

The Politics of Bauxite Mining

Green Hurdles Cut Short India's Aluminium Story

Bauxite-rich East Coast region hasn't seen a single mine open in 30 years

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The East Coast region, home to 74% of the total bauxite reserves, continues to be one of the most-neglected regions in the country, as not a single bauxite mine has been opened in the past three decades.

The East Coast region, part of Andhra Pradesh and Odisha, where a staggering 2,600 million tonne of in-situ reserves of bauxite was discovered way back in 1970, that virtually promised to become a game changer in the world of aluminium, with India becoming the fifth-highest bauxite reserves nation in the world with deposits of about 3.5 billion tonne, or 5%, of global deposits.

"It is unfortunate that India could not leverage its strength by emerging as the epicentre of an aluminium revolution and that too at the lowest cost quartile. It is ridiculous not to utilise huge bauxite deposits in the name of environment and indigenous tribals. Bauxite mining is more eco-friendly than any other minerals," says PK Jena, former director general, Council of Scientific and Industrial Research and chairman of city-based Institute of Advance Technology and Environmental Studies (IATES).

Odisha's poorest Kalahandi and Koraput districts have 10 bauxite deposits, accounting for a whopping 1,846 million tonne while Andhra Pradesh has nine deposits having 800 million tonne proven reserves. PSU Nalco operates only Panchapatmali bauxite mine in Koraput district — one of the biggest deposits in the world against nearly 200 operating mines in the country.

Consequently, the Indian aluminium industry today produces only a nominal 1.318 million tonnes of metal with a very low per capita consumption of 1.3 kg against the world production of 40 million tonnes and per capita consumption of 30-35 kg in the developed countries like Germany, Japan, Italy, Canada, the US etc, experts said.

Sitting on Unexplored Wealth Reserves

Bauxite Statistics in India

India has the fifth-largest bauxite reserves in the world with deposits of about 3.5 billion tonne, or 5%, of world's deposits

India's share is only 3% of world's aluminium capacity

Most Bauxite Deposits Found in Four Regions

The Eastern Coast Bauxite Belt, including Orissa and Andhra Pradesh

Plateaus bordering Bihar and Madhya Pradesh

Amarkantak deposits of Madhya Pradesh

Western Ghats



Jena further asserts that bauxite deposits are always available at the top of the plateaus, which have sparse vegetation as the mineral is porous in nature and does not hold water which trickles down the mountain slopes.

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"The dense foliage is invariably below the bauxite belt deposit and after mining operations, the reclamation process is very smooth and dense vegetation sprouts up easily the mined area can be suitably utilised for rain-water harvesting as well," he told ET on Tuesday.

Bauxite has one more fundamental advantage over other minerals. The value addition is invariably done close to the mining source.

The refinery and smelter generally come up within the state itself opening up huge opportunities for employment and development, Jena added. Bauxite production in the country has come down drastically from 22.6 million tonne in 2007-08 to approximately 14 million tonne in 2009-10, with Panchapatmali bauxite mine of Nalco accounting for about 35%, according the latest data from Indian Bureau of Mines (IBM).

The production of bauxite from

Andhra Pradesh in the past three years has been negligible while there is an increase of bauxite production from 0.5 mt to 1 mt in Madhya Pradesh.

However, there has been a sharp fall in bauxite production in other states, mainly Gujarat and Maharashtra, due to some restriction imposed on exports.

Curiously enough, till the time bauxite was being exported, neither environmental activist/non-government organisation, nor any other politician had ever opposed bauxite mining.

The latest controversy on bauxite mining has been sparked off by the Union tribal welfare minister V Kishore Chandra Deo, who in a letter to AP governor ESL Narsimhan sought his intervention for a total ban on bauxite mining in the tribal area in AP.

Deo has linked the bauxite mining with increased Maoist attacks in AP and Odisha.

Jindal Aluminium of JSW Group has closed down its proposed refinery project in AP recently. Anarac Aluminium is putting up 1.4-mt EOU refinery unit in AP and has entered into an agreement APMDC for sourcing of bauxite.

However, this project faces uncertainties, post Dev's move for banning bauxite mining.