Indian Mining Association

Mr Bhaskar Mitter's Call for Fresh Approach to Vitalise Coal Industry

THE following is the speech delivered by Mr Bhaskar Miner, Chairman, Indian Mining Association, at the Annual General Meeting held on March 16, 1965, at the Bengal Chamber of Commerce and Industry:

GENTLEMEN

I would like to begin the proceedings of this Annual Meeting by paying homage to our late Prime Minister, Jawaharlal Nehru. It is difficult for me to speak of him with restraint, for to me, he was not only a great leader, but also a friend of our family. It is rarely that one sees embodied in one personality such an unique combination of great qualities —I refer to his zest for life, his grasp of affairs, his intellectual affluence, his concern for the individual, and his solicitude for the neglected and the forgotten. He articulated the hopes and aspirations of mankind, transcending national frontiers, and reaching to the far corners of the world. Perhaps the best way *to* honour his memory is to dedicate ourselves to the great ideals which animated him.

Gentlemen, would you please rise and stand in silence in his memory?

Since we last met, Sri Sanjiva Reddy has assumed charge of the Ministry of Steel & Mines. He brings with him into his new office great ability, and a wealth of administrative experience, Coal is not an unfamiliar subject to him, since he has been closely associated with the working of the Singareni mines in Andhra, We offer him our felicitations, and also our co-operation in the joint endeavours which will have to be made to build up a virile, and greatly expanded coal industry, of which the country as a whole may be proud.

Focus on Fourth Plan

Our Annual Meeting is invested this year with a special significance, for we are about to enter the last phase of the Third Plan, and our sights must accordingly be focussed on the Fourth Plan and beyond. This is the first time when we must assess again the place of coal as a source of energy in our country; estimate what the requirements will be in the coming years; examine the present sate of the industry; and devise measures to give it a dynamic impetus, so that it can play its full part in the progressive expansion of the Indian economy. I do not propose, therefore, to catalogue the events of the last twelve months, but rather to discuss some of the more important issues which are before us today.

Depression in Coal

With the commendable efforts that we are making to augment cur resources of oil, natural gas, and nuclear energy, it is expected that these sources of power will play an in, creasingly important role in future. When we consider these different sources, however, we must not lose sight of the fact, that our per capita consumption of commercial energy in India is amongst the lowest in the world, and will, in future, have to be raised rapidly, if we are to progress as ? nation. Consequently, there is ample scope for all forms of power which we can harness. Whilst in terms of percentage, the coal industry's share in the future energy pattern may be reduced, in quantitative terms of production, its contribution must progressively show impressive advances over current levels of output. In the foreseeable future, cod will remain the preponderant source of commercial energy in India, and its importance to the country's prosperity is basic. On coal's performance will largely depend the success of our national plans as a whole. It is imperative, therefore, that on the eve of the Fourth Plan, we should take a careful look at the present state of the industry. When I talk of the coal industry, I must of course make it clear that I refer primarly to the Private Sector, although most *of* the issues have application to the Public Sector as well.

Widespread through the industry today there is an air of depression caused by two principal factors — a slump in demand, and a price structure which denies an adequate return.

Slump in Demand

Dealing first with demand, the Third Plan opened on a note of hope and enthusiasm. the target of produetion for industry was placed at *97* million tonnes — an appreciable increase over the actual production of 56 at the end of the Second Plan. It was authoritatively stated that the country would require the whole 97 million, and, in fact, in order to ensure that the economy did not falter for lack of coal, the industry was asked to create capacity for a total of 104 million tonnes. The plans were laid, a frantic search for finance ensued to match the handsome World Bank loan, to meet foreign exchange requirements, and investments were made on a massive scale. There was hard work at hand, but there was also a quickening of the pulse, *lot* we were participating in a great nation building effort. By the summer of 1963, however, these early hones began to fade, and it was not long before it was realised that, owing to a combination of various circumstances outside the realm of the coal industry, the tempo of the country's economic growth had slowed down considerably. The Planning Commission's mid-term reappraisal recognised this trend, and thought: that a total demand of more than 90 million tonnes would not mature. Since then the rethinking has gone further, and the latest indications are that about 70 million would suffice. This is a far cry from the trumpet call of 97 ! No useful purpose will be served by indulging in any recrimination over this distortion in the original target, which may have been largely due to unforeseen factors affecting the entire economy. The fact cannot be shirked, however, that the coal industry has been hit badly by this colossal gap between anticipation and reality.

