

Despite being a repository of an array of minerals, India importing over three times the value of its indigenous production. And, the disturbing trend has shown no sign of abatement since 2013-14.

At the end of 2016-17, the country produced major metallic and non-[metallic minerals](#) valued at Rs 474.31 billion. Imports, however, were of the order of Rs 3,458.11 billion. Gold and diamond topped the import chart, accounting for more than 80 per cent of the value of imported [minerals](#). The country also imports ores and concentrates of copper, lead, [nickel and zinc](#) and the [Platinum Group of Metals](#).

Provisional figures of the [Union mines ministry](#) suggest the country's mineral production, both major and minor, was valued at Rs 1.18 trillion in 2017-18. Though the ministry is yet to collate data on value of [minerals](#) imported, an industry source said it could touch Rs 3.5 trillion, thrice the value of the domestic production.

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Alongside agriculture and manufacturing, [mining](#) is considered as one of the key economic activities due to its multiplier effect on employment and local economy, especially the tribal infested areas. Ironically, the share of [mining](#) to the country's [GDP](#) (Gross Domestic Product) was only 1.36 per cent in 2016-17. Though the country is endowed with rich mineral reserves, much of the wealth below the ground still remains untapped. This has ensued a lopsided scene in [mining](#) where imports trounce domestic output in value.

Federation of Indian Mineral Industries (Fimi) blames the situation to severe constraints in exploration, an activity considered to be the lifeline of mining.

Year	Value of Major Minerals Produced	Value of Minerals Imported
2013-14	499.06	3,364.51
2014-15	444.05	3,364.51
2015-16	411.93	3,668.38
2016-17	474.31	3,458.11
2017-18*	607.30	3,500
* Estimated; Values in bn dollars; Source: Mines ministry annual report, Ministry of Commerce & Industry		

“Due to the unhelpful exploration policy and the activity being limited to GSI (Geological Survey of India) and MECL (Mineral Exploration Corporation Ltd), the focus has been on tapping surface deposits like iron ore, bauxite, limestone, manganese and chromite. There has not been enough focus on deep seated minerals, which has resulted in more imports,” said R K Sharma, secretary general, Fimi.

The few exploration stories in minerals where the country lacks self-sufficiency -- [lead](#) & zinc in Udaipur (Rajasthan), [copper](#) in Malanjkhand (Madhya Pradesh) and the Hutti & Bharat gold mines in Karnataka have been chance discoveries based on old working, Sharma

felt.

In India, exploration is still a state sponsored activity. Both GSI and MECL undertake exploratory work using taxpayers' money. This is opposed to the practice in leading resource rich countries like Australia, Canada, Brazil, Chile and South Africa. In these countries, private entities better known as junior exploration companies take up the risky venture of mineral exploration by raising funds from venture capital. Such companies make profit out of exploration business by selling mineral concessions to the bigger miners.

Also, exploration being the cornerstone of mining, the tepid spending on the activity in India does not spur unearthing of deep seated deposits. On every square km, the country's exploration spend is a measly \$9 as against \$5580 in Australia and \$5310 in Canada.