

M.VI-1/6/2025-Mines VI  
Government of India  
Ministry of Mines  
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Shastri Bhawan, New Delhi  
Dated:- 23rd December, 2025

**NOTICE FOR PUBLIC CONSULTATION**

**Subject: Amendment in the Minerals (Other than Atomic and Hydrocarbon Energy Minerals) Concession Rule, 2016 [MCR, 2016] pursuant to the MMDR Amendment Act, 2025 - reg.**

The Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) was amended *vide* MMDR Amendment Act, 2025, with effect from the 1<sup>st</sup> September, 2025. Pursuant to the MMDR Amendment Act, 2025 the required amendments in the Mineral (Auction) Rules, 2015 and the National Mineral Exploration and Development Trust Rules, 2015 has already been published in the Gazette of India *vide* notifications No. G.S.R. 776(E) dated 22.10.2025 and No. G.S.R. 780(E) dated 23.10.2025, respectively.

2. Accordingly, pursuant to the MMDR Amendment Act, 2025, certain amendments are proposed in the Minerals (Other than Atomic and Hydrocarbon Energy Minerals) Concession Rule, 2016 (MCR, 2016) also. The draft notification for amendment of the MCR, 2016 is enclosed herewith as **Enclosure** for comments/ suggestions of from the general public, Governments of States and Union Territories, mining industry stake-holders, industry associations, and other persons and entities concerned.

3. In view of the above, it is requested that comments/ suggestions of the Governments of States and Union Territories on draft rules may be sent **on or before 23.01.2026**.

4. The comments/suggestions may be sent by e-mail in MS-Office Word file to the following ID:

[jspolicy-mines@gov.in](mailto:jspolicy-mines@gov.in)

5. The subject of the e-mail should be "Comments/ suggestions on the amendment in the MCR, 2016 pursuant to the MMDR Amendment Act, 2025".

6. Alternatively, comments/suggestions may also be sent by post to the following address:

Shri Mustaq Ahmad, Director  
Ministry of Mines  
Room No 313,  
D-Wing, Shastri Bhawan,  
Dr Rajendra Prasad Road  
New Delhi -110 001



7. The envelope may kindly be superscribed on the top with "Comments/ suggestions on the amendment in the MCR, 2016 pursuant to the MMDR Amendment Act, 2025".

Encl.: As above.

Vinod Kumar  
23/12/2025  
(Vinod Kumar)

Under Secretary to the Government of India

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]

GOVERNMENT OF INDIA

MINISTRY OF MINES

NOTIFICATION

New Delhi, the ....December, 2025.

G.S.R.....(E).— In exercise of the powers conferred by section 13 of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Central Government hereby makes the following rules further to amend the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016, namely:—

**1. Short title and commencement.**— (1) These rules may be called the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession (Second Amendment) Rules, 2025.

(2) They shall come into force on the date of their publication in the Official Gazette.

**2. In the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016,—**

(a) in rule 2, sub-rule (1), after clause (a), the following clause shall be inserted, namely:—

“(aa) “deep-seated minerals” means such minerals which occur at a depth of more than two hundred meters from the surface of land with poor surface manifestations.”;

(b) for rule 12, sub-rule (2), the following sub-rules shall be substituted, namely:—

“(2) The lessee shall report to the State Government, the discovery in the leased area of any mineral not specified in the lease within a period of six months from the notification of the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession (Second Amendment) Rules, 2025 or sixty days from the date of such discovery, whichever is later, and shall not win and dispose of such discovered mineral until such mineral is included in the mining lease.

(2A) A holder of a mining lease may apply to the State Government for inclusion of any other mineral, including a minor mineral, in his mining lease and the State Government shall permit inclusion of such mineral within thirty days of such application in accordance with the provision of section 15B by issuing an order.

(2B) Upon issuance of the order under sub-rule (2A), the new mineral shall be deemed to be included in the mining lease.

