**Annexure - III**

**MANUAL – 1**

**PARTICULARS OF ORGANISATION, FUNCTIONS AND DUTIES. (Section 4(1)(b)(i) of Right to Information Act, 2005)**

**1. History and background of the Organization.**

 Nagaland, a small State is located in the extreme east of the Country, sharing about 192 km International Border with Myanmar and as such placed in a vital strategic location. Nagaland is richly endowed with a variety of minerals.

 The State Government desires to exploit the rich minerals to enhance the economic status of the state with a view to uplift the living condition of the rural people where rich mineral deposits are available. With this objective, Nagaland State Mineral Development Corporation Limited (NSMDC), fully owned by the State Government was set up by the Government of Nagaland and incorporated in May, 1981 under the Companies Act, 1956 and started functioning from 1983.

**2. Aims and Objectives**

 The main aim and objective of the Corporation is to promote and facilitate mineral based industries in the State for economic growth as well as for generation of employment opportunities. The planning strategies of the Corporation are focused to achieve the following objectives:

1. Development of infrastructures such as construction and up-gradation of mineral link roads and improvement of power in collaboration with the nodal department.
2. Initiation of mineral-based industries by facilitating and involving the people/private sector with technical guidance and assistance from the Government through the Corporation so as to generate economic growth and employment with full justification in quantified terms.
3. To enter into Profit sharing ventures with private Companies in various limestone and other mineral based projects.

**3. Missions/Visions : Mission** - To harness the potential of the mineral reserves for upliftment of the economic status of the people of Nagaland .

 **Vision** – To industrialize the rich mineral deposit areas and convert the areas to commercial hubs by opening EXIM trade with our mineral products in exchange for other imported goods to and from neighbouring and other eastern countries.

**4. Key Objectives:**

 i) To search, inspect, prospect, examine, explore, get, win, mine, quarry, work, raise, beneficiate, concentrate, acquire, dress, smelt, refine, manufacture, process, fabricate, purchase or otherwise make marketable, sell, dispose of and deal in minerals and mineral substances of every kind; and the manufacture and sale of produce obtained thereby, chemicals, compounds of metals and minerals or other materials of every kind needed for or resulting from the mining, production, purchase or processing of minerals.

 ii) To acquire by lease, license, grant, assignment, transfer, or otherwise any grants, or concessions of any mineral fields, mines, quarries, mineral and mine contracts, works and premises from any person or persons, corporation, company, Government or local body in the /state or elsewhere.

iii) To purchase, take on lease or in exchange or under amalgamation, license or concession, or otherwise acquire mines, beneficiation, mineral dressing, concentration and the refining plant, lands, buildings, workshops power house plant and equipment, machinery, sidings, locos, works and any other rights and privileges or interest therein and to explore, prospect, work develop, administer, manage or control and to turn to account the same

iv) To construct, execute, carry out, equip, improve, work, purchase or otherwise acquire, lease, develop, administer, manage, or control in the State or elsewhere, works and conveniences of all kinds which includes mines, beneficiation, mineral dressing, concentration and refining plant, quarries, ropeways, and all kinds of mineral base industries.

v) To develop consultancy services in the field of mining, quarrying, processing, dressing, concentrating, smelting, refining and others and act as consulting engineers and metallurgists in all fields of engineering and metallurgical, mining, chemical, electrical and civil engineering including in particular the work of selling, erecting, installing, operating, maintaining and repairing all types of plant, machinery and equipment.

vi) To under-take, carry on or cause to be carried on, and assist, contribute in any form, research in all fields, of geology, mining, metallurgy and engineering in India or elsewhere and to construct, execute, carry out, equip, improve, work purchase or otherwise acquire, hire, lease, develop, administer, manage, control in India or elsewhere laboratories, technical training educational institutes, schools or college.

