendments in the Acts would enable the following:

- a) Enhancing the ease-of-doing business.
- b) Democratisation of Coal Mining Sector by opening it up to anyone willing to invest.
- c) Offering of unexplored and partially explored coal blocks for mining through prospecting license-cum-mining Lease (PL- cum-ML).
- d) Allowing of successful bidder/allottee to utilise mined coal in any of the plant of its subsidiary or holding company.
- e) Promoting Foreign Direct Investment in the Coal Mining Sector by removing the restriction and eligibility criteria for participation.
- f) Attracting large investment in Coal Mining Sector as restrictions of end-use has been dropped.

The details are as given below:

A. Amendments in respect of CMSP Act

Amendment 1: To provide for allocation of coal blocks for composite prospecting licence-cum-mining lease (PL-cum-ML)

Earlier, there was no provision for grant of composite prospecting licence-cum-mining lease

(PL-cum-ML) in respect of coal/lignite. A coal/ lignite block could be either be allocated for PL or for ML. The Amendment has enabled the allocation of coal blocks for composite prospecting licence-cum-mining lease (PL-cum-ML) which will help in increasing of the inventory of coal/ lignite blocks for allocation. Coal blocks with different grades and in a wide geographical distribution will now be available for allocation. The Sections involved were Section 4(2), 5(1), 8(4), 8(8), 8(9) and 31(2)(b) of the CMSP Act and Section 11A and 13(2) of the MMDR Act.

Amendment 2: Clarifying the power of Central Government to specify the purpose of allocation and that ‘any’ company can participate

There was lack of clarity earlier in the language of the provisions in the Act leading to restrictive interpretation of the eligibility conditions in the auction. It has now been clarified that any company selected through auction/ allotment can carry on coal mining operation for own consumption, sale or for any other purposes, as may be specified by the Central Government. allowing wider participation and competition in auction.

Thus, the companies which do not possess any prior coal mining experience in India but are financially strong and or have mining experience in other minerals or in other countries can now participate in auction of coal/lignite blocks. This would also allow the implementation of the 100% FDI through automatic route for sale of coal.

The Sections involved are 11A of the MMDR Act and Section 4 (2) and 5 (1) of the CMSP Act.

Amendment 3: Flexibility in deciding the end use of Schedule II and III coal mines

Hitherto, the Schedule II and III coal mines could only be auctioned to companies that are engaged in specified end use. Now, the omission of Sub-section (3) of Section 4 of CMSP Act has provided flexibility to the Central Government in deciding the end use of Schedule II and III coal mines under the CMSP Act. This would allow wider participation in auction of Schedule II and III coal mines, for a variety of purposes, such as, own consumption, sale or for any other purpose, as may be specified by the Central Government.

Amendment 4: Termination of the allocations made under the CMSP Act, their reallocation and compensation

The CMSP Act and the CMSP Rules were silent on subsequent allocation of coal mines upon termination of allocations made under the Act as well as rights and liabilities of the allottee, whose allocation has been terminated. With the amendment of Section 8 (insertion of Sub-section (13), (14) and (15) in CMSP Act), it has become possible to provide for allocation of the coal mine to next successful bidder or allottee, subsequent to termination of its allocation along with the matters incidental to it. The Act now also provides for compensation to the allottee whose allocation has been terminated.

Amendment 5: Appointment of Designated Custodian in mines under production:

Earlier, there was no provision for appointment of designated custodian for management of the mines under production whose vesting/ allotment order has been cancelled. By amending the Section 18 of the CMSP Act, it is now possible for appointment of designated custodian for management of the mines, apart from Schedule II mines, which have come under production and whose vesting/ allotment order has been cancelled. It therefore addresses the issue of management and operation of the mines after their termination, which have come under production.

Amendment 6: Dispensing with the requirement of previous approval in certain cases

With the amendment of the Section 5 and 17A of the MMDR Act, the repetitive and redundant provision requiring previous approval of Central Government even in cases where the allocation or reservation of coal/ lignite block has been made by the Central Government itself has been done away with. This would significantly reduce the time taken for operationalisation of coal/ lignite mines.

Amendment 7: Entitlement to successful allottee to utilise the coal mined in plants of Holding and Subsidiary company

Earlier a successful allottee was entitled to utilise the mined coal only in any of its plants. With the amendment of Section 20 (2) of the CMSP Act now the reference of Holding company and Subsidiary company has been added. This would

make the successful bidder/allottee entitled to utilise mined coal in any of its plants or plants of its subsidiary or holding company.

Amendment 8: Certain Consequential and clarificatory Amendments

Certain consequential and clarificatory amendments were required in language of various provisions for smooth implementation of the CMSP Act. Section 9 and 20 (1) of the CMSP Act have now been amended which has resulted in the clarification of language of Section 9 (related to priority of disbursement) Further, language of Section 20 (1) has been clarified to avoid any arrangement between two coal linkage holders as the same is not subject matter of the CMSP Act.

B. Amendments in respect of MMDR Act

Amendment 1: Insertion of new Section 4B (after Section 4A) to enable the Central Government to prescribe conditions for ensuring sustained production by the holder of mining leases, who have acquired rights/approvals/clearances etc. transferred from the previous lessee, as per the provisions under Section 8B, which is incorporated in this amendment

The pre-amended MMDR Act, provided a time period of two years for the new lessee for starting the mining operation, whereas the newly introduced Section 8B of this Act, provides for deemed acquiring of valid rights/approvals/clearances by the new lessee. The objective of the amendment is to ensure the continuity of production of minerals. Hence, there is need to specify the conditions for production by the new lessee, who will avail benefits of Section 8B. Further, the Central Government derives power to prescribe the conditions for the new lessees to commence production without prejudice to the time period of two years for starting the production prescribed in Section 4A.

Amendment 2: Amendment of Section 8A by introducing a proviso to clarify the intent of Section 8A(4) of the MMDR Act

The previous Section 8A(4) of the MMDR Act provided for auction of leases on the expiry of the lease. There existed scope for ambiguity about initiating the advance action/process by the State

Government for notifying the expiring leases for auction. With the amendment it has been clarified that State Government can take up advance steps for auction of blocks before the expiry of lease period. This would ensure that the production of the minerals from such blocks can be seamlessly continued.

Amendment 3: Provisions to ensure that the successful bidder of mining leases expiring under Section 8A(5) & 8A(6), shall acquire all valid rights/approvals/clearances for a period of two years and within which period he/she shall apply for fresh licence

The working mining leases of Odisha are expiring during 2020. These leases produced about 58 million tonnes of iron ore, 1.80 million tonne of chromite and 0.77 million tonne of manganese during the year 2018-19. Statutory clearances required to start the mining operations for the new leases have to be granted expeditiously to enable the new lessees to continue the mining operations. The new lessee has to obtain 20 approvals to start the mining operations, of which 9 are related to different Central Govt. Ministries and the remaining are from the State Government. In normal course, the minimum time period required to obtain these approvals vary from two to three years. This whole process would delay the commencement of mining operations by the new lessees. Any delay in commencing the mining operations by the new lessee would adversely affect the mineral production in the country, which in turn would impact the important downstream industries like steel, cement etc.

With the insertion of new Section 8B (after Section 8A) of the MMDR Act, the successful bidders of the mining leases expiring under Section 8A(5) & 8A(6) of the MMDR Act, deemed to have acquired all valid rights/ approvals/ clearances/ licences and the like; for a period of two years and can start mining operation without loss of time. Seamless continuance of mining operations is in public interest as this will prevent disruption in supply of raw material (mineral) to the industries.

The above amendments (1, 2 & 3 pertaining to Mines will promote ease-of-doing business and will benefit the holders of auctioned brown field mining leases on expiry of their lease period starting from March 2020 and then from March 2030.

