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**CAPEXIL**

**LIST OF PENDING ISSUES**

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| **Processed Minerals Panel** |
| 1) Charging of Duty as well as Royalty on Bauxite Ilmenite Ore and SR | This issue has been placed to ministry JS(SK) advised to submit detailed logical note giving information like what will be the increase in export, what will be the increase in employment, how export is suffering, how industry is the present condition of the industry, investment, so that the matter may be taken with the concerned authorities.**Further Action Taken:** A detailed note is prepared and sent to ministry is as follows: **Abolition of Export Duty on Bauxite**In the last budget, custom duty on export of Bauxite Ore was marginally reduced from 20% to 15% resulting in a decline of nearly 11% of its exports. India is blessed with 3.5 billion tons of Bauxite reserves, of which 2/3rd are of high quality, not amounting to exports an 1/3rd are of low grade and can be exported. There is still a lot of potential for discovering a larger bauxite resources base in India through modern and scientific prospecting methods. Hence, Government of India should reconsider and withdraw export duty on bauxite. If the low grade bauxite is not exported, it will certainly cause problems for the bauxite industry. **Complete Removal of Export Duty on Ilmenite Ore and SR**The Government of India has levied an Export Duty on the export of unprocessed Ilmenite& beneficiated / upgraded Ilmenite, stating the natural resources are to be safeguarded. The levy was made by customs notification 15/2012 at 10% on unprocessed Ilmenite and 5% on beneficiated / upgraded Ilmenite. Due to drastic fall in export price, the exports from India have become uncompetitive in the global market. Therefore, the export duty on Upgraded Beneficiated Ilmenite should be removed to promote exports.**Enhancement of rate in Merchandise Export from India Scheme (MEIS) for Processed Mineral Products is required to sustain and remain competitive in the international market.** |
| 2) Export Stoppage of Beach Minerals | Reserve utilization and mining ration is very less as compared to other developing countries. Beach Minerals Industry earns more foreign exchange every year. Since the minerals like Garnet, Ilmenite, Rutile, Zircon are de-listed from 01.01.2007, there is no need to get licence for these minerals. Moreover all these minerals are not restricted items or canalized items. Govt. of Tamilnadu has stopped the mining operation for inspection of accounts under section 24 of MMDR Act which is under dispute in Court of Law due to which no lessee are able to mine the minerals. The existing already mined royalty paid minerals are used for production of Garnet, Ilmenite etc. through their 100% EOU units duly approved by GOI. As per the Public Notice No. 50/2016 reference is made to G.O.Ms No. 156/8-8-2013 and 173/17-9-2013 of the TN Govt. These are relating to stoppage of mining operation. However for export of mineral there is no need to get mining lease and the MMDR Act and Rules does not applicable for export which have been clarified by Govt. of India, Ministry of Mines. Therefore, this Public Notice No. 50/2016 dated 23.11.2016 should be withdrawn. |

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