

GOVERNMENT OF INDIA
MINISTRY OF MINES
RAJYA SABHA
UNSTARRED QUESTION NO.2502 #
ANSWERED ON 11.08.2025

EXPLORATION AND AUCTION OF CRITICAL MINERAL BLOCKS

2502 # SHRI SUBHASH BARALA:
SMT. MAYA NAROLIYA:

Will the Minister of MINES be pleased to state:

- (a) the progress made so far in exploration of critical and strategic minerals across the country;
- (b) the number of critical mineral blocks successfully auctioned so far, and the expected timeline for auctioning the remaining identified blocks; and
- (c) the steps being taken to encourage private sector participation and investment in exploration of deep-seated and critical minerals?

ANSWER

THE MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)

(a): The Geological Survey of India (GSI), an attached office of the Ministry of Mines has prioritized and intensified the exploration of critical and strategic minerals listed in Part D of First Schedule to the Mines and Minerals Development and Regulations (MMDR) Amendment Act, 2023. GSI carried out 628 mineral exploration projects on various critical and strategic minerals across the country from field season 2020-21 to 2024-25. During the current field season 2025-26, 230 mineral exploration projects have been taken up by GSI for critical minerals across the country. In addition, GSI has also launched a 'Critical Mineral Assessment Programme' (CMAP) in 2024-25 to target the secondary enrichment zones of Critical Minerals on a nationwide scale. Till date, GSI has taken up 27 CMAPs in different parts of the country.

Further, National Mineral Exploration Trust (NMET) provides funding support to Notified Exploration Agencies and Notified Private Exploration Agencies for exploration of critical minerals. So far, NMET has sanctioned 196 projects of critical and strategic minerals amounting to Rs 575 crores.

(b): The MMDR Amendment Act, 2023 has empowered the Central Government to exclusively auction critical and strategic minerals like lithium, cobalt, and rare earth elements etc. and till date, 34 critical and strategic mineral blocks have been successfully auctioned. The Ministry

of Mines places critical and strategic mineral blocks for auction in tranches. Till date, 5 tranches of auctions have been held.

(c): In order to encourage private sector participation and investment in exploration of 29 critical and deep-seated minerals specified in the Seventh Schedule, a new mining concession called Exploration Licence has been introduced through MMDR Amendment Act, 2023. The Exploration Licence is given through auction.

Exploration Licence holder invests in exploration in licenced area and is eligible for revenue share from the mine(s) which have been explored by the Exploration Licence holder when these mine(s) start production and dispatch of minerals.

There is a provision to reimburse part of the exploration expenditure incurred by the Exploration Licence holder under a scheme of National Mineral Exploration Trust (NMET), if Exploration Licence holder so desires to reduce the risk taken.

The incentives given through NMET to encourage participation by private sector in mineral exploration of critical and deep-seated minerals are as follows:

- (i) 100% funding for mineral exploration projects of Notified Private Exploration Agencies.
- (ii) Support for holders of Exploration Licenses and Composite Licenses by reimbursing exploration expenses upto 50% of the total expenditure incurred.
- (iii) Exploration incentive of 25% of the approved projects cost of the G4 items for critical, strategic and deep-seated minerals to the exploration agencies if the block is successfully auctioned or upgraded to G3 stage.
