

GOVERNMENT OF INDIA  
STEEL  
LOK SABHA

UNSTARRED QUESTION NO.3888  
ANSWERED ON 22.08.2005  
IRON ORE MINING POLICY  
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Will the Minister of STEEL be pleased to state:

- (a) whether the Government is contemplating to formulate a mining policy;
- (b) if so, the comprehensive features of the policy; and
- (c) the benefits it is likely to bring to the steel industry?

**Answer**

MINISTER OF CHEMICALS & FERTILISERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) The Government already has a National Mineral Policy, announced in 1993 and revised from time to time, for non-fuel and non-atomic mineral including iron ore.

(b) Some of the features of the existing policy are given in annexure.

(c) The existing policy seeks to achieve the best use of available mineral resources-including minerals used by the steel industry-through scientific methods of mining, beneficiation and economic utilisation. It also aims at meeting the present and future needs of development of the country and at ensuring indigenous availability of basic and strategic minerals for core industrial production. Hence, the policy is intended to benefit mineral based industries like steel.

Annexure

FEATURES OF NATIONAL MINERAL POLICY

- (i) Government will continue to formulate legal measures for regulation of mines and development of mineral resources to ensure basic uniformity in mineral administration and to ensure that development of mineral resources is in accordance with national policy goals.
- (ii) Exploration activities will be co-ordinated by GSI but a multi-disciplinary approach will be adopted involving various organisation. Focus will be on strategic minerals and minerals where country has poor or just adequate resource base.
- (iii) Private investment is permitted for exploration and exploitation of thirteen minerals, including iron ore, manganese ore and chrome ore. The mining sector has been opened up to Foreign Direct Investment and as of now such investment, upto 100%, is allowed for all minerals except diamonds and precious stones.
- (iv) The policy outlines the strategy for mineral development, which focuses both on present, and long term needs. The policy seeks to ensure best use of available resources through effective measures for conservation, beneficiation and efficient processing of minerals and prevention of sub-optimal and unscientific mining.
- (v) The policy seeks to promote scientific methods of exploration, efficient mineral processing and beneficiation, strengthening indigenous manufacture of equipment and machinery, upgrading of basic and specialized training facilities, establishing linkage with end-use industries etc.
- (vi) The policy also gives a thrust for development of infrastructure facilities in mineral bearing areas, development of such areas and the social and economic up-liftment of the local population.
- (vii) The policy seeks to balance the need of mineral development with the need to protect forests, environment and ecology so as to ensure sustainable development of mineral resources in harmony with environment.
- (viii) The policy envisages promotion of Research and Development in the areas of survey, exploration, mining, beneficiation and development of materials to various measures.
- (ix) The policy envisages that foreign trade of minerals will keep in view the mineral inventory position and the long-term need of the country. Whenever, exports takes place these should be competitive and efforts will be directed towards export of minerals in value added form to the extent possible.

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