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Indian Mining & Exploration Updates

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Indranil Bhattacharjee

The Mines and Minerals (Development and Regulation), 2021 (Amendment Act): Examined

Abstract

The mining and mineral industry is a vital contributor to India's economy as it forms the base for the use of fundamental raw materials for many import industries. The sector is characterised by a vast number of smaller mines and other large-scale mining centres, which contribute to the overall national production.

The mining sector in India is highly regulated with robust legal and regulatory mechanisms. The primary legislation regulating the sector in India is the Mines and Minerals (Development & Regulation) Act, 1957. The legislation has gone through multiple amendments to enhance the ease of doing business and mergers and acquisitions. The latest scheme of amendments came in the shape of the Mines & Minerals (Development & Regulation) Amendment Act, 2021. The primary objective of the Amendment is to simplify mining operations in India, and it tries to do that by increasing leniency within the industry and further enhance efficiency in the sector.

The present blog aims to analyse these changes brought in by the latest Amendment and understand its salient features. Further, the blog also tries to list down the impact of the changes being brought in by the Amendment and briefly elaborate on the after-effects the amended law will have on the mining industry in the country.

Introduction

The Indian Parliament, to secure minerals of the country and to liberalise a few stringent provisions, sought to amend the Mines & Minerals (Development & Regulation Act, 1957 (hereinafter referred as "Principal Act"). The Bill was passed on 19.03.2021 by the Lower House and on 22 March 2021 by the Upper House of the Parliament. The Mines & Minerals (Development & Regulation) Amendment Act, 2021 (hereinafter referred as "Amendment Act") received the President's assent on 28 March 2021. The laws related to the mining sector of India, which plays one of the significant roles in the GDP growth of the nation, had earlier a few stringent and cumbersome provisions which have been done away with by the Amendment Act. Before starting with the description of the amendments and their impact upon the economy of the country let us, first, know about all such laws that govern mining sector.

The laws that govern mining sector in India include:

Mines Act, 1952 and Mines Rules 1955

Mines and Minerals (Development and Regulations) Act, 1957

Mineral Concession Rules, 1960

Mineral Conservation and Development Rules, 1988

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

O-shore Areas Minerals (Development and Regulations) Act, 2002

O-shore Areas Mineral Concession Rules, 2006.

The scope of this blog is restricted to Mines and Minerals (Development and Regulations) Act, 1957 and the recent Amendment made to it.

Objective of the Amendment

The Amendment Act has sought to amend the Principal Act to meet the following broad objective and purposes:

To bring out the potential of the mineral sector;

To increase the revenue to the States;

To escalate the employment ratio and investment in the mining sector, including coal;

To maintain continuity in mining operations even after the change of lessee;

To increase production and time-bound operationalisation of mines;

To increase the speed of exploration and auction of mineral resources;

And lastly, to resolve long pending issues that have decelerated the growth of the sector.

For a better understanding of the nuances of the Amendment Act, a few terms are explained briefly below:

"Sale of mines by auctions" is usually a procedure employed by state governments to sell their mines through bidding to private players.

"Captive mining" refers to those mines produced exclusively for the company that owns the mines.

"Non-Captive mining" refers to those mines that produce and sell their stock.

"Reconnaissance" means prospecting of mines through surveys.

Salient Features of the Amendment Act

1. No limitations on end-use for captive mines:

The Amendment Act provides that no mine will be reserved for a particular end-use. Upon the insertion of Sub-section 5 to Section 8 and Amendment of Section 8A of the Principal Act, the captive mines (including captive coal mines) are now permitted to sell up to 50% of the minerals produced after meeting the requirement of the linked end-use plants. The captive mine holder will be required to pay an "additional" sum to be calculated in accordance with the newly inserted Sixth Schedule. Before this Amendment, the captive mines were not permitted to sell their stocks. Thus, by bringing this Amendment, the objective of increasing in production and supply of mineral and ensuring economies of scale in mineral production is achieved.

2. Transfer of statutory clearances

Section 8B in the Principal Act has been substituted by way of the Amendment Act to liberalise the stringent and time-consuming provision, which required a repetitive process of obtaining clearance again for the same mine. This particular Amendment guarantees uninterrupted mining operations, preservation of minerals and avoidance of redundant, overlapping and superfluous process of obtaining clearances yet again for the same mine upon its transfer. Thereby it has been clarified that all valid rights, approvals, clearances, licences, etc. granted to a lessee in respect of a mine (other than those granted under the provisions of the Atomic Energy Act, 1962) shall continue to be valid even after expiry or termination of the lease and such rights, approvals, clearances, licences, etc. shall be transferred to, and shall vest (subject to the relevant conditions) in the successful bidder of the mining lease selected through auction. It has also been illuminated that it shall be lawful for the new lessee to continue mining operations on the land till the expiry or termination of the mining lease granted to it, in which the previous lessee was carrying out mining operations.

This Amendment mainly ensures continuity of mining operations, even with the change of the lessee and helps to avoid the repetitive process of obtaining clearances again for the same mine. The general view is that a tremendous amount of time was spent seeking the same permissions/approvals afresh. This would facilitate the early commencement of the mining operations. At the time of discussions on the Bill in Parliament, it was highlighted that about 904 mines would expire in the next ten years, and if the new lessee is compelled to obtain statutory clearances all over again, it will cause unnecessary disruption.

3. Involvement of the Private Sector

In the Sub-section 1of Section 4 of the Principal Act for the words "such entity that may be notified for this purpose by the Central Government", the terms "other entities including private entities that may be notified for this purpose, subject to such conditions as may be specified by the Central Government" has been substituted. It explicitly lays down that the Private companies with enhanced technology are now eligible to undertake mineral exploration activities, as against the old regime where only the public sector predominantly led this energy sector.

However, considering the actualities,although the mining potential in India is vast and the mining sector is the second largest employment generator after agriculture, India remains significantly under-explored compared to nations with similar potential, South Africa and Australia. So to do away with this laxity, the legislature came up with Amendment.

The Amendment to Section 9C of the Principal Act is highly significant in the above context as the National Mineral Exploration Trust (NMET) has been designated as an autonomous body. It is noteworthy that the NMET was established to fund regional and detailed exploration of minerals. A new sub-section (5) to Section 9C has been introduced in the Amendment Act, enabling the notified private entities to seek funding from the NMET.

All such insertion has been made only to facilitate the smooth flow of the economy and restrain the dominance of the public sector.

4. Non-exclusive reconnaissance permit:

Reconnaissance means preliminary prospecting of a mineral through specific surveys. The Amendment Act provides a non-exclusive reconnaissance permit (for minerals other than coal, lignite, and atomic minerals). The provision for permission has been done away with under this Amendment Act.

5. Termination of the mining lease

The Amendment Act has replaced the expression "mining operations" in Sub-Section 4 of Section 4A of the Principal Act with the words "production" and "dispatch". Accordingly, the termination of the lease in this Section will have to be considered from the point of whether the leaseholder has undertaken or continued "production" and "dispatch". The definitions of "production" (Section 3(aa)) and "dispatch" (Section 3(fa) have also been inserted in the Amendment Act. "Production" has been defined as the winning or raising of mineral within the leased area for the purpose of processing or dispatch;" and "dispatch" has been defined as the removal of minerals or mineral products from the leased area and includes the consumption of minerals and mineral products-based area."

