

India continues to import mining-related equipments and spare parts, particularly large-sized. Such imports totalled about Rs. 4.7 billion in 1993-94, the majority of which came from the US, Japan, Italy, Korean Republic, UK and Sweden.

Mineral Services

Along with the equipment/machinery industry, India gradually developed its service capabilities from the exploration of minerals to the marketing of final products. Once again these were conditioned by local requirements, India lagging behind its counterparts in European and American continents. The growth of this sector, as in case of the mining industry, was limited by minimal private and foreign participation, while scarce funds continued to plague the industry. Moreover, projects covered by bilateral assistance, particularly coal, obviate the need for any special services such as the cooperation/assistance agreements provided for the rendering of such services in crucial areas. In addition, India has requisitioned the services of foreign and Indian consultants for specific projects [see section on mineral services].

The origin of the service sector dates back to the 1850's when the Geological Survey of India (GSI) was established. Annex 1.4 lists the GSI's exploration programs for 1992-97. In 1948, the Indian Bureau of Mines (IBM) was established as an agency of the GOI. Subsequently, several public sector organisations have set up their own planning and consultancy services in areas such as exploration, mine planning and designing, construction, project management, preparation of detailed project reports and engineering aspects.

Prospects for foreign participation in the mining machinery and service sector are detailed in the following pages.