Amendment 4: Provisions to enable the holders of Non-Exclusive Reconnaissance permit of deep-seated minerals and other minerals of the national interest to obtain composite licence (PL-cum-ML) or Mining Lease

The previous legislative provisions did not allow the non-exclusive reconnaissance permit holders to apply for mining lease. The private participation in exploration was therefore negligible. In order to enhance exploration of deep-seated minerals, a facilitating environment has been envisaged to be provided with the insertion of new proviso after Sub-section 2 of Section 10C. This amendment would allow NERP holders of deep seated minerals or any minerals of the national interest to apply for composite licence (PL-cum-ML) or Mining Lease. This would hence augment the exploration of the deep-seated minerals and minerals of national interest, some of which are strategically important for the country.

Amendment 5: Empowers the Central Government to frame rules in respect of newly introduced sections

The difficulty of the Central Govt. which had to derive power to make rules to implement the provision of the amended Act has now been removed with the insertion of new clauses in Sub-section 2 of Section 13. This would give the Central Government power to frame subordinate legislation to implement the intent of the Ordinance.

Mineral Laws (Amendment) Act, 2020

The Mineral Laws (Amendment) Act, 2020 No. 2 of 2020 [13th March, 2020.] was enacted by Parliament in the Seventy-first Year of the Republic of India to amend the Mines and Minerals (Development and Regulation) Act, 1957 and to amend the Coal Mines (Special Provisions) Act, 2015. Details are as follows -

CHAPTER I PRELIMINARY

1. This Act may be called the Mineral Laws (Amendment) Act, 2020. (2) It shall be deemed to have come into force on the 10th day of January, 2020. (3) Without prejudice to the effect of the amendments made by this Act, it shall remain in force for a period of sixty days from the date of assent by the President and shall be deemed to have been repealed after the expiry of the said period.

CHAPTER II AMENDMENTS TO THE MINES AND MINERALS (DEVELOPMENT AND REGULATION) ACT, 1957

2. In the Mines and Minerals (Development and Regulation) Act, 1957 (hereafter in this Chapter referred to as the principal Act), after Section 4A, the following section shall be inserted, namely - “4B. Notwithstanding anything contained in Section 4A, the Central Government may, in the interest of maintaining sustained production of minerals in the country, prescribe such conditions as may be necessary for commencement and continuation of production by the holders of mining leases who have acquired rights, approvals, clearances and the like under Section 8B.”.

3. In Section 5 of the principal Act, in Sub-section (1), after the proviso, the following proviso shall be inserted, namely — “Provided further that the previous approval of the Central Government shall not be required for grant of reconnaissance permit, prospecting licence or mining lease in respect of the minerals specified in Part A of the First Schedule, where,— (i) an allocation order has been issued by the Central Government under Section 11A; or (ii) a notification of reservation of area has been issued by the Central Government or the State Government under Sub-section (1A) or Sub-section (2) of Section 17A; or (iii) a vesting order or an allotment order has been issued by the Central Government under the provisions of the Coal Mines (Special Provisions) Act, 2015.”.

4. In Section 8A of the principal Act, in Sub-section (4), the following proviso shall be inserted, namely— “Provided that nothing contained in this section shall prevent the State Governments from taking an advance action for auction of the mining lease before the expiry of the lease period.”.

5. After Section 8A of the principal Act, the following section shall be inserted, namely— “8B. (1) The provisions of this section shall apply to minerals, other than the minerals specified in Part A and Part B of the First Schedule. (2) Notwithstanding anything contained in this Act or any other law for the time being in force, the successful bidder of mining leases expiring under the provisions of Sub-sections (5) and (6) of Section 8A and selected through auction as per the procedure provided under this Act and the rules made thereunder, shall be deemed to have

acquired all valid rights, approvals, clearances, licences and the like vested with the previous lessee for a period of two years: Provided that subject to such conditions as may be prescribed, such new lessee shall apply and obtain all necessary rights, approvals, clearances, licences and the like within a period of two years from the date of grant of new lease. (3) Notwithstanding anything contained in any other law for the time being in force, it shall be lawful for the new lessee to continue mining operations on the land, in which mining operations were being carried out by the previous lessee, for a period of two years from the date of commencement of the new lease.” 6. In Section 10C of the principal Act, in Sub-section (2), the following shall be inserted, namely— “Provided that the holder of non-exclusive reconnaissance permit who carries out the prescribed level of exploration in respect of deep-seated minerals or such minerals as may be notified by the Central Government, may submit an application to the State Government for the grant of any prospecting licence-cum-mining lease as per the procedure laid down under Section 11 or a mining lease as per the procedure laid down under Section 10B and with a view to increase the reconnaissance and prospecting operations of such minerals, the Central Government shall prescribe such procedure, including the bidding parameters for selection of such holders. *Explanation*—For the purposes of this sub-section, the expression “deep-seated minerals” means such minerals which occur at a depth of more than three hundred meters from the surface of land with poor surface manifestations.”.

7. In Section 11A of the principal Act,— (i) in the marginal heading, after the words “or mining lease”, the words “or prospecting licence-cum-mining lease in respect of coal or lignite” shall be inserted; (ii) in Sub-section (1)— (a) in the opening portion, for the words “in respect of any area containing coal or lignite”, the words “or prospecting licence-cum-mining lease in respect of coal or lignite” shall be substituted; (b) for the long line, the following long line shall be substituted, namely— “to carry on coal or lignite reconnaissance or prospecting or mining operations, for own consumption, sale or for any other purpose as may be determined by the Central Government” (c) the following proviso shall be inserted, namely—

“Provided that the auction by competitive bidding under this section shall not be applicable to coal or lignite— (a) where such area is considered for allotment to a Government company or corporation or a joint venture company formed by such company or corporation or between the Central Government or the State Government, as the case may be, for own consumption, sale or for any other purpose as may be determined by the Central Government;

(b) where such area is considered for allotment to a company or corporation that has been awarded a power project on the basis of competitive bid for tariff (including Ultra Mega Power Projects).”; (iii) in Sub-section (3),— (a) after the words “mining lease”, the words “or prospecting licence-cum-mining lease” shall be inserted; (b) for the words “competitive bidding or otherwise”, the words “competitive bidding or through allotment” shall be substituted.

8. In Section 13 of the principal Act, in Sub-section (2)— (i) after Clause (a), the following clauses shall be inserted, namely — “(aa) the conditions as may be necessary for commencement and continuation of production by the holders of mining leases, under Section 4B; (ab) the conditions to be fulfilled by the new lessee for obtaining all necessary rights, approvals, clearances, licences and the like under the proviso to Sub-section (2) of Section 8B; (ac) the level of exploration in respect of deep-seated minerals or such minerals and the procedure, including the bidding parameters for selection of the holders under the proviso to Sub-section (2) of Section 10C;”; (ii) for Clause (d), the following clauses shall be substituted, namely— “(d) the terms, conditions and process of auction by competitive bidding and allotment in respect of coal or lignite; (da) the regulation of grant of reconnaissance permit, prospecting licence, mining lease or prospecting licence-cum-mining lease in respect of coal or lignite; (db) the details of mines and their location, the minimum size of such mines and such other conditions which may be necessary for the purpose of coal or lignite reconnaissance, prospecting or mining operations; (dc) utilisation of coal or lignite including mining for sale by a company;”.

9. In section 17A of the principal Act, in Sub-section (2A), in the proviso, the words and letter “Part A and” shall be omitted.