Prior to this Amendment Act, in terms of Section 4A(4) of the Principal Act, if a mining leaseholder failed to undertake mining operations for two years or having commenced mining operations, discontinued the same for a period of 2 (two) years, the mining lease would automatically be elapsed. However, the State Government always had the discretion, which is often used in light of the principles of the welfare of State enshrined under our Constitution, to order continuation of such leases where the mining leaseholder could not undertake or continue mining operations for reasons beyond the control of the leaseholder. Moreover, it was also open for the State Government to revive a lapsed mining lease provided the mining leaseholder made an application within 6 (six) months from the date of its lapse.

The Amendment Act envisages an extension for a period of one year in cases where the holder of a mining lease fails to undertake production and dispatch for two years either after the execution of the lease or having discontinued production and dispatch, for a period of two years after having commenced the same. It has also been clarified that this extension can only be granted once during the entire period of the lease.

Significantly, the Amendment Act does not allow for a revival of the mining lease after it lapsed. Therefore, the mining leaseholder will necessarily be required to apply to the State Government before the lapse of the mining lease.

6. The rights of specific existing concession holders and applicants under Section 10A

In Section 10A(2)(b) of the Principal Act, the following provisos have been inserted:

"Provided that for the cases covered under this clause including the pending cases, the right to obtain a prospecting licence followed by a mining lease or a mining lease, as the case may be, shall lapse on the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2021:

Provided further that the holder of a reconnaissance permit or prospecting licence whose rights lapsed under the first proviso shall be reimbursed the expenditure incurred towards reconnaissance or prospecting operations in such manner as may be prescribed by the Central Government."

Further, after Section 10A(2)(c) of the Principal Act, the following clause has been inserted:

"(d) in cases where the right to obtain licence or lease has lapsed under, clauses (b) and (c), such areas shall be put up for auction as per the provisions of this Act:"

For cases under Section 10A(2)(b), the Amendment Act provides that the Government shall reimburse the expenditure incurred towards reconnaissance permit or prospecting operations in cases where the rights lapsed. However, it has been visualised that the reimbursement sum may not be enough since the expenditure incurred by the mining lease holders is likely to be much more. [2]

The Amendment Act has also introduced Section 13(2)(u) to empower the Government to frame rules to prescribe the reimbursement of the expenditure incurred by leaseholders towards reconnaissance or prospecting operations. [3]

For cases under 10A(2)(c), unlike Section 10A (2)(b), a specific provision for lapsing of the rights has not been made. However, this is presumably because in terms of Section 10A (2)(c) of the Principal Act read with Rule 8 of the Mineral Concession Rules, 2016, the mining lease was required to be executed and registered on or before 11 January 2017, failing which the right for a grant of a mining lease stood forfeited. For this reason, the Government may argue that cases under Section 10A(2)(c) had already lapsed on 11 January 2017. Therefore, there was no need for a specific provision similar to Section 10A(2)(b) in the Amendment Act.

However, in the future, it has to be seen that how the pending cases against lapsing of rights and were there had been a grant of relief by the respective courts on the ground that the delay in execution of the mining lease was beyond their control and/or in fact, attributable to the Government will be dealt and how the judiciary applies its judicial acumen.

7. Transfer of mineral concessions

A new proviso to Section 12A(2)(b) in the Principal Act has been inserted, in terms of which the transfer of a mining lease would no longer entail the payment of any charges. However, it has also been clarified that the charges already paid for transfer shall not be refunded. The word "shall" makes it a mandatory provision.

Further, Section 12A(6) in the Principal Act, which provided that the transfer of mineral concessions shall be allowed only for concessions granted through auction, has also been removed. The objective appears to be to remove the restrictions on the transfer of mineral concessions for non-auctioned mines to attract new investment and technology in the sector.

Conclusion

On analysis of this Amendment Act, it is found that it has come up with such provisions and objectives which are intended to be boon for the nation, as it generates employment, relaxes the stringent provisions to facilitate easy entry and exit of the private sector, not only does this include the access of private companies but also enables foreign investment into this sector of energy, which had never been thought before and above all this Amendment Act will lead to the reduction of illegal mining which had been prevalent in this sector since time immemorial. This illegal mining will be curbed to a great extent as the Amendment Act has increased penalties from Rs. 25 thousand per hectares to Rs. 5 Lakh per hectare and the term of imprisonment has been increased from 2 years to 5 years for contravention of Section 4(1) and 4(1A) of the Act. Further, any rule made under the Act may provide that any contravention thereof shall be punishable with imprisonment for a term which may extend to two years or with fine which may extend to five lakh rupees, or with both, and in the case of a continuing contravention, with additional fine which may extend to fifty thousand rupees for every day during which such contravention continues after conviction for the first such contravention. Thus, we can optimistically say that this amendment may help in reduction in illegal mining which is quite prevalent.

However, this Amendment Act lacks in taking into concern one of the most crucial growing and alarming issues of the environment. This issue has been strongly raised and argued by various industrialists, environmentalists, lawyers and politicians. It is debated that the Amendment extends the period of validity of mining leases from 30 to 50 years, and this would be highly hazardous to nature as the open mines for such a long time would contribute to much pollution with every open mine. Mines should be closed and rehabilitated quicker for minimum environmental damage. Furthermore, there would be rise in competition in this market-leading to overexploitation of resources and conflict in the sector.

Undoubtedly, the step taken by the legislature is acclaimed not just nationally but internationally. However, had it considered the above mentioned and other lateral issues, it could have been considered a perfect piece of legislation.

About Author:

Nitika Kashyap is an Associate Advocate at MV Kini & Co.

Source:

IJIEPL

Harnessing Mining Sector

Mining projects arc most vital towards realizing 'Make-in-India'. It has a multiplier effect, being the raw material provider for the downstream industry, as well as its absence can severely constrict the dependent industries. They have huge employment potential, only second to agri- sector and contribute immensely to the development of the backward districts.

LOST OPPORTUNITIES & PERSISTENT DECLINE IN MINING SECTOR

1. Proven Reserves for reaching self-sufficiency in most minerals — despite that massive imports of minerals

2. Huge Trade Deficit in Mineral Sector (even without considering oil sector) - more than 6.5 lakh Cr., which is 50% of the India's Total Trade Deficit.

i. The Key imports were —

Diamond - 1.5 lakh Cr,
Gold - 2 lakh Cr,
Iron & Steel 70 thousand Cr
Aluminum & Copper at 25 thousand Cr each.

ii. Even when the country has proven reserves for many minerals like bauxite, chromite, limestone, iron ore, kyanite etc., in many specific instances, India needs to import certain types/quality of minerals and Ferro-alloys etc.

iii. Despite enormous potential in India, no Gold & Diamond efforts supported by Govt., thus no incremental mining and not enough grant of mining leases for them in the last 10 years.

iv. The Federation of Indian Mineral Industries (FIM1) has put the onus on the government for the poor record in meeting domestic demand as mineral.

2. Lost Employment potential

i) Steep Decline employment in Mining and Quarrying from RBI KLEN1S data base shows a fall from 0.26 crores in 2004 to 0.20 crores in 2017

ii) Decline in Avg. Daily employment per figures in mines of Indian Mineral Yearbook (IMY), published by Indian Bureau of Mines (IBM) from 5.4 lakh in 2012-13 to 4.8 lakh in 2016-17. The data for the following years, unofficially learnt though not published by IBM, shows even steeper decline in employment in the mining sector, despite major legislative reforms in 2015.

