

8th Meeting of the Environment Committee of Sustainable Mining

Initiative

FIMI House, New Delhi

October 05, 2015 from 1130 hrs to 1330 hrs

MINUTES:

The list of the members who participated in the meeting is enclosed at Annexure – I.

Shri A K Bhandari welcomed the members of SMI-EC with opening remarks and the meeting began with a brief introduction of participants. The committee discussed the Action Taken Report on the minutes of the previous meeting (details are in the presentation enclosed) and other items as per the agenda. A copy of the presentation made to the members is enclosed herewith. The decisions and discussions of the meeting are noted here below:

1. Issues related to Forest Clearance (FC)

SMI had strongly taken up the issue of validity of FC for mining leases with the MOEF&CC, following which the Ministry issued guidelines on 1st April 2015 extending the validity of FC granted under Section 2 of Forest (Conservation) Act, 1980 for mining projects coterminous with lease period in line with Section 8A of the MMDR Amendment Act 2015.

2. Issues related to Environment Clearance (EC)

FIMI has sent representations to MOEF to consider granting EC for a maximum period of 50 years. Shri B K Bhatia pointed out that the EIA Notification, 2006 specifies that EC for mining leases has to be given for 30 years and thus will have to be amended to grant EC for 50 years. Shri Ankan Mitra mentioned that different mining leases have different validity periods, for e.g. 30 years for coal mines and 20 years for granite mines. The committee advised SMI to make a representation asking for EC to be coterminous with the lease period.

3. Management of Safety Zone in the mining lease

The Committee took note of FIMI's representations to MOEF for restricting fencing along safety zone only in parts of the lease having forest land; and to consider safety zone outside the boundary of the mining lease following the recent clarification issued by MOEF stating that the safety zone is part of lease area. The Committee members were requested to send their comments and suggestions on the same.

4. Perception towards Mining industry

With an objective to showcase the best practices of the mining industry in environmental management and socio-economic upliftment of host communities as well as to counter the negative perception of the mining, SMI has published the book on "Environment Management and Social Initiatives by Indian Mining Industry" in August, 2015. Shri Sitaram

Kemmannu informed the Committee copies of the book has been sent to the relevant Ministries and Government Agencies both at the central and state level.

The Committee suggested sending the publication to all Members of Parliament. The Committee also suggested reaching out to general public through newspapers or other media.

Shri Ashis Dash informed that FIMI has targeted to reach out to the masses and create a positive public perception of mining through use of social media. FIMI has decided to prepare short video clips (30-60 seconds, 15 minutes) on pertinent issues of the Indian mining industry to agitate issues in the minds of general public and spread it through Whatsapp, Youtube, etc.

Shri V Jayaraman further suggested SMI to ask the mining industry to give inputs on how they are touching the lives of people through their products and other social initiatives, etc.

Shri Krishnakumar V Kulkarni also cited the exemplary involvement of Sesa Sterlite Ltd. in various schools to spread awareness about mining and socio-economic development and suggested to reach students regarding importance of mining.

5. Update on Recommendations of the High Level Committee

Shri Ankan Mitra informed that the Parliamentary Standing Committee in its report has advised the MOEF not to consider the recommendations of the HLC report, as it may not be appropriate to implement. The MOEF at present is reviewing both the reports.

6. Update on revised NPV rates proposed by IIFM

The Committee deliberated on the implications of the revised NPV rates and held that the rates proposed by IIFM were too high for various categories of forests and that the revised NPV rates should not be implemented with retrospective effect. Shri Sitaram Kemmannu informed that FIMI has already made a representation for waiver of the condition related to submission of undertaking to pay differential NPV amount if increased in future from the present rate.

7. Diversion of entire forestland within mining lease

MOEF vide its notification dated 01.04.2015 has extended the timelines for obtaining FC for entire forestland within mining lease till 31.03.2016. However, General Approval under Section 2(iii) of the FC Act has been granted to only leases which have obtained FC for a part of the forestland in the lease. FIMI has made representation to the MOEF to also accord General Approval under Section 2(iii) to the existing leases where FC has not been obtained so far, as well as, where in principle approvals have been accorded for full or part of the forestland.