CHAPTER III AMENDMENTS TO THE COAL MINES (SPECIAL PROVISIONS) ACT, 2015

10. In section 4 of the Coal Mines (Special Provisions) Act, 2015 (hereafter in this Chapter referred to as the principal Act),— (i) in Sub-section (2)— (a) in the opening portion, for the words “in respect of any area containing coal”, the words “or prospecting licence-cum-mining lease in respect of coal” shall be substituted; (b) for the long line, the following long line shall be substituted, namely— “to carry on coal reconnaissance or prospecting or mining operations, for own consumption, sale or for any other purpose as may be determined by the Central Government, and the State Government shall grant such reconnaissance permit, prospecting licence, mining lease or prospecting licence-cum-mining lease in respect of Schedule I coal mine to such company as selected through auction by competitive bidding under this section.”; (ii) Sub-section (3) shall be omitted.

11. In Section 5 of the principal Act, in Sub-section (1),— (i) for the words, brackets and figures “Sub-sections (1) and (3)”, the words, brackets and figures “Sub-sections (1) and (2)” shall be substituted; (ii) for the words “or mining lease in respect of any area containing coal”, the words, “mining lease or prospecting licence-cum-mining lease in respect of such Schedule I coal mine” shall be substituted; (iii) in the first proviso, for the words “in accordance with the permit, prospecting licence or mining lease, as the case may be” the words “as may be determined by the Central Government” shall be substituted.

12. In Section 8 of the principal Act,— (i) in Sub-section (4), in Clause (b), for the words “a mining lease”, the words “prospecting licence, mining lease or prospecting licence-cum-mining lease, as the case may be” shall be substituted; (ii) in Sub-section (8), for the words “a prospecting licence or a mining lease” the words “prospecting licence, mining lease or prospecting licence-cum-mining lease” shall be substituted; (iii) in Sub-section (9), for the words “a prospecting licence or a mining lease”, the words “prospecting licence, mining lease or prospecting licence-cum-mining lease” shall be substituted; (iv) after Sub-section (12), the following sub-sections shall be inserted, namely— “(13) The vesting order or allotment order may be terminated by the nominated authority in such manner as may be

prescribed. (14) Upon termination of vesting order or allotment order, the nominated authority may auction the coal mine under section 4 or allot the coal mine under Section 5 as may be determined by the Central Government. (15) The successful bidder or allottee of the coal mine whose vesting order or allotment order has been terminated shall be deemed to be the prior allottee for the purposes of immediate next auction or allotment of the said coal mine.”.

13. In Section 9 of the principal Act— (i) in the opening portion, for the portion beginning with the words “The proceeds arising out of land” and ending with the words “as may be prescribed.”, the following shall be substituted, namely— “The compensation for land and mine infrastructure in relation to a Schedule I coal mine as valued in accordance with Section 16 shall be deposited by the successful bidder or allottee with the nominated authority and shall be disbursed maintaining, inter alia, the following priority of payments and in accordance with the relevant laws and such rules as may be prescribed.”; (ii) in Clause (b), for the words “compensation payable”, the words “amount payable” shall be substituted.”.

14. In Section 18 of the principal Act, in Sub-section (1), for the words and figure “allotment of Schedule I coal mines is not complete”, the words and figures “allotment of Schedule II coal mines is not complete, or vesting order or allotment order issued under this Act has been terminated in case of a coal mine under production,” shall be substituted.

15. In Section 20 of the principal Act,— (i) in Sub-section (1), for the words “A successful bidder or allottee or coal linkage holder shall”, the words “A successful bidder or allottee shall” shall be substituted; (ii) for Sub-section (2), the following sub-section shall be substituted, namely— “(2) A successful bidder or allottee may also use the coal mine from a particular Schedule I coal mine, in any of its plants or plant of its subsidiary or holding company engaged in same specified end-uses in such manner as may be prescribed.”.

16. In Section 31 of the principal Act, in Sub-section (2)— (i) in Clause (b), for the words “prospecting licence or mining lease”, the words “prospecting licence, mining lease or prospecting licence-cum-mining lease” shall be substituted; (ii) after clause (1), the following clause shall be inserted, namely—

“(la) the manner of termination of vesting order or allotment order under Sub-section (13) of Section 8;”.
 17. (1) The Mineral Laws (Amendment) Ordinance, 2020 is hereby repealed. (2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the principal Act as amended by this Act.

Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016

The following notification have been issued under Minerals (Other than Atomic and Hydro-carbons Energy Minerals) Concession Rules, 2016 during period under review.

A. In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i) G.S.R. 674(E) dated 20th September, 2019, it reads —In exercise of the powers conferred by Section 13 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules further to amend the Minerals (Other than Atomic and Hydrocarbons Energy Minerals) Concession Rules, 2016, namely:—

1. (1) These rules may be called the Minerals (Other than Atomic and Hydro-carbons Energy Minerals) Concession (Amendment) Rules, 2019.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Minerals (Other than Atomic and Hydro-carbons Energy Minerals) Concession Rules, 2016, in Rule 44, (a) in Clause (i), under sub-heading Average sale price of metal,—

(i) for the words “and Zinc”, the words “Zinc, and such other metals” shall be substituted;

(ii) after the words “Reserve Bank of India” the words “or any agency authorised by the Reserve Bank of India” shall be inserted.

(b) in Clause (ii), for the words “and Silver”, the words “,Silver and such other metals” shall be substituted.

(c) in Rule 45, under the sub-heading Formula for calculating average sale price of metallurgical grade Bauxite to be used in alumina and aluminium

extraction, Limestone, Tungsten, for Sub-rule (1), the following sub-rule shall be substituted, namely—

“(1) The State Government shall arrive at the average sale price of metallurgical grade Bauxite in the following manner:

Average Sale Price = 52.90% x Percentage of Al₂O₃ in bauxite on dry basis x Average Aluminium price in Indian rupees for the month as published by IBM x Conversion factor as notified by the Central Government.

B. In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i) G.S.R. 675(E) dated 20th September, 2019, it reads —In pursuance of Sub-rule (1) of Rule 45 of the Minerals (Other than Atomic and Hydro-carbons Energy Minerals) Concession Rules, 2016, the Central Government hereby notifies the Conversion factor for calculation of Average Sale Price of metallurgical grade Bauxite as under, namely—

“Conversion factor = 6.40%”

C. In the Notification of the 20th March, 2020 G.S.R. 191(E)—In exercise of the powers conferred by Section 13 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules to amend the Minerals (Other than Atomic and Hydrocarbons Energy Minerals) Concession Rules, 2016, namely-

1. (1) These rules may be called the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession (Amendment) Rules, 2020. (2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Minerals (Other than Atomic and Hydro carbons Energy Minerals) Concession Rules, 2016 (hereinafter referred to as the said rules), after Rule 9, the following rule shall be inserted, namely:- ‘9A. Conditions for issuance of vesting order and for obtaining rights, approvals, clearances, licenses and like under Section 8B of the Act. (1) The State Government shall nominate a Secretary level officer of that State as the nodal officer, in respect of leases expiring under the provisions of Sub-sections (5) and (6) of Section 8A of the Act, within one week from the date of the notification of the Minerals (Other than Atomic and Hydro carbons Energy Minerals) Concession (Amendment) Rules, 2020. (2) The nodal

