



# Structure of Presentation

**1 Mining Sector Overview**

**2 Innovations & Reforms**

**3 Impact of Reforms**

**4 Support from States**

# Mining Sector Overview



# Mining Sector Overview



Contribution to GDP : **0.90%**



Value of production: **Rs 1.40 lakh crore**



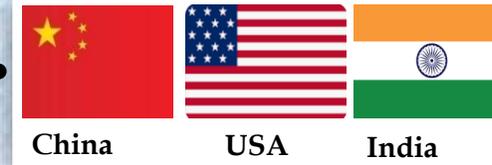
Number of Working Mines : **1,206**



Employment : **1.25 crore**

# India's Global Position: Key Minerals

Limestone



Iron Ore



Chromite



Zinc



Bauxite



Manganese



# Innovations & Reforms



# Major Mining Reforms since 2015

## 2015

- ◆ Mandating **auction** of mineral concession to improve transparency.
- ◆ The period of the mining lease was made uniform as 50 years.
- ◆ District Mineral Foundation (DMF).
- ◆ National Mineral Exploration Trust (NMET).

# Major Mining Reforms since 2015

2021



Allowed all captive mines to sell up to 50% of minerals produced in a year by paying an additional amount.



All the valid clearances shall be transferred to the successful bidder.



Allowed transfer of all Mining Lease, composite license (ML/CL) without any charge.



(i) NMET made autonomous body; (ii) Private entities allowed to be notified for conducting exploration; (iii) Enabled funding of private exploration agencies from NMET; (iv) Provision for seamless PL-cum-ML (CL).

# Major Mining Reforms since 2015: 2023

- ◆ List of 24 **Critical and Strategic Mineral** introduced in Part D/ 1<sup>st</sup> Schedule
- ◆ Central Government empowered to auction concessions for the minerals in Part-D/ 1<sup>st</sup> Schedule.
- ◆ Introduced new mineral concession, **Exploration Licence (EL)** to attract **Junior Mining Companies**
- ◆ The OAMDR Act amended in August 2023 to introduce **auction** for allocation of operating rights for offshore mineral blocks & Offshore Areas Mineral Trust



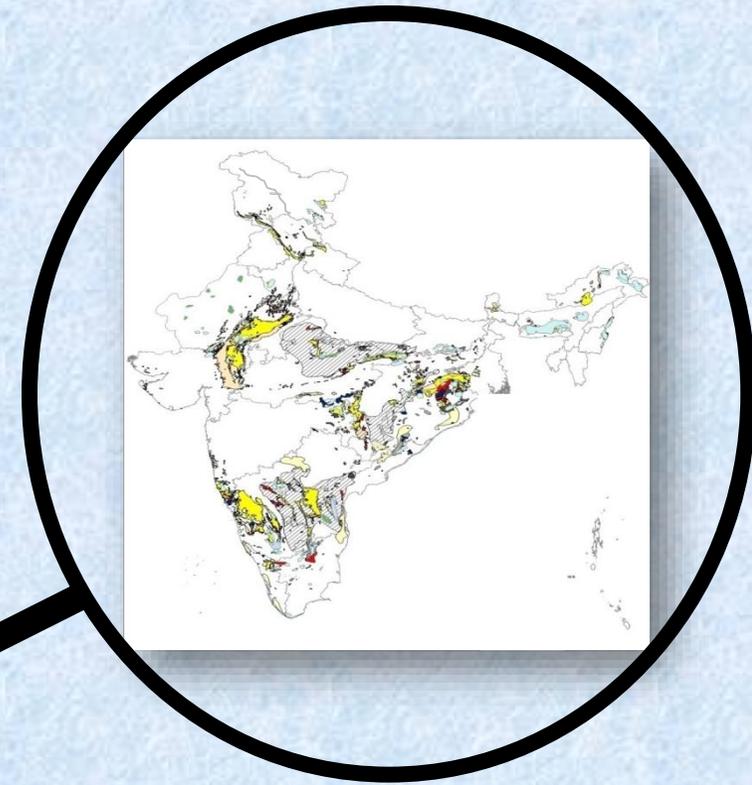
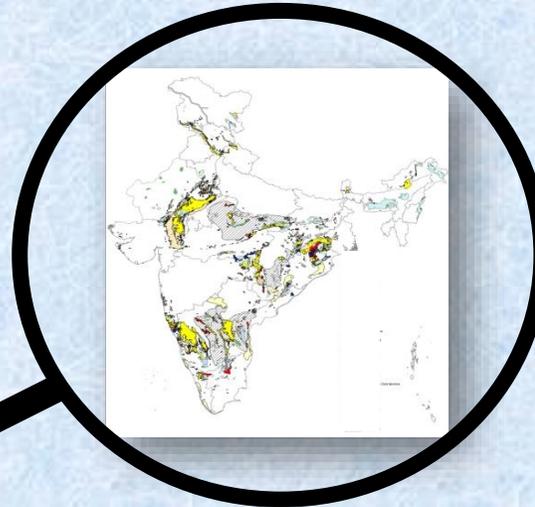
# Major Mining