4. Net Decrease in Mining Leases

i) About 500 major mineral mining leases used to get added annually around 2011-12 in the country.

ii) As per the IMY-2019, there has been a net decrease of 300 mining leases in 2018-19 for the major minerals in the country.

iii) This is truly reflective of the actual result of the propped up reforms in 2015.

5. Dismal growth in Mineral Production

India's mining sector has accounted for 3.5% of the national Gross Value Added over the period 2004-05 to 2019-20. However, the contribution to national output has been declining in recent years, as the mining sector has grown at a slower pace than other sectors. Though growth has been volatile on a year on year basis, the sector has barely grown at an average annual rate of 2.9% over the period.

LAST CHANCE TO SAVE OUR COUNTRY'S MINING SECTOR - URGENT REQUIREMENTS

Single Window Clearance along with Uncomplicated and Simplified Legal Framework —

i) Removing regulatory overlap, inconsistencies and duplication.

ii) There are about 10 key clearances required for start of mining, which take about 5-7 years in most cases. The indicative list has been put in Annexure I.

2. Ensuring security of mineral regime by protection of seamless mining rights-

i. The preferential right for grant of mineral concession for the exploring company has been embedded in the mineral regime by way of section 11(1) of the MMDR Act, was again legitimately protected in the 2015 amendment by way of section 10A(2)(b), even when all the applications under 'First cum First Serve' were made ineligible.

ii. In such blocks, tangible exploration has already been done, mineral has been established as per prescriptions of law, and now are ready for mining.

iii. It is sought to be illegitimately forfeited in the guise of auction, as if these are the only blocks available for auction and rest of the exploration done by the Central & state govt agencies for these many years has not yielded sufficient blocks for auction.

iv. Any such illegitimate attempt on part of the policy makers will not stand the legal grounds in the court of law and would be rescinded under the common law doctrine of *`promissory estoppel'*.

v. On the contrary, the time bound grant of such cases would enable start of mining in these low hanging fruits. About 30 such cases fully recommended by the State Govt. and State level committee having officials of IBM & GSI, are still kept pending for 2-3 years in Ministry of Mines of Central Govt. Many such cases have been informally stopped from being sent by the State govts.

vi. Bringing in expertise & investment *in exploration is most essential for long term growth of mineral sector,* which is also unlikely to come without giving the preferential right of mining to the exploring entity.

vii. Thus, these cases should not be thought for cancellation but granted within 30 days.

Real Ease Of Doing Business by open auctions —

i. It necessitates that a block can be chosen by the entrepreneur and the State should have the compulsion to auction the same.

ii. The deep rooted problem lies in the inability of initiating auctions by the Governments organs, which are not attuned to do so are also not under any legal compulsion. Lack of availability of blocks is worrisome.

iii. Blocks on Auction

a. Online Exploration Data - Since the exploration data of GSI, MECL & State DMGs are already online, they can be used by businesses to identify blocks required for their businesses.

b. No exploration requirement - Since the primary purpose of auctions is fair & transparent grant with equitable playing field, block having any level of exploration be put up for open bidding on e-auction.

c. Only Check — laid down norms for timebound exploration, else penal provisions.

d. Faceless Auctions - Government/State should provide an online portal for enabling any entity for selecting an area and raising it for auction. The government may also continue to auction the blocks identified by it.

4. Utilization of DMF funds in line with the principles enunciated in PMKKKY

i. The funds for DMF are being diverted from the essence of which it was created - to work for the interest and benefit of persons, and areas affected by min ing related operations. The funds are being diverted to large projects which have little relevance to the object created.

ii. Mandatory Geographical spending - The DMF spending may be made more centred to the mining areas stipulating that 70 -80% of the money allocated for the "High Priority Areas" has to be spent in the vicinity of 20 km radius of the particular mine. And about 50% of the Other Priority Area allocations should also be mandated to the

iii. DMF **Spending by Company itself like CSR -** It can be considered to not collect the DMF by the Government, instead mandate it to be spent directly by the corporate as being done in case of CSR, following the stipulated guidelines.

a. This will improve the spending control which is currently at about just 20% of the money accumulated has been spent.

b. Further, the corporate will behave in a socially responsible manner and would help in making a better relation with the local society.

INDICATIVE LIST OF APPLICABLE ACTS AND THEIR APPROVALS AND CLEARANCES REQUIRED FOR MINING

SN	Applicable Act	Clearance required	Administered by
1	Forest Conservation Act. 1950	Forest clearance (3-7 years)	MoEFCC
2	Wild Life (Protection) Act, 1972	Wild life clearance (sanctuary, reserve or special zone clearances) (3-7 years)	MoEFCC
3	Environment Protection Act, 1986	1. Environment Protection Act, 1986 2. Ground water clearance (Centre/State)	MoEFCC
4	Water (Prevention and Control of Pollution) Act. 1974! Air (Prevention and Control of Pollution) Act, 1981) and Authorisation under Hazardous Wastes (Management and Handling) Rules, 1989	1. Consent to Establish (CTE) before establishing (before starting construction of site) from pollution control board (1-2 years) 2. Consent to Operate (CIO) to start operations from pollution control board (1-2 years)	MoEFCC
5	Explosive Act 1884	Explosive license	DIPPM
6	Railways Act, 1989	Railway siding approval	M/O Railways
7	Petroleum Act, 1934	Approval for diesel storage	M/O Petroleum & Natural Gas
8	Electricity Act, 2003	1. Power line from State Discom 2. Clearances relating to work under an existing transmission line or shifting of the transmission line	M/O Power
9	Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (LARR) Act, 2013 (also Land Acquisition Act, 2013)	Land Owner's Consent	M/O Rural Development

About Author:

Mr. Mahendra Goenka (Managing Director) Geomin Industries PVT. LTD.

E-Mail: mahendragoenka@gmail.com

Mining Act: Will the Centre Usurp the Powers of Mineral-rich States?

Mineral-rich states and the entire mining sector will have to study the changes in the Mines and Minerals (Development and Regulation) Amendment Bill 2021 as it is set to change the entire face of this sector forever. The focus is on exploitation than conservation and sustenance, writes **NEERAJ MISHRA.**

MIDST the din over farm bills, the BJP government (it should no longer be called NDA since there are no ministers from any coalition parties) has deftly maneuvered the Mines and Minerals (Development and Regulation) Amendment Bill 2021 through both Houses of Parliament. It's the BJP's trademark now to introduce bills at short notice and then have them sail through without much discussion about their import.

EXPLOITATION, NOT CONSERVATION

As is perhaps expected of the times we live in, the focus is on exploitation than conservation and sustenance. It is easy to blame previous governments for things that have not been done and easier still to throw figures to sustain that line of argument. Sample these:

*Mining accounts for 7% of the GDP of South Africa and Australia, whereas India does poorly at 1.75%. So the basic argument is that we need to mine more.

* Of the 2,904 large mining leases for major minerals like iron ore and coal, 1,900 have been lying unused for years. States have been able to auction off only seven mining leases so far. So the line of reasoning is that the potential is underutilised and the central government needs to come into the picture.