Within the overall figure, the Private Sector entered the Third Plan with a target of 62 million tonnes,— an additional 17 over its level of production at the end of the Second Plan. But, currently, it is raising an extra 6 million tonnes only, and this is meeting the demand. If we exclude from this, the additional 2 million which have been contributed by units outside the Plan, in relation to the planned target, the increase required has been only some 4 million tonnes, or less than 25% of the original expectation. To help attain its allotted goal, the Private Sector has invested, tinder great strain, something over 25 crores during the last three years, and an investment on this scale would have been hardly contemplated it" it were known that the extra demand in the current Plan would be so limited. When one considers these facts, it is not surprising that a sense of malaise grips the industry.

Inadequate Price

The other primary cause of this feeling is the inadequacy of the present price structure to make the industry the vital instrument of progress that it should be. This structure is based on the Report of the Coal Prices Revision Committee, which was accepted by Government in 1959. Two of the main conclusions of the Report were that the coal industry should have a notional sum of Rs 1.70 per tonne available to it as an item of expense for depreciation and development. In addition, a gross profit of Rs 1.75 per tonne was considered a fair return. The Committee felt that, if the industry could have these two built-in elements in its prices, it should be in a reasonably healthy state. In practices, the organised section of the industry, which accounts for the bulk of the production, is today unable to get either return as en visaged in the Report. Squeezed between mounting costs and low prices, this section is running into the red, with an available margin inadequate to conserve funds for expansion, and at the same time give a fair return to investors.

The provision of even working capital is becoming increasingly difficult. Between March 1963 and January this year, wages have been raised by some Rs 25 per worker per month. On an average employment of 435,000 persons, the industry has to provide an additional Rs 13 crores per year on this account alone. There are also vast-sums owing from the Coal Board, which are usually paid long after they fall due. The problem will escalate further if the industry is called upon to meet additional obligations, such as, the contemplated Payment of Bonus Act, the final Wage Board Award, and the threatened imposition by State Governments of increased royalties. The depressed state of the capital market, recently ennanced import dunes, restrictions on bank credits, and increase in bank rates, make the task of having adequate finance no easier.

It is not surprising, therefore, that coal is generally regarded today as one of the least inviting fields for new investments. Coal counters in stock markets are among the most neglected, and there is at present little, stir over coal in the centres of finance, which attract ail the growing, vibrant industries. Even the President of the Coal Consumers Association thought fit to open his presidential address not long ago with the words "The cauldron of coal problems is *on* the boil ... "!

This, then, is the broad picture as we move nearer to the Fourth Plan. Obviously, a situation like this cannot be allowed to fester in a vital sector of our economy.

In regard to the slump in demand, it is anticipated that as the economy begins to grow faster, the present maladies might be gradually overcome. I naturally share these expectations, but there are some aspects of the Fourth Plan to which I must draw attention.

Demand Overestimated

The present indications are that the coal target for the next Plan will be 125 million tonnes, and the tentative allocations between the two Sectors are 72 to the Private, and 53 to the Public. Whilst the overall figure of 125 million appears impressive, I would like to sound a note of caution, having regard to our sad experience in the current Plan. If, as appears likely, a total production of something like 70 million tonnes will suffice for the country's requirements at the end of the current Plan, it would seem that the needs of the Fourth Plan may have been overestimated.

