

Iron Ore - Bullish demand projections indicate a need for sizable investments in new and existing mines. Recoverable reserves of iron ore are estimated at 12.7 billion tonnes.

Manganese - Upgrading of technologies and application of modern mining methods would increase productivity.

Bauxite/Aluminum - Canada can build on historical relations with India in this area. Highlighted opportunities include bauxite mining and beneficiation, secondary aluminum production, gallium recovery, commercial products from red mud, and joint ventures in third countries.

Copper - Hindustan Copper Ltd. has expressed a keen interest in joint ventures. Proposed projects include expansion of the Khetri mine and complex, and u/g mine development in Madhya Pradesh and Bihar.

Lead/Zinc - Prospects exist for joint venture collaboration in lead/zinc exploration, especially using advanced technologies to explore at depth. Hindustan Zinc Ltd. is pursuing joint ventures in base metal, gold, nickel, and potash exploration and development. There is also scope for joint venture efforts in both primary and secondary lead/zinc production.

Diamonds - More intensive exploration is required. The India Investment Centre considers that the possibility of further diamond discoveries is high, notably in Madhya Pradesh.

Gold - More intensive exploration holds potential for gold as well. Some small deposits have been identified for possible development. Technologies for extraction and refining are also needed. Offshore interest in gold is growing.

Nickel - Known nickel deposits in India are low grade, and are mixed with chromite and laterite. The Sukinda deposit in Orissa offers potential.

Coal - While the coal sector is not open for private ownership, Canada has assisted India with coal development in the past. Coal India Ltd. has issued global tenders for coal washeries, and seeks collaboration in advanced technology mining and beneficiation. Given India's environmental objectives, technological cooperation, especially in the area of clean coal technologies, also appears to offer promise.

Investment Climate - Other Features

India is a developing nation. Working conditions reflect that reality. The country suffers from chronic power shortages of the order of 7 to 8 per cent annually. In response, the Government of India is aggressively seeking foreign investment in the power sector. Response from prospective investors has been strong.