Highlights of 2008-2009

National Mineral Policy, 2008

1.1 The National Mineral Policy, 2008 was approved by the Government and has been tabled in the Parliament. The new National Mineral Policy has enunciated policy measures like assured right to next stage mineral concession, transferability of mineral concessions and transparency in allotment of concessions, in order to reduce delays which are seen as impediments to investment and technology flow in the mining sector in India. The Mining policy also seeks to develop a sustainable framework for optimum utilisation of the country’s natural mineral resources for industrial growth in the country along with the backward and tribal regions of the country.

1.2 Based on the policy initiatives in the National Mineral Policy, 2008 and the recommendations of the Hoda Committee, the Government has initiated a proposal for amendment/revision of the Mines and Minerals (Development and Regulation) Act, 1957 and the Rules framed thereunder, which after consultation with the concerned Ministries/Departments of the Central Government and the State Governments shall be taken to the Parliament for approval. The Ministry has also initiated several non-legislative actions based on the National Mineral Policy including strengthening of the Geological Survey of India (GSI) and Indian Bureau of Mines (IBM), reassessment of threshold value of important minerals, increasing the spread of United Nations Framework Classification for mineral, revamping of the Central Programming Board of the GSI.

1.3 The New Policy lays down that in order to protect the legitimate fiscal interests of mineral rich states, the revenues from minerals will be rationalised to ensure that the mineral bearing States get a fair share of the value of the minerals extracted from their grounds. In this direction, the Ministry of Mines had set up a Study Group to consider the revision of rates of royalty and dead rent of all non-fuel and non-coal major minerals. In terms of the recommendations of the Study Group, and after obtaining the concurrence of the concerned Ministries/Departments of the Central Government, a proposal for revision of royalty rates and dead rent is under the consideration of the Government.

1.4 A High Powered Committee on GSI set-up vide Resolution dated 7th January, 2008, presented its report titled “Report on the functioning of the Geological Survey of India” to the Government on 31st March, 2009. The Committee visualized making the GSI a world-class Geoscientific Institution and gave 74 main recommendations, which inter-alia set out the vision, charter, function, goals, strategies, milestones and the reorganization of structure of the GSI. Implementation of the recommendations of the High Powered Committee has since commenced.

1.5 Indian Bureau of Mines (IBM) submitted a report to the Ministry recommending new threshold values for major industrial minerals including Iron ore.

1.6 537 proposals for prior approval of mineral concessions were received during the year 2008-09. 279 prior approvals were accorded during the year.

Public Sector Performance

1.7 National Aluminium Company Limited (NALCO) was conferred “Navratna” status in April, 2008. Memorandum of Understanding (MoU) was signed in March, 2009 for 2009-10 between the Ministry of Mines and National Aluminium Company Limited (NALCO) to set mutually acceptable targets.

1.8 The 2nd phase expansion of NALCO’s Bauxite Mines from 48,00,000 tonnes per year (TPY) to 63,00,000 TPY, Alumina Refinery from 15,75,000 TPY to 21,00,000 TPY, Aluminium Smelter from 3,45,000 TPY to 4,60,000 TPY and Captive Power Plant from
960 MW to 1200 MW at revised estimated cost of Rs. 4402 crores (at November, 2008 price level), approved by the Government on 26.10.2004, is under implementation in the Company. Upto March, 2009, total financial commitment was Rs. 3933 crores and the expenditure was Rs. 3202 crores.

1.9 Miniratna category-I status was conferred upon Hindustan Copper Limited (HCL) in July, 2008. A Memorandum of Understanding was signed in March, 2009 for 2009-10 between Ministry of Mines and Hindustan Copper Limited. Consequent upon implementation of financial restructuring approved by the Government in July, 2007, the post of Director (Mining) in HCL was created and has since been filled up.

**International Cooperation**

1.10 The fifth meeting of the India-Canada Joint Working Group on geosciences was held on 27th May, 2008 in Canada. Both sides reviewed the progress of the projects and also discussed new project proposals for future cooperation.

1.11 India and Australia have signed Action Plans in the coal, mines, petroleum, new and renewable energy and power sectors laying down a number of activities and events for the year 2008-09. The Action Plans have been signed with a view to maintain momentum in the Australia-India bilateral energy and resources relationship. The sixth meeting of India- Australia Joint Working Group (JWG) was held in March, 2009 and a joint protocol was signed after the meeting.

1.12 Under the India-Africa Forum Summit, Ministry of Mines has shortlisted 13 countries in the African Continent, considering major mineral potential in the Sub-Sahara African countries for exploring the possibility of cooperation with such countries. Proposal for training of personnel from these African countries is under finalisation in consultation with Ministry of External Affairs.

1.13 Ministry of Mines participated in Prospectors & Developers Association of CANADA (PDAC), 2009 and put up booths which received a large number of visitors and prospective investors. An ‘India Day’ was also organised on 3rd March, 2009 which showcased India’s mineral wealth, capabilities and potential of the Indian Mining Industry as an investment destination.

1.14 The 21st World Mining Congress was held during 7-12 September, 2008 in Poland. A delegation from Ministry of Mines attended the Congress to showcase the capabilities of the Indian Mining Industry. A pavilion of Ministry of Mines was set up at the World Mining Congress presenting the opportunities available in Indian mining sector in the light of the new National Mineral Policy, 2008, to the potential investors.

1.15 A Memorandum of Understanding (MoU) was signed by Sh. Shantanu Consul the then Secretary (Mines) on behalf of the Ministry of Mines and by Mr. Alfonso Silva the Ambassador Extraordinary and Plenipotentiary on behalf of the Republic of Chile to enhance the bilateral cooperation in the mining sector between India and Chile, in the presence of Prime Minister, Dr. Manmohan Singh and President of Chile, Dr. Michelle Bachelet in New Delhi on March 17, 2009.
in the presence of the Hon’ble Prime Minister, Dr. Manmohan Singh and Dr. Michelle Bachelet, the President of Chile in the month of March, 2009. This MoU is likely to open a new vista of bilateral cooperation and investment in mining sector.

1.16 **National Mineral Award**

- The National Mineral Awards (NMA) were instituted by the Ministry of Mines, Government of India in the year 1966, to honour geoscientists for their outstanding contribution in the fields of mineral discovery, exploration, mining, and fundamental geosciences which are presented every year.

- The National Mineral Awards, 2006 were presented by Shri Sis Ram Ola, the then Hon’ble Minister of Mines at a function held on 26th April, 2008 at New Delhi. Twenty two geoscientists were given the NMA and National Mineral Award of Excellence was given to Dr. S. M. Naquvi of National Geophysical Research Institute for their outstanding contributions. Shri B.K Handique, Minister of State (Mines) was the Guest of Honour.

- Seventeen geoscientists, engineers, and technologists were conferred the National Mineral Awards, 2007 by Shri Sis Ram Ola, the then Hon’ble Minister of Mines alongwith Shri B.K Handique, Hon’ble Minister of State (Mines, Chemicals and Fertilizers) in a function held on 13th February, 2009.