

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. †519
ANSWERED ON 03.12.2025

STATE MINING READINESS INDEX

†519. SHRI VIJAY BAGHEL:
SHRI VISHWESHWAR HEGDE KAGERI:
SHRI CHANDAN CHAUHAN:
SMT. MAHIMA KUMARI MEWAR:

Will the Minister of MINES be pleased to state:

- (a) the objective behind assessing State performance under the newly introduced State Mining Readiness Index (SMRI) and the indicators used for the same;
- (b) the details of the States that seemed top position under various mineral wealth categories including the factors contributing to their rankings;
- (c) the expected role of the said index in promoting competition and reforms among States in areas such as auction performance and sustainable mining; and
- (d) whether the Government proposes to link this index to future capacity building or to incentive mechanisms for the State specially Rajasthan and 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 factors contributing to their rankings broadly include auction of mineral blocks, auctioned blocks operationalized, number of Composite Licenses (CLs) and letters of intent (Lols) 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, thereby promoting reforms and healthy competition among States.

(d): The index is linked with an incentive mechanism for all States, including the State of Rajasthan. 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.
