

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. †4181
ANSWERED ON 18.03.2026

BENEFITS OF MMDR ACT, 2025

†4181. SHRI JASWANTSINH SUMANBHAI BHABHOR:

Will the Minister of MINES be pleased to state:

- (a) whether the Mines and Minerals (Development and Regulation) (MMDR) Amendment Act, 2025 has made the mineral auction process more transparent and investment-friendly, thereby benefiting the State of Gujarat and if so, the details thereof;
- (b) whether mineral exploration in tribal-dominated areas like Dahod has been encouraged through the National Mineral Exploration Trust (NMET) and if so, the details thereof; and
- (c) whether the District Mineral Foundation (DMF) funds are being effectively utilized for public welfare works and if so, the details thereof?

ANSWER

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

(a): The Mines and Minerals (Development & Regulation) Act, 1957 [MMDR Act, 1957] has been amended through the MMDR Amendment Act, 2025 with effect from 01.09.2025. Through the said Amendment Act, the requirement of obtaining previous approval of the Central Government before initiating auction process for composite licence in respect of any notified mineral, i.e., bauxite, iron ore, limestone and manganese has been removed to expedite auctions. Further, the Amendment Act has enabled inclusion of any new mineral in a mining lease, allowed one-time extension of the area under a mining lease or composite licence, removed the limit on sale of minerals from the captive mines and allowed sale of legacy dumps stacked in captive mines. These amendments benefit all States including Gujarat.

(b): The National Mineral Exploration and Development Trust funds exploration projects within the country including in the tribal-dominated areas. The Trust has approved two projects for exploration upto G3 level for graphite and associated minerals and one project for exploration upto G4 level for Rare Earth Elements in Dahod, Gujarat.

(c): PMKKKY Guidelines, 2024 mandates utilization of at least 70 percent of DMF funds in high priority sectors such as drinking water supply, health care, education, sanitation and housing. As per the said Guidelines, Comptroller and Auditor General (C&AG) audits the accounts of DMF as per schedule decided by C&AG to ensure effective utilization of DMF funds. Further, the DMFs have been directed (December, 2025) to get accounts audited every year by Chartered Accountants empanelled by C&AG.
