

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:7102
ANSWERED ON:18.05.2012
MINING LICENCES
Bhagora Shri Tarachand

Will the Minister of MINES be pleased to state:

- (a) whether some public sector undertakings namely, NMDC, SAIL and NALCO have been eyeing mining and metals operations across the world in order to achieve economies of scale in mining operations to serve their captive needs;
- (b) if so, the details thereof;
- (c) whether the move is linked to raw material scarcity and the domestic companies with downstream interests acquiring mines; and
- (d) if so, the details thereof?

Answer

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

(a) & (b): Yes, Madam. Afghan government invited an open tender for multiple exploration concessions that comprise of Hajigak iron deposit. A consortium named AFISCO (Afghan Iron and Steel Consortium) consisting of Steel Authority of India Limited (SAIL), NMDC Limited, Rashtriya Ispat Nigam Limited (RINL), Tata Steels, JSW Steels Limited and Jindal Steel & Power Ltd. has been awarded mineral concessions of three blocks out of the four blocks, in the year 2011.

Besides this, Government of Afghanistan has called for four mineral tenders for 'Badakhshan', 'Zarkashan', 'Baikhab', and 'Shaida' gold prospects. M/s Canaccord Genuity, SRK Consulting and Mayer Brown are acting as transaction advisers for tenders for the above projects. A Consortium consisting of Public Sector Undertakings, viz. SAIL (lead partner), NALCO, HCL and MECL have submitted Expression of Interest. The EOI has been received by the Ministry of Mines of Afghanistan, well before the due date of 09.03.2012.

(c): It is a fact that most of the proposals for acquisition of assets abroad are in response to the need of these companies for long term raw material security and also as per their future strategy and plans.

(d): Does not arise in the view of (c) above.