



Wither "Make in India" for India's Metals Industry ?

- Haresh Melwani, CEO, Nathurmal Mining & Minerals Pvt. Ltd.

The backbone of the Metals Industry is the mining & preparation of the Mineral Ores which feed into the Metals Industry along with efficient logistics for economic costs. The Ammended MMRD Act is an attempt by our Govt to this end and needs appropriate support in the Rules. The change, in including many important Minerals in the MINOR MINERALS list, is also a step in this direction, since Mining Concessions for MINOR MINERALS can be finalized by the State Governments, so it may become easier to obtain the clearances for mining after being allocated the mining rights over the area. A helpful step would be a single window clearance, once the mineral concession is granted, of the various statutory clearances like Environmental Clearance, Pollution Control Board consents, etc., since different states have different procedures, making the clearance process an obstacle course with obstacles of arbitrary size, shape & denomination, leading to corruption.

Another important issue is that dumping of the rejection materials outside the lease area is no longer permitted and needs to be addressed, particularly for small operations, either by :-

A) identification of Non Mineralized area

outside the lease area for storage of the Sub grade or Rejection Stacks, in an orderly manner, so that in future, when economic technology becomes available, these stacks can be utilised instead of breaking up fresh ground.

B) Incentivizing the identification & processing of the so called Rejection & Sub Grade Minerals, so that we can work towards ZERO WASTE MINING concept, and which using today's modern technologies has been proved possible for many minerals. The author has done considerable work on Iron Ores and is awaiting Pollution Control Board Consent for the pilot plant.

The MMRD Act must also enable the mine operator to sell (after payment of due royalties & taxes) of the associated minerals , recovered as in step (B) above, which is either restricted or not permitted , at this moment. This can be done by declaring all the Minerals (except atomic or strategic minerals) so recovered as ASSOCIATED MINERALS and permissible for sale upon payment of the due royalty and taxes.

Export of Raw Ores should be curtailed by way of imposing a condition that value added products would be made within a time frame of say five years and that the unit's investment should flow into Exploration & identification

of the mineral reserves and the Research into Minerals processing, for further use by Indian Mineral Processing Industry. The danger signals are already visible in our GRAPHITE mining industry, which is in the death throes, with 90% of our GRAPHITE requirements being imported into India. Coming to transportation issues, our Highways and Railway needs a total overhaul, to benchmark the costs of the logistics with the international costs, failing which MAKE IN INDIA will remain a dream. I believe that rail transport cost for example in Australia over a distance of 400 Km is around US dls 10.00 per mt as compared to India's cost of US Dlr 38.00 per mt for the same distance. Apart from costs, the availability of rakes and frequent changes in tariff create unnecessary uncertainty in the mind of Investors.

An underutilised and cheap mode of logistics is our Coastal Shipping, which is staggering under outdated regulations and with improved legislation can lead to reduced costs as we have many global models of excellence which can be tailored to Indian Conditions. Minor Ports for coastal shipping exist in most Coastal states, but due to lack of attention & investments, have remained restricted to traditional products like Mangalore Tiles, Bamboo, etc. With a rationizing of the policy



and PPP model, I am confident that these minor Ports will help to move bulk cargoes, very cheaply. Implementing the GST will be another major step towards seamless connectivity and needs early roll out, however many issues yet remain to be resolved on the sharing of the revenue between Centre & States, so it remains pending as on date of writing this article.

Our Government must realize that they are the TRUSTEES of the MINERAL WEALTH of the PEOPLE and that they are responsible

for maximizing the value of all these non-renewable resources for the Long Term benefits, to the People and Industry, by visualizing the Resource Utilization Plan in a transparent way, by taking the inputs from all stakeholders like Industry Groups, Civil Society, Research Institutions, etc. and not based on political grounds. In China for example, Mining is not permitted except under a mining Plan prepared by large research institutions which study the deposit for all

minerals and then prepare a systematic mining scheme for maximizing the recovery of the majority of the minerals in that Deposit, alongwith the process flow for the Technology to be utilized to implement the mining Scheme. The path to PROGRESS is possible only through small & well thought steps towards MAKE IN INDIA, for which we have ample BRAIN POWER, only the Vision and consequently the Policy for fast tracking this sector is lacking.



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