Shri Ankan Mitra further suggested that he will send a draft representation to SMI requesting the MOEF to come up with a simplified procedure for facilitating the grant of General Approval under Section 2(iii) for leases which have obtained FC for a part of the forestland within the lease, as laid out in the MOEF notification dated 01.04.2015.

8. Areas in mining leases which were recorded as 'Forest' in any Government's document (issues related to Hal & Sabik records in Odisha)

The Committee deliberated on the issue identified by Shri Ankan Mitra related to obtaining prior approval of the Central Government under FC Act, 1980 for areas falling in the mining leases which were or are recorded as 'forest' in the Government record but while processing and / or approving the diversion proposals for mining projects, such areas were treated as 'non-forest'. The Committee advised Shri Ankan Mitra to send a draft representation to SMI.

9. Draft Guideline on Sustainable Sand Mining

The Committee was apprised of the draft guidelines on Sustainable Sand Mining and Sand draft notification for grant of EC to minor minerals issued by the MOEF. Shri Krishna Prasad, Vice President - FIGSI welcomed the move of MOEF to form District Level Environmental Impact Assessment Committee for issuing EC to the minor minerals. The Committee was requested to send its comments/inputs to FIMI.

10. Western Ghat Notification

The Committee had noted that mining is banned in the Western Ghat area. Shri C S R Mehta advised that FIMI should make a representation to MOEF to consider the overall environmental impacts of mining and allow mining projects involving underground mining, advanced mining technologies, etc. on a case to case basis, rather than banning mining altogether in the Western Ghat area.

The members were requested to send draft representation and comments / inputs on the same.

11. Draft document on revised concept of categorization of industrial sectors

Members were informed that in the above draft document, mining has been categorized as Red, though coal washeries, ore stockyards and railway sidings have been moved to Orange category. The document prescribes CTO for mining projects (Red category) to be issued for 5 years. The Committee was of the view that it should be a one-time CTO for mining projects, since the SPCBs regularly monitor the conditions prescribed in the consent and can always revoke it in case of non-compliance.

12. FIMI's Recent Representations

The Committee had noted the representations sent by FIMI and appreciated the contents and efforts. The Committee had also suggested compiling the important representations and circulating it among the Environment Committee members.

13. Duplication of taxes as per Companies Act and Mines and Minerals (Development & Regulation) Amendment Act, 2015

Mr. CSR Mehta, Advisor (Corporate Relations), Hindustan Zinc Limited, has pointed out that Companies act had prescribed spending 2% of the profit towards CSR from 2013, whereas the latest amendment in MMRD 2015 makes mandatory contribution at 30% of royalty towards Dist. Mineral Fund for overall development of the district. It is double taxation for Mining companies as they have to pay for both under Companies Act and Mines Act. The Committee has further advised FIMI to represent appropriately for seeking either exemption under Companies Act for Mining Companies or for considering contribution made towards DMF under Companies Act, whichever is feasible. A draft note will be provided to FIMI by Hindustan Zinc Limited in this regard.

