
New mining policy to draw FDI of INR 5 trillion

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BS reported that the long delayed new mining policy is set to attract a foreign direct investment of INR 5 trillion within 5 to 6 years of introduction.

Mr Subbarami Reddy union minister of state for mines claimed that industrialists across the world are eyeing India's rich mineral reserves of which only 5% of the 187,000 million square kilometer of the country's mineral wealth is exploited.

He said "Foreign industrialists are grappling with delays in land acquisitions, project clearances and mining leases. These issues have been sorted out in the new mining policy."

Mr Reddy has appealed to project resistance groups to educate tribals of the benefit of the industrial projects. He hoped that India would be able to mine gold and diamonds worth at least INR 10 trillion to 15 trillion in the next 5 years with the help of global mining giants Rio Tinto, BHP Billiton and De Beers.

The mining sector has also been facing problems regarding environmental protection and tribal rehabilitation. As most of the country's mining reserves lie in the forest area, both the government and industrialists are facing resistance from locals.

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