

## MINING POLICY TO ALLOW FREE MINERAL MOVEMENT

Rakesh Sood, Financial Express, New Delhi, 1 August, 2004

The new mining policy will allow free movement of mineral throughout the country, reduce state governments' interference in export-import of minerals and ensure fast track clearance of exploration projects. The policy is likely to be announced soon.

The new policy will also focus on socio-economic upliftment of local population in mineral-rich areas, said a senior official of the mines ministry.

The need of the uniform mining policy has been felt as autonomy given to states has led to greater disparity in clearing the proposals and imposition of fiscal charges on the mining companies resulting in unhealthy competition. The new policy also envisages levy of uniform compensatory afforestation charges at state level.

When contacted, Union minister of state for coal and mines Dasari Narayana Rao said the new policy seeks to liberalise the import of advance technology for detailed exploration. Efforts, he said, will also be made to enhance bulk commodity handling capacity at key ports like Mormugao, Chennai, Vizag and Paradeep.

He said, "The UPA government's National Common Minimum Programme is committed to providing incentive to boost private investment and encourage foreign direct investment to make the mining sector more productive and competitive."

"Earlier, the Central government had laid down certain provisions for disposal of applications within specific time-frame. However, delays in processing of application still persist at state governments' level. This results in losing potential investors. A clear-cut uniform policy eliminating delays for the development of mineral resources will be helpful in removing such bottlenecks," Mr Rao said.

The country's annual mineral production stands at about Rs 65,540 crore which contributes to 2 per cent of the gross domestic product (GDP). The export turnover from minerals and metals constituted around 21 per cent of the all merchandise the country exported during 2003-04.