Taking one instance, the present offtake for power generation is about, 8 million tonnes including middlings. The next Plan assesses this demand to shoot un to over 30 million tonnes! Whilst the authorities must have access to more precise information than we have, it seems difficult to visualise that coal-based power stations will, within the space of six years, increase their requirements to nearly four times their present needs. A World Bank study team suggested that a total of 110 million tonnes might be a more realistic goal I would commend a very careful reappraisal of the position, so that we may avoid the quicksands of misleading hopes.

Individual Targets

Within the total figure of 125 million tonnes, it we look at the individual targets of different types of voal, furtner problems present themselves, In regard to coking coats, the Private Sector is expected to raise its output from the current level of some 14 million tonnes, to nearly 26 million. This poses a formidable challenge, since a substantial portion of this Sector's contribution must come from depiliaring with stowing, and from vertical development in depth. It will require a fresh input of capital on an impressive scale. Again, as stowing must play a significant part, sufficiency of sand supplies will have to be ensured. The bulk of coking coal production moreover will have to be washed, and if washing capacity, and the expansion in steel, does not keep pace with increased production of coking coals, the industry's investments might be rendered largely sterile.

In the area of non-coking coals, the extra production required from the Private Sector is some 6 million tonnes *over* last year's level of 37 million. In this context, it should not no forgotten that this sector had been asked to create capacity during the current Plan for 47 million tonnes, and this has been largely accomplished. Consequently, it will be required to wait till after the end of the Fourth Plan, before offtake approaches the level anticipated for 1965,66.

A curious and, at the same time, unfortunate position is thus reached, in that the Private Sector's heavy investments in non-coking coals will have to mark time before earning the returns originally expected during the Third Plan, whilst vast new investments will be needed in coking coals, with the uncertainties I have mentioned.

The particular situation in the outlying fields must also be seen from another angle. Two years ago, producers were asked to step up output mainly to meet the requirements of Western India. Plans for increasing raisings of even Grade III coals were approved, though further production of this grade was not wanted in Bengal and Bihar. Mineowners in Madhya Pradesh went to great expense in meeting Government's request to develop additional capacity. They. too, looked forward to a period of further expansion and much needed relief, but they are now informed that no extra coal will be required from them in the Fourth Plan.

Thus, whilst the next Plan with its new urges, holds out the promise of a gradual elimination of the present dump in demand, its detailed projections have brought in their wake major problems to be contended with. Whatever the ultimate size of the Plan for coal, it is manifest that the coal industry will have to discharge a heavy responsibility to make it a success, and this underlines the compulsions of creating a climate in which that industry can realise its full potential

When discussing the inadequacies of the present price structure, I am fully conscious of the great national problem of checking inflation. Within the imperatives of this overall necessity, however, thought has to be given as to whether it is not desirable to make the prices of some basic things correspond to the realities of costs, so that the vital industries may grow and service the general economy. Presumably it is thinking on these Tines that leads to periodic increases in such things as railway freights and electric power charges. Coal prices should not be excluded from this process.

Modern and Viable Industry

It is only a modern and viable coal industry that can, in times to come, stabilise coal prices to the consumer. In Britain, the price of coal had to be raised many times between nationalisation in 1946 and 1962. Huge investments for modernisation of mines have been made, and it is only now, as a consequence of this, that the National Coal Board has been able to stabilise prices. In the USA and Australia, it has been possible to reduce coal prices, but only because in those countries productivity has shown striking advances. In India, productivity remains pitiably low, and I shall refer to this again later.

Undoubtedly, the long term objective of our coal industry must also be stabilisation of prices, but to achieve this, it has to be financially strong. Because coal has been a relatively cheap commodity, inadequate attention is paid by most consumers to efficiency in fuel consumption. Fuel technology is now an advanced science in most developed countries, and it is time that here, also, the importance of this was fully realised. I believe that despite advances in coal prices, industrial costs could be maintained, if not reduced, if greater care is paid to avoiding waste in the use of fuel.

