

ANNUAL ADMINISTRATIVE REPORT 2019-20

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1. INTRODUCTION

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 main established mineral reserves comprise of:

- i. Petroleum & Natural Gas (prognosticated reserve of 600 million metric tonnes) in the northwest along Nagaland-Assam border.
- ii. Coal (with inferred reserve of 317 million metric tonnes) in Tuensang, Mon, Wokha, Longleng & Mokokchung Districts.
- iii. Limestone & Marble (with inferred reserve of 1054 million metric tonnes).
- iv. Magnetite with Nickel, Cobalt and Chromium (5 million metric tonnes of proven reserve).
- v. Rich deposits of varieties of Decorative & Dimensional Stones.
- vi. Other associated metals like Zinc, Molybdenum & other possible precious metals such as Gold and Platinum groups (within ophiolites and metasediments) in Phek, Kiphire and Tuensang Districts of south east Nagaland.

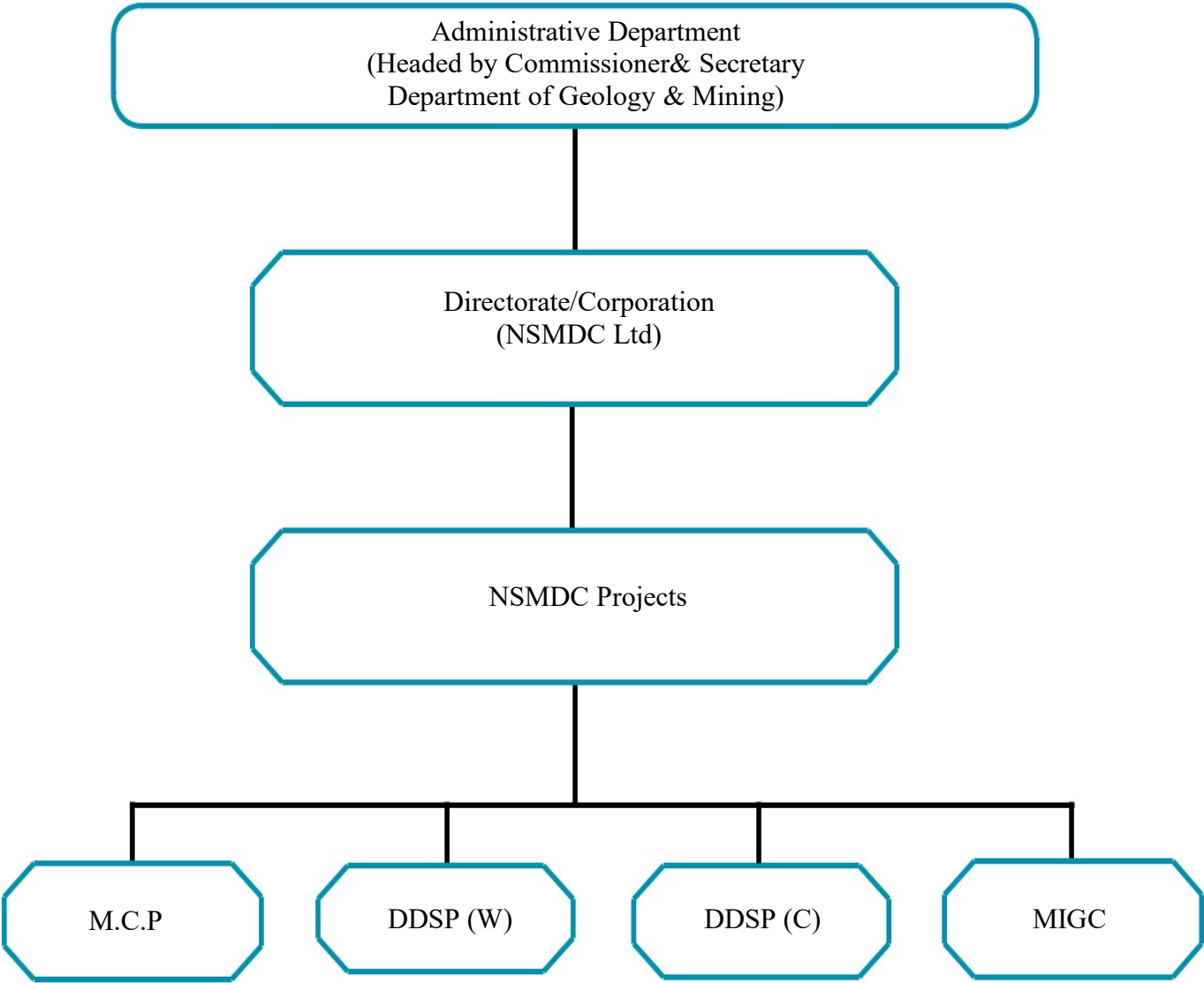
The Government desires to exploit the rich minerals to enhance the economic status of the state with a view to uplift the living condition of the rural people where rich mineral deposits are available. With this objective, Nagaland State Mineral Development Corporation Limited (NSMDC), fully owned by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