 A. BASIC APPROACH/GUIDELINES TO THE ACTIVITIES/FUNCTIONS:

 The State Planning Board decided that Nagaland State Mineral Development Corporation (NSMDC) will be the main platform to initiate and promote economic activities in the mines and minerals sector, with the basic aim to promote and facilitate mineral-based industries in the State for economic growth along with increase in employment opportunities. The investments will also be justified by cost benefit analysis. The following strategies are adopted:

 i) Sharing of responsibilities by involving the people/private sector in achieving the goals in the plan.

 ii) Disinvestment and privatization of existing ventures.

 iii) Promotion of mineral-based industries by facilitating the people/private entrepreneurs to exercise their individual/collective initiatives with requisite technical guidance and assistance from the Government through the Corporation.

 iv) To bring up the existing units quickly up to profitable operation to make them attractive for eventual disinvestment and privatization.

 v) The possible viable mineral-based industries to be identified and promote/facilitate so as to generate economic growth and employment with full justification in quantified terms or in terms of cost benefit analysis.

## B. STATUS OF MINERAL RESERVES IN THE STATE:

 Nagaland is endowed with substantial deposits of various minerals which when properly explored and exploited will give a boost to the economy of the State. The main established mineral reserves comprise of (i) Petroleum & Natural Gas (prognosticated reserve of 600 million metric tonnes), (ii) Limestone & Marble (inferred reserve of 1054 million metric tonnes), (iii) Magnetite with Nickel, Cobalt and Chromium (5 million metric tonnes proven reserve), (iv) Coal (inferred reserve of 317 million metric tonnes), (v) rich deposits of varieties of Decorative & Dimensional Stones and (vi) Other associated metals like Zinc, Molybdenum & other possible precious metals such as Gold and Platinum groups (within ophiolites and metasediments) in the eastern parts of Phek, Kiphire and Tuensang districts.

C. APPROACH AND STRATEGIES:

 The approach and strategies adopted in respect of NSMDC as approved by the State Planning Board are as follows:

1. The existing units should be quickly brought up to profitable operation to make them attractive for eventual disinvestment and privatization.

1. The possible viable mineral based industries to be identified and promoted by involving the people/private entrepreneurs so as to generate economic growth and employment with full justifications in terms of cost benefit analysis and economic viability.
2. NSMDC to steadily change over from being a direct production agency to become a facilitating (including consultancy) and channeling agency for rapid establishment of viable mineral-based industries in the State from the Eleventh Plan onwards, availing Negotiated Loans from various Financial Institutions wherever possible, for which the following steps are to be taken by the Corporation:

 (i) Provide technical information on the potential of minerals to the people,

 (ii) Provide technical expertise including drawing up of appropriate Project Reports for exploiting such resources,

(iii) Provide guidance to tie up with other enterprises outside the State for marketing including collaborations for exploitation of minerals,

(iv) Guide and provide avenues for funding, especially institutional finance, to the entrepreneurs,

 (v) Examine the possibilities of disinvesting and privatizing or collaborating with private entrepreneurs in the present projects,

(vi) Training and capacity building of not only the Department personnel but also of the people as another important strategy,

(vii) Intensive co-ordination with other related Departments to ensure that necessary infrastructures are in place to exploit the mineral wealth of the State. In particular, co-ordination with the Rural Development Department to harness the potentials of the VDBs as producers or production agents for the ‘people oriented mineral development programs’ and

(viii) Explore the means of laying down the framework for export of mineral resources specially the Limestone and Decorative Stones to South East Asian Countries.

4. To enter into Joint Venturing arrangements with Oil Companies for exploration and exploitation of oil resources in the State.

d. viable mineral-based industries:

1. Limestone Based Industries: Apart from the operationalisation of the expanded Wazeho Cement Plant, the following projects have been identified based on the huge reserves of more than 1054 million metric tonnes of chemical grade limestone in the ‘Nimi Limestone Belt’ of Eastern Nagaland bordering Myanmar:

 i) Export Oriented Cement Plant under private sector or joint venture at Laluri/Nimi

 ii) Lime Plant at Longpotrop (near Nimi).

 iii) Calcium Carbide Plant, Dimapur.

iv) Hydrated Lime and Bleaching Powder Plant, Dimapur.

