



Ban on Iron ore mining & exports led to 1 mn job losses: Study



Ban on iron ore mining and exports in top producing states of Karnataka and Goa led to job loss of one million people, directly and indirectly, according to a recent ASSOCHAM-Yes Bank joint study.

After the global meltdown and export ban in Goa and Karnataka, a significant decline was registered in minerals production, this had major consequences on iron ore exports that declined markedly from over 117 million tonnes (mt) in 2009-10 to about 14 mt in 2013-14 thereby leading to massive job loss, noted the study titled, "Mining: Building a sustainable development framework for inclusive growth", jointly conducted by The Associated Chambers of Commerce and Industry of India (ASSOCHAM) and Yes Bank.

"Recent issues of illegal mining together with regulatory challenges, policy gridlocks, inadequate supporting infrastructure and others are significant hurdles in growth of India's mining sector," said Mr. D.S. Rawat, secretary general of ASSOCHAM.

"India's mining sector is saddled with logistic inefficiencies, economic, bureaucratic, environmental and a host of capacity issues owing to a lack of co-ordination between various agencies, besides, lack of central planning has resulted in procurement delays," said Mr. Rawat.

"This calls for consistent increase in transportation via rail, road for easy transport of minerals to the point of consumption," he added.

The ASSOCHAM-Yes Bank study has suggested the Government to take progressive policy initiatives like single window clearances for Greenfield and Brownfield projects to encourage private sector participation by enhancing domestic availability of major raw materials, improving financing avenues across mineral value chain and initiating steps to promote sustainable practices through larger community engagements and responsible mining.

Rapid urbanization coupled with growth in manufacturing sector would fuel up to 9-11 per cent annual growth in demand for various metals and minerals which is further expected to grow 4-5 times during the next decade, added the study.

The Indian mining industry which largely comprises small and medium enterprises (SMEs) involved in surveying, exploration and other mining activities needs to evaluate and tap into some innovative funding sources accessed by its global peers, more so as recent judicial and regulatory developments in the sector have further dried up new funding areas from banks.

STEEL PUNCH

- Shrinivas Prabhudesai



"Happy days are here again!"