14. Recent Development on SMI's Activities

- i. The Committee had noted the inclusion of M/s. R Praveen Chandra, M/s. B Rudragouda and M/s. Sri Kumaraswamy Mineral Exports (P) Ltd. as Associate Members of SMI, having accepted the Code of Conduct. The total membership of SMI has now reached 22 (10 Governing Council Members and 12 Associate Members).
- ii. SMI has till date completed 46 Sustainability Audits, including 3 follow-up audits and 10 safety audits. Sustainability audit proposals have been received from HZL and queries received from ACC and NALCO. EC members were requested to get their mines audited by SMI.
- iii. Members were briefed about the Code of Conduct Assessment for the year 2014 – 15. Assessment has been completed for 6 members and information awaited from other members.
- iv. The committee had noted that SMI has completed the R&R Plan of 98 mines in Karnataka, out of which 93 have been approved by CEC and 27 mines are operating now. Upon the CEC's direction, SMI has also completed production enhancement proposals for 14 mines and is currently evaluating that for 2 more mines.
- v. The committee had noted the completion of the Aravalli study. Shri Ashis Dash briefly presented the salient features and key findings of the study titled '*Strategic Assessment and Management Plan for Mining in Aravalli Range of Rajasthan*'.
- vi. SMI had informed the Committee regarding workshop on '*Biodiversity in Mining*' to be conducted at the 13th Governing Council meeting, scheduled for 24th November 2015 at New Delhi and requested the members to kindly confirm their presence.

- vii.** Mr. Sitaram Kemmannu mentioned that SMI had updated all the following books and released during 49th AGM of FIMI on 24th August 2015
 - a. Forest Conservation Act, 1980 (Revised)
 - b. The Wildlife Protection Act, 1972 – Updates as addendum
 - c. Law and Procedures for Environmental Clearance of Developmental Projects – Updates as addendum
 - d. Environment Management and Social Initiatives by Indian Mining Industry - Revised
 - e. SMI Annual Report 2014-15
 - f. FIMI Award Booklet for 2015-16

- viii.** Shri Sitaram Kemmannu apprised the members that FIMI Awards questionnaire has been updated this year. The questionnaire has been made more objective so as to simplify the Award documentation and encourage large number of participation. He reminded the Committee of the deadline of 31st December, 2015 for applying to the FIMI Awards 2015-16.

- ix.** The Committee had noted that the Conference on Raw Material Security for Iron and Steel Industry has been scheduled on 6th & 7th November, 2015 at Cidade de Goa, Goa. Mr. Sitaram Kemmannu requested the committee members to participate and make presentation.

The meeting ended with thanks to the Committee members.

ANNEXURE-I**LIST OF PARTICIPANTS**

SL. NO.	NAME OF THE NOMINEE	DESIGNATION	REPRESENTING COMPANY ORGANISATION
1.	Mr. CSR Mehta	Advisor (Corporate Relations)	Hindustan Zinc Ltd.
2.	Mr. V. Jayaraman	Head – EOHS	
3.	Mr. S. Krishna Prasad	Vice President	FIGSI
4.	Mr. Krishnakumar V. Kulkarni	Associate General Manager – HSE and CSR	Sesa Sterlite Ltd.
5.	Mr. Ankan Mitra	Sr. Manager (Policy & Regulatory Affairs)	Tata Steel Limited
6.	Ms. Archana Sehgal	Advisor External Relations	Rio Tinto India
7.	Mr. Ardhendu Mohapatra	VP – Corporate Affairs	Essel Mining & Industries Ltd.
8.	Mr. A. K. Bhandari	CEO	SCMS
9.	Mr. Pramod Tyagi	Additional Secretary General	FIMI
10.	Mr. Alok Sood	Joint Secretary General	
11.	Mr. B K Bhatia	Director	
12.	Mr. Sitaram Kemmannu	Director	SMI – FIMI
13.	Mr. Ashis Dash	Asst. Director	

Leave of Absence:

- Dr. Meda Venkataiah, Executive Director (Mining), MSPL Ltd.
- Mr. Glenn Kalavampara, Secretary, GMOEA
- Mr. Akshaydeep Mathur, Secretary General, FOMAR
- Mr. R N Bhargava, Managing Director, Ecomen Laboratories Pvt. Ltd.
- Mr. S K Sarangi, Managing Director, Geomin Consultants
- Mr. R L Mohanty, President, EZMA
- Mr. Jayapal Reddy, DGM (Environment), NMDC Ltd.
- Dr. S K Handoo, Adviser (Technical), CMA India

- Mr. V. Balasubramanyam, Director Production, NALCO
- Mr. Rajendra Singh Rathore , Director –(MM Geology), ACC Limited