

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:5029
ANSWERED ON:27.04.2010
ACQUISITION OF OVERSEAS MINERAL ASSETS
Bajirao Shri Patil Padamsinha

Will the Minister of MINES be pleased to state:

- (a) whether the Government has taken steps/proposes to take steps to simplify the acquisition procedures for the overseas minerals assets/resources by the domestic Indian companies;
- (b) if so, the details thereof;
- (c) whether the Government is aware that several neighbouring countries have taken a lead in securing global minerals assets; and
- (d) if so, the details thereof and the reaction of the Government thereto?

Answer

THE MINISTER OF MINES AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI B. K. HANDIQUE)

(a) to (d) : Yes, Sir. National Mineral Policy 2008 and mining legislation does not restrict overseas mining by domestic companies. However, investments outside the country are regulated by guidelines in Foreign Exchange Regulations. Government had set up a High Level Committee in 2006 under the Chairmanship of Shri Anwarul Hoda, Member, Planning Commission, and the report of the Committee has inter alia observed in para 1.22 as follows :-

"In today's global market place, minerals are readily available from multiple sources, either through direct purchase or through acquisition of domestic and foreign deposits and mines. Most nations today rely on the private sector to make exploration decisions. Instead of national self- sufficiency and uneconomic production of nationally scarce minerals, the global market place has changed the goal post, and access to supplies of natural resources and access to markets for such resources are being sought simultaneously by nations. Comparative advantage can express itself through benefits of location to domestic industry, such as savings in freight."

Government is facilitating industry in acquisition of mineral assets through information, visits of delegation abroad, and making available services of Indian Missions abroad.