officer nominated under Sub-rule (1) shall be authorised to collect all the valid rights, approvals, clearances, licences and the like vesting with the previous lessee and shall issue vesting order in favour of the new lessee along with the Letter of Intent. (3) The vesting order issued under Sub-rule (2) shall have the same terms and conditions of every rights, approvals, clearances, licences and the like, which vested with the previous lessee: Provided that any statutory payments or documents to be submitted for obtaining such rights, approvals, clearances, licences and the like for the period for which vesting right is issued, shall be made or done when the new lessee applies for issuance of the fresh rights, approvals, clearances, licences and the like under this rule: Provided further that mandatory payments towards certain statutory clearances shall be paid by the new lessee as specified by concerned authorities or the nodal officer. (4) The vesting order issued under this rule shall be valid for a period of two years from the date of execution of new lease deed or till the date of getting all fresh approvals, clearances, licences, permits, and the like, whichever is earlier. (5) It shall be lawful for the new lessee to commence and continue mining operations on the land in which mining operations were being carried out by the previous lessee, after the execution of the lease deed for a period of two years as provided in Section 8B of the Act: Provided that in respect of any land not owned by the State Government, the new lessee shall have the right to operate the mine, notwithstanding any claim or dispute by the owner of such land or the previous lessee, as the case may be and such claim or dispute shall be decided by the State Government, as per the extant laws. (6) The new lessee shall immediately, but not later than one hundred twenty days from the date of execution of mining lease, apply afresh for all necessary rights, approvals, clearances, licences and the like under the applicable statutes, rules or regulations, as the case may be, for obtaining the necessary clearances to enable further continuance of the mining operations beyond two years, in accordance with the proviso to Sub-section (2) of Section 8B of the Act: Provided that the new lessee shall continue mining operation as per the approved mining plan of the previous lessee till the new mining plan is prepared and submitted for approval. (7) On

submission of new mining plan, the new lessee shall switch over to the new mining plan and while undertaking mining operations as per the new mining plan, the new lessee shall conform to the approved quantity and the conceptual limit of mining plan held by previous lessee till the new lessee obtains afresh the requisite clearances, approvals, rights and the like. (8) The new lessee shall inform the nodal officer about the submission of application in accordance with Sub-rule (6), along with copies of such application and the new lessee may be facilitated to obtain approvals required for mining operations through the single window system established by the State Government: Provided that the final responsibility of obtaining the necessary approvals required for continuing the mining operations shall rest with the new lessee. *Explanation* - for the purposes of this sub-rule: "single window system" means a system established by the State Government for facilitating the grant of necessary clearances required for commencing the mining operations by the successful bidder selected through auction process. (9) No authority shall reject grant of any rights, approvals, clearances, licences and the like to the new lessee on account of past violations or outstanding dues of the previous lessee, which may be agitated before appropriate forums separately without prejudice to any rightful legal claims of the parties.' 3. After Rule 12 of the said rules, the following rule shall be inserted, namely- "12A- Additional conditions for commencement and continuation of production as per section 4B of the Act.(1) Notwithstanding anything contained in these rules, during the first two years from the date of execution of new lease, the holder of mining lease, to whom the order of vesting of rights, approvals, clearances, licences and the like have been issued under Section 8B of the Act, shall maintain such level of production so as to ensure minimum dispatch of eighty per cent of the average of the annual production of two immediately preceding years on pro-rata basis, failing which appropriate actions in accordance with the Mine Development and Production Agreement shall be initiated. (2) The new lessee shall ensure that the annual production beyond two years from date of execution of new lease is equal to or more than the annual production by the previous lessee and shall subsequently workout

and implement an annual production plan to ensure that the mineral resources are fully exploited during the period of the lease, failing which appropriate actions in accordance with the Mine Development and Production Agreement shall be initiated.” 4. In the said rules, for Rule 18, the following rule shall be substituted, namely

18. Auction of expiring mining lease (1) The State Government shall, as per the procedure specified in the Act and the rules made thereunder, conduct auction of an expiring mining lease well in advance of its expiry so as to prevent disruption in production of minerals. (2) The State Government shall endeavour to complete the auction process at least six months before the impending expiry of a mining lease so that there is a smooth transition from one lessee to the other; and the lease in such cases shall be executed after the expiry of the lease period of the existing lessee.

Mineral Conservation and Development (Amendment) Rules, 2019

The following notification have been issued under Mineral (Conservation and Development) Rules, 2017 during period under review.

A. In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i) G.S.R. 570(E) dated 13th August, 2019, it reads—In exercise of the powers conferred by Section 18 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules to amend the Mineral Conservation and Development Rules, 2017, namely

2. (1) These rules may be called the Mineral Conservation and Development (Amendment) Rules, 2019. (2) They shall come into force on the date of their publication in the Official Gazette.

3. In the Mineral Conservation and Development 3. In the Mineral Conservation and Development Rules, 2017, in Rule 35,

(i) for Sub-rule (4), the following sub-rule shall be substituted, namely “(4) The Regional Controller or the authorised officer of the Indian Bureau of Mines may suspend the mining operations in those mines where at least three star rating has not been achieved within a period of four years with effect from the 27th

February, 2017 or four years from the date of commencement of mining operations, as the case may be, after giving a show cause notice of forty-five days, to qualify for star rating”;

(ii) In Sub-rule (5), for the words “four star rating”, the words “three star rating” shall be substituted.

B. In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART III-Section 1, dated 06th August, 2018 Ministry of Mines, No. T-43010/CGBM/2017, it reads—By virtue of powers vested under Rule 3(1) (c) of Mineral Conservation and Development Rules, 2017, I hereby authorise the Chief Mining Geologist of Indian Bureau of Mines as “Authorised Officer” to perform function and take action in respect of Rule 35(2) of Mineral Conservation and Development Rules, 2017. This authorisation is in addition to the Notification No. T- 43010/CGBM/2014 dated 11th May, 2017 published in the Gazette of India, Part III Section I on 31st May, 2017. This order shall come into force with immediate effect

C. In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i) G.S.R. 289(E). dated 27th March, 2018, it reads—In exercise of the powers conferred by Section 18 of the Mines and Minerals (Regulation and Development) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules to amend the Mineral Conservation and Development Rules, 2017, namely—

1. (1) These rules may be called the Mineral Conservation and Development (Amendment) Rules, 2018.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Mineral Conservation and Development Rules, 2017, in Rule 12, after Sub-rule (4), the following sub-rule shall be inserted, namely—

“(4A) In case of mining leases covered under Sub-section (6) of Section 8A of the Act where the date of expiry of the period of such lease is on 31st March, 2020, the holders of such mining lease shall carry out General Exploration (G2) over the entire mineralised area under the mining lease before the 1st day of April, 2019 and for this purpose,—

(a) submit to State Government and the Indian Bureau of Mines, within forty-five days of issue

(Other than Atomic and Hydrocarbons Energy Minerals) Concession Rules, 2016 for completion of General Exploration (G2) over the entire mineralised area under the mining lease as required under Clause (a) of Rule 5 of the Minerals (Evidence of Mineral Contents) Rules, 2015, in such manner that the plan for exploration is completed before 1st April, 2019, and such plan shall be approved by the Indian Bureau of Mines within thirty days of its submission, with or without any modification;

(b) prepare and submit to the State Government and the Indian Bureau of Mines, a Geological Study Report as required under Clause (b) of Rule 5 of the Minerals (Evidence of Mineral Contents) Rules, 2015, within one month after completion of exploration work:

Provided that the depth of exploration to be proposed in the modified mining plan for open cast mining shall be up to 300 meters or up to discontinuance of ore body, whichever is earlier, and in case of underground mines, the depth of exploration shall be decided by the Indian Bureau of Mines on case to case basis at the time of approval of such plan, depending upon the geological set up of the area:

Provided further that the State government shall conduct periodical technical audit of approved modified plan either by itself or through an agency nominated by it and in case lease holder fails to perform his duties as so specified, the State Government may, after giving the lease holder an opportunity of being heard, take such action for enforcing compliance, as it deems fit.”

Offshore Areas Mineral (Development and Regulation) Act, 2002

In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i) G.S.R. 595(E) dated 23rd August, 2019, it reads —In exercise of the powers conferred by Section 35 of the Offshore Areas Mineral (Development and Regulation) Act, 2002, the Central Government hereby makes the following rules to amend the Offshore Areas Mineral Concession Rules, 2006, namely.

