

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

STARRED QUESTION NO:191

ANSWERED ON:12.08.2011

MINERAL PRODUCTION

Hegde Shri Anant Kumar;Singh Shri Rajiv Ranjan (Lalan)

Will the Minister of MINES be pleased to state:

- (a) the details of minerals which are mined in the country;
- (b) whether the mining industry has become extremely profitable, at present;
- (c) if so, the reaction of the Government thereto;
- (d) whether the Government has formulated schemes for increasing production of minerals in the country;
- (e) if so, the details thereof; and
- (f) the budgetary allocation and the expenditure incurred for the implementation of the schemes during the last three years?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINES (SHRI DINSHA PATEL)

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

STATEMENT REFERRED TO IN REPLY TO STARRED QUESTION NO. 191 TO BE ANSWERED IN THE LOK SABHA ON 12.8.2011 REGARDING MINERAL PRODUCTION

(a): India produces 87 minerals which includes 4 fuel minerals, 10 metallic minerals, 47 non-metallic minerals, 3 atomic minerals and 23 minor minerals.

(b): The total value of mineral production (excluding atomic minerals) during 2010-11 is estimated at Rs. 198380.33 crore, which shows an increase of 10.59% over the previous year. This growth is driven by an increase in demand for minerals both domestic as well as global, which has made mining industry more profitable.

(c): For a sustainable commercial activity, profits are essential and reflect the growth potential of the sector. At the same time in order to ensure that a profitable mining sector allows adequate compensation to the State Government in return for the mineral concession it grants as the owners of minerals, the Government has fixed royalty on ad-valorem basis for all major non-coal minerals (excepting 9 minerals).

(d) (e) & (f): Mineral are the property of the State Governments, and royalties also accrue solely to State Governments. The mining sector has been liberalized since the year 1993 and private participation has been facilitated and the growth in mineral production is driven by market demand. In order to incentivise and encourage exploration and mining activities, the Government has announced National Mineral Policy, 2008 for the non-coal and non-fuel mineral sector which enunciates policy measures like assured right to next stage mineral concession, transferability of mineral concessions and transparency in allotment of concessions, in order to reduce delays which are seen as impediments to investment and technology flow in the mining sector in India. As such there are no separate schemes in the Central Government for increasing non-coal and non-fuel mineral production. However, the Geological Survey of India conducts survey and mapping as well as regional exploration which assist in the discovery and exploration of the country's mineral resources. The budget and expenditure of Geological Survey of India scheme-wise for the last three years is as follows:-

(Rs. in crores)

2008-09 2009-10 2010-11

BE RE Actual BE RE Actual BE RE Actual

1. Survey & 50.40 49.96 47.05 57.96 48.10 43.63 66.61 66.61 58.89

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Mapping

2. Mineral 23.50 23.44 20.36 24.56 21.60 17.05 21.99 21.99 23.59

Exploration

3. Special 4.70 5.22 4.21 4.30 3.33 3.00 6.38 6.38 7.13
Investigation

4. R&D & Other 8.00 7.74 6.11 10.12 7.87 5.76 6.80 6.80 7.62

Exploration

5. Information 16.00 14.90 12.14 15.87 13.83 11.87 14.71 14.71 13.68

Dissemination

6. HRD 2.60 2.79 2.41 3.35 2.92 2.82 3.31 3.31 4.24

7. Modernization & 54.80 43.60 40.02 43.84 40.35 36.81 42.20 82.20 78.80

Replacement

Total 160.00 147.65 132.30 160.00 138.00 120.92 162.00 202.00 193.94