2. Decorative and Dimensional Stone based Industries : Stone, one of the rich resources of the State in terms of quantity, quality and variety, is proposed to be exploited to its full potential for use as a locally available and durable raw material in the building industry. Some deposits which abound are Marble, Gabbro, Spilite, Sandstone, Slate, etc.

3. Oil & Gas and other minerals:

 Efforts to promote oil & gas production and export other precious minerals will be continued.

 i) Oil & Natural Gas:The State Government decided to participate in exploration and production of oil and gas through its PSU (NSMDC) and promote gas-based petrochemical industries by facilitating private entrepreneurs to take up viable projects or undertake joint venturing with other companies wherever required.

 ii) Nickel-Chromium-Cobalt bearing Magnetite Project: Based on the R&D works being carried out by National Metallurgical Laboratory (NML), Jamshedpur, it is proposed to promote/facilitate a commercial project in the private sector. In case of necessity, joint venturing with equity participation may be considered.

 iii) Small Scale Coal Mining: In order to facilitate scientific small scale coal mining units in the private sector (to overcome the prevailing practices of ‘rat-hole mining’ by local landowners), a model small scale Coal Mining Project is proposed to be taken up in Changki/Merakyong area to be followed by promotion of similar units in other small coalfields in the ‘Belt of Schuppen’ along the foothills in Nagaland.

Brief Status Report of ongoing activities:

1. 150TPD Mini Cement Plant, Wazeho:

 The Expansion & Modernization of the 50 TPD Mini Cement Plant Wazeho by addition of a 100TPD Unit and also modernization of existing 50 TPD Unit was completed in May 2008.

 The Plant was inaugurated on 28th June 2008 and trial operation was carried out which continued for more than a month. Trial operation had to be stopped because of some teething problem in Raw Mill and Kiln section, which is already replaced and rectified. The 150TPD Cement Factory is now ready for operation of commercial production since later part of 2009.

 As per the policy of the Government, this Factory was also to be privatized for operation and maintenance either on lease basis, or joint venture which should generate more employment opportunities, more productivity and produce better quality Cement thereby expected to give more revenue to the state Government. Accordingly, advertisement for privatization was published in National Papers and Local Papers sometime in 2006. Accordingly, as many as seven (7) different private companies had come forward to take over the plant on lease but backed out for the reason best known to them.

 The process of privatization of the Mini Cement Plant is still under process.

2. Decorative and Dimensional Stone Plants:

 The Decorative and Dimensional Stone Plants at Chümukedima and Dimapur was set up under N.E.C. sponsorship during the Ninth Five Year Plan. During the Tenth Five Year Plan, machineries were procured and the project completed during 2006-07.

In order to enhance the production capacity of the DDSPs, the Government of Nagaland had approved for upgradation of the two DDSP Units during 2014-17. The Corporation has completed the installation of new machineries in DDSP, Wazeho and is under trial run and fine tuning to bring the machines to the desired production capacity. The foundation works and installation of the newly purchased machineries are in good progress with regard to upgradation of DDSP, Chumukedima.

3. Mineral Industry Growth Centre:

In order to initiate and facilitate mineral based industries in the State by utilizing locally available resources, conducting entrepreneurship development programs and to impart training on mineral trades such as stone engraving, concrete block making and tiles making, NSMDC had taken up construction of a Mineral Industry Growth Centre at I.I.D.C, Kiruphema.

The Corporation has constructed 5 nos. of factory sheds, hostel building, installed transformer of 100kva capacity and machineries such as Concrete Hollow Block Making Machine, Load Bearing Paver Block Making Machine, Chequered Tiles Making Machine and Computer Numerical Control (CNC) Router Machine for engraving are already installed and trial operation in progress. However, due to no release of the balance amount of the project, the MIGC is unable to take off. The Mineral Industry Growth Centre at Kiruphema shall go a long way in facilitating and motivating the entrepreneurs for setting up mineral based industries in Nagaland and is expected to attract investments elsewhere in the State in future.