1. (1) These rules may be called the Offshore Areas Mineral Concession (Amendment) Rules, 2019. (2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Offshore Areas Mineral Concession Rules, 2006, after Rule 3, the following rule shall be inserted, namely—

“3A. Prohibition on grant of permit, licence or lease in respect of atomic minerals—No reconnaissance permit, exploration licence or production lease of atomic minerals shall be granted to any person, except the Government or a Government Company or a Corporation owned or controlled by the Government”.

Atomic Minerals Concession (Amendment) Rules, 2019

The following notification have been issued under Atomic Minerals Concession Rules, 2016 during period under review.

A. In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i), G.S.R. 126 (E) dated 19th February, 2019, its reads -

In exercise of the powers conferred under Section 11B of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules to amend the Atomic Minerals Concession Rules, 2016, namely—

1. (1) These rules may be called the Atomic Minerals Concession (Amendment) Rules, 2019 and Rule 36 of the Atomic Minerals Concession Rule, 2016.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Atomic Minerals Concession Rules, 2016 (hereinafter referred to as the said rules), in Rule 2, in Sub-rule (1), in Clause (m), for the words “to be specified and notified by the Department from time to time”, the words “as specified” shall be substituted.

3. In the said rules, for Rule 36, the following rule shall be substituted, namely—

“36. Power of the Central Government to amend Schedule A– The Central Government may, in consultation with the Department, by notification in the Official Gazette, amend Schedule A so as to amend the threshold value, as may be specified in the notification.”

B. In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i) G.S.R.134(E), dated 20th February, 2019 it reads—In exercise of the powers conferred under Section 11B of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) and Rule 36 of the Atomic Minerals Concession Rules, 2016, the Central Government hereby makes the following amendments further to amend the Atomic Minerals Concession Rules, 2016, namely—

2. (1) These rules may be called the Atomic Minerals Concession (Second Amendment) Rules, 2019.

(2) They shall come into force on the date of their publication in the Official Gazette.

3. In the Atomic Minerals Concession Rules, 2016, for Schedule A, the Schedule shall be substituted, as given in Table-1.

National Mineral Exploration Trust (NMET) (Amendment) Rules, 2018

In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i) **G.S.R. 208(E) dated** 7th March, 2018, it reads—In exercise of the powers conferred by sub-sections (2), (3) and (4) of Section 9C of the Mines and Minerals (Regulation and Development) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules to amend the National Mineral Exploration Trust Rules, 2015, namely—

1. (1) These rules may be called the National Mineral Exploration Trust (Amendment) Rules, 2018.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the National Mineral Exploration Trust Rules, 2015 (hereinafter referred to as the said rules), in Rule 6, for Sub-rule (2), the following sub-rule shall be substituted, namely:—

“(2) The Fund shall be opened under the Public Account of India which shall be a non-lapsable and non-interest bearing account and shall be administered by the Central Government.

(3) The Fund shall comprise of payment of two per cent equivalent of royalty payable by the holders of the mining lease or prospective licence-cum-mining lease under Sub-section (4) of the Section 9C of the Act.

(4) The Fund shall be utilised for carrying out the objects and functions as specified in Rule 9, including carrying out regional and detailed exploration for minerals under the scheme, namely, ‘Regional and detailed exploration and related activities under Fund’.

3. In the said rules, for Rule 7, the following rules shall be substituted, namely—

“7. Contribution to Fund– (1) The holder of mining lease or prospecting license-cum-mining lease shall, while making payment of royalty to the State Government, pay to the Trust a sum equivalent to two percent of the royalty under Sub-section (4) of Section 9C of the Act by depositing the same in the Public Account of the State under the Head booked for this purpose.

(2) The State Governments shall transfer the amount so collected in the Public Account of the State under Sub-rule (1) to the Consolidated Fund of India.

(3) The accretions in the Consolidated Fund of India shall be periodically transferred to the Fund by the Central Government, after due appropriation made by Parliament by law, in the financial year.

(4) The responsibility of collecting and transferring the amount referred in Sub-rule (1) to Consolidated Fund of India and maintaining necessary accounts in this behalf shall be that of the State Government and it shall transfer such receipts to the Consolidated Fund of India as early as possible and in any case, not later than the tenth day of the succeeding month in respect of the amount collected in any particular month.

(5) The State Government shall provide information regarding the amount collected under Sub-rule (1) and the amount transferred to Consolidated Fund of India under Sub-rule (2) to the Indian Bureau of Mines on a monthly basis.

(6) The Indian Bureau of Mines shall maintain an updated record of the amount transferred to the

MINERAL POLICY AND LEGISLATION

Table:- SCHEDULE A
PARTICULARS OF THRESHOLD VALUE FOR ATOMIC MINERALS
[See Rule 2 (1)(m) and Rule 36]

1.	Beryl and other beryllium-bearing minerals.	0.1% BeO (1000 ppm BeO) of the rock or 10 kg/tonne Beryl in excavated material.
2.	Lithium-bearing minerals.	0.5% (5000 ppm) Li ₂ O in ore, except brine (200 ppm Li, i.e., 200 g/tonne Li).
3.	Minerals of the 'rare earths' group containing uranium and thorium.	60 ppm U ₃ O ₈ and/or 250 ppm ThO ₂ in ore.
4.	Niobium-bearing minerals.	100 ppm (Nb+Ta) ₂ O ₅ (100 g/tonne) in ore.
5.	Phosphorites and other phosphatic ores containing uranium.	60 ppm U ₃ O ₈ in ore.
6.	Pitchblende and other uranium ores.	60 ppm U ₃ O ₈ in ore, except in Singhbhum Shear zone in Jharkhand where the threshold value will be 150 ppm U ₃ O ₈ in ore.
7.	Titanium-bearing minerals and ores (ilmenite, rutile and leucoxene).	In case of titanium-bearing minerals occurring in hard rock, 60 ppm U ₃ O ₈ and/or 250 ppm ThO ₂ in the rock. All cases of titanium-bearing minerals occurring in Beach Sand Minerals and other placer deposits in association with monazite are notified as above threshold (i.e., the threshold is 0.00% monazite in Total Heavy Minerals), irrespective of monazite grade.
8.	Tantalum-bearing minerals	100 ppm (Ta+Nb) ₂ O ₅ (100 g/tonne) in ore.
9.	Uraniferous allanite, monazite and other thorium minerals.	60 ppm U ₃ O ₈ and/or 250 ppm ThO ₂ All cases of Beach Sand Minerals and other placer deposits in association with monazite are notified as above threshold (i.e. the threshold is 0.00% monazite in Total Heavy Minerals), irrespective of monazite grade.
10.	Uranium-bearing tailings left over from ores after extraction of copper and gold, ilmenite and other titanium ores.	60 ppm U ₃ O ₈ and/or 250 ppm ThO ₂
11.	Zirconium-bearing minerals and ores including zircon.	All cases of zirconium -bearing minerals occurring in Beach Sand Minerals and other placer deposits in association with monazite are notified as above threshold (i.e., the threshold is 0.00% monazite in Total Heavy Minerals), irrespective of monazite grade. In other cases, zircon containing less than 2000 ppm of Hafnium.
12.	Beach Sand Minerals, i.e., economic heavy minerals found in the teri or beach sand, which include ilmenite, rutile, leucoxene, garnet, monazite, zircon and sillimanite..	All cases of Beach Sand Minerals and other placer deposits in association with monazite are notified as above threshold (i.e. the threshold is 0.00% monazite in Total Heavy Minerals), irrespective of monazite grade.

Consolidated Fund of India along with a database of royalty payments and provide such information to the Trust on a periodic basis.”.

