

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:5008
ANSWERED ON:29.04.2008
FDI IN GOLD AND DIAMOND MINING
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Will the Minister of MINES be pleased to state:

- (a) whether there is any proposal to invite Foreign Direct Investment(FDI) in the mining exploration of gold and diamonds in the country as reported in the Indian Express dated 24th March, 2008 ;
- (b) if so, the details thereof, country-wise; and
- (c) the total foreign exchange likely to be earned alongwith the details of the countries which have shown their interest in mining of these products?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICAL & FERTILIZER AND MINISTRY OF MINES (SHRI B.K. HANDIQUE)

(a) to (c): The Government has recently enunciated the new National Mineral Policy, 2008, in order to attract investment, including FDI, into the mining sector in India. However, 100% foreign direct investment is already allowed on automatic route for exploration and mining of gold and diamond in the country since the year 2006. As per available information, the mining sector in India had received \$506.05 million, between April, 2000 and February, 2008. Major contribution has come from Indian subsidiaries of important mining companies based in Australia, South Africa and Canada.