

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:3908
ANSWERED ON:19.12.2006
EXPLORATION OF MINERALS AND MINES
Owaisi Shri Asaduddin

Will the Minister of MINES be pleased to state:

- (a) Whether only \$ 2 million is spent annually in India on prospecting and exploration of minerals and metal wealth ;
- (b) If so, whether Indian corporates have joined hands with Canadian investors and risk capital firms to float high risk fund of work \$ 500 million to promote prospecting and exploration of minerals and metals ;
- (c) If so, whether Ministry of Finance and SEBI have given its clearance to this ;
- (d) If so, whether 20 Member Industry and Government delegation have discussed with Canada in this regard recently; and
- (e) If so, the details thereof and other issues discussed with Canadian in regard to minerals and metal prospecting and exploration?

Answer

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

(a) : Geological Survey of India [GSI], under the administrative control of Ministry of Mines, on an average spends about Rs.18.03 crore annually on the prospecting and exploration of minerals of which, Rs.7.55 crore is spent on exploration for coal. In addition, expenditure on prospecting and exploration of mineral deposits is also incurred by the Public Sector Undertakings [PSUs] and private sector.

(b)&(c) :Registration with Securities and Exchange Board of India [SEBI] as Foreign Venture Capital Entities [FVC] is not compulsory for venture capital investments in India. SEBI does not maintain a list of investors.

(d)&(e) :A 20 member mining mission organized by the Confederation of Indian Industry [CII], comprising of the Government and Industry representatives visited Canada during the month of October, 2006 to facilitate information sharing as well as to explore partnership scopes, in the mining sectors of the two countries. The delegation had wide ranging discussions with the Government of Ontario province, officials of Prospectors and Developers Association of Canada and Toronto Stock Exchange Group and also held a Round Table discussions with Canadian companies. The delegation also visited some mining sites, research facilities to study new technology employed by the Canadian mining industry.