The fear of excessive profits accruing to some units in the industry through an increase in prices should not restrict official policy, as Government have many weapons in their armoury to mop up unhealthy gains. The word 'profit' often conjures up visions of something undesirable. There is no reason why this should be so. We must distinguish clearly between 'profit' and 'profiteering,. No one can support 'profiteering', and we condemn it in unequivocal terms. But profits are not only desirable, but essential, for vitality. It has been said quite rightly that profits are the sinews of growth, and a basic industry like coal must have adequate profits for sustenance and growth, I would submit that a thorough review of the pricing policy in coal has now become an urgent necessity, not only to meet today's needs but also to finance future expansion.

Stowing

Linked to the vital question of adequate prices, is the subject of costs incurred in stowing for safety and conservation. The Coal Prices Revision Committee, realising the importance of stowing to national interest, recommended that its cost should be neutralised in full, subject to an overall ceiling, and the recommendation was accepted. The stowing cess was increased suitably to finance this concept, and it was hoped that those units, which had undertaken this work at considerable expense, would get some much needed relief. However, in implementing the scheme, the Coal Board introduced a complex system of sub-ceilings of assistance under various heads, and arbitrary norms, which have largely eroded the fundamental concept of neutralising these costs. Thus, coal companies have today to incur very substantial losses in the process of stowing. This financial haemorrhage should be stemmed without delay. Then again those producers, who gather and stow sand in accordance with modern technological processes, qualify for less assistance than those who carry on under more primitive conditions. It is surprising that there should be a premium on obsolescence.

Since stowing will have to be extended on a much wider scale in future, I would suggest that both the outlook in giving assistance for stowing, as well as the cumbrous procedures which flow from that outlook, are overhauled with expedition. Then, only, can Government's policy to encourage stowing be fulfilled.

Subsidy Scheme Needs Review

With the gigantic strides in modern technology, the days of shallow pits, where the pick and shovel were the symbols of mechanical sophistication, are fast ending everywhere. They are being replaced by modern units, mining with the aid of the latest techniques that science has to offer. Indeed, if our coal industry is to meet the challenge of the future, it will have to dig deep, and to contend increasingly with the hazards of the dark depths — gas, water and the various geological obstacles, which have to be overcome before the earth will yield up her treasures. One of the necessary corollaries of working at depth, and under difficult conditions, is the question of abnormal costs, and it is recognised that production under such conditions should be subsidised. The subsidy scheme, introduced for this purpose in 1960, however, bears little relation to the actual costs of today, and an urgent review is called for.

As in the case of the stowing subsidy, so with this one for difficult mining, not only is the assistance given inadequate, but the inadequacy is magnified greatly by the long delays which occur in giving it. The prescribed procedures are pedestrian and deny prompt relief. There is a well known principle of jurisprudence that justice delayed is Justice denied, and I would urge the authorities to have the process streamlined at the earliest opportunity, so that the policy of Government to give relief in certain circumstances is not enmeshed in a tangle of unnecessary red tape. Another factor which causes delay is, I believe, the lack of funds with the Coal Board. It is indeed regrettable that such a responsible body should not have adequate funds available for the proper discharge of its duties.

Apart from coal prices and subsidies, there is the important question of foreign exchange, which must be considered. At the start of the Third Flan, substantial foreign exchange facilities were organised for the coal industry through the World Bank. The industry has not yet been able to utilise these facilities in full, and this has been commented upon in soma quarters. At a time when the entire country is desperately short of foreign exchange, it is indeed paradoxical that coal should have been unable to take full advantage of the facilities offered. For the answer to this paradox, however, one has to look to the dimensions of the slump to which I have already referred. Indeed, having regard to the conditions prevailing in the industry during the last 18 months or so, I am surprised that it has been able to use as much as Rs 15 crores against a total allocation of Rs 16.5 crores. The incapacity of the coal industry to utilise fully these facilities should not preclude, in any way, the making of suitable arrangements for future foreign exchange requirements in the context of the new capital investments that will be needed.

