

GOVERNMENT OF INDIA  
MINISTRY OF MINES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 485**  
ANSWERED ON 03.12.2025

**AMENDMENT TO MINERAL (AUCTION) RULES, 2015**

485. SHRI YOGENDER CHANDOLIA:  
SHRI NARAYAN TATU RANE:  
SMT. SHOBHANABEN MAHENDRASINH BARAIYA:  
SHRI HASMUKHBHAI SOMABHAI PATEL:  
SHRI MITESH PATEL BAKABHAI:  
SHRI DINESHBHAI MAKWANA:  
SHRI BIDYUT BARAN MAHATO:  
SHRI CHANDAN CHAUHAN:  
DR. BHOLA SINGH:  
SHRI RAVINDRA SHUKLA ALIAS RAVI KISHAN:  
SHRI KHAGEN MURMU:  
DR. RAJESH MISHRA:  
SHRI BUNTY VIVEK SAHU:

Will the Minister of MINES be pleased to state:

- (a) the rationale behind the recent amendments to the Mineral (Auction) Rules, 2015 introducing intermediate timelines to promote faster operationalization of mines and the likely impact of these amendments on the auctioned / proposed mineral blocks located in Chhindwara district of Madhya Pradesh;
- (b) the key milestones and corresponding timelines prescribed for mining leases and composite license blocks as per the amended rules and the special monitoring mechanisms established for mining areas in Chhindwara district to ensure adherence to these timelines;
- (c) the details of the incentives and penalties applicable for the early commencement or delay in production under the amended rules;
- (d) the expected impact of the said reforms on the timely operationalization of auctioned mineral blocks, the increase in mineral production as well as local employment and industrial development particularly in Chhindwara district;
- (e) whether any new coal blocks have been allotted in Singrauli or Sidhi district;
- (f) if so, the details thereof; and
- (g) whether the Union Government proposes mechanisms to assist States like Uttar Pradesh in operationalising minor mineral blocks that supply construction raw materials to districts such as Bulandshahr and if so, the details thereof?

## **ANSWER**

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

(a): The Ministry of Mines has amended the Mineral (Auction) Rules, 2015 with effect from 17.10.2025 whereby intermediary timelines have been introduced in the Rules in order to fast-track the operationalization of auctioned mineral blocks. These timelines are applicable for all auctioned blocks including those located in Chhindwara district of Madhya Pradesh.

(b): The key milestones and corresponding timelines prescribed for mining leases and composite license blocks as per the amended rules are given in **Annexure I**.

As per the amended Rules, the State Governments are required to constitute a committee under the chairmanship of the Director, Directorate of Mines and Geology of the State Government (by whatever name called) with members from the Indian Bureau of Mines, and Revenue Department, Forest Department, Environment Department and such other concerned Department of the State Government to take a decision as to whether delay or non-compliance is attributable to the preferred bidder after giving reasonable opportunity of being heard to such bidder. This mechanism is applicable for all auctioned blocks including those located in Chhindwara district of Madhya Pradesh.

(c): The Rules provide for appropriation of 1% of the performance security for delay (attributable to the bidder) of each month or a part of month beyond the above timelines. The Rules also provide for adjustment of the appropriated amount, if any, against the auction premium payable, if the final milestone is achieved within the stipulated overall timeframe. Further, the Rules also provide for reduction in the amount of second installment of the upfront payment by 5% for the delay of each month or a part of month by the State Government in issuing the letter of intent to the preferred bidder beyond the stipulated time.

Further, an incentive has been provided for early commencement of production from the auctioned mines. The lessee is required to pay only 50% of the auction premium for the mineral produced, within five years from the date of issue of letter of intent for grant of mining lease or within seven years from the date of issue of letter of intent for grant of composite licence.

(d): The intermediary timelines provide a mechanism to monitor progress of operationalization of auctioned mines across various stages from issuance of the letter of intent till execution of the mining lease. These timelines are meant to ensure faster operationalization of the mines, thereby, increasing mineral production significantly as well as local employment and industrial development including in Chhindwara district.

(e) & (f): As per the information received from Ministry of Coal, a total of nine coal blocks have been allotted in Singrauli district under the commercial auctions from June, 2020 onwards. The details of these blocks are given in **Annexure II**.

(g): As per Section 15 of the Mines and Minerals (Development and Regulation) Act, 1957, the State Governments are empowered to make rules for regulating the grant of quarry leases, mining leases or other mineral concessions in respect of minor minerals and for purposes connected therewith. The complete administration and regulation of minor minerals vests with the State Governments.

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**Referred in reply to part (b) of Lok Sabha Unstarred Question No. 485****For Mining Lease:**

<b>Sl. No.</b>	<b>Milestone</b>	<b>Timeline</b>
1	Approval of mining plan	Within 6 months from issue of letter of intent for mining lease
2	Grant of environment clearance	Within 18 months from the completion of Milestone – 1
3	Execution of mining lease	Within 12 months from the completion of Milestone - 2

**For Composite Licence:**

<b>Sl. No.</b>	<b>Milestone</b>	<b>Timeline</b>
1	Execution of composite licence	Within 12 months from letter of intent for composite licence
2	Completion of at least G2 level of prospecting in the entire licenced area in accordance with the Minerals (Evidence of Mineral Contents) Rules, 2015 and submission of report of prospecting operations to Indian Bureau of Mines and State Government	Within 36 months from the completion of Milestone-1
3	Approval of mining plan	Within 6 months from issue of letter of intent for mining lease
4	Grant of environment clearance	Within 18 months from the completion of Milestone-3
5	Execution of mining lease	Within 12 months from the completion of Milestone-4

**Annexure-II****Referred in reply to part (e) & (f) of Lok Sabha Unstarred Question No. 485**

<b>Sl. No.</b>	<b>Mine</b>	<b>Successful Bidder</b>	<b>CMSP Act / MMDR Act</b>	<b>Date of allocation</b>
1	Dhirauli	Stratatech Mineral Resources Private Limited	MMDR Act	03.03.2021
2	Bandha	EMIL Mines and Mineral Resources Limited	MMDR Act	03.03.2021
3	Gondbhaera Ujheni East	MP Natural Resources Private Limited	MMDR Act	10.10.2022
4	Bandha North	Jaiprakash Power Ventures Limited	MMDR Act	12.12.2022
5	Marki Barka	Birla Corporation Limited	CMSP Act	17.01.2023
6	Gondbahera Ujheni	MP Natural Resources Private Limited	MMDR Act	08.06.2023
7	Mara II Mahan	Mahan Energen Ltd	CMSP Act	01.08.2024
8	Mahan	JK Cement Ltd.	CMSP Act	18.12.2024
9	Sarai East (South)	ACC Ltd	MMDR Act	04.02.2025