

State forms special authority to make Gadchiroli steel hub

Ordinance issued, Bill to be tabled in monsoon session of State legislature

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LOKMAT NEWS NETWORK/ NAGPUR

The Maharashtra Government has set up a special authority, the Gadchiroli District Mining Authority (GDMA), headed by the chief minister Devendra Fadnavis himself to ensure that mining and steel manufacturing projects in the backward district are given fast clearances. A number of private companies have lined up proposals to invest a total of ₹1.5 lakh crore in Gadchiroli district but given the unique nature of the region, there are countless challenges and a number of high-level clearances that are expected to be required for various issues.

This is the first time that a law is being enacted for setting up an authority for mining in a single district.

The state government has issued an ordinance to establish the GDMA for ensuring that Gadchiroli district becomes the steel manufacturing hub in the country -- a dream project of Fadnavis. Among the companies who have proposed to invest in the region are the JSW Group which has promised the world's largest steel plant at the cost of ₹1 lakh crore. Notably, Fadnavis is also the guardian minister of Gadchiroli district.

A Bill regarding setting up the GDMA will be tabled in the coming Monsoon session of State legislature to convert the ordinance into a law. The GDMA,

headed by the CM, will have seventeen members including four cabinet ministers to be appointed by the CM, chief secretary and other senior officers. The managing director of Maharashtra State Mining Corporation (MSMC) will be the member secretary of the authority.

The authority will ensure that all permissions for mining in the district are issued to the mining companies on time. It will act as a sort of a single window system for mining and steel manufacturing in Gadchiroli district. The GDMA will have to hold a minimum of three meetings every year and the gap between two meetings should not be more than four months. The meetings will be held in Nagpur or any other place decided by the chief minister.

The authority will have an eleven-member executive committee headed by the chief secretary for controlling the regular functioning of the mining sector in the district. The executive committee will have the power to decide the terms and conditions for operation of mines allotted to MSMC and its operators.

It is envisaged that the authority will basically assist investors in overcoming teething problems in setting up base and also ensure that mining and steel manufacturing units remain focussed on their core business instead of running from pillar to post to obtain necessary permissions and clearances. Security of man and material is another issue that the authority will look into.



Need for special authority

Gadchiroli district contains huge reserves of iron ore, hematite, magnetite, BHQ, limestone, dolomite, coal, etc. The state government has decided to make Gadchiroli the steel hub of India. It plans to set up an ultra-mega steel plant in the district. It is necessary to ensure that the steel plants get the required minerals in adequate quantities and on time. The GDMA, it is proposed, will see to it that the requirements of the steel units are met.

Damage to environ

- The State's decision to start large scale mining and steel manufacturing operations in the district is unfortunately causing destruction of forests on an unprecedented scale.
- Lakhs of trees have already been felled for the recently started mines and steel plants. GDMA will have to ensure that there is minimum damage to the environment in the process of making Gadchiroli a steel hub.
- It will also be expected to facilitate obtaining various central and state government permissions relating to environment clearances.

Existing and proposed ops

At present, the district has an iron mine in Surjagad and a direct reduced iron (DRI) plant in Konseri. Lloyd Metals & Energy Limited (LMEL), which operates the DRI plant, is setting up an iron pellet plant in two phases. The first phase is expected to be operational soon. LMEL also plans to set up a steel plant in the district. Surjagad Ispat Pvt Ltd (SIPL) is investing Rs 10,000 crore to set up a steel plant. JSW Group has promised to set up the largest steel plant in the world here. In addition a BHQ beneficiation plant is also proposed near Surjagad.