

GOVERNMENT OF INDIA  
MINISTRY OF MINES  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 287**  
ANSWERED ON 05.02.2024

**AUCTION OF MINERAL BLOCKS**

287 # DR. KALPANA SAINI:

Will the Minister of MINES be pleased to state:

(a) whether Government is planning to auction important mineral blocks to promote financial investment and development in mineral exploration; and

(b) if so, the details of the mineral blocks to be auctioned?

**ANSWER**

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

(a): The Mines and Mineral (Development & Regulation) Act, 1957 (MMDR Act) was amended with effect from 12.01.2015 whereby auction regime was introduced for grant of mineral concessions to bring in greater transparency and remove discretion at all levels in grant of mineral concessions. The Act was also amended in 2021 incorporating provisions *inter alia* aimed at accelerating mineral exploration and enhancing mineral production.

The Act has been recently amended in 2023, which empowers the Central Government to exclusively auction 24 critical and strategic minerals to increase the pace of auction and early production of these minerals. The amendment to Act in 2023 also introduced Exploration Licence for 29 critical and deep-seated minerals to boost the exploration of these minerals. The Exploration Licence granted through auction shall permit the licensee to undertake reconnaissance and prospecting operations for critical and deep-seated minerals mentioned in the newly inserted Seventh Schedule to the MMDR Act. Exploration license is foreseen to create an enabling mechanism in the discovery of critical and deep-seated mineral deposits through adoption of advanced technologies. This will bring several key benefits including bolstering domestic production, reducing import dependency, promoting sustainable resource management, attracting investments in the mining sector, and developing key industries crucial for India's industrial and technological advancement.

(b): Since the introduction of auction regime in 2015, 336 mineral blocks have been auctioned by the State Governments of which 223 are for mining leases and 113 are for composite licence. Further, as per the section 11D of the MMDR Act, 1957 the Central Government has notified 20 critical and strategic mineral blocks for auction. Further, Notice Inviting Tender for 77 major mineral blocks for auction by different State Governments is currently in progress.

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