4. In the said rules, in Rule 8, for Sub-rule (2), the following sub-rule shall be substituted, namely–

“(2) The bank account of the Trust shall be closed as soon as possible after the publication of this notification and till such closure, the bank account of the Trust shall continue to be operated through the Member-Secretary or any other Member of the Executive Committee or any other officer of the Central Government as may be authorised by the Executive Committee.”

5. In the said rules, in Rule 19, in Sub-rule (1), for the words “at the beginning”, the words “before the beginning” shall be substituted.

6. In the said rules, for Rule 20, the following rule shall be substituted, namely–

“20. Annual Budget- (1) The Member Secretary of the Executive Committee shall, before the beginning of each financial year, cause preparation of an annual budget containing the details of the proposed income and expenditure on activities covered in the annual plan for that particular financial year, including the legal, administrative and other costs and expenditure proposed to be incurred by the Trust together with details of funding requirements in this regard, to be referred as the Annual Budget.

(2) Annual Budget provision shall also be made in the Demands for Grants of Central Government under appropriate Head for incurring expenditure under Fund and equivalent amount thereof shall be met from the Fund.

(3) After due appropriation of fund and receipt of sanction of the Competent Authority, the expenditure under the Fund shall be incurred from the relevant sub-major or minor heads and on the basis of the sanction issued by the Central Government, the Pay and Accounts Office of the Central Government shall make the payment as per the General Financial Rules, 2017.”

7. In the said rules, for Rule 21, the following rule shall be substituted, namely–

“21. Approval of the Annual Plan and the Annual Budget– (1) The annual plan and the annual budget shall be laid before the Governing Body for its

approval thirty days before the beginning of each financial year.

(2) Any amendment in the annual plan or the annual budget subsequent to the approval of the Governing Body may be done with the approval of the Executive Committee and informed to the Governing Body in its next meeting.”

8. In the said rules, for Rule 24, the following rule shall be substituted, namely–

“24. Maintenance and Audit of Accounts–(1)The Pay and Accounts Office in the Central Government shall maintain a broadsheet of accretions to and payment from the Fund and effect reconciliation on monthly basis thereof with the concerned divisions and shall ensure that there are no adverse balances in the Fund at any point of time.

(2) The account of the Trust shall be subject to the audit by the Comptroller and Auditor General of India and also to audit by internal audit wing of the office of the Chief Controller of Accounts, in the Central Government.”

Mineral (Auction) Amendment Rules, 2020

A. MINISTRY OF MINES NOTIFICATION New Delhi, the 20th March, 2020 G.S.R. 190(E).—In exercise of the powers conferred by Section 13 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules to amend the Mineral (Auction) Rules, 2015, namely- 1. (1) These rules may be called the Mineral (Auction) Amendment Rules, 2020. (2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Mineral (Auction) Rules, 2015, in Rule 10,- (a) in Sub-rule (3), in Clause (d), for the words” plan; and”, the following shall be substituted, namely:- “plan: Provided that, in case of auction of mining leases under Sub-sections (5) and (6) of Section 8A of the Act, the vesting order issued under Rule 9A of the Minerals (Other than Atomic and Hydro-carbons Energy Minerals) Concession Rules, 2016 shall be applicable; and”; (b) after Sub-rule (6), the following sub-rules shall be inserted, namely- “(6A) Notwithstanding anything contained in these rules, the mining lease shall be executed by the State Government within a period of fifteen days from (i) the date of issue of Letter of Intent to the new lessee

to whom the vesting order has been issued under Rule 9A of Minerals (Other than Atomic and Hydrocarbons Energy Minerals) Concession Rules, 2016; or (ii) commencement of the Mineral Auction (Amendment) Rules, 2020; or (iii) the expiry of the lease period of the previous lessee; whichever is later. (6B) The holder of the Letter of Intent shall comply with all the requirements to execute the mining lease within the period referred to in Sub-rule (6A), failing which, the Letter of Intent shall be revoked and the bid security or the performance security, as the case may be, and any instalment of upfront payment paid shall be forfeited, and the preferred bidder or successful bidder may be debarred by the State Government from participating in the future auction of mineral blocks conducted under the provisions of these rules, for three years from the date of such debarment: Provided that on receipt of an application from the holder of the Letter of Intent, the State Government, may extend the period for execution of the lease deed by a further period not exceeding fifteen days, on satisfaction that such delay is entirely for the reasons beyond the control of the holder of Letter of Intent.”

National Mineral Exploration Trust (NMET)

In the Resolution issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART I-Section 1 F. No. M.I-4/1/2019-Mines I, dated 17th May, 2019, it reads — In continuation of this Ministry’s Resolution No. 4(2)97-M.I dated 12.03.2009, 08.06.2009, No. 4(6)/2013-M.I dated 07.05.2013 and No. M.I-4/1/2017-Mines I dated 10.12.2018 regarding reconstitution of the Central Geological Programming Board (CGPB) and its twelve committees, it has been decided that the National Mineral Exploration Trust (NMET) under Ministry of Mines has been included in the Board and its following five Committees :

- i) Committee-I: Ferrous Minerals (Iron, Manganese & Chromite, etc.)
- ii) Committee-II: Precious Metal & Minerals (Gold, Platinum Group of Elements, Diamond & Precious Stones)
- iii) Committee-III: Non-Ferrous and Strategic Minerals (Base metal, Tin, Tungsten, Bauxite, etc.)

- iv) Committee-IV: Industrial & Fertilizer Minerals
- v) Committee-V: Energy Minerals & Resources (Coal, Lignite & Geothermal)

Offshore Areas Mineral (Development and Regulation) Act, 2002

In the Order issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (ii) S.O. 1523(E) dated 6th April, 2018, it reads —In pursuance of the powers conferred by Clause (a) of Section 4 of the Offshore Areas Mineral (Development and Regulation) Act, 2002 (17 of 2003) and in supersession of the notification published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii) vide number S.O. 339(E), dated the 11th February, 2010, the Central Government hereby notifies the Additional Director General, National Mission Head-II, Geological Survey of India as the administering authority for the purpose of the said Act.

Mineral (Mining by Government Company) Amendment Rules, 2019

In the Notification issued by the Ministry of Mines and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (i) G.S.R. 695(E) dated 27th September, it reads—In exercise of the powers conferred by Section 13 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules to amend the Mineral (Mining by Government Company) Rules, 2015, namely-

1. (1) These rules may be called the Mineral (Mining by Government Company) Amendment Rules, 2019.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Mineral (Mining by Government Company) Rules, 2015,

(a) in Rule 3, in Sub-rule (2), for the words “may, for reasons to be recorded”, the words “shall, for reasons to be recorded” shall be substituted;

(b) in Rule 4, in Sub-rule (3), for the words “may, for reasons to be recorded”, the words “shall, for reasons to be recorded” shall be substituted.

Reservation of Area under Section 17(A) of MMDR Act, 1957

1. Ministry of Mines has conveyed its approval for reserving Thakurani Block-A over an area of 416.512 hectares for iron ore in Keonjhar District of Odisha in favour of Industrial Development Corporation of Orissa Limited (IDCOL) under Section 17 A (2) of MMDR Act, 1957 vide letter dated 30.08.2019.

2. Ministry of Mines has also conveyed its approval for reserving area for mineral SMS grade limestone to the extent of 61.895 sq. kms. in District Jaisalmer, Rajasthan in favour of Rajasthan State Mines and Minerals Limited under Section 17 A (2) of MMDR Act, 1957 vide letter dated 30.08.2019.

