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## “Exploitation” of Minerals

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The Government has identified 71 major mineral blocks in seven states that will be auctioned during the current fiscal year. These blocks include 6 blocks (2 Gold, 4 cement grade Limestone) in Andhra Pradesh, 11 blocks (4 Bauxite, 7 Limestone) in Chhattisgarh, 12 blocks (3 Bauxite, 9 Limestone) in Gujarat, 9 blocks (1 Bauxite, 3 Limestone, 1 Gold, 1 Graphite, 2 Emerald, 1 Iron Ore) in Jharkhand, 18 blocks (4 Bauxite, 7 Limestone, 1 Gold, 1 Graphite, 2 Manganese, 2 Iron Ore, 2 Copper) in Maharashtra, 7 blocks (1 Limestone, 1 Graphite, 5 Iron Ore) in Odisha and 8 blocks (7 Limestone, 1 Copper) in Rajasthan. An official statement said that the auctions conducted so far will fetch Rs. 85,250 crore to States. Out of this, the additional contribution due to auction is Rs. 67,501 crore over the licence period of 50 years. Just four States constitute 90 per cent of this takeaway and other states need to expedite their mining auctions.

The Mines and Mineral (Development and Regulation) Act stipulates the production from captive mines cannot be used for any other purpose. This makes the mining contractor to extract the mineral to the extent needed by the end-user.

The mining ministry released draft Mineral (Auction) (Amendment) Rules 2017 allowing the mining contractor to sell 10 per cent of the extracted mineral in the open market and invited opinions on this.

The mining industry feels this is insufficient and demand full discretion over the mines and their output, including exports. Industry bodies like Assocham and Federation of Indian Mining Industry (FIMI) are lobbying with the government to this effect. They argue that the government should not decide how much a company should extract and how the company should use the mineral. Given the past policy changes in tune with the dictum ‘let the market forces decide’, one can easily anticipate what is going to happen.

If the private capitalist’s demands were to be accepted, the valuable natural resource of various minerals will be wasted in the pursuit of profits. In a short period, the country exhausts its mineral resources without any benefit to the society. The judicious extraction of the minerals dictated by the interests of people should be the policy and it should be done under public sector. As noted Urdu poet Faiz Ahmed Faiz said:

*The mountains here,  
the mountains are diamonds,  
The seas here,  
the seas are pearls,  
The entire booty is ours,  
We shall demand  
the entire treasure!*

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