

GOVERNMENT OF INDIA  
MINISTRY OF MINES  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 124 #**  
ANSWERED ON 01.12.2025

**STATE MINING READINESS INDEX**

124 # SMT. MAYA NAROLIYA:  
SHRI ADITYA PRASAD:

Will the Minister of MINES be pleased to state:

- (a) objectives and indicators used to assess the performance of States under the newly launched State Mining Readiness Index;
- (b) States that have secured top positions in various mineral resource categories and the parameters contributing to their rankings;
- (c) manner in which the said index is expected to encourage competition and improvements among States in areas such as auction performance and sustainable mining;
- (d) whether Government is planning to integrate the index in the future with capacity-building or incentive mechanisms for the States; and
- (e) if so, the details thereof?

**ANSWER**

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

(a): The objectives of the State Mining Readiness Index (SMRI) are to capture a State's relative contribution in developing the country's mining sector, assess effectiveness in mining regulation & administration and instill competitive spirit among States. The indicators used to assess performance of States under SMRI are auction performance, mine operationalization, thrust on exploration and sustainable mining.

(b): Under SMRI, States have been grouped on the basis of their mining and mineral resource potential into three categories viz. A (high), B (medium) and C (low). The category-wise top three ranked States are Madhya Pradesh, Rajasthan and Gujarat in Category A; Goa, Uttar Pradesh and Assam in Category B; and Punjab, Uttarakhand and Tripura in Category C. The parameters contributing to their rankings broadly include auction of mineral blocks, auctioned blocks operationalized, number of Composite Licenses (CLs) and letters of intent (LoIs) for CLs issued, average time taken for issue of LoI to preferred bidders from date of auction, geo-science

data integration on National Geoscience Data Repository, number of exploration projects completed, and various measures for sustainable mining.

(c): Auction performance and sustainable mining are two out of four indicators for computing the SMRI. Improvement in these indicators results in better scores and leads to healthy competition among States.

(d) & (e): The index is linked with an incentive mechanism for the States. A provision for an incentive of ₹100 crores to each of the top 3-ranked States in each of the three categories (A, B and C) has been made under the Scheme of Special Assistance to States for Capital Investment (SASCI) 2025-26.

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