*Then there is the minor matter of exploration and mining licenses. The method so far had been that a company or individual first applies for licenses and clearances to get the environmental nod and if it comes good, the same process of clearances is required to start mining. The present government has decided to unify the license for exploration and mining. So anyone who finds anything while exploring—gas, ore, oil—can start mining immediately.

DIFFERENT SCENARIOS

It's always easy to roll out half-baked facts and figures to support any argument. We can't compete with South Africa and Australia just yet. This is because our heavy machinery was not in place and now environment concerns and sustainability have to be kept in mind

Of the 2,904 large mining leases for major minerals like iron ore and coal, 1,900 have been lying unused for years. States have been able to auction off only seven mining leases so far. So the line of reasoning is that the potential is underutilised and the centre needs to come into the picture.

Just stating that we have enough coal for 100 years is not enough to start opening mines randomly.

We still import coal as it is of better quality and cheaper than if we mined our own reserves.

Mining leases have been held back by public sector companies because it is directly proportional to the expansion rate. If *sarkari* experts are to be heeded, then all mines held by state governments and public sector units –which keep the cost of end-products like electricity and steel down—should be thrown open to the private sector.

The Constitution guarantees that land and everything over and beneath it is owned by states.

Mining leases have been held back by public sector companies because it is directly proportional to the expansion rate. If sarkari experts are to be heeded, then all mines held by state governments and public sector units should be thrown open to the private sector.

Federal mining licences apply to select companies and in the socialist era, they were given mostly to public sector companies like the National Mineral Development Corporation and Steel Authority of India. For these, the states stand to collect a premium or royalty per tonne of mineral extracted. Most mineral-rich states such as Chhattisgarh, MP, Odisha, Jharkhand, Maharashtra, Goa and Rajasthan draw a huge amount of their revenue from mining.

STATE VS CENTRE

The first and foremost change that the new Mines and Minerals Development and Regulation (MMDR) will bring in is direct interference in the state subject.

Almost all the mineral-rich states are non-BJP ruled, so the Union government has to interfere if it wants to parcel off mines to its favourites.

Section 14 (iii) of the Bill says that if a state is unable to auction off listed mines, then the centre will decide. It has thus created a complex scenario where either the states will auction off mines much below par to maintain their sovereignty or will have to make way for the centre.

The first and foremost change that the new Mines and Minerals Development and Regulation will bring in is direct interference in the state subject. Almost all the mineral-rich states are non-BJP ruled, so the Union government has to interfere if it wants to parcel off mines to its favourites.

Mining companies may form cartels and decide not to bid if the state government is too demanding and will then turn to the centre to solve the issue for them. The state will then be left with the responsibility to clear all hurdles on the ground for the mining company.

This assumes significance in the face of other changes that have been made in the Wildlife Act and environment policies at the central level. The powers of the gram sabha to stop mining in its area have been diluted. Everything that the BJP blamed former environment ministers Jayanti Natarajan and Jairam Ramesh for–from holding on to files and obstructing licenses—has now been eased.

The second direct interference in the working of the state is more significant, even though it looks innocuous, to begin with. The District Mining Fund (DMF) lies in the exclusive control of the district collector and through him, the state government. It is collected from mining operations in the district and often used as an emergency fund, besides its statutory use as a development fund. State governments usually broaden this development to include everything from health and sanitation to drinking water projects.

Section 14 (iii) of the Bill says that if a state is unable to auction off listed mines, then the centre will decide. It has thus created a complex scenario where either the states will auction off mines much below par to maintain their sovereignty or will have to make way for the centre.

Odisha, for instance, utilised it DMF in several districts to build fully equipped Covid hospitals. Through Section 10 (1), the centre now will control the DMF directly as it reasons that 45% of the entire fund in the country remains unused because collectors don't know where to use it and are in severe need of guidance. How the states will react to these developments will only be seen once the Act is challenged in the Supreme Court.

MAJOR CHANGES

Meanwhile, the Union government is pushing ahead with changes in the MMDR. These are:

*The original Act empowers the central government to reserve any mine (other than coal, lignite and atomic minerals) to be leased through an auction for a particular end-use (such as iron ore mine for a steel plant). The MMDR has removed all such end-use restrictions on all captive mines. This will immensely benefit those already in possession of captive mines and are looking to change course.

*The second logical step to benefit the private sector would be to allow it to sell minerals from its captive mines in the open market. The MMDR provides that captive mines (other than atomic minerals) may sell up to 50% of their annual mineral production in the open market after meeting their own needs. Moreover, the central government may increase this threshold through a notification. The lessee will only have to pay additional royalty. This actually means that all heavy industries will also become mining companies.

*Under the original Act, states conduct the auction of mineral concessions (other than coal, lignite and atomic minerals). Mineral concessions include mining lease and prospecting license-cum-mining lease. The Bill empowers the central government to specify a time period for completion of the auction process in consultation with the state government. If the state government is unable to complete the auction process within this period, it may be conducted by the central government, thus usurping the powers of the state.

*Any new lesse of an existing mine transferred from the original owner will not be required to wait for a statutory period of two years to begin mining. It effectively means that the old party goes out and the new one comes in with all the old licenses and clearances. This is very useful when a private party like Adani takes over a public sector mine.

The original Act empowers the central government to reserve any mine (other than coal, lignite and atomic minerals) to be leased through an auction. The MMDR has removed all such end-use restrictions on all captive mines.

The MMDR Act provides that the period of mining leases granted to government companies will be prescribed by the central government. This can be extended on payment of additional amount prescribed in the Bill. This is where the clash of interest with the states will intensify.

Apart from these, the MMDR provides that a mining lease can lapse if a company does not mine for two years and the states will be able to extend concession only once, after which the mine will pass into the control of the Union government.

This, of course, is only a preliminary analysis of the changes and their long-term impact for states and the entire mining sector. The states will have to approach the Supreme Court with caution and all preparations because their mining wealth is at stake.

About Author:

Neeraj Mishra is a senior journalist, farmer and lawyer based in Raipur, Chhattisgarh. The views expressed are personal.

Source:

leaflet.in

Week after Chhattisgarh tribal stir, govt clears Parsa coal block

Parsa is one of the six coal blocks allocated in the region despite their agitation, according to Hasdeo Aranya Bachao Sangharsh Samiti, a joint platform of protesters from Sarguja and Korba districts.

A WEEK after Chhattisgarh Chief Minister Bhupesh Baghel met tribals who had marched over 300 km to Raipur to protest against coal mining in Hasdeo Aranya, the Centre has given stage II clearance for mining in Parsa coal block in Chhattisgarh. Parsa is one of the six coal blocks allocated in the region despite their agitation, according to Hasdeo Aranya Bachao Sangharsh Samiti, a joint platform of protesters from Sarguja and Korba districts.

The Ministry of Environment, Forest and Climate Change letter issued on Thursday said that the clearances were based on the state government's recommendation. The protesters claim that when they met the CM, they were told that the Centre was pushing for coal mining in the region. "The state government has furnished compliance report in respect of the conditions stipulated in the in-principle approval and has requested the Central Government to grant final approval," the letter stated.

According to Chhattisgarh Bachao Andolan, one of the groups fighting for the Hasdeo Aranya forest, this will lead to the destruction of at least 1 lakh trees in 841 hectare area.

