

## PRESS RELEASE



21.03.2023

### **THE THIRTY-NINTH REPORT OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL ON "DEMANDS FOR GRANTS (2023-24)" RELATING TO THE MINISTRY OF MINES.**

Shri Rakesh Singh, Chairperson, Standing Committee on Coal, Mines and Steel(2022-23) and Member of Parliament presented the Thirty- Ninth Report of the Committee on "Demand for Grants(2023-24)" relating to the Ministry of Mines to Lok Sabha, on 21<sup>st</sup> March, 2023. Some of the important Observations/Recommendations contained in the Report are as under:-

**While recognizing the need for self-reliant and sustainable mining practices in the country, the Committee appreciated the steps taken by the Government in the matter**

**The Committee were happy to note that the country continues to be wholly or largely self-sufficient in minerals production. The Mineral production in the country constitutes primary mineral raw materials that are supplied to many industries, such as, iron & steel, aluminium, cement, refractories, ceramic, glass, chemical, etc. The country is, however, deficient in magnesite, manganese ore, rock phosphate (Phosphorite), etc. which are imported to meet the domestic demand. The Committee also observed that Self-reliance in minerals is dependent on factors such as resource endowment, exploration, production and demand from user sector(s).**

**The Committee have further noted that the Government has taken steps to promote exploration activity and handed over the number of geological reports to States for auctioning of mineral blocks. The Government have also made several policy reforms to make India self-reliant in the mineral sector, such as amendments in the MMDR Act, 1957. With these reforms, the government has embarked on increasing the sectoral contribution to the Indian GDP and also to increase the competitiveness, ease of doing business and creating a favorable investment environment for the sector.**

	<p>The Committee also observed a positive impact of the amendments in MMDR Act with significant increase in pace of auction since 2015. The auctions per year have increased four times and against 108 blocks auctioned in 6 years (i.e. from 2015 to 2021), 131 auctions were held between 2021-22 and 2022-23(till date). Further, the Committee have noted that the Ministry of Mines have devised an action plan with a target of 500 blocks to be auctioned by 2023-24. While appreciating these remarkable steps taken by the Government to ensure self-reliant and sustainable practices, the Committee are hopeful that the Ministry will continue to introduce reforms as and when necessary to optimize the performance of mining sector.</p> <p style="text-align: right;"><b>(Recommendation No.2)</b></p>
<p>Remarkable achievement of GSI in establishing Lithium inferred resources in J&amp;K appreciated.</p>	<p>With regard to efforts being made towards creating an inclusive mineral policy, the Committee were satisfied to note that as per the National Mineral Policy, 2019, thrust will be given to extraction of mineral resources in which the country is well endowed so that the needs of domestic industry are fully met keeping in mind both present and future needs. In this regards, the Committee were happy to note that GSI has for the first time established Lithium inferred resources (G3) of 5.9 million tonnes in J&amp;K recently. The Committee hoped that GSI will continue to make remarkable achievements to enable the country to become self-reliant in mineral production.</p> <p style="text-align: right;"><b>(Recommendation No.3)</b></p>
<p>Observing the need for recycling and reusing metals in the mining sector, the Committee appreciated the economically and environmentally conscious choices being taken in the mining sector</p>	<p>The Committee agreed that metal ores and minerals are non-renewable natural resources, which have an ever growing demand at global level and across sectors, making it imperative to reuse and recycle these metals. In this regard, the Committee observed that the National Mineral Policy 2019 envisages that though primary minerals will remain the principal source for fulfilling demand, efforts shall be made to augment supply by developing processes for recovery of metal through recycling. The reusable nature of metals contributes to conservation of natural resources and includes other benefits in terms of energy conservation, environmental and economic benefits.</p> <p>The Committee also appreciated that the Ministry of Mines have published the National Non-Ferrous Metal Scrap Recycling Framework, 2020 in January, 2021 to promote a formal and well organized recycling ecosystem by adopting energy efficient processes for recycling leading to lower carbon footprints and to work towards sustainable</p>

