

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:132

ANSWERED ON:02.12.2003

PRIVATE INVESTMENT IN MINING SECTOR

ADHIR RANJAN CHOWDHURY;BHASKAR RAO PATIL;CHARAN DAS MAHANT;SHYAMA SINGH

Will the Minister of MINES be pleased to state:

- (a) whether the Government have recently decided to attract more private investment in mining sector in the country;
- (b) if so, the details in this regard ;
- (c) whether the Government have received proposals from private companies for investment in this Sector; and
- (d) if so, the details thereof and the action taken thereon?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI RAMESH BAIS)

(a) & (b) Since the 1990s, it has been the endeavour of the Central Govt. to facilitate greater Private Sector participation including foreign direct investment in exploration and exploitation of minerals , induction of state of the art technologies in Mining Sector, decentralization and delegation of powers to States and simplification of procedures . In pursuance of these , National Mineral Policy (NMP) 1993 was announced and Mines & Minerals (Development & Regulation) Act, 1957 (MMDR Act) waamended in 1994 & 1999.Further, in consultation with the industry/investors in the mining sector two basic Rules namely Mineral Concession Rules, 1960 (MCR) and Mineral Conservation and Development Rules, 1988(MCDR) have been amendedo provide for simplification of procedure for grant of Mineral Concession to attract more Private Companies in the mineral Sector.

(c) & (d) In 1999, a concept of Reconnaissance Permit (RP) was introduced primarily to attract private sector investment in exploration for minerals. So far, Central Govt. has approved 157 proposals for Reconnaissance Permit covering an area of 2,07,669 sq. kms.