

**GOVERNMENT OF INDIA
COAL AND MINES
LOK SABHA**

STARRED QUESTION NO:72
ANSWERED ON:09.07.2004
PRIVATISATION OF MINES
Budholiya Shri Rajnarayan

Will the Minister of COAL AND MINES be pleased to state:

- (a) whether there is any proposal to privatise a number of mines in the country;
- (b) if so, the details thereof State-wise; and
- (c) if not, the reasons therefor?

Answer

THE MINISTER OF COAL AND MINES (SHRI SHIBU SOREN)

(a)to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO STARRED QUESTION NO. 72 SLATED FOR ANSWER IN THE LOK SABHA ON THE 9TH JULY, 2004 ASKED BY SHRI RAJNARAYAN BUDHOLIYA REGARDING PRIVATISATION OF MINES

(a) to (c): India is endowed with significant mineral resources and produces 89 minerals, 4 of which are fuel minerals, 11 are metallic minerals, 52 are non-metallic minerals, including 11 atomic minerals and 22 minor minerals. The Department of Mines administers the Mines and Minerals (Development & Regulation) Act, 1957 (MMDR Act, 1957) in respect of all minerals other than coal, lignite, natural gas and petroleum. The Department of Coal administers the MMDR Act, 1957 for coal and lignite, while the Ministry of Petroleum and Natural Gas administers oil and natural gas under specific statutes. The atomic minerals are administered by the Department of Atomic Energy.

In the Indian federal structure, State Governments are the owners of minerals in their respective territorial jurisdiction and issue Reconnaissance Permits, Prospecting Licences and Mining Leases over these minerals. In respect of ten minerals included in Part 'c' of the First Schedule of the MMDR Act, prior approval of the Central Government is necessary before grant of mineral concessions. Significant private investment has been made in the mining sector and as per information given by the Indian Bureau of Mines, out of 3108 working mines in the country, nearly two thirds i.e., 2287 mines are in the private sector and 821 mines are in the public sector.