

- Convertibility of the rupee on current account
- India a member of the World Trade Organization
- Regulatory simplification for several industries, including mining, by the Government of India and several state governments including Haryana, Kerala, Madhya Pradesh, Orissa, Punjab, Rajasthan, and West Bengal

It is too soon to assess the impact of the economic reform process. The Asian Development Bank forecasts GDP economic growth in 1995 of 6.1 per cent and 6.5 per cent in 1996. While solid by world standards, this performance would trail behind the South-East Asian 'tigers'. By Western standards, the government continues to intervene heavily in the economy in order to meet social objectives. It is widely agreed that public sector inefficiency is a drain on Indian growth potential. Infrastructure, notably power and communications, is not adequate to meet demand. The pace of liberalization at the State level has been uneven. Still, the reforms are well entrenched and broadly accepted by the Indian population. The offshore investor has never been more welcome in the history of independent India.

Indian Mining - Scope, Performance, and Trends

As a result of previous policy, the Indian mining industry - in terms of value - is about 90 per cent in public sector hands. For practical purposes, all coal production is government owned, as is production of lead/zinc, copper, gold and diamonds. There is significant private participation in Iron Ore, Chromite, and Manganese production. Industrial minerals fall largely in private hands. Profiles of major producers are available separately.

There are approximately 4,400 operating mines in India, though the Ministry of Mines indicates that only 300 are "major mines".

Mineral exploration, likewise, has been largely publicly funded. The majority of exploration has been conducted by the Geological Survey of India, supplemented by the State Geology Departments. Advanced exploration is also carried out by the Mineral Exploration Corporation Ltd., and some of the mineral producers. As described below, this industrial structure is now changing with the welcoming of foreign capital.

In the current five-year plan, the Government of India notes that the exploration effort in India should refocus on those commodities in short supply domestically in India, notably the base metals, gold, diamonds and tungsten.

Canadian and Indian mineral production is compared in Table 2. Examining the non-fuel plus coal sectors, the total value of production in Canada in 1993, C\$14.8 billion, exceeds Indian mineral production over the similar period, which was nearly C\$6.0 billion. India is the world's largest producer of mica, the second largest producer of barytes, the third largest producer of chromite, fifth largest of bauxite, seventh largest of coal and tenth largest of aluminum.