(2D) Notwithstanding anything contained in sub-rule (4) of rule 8 of the Mineral (Auction) Rules, 2015, in case of mineral blocks auctioned after the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession (Second Amendment) Rules, 2025, any mineral specified in Part D of the First Schedule of the Act (except Graphite, Phosphate and Potash) shall be considered as included mineral under section 15B and auction premium shall not be payable in respect of such mineral in accordance with the Eighth Schedule of the Act, if the value of estimated resources of each such mineral is less than ten per cent. as compared to the total value of estimated resources of all the minerals in the block.”;

(c) in rule 12B, in sub-rule (1),—

(i) for clause (i), the following clause shall be substituted:—

“(i) lessee may sell the mineral produced in such captive mine after meeting the requirement of the end use plant linked with the mine;”;

(ii) clause (vii) shall be omitted;

(d) after rule 25, the following chapters and rules shall be inserted, namely:—

## **“CHAPTER VIII-A**

### **INCLUSION OF CONTIGUOUS AREA IN MINING LEASE OR COMPOSITE LICENCE**

**25A. Inclusion of contiguous area in mining lease.**— (1) The holder of a mining lease of deep-seated mineral may make an application to the State Government proposing its intention to seek one-time extension of the existing leased area to include therein a contiguous area under section 6A and for the said matter to permit undertaking prospecting operations in the contiguous area, giving the following details, namely:—

- (a) boundary coordinates of the leased area and of the contiguous area proposed for inclusion (in Decimal degree);
  - (b) Survey of India Toposheet numbers and maps of leased area, contiguous area proposed for inclusion and the neighbouring areas;
  - (c) mineral expected in the contiguous area and the basis on which mineral potential in the said area is identified;
  - (d) evidence to show that contiguous area has geological continuity of the mineralised body;
  - (e) name and details of the agency specified or notified under sub-section (1) of section 4 that is proposed by the applicant for undertaking exploration in the contiguous area; and
  - (f) any other document in support of the application.
- (2) The State Government shall send an acknowledgement of receipt of the application submitted under sub-rule (1) to the applicant in the format specified in Schedule II within a period of three days of receipt of the application thereof.
- (3) Upon examination of the application and on being satisfied that the area is contiguous to the existing lease, location of the contiguous area is in geological continuity of the mineralised body in the existing leased area and is not exceeding ten per cent. of the existing leased area, the State Government may, within thirty days from the date of receipt of the application, permit the applicant to engage the exploration agency specified in the application, at the cost of the applicant, to undertake prospecting operations over such area up to at least G2 level to establish Indicated Mineral Resource (332).
- (4) The State Government shall intimate details of permission granted under sub-rule (3) to the Central Government with the request to issue notification in the official Gazette under rule 67 and only upon issue of such notification, the exploration agency shall commence prospecting operations.
- (5) Upon completion of the prospecting operations, the applicant shall submit the geological study report prepared by the exploration agency conforming to Part IV-A and Part IV-B of the Schedule-I of the Minerals (Evidence of Mineral Contents) Rules, 2015 and may apply for one-time

extension of the existing leased area to include therein the whole or part of the said contiguous area.

(6) The State Government shall have the right to seek any additional information, document or clarification from the applicant with respect to the application made.

(7) Upon examination of the application and on being satisfied that geological report has been prepared conforming to the said rules, the State Government shall, subject to sub-rule (8), communicate through an order its decision to include the applied area in the existing lease within a period of thirty days from the date of receipt of the duly completed application under sub-rule (5).

(8) The State Government may, after giving the applicant an opportunity of being heard and for reasons to be recorded in writing and communicated to the applicant,— reduce the applied area at the time of inclusion of the contiguous area in the leased area or may refuse to include the area, on the following grounds, namely:—

(a) if it is satisfied that such contiguous area, with or without including any area which is not already held under any mineral concession, is viable as a separate block for grant of mining lease; or

(b) if such contiguous area contains any mineral specified in Part B of the First Schedule to the Act, where the grade of such mineral is equal to or above the Threshold value.

(9) Upon issuance of an order under sub-rule (7) for inclusion of contiguous area in the leased area, the applicant shall,—

(a) satisfy the conditions specified in clause (b) of sub section (2) of section 5 with respect to a mining plan for the entire area including the applied contiguous area;

(b) obtain all consents, approvals, permits, no-objections and the like as may be required under applicable laws for commencement of mining operations; and

(c) furnish enhanced performance security commensurate to the increased value of estimated resources or enhanced financial assurance, as the case may be.

(10) The State Government shall execute a supplementary mining lease deed with the applicant within ninety days of fulfilment of the conditions specified in sub-rule (9), and if no such lease deed is executed within the said period due to any default on the part of the applicant, the State Government may revoke the order granting the inclusion of contiguous area.

(11) The date on which the duly executed supplementary mining lease deed is registered shall be the date of commencement of such mining lease and the period of such lease shall be co-terminus with the period of existing lease.

