

GOVERNMENT OF INDIA  
MINISTRY OF MINES  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2994**  
ANSWERED ON 22.03.2021

**LAW FOR AUCTION OF MINERAL BLOCKS**

2994 SHRI DEREK O' BRIEN:

WILL THE MINISTER OF MINES BE PLEASED TO STATE:

- (a) whether there is any existing law or any law has been proposed wherein the Central Government can auction mineral blocks that belong exclusively to the States; and
- (b) if so, the grounds on which the Central Government can take control of the State's mineral block auction process?

**ANSWER**

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

(a): No, Sir. There is no provision in the existing law wherein the Central Government can auction non coal mineral blocks that belong to the States. However, the Mines and Mineral (Development and Regulation) Amendment Bill, 2021 passed by Lok Sabha on 19.3.2021 which, *inter-alia*, seeks to amend Section 10B and 11 of the MMDR Act, 1957 to provide that the Central Government shall require the State Government to notify an area for auction of Mining Lease/Composite Licence or to conduct auction in respect of such area, as the case may be, in a fixed time period. If the State Government fails to do so, the Central Government will notify such area or conduct auction, as the case may be. While fixing the time frame, the Central Government shall consult the State Government.

(b): The provision is limited to conduct auction only in cases where states faces difficulty in conduct of auction. However, lease shall be granted by the State Government concerned and revenue will accrue the State Government.

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