

GOVERNMENT OF INDIA  
MINISTRY OF MINES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 29**  
ANSWERED ON 07.12.2022

**AUCTION OF NON-FUEL MINERAL BLOCKS**

29. SHRI RAJVEER SINGH (RAJU BHAIYA):  
SHRI VINOD KUMAR SONKAR:  
SHRI RAJA AMARESHWARA NAIK:  
DR. SUKANTA MAJUMDAR:  
SHRI BHOLA SINGH:

Will the Minister of MINES be pleased to state:

- (a) whether the Government plans to bring policy changes to boost mining production and if so, the details thereof;
- (b) the total number of non-fuel mineral blocks auctioned during last three years;
- (c) whether it is a fact that auctions received bids higher than the estimated value of reserve and if so, the details thereof, block-wise;
- (d) the details of auctioned leases that have been surrendered;
- (e) the details of the Government earnings from the auction of non-fuel mineral blocks during the last two years; and
- (f) the details of the production output of auctioned mines in comparison to agreed-upon outputs as per their Mine Development and Product Plans, mine-wise?

**ANSWER**

THE MINISTER OF MINES, COAL AND PARLIAMENTARY AFFAIRS  
(SHRI PRALHAD JOSHI)

(a): The Ministry of Mines has amended the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act, 1957) through the MMDR Amendment Act, 2021 with effect from 28.03.2021 with the objective of *inter alia* increasing mineral production, time-bound operationalization of mines, investment in the mining sector, maintaining continuity in mining operations after the change of lessee, increasing the pace of exploration and auction of mineral resources.

(b): As of 30.11.2022, 121 non-fuel mineral blocks have been auctioned during the last three years (FY 2020-21 to 2022-23) .

(c): As per the Mineral Auction Rules, 2015, the Reserve price is the minimum percentage of the value of mineral dispatched which is specified by the State Government. Auction bids are a percentage of the value of mineral dispatched which is equal to or above the reserve price which the successful bidder shall pay to the State Government. In some cases, bids have been received in excess of 100% of the Value of Estimated Resources (VER). A State-wise Summary of the auctioned mines where bids received in excess of 100% of VER is at Annexure-I.

(d): As per the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957 and the Rules framed thereunder, the State Governments are empowered to grant mineral concessions for the minerals located within their respective jurisdiction. Accordingly, information regarding the surrender of mines is also maintained by the State Governments.

(e): As per the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957 and the Rules framed thereunder, the State Government are empowered to grant mineral concessions for the minerals located within their respective jurisdiction and to collect the revenue generated thereupon. Auction revenue will be accrued to the State Government once the production & dispatch of minerals start from the auctioned mines. As per the information received from the State Governments, revenue accrued from the operationalized auctioned mines in the last 2 years is at Annexure-II.

(f): Mine Development and Product Agreement (MDPA) is signed by the successful bidder with the State Government upon obtaining all consents, approvals, permits, no objections and the like as may be under applicable laws for commencement of mining operations. Accordingly, the details regarding the production output of auctioned mines in comparison to agreed-upon outputs as per MDPA is maintained by the respective State Governments.

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**Annexure I****A Statewise Summary of the auctioned mines where bids received in excess of 100% of VER**

S No	State	Total Auctioned Mines since 2015	Auctioned Mines where bids are in excess of 100% of VER
1	Andhra Pradesh	20	1
2	Chhattisgarh	19	5
3	Gujarat	12	1
4	Jharkhand	07	1
5	Karnataka	34	9
6	Madhya Pradesh	32	9
7	Maharashtra	28	5
8	Odisha	40	20
9	Rajasthan	22	6
10	Uttar Pradesh	02	0
<b>Total</b>		<b>216</b>	<b>57</b>

**Annexure II****Revenue from the auctioned operationalized mines in the last 2 years:**

States	Revenue generation from the auctioned mines which have started production (in Cr.) (2021-22 to 2022-23)
Odisha	40644.81
Karnataka	2093.79
Andhra Pradesh	17.79
Chhattisgarh	0.92
<b>Total</b>	<b>42,757.31</b>