(12) The holder of a mining lease wherein the contiguous area has been included in the existing lease, shall separately keep accurate and faithful accounts of the quantity and other particulars of the minerals, waste, overburden or the like produced and dispatched for the existing leased area and included area and shall report the same separately under the provisions of the Mineral Conservation and Development Rules, 2017.

(13) The holder of a mining lease shall be granted extension of lease area only once during the entire lease period and in case such holder has already been granted extension of area of composite licence under rule 25B, then no extension will be granted for the lease area.

**25B. Inclusion of contiguous area in composite licence.**— (1) The holder of a composite licence in respect of deep-seated mineral may make an application to the State Government for a one-time extension of the area under the composite licence to include therein a contiguous area, giving the following details, namely:—

(a) boundary coordinates of the area under composite licence and of the contiguous area proposed for inclusion (in Decimal degree);

(b) Survey of India Toposheet numbers and maps of area under composite licence, contiguous area proposed for inclusion and the neighbouring areas;

(c) mineral expected in the contiguous area and the basis on which mineral potential in the said area is identified;

(d) details of the exploration operations undertaken in the area under composite licence with evidence to show that contiguous area has

geological continuity of the mineralised body in the area under composite licence; and

(e) any other document in support of the application.

(2) The State Government shall send an acknowledgement of receipt of the application submitted under sub-rule (1) to the applicant in the format specified in Schedule II within a period of three days of receipt of the application thereof.

(3) No such area shall be granted by the State Government unless it is satisfied that—

(a) the area is contiguous to the area under composite licence and is not exceeding thirty per cent. of the existing area of composite licence; and

(b) the applicant has completed reasonable level of exploration in the area under composite licence to show that contiguous area is in geological continuity of the mineralised body in the area under composite licence.

(4) The State Government shall have the right to seek any additional information, document or clarification from the applicant with respect to the application made.

(5) The State Government shall, subject to that the satisfaction of the conditions specified in sub-rule (3), communicate through an order its decision to include such area in the existing composite licence within a period of thirty days from the date of receipt of the duly completed application.

(6) The State Government may, after giving the applicant an opportunity of being heard and for reasons to be recorded in writing and communicated to the applicant,—

(a) reduce the area applied for at the time of inclusion of the contiguous area in the area under composite licence; or

(b) may refuse to include the area in case the applicant has not complied with the conditions specified in sub-rule (3).

(7) Upon issuance of an order under sub-rule (5) for inclusion of contiguous area in the area under licence, the applicant shall,—

(a) submit a modified scheme of prospecting as per the requirement of the Mineral Conservation and Development Rules, 2017 for the entire area including the applied contiguous area;

(b) obtain all consents, approvals, permits, no-objections and the like as may be required under applicable laws for commencement of prospecting operations; and

(c) furnish enhanced performance security commensurate to the increased value of estimated resources (as applicable).

(8) The State Government shall execute a supplementary prospecting licence deed with the applicant within ninety days of fulfilment of the conditions specified in sub-rule (7), and if no such licence deed is executed within the said period due to any default on the part of the applicant, the State Government may revoke the order granting the inclusion of contiguous area.

(9) The date on which a duly executed supplementary licence deed is registered shall be the date of commencement of supplementary prospecting licence and the period of such licence shall be co-terminus with the period of existing licence.

(10) The licence holder shall be granted extension of the licence area only once during the licence period.

**25C. Payment by the lease holder or composite licence holder where contiguous area is included.—** (1) In case of the inclusion of contiguous area in a mining lease or a composite licence granted through auction, the lease holder shall pay an additional amount equal to ten per cent. of the auction premium to the State Government in respect of the mineral dispatched from the included area.

(2) In case of the inclusion of contiguous area in a mining lease granted otherwise through auction, the lease holder shall pay an additional amount equal to the royalty payable for the mineral to the State Government in respect of the mineral dispatched from the included area.

(3) The additional amount shall be in addition to royalty or payment to the District Mineral Foundation and National Mineral Exploration and Development Trust, any other statutory payment, payment specified in the tender document and the auction premium (wherever applicable).

