GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 4092
ANSWERED ON 12.08.2026

TRANSPARENT AUCTION OF MINES UNDER NCMM

4092. SHRI SUKANTA KUMAR PANIGRAHI:

Will the Minister of MINES be pleased to state:

(a) whether the Government has accelerated mineral exploration, transparent auction of major, minor and critical mineral blocks and operationalisation of auctioned mines under the National Critical Mineral Mission and other reforms during Field Season 2025–26 and if so, the details thereof;
(b) the details of mineral blocks operationalised and their contribution towards domestic production, investment, employment and import substitution;
(c) the details of budget allocation, expenditure, royalty/revenue realised from minor minerals in Odisha during the last three years particularly in Kandhamal, Boudh, Nayagarh and Ganjam along with measures taken to promote scientific, sustainable and technology-driven mining while preventing illegal extraction, district-wise; and
(d) the roadmap for strengthening India's long-term mineral security and critical mineral value chains?

ANSWER

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

(a): Ministry of Mines has undertaken a series of legislative, policy and institutional measures to improve ease of doing business, accelerate mineral exploration, ensure transparent auction of major and critical mineral blocks, and facilitate timely operationalisation of auctioned mineral blocks. During Field Season 2025-26, the Geological Survey of India (GSI) completed field execution of 457 mineral exploration projects, including 230 projects on critical and strategic minerals, across the country. The National Mineral Exploration and Development Trust (NMEDT) also sanctioned 84 exploration projects for critical and strategic minerals during FY 2025-26.

(b): Since the introduction of the auction regime in 2015, 721 mineral blocks have been successfully auctioned, comprising 459 Mining Lease (ML) blocks and 262 Composite Licence (CL) blocks. Of these, 56 critical and strategic mineral blocks (ML-8, CL-48) have been auctioned by the Central Government. In addition, the Central Government has also auctioned 11 Exploration Licence (EL) blocks which include six blocks of critical minerals. These measures have also contributed to a significant increase in domestic production of major minerals. During the period from FY 2015–16 to FY 2025–26, production of major minerals such as iron ore, limestone, chromite and several other minerals, registered significant growth. Iron ore production increased from 158 MT to 312 MT, limestone from 307 MT to 483 MT, and chromite from 2.91 MT to 3.37 MT during this period.

(c): As per Section 15 of the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957, the State Governments are empowered to regulate the grant of minor mineral concessions, including fixation and collection of royalty and other charges. Further, under Section 23C of the Act, the State Governments are empowered to frame rules to prevent illegal mining, transportation and storage of minerals. As per the information furnished by the Government of Odisha, the details of budget allocation and expenditure on minor minerals in Odisha, and royalty/revenue realised from minor minerals in Odisha as well as in Kandhamal, Boudh, Nayagarh and Ganjam districts during the last three years are given at **Annexure-I.**

The Government of Odisha has further informed that it has adopted several measures to promote scientific, sustainable and technology-driven mining and to curb illegal extraction of minor minerals. These include preparation and periodic revision of District Survey Reports (DSRs), digital allocation of minor mineral resources through e-Lottery, mandatory statutory clearances, implementation of the Integrated Minor Minerals Mining Management System (i4MS), online e-Transit Pass (e-TP) system, DGPS and drone surveys, technology-based surveillance through CCTV and GPS-enabled monitoring, multi-tier enforcement mechanisms, standard operating procedures for enforcement, regular joint raids, and promotion of environmentally sustainable mining practices.

(d): The Union Cabinet has approved the National Critical Mineral Mission (NCMM) on 29 January, 2025 to secure a long-term sustainable supply of critical minerals and strengthen India's critical mineral value chains encompassing all stages from mineral exploration and mining to beneficiation, processing, and recovery from end-of-life products. Further, to diversify the sources of critical minerals, strengthen supply chain resilience, and enhance domestic exploration, production and processing of critical minerals, Ministry has undertaken several measures, which inter alia include:

(i) Ministry of Mines has successfully auctioned 56 critical mineral blocks. Additionally, the Central Government has also successfully auctioned 11 blocks of Exploration License, which include six blocks of critical minerals.

(ii) The Mines and Minerals (Development and Regulation) Act (MMDR Act), 1957 has been amended in 2025 whereby the scope of National Mineral Exploration and Development Trust (NMEDT) has been expanded to support critical mineral exploration and mining overseas.

(iii) During the Union Budget 2024–25, customs duties were eliminated on 25 critical minerals. In Budget 2025–26, Basic Customs Duty (BCD) was exempted on cobalt powder and waste, scrap of lithium-ion batteries, etc. Further, in Budget 2026–27, BCD was exempted on the import of capital goods required for processing of critical minerals in India.

(iv) MMDR Act, 1957, was amended in 2023 to introduce the Exploration Licenses (EL) regime for deep-seated and critical minerals. The EL holder is entitled to a share in the auction premium payable by the mining lease/composite licence holder, as prescribed.

(v) To encourage and incentivize private-sector participation in mineral exploration, scheme for partial reimbursement of exploration expenses has been introduced for holders of Composite Licences (CL) (reimbursement of up to 50%, subject to a ceiling of ₹8 crore) and holders of Exploration Licence (EL) (up to 50% of expenses, with a maximum limit of ₹20 crore).

(vi) Ministry of Mines has launched a scheme for reimbursement of up to 50% of the eligible exploration expenditure incurred by Composite Licence (CL) holders on approved exploration activities in offshore CL blocks, subject to a maximum limit of ₹300 crore.

(vii) The Union Cabinet approved a ₹1,500 crore Incentive Scheme to develop recycling capacity for the separation and production of critical minerals from secondary sources. The Scheme was launched on 02.10.2025.

(viii) Guidelines for funding Pilot Projects for Recovery of Critical Minerals from overburden/tailings/fly ash/ Red mud etc. were issued on 14.11.2025.

(ix) To promote Indian public and private sector entities to undertake mineral exploration in overseas jurisdictions, the Ministry of Mines circulated "Overseas Mineral Exploration Promotion Guidelines" on 16 July 2026.

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Annexure I

Annexure referred to in reply to part (c) of LS US PQ No. 4092 for answer on 12.08.2026 regarding ‘Transparent Auction of Mines under NCMM’

Budget Allocation and Expenditure on Minor Minerals (₹ in crore)

Financial Year	Budget Allocation	Expenditure
2023-24	1.80	0.50
2024-25	117.59	5.67
2025-26	177.61	14.05

Royalty/Revenue Collection from Minor Minerals (₹ in crore)

Financial Year	Total Revenue Collection in Odisha	Kandhamal	Boudh	Nayagarh	Ganjam
2023-24	1,487.55	23.17	18.96	25.57	125.11
2024-25	1,776.10	30.58	26.17	34.08	143.63
2025-26	1,841.56	29.38	42.67	35.18	118.81