Rail Transport

I cannot recall any speech at such a meeting, which has not referred to rail transport, with which the fortunes of coal have been traditionally intertwined. I remember when I occupied this chair about a decade ago, a very considerable portion of our time and effort was taken up in dealing with problems arising from a shortage of rail capacity. Today, I am happy to say. the position has improved, but I hope that this will not generate any sense of complacency on the part of the Railways. When the economy recovers its momentum, as it must do, if capacity is again unable to keep up with demand, then we may face a similar bottleneck as was experienced at the end of the Second Plan.

While I commend the general performance of the Railways, there are still areas of dislocation, such as the periodic shortage of four wheelers and, more recently, of even BOX wagons. When wagon supplies are erratic, coal has to be stacked at colliery sidings, which not only involves heavy handling costs, but also results in deterioration in its properties. This important matter has unfortunately not received the attention it warrants. Apart from the risk of spontaneous combustion due to oxidisation, of all the properties of coal, the coking property is possibly the most rapidly affected through storage. It has still to be fully appreciated that the interests of the producers and consumers of coal cannot always be subjected to the convenience of the Railways alone.

While discussing rail transport, we must not be oblivious to the need for developing roads, particularly the feeder roads in the coal-fields. Little has been done yet to improve them, and early action is called for. We had hoped that the Durgapur Expressway would have been nearing completion by now, but progress has been most disappointing. Traffic on the Grand Trunk Road has exceeded saturation point, and this venerable highway, originally aligned by the Emperor Sher Shah, can hardly be expected to cope indefinitely with modern twentieth century traffic. I trust that this much needed Expressway will be commissioned soon.

In common with the strenuous efforts being made throughout the coun. try to promote exports, the time has come for a new drive to stimulate the export of coal. Our outlets today are virtually confined to Pakistan, Burma and Nepal. India has lost traditional markets like Ceylon mainly due to vacillating attitudes in the past. Official policy, over the last six years, has favoured, at different times, a general ban, partial relaxations, and somewhat grudging releases of coal, subject to various restrictions regarding the qualities that could be shipped. No country can hope to establish its exports overseas, and to sustain them, by such myopic measures. What is required is a well defined long term policy, not subject to violent fluctuations, and having as its inspiration the establishment of a steady export outlet for Indian coals. I therefore welcome the setting up recently of a Study Group to go into this matter under the chairmanship of Dr P S Lokanathan. I hope that its work will help India not only to recapture her traditional markets but also to establish markets in new areas as well.

Deterioration in Quality

This brings me to the question of quality, and the complaints, which are heard periodically about the deterioration in coal supplies. When considering this issue, two basic facts must be appreciated. The first is that coal is not: a manufactured product, and, therefore, there is no question of inferior ingredients being deliberately used in producing it. The industry can only raise and despatch what nature has bestowed underground in our country. The second is that raw coal is not a highly standardised commodity, Nature has not worked to any standard specifications when laying down our coal seams. Consequently, quality is apt to vary a little and cannot be completely uniform.

If consumers require better coals than the country is endowed with, or completely uniform quality, as in manufactured goods produced under controlled conditions, then the answer must lie in washing on a massive scale. They must, in that event, be prepared to pay greatly increased prices. The only alternative *to* washing would be to import coals of better intrinsic quality from other countries. At a time when we are going through an acute foreign exchange crisis, the wisdom of adopting such a policy is open to serious doubt,

Royalties to States

I must refer now to an entirely different subject — Royalties. Both the State Governments of West Bengal and Bihar have recently amended the West Bengal Estates Acquisition Act and the Bihar Land Reforms Act, Under these amendments, the intermediary royalty receiving rights in both States have been abrogated. In West Bengal, an earlier attempt to vest these rights retrospectively in the State Government resulted in complex litigation. We have recently been having several meetings with the Finance Minister of West Bengal, and I welcome the initiative shown by him in Irving to evolve a fair solution to this long standing dispute. On our part, we have submitted concrete proposals, and I would like to assure him of our full co-operation in finding an equitable compromise.