One of the demands of the protesting tribals was to suspend the environment clearance of stage I provided in 2019. "We have been fighting against the fake gram sabhas that were allegedly conducted in 2017-2018 in Hariharpur village, Salhi village and Fatehpur village. We have sought an investigation on these from the district collector since 2018 and recently from the CM and the Governor," Alok Shukla, convenor of Chhattisgarh Bachao Andolan, said recently.

According to Shukla, both the central and state governments are trying to aid the Adani group which is the Mines Developer and Operator for Parsa block. "The issues raised by the tribals have not even been acknowledged. We demand that this clearance be cancelled," Shukla said.

An Indian Council of Forestry Research and Education report published last month also said that mining in the region would increase the human-elephant conflict while impacting the hydrology of the area and even Bango dam, state's major water reservoir.

"Rahul Gandhi had promised us before elections that our area will be saved. However, after coming to power, the Congress seems to be helping Adani against the tribals," one of tribal protesters said.

Source: Indian Express

Environment ministry relaxes expansion norms for certain mines

The Union environment ministry has relaxed the environmental norms for the expansion of certain iron, manganese, bauxite, and limestone mines.

The Union environment ministry has relaxed the environmental norms for the expansion of certain iron, manganese, bauxite, and limestone mines. According to an office memorandum (OM) issued on October 20, expansion of up to 20% capacity for mines of these four minerals with a 5-star rating can be allowed only based on public consultation.

The OM said the ministry of mines and other stakeholders sent representations to the environment ministry to simplify the procedure for issuing environmental clearance for these minerals. The request was referred to the joint expert appraisal committee (coal and non-coal mining sector) of the environment ministry. The panel decided that mines with a 5-star rating, which had been granted environmental clearance based on a public hearing, can expand their capacity by up to 20%. They can do so after conducting a public consultation.

The OM published on the environment ministry's Parivesh website said public consultation shall be conducted by obtaining responses in writing from local people and stakeholders. According to Environment Impact Assessment (EIA) notification 2006, public consultation refers to the process by which the concerns of local affected persons and others, who have plausible stake in the environmental impacts of the project, are addressed. It has two components—a public hearing and getting responses to the project in writing. The OM said the expansion in capacity should not involve any increase in the mining lease area that has been authorised previously.

The mining company or project proponent has to prepare an environmental management plan and environmental parameters should meet the standards.

The star rating process was started by the ministry of mines in 2016. The template has to be filed by the mine lease-holder which is evaluated by the Indian Bureau of Mines. The rating is based on the management of impact by carrying out scientific and efficient mining, addressing social impacts of resettlement and rehabilitation requirements for taking up mining activities, local community engagements and welfare programmes, adoption of international standards, etc

"The decision is discretionary, has no basis in law, and is against the principles of natural justice. At the very basic level, the EIA notification does not provide for exemptions based on standards such as 'five-star rating' as is being directed through an office memorandum. The law embraces the need for a free, fair, and transparent public hearing ensuring maximum participation. Limiting the public consultation to only written responses is discriminatory and may not hold up if put to a constitutional review," said Kanchi Kohli, a legal researcher at the Centre for Policy Research.

"But equally important is to recognise that such an approach to public hearings does not rise up to inclusive and democratic governance that has been assured by the central government. The principles of natural justice require the government to hear all parties before making decisions, whereas this decision has been taken solely on the request of applicants for environmental approvals."

Source: Hindustan Times

Will India use 'coal shortage' as an excuse to dilute its environmental laws?

Experts say the shortage, which was due to various logistical and financial reasons, has become a regular feature of the country's energy story.

The shortage of coal and the possibility of large-scale power outages have been the core of intense discussions in India in recent weeks, even as the government has denied a crisis and experts have dismissed it.

Energy sector experts noted that there is enough coal in the country, while a few among them observed that the shortage could likely be a way of setting the stage for further dilutions in important laws governing the coal mining and forest sector.

The central government, however, repeatedly asserted that there is no coal shortage even though several states and the capital, Delhi, warned of power outages attributed to the coal shortage.

Coal availability

Sudiep Shrivastava, an environmental lawyer who has been closely tracking the coal sector, told *Mongabay-India* that the availability of coal at the mines and the power plants are two separate things. "The situation is such that there is stock at the coal mines, but it is not there at the plants."

Shrivastava's argument found its echo in the points put forth by the Union power ministry as well. In a statement on October 9, the power ministry said there are multiple reasons for the depletion of coal stocks at the power plant end – an unprecedented increase in demand for electricity due to the revival of the economy, being primary among them.

Additionally, heavy rains in coal mine areas during September this year is adversely affecting the coal production as well as the dispatch of coal from mines. An increase in the price of imported coal to unprecedented high levels is leading to a substantial reduction in power generation from imported coal in power plants leading to more dependence on domestic coal.

Non-building of adequate coal stocks before the onset of monsoon and legacy issues of heavy dues of coal companies from certain states (such as) Maharashtra, Rajasthan, Tamil Nadu, Uttar Pradesh, Rajasthan and Madhya Pradesh are some of the other reasons for the shortage, the ministry explained. It dismissed the coal-stock shortage and emphasised that various stakeholders involved in the chain, such as Coal India Limited and railways, are closely monitoring the situation.

Later, on October 10, in another statement, the ministry of coal and Coal India Limited assured that there is ample coal available in the country to meet the demand of power plants. "Any fear of disruption in the power supply is entirely misplaced," said the central government in the statement. "The coal stock at the power plant is sufficient for more than 4 days' requirement."

Under the norms, a power plant is supposed to have coal stock of 15 days-30 days depending on their distance from the mine, but if the stock dips to an amount that will last for less than a week, it is considered critical.

Shrivastava said the reality of this shortage is that it is a logistical issue. "Why will Coal India Limited supply coal without any payment – many state PSUs [public sector undertakings] owe huge amounts to it already. So this means the problem is of funds as well."

Past instances

The shortage of coal is not a crisis that is new to the Indian economy. In fact, it has been a regular feature in recent years with the country faced a shortage of coal in both 2018 and 2014.

Rohit Chandra, assistant professor at the Indian Institute of Technology, Delhi, who has been closely tracking the energy issues in the country, told *Mongabay-India* that the "short term causes behind the shortage are the increase in the international price of coal, monsoon impacting mining and transportation of coal, and the capacity of power generation companies in paying an upfront cost for the coal being procured".

"On top of that, the larger spirit of cooperation between the central government and other entities including states to resolve the coal-related problems has deteriorated over the last decade," explained Chandra while indicating a trust deficit between states and the central government.

Energy sector experts note that no one may want to manufacture such a crisis as it is "bad for politics on both national and international level" and emphasised that the issue of logistics especially railway and the lack of a dedicated freight corridor are also the reason behind the shortage of coals plants in some states – especially those who do not have any coal mining within their territory and depend on mines in other states hundreds of kilometres away.

The government also claimed that the revival of the economy and industry after the second wave of Covid-19 led to an unprecedented increase in demand and consumption of electricity. "The daily consumption of electricity has crossed beyond four billion units per day and 65%-70% demand is being met by coal-fired power generation only, thereby increasing dependence on coal," the ministry said.

According to the central government, the increased pressure on domestic coal is also due to a dip in the import of coal due to factors such as "import substitution and rising prices of imported coal". The central government has been pushing for increasing the coal production in the country and also cutting down on imports from countries such as Indonesia.