Merge National Institute of Miner's Health (NIMH) with National Institute of Occupational Health (NIOH)

The Union Cabinet has approved on 24.07.2019 the proposal of Ministry of Mines to merge National Institute of Miner's Health (NIMH), an autonomous body of Ministry of Mines with National Institute of Occupational Health (NIOH) and autonomous body under Ministry of Health & Family Welfare.

Environmental Clearance

In the Notification issued by the Ministry of Environment, Forest and Climate Change and published in the Gazette of India, Extraordinary, PART II-Section 3-Sub-section (ii) S.O. 4307(E)—dated 29th November, 2019, it reads—

Whereas, the Environment Impact Assessment Notification vide S.O. 1533 dated the 14th September, 2006 (hereinafter referred to as the EIA Notification, 2006), and subsequent amendments issued by the Government of India provides the “Validity of Environmental Clearance” for mining of minerals is meant for period of project life as estimated by Expert Appraisal Committee or State Level Expert Appraisal Committee or District Level Expert Appraisal Committee subject to a maximum of thirty years;

And whereas, the Hon'ble Supreme Court vide judgement dated the 7th February, 2018 in Special Leave to Appeal (Civil) No. 32138 of 2015 in the matter of Goa Foundation versus M/s Sesa Sterlite Ltd, &

Others, inter alia, has directed to obtain fresh environmental clearance to those who are successful in obtaining fresh mining leases;

And whereas, the Sub-section (6) of Section 8A of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) prescribes as—

“Notwithstanding anything contained in Sub-sections (2), (3) and Sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, where mineral is used for other than captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2020 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with”.

And whereas, the Sub-section (4) of Section 8A of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) prescribes at "On the expiry of the lease period, the lease shall be put up for action as per procedure specified in this Act".

And whereas, in the view of the above, there would be cases related to mining projects granted environmental clearance under EIA Notification, 2006, wherein validity of the environmental clearance granted for the mining lease may not have expired, but the mining lease will have ended and freshly re-allocated to the successful bidder as per the provisions of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957).

And whereas, the mining projects mentioned in paragraph above are required to obtain fresh environmental clearance under the EIA Notification, 2006, in pursuance of the aforesaid judgement of the Hon'ble Supreme Court;

And whereas, the Ministry of Environment, Forest and Climate Change deems it necessary for implementation of the aforesaid judgement of the Hon'ble Supreme Court as well as continuation of the mining activity as per the approved mining scheme, mining plan, production capacity, mine lease area specified in the environmental clearance granted under the provisions of the EIA Notification, 2006, as these mining projects were already appraised and

the Environmental Impact Assessment (EIA) and Environmental Management Plan (EMP) have been considered by the concerned Expert Appraisal Committee or the State Level Expert Appraisal Committee, as the case may be, and granted environmental clearance by the regulatory authority concerned, these projects need to be granted fresh environmental clearance expeditiously so that their mining activity does not get disrupted as per the earlier approved environmental clearance;

And whereas, therefore, a draft notification was published in exercise of the powers conferred by Sub-section (1) and Clause (v) of Sub-section (2) of Section 3 of the Environment (Protection) Act, 1986 (29 of 1986) read with sub-rule (3) of Rule 5 of the Environment (Protection) Rules, 1986 vide S. O. 1038 (E), dated the 27th February, 2019, inviting objections and suggestions from all the persons likely to be affected thereby, within a period of sixty days from the date of publication of the said notification in the Gazette of India;

And whereas, all objections and suggestions received in response to the said draft notification have been duly considered by the Central Government; Now, therefore, in exercise of the powers conferred by Sub-section (1) and clause (v) of Sub-section (2) of Section 3 of the said Environment (Protection) Act, 1986 (29 of 1986), read with Clause (d) of Sub-rule (3) of Rule 5 of the Environment (Protection) Rules, 1986, the Central Government hereby directs that for implementation of the aforesaid judgment of the Hon'ble Supreme Court dated the 7th February, 2018 in Special Leave to Appeal (Civil) No. 32138 of 2015 in the matter of Goa Foundation versus M/s Sesa Sterlite Ltd., & Others, as well as, continuation of the mining activity without any changes to production capacity, mine lease area specified in the environmental clearance granted under the provisions of the EIA Notification, 2006 through an expeditious mechanism for grant of fresh environmental clearance, the successful bidder selected by the Government in accordance with law, in all such cases, shall make an application in Form-1 as given in Appendix-I of the EIA Notification, 2006, for grant of environmental clearance under the provisions of the EIA Notification, 2006 and all such applications shall be considered by the concerned Expert Appraisal Committee or the State Level Expert

Appraisal Committee, as the case may be, who shall decide with due diligence, considering the existing EIA/EMP and the environmental clearance granted earlier, and the application shall be appraised accordingly for grant of environmental clearance subject to the same validity period as was initially granted, however, the concerned Expert Appraisal Committee or the State Level Expert Appraisal Committee, as the case may be, may stipulate case specific additional conditions to such mining projects subject to the condition that all the terms and conditions of the lease have been complied with”.

And whereas, the Sub-section (4) of Section 8A of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) prescribes as—
“On the expiry of the lease period, the lease shall be put up for auction as per the procedure specified in this Act”.

Notification

Ministry of Environment, Forest and Climate Change in its notification of the 28th March, 2020 S.O. 1224(E)—Whereas, vide the Mineral Laws (Amendment) Act, 2020 (2 of 2020), the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) (hereinafter referred to as MMDR Act) has been amended with effect from the 10th day of January, 2020 and, inter alia, new Section 8B relating to the provisions for transfer of statutory clearances has been inserted; and whereas, Sub-section (2) of Section 8B of the MMDR Act provides that notwithstanding anything contained in this Act or any other law for the time being in force, the successful bidder of mining leases expiring under the provisions of Sub-sections (5) and (6) of Section 8A and selected through auction as per the procedure provided under this Act and the rules made thereunder, shall be deemed to have acquired all valid rights, approvals, clearances, licences and the like vested with the previous lessee for a period of two years; and whereas, Sub-section (3) of Section 8B of the MMDR Act provides that notwithstanding anything contained in any other law for the time being in force, it shall be lawful for the new lessee to continue mining operations on the land, in which mining operations were being carried out by the previous lessee, for a period of two years from the date of commencement of the new lease; and

whereas, in pursuance of the aforesaid amendment to the MMDR Act, the Central Government deems it necessary to align the relevant provisions of the notification of the Government of India in the erstwhile Ministry of Environment and Forests number S.O. 1533 (E), dated the 14th September, 2006 (hereinafter referred to as the EIA Notification, 2006); AND WHEREAS, the Ministry of Environment, Forest and Climate Change is in the receipt of representations for waiver of requirement of prior environmental clearance for borrowing of ordinary earth for roads; and manual extraction of lime shells (dead shell), shrines, etc., within inter tidal zone by the traditional community;

Now, therefore, in exercise of the powers conferred by Sub-section (1) and Clause (v) of Sub-section (2) of Section 3 of the Environment (Protection) Act, 1986 (29 of 1986), read with Sub-rule (4) of Rule 5 of the Environment (Protection) Rules, 1986, the Central Government, after having dispensed with the requirement of notice under clause (a) of Sub-rule (3) of the Rule 5 of the said rules, in public interest, and in supersession of the notification number S.O. 4307(E), dated the 29th November, 2019, hereby makes the following further amendments in the EIA Notification 2006, namely- In the said notification, - (i) in Paragraph 11, after Sub-paragraph (2), the following sub-paragraph shall be inserted, namely- “(3) The successful bidder of the mining leases, expiring under the provisions of Sub-sections (5) and (6) of Section 8A of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) and selected through auction as per the procedure provided under that Act and the rules made thereunder, shall be deemed to have acquired valid prior environmental clearance vested with the previous lessee for a period of two years, from the date of commencement of new lease and it shall be lawful for the new lessee to continue mining operations as per the same terms and conditions of environmental clearance granted to the previous lessee on the said lease area for a period of two years from the date of commencement of new lease or till the new lessee obtains a fresh environmental clearance with the terms and conditions mentioned therein, whichever is earlier:

