

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:4278
ANSWERED ON:20.04.2015
DEVELOPMENT OF MINING SECTOR
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Will the Minister of MINES be pleased to state:

:

- (a) whether the productivity of mining sector is not growing at the required pace due to lack of investment;
- (b) if so, the details thereof and the special policy measures being taken by the Government to attract local and foreign investment in this sector;
- (c) whether the mining sector requires to use several such new technologies for making mining activities more cost-effective and dynamic, which are not available with India, at present; and
- (d) if so, the action plan of the Government to bring suitable new technology in the mining sector to increase its productivity and growth in the country?

Answer

THE MINISTER OF STATE FOR MINES AND STEEL (SHRI VISHNU DEO SAI)

(a) and (b): The mining sector has been liberalized and is dominated by large number of private sector miners. The productivity varies from company to company depending upon host of factors, including investments and state of technology being deployed. At macro level, according to new series of the Gross Domestic Product, the Gross Value Added by the mining and quarrying sector at constant prices is rising over a period of time. The details are provided in the table presented below:-
GVA at constant prices (at 2011-12 prices)

Mineral 2012-13 (NS) 2013-14 (NS) 2014-15 (AE)
GVA of Mining & Quarrying Sector (at constant Prices)
in Rs. crore 262253 276380 282605

NS : New Series Estimates; AE Advance Estimates; Source; Indian Bureau of Mines

(c) and (d): To attract foreign investment, 100% Foreign Direct Investment is permitted in the mining sector. The National Mineral Policy, 2008 inter alia provides guidance for promoting research and development in the mineral sector directed towards the development of new technologies for conversion of existing mineral resources into viable economic resources and improvement of regulatory environment. Further, the Government has come out with Mines and Minerals (Development and Regulation) Amendment Act, 2015 which provides the framework for promoting transparency in the mining sector to boost the investments. However, choice of technology is a commercial decision resting entirely with the mine owners.