But due to shortage (even as it was being denied), the central government asked thermal power generators to import coal for at least 10% blending with domestic coal.

Energy sector's growth

Over the last decade, the central government has been focusing on increasing the installed capacity of power plants across the country. Since 2014, the central government has been consistently speaking about ending the coal imports and taking domestic coal production to one billion tonnes by 2024.

For this, the government resorted to a series of policy measures such as reforms in the mining sector in the last six years, including allowing commercial coal mining in 2020. Last year, following the first Covid-19 lockdown, the central government, to revive the economy, announced several measures to boost the mining reforms which included a major focus on the coal sector.

In fact, Prime Minister Narendra Modi had said in a statement that self-reliance (of India) is not possible without a strong mining and minerals sector as minerals and mining are important pillars of the country's economy. The government has repeatedly talked about making India a five trillion dollar economy within the next few years and, according to the government, the growth in the mining and energy sector is critical to those plans as well.

Experts also speculate that Coal India Limited, which is the world's single largest coal producer, has not been allowed to grow and that commercial mining should have been given a nod much earlier.

Former chairman of the Coal India Limited, Partha S Bhattacharyya, while explaining to *Mongabay-India* about India's energy policies, including the transition with a specific focus on clean energy, said that going forward, India is expected to have a balanced focus on the combination of coal and renewable power.

He stated that the coal stocks at power plants plummeted from an availability for 28 days, in March, to that for less than a week, in October, due to a variety of reasons which included a sudden increase in demand from the industry as the economy is reviving.

"Over the past three years, a significant portion of the incremental energy demand was increasingly being met by renewable power but this year there was this sudden high demand and renewable power was not able to completely meet that," said Bhattacharyya. "We also need to understand that the Coal India Limited has large dues pending (of about Rs 20,000 crores) with different stakeholders which has affected the performance of the company and that it can't overstock the coal because that can result in coal fires."

However, while answering a query about the government's target of one billion tonnes of domestic coal within the next few years, he said that in his personal opinion that "one billion tonne target in the near future looks unlikely".

Bhattacharyya said, "There are many reasons. We envisage a fast-paced renewable growth from 100 gigawatts to 450 GW by 2030 – if that happens a significant part of incremental demand will be met by renewables."

"In that case, there may not be enough demand which could justify one billion tonnes of coal," Bhattacharyya said. "Moreover, with India being a responsible country, which has low per-capita emission but overall high carbon emissions, the diversification of energy mix will remain a key area. In such a scenario, the growth of coal production to one billion tonnes may not become a reality in the short or medium-term future. They will be complementary to each other."

Gautam Mohanka, Managing Director of Gautam Solar, said the "ongoing global energy crisis has unquestionably affected India, especially with the prevailing coal crisis".

"The coal crisis can be partially attributed to the reopening of the economy and large industrial sectors," Mohanka told *Mongabay-India*. "Considering that present requirements are anticipated to inflate further, solar energy could be the ultimate alternative. This is a perfect opportunity to evaluate the true potential of solar energy for the Indian energy sector. India has the potential to use this renewable and clean source of energy for both domestic and commercial needs."

Key concerns

Following the concerns about coal shortage and subsequent power cuts, a major concern of environmentalists has been that this situation could be used as the bedrock for arguments in favour of dilution of coal-related laws and also dilution of forest and environmental regulations.

Shrivastava, the environmental lawyer, said, "This [shortage] has nothing to do with mines or the urgent need for new mines. However, fear is being spread that there will be a blackout to set the stage for diluting the present laws and regulations governing the coal sector and give a bigger pie to private players without addressing concerns of the communities affected."

Shrivastava's concern may not be without reason as during the last year the central government pushed ahead with mining reforms including that for the coal sector despite serious objections from the mining-affected communities who highlighted that their concerns were being ignored. The communities have also voiced how this push will mean more pristine and ecologically sensitive areas being opened for mining.

For instance, there are serious protests by the local communities including indigenous people in Chhattisgarh, who are against the opening Hasdeo Arand area, once considered an area that should be left undisturbed, for coal mining. The Union Ministry of Environment, Forests and Climate Change recently unveiled a note seeking comments and suggestions from all stakeholders for amendments in the Forest Conservation Act 1980. The environmentalists fear that the proposed amendment would result in more forest areas being opened up for projects including mining.

In addition, on October 8, the Union Ministry of Mines proposed amendments to the Minerals (Evidence of Mineral Content) Rules 2015 and the Mineral (Auction) Rules 2015 to encourage the participation of more people in the auction of minerals.

The government is also pushing for passing the Coal Bearing Areas (Acquisition and Development) Amendment Bill, 2021 in the Parliament. The amendment would "allow leasing of land and coal mining rights to any company after successful bidding, prescribes utilisation of land acquired under the Act for coal mining and allied activities, and provides for acquisition of lignite bearing areas under the Act."

Shrivastava warned that the "hidden agenda" behind the shortage could be to "push the amendment of the draconian Coal Bearing Area Acquisition and Development Act".

"Once that is done, the private companies will be able to take over the land even before compensation is fixed for people whose land is being taken away," he said. "According to the provisions of the coal-bearing act, the land stands vested with government companies but after amendment, this door will be opened for the private companies as well. On the pretext of a coal shortage, the government is only going to dilute the safeguards that we have to protect the environment or the concerns of the affected communities."

By : Mayank Aggarwal

This article first appeared on Mongabay.

Upward trend in global exploration budget to continue in 2022 — report

The aggregate annual global exploration budget is expected to increase between 5% and 15% year over year for 2022, according to a new report by S&P Global Market Intelligence.

The market researcher's prediction is based on its own data that show that in 2021, the aggregate annual global nonferrous exploration budget has increased by 35% year over year to $11.2 billion from $8.3 billion in 2020, signalling that the sector has emerged from the downturn caused by the covid-19 pandemic.

According to S&P, a faster-than-expected recovery in market conditions and easing of lockdowns allowed explorers to reactivate programs by mid-2020, which caused some campaigns to carry over into 2021.

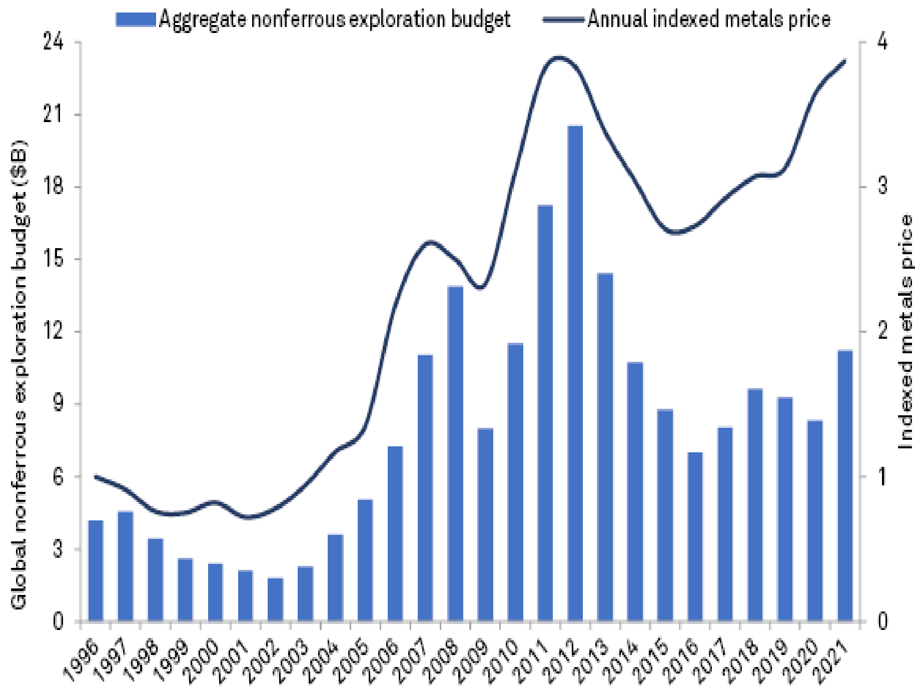
The junior sector has increased its planned allocations by 62% year over year to a total of $4.1 billion. The majors, however, continue to dominate accounting for half of the global exploration budget at a total of $5.6 billion.