- a. Initiating commercial exploitation of limestone, coal and other mineral deposits
- b. Promoting, establishing and developing economic activities in mines and mineral based industries.

The successive Plans have been formulated with the basic aim to promote and facilitate mineral based industries in the State for economic growth as well as for generation of employment opportunities. The investments will also be justified by cost benefit analysis. The planning strategies are focused to achieve the following objectives:

- i. Development of infrastructures such as construction and up-gradation of mineral link roads and improvement of power in collaboration with the nodal departments.
- ii. 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.
- iii. To enter into Profit sharing ventures with private Companies in various lime-stone and other mineral based projects.

2. PROFILE OF THE CORPORATION.



Abbreviations:

NSMDC Ltd	:	Nagaland State Mineral Development Corporation Ltd.
MCP	:	Mini Cement Plant.
DDSP (C)	:	Decorative & Dimensional Stone Plant (Chumukedima).
DDSP (w)	:	Decorative & Dimensional Stone Plant (Wazeho).
MIGC	:	Mineral Industry Growth Centre, Kiruphema.

3. BREAK-UP OF SECTORAL OUTLAY UNDER NON-PLAN 2019-20

(Rs. in lakh)

	Head Office	Mini cement plant	Decorative & Dimensional stone		Total
			Chumukedima	wazeho	
A. Direction & Administration					
1. Salaries & Wages (including Contributions to EPF, Gratuity etc.)	356.04	356.99	90.74	48.09	851.86
2. Establishment					
a) Motor Vehicle (Repair, replacement, POL etc)	3.00	-	-	-	3.00
b) Rent, Rate & Taxes (Accounting, Auditing & Filing expenses)	10.00	-	-	-	10.00
c) Stationery	2.00	-	-	-	2.00
d) Printing & Publication (Annual report etc)	2.00	-	-	-	2.00
e) TA/ DA	3.00	-	-	-	3.00
3. Capacity Building (Training, Workshop, Seminar etc.)	-	-	-	-	-
4. Special Govt. Programmes					-
a) Disaster Management	-	-	-	-	-
b) Disability	-	-	-	-	-
c) Gender Equity	-	-	-	-	-
d) Environment Protection/Climate Change	-	-	-	-	-
			-		
Sub-total A	376.04	356.99	90.74	48.09	871.86
B. Promotional Activities					
1. Consultancy & Facilitation Activities (FR, DPR, etc.)	-	-	-	-	-
2. Employment Generation Scheme (Corpus Fund from State Govt. for Channelling Agency Services)	-	-	-	-	-
3. Entrepreneur Development (Special training for stone crafts)	-	-	-	-	-
Sub-total B	-	-	-	-	-
C. Infrastructure Development					
1. Mineral Industry Growth Centre (MIGC) & Stone Cutting Industry	-	-	-	-	-
Sub-total C	-	-	-	-	-
D. Operation & Upgradation of Existing Units					
1. Dimensional & Decorative Stone Plant, Chumukedima	-	-	100.00	-	100.00
2. Dimensional & Decorative Stone Plant, Wazeho	-	-	-	-	-
Sub-total D	-	-	100.00	-	100.00
GRAND TOTAL	376.04	356.99	190.74	48.09	971.86

