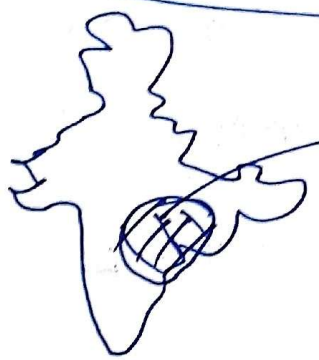


• Enumerate the reasons behind poor contribution of mining industry towards India's GDP. Discuss the ways in which pol. players can contribute to overcome the challenges faced by sector.

The primary industry, mining employs around 1.3 million people and contributes only 1.5% of GDP as of 2020-21. Reforms are necessary to increase its share.

Reasons for poor contribution

 60% - Bauxite
70% - coal
80% - iron ore
100% - chromite

① Geography
→ concentrated only in Chattisgarh, Jharkhand and Odisha of plains and Chhattisgarh.

② Forest areas - Most of the mines are concentrated in forest and tribal areas which hampers mineral exploration. The recent closure of a mine inhabited by Dongria Kondh

③ many clearances are in place such as environment and forest clearances.

④ Obsolete technology is being used in India. Still open cast mining is practised without safety measures.

Here, the contribution of private players is crucial in order to meet the ^{target} ~~demand~~ of mining to contribute 2.5% of GDP by ~~2025~~ 2026-27.

Private players scale

① Change in policy - The recent revision of MMDRA - mines and minerals development regulation act, captive owners can sell 50% of annual mineral in the open market.

The same act allowed exploitation of lithium by private players.

② Change in Classification currently the VNFC - United Nations Framework code is in place which reports in general covering undiscovered and uneconomic resources.

Industries can get IMIC - Indian mineral industry code which ensures likelihood of profitability.

Atmanirbhar mining

The essence of Viksit Bharat lies in energy consumption for which mining is crucial. Private participation must take off to attain the Viksit Bharat goal.