In Bihar, intermediary royalty receiving rights vested in the State with effect from October last, and the unfortunate experience of West Bengal has been avoided. We are, however, concerned with the Bihar Chief Minister's recent proposal to increase the rate of royalty from 2½% to 5% of the F O R selling prices. Despite the acute financial position of the industry, a feeling appears to persist in some States that the coal mining industry has an unlimited source of funds, which can be constantly tapped to augment their resources. This feeling hardly corresponds to facts. We are already contributing substantially to their revenues by way of royalties, cesses, taxes and other impositions, and if they wish to increase their income, State Governments should turn to other and more afluent sources.

We have been giving careful consideration to the proposed Bill for Amalgamation of Collieries. This Association does not oppose the principle of amalgamation to weld together small coal producing units, so that large viable units can be formed, capable of using the modern processes of production so important to our future. In a basic industry like coal there is no particular virtue in being small and primitive. It is sometimes suggested that amalgamation would help the growth of monopolies and foreign interests, A careful scrutiny of the industry's structure will show that such fears have no foundation whatsoever. The draft Bill as circulated, however, is unlikely to achieve the end in view. Its provisions are so sweeping, that if it is enacted in its present form, the entire infra-structure of the organised section of the industry may well be dislocated. This is a grim prospect, the consequences of which should be seriously pondered. In the years That lie ahead, this section will have to produce vastly increased supplies of coal, particularly coals of the higher grades, to sustain our steel industry, other essential consumers, and our drive for exports. The present provisions of the Bill can seriously prejudice all this. We are in consultation with Government, and I hope that our views will he given mature consideration before anything drastic is dune.

Safety in Mining

We have been concerned also vvith the proposed Pavment of Bonus Bill. The fundamental concepts of this measure, and its provisions, have been debated widely throughout the country. The coal industry has been raying a statutory attendance bonus since 1948, and now, in addition to this, we are called upon to meet a new burden not necessarily related to cither efficiency or prosperity. This might well introduce a potential area of disputes where none had existed before. It will also involve a further financial strain on this already debilitated industry, and 1 trust the means will be given to it to meet the additional charges, for which there is no capacity within the present rigid price structure.

Safety in mining continues to receive the constant attention it warrants, and the Industrial Committee on Coal Mining last year approved several amendments to the Mines Act, which are expected to be enacted shortly, I would like in this connection to pay a tribute to the Chief Inspector of Mines, Mr G S Jabbi, and his organisation, with whom we have continued our joint consultations on problems of mutual concern. 1 firmly believe that it is only by maintaining these close contacts shall we be able to appreciate each other's points of view, and attain that difficult balance of ensuring safety, which we all naturally desire, without impairing the interests of production -- particularly production at economic cost.

As in all forms of industrial enterprise, success in this industry also depends on the joint endeavours of management and labour, and I am glad to say that by and large we have worked in harmony.

Productivity

I appeared on behalf of employers before the Wage Board for the Coal Mining Industry, which is now in the process of finalising its recommendations. In my submissions, I pointed out that, from about the middle of 1963, a depression had overtaken the industry and made it financially weak: that the level of wages paid in the industry today compared most favourably with those paid for similar occupations in this part of India; that, within its existing price structure, the industry did not have the capacity to sustain higher levels of remuneration; that, in the interest *of* production and progress, much greater mechanisation in this industry was necessary; and finally, that while we share the natural aspirations of labour for a progressively better life, ultimately the ability of the industry to meet these aspirations must depend on its own viability, and such vital factors as productivity.

Too little attention is paid to the question of productivity. In the coal industry, despite all the machines introduced in the mines in recent years, and after more than doubling the raisings from highly mechanised open cast workings, the output per man year today is only slightly in excess of what it was thirty years ago! Higher wage rates and better standards of living are necessary not only as social objectives, but also as factors of economic growth. It must be recognised, however, that one of the essential means of achieving them must be productivity. Higher wage rates, without increased productivity, are incompatible with the sustained growth of the economy.