Note:

An amount of ₹871.86 lakhs was proposed for salaries, wages & office expenses. However, ₹ 716.98 lakhs only, has been sanctioned, leaving a balance amount of ₹154.88 during the current financial year 2019-2020.

4. ACTIVITIES & ACHIEVEMENTS DURING 2019-20

The main activities and achievements of the Corporation during 2019-20 are as follows:

- a. Promotional activities for rapid establishment of mineral-based industries in the State.
- b. Employment Generation Scheme to promote and facilitate setting up of small scale mineral processing Units in private sector.
- c. Entrepreneur development and training programs to impart operational as well as managerial capabilities to entrepreneurs.

(i) Facilitating, Channeling and Consultancy Activities

In line with the State Government's policy, NSMDC is slowly shifting its activities from being a production organization to become a promoter, facilitator and consultancy organization. As a promoter and facilitator, the Corporation shall continue to identify the economically viable mineral deposits and develop infrastructures and provide necessary site services. Prepare Feasibility Reports (FR, TEFRs and DPRs) in order to help and attract investors from State as well as from outside the State in mineral sectors available plentifully in the State. NSMDC continue preparing ground works in order to facilitate local entrepreneurs in setting up economically viable micro and small scale mineral based industries based on minerals available in the State. DPR's for construction of mineral Link Roads are submitted to Government.

(ii) Employment Generation Scheme

Towards the objective to initiate, promote and facilitate economic activities in the mineral sector and as part of the Government's programme on Self Employment Generation, NSMDC continued the schemes to facilitate private entrepreneurs in setting up small scale and mini mineral based projects during 2019-20. Under this scheme, small and viable Mineral based industries are to be identified and feasibility report prepared by NSMDC. Till date, NSMDC has promoted eight Stone Crushing units under the Self Employment Generation Scheme.

(iii) Capacity Building

Modern management need expertise and well skilled professionals which makes training a must for growth. Capacity building, the process of training a person to increase knowledge and skill of doing a particular job appears to be of paramount importance. This is one of the most effective and tested tools for performance enhancement by upgrading knowledge and skills. This also increases confidence; reduce supervision cost thereby increasing productivity.

- a. The Corporation has provided Finance & Account training to 4 (Four) Commerce students at NSMDC Head Office in Commercial Accounting. During the training period they were taught on various topics related to Commercial accounting like Cashbook, Ledger, Bank Reconciliation Statement, Stock Verification, trial balance, Balance Sheets, accounting and office procedures during 2019-20.
- b. The Corporation has also provided in-plant training at Decorative & Dimensional Stone Plant Chumukedima to 15(Fifteen) Naga youths in machine operation, production, artefacts making, engravings and stone extraction procedures.

(iv) Operation and Upgradation of Decorative & Dimensional Stone Plants, Wazeho & Chumukedima

The Decorative and Dimensional Stone Plants at Wazeho and Chumukedima was set up under NEC sponsorship during the Ninth Five Year Plan. During the Tenth Five Year Plan, the additional requirements were revised costing Rs. 192.14 lakh. Machineries were procured and the project completed during 2006-07 with an aim to demonstrate and train entrepreneurs in stone processing technology.

In order to enhance the production capacity of the DDSP's and thereby reducing the cost of production so as to generate better revenue, the Corporation has taken up upgradation of both the DDSP Units by installing higher production capacity machines such as Gang saw machines, Multi Blade Cutting Machines, Block Dresser Machines, Gantry Cranes and Edge Cutting Machine in the Plant. In order to commensurate the increase capacity of the Plants higher capacity quarry machinery and equipments are to be proportionately upgrade in both the plants.

