

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 1704
ANSWERED ON 29.07.2026

INCENTIVE SCHEME FOR QUICKER OPERATIONALISATION OF MINES

1704. SHRI V K SREEKANDAN:

Will the Minister of MINES be pleased to state:

- (a) whether it is a fact that the Government has instituted an incentive scheme with an outlay of Rs.5,000 crore for financial year 2026-27 and if so, the details thereof;
- (b) whether it is also true that the aim of the scheme is for quicker operationalisation of mines, readiness in placing mines for auction, governance and integration with the government's central monitoring portal and if so, the details thereof; and
- (c) whether the scheme also aims to incentivise States towards ensuring that mines are placed faster for auctions and if so, the details thereof?

ANSWER

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

(a) to (c): Yes, an incentive scheme with an outlay of ₹5,000 crore has been incorporated under Part-V (Mining Sector Reforms) of the Scheme for Special Assistance to States for Capital Investment (SASCI) for financial year 2026–27. The Scheme comprises of three components viz. Component-I (Implementation of Mining Reforms), Component-II (Mine Operationalization) and Component-III (State Mining Readiness Index-based Reforms).

The incentive scheme aims to facilitate and expedite faster mine operationalization and improve overall governance of the mining sector by incentivizing States/ UTs (with legislature) to undertake reform measures including, *inter-alia*, State's integration with Unified Mining Portal of Ministry of Mines for mine operationalization; 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; operationalization of auctioned major mineral blocks as per prescribed target; and adoption of technology-based measures to prevent/

detect grade misclassification of mineral ore.
