

**GOVERNMENT OF INDIA  
MINES  
LOK SABHA**

UNSTARRED QUESTION NO:969  
ANSWERED ON:01.08.2006  
PERFORMANCE OF MINING SECTOR  
Jindal Shri Naveen

**Will the Minister of MINES be pleased to state:**

- (a) whether the performance of mining sector has fallen short of expectations;
- (b) if so, the details thereof; and
- (c) the nature of structural reforms stipulated to bring the performance of the sector to the expected level?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF MINES(Dr. T. SUBBARAMI REDDY)

(a) & (b): There has been a slow down in the growth of mineral sector. The index of mineral production has a weightage of 33% for Coal & Lignite, 53% for Petroleum and Natural Gas and 14% for other non-fuel and non-atomic minerals. Due to temporary closure of mines, discontinuation of mining operations because of heavy rain falls and labour problems in the year 2005-06, the value of index for mineral production for non-fuel and non-atomic minerals, under the Ministry of Mines, recorded a growth of 3.5% only.

(c): A High Level Committee, under the Chairmanship of Shri Anwar-ul Hoda, Member, Planning Commission, has reviewed National Mineral Policy, 1993, Mines and Minerals ( Development and Regulation) Act, 1957, and suggested changes to encourage investment in exploration and exploitation of minerals alongwith various measures to streamline and simplify procedures for grant of mineral concessions to stimulate investment flows and induction of state-of-the-art technology into the mining sector.