GOVERNMENT OF INDIA
MINISTRY OF MINES
RAJYA SABHA
UNSTARRED QUESTION NO. 2496 #
ANSWERED ON 10.08.2026

MINING SECTOR REFORMS AND MINERAL EXPLORATION

2496 # SHRI NARESH BANSAL:

Will the Minister of MINES be pleased to state:

(a) the major reforms undertaken in the mining sector during the last one year to promote ease of doing business, accelerate mineral exploration and facilitate the timely operations of mining projects;
(b) the progress made by the Geological Survey of India in the exploration of critical and strategic minerals during the field season 2025–26, including major achievements recorded; and
(c) the measures taken to encourage the participation of States and private agencies in mineral exploration and the auction of mineral blocks?

ANSWER

THE MINISTER OF STATE FOR COAL AND MINES
(SHRI SATISH CHANDRA DUBEY)

(a): Ministry of Mines, in collaboration with State Governments, has undertaken several measures to promote ease of doing business, accelerate mineral exploration and facilitate timely operationalisation of mining projects. Some of the key measures undertaken are as follows:

i. The Mineral (Auction) Rules, 2015 have been amended to introduce intermediary timelines, automatic declaration of preferred bidder and automatic issuance of Letter of Intent (LoI), accountability for delays by bidders and State Governments, and incentives for early operationalisation.
ii. The State Governments have been incentivized to accelerate the auction of major minerals blocks and expedite operationalization of mines through financial incentives under Scheme for Special Assistance to States for Capital Investment (SASCI) in FY 2025-26.
iii. Legislative and policy reforms have been undertaken, including provision for inclusion of new minerals in existing mining leases, one-time area extension for Mining Lease (ML) / Composite Licence (CL), and removal of restrictions on sale of minerals from captive mines to increase ease of doing business.
iv. A dedicated Project Management Unit (PMU) has been established at Ministry of Mines for continuous monitoring of auctioned blocks.

v. Monthly review meetings with State Governments are held under the chairmanship of the Secretary (Mines) to monitor the progress of auction and operationalisation of mineral blocks and resolve bottlenecks.

vi. State-specific review meetings with concerned officials from mining, forest, environment, revenue departments and concerned bidders are convened under the chairmanship of the Hon'ble Union Minister of Mines and Secretary (Mines).

vii. Pre-Auction Committees have been constituted by major mineral States to resolve land scheduling issues before the auction process, facilitating more participation of bidders and faster operationalisation.

viii. State-level Coordination Committees under Chief Secretary have been constituted by the major mineral states to address the bottlenecks and fast-track the operationalization of auctioned mines.

(b): During field season 2025-26, Geological Survey of India has completed the field execution of 230 mineral exploration projects on various critical and strategic minerals across the country.

(c): The Mines and Minerals (Development and Regulation), Act, 1957 (MMDR Act) was amended through the MMDR Amendment Act, 2021 whereby provision was made for notification of accredited private exploration agencies for undertaking exploration under Section 4(1) of the MMDR Act. So far, 51 private exploration agencies have been notified and 187 exploration projects have been taken up through these agencies.

The Central Government has launched a scheme under National Mineral Exploration and Development Trust (NMEDT) for partial reimbursement of exploration expenses of upto 50 percent of direct cost with ceiling of ₹20 Crores, to holders of exploration licences. A scheme has also been launched under NMEDT for partial reimbursement of exploration expenses upto 50 percent of direct cost incurred for exploration with ceiling of ₹8 Crores, to holders of composite licences.

Furthermore, NMEDT also provides Exploration Incentive (EI) of 25 percent of the approved cost of the project for G4 items in Greenfield areas for gold, base-metals, other precious minerals, strategic / critical minerals and fertilizer minerals if the block gets upgraded from G4 to G3 Stage.

Under SASCI, incentive is given to the State Governments *inter-alia* for constitution of pre-auction committee to resolve land scheduling issues for faster identification and preparation of mineral blocks for auction; publication of annual auction calendar for major minerals to facilitate more active & transparent auction by the States; successful auctioning of major mineral blocks with pre-embedded clearances and operationalization of auctioned major mineral blocks as per prescribed target.

Further, the Mineral (Auction) Rules have been amended vide G.S.R. 223(E) dated 30.03.2026 to allow notified exploration agencies to participate in the auction of all types of mineral blocks explored by them.

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