Provided that the successful bidder shall apply and obtain prior environmental clearance from the

regulatory authority within a period of two years from the date of grant of new lease.”;

(ii) in the Schedule, against the Item 1(a), in Column (5), after Clause (2) of the Note, the following clause shall be inserted, namely-

“(3) The evacuation or removal and transportation of already mined out material lying within the mining leases expiring under the provisions of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), by the previous lessee, after the expiry of the said lease, shall not form the part of the mining capacity so permitted to the successful bidder, selected through auction as per the procedure provided under that Act and the rules made thereunder.”;

(iii) for Appendix-IX, the following Appendix shall be substituted, namely-

“APPENDIX-IX EXEMPTION OF CERTAIN CASES FROM REQUIREMENT OF ENVIRONMENTAL CLEARANCE

The following cases shall not require Prior Environmental Clearance, namely-

1. Extraction of ordinary clay or sand by manual mining, by the Kumhars (Potter) to prepare earthen pots, lamp, toys, etc. as per their customs.
2. Extraction of ordinary clay or sand by manual mining, by earthen tile makers who prepare earthen tiles.
3. Removal of sand deposits on agricultural field after flood by farmers.
4. Customary extraction of sand and ordinary earth from sources situated in Gram Panchayat for personal use or community work in village.
5. Community works, like, de-silting of village ponds or tanks, construction of village roads, ponds or bunds undertaken in Mahatma Gandhi National Rural Employment and Guarantee Schemes, other Government sponsored schemes and community efforts.
6. Extraction or sourcing or borrowing of ordinary earth for the linear projects such as roads, pipelines, etc.
7. Dredging and de-silting of dams, reservoirs, weirs, barrages, river and canals for the purpose of their maintenance, upkeep and disaster management.
8. Traditional occupational work of sand by Vanjara and Oads in Gujarat vide notification number GU/

90(16)/MCR-2189(68)/5-CHH, dated the 14th February, 1990 of the Government of Gujarat.

9. Manual extraction of lime shells (dead shell), shrines, etc., within inter tidal zone by the traditional community.

10. Digging of wells for irrigation or drinking water purpose.

11. Digging of foundation for buildings, not requiring prior environmental clearance, as the case may be.

12. Excavation of ordinary earth or clay for plugging of any breach caused in canal, nallah, drain, water body, etc., to deal with any disaster or flood like situation upon orders of the District Collector or District Magistrate or any other Competent Authority.

13. Activities declared by the State Government under legislations or rules as non-mining activity.”

FDI POLICY

(I) 100% FDI has been permitted via Automatic Route for mining and exploration of metal and non-metal ores including diamond, gold, silver and precious ores and the mining of coal and lignite for captive consumption for power projects, iron, steel and cement units.

(II) 100% FDI has been permitted through Government Route for mining of titanium-bearing minerals and its ores, its value addition and integrated activities.

FDI Equity Inflow

As per Department of Promotion of Industry and Internal Trade (DPIIT) “fact sheet on Foreign Direct Investment (FDI) from April 2000 to December, 2019 Report” the FDI equity Inflow in the Mining Sector from April 2000 to December 2019 was Rs.15,076.29 crore.

POLICY REFORMS

Policy Reforms in Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas undertaken include.

Ministry of Petroleum and Natural Gas, Government of India by The Gazette of India : Extraordinary [Part I—Sec. 1] Resolution No. O-12015(11)/1/2019-ONG-

II dated, the 28th February, 2019— notified the policy reforms to increase exploration activities, attract domestic and foreign investment in unexplored/unallocated areas of sedimentary basins, and enhance domestic production of oil & gas from existing fields and promote ease-of-doing business by streamlining and expediting the approval processes.

Mineral Auctions

Auction Framework and Handholding Support

- The Government of India amended the Mines & Minerals (Development & Regulation) (MMDR) Act, the principal Act which governs the Mineral Sector in India, with effect from 12th January, 2015, which brought major paradigm shifts in the mining regulations, including the grant of mineral concessions of major minerals through auctions to bring transparency and remove discretion.

- The necessary rules enabling the auction of mineral blocks under the MMDR Amendment Act, 2015, viz. Mineral (Evidence of Mineral Content) Rules & Mineral (Auction) Rules were notified soon after by the Ministry. The Ministry also formulated the ‘Model’ tender documents to facilitate the State Governments to expedite the auction process.

- In order to provide handholding support for the implementation of auctions of mining leases/PL-cum MLs, the Ministry of Mines through its Institutions, i.e., Geological Survey of India (GSI), Mineral Exploration Corporation Ltd (MECL) and Indian Bureau of Mines (IBM) and Central Public Sector Enterprises, such as, SBI Capital Markets Ltd (SBICAP), MECON Ltd, and MSTC Ltd, provided initial handholding support to the State Governments for Transaction Advisory Services, Differential Global Positioning System (DGPS) Survey, Geological Report (GR) preparation and e-auction platform.

Auction Status

- A total of 54 mineral blocks across 9 States, namely Rajasthan, Odisha, Madhya Pradesh, Chhattisgarh, Karnataka, Jharkhand, Andhra Pradesh, Gujarat and Maharashtra have been successfully auctioned till 2018-19.

- The estimated value of resources in the 54 successfully e-auctioned mineral blocks across the country is over Rs. 2,25,998 crore. The total estimated revenue to the State Governments over the lease

period of these mines stands at Rs. 1,83,405 crore. The estimated additional contribution to the State Governments by way of auction premium is Rs. 1,43,389 crore over the lease period. Out of the cumulative statutory payments of Rs. 40,016 crore, the Royalty, the District Mineral Fund (DMF) and National Mineral Exploration Trust (NMET) contributions work out to be Rs. 35,729 crore, Rs. 3,573 crore and Rs. 715 crore respectively.

District Mineral Foundation (DMF) and Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY)

- DMF is meant to address the long standing demand of the local people in mining areas for inclusive growth. The funds for DMF will be met from additional contributions of 30 % of royalty by existing miners and 10% by miners granted mines after the MMDR Amendment w.e.f. 12.1.2015. The Annual budget of DMFs for major mineral States would be about 6,000 crore.

- The Government has formulated Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) to be implemented by the DMFs of the respective districts. It has been issued as a directive under Section 20A of the Act by the Central Government on 16.09.2015.

- The PMKKKY has mandated 60% of the funds to be utilised for High Priority Areas, such as, Drinking water / Environment preservation and pollution control / Health care / Education / Skill development

/ Welfare of women, children, aged and disabled people / Sanitation and

- 40% of the funds to be utilised for Infrastructure - Roads & physical infrastructure / Irrigation / Watershed development. The projects implemented under PMKKKY will help create a congenial mining environment, ameliorate the condition of the affected persons and create a win-win situation for the stakeholders ‘ 27,529.99 crore have been collected PMKKKY as on 31.03.2019.

- More than 1,35,000 projects have been sanctioned under PMKKKY.

- Funds worth more than ‘ 23,800 crore have been sanctioned for various projects.

- A national level portal <http://mitra.ibm.gov.in/pmkkky> has been launched where up-to-date information regarding fund collection and utilisation is provided.

- District-wise breakup of funds is displayed. Data for fund collection and utilisation is fed directly from the districts on to the national level portal.

- Project details w.r.t the High Priority and Other priority sectors as specified in the PMKKKY guidelines are entered by the District Mineral Foundations.

- The dashboard displaying fund and project information are made accessible to the general public.