	<p>development and intergenerational equity.</p> <p>The Committee were happy with the economically and environmentally conscious choices that are being taken in the mining sector and Government have also nominated and authorized Jawaharlal Nehru Aluminium Research Development and Design Centre, Nagpur (JNARDDC), vide O.M. dated 05.07.2021, to carry out the functions earmarked for Metal Recycling Authority as stipulated in National Non-Ferrous Metal Scrap Recycling Framework, 2020, till a regular Metal Recycling Authority is notified. The Committee have recommended that more steps should be taken by the Government for use of Recycling, Reusing, and Repurposing (R3) technologies by the industries to boost self-reliant mining activity in the country and they be apprised of the same.</p> <p style="text-align: right;">(Recommendation No. 4)</p>
<p>Emphasis laid on full utilization of funds for modernization programme by GSI</p>	<p>The Committee have noted that in order to establish GSI as a world class geo-scientific institute, the modernization Programme was initiated long back to improve the capabilities in the field and laboratories. The Committee were happy to note that high end machineries and equipment are being procured in a phased manner to improve the capabilities in generating vital geo-science data and their processing, interpretation as well as to support the operational activities of GSI.</p> <p>With an aim to achieve paperless office, GSI has implemented Online Core Business Integrated System (OCBIS) portal and has introduced e-office for official file movement as a part of e-governance. The Committee have also noted that GSI has taken initiative for setting up of National Geo-science Data Repository (NGDR) to make available all geo-science data on a single platform for use of stakeholders in a single window platform. The Committee have noted that during 2022-23, the allocations for modernization programme both at BE and RE stage are ₹ 57.50 crore. While stressing for full utilization of funds for modernization programme by GSI during 2022-23, the Committee desired to be apprised of the action plan of GSI for utilization of budgetary allocations of ₹ 72.10 crore for modernization programme during 2023-2024.</p> <p style="text-align: right;">(Recommendation No. 7)</p>
<p>The Committee appreciated initiatives of the Government allowing both public and private NEAs to carry out exploration</p>	<p>The Committee have observed that funds will also be provided to private exploration agencies notified by the Ministry of Mines for carrying out exploration activities in NMET approved projects. The Committee found that the Ministry of Mines have notified 12 private exploration</p>

<p>activities.</p>	<p>agencies as Notified Exploration Agency (NEA), who have submitted 91 number of mineral exploration project proposals. As regards the physical and financial target for exploration projects, the Committee have observed that State Governments will submit the exploration projects of Notified Private Exploration Agencies (NPEAs) to Technical-cum-cost Committee of NMET for evaluation.</p> <p>While appreciating such initiatives of the Government, allowing both public and private NEAs to carry out exploration activities and recognizing their role in the country's economic development in general and in mining sector, in particular, the Committee desired to be apprised of the progress made in the matter by NEAs (both public and private sector) during 2022-23 and action plan for the year 2023-24.</p> <p style="text-align: right;">(Recommendation No.14)</p>
<p>Emphasizing the scope and potential of private sector in the mining sector, the Committee recommended that steps be taken to boost a favourable investment environment.</p>	<p>The Committee have been informed that the scope and potential for private sector in the mining sector is widely available in the existing legislation. Further, the National Mineral Policy(NMP), 2019 envisages that the private sector would be encouraged to take up exploration activities. Besides, NMP 2019, the recent reforms undertaken by the Government also encourage the investment by private sector in the mineral sector. The Committee have found that private sector plays a dominant role in mineral production and accounted for about 58.54% or ₹ 77713 crore in the total value of production in 2021-22(Provisional). In this regard, the Committee would like to be apprised of the data for FY 2022-23 as well for the private sector mining/exploration activities.</p> <p>As on 1.04.2022, there are 94 Mines with CPSUs, 144 Mines with State PSU, 2857 Mines with Private Sector against the total no. of 3095 Mines. During 2021-22(P), the entire production of Garnet, Iolite, Lead &amp; Zinc Ore, Lead Concentrate, Limeshell, Marl, Moulding Sand, Siliceous Earth, Sillimanite, Wollastonite and Zinc Concentrate, was from private sector. Besides, private sector contribution in term of value of Bauxite 51%, Chromite 69%, Iron Ore 61%, Kyanite 54%, Limestone 97%, Manganese Ore 54%, Vermiculite 77%, Graphite 37%, and Magnesite 46%.</p> <p>The Committee have been given to understand that the amendment to the Mines and Minerals (Development and Regulation) Act, 1957 in 2015 and in 2021 has been aimed at increasing the production of minerals and time bound operationalization of mines, maintaining continuity in mining operations even after change of lessee and increasing the pace of exploration and auctioning of</p>

	<p>mineral resources. These amendments have resulted in enhancement of mineral production across the spectrum and will be a major boost to many industries which are primarily dependent upon key raw materials provided by the mining sector. The above measures are intended to enhance the self-reliance in mineral sector by involving the private sector as a co-partner in country's development and enhances business opportunities in the economy.</p> <p>The Committee while acknowledging the efforts of the Ministry of Mines to accommodate the private sector to help the mining sector reach new heights have also recommended that factors like increase in competitiveness, ease of doing business be looked into to boost a favourable investment environment for the mining sector.</p> <p style="text-align: right;"><b>(Recommendation No. 19)</b></p>
<p><b>Acknowledging and appreciating the concentrated efforts of the Ministry to ensure mineral security in the country.</b></p>	<p>While acknowledging the quantum of Reforms, legislative work, policy matters and its implementation by the Ministry of Mines during the recent years, the Committee have appreciated the role of Ministry of Mines for making sincere efforts to double the production of important minerals in the next five years. The Committee are also hopeful that GSI will continue making remarkable discoveries in the mining sector and NMET will pave the way for both public and private sector agencies for exploration in mining. The role of joint ventures like KABIL and PSUs under administrative control of Ministry of Mines ensuring mineral security in the country is also applaudable. The Committee are hopeful that with concentrated efforts of the Ministry, all physical and financial targets set will be achieved efficiently.</p> <p style="text-align: right;"><b>(Recommendation No. 20)</b></p>

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