In branches of the Mineral Industry other than coal progress has been made during the year, though there were some disquieting features. The supply of blast furnace grade iron ore was found to be surplus as a result of the expansion of captive mines by the Steel Plants. Competition in the export market became more acute on account of increased quantities offered by new areas, particularly Australia. While the world prices continued to follow a declining trend, our costs of production, unfortunately, recorded a sharp rise, the major contributory factor being the interim wage increase granted by the Wage Board for the Iron Ore Mining Industry.

The production of limestone and dolomite has expanded in line with the requirements of the steel and cement industries. I would also mention that there has been some improvement in the manganese ore export trade since the latter half of 1964, contrary to earlier expectations. The Government have decided to discontinue the practice of allowing exports of manganese ore against barter and link arrangements from 1st January, 1965, but the results of this change have yet to be seen. The need for making our ores fully competitive in the World Market is of great significance today, and I would suggest that the industry's plea for the restoration of railway freight concessions existing before 31st March, 1963, should be conceded without further delay.

No Expenditure on Welfare

Since the inception of the Iron Ore Mines Welfare Cess Act, 1961. there has as yet been no evidence of any expenditure on welfare amenities for employees in the iron ore mines. There has been a proposal for constituting either separate welfare funds for specified mining industries, or a common fund covering all mines excluding coal, iron ore and mica. At the Fourth Session of the Industrial Committee on Mines other than Coal, it was agreed that a general law, like a Minerals Welfare Act should be enacted by the Centre to foster welfare activities en an uniform basis.

The need for modern techniques of production and management in our mines underlines the importance of fostering better collaboration between men of science and business administrators. At present there is insufficient contact, and comparatively little exchange of ideas, and I would like to make a plea for closer association between the industry and such bodies as the Central Fuel Research Institute and the Central Mining Research station

Is the field of training, the industry ats been keen to press on with the dea mooted some time ago of sending some of our promising young engineers o Britain for advanced training, through the generous help of the National Coal Board there. We have had further discussions on this subject with Lord Robens during his last visit to India, and I hope that the scheme will be implemented soon.

In the exciting task of building up our nation, the mining industry has a pivotal role to play, but in the industry's present picture, the darker shades stand out more prominently than the brighter ones. This, then, is the time tor a dispassionate survey of the problems and their causes. Shapes of things are sometimes clearer under dull skies than in the bright shimmer of a blazing sun. This, then, is the time to frame a bold strategy for advance.

Gentlemen, this morning I have discussed our problems frankly. If at times I have had to sound discordant notes, I am sure you will agree that, with our democratic traditions, it is one's duty to speak one's mind freely in a constructive endeavour to resolve our difficulties. I trust that the suggestions I have made will be carefully considered by the authorities. On the part of my Association, I can assure them of our full support in removing the roadblocks to progress.

Acknowledgments

I would like to mention here the our relations with Government her been most cordial. Whilst on speed issues our viewpoints may have of fered, our deliberations have be. guided by a spirit of give and takes and we have been appreciative of each other's difficulties. Both Mr N C Srivastava and Mr Chhedilal, the Secretary and joint Secretary in the Ministry' of Steel & Mines, have shown us every consideration, as have our Coal Controller and Chairman of the Coal Board, Mr A C Bose, and his staff. I must also express my appreciation of the co-operation we have received from other Ministries who have an interest in our affairs. I have no doubt that these excellent relations between this Association and Government will continue.

Gentlemen, it has been a source of personal pleasure for me to have been insociated once again from this chair with the affairs of the Indian Mining Association. Another year behind us-a year which has had if full share of worries and cares. But we cannot allow this to dampen our determination to face the challenge of the future, and move forward to new horizons of endeavour. I would like to recalling the words of President krishnan: *"From the altar of the past we should take the having fire and not the dead ashes. Let us remember the past, be' alive and create the future our hearts and faith in*