This exploration uptake, combined with higher metals prices and increased financing activities, is considered one of the main causes behind the strong budget recovery in 2021.

"As we move into the last quarter this year, metal prices and financings remain robust, and the risk of further pandemic-related shutdowns has declined," the report reads.

The New York-based firm anticipates gold and base metals dominating the exploration focus, particularly taking into consideration that while the gold price varied over recent months, its August 2021 average of $1,784 per ounce was 14% higher than its January 2020 average of $1,560/oz. Similarly, base metals

Annual nonferrous exploration budgets, 1996-2021



Data as of Sept. 25, 2021.
Source: S&P Global Market Intelligence

showed impressive gains, with copper's August 2021 average of $4.25 per pound up 55% from January 2020.

In terms of location, S&P points out that Canada has attracted a particularly large share of the global budget with an increase of $800.5 million year over year to $2.1 billion, hitting its record high since 2012.

On the other side of the spectrum, there is Africa, a continent that has underperformed with allocations up just 12% to $1.1 billion, returning the region to its 2019 level.

Also on the downside is the early-stage exploration budget, which hit an all-time low in 2020 as the grassroots share of allocations was 24% while minesite exploration hit an all-time high of 41% as the pandemic made large-scale programs more difficult.

"While grassroots share recovered modestly this year due to increased activity in Australia and Canada, its global budget share is the second-lowest on record at 26%," the report reads.

Coal shortage: Will coal crisis derail India's nascent economic recovery?

India is facing the prospect of large-scale power cuts, as the country's power plants are running dangerously low on coal, the fuel which accounts for 70% of the country's electricity output.

According to the Central Electricity Authority data, 67% of the 135 thermal plants tracked had just four days of coal supplies or less. At the start of August, these plants had 13 days of supplies on average. What is worse is that sixteen of these plants have completely run out of supplies, and 75 have just three days' supplies or less.

The demand for electricity is rising with economic activity resuming in the country. The power demand in August 2021 was 17% higher than the pre-Covid-19 level of August 2019, according to the government.

Facing record global coal prices on the back of a strong demand and an increase in freight costs, Indian buyers have avoided importing the fossil fuel in recent months. Instead, they have relied mostly on domestic stock. That has reduced the domestic stock to the lowest level in more than three years, with state-owned Coal India failing to keep up with the surge in local demand. Coal India, which produces more than 80% of the country's coal, bumped up production towards the end of August but was facing bottlenecks in transporting the coal to power plants. The company has kept prices unchanged over the past year.

The shares of most companies in power and coal mining business have seen a positive impact of this demand surge. The scrip of Coal India and other power producers like NTPC, Tata Power and Torrent Power have risen between 5% and 30% in recent weeks.

Coal India produced 42.6 million tonnes of coal in August, an increase of almost 15% from the same month a year ago. Its production in September was roughly the same as last year, at 40.7 million tonnes. Excessive rains in coal-mining areas of Jharkhand, Chhattisgarh and Odisha in August and September aggravated the problem, leading to lower despatches during the period.

The price of coal from Indonesia, one of India's major suppliers, has surged more than 200% since March. India mainly imports coal from Indonesia, Australia and South Africa, besides Colombia, Russia, Kazakhstan and Mozambique.

Coal India had warned the Power Ministry of a potential crisis as early as February 2021. The company told power generators to increase their coal stocks before the monsoon. Despite its request, utilities were using existing stockpiles and limited fresh purchases amid a rising power output. A majority of the power plants also did not adhere to guidelines of maintaining a 22-day coal stock. This may have been a mistake on the part of the power-generating companies. Electricity generated from coal rose 20% in the first eight months of this year.

However, government officials have now pointed out that the drop in coal supply is not leading to any energy crisis. According to data available with grid regulator Power System Operation Corporation, or POSOCO, there is currently no energy shortage in the country.

A senior coal ministry official told Business Standard said the demand supply mismatch would in no way impact consumers like in other countries. But Power Minister R K Singh told a national daily that the coal crisis could last for as long as six months. He added that power demand usually started coming down in the second half of October, but the situation right now was uncertain.

In China, for example, several provinces have begun power rationing in order to conserve the fuel ahead of the peak winter demand season. That country's power shortage has reached such an extent that homes in some parts are experiencing unannounced power cuts.

According to an estimate by Goldman Sachs, up to 44% of China's industrial activity has been impacted by power shortages.

China's order to its state energy companies to secure coal supplies to avoid any winter shortage is driving up prices for other major importers like India.

At the same time, some local authorities are also curbing power use by industry to meet energy consumption and efficiency targets set by China's central government. China has promised to cut energy intensity by around 3% in 2021 to meet its climate goals.

Even though India is on an aggressive path to increase the proportion of renewables in its energy mix, coal still remains the backbone of the power sector. India's dependence on coal also contributes heavily to its trade deficit. To address the current crisis and help in import substitution, the government has allowed companies with captive mines to sell 50% of their annual output in the open market. Additionally, to avoid a demand-supply mismatch, the power and coal Ministries have jointly decided to draw up a monthly coal supply programme for thermal power units.

The goal is to build a 40-million-tonne stockpile at power plants by March, which marks the beginning of the high power demand period. The current stock stands at 7.6 million tonnes.

Any power cuts to the industry will damage India's rebound as the economy is recovering from a historic 7.3% contraction in FY21. In fact, Jindal Steel and Power has warned that steel prices are expected to increase in the coming months, as companies are buying coal at three times the rates just a month ago.

While blackouts like those in China seem unlikely in the immediate future, India's power producers will need to increase domestic coal purchases, as well as imports, regardless of the price.

Source: Busniess Standard

Govt amends rules to allow 50% sale of coal from captive mines

Move to benefit over 100 captive coal and lignite blocks with over 500 million tonnes per annum peak rated capacity

The government on Tuesday said it has amended rules with a view to allow 50 per cent sale of coal from captive mines.

The move is likely to benefit over 100 captive coal and lignite blocks with over 500 million tonnes per annum peak rated capacity as well as all coal and lignite bearing states.

"The Ministry of Coal has amended Mineral Concession Rules, 1960 with a view to allowing sale of coal or lignite, on payment of additional amount, by the lessee of a captive mine up to 50 per cent of the total coal or lignite produced in a financial year, after meeting the requirement of the end use plant linked with the mine," the coal ministry said in a statement.