3. Promotion, Facilitating, Channelizing Activities:

 NSMDC proposes to undertake effective steps to motivate and involve the people/private sector in the field of mineral exploration while strengthening itself, so as to further contribute towards the resource base and economic growth of the State. The theme will be to promote industrial activities in the private sector in the State by motivating them.

Further, programs to facilitate/attract investments from outside, disinvestments/ privatization, promotion of joint ventures wherever necessary, entrepreneurship development of local educated unemployed youth, training and capacity building of the officers and staff of the Department as well as the intending entrepreneurs, involvement of the landowners and the villagers for exploitation of the mineral resources as well as contributing necessary R&D/consultancy works and establishing funding/marketing linkages with national/international organizations shall be taken up by the Corporation.

Intensive co-ordination with other related Departments such as (i) Industry, (ii) Roads & Bridges, (iii) Power, (iv) Rural Development, (v) Transport & Communication, (vi) PHE, (vii) Medical, (viii) Education, etc. is deemed essential as without the necessary infrastructure in place, the efforts to exploit the mineral wealth of the State even with the involvement of the people would become a futile exercise. Therefore, the action plan of co-ordination with other sectors will invariably form an essential part of the Departmental/Corporate action plan.

The Department of Geology & Mining/NSMDC has also been given the responsibility to explore the means of laying down the framework for export of our mineral resources specially the Limestone and Decorative/Dimensional Stones to South East Asian Countries.

PROPOSED ACTIVITIES DURING 2020-2021

 i) Direction and Administration:

Establishment, Personnel & Human Resource development, welfare, Environment protection etc.

 ii) Promotional activities:

For rapid establishment of mineral-based industries in the State, actions proposed are:-

1. Identification of viable Mineral Industries
2. Preparation of Feasibility report and Preparation of DPRs.
3. Completion and operation of the Mineral Industry Growth Centre (MIGC) at Kiruphema Village, near NH 29.

iii) Operation and Upgradation of the Decorative Stone Plants at Chumukedima (Dimapur) and Wazeho, (Phek).

iv) Construction of Concrete Block Making Unit at Decorative Stone Plants, Chumukedima.

iv) Other Projects:

 New projects such as Lime, Marble projects and other mineral based industries also proposed.

**5. Functions and duties.**

 Nagaland State Mineral Development Corporation Limited (NSMDC Ltd), (*A Government of Nagaland Undertaking)*, an organized sector shall function for exploitation of the rich minerals and set up mineral based industries in the state to enhance the economic status of the State so as to uplift the living condition of the rural people with all the officers and staff of the Corporation shouldering equal responsibilities and duties at all levels.

**6. Organizational chart: Attached herewith**

**7. Administrative set up in the Districts**

 Nagaland State Mineral Development Corporation Limited (NSMDC Ltd) has so far set up the following Units in the Districts, viz:-

1. 150 TPD Mini Cement Plant (MCP) at Wazeho, Meluri Sub-Division, Phek District, Nagaland.
2. Decorative and Dimensional Stone Plant (DDSP) at Wazeho, Meluri Sub-Division, Phek District, Nagaland.
3. Decorative and Dimensional Stone Plant (DDSP) at Chumukedima, Dimapur District, Nagaland.
4. Mineral Industry Growth Centre (MIGC) at Kiruphema, Kohima District, Nagaland.

 **8. Name and address of the Organization**

 MINERAL HOUSE

 BELOW A.G. OFFICE,

 TSIEPFU-TSIEPFHE, A.G. COLONY

 KOHIMA – 797 001, NAGALAND.

 **9. Contact details**

 During Office Working days

 9:30 A.M. to 4:00 P.M.

 Email: statemineral@gmail.com

 Website : [www.nsmdc.nagaland.gov.in](http://www.nsmdc.nagaland.gov.in)

 Phone : 0370-2244300

 Fax : 0370-2244749