

Background

Amendment of MMDR Act, 1957 in 2015 marked a watershed in the mineral development scenario of India. The Amended Act introduced the concept of auction of mineral bearing areas, District Mineral Foundation, National Mineral Exploration Trust (NMET), Sustainable Development Framework and Notified minerals. Subsequently, 31 minerals hitherto included in the list of Major minerals were transferred to Minor minerals. Star Rating of Mines was introduced under MCDR, 2017. Relevant rules were either amended or framed consequent to the Amendment. A number of Guidelines, Notifications and Office Memoranda have been issued by the Ministries of Mines and MOEF & CC. Government of India has framed a National Steel Policy, 2017 which has projected Steel production capacity of 300 million tonnes by 2030-31. Following the Amendment, many leases expired on 31.03.2020 and auctioning of such mines has commenced.

The major mineral based industries of the country are Iron & Steel, Ferroalloys, Cement, Alumina & Aluminium and Thermal power. Development of these industries and the projections made by Government of India will necessitate assured availability of iron ore, bauxite, chromite, manganese ore, limestone and coal among others. Assured availability of these raw materials is constrained on account of uncertainty about seamless transfer of leases expired on 31st March 2020 to the new lessees. Post Auction regime since 2015 reveals a dismal situation. Even the successful bidders at the recently held auctions in Odisha have surrendered their acquired assets finding the terms of allotment of mining leases unsustainable. The other major constraint is grossly inadequate status of proving of reserves of the raw materials. Then we have the chronic delay in obtaining forest and environment clearances. Corona pandemic further complicated the situation.

*All these issues shall be deliberated in the Webinar on **Raw Material Security for Mineral Based Industries.***