**CHAPTER VIII-B**

**INCLUSION OF ANY MINERAL OTHER THAN MINOR  
MINERAL IN MINING LEASE GRANTED IN RESPECT OF A  
MINOR MINERAL**

**25D. Inclusion of any mineral other than minor mineral in mining lease granted in respect of a minor mineral.**— (1) The holder of a mining lease granted in respect of minor mineral shall report to the State Government, the discovery in the leased area of any mineral other than minor mineral not specified in the lease within a period of six months from the notification of the MCR Amendment Rules, 2025 or sixty days from the date of such discovery, whichever is later and shall not win and dispose of such discovered mineral before such mineral is included in his lease area.

(2) Such holder of a mining lease may make an application to the State Government for its inclusion in his mining lease.

(3) No such mineral shall be included by the State Government unless it is satisfied that—

(a) General exploration (G2 level) over the entire potentially mineralised area under the mining lease has been carried out in the manner as specified in the Minerals (Evidence of Mineral Contents) Rules, 2015.

(b) a Geological Study Report prepared in the manner specified in the Minerals (Evidence of Mineral Contents) Rules, 2015 has been submitted to the State Government along with the application.

(4) The State Government shall have the right to seek any additional information, document or clarification from an applicant with respect to the application made.

(5) The State Government, upon receipt of application and the geological report, shall consult with the Indian Bureau of Mines in respect of—

(a) the extent of area in which the presence of mineral other than minor mineral has been established;

(b) type of mineral established in such area;

(c) quantity and grade of mineral other than minor mineral;

(d) quantity and quality of minor mineral present in the lease;

(e) value of estimated resources for the minerals other than minor mineral, to be computed as per clause (m) of sub-rule (1) of rule 2 of the Mineral (Auction) Rule, 2015; and

(f) value of estimated resources of minor mineral, to be established as per the rules made by State Government under section 15.

(6) In case either the extent or quantity or value of estimated resources of the minerals other than minor mineral is more than twenty-five per cent. as compared to the minor minerals in the leased area, then the State Government, based on consultation with the Indian Bureau of Mines and after providing an opportunity of hearing to the lease holder, shall terminate such lease of minor mineral.

(7) The State Government shall put up such area under such terminated lease for auction for grant of mineral concession in respect of mineral other than minor mineral within a period of sixty days from the date of termination and may include an additional area or reduce the area for the purpose of auction:

Provided that previous holder of lease which has been terminated shall have the right of first refusal at the time of auction held for such area and the provisions of rule 19 shall *mutatis mutandis* be applicable in such auction.

(8) In case either the extent or quantity or value of estimated resources of the minerals other than minor mineral is twenty-five per cent. or lower as compared to the minor minerals in the leased area, then the State Government shall, subject to the compliance of the provisions of sub-rules (3) and (5), communicate through an order its decision for inclusion of mineral other than minor mineral in the mining lease within a period of thirty days from the date of receipt of the duly completed application.

Provided that the State Government shall not include the atomic mineral as specified in Part B of the First Schedule of the Act, where the grade of such mineral is equal to or above the threshold value of such mineral

(9) In case where the applicant has not complied with the conditions specified in sub-rule (3), the State Government may, after giving the applicant an opportunity of being heard and for reasons to be recorded in writing, communicate to the applicant, its refusal to include other mineral in the lease.

(10) The holder of a mining lease wherein mineral has been included under this rule shall,—

(a) keep accurate and faithful accounts separately, showing the quantity and other particulars for mining lease area including:—

(i) all minerals obtained and dispatched therefrom including the minerals included;

(ii) waste material excavated from such area;

(iii) the number and nationality of persons employed therein; and

(iv) complete plans of the mine;

(b) comply with the provisions of the Mineral Conservation and Development Rules, 2017 in respect of minerals other than minor mineral; and

(c) comply with the terms and conditions as prescribed under Rule 12 of these rules, in addition to the terms and conditions as specified or prescribed by the State Government in respect of minor mineral.

(11) In case of any mineral other than minor mineral in mining lease granted in respect of a minor mineral, the lessee shall pay the additional amount as specified in eighth schedule of the Act, upon dispatch of the included mineral:

Provided that in case the minor mineral lease was auctioned by the State Government where the auction premium quoted was not based on value of mineral dispatched, then the lease holder shall pay an amount equivalent to royalty of the mineral included in the mining lease under this rule as the additional amount.”.

[M.VI-1/6/2025-Mines VI]

(Dinesh Mahur)

Joint Secretary to the Government of India.

**Note.**— The Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016 were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R. 279(E), dated the 4<sup>th</sup> March, 2016 and lastly amended *vide* number G.S.R. 486(E), dated the 21<sup>st</sup> July, 2025.