Earlier this year, the Mines and Minerals (Development & Regulation) Amendment Act had been amended to this effect.

This is applicable for both the private and public sector captive mines.

With this amendment, the government has paved the way for releasing of additional coal in the market by greater utilisation of mining capacities of captive coal and lignite blocks, which were being only partly utilised owing to limited production of coal for meeting their captive needs.

Availability of additional coal will ease pressure on power plants and will also aid in import-substitution of coal.

The allowance for sale prescribed quantity of coal or lignite shall also motivate the lessees to enhance the production from the captive mines.

Further, payment of additional premium amount, royalty and other statutory payments in respect of the quantity of coal or lignite sold shall boost the revenue of the state governments.

The government has also made provisions for grant of mining lease to a government company or corporation for coal or lignite for a period of fifty years.

Grant of mining leases for a period of fifty years shall boost seamless continuous production of coal or lignite by the government companies or corporations contributing to the coal/lignite security of the nation.

The said period of fifty years can be extended by period of twenty years at a time upon an application made to the state government. Therefore, enlargement of period of mining leases shall reduce multiplicity of applications for extensions, thereby ensuring continuity in mining operations.

Ahead of the festival season, coal supply crisis seems to have deepened as 64 non-pithead power plants are left with less than four days of the dry fuel stocks.

The latest report on coal stocks for power plants from the Central Electricity Authority (CEA) also showed that 25 such power plants had coal stocks for less than seven days as on October 3, PTI reported on Tuesday.

As many as 64 non-pithead thermal power plants had less than four days of stocks of the dry fuel.

The CEA monitors coal stocks at 135 power plants that have a cumulative generation capacity of 165 GW on a daily basis.

Overall, total coal stocks of 78,09,200 tonnes were available at the 135 plants as on October 3 and that was sufficient for four days.

The daily coal requirement of the 135 power plants with 165 GW of installed capacity is 18,24,100 tonnes.

Among the 135 plants, not even a single one had eight or more days of coal stocks.

Source: Busniess Standard

Rally for resumption of mining in Odisha's Maliparbat

Maliparbat mine was leased to Hindalco in 2006 which failed to carry out operations due to stiff resistance from the tribals, resulting in expiry of the lease terms

Demanding uninterrupted mining operation in Maliparbat bauxite mines, hundreds of people from the periphery villages of Semiliguda block took out a rally in Koraput on Thursday, September 30, 2021. The promining activists, including Hindalco agents, also submitted a memorandum to Collector Md Abdaal Akhtar through Additional District Magistrate Deben Pradhan to hold a public hearing meeting for environmental clearance which was halted due to stiff resistance by locals on September 22. Agitators also claimed that resumption of mining activities would generate employment opportunities for many who are bearing the brunt of losing their livelihood due to the pandemic.

Spread over 270 acres and 40 km from Koraput at Doliamba village, Maliparbat mine was

leased to Hindalco in 2006 which failed to carry out operations due to stiff resistance from the tribals, resulting in the expiry of the lease terms. An attempt to seek a fresh lease to restart mining again this year was opposed by agitators under the banner of Maliparbat Surakhya Samiti (MPSS), the organisation resisting Hindalco's efforts.

Source: New Indian Express

Union Minister Pralhad Joshi Asks Odisha Govt To Step Up Mine Block Allocation

Pralhad Joshi, who is on a three-day visit to the State, reviewed the progress made in auction of mineral blocks in the State with Steel and Mines Minister Prafulla Kumar Mallick and other officials of Ministry of Mines and Directorate of Mines, Odisha.

Union Coal and Mines Minister Pralhad Joshi on Friday urged Odisha government to expedite allocation process of mineral blocks in the State.

Joshi, who is on a three-day visit to the State, reviewed the progress made in auction of mineral blocks in the State with Steel and Mines Minister Prafulla Kumar Mallick and other officials of Ministry of Mines and Directorate of Mines, Odisha.

The Union Minister also met Chief Minister Naveen Patnaik and requested him to facilitate necessary clearances to ensure smooth mining in the State.

"Met Chief Minister Naveen Patnaik ji in Bhubaneswar today. Sought early resolution of land-related issues of Mahanadi Coalfields Limited. Also requested expediting allotment process & facilitating necessary clearances to ensure smooth mining in Odisha. CM responded positively," Joshi tweeted.

Speaking after the review meeting, State Mines Minister Prafulla Mallik said, “Centre proactively accepted whatever suggestions made by the Odisha government and brought reforms in the mine rules. As a result, we auctioned many mine blocks. At present, 22 mine blocks are operating and we will soon auction more blocks in the State.”

Source: Odishatv

Ultratech emerges as preferred bidder for limestone block in MP

Ultratech Ltd has emerged as preferred bidder for a limestone block in Madhya Pradesh.

Ultratech Ltd has emerged as preferred bidder for a limestone block in Madhya Pradesh.

Ramstahn Ghunchihai limestone mine, which has reserves of 209.77 million tonnes, was auctioned in the current fiscal.

The limestone mine is among five mineral blocks that have been successfully put for sale in 2021-22, according to the mines ministry.

Sree Jayajothi Cements Pvt Ltd has emerged as preferred bidder for another limestone block in Andhra Pradesh.

Three companies, Patel Kaushik Kumar, Karan Polabhai Gojiya and Ramsi Meramanbhai Barad, bagged one bauxite mine each in Gujarat, according to the mines ministry.

Of the 13 mineral blocks auctioned in the last fiscal, nine were limestone mines, two were gold mines and one was iron ore block. Forty-three mineral blocks were put for sale in FY20, 19 mines in 2018-19, 14 in 2017-18, 15 blocks in 2016-17 and six block in 2015-16.

The government had earlier said that it was planning to bring some changes in the mining sector.

This was in line with the government's announcement that the sector would witness reforms and a flurry of activities in the current year.

Mines Minister Pralhad Joshi also called for more participation from people into exploration and mining. The minister also asked states to go for fast decision-making and bring the mineral blocks to early auction.

With time, the frequency of major discoveries of an economically viable mineral deposit has decreased and this is a worldwide phenomenon despite tremendous technological advancements.

Hence, the situation warrants an out-of-box thinking, new approaches, enhanced cooperation and enthusiastic participation from the government and the private sector, the government had said.

The MMDR Amendment Act, 2015, ushered in transparency in the allocation of mineral concessions in terms of prospecting licence and mining lease. In this continuous endeavour, the Mines and Minerals (Development and Regulation) Amendment Act was further liberalised in March 2021.

Source: Busniess Standards

Odisha Govt sets up mineral testing laboratories to facilitate ore exploration

The Steel and Mines Department of the State government on Monday commissioned state-of-the-art laboratories to step up the scientific analysis of rocks and minerals, said an official on Monday.

The State is endowed with a rich reserve of mineral deposits like Chromite, Bauxite, Graphite, Iron ore, Manganese, Coal, Gemstones, Limestone, China Clay and many more.

The State government has made functional XRD & XRF Laboratories in the Directorate of Geology, Bhubaneswar. The laboratories will step up the analytical aspect of rocks and minerals which in turn will accelerate the auction process, he said.

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Your suggestions and feedback is awaited at :-

editor@geonesis.in