- a. During the financial years 2014-17, the Corporation has received an amount of ₹270.00 lakhs for upgradation of DDSP Wazeho from the State Government. With the sanctioned amount the Corporation has purchased hydraulic excavator for quarry development and excavation and large capacity stone processing machineries like 40 Blade Gang Saw Machine, Gantry Crane of 10Ton Capacity with 100 ft horizontal movement and Block Dressing Wire Saw Machine. The Corporation has completed the installation of the machineries and the newly installed machineries are under trial run and fine tuning to bring the machines to the desired production capacity.
- b. During the financial years 2017-20, the Corporation has received an amount of ₹300.00 lakhs for upgradation of DDSP Chumukedima from the State Government. With the sanctioned amount the Corporation has purchased 4DX JCB Backhoe loader for quarry development and excavation, truck for transport of blocks from quarry to the plant and higher capacity machineries like Multi Blade Cutting Machine, Gantry Crane of 30 Ton Capacity with 100ft rail horizontal movement, Block Dresser Machine along with Edge Cutting Machine for the Plant. The machinery foundation works and installation of the purchased machineries are in good progress.

Besides promoting the above units, under People Development Programme (PDP), NSMDC and Directorate of G&M will continue facilitating setting up of small and mini scale units by local/private entrepreneurs based on various local stone deposits.

Products & Machineries Installed at DDSP (Wazeho)



40 Blade Gang Saw Machine



Wire Saw Block Dresser



Gang saw machine cut slab



Gantry Crane



Artefact Products of DDSP (W)



Limestone Slabs of DDSP (W)

Products &Machineries to be installed at DDSP, Chumukedima



Multi Blade Cutting Machine



Edge Cutting Machine



30 Ton Gantry Crane



Block Dresser Machine



Machinery Foundation Works in Progress



Stone Products of DDSP (C)

(v). Construction of Mineral Industry Growth Centre; Kiruphema

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 with an estimated cost of Rs. 833.00 Lac under SPA is nearing completion. Out of the total project cost of Rs. 833.00 lakhs, Rs. 500.00 lakhs has already been sanctioned during the period from 2011-17, leaving a balance amount of ₹333.00 lakhs.

From the sanctioned amount 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 machines and Computer Numerical Control (CNC) Router machine for engraving are being already installed and trial operation in progress. However, pending release of the balance amount of 333.00 lakhs the Growth Centre 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 more investments elsewhere in the State in future.



Hollow Block Making Unit



Paver Making Unit



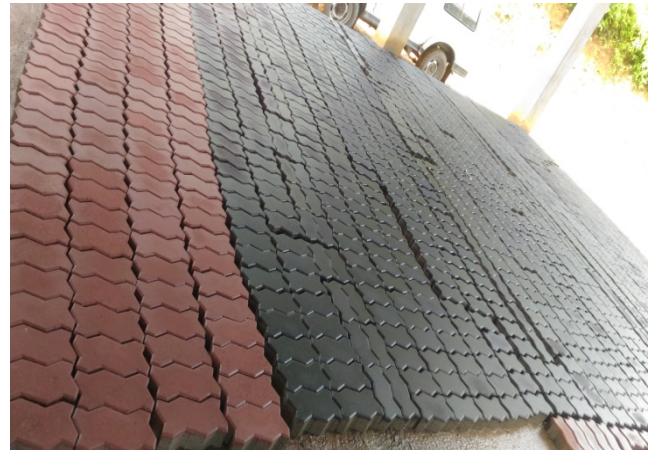
CNC Router Machine



Chequered Tiles Making Unit



Hollow Blocks



Paver Blocks



CNC Router Stone Embossing



Chequered Tiles



Hostel Building



Marketing Shed

(vi). Gender Equity/ Women Welfare

Women folks are also being employed in the Head Office and in the offices and laboratory attached to the factories. Vocational training is also provided to the wives and female members of the workers in collaboration with the Labour Department by providing infrastructures.

5. PRESENT EMPLOYEES STRENGTH & QUALIFICATION

Sl.no	Designation	Strength	Qualification
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
1.	Managing Director	1	B.E (Ceramic)
2.	General Manager	1	B.E (Metallurgy)
3.	Deputy General Manager	2	B.E (Electrical/B.Sc)
4.	Manager	2	B.E (Civil/Mech)
		1	B.Sc
		1	Dip.in Engg (Mining)
		2	M.B.A/M.Com
5.	Deputy Manager	2	B.E (Civil/Mining)
		1	B.Com
		2	Dip.in Engg (Mining)
6.	Assistant Manager	1	B.Com
	Assistant Superintendent	2	Matriculate
	Sub Total (Executive)	18	
7.	Chemist/ Sr. Foreman	2	Matriculate
7	U D A/ Accountant/ Foreman/ Asst. Chemist	15	B.Com/Dip.in Engg (Mech)/ Matriculate/ Under-Matric with ITI
8.	Foreman Gr.II/ Sr.Technicians/ Opera tors(Sp.Gr.)/ Sr. Drivers (Sp.Gr.)	8	Matriculate/ Under-Matric with ITI
9.	Sr.Technicians/ Operators/	4	Matriculate/ Under-Matric with ITI
	Driver Gr.I/ S.K. Gr. III	2	License in Driving
9.	LDA-cum-Computer Asst.	7	B.A, Matriculate / Dip.in Computer
10.	Computer Assistant/ Driver Gr.II/ Asst. Electrician Gr.II/ S.K. Gr.III	9	License in Driving/ Under Matric
11.	Assistant Electrician Gr.III	1	ITI
12.	Grade IV Staff	54	Matriculate/ Under-Matric

6. STATUS OF THE EMPLOYEES OF NSMDC (AS ON 31.01.2020)

SL.NO	NSMDC UNITS	Regular employees		Total Regular Employees	Fixed Pay Workers	Total
		Officers	Staff			
1	2	3	4	5	6	7
1.	Head Office, Kohima	13	31	44	11	55
2.	Mini Cement Plant, Wazeho	3	49	52	34	86
3.	Decorative & Dimensional Stone Plant, Wazeho	1	8	9	8	17
4.	Decorative & Dimensional Stone Plant, Chumukedima.	1	14	15	12	27
	Total	18	102	120	65	185

7. CONCLUSION

The Corporation has achieved the following during 2019-20

- a. Completed Upgradation & Modernization works of the Decorative & Dimensional Stone Plant at Wazeho.
- b. Completed machinery identification and purchase for upgradation of the Decorative & Dimensional Stone Plant Chumukedima as well as initiated the machinery foundation works and installation of the machineries.

8. FUTURE VISION

The Corporation aims to:

- a. Develop the necessary infrastructures required for exploitation of different mineral deposits in various areas within the State.
- b. Set up small viable mineral based industries in various parts of the State using locally available raw materials like Hollow blocks, Paver Blocks, Chequered Tiles in all the districts of Nagaland.
- c. Set up customers oriented production units like wall claddings, engraving units, sand blasting units in urban areas.
- d. Setting up of cluster of small mineral based industries including artificial sand making unit in Nagaland.
- e. Joint venture in
 - i. Setting up world class Mineral Testing Laboratory.
 - ii. Large warehouses.
 - iii. Industrial logistics and Incubator Services.
 - iv. Scientific Coal Mining Projects.



Swachh Bharat campaign at Head Office, Kohima on 2nd Oct 2019



Swachh Bharat Campaign at DDSP & MCP Wazeho on 2nd Oct 2019



Swachh Bharat campaign at DDSP(C) on 2nd Oct 2019