GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 2854
ANSWERED ON 05.08.2026

MINING SECTOR REFORMS AND MINERAL EXPLORATION

2854. SHRI BASAVARAJ BOMMAI:
SHRI BIPLAB KUMAR DEB:

Will the Minister of MINES be pleased to state:

(a) the major mining sector reforms undertaken during the last one year to promote ease of doing business, accelerate mineral exploration and facilitate timely operationalisation of mining projects;
(b) the progress made in exploration of critical and strategic minerals by the Geological Survey of India during Field Season 2025–26 including the major achievements recorded;
(c) the measures taken to encourage participation of States and private agencies in mineral exploration and auction of mineral blocks; and
(d) the details of the steps taken by the Government to strengthen India's long-term mineral security and support the objectives of Aatmanirbhar Bharat and Viksit Bharat 2047?

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. A dedicated Project Management Unit (PMU) has been established at Ministry of Mines for continuous monitoring of auctioned blocks.
ii. 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.
iii. 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).

iv. 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.
v. 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.
vi. 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.
vii. 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.
viii. 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.

(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.

(d): The MMDR Act has been amended in the years 2020, 2021, 2023 and 2025 with the objective of strengthening India's long-term mineral security and support the objectives of Aatmanirbhar Bharat and Viksit Bharat 2047. Some of the major amendments include:

i. Transfer of clearances through vesting in favor of new lessees in case of re-auction of mines.
ii. Removal of end use restrictions for auction of mines.
iii. Transfer of lease without any charges.
iv. Participation of private sector in exploration by notification of accredited private exploration agencies for undertaking exploration.
v. Auction of mineral blocks of critical and strategic minerals by the Central Government.
vi. Introduction of exploration licence to attract mining companies in exploration.
vii. Inclusion of discovered additional minerals in the mining lease.
viii. Removal of limit on sale of minerals from captive mines after meeting end-use requirement.

Further, the Government has launched National Critical Mineral Mission (NCMM) to secure a sustainable supply of critical minerals and strengthen the entire value chain—from exploration and mining to beneficiation; processing and recovery from end-of-life products.

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