

MINERAL SECTOR FOR CLARITY IN POLICY

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Deccan Herald News Service: The Federation of Indian Mineral Industries (FIMI) has urged the state governments to come out with a clearly defined policy in regard to the development of mineral resources.

FIMI President Abdul Wahab told a press conference here on Monday that unless there was a clear-cut policy, no new private entrepreneur would be willing to explore and work on the deposits.

"Faster decisions were needed as at present, there was lot of procedural delay forcing the mining companies to look for alternative avenues," he said. "While this is a net loss for the entrepreneur, it is a greater loss to the state which loses a potential investor," he remarked.

Mr Wahab, who is the managing partner of the Hospet-based Kariganur mineral mining industry, said mining was one of the most regulated industries in the country despite liberalisation. Obtaining approval was not a mere formality and it takes considerable time at both Central and state levels, especially the latter.

Opposing the policy of captive mining by state governments, Mr Wahab said one major factor why the non-fuel mineral sector has not realised its true potential was the tendency of the states to give leases as captive to manufacturing industry.

States demand that if a company wants to take up mining exploration for example, it has to mandatorily set up a steel industry also, he said, adding, this condition has made the entrepreneurs hesitant to go for mining in different states.