

India continues to import mining-related equipments, particularly large-sized, and spares parts for these. Such imports totalled about Rs. 4.7 billion in 1993-94, coming mainly 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 exploration of a mineral to marketing of the final product. These again were conditioned by the local requirements, lagging behind its counterparts in European and American continents. The growth of this sector, as in case of the mining industry, was restricted by limiting private and foreign participation to the barest minimum, while paucity of funds continued to plague the industry. Moreover, projects, particularly coal, covered by bilateral assistance, obviates the need for any special services as the cooperation/assistance agreements provided for rendering of such services in crucial areas. In addition, India has requisitioned services of foreign and Indian consultants for specific projects [see section on mineral services] on a need basis.

The origin of service sector dates back to 1850's when the Geological Survey of India (GSI) was set up. Annexure 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 such areas as exploration, mine planning and designing, construction, project management, preparation of detailed project reports and engineering aspects, etc.

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