

**GOVERNMENT OF INDIA  
MINES  
LOK SABHA**

UNSTARRED QUESTION NO:3634

ANSWERED ON:16.12.2005

MINERAL EXCAVATION

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**Will the Minister of MINES be pleased to state:**

- (a) the production of minerals including aluminium during the last three years, company-wise;
- (b) whether there is a huge decline in production in some of the companies over the previous years;
- (c) if so, the reason therefor; and
- (d) the steps taken by the Government to boost the production of minerals including Aluminium in the country?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYANA RAO)

(a): As per available information, the value of mineral production (excluding petroleum & natural gas and coal & lignite) in public and private sector companies during the last three years is given below:-

Mineral Production (Value in Rs. Crores)

Company      2002-03    2003-04    2004-05 (Provisional)

Public Sector companies    3610    4087    4446  
Private Sector companies    10376    10678    13345

Total      13986    14765    17791

Aluminium is a metal, not a mineral, which is processed from bauxite. The value of production of bauxite is included in the value of mineral production. The value of production of aluminium is given below:

Aluminium production (Value in Rs. Crores)

Company      2002-03    2003-04    2004-05 (Provisional)

Public Sector companies      1993    2496    3197  
Private Sector companies      3480    3976    4548

Total      5473    6472    7745

(b): No.

(c): Does not arise.

(d): Some of the steps taken by the Ministry of Mines to boost production of minerals are as under:-

(i) Enunciated the National Mineral Policy in 1993.

(ii) Opened up the non-fuel and non-atomic mineral sector for private sector investment, including foreign direct investment (FDI).

(iii) Permitted 100% FDI under the automatic route, in all minerals except diamond & precious stones; for diamond & precious stones FDI is allowed upto 74% under the automatic route and upto 100% through the Foreign Investment Promotion Board.

(iv) Introduced the concept of reconnaissance permit (RP) as a stage distinct from and prior to actual prospecting operations.

(v) Delegated further authority to State Government.

To review the National Mineral Policy, 1993 and further improve the investment environment in the mining sector a High Level Committee has been set up under Shri Anwarul Hoda, Member, Planning Commission to recommend appropriate measures in this regard.

Though there is no decline in the value of production of aluminium, the Government has approved the second phase expansion of National Aluminium Company Limited, a public sector undertaking under administrative control of Ministry of Mines to increase the production of aluminium.