****

**CAPEXIL**

**LIST OF PENDING ISSUES**

|  |  |
| --- | --- |
| **Natural Stone & Product** | |
| 1) Mining License Policy be made easier and flexible | Mining Licence Policy be made easier and flexible, To find an effective uniform & easy Mining Policy, Govt. of India under the Ministry of Mines & Minerals in collaboration with the Ministry of Commerce & Industry should organize a state level Secretaries meeting mostly with the Granite Mining / producing states and arrive at some concrete solution on Uniform Leasing Policies and Uniform Royalty. |
| 2) Mineral resources in the country including Granite Deposits should be declared as Mineral Zones | All the mineral resources in the country including Granite Deposits should be declared as Mineral Zones and vested with the Mines Department and they alone should be responsible for grant / monitoring without the intervention of other departments like Revenue, Police, Lokayuktha, Village Officials etc., who have no technical knowledge. |
| 3) Implementation of Granite Development and Conservation Rules of 1999 of Govt. of India. | Implementation of Granite Development and Conservation Rules of 1999 of Govt. of India. should be strictly followed by all State Govts., with letter & spirit. In view of several hundred granite varieties available in the country, for each application as stated in GDCR rules, 50-hectares per lease application without any restrictions on the number of applications need to be followed to help Identify & promote new varieties and compete with rest of the world markets. |
| 4) Granting of Quarry Leases | Granting of Quarry Leases should be organized by all the State Governments and the lease should be within a definite period. With Regard to EOUs a clear time frame of 6-months to be fixed due to high priority. |
| 5) Granite quarrying in order to do scientific / mechanized quarrying needs huge investments. | Granite quarrying in order to do scientific / mechanized quarrying needs huge investments. Therefore, the leases should be granted for a period of minimum 20-years to 30-years. Process of automatic renewal system should be maintained till deposit last/Till processing industry exists as followed in foreign countries, particularly when we brand the products. For eg.: Brand name continues for several decades like CARARA Marbles, BIANCO CARARA..etc. |
| 6) Technological Up gradation Fund | Granite Stone Industry Technological Up gradation Fund: Allocation of Rs.15,000 crores is required for Up gradation of Granite Industry & processing units. |
| 7) Granite- categorized as major mineral | Granite at present is categorized as minor minerals, which required to be shifted to major mineral taking note of huge investment, employment opportunity and export earnings and high technology involved & continuous modernization, up gradation& innovations. |
| 8) 2% of Duty Draw back on cut/sawn dimensional blocks | 2% of Duty Draw back on cut/sawn dimensional blocks is recommended because in preparation of Dimensional blocks large number of imported inputs are consumed as well as huge royalties are paid & high consumption of diesel etc., |
| 9) Long term and working capital funds/term loans & mining development funds | RBI and nationalized banks should treat the granite and other natural stone industries as a priority sector for availing of long term and working capital funds/term loans & mining development funds. |
| 10) Excise duty on Granite Slabs should be at Rs.30/- per sq. mts | Excise duty on Granite Slabs should be at Rs.30/- per sq. mts. As allowed by marbles, since both are having identical application from mining to processing & final usage. The ad Valera excise duty of 12.36% is a serious detriment for the existence of Industry & selling non exportable products in export market. High excise duty act as punishment as only non-exportable materials are sold in domestic market. |
| 11) Depreciation on capital goods for factories should be fixed at 25% | Depreciation on capital goods for factories should be fixed at 25% as it is a continuous process using water, lime powder, steel grids & cutting highly abrasive stones. Since technology changes every 5 years once at least, Adapting new technology leads to more power saving & improving productivity. We cannot tide with same old machines. |
| 12) Pre Shipment credit should be extended to 360 days | The banks are charging overdue packing credit interest @ 16% for Pre Shipment credit exceeding 180 days, it can be extended to 360 days, since repatriation of export proceeds is allowed 360 days & at time of force majeure situation, court orders, Govt. order, strikes, delayed payments from buyers, etc. |
| 13) The International commercial practice | The International commercial practice demands free allowance on Granite Blocks sold from quarries and it will be 7-10 cms in the each linear side of the length, width and height of Granite Block. |
| 14) The system of preferring mining plan | Data is not available before hand on commencement of quarrying and only these problems are encountered during the course of quarrying and retrieving granite blocks viable for sale. The system of preferring mining plan does not satisfy to the fact that it has been computed on advanced scientific computation to predict the results of quarrying well in advance and therefore is bound to have variation from the mining plan to practical quarrying. |
| 15) Excavation, dumping of waste and recovery aspect of commercial granites. | Granite has to undergo beneficiation and up gradation for each piece at the quarry point itself to retrieve a dimensional granite block and the recovery ratio in practice is estimated at 3-5% for Black Granite and 7-15% in case of colour Granites. These parameters have to be reviewed by the Government and a manual should be put in place on aspects of excavation, dumping of waste and recovery aspect of commercial granites. |
| 16) Separate fund for Skill Development for mining industry | Separate fund for Skill Development for mining industry is required to offer skill development to students and artisans and for developing skills in quarrying & processing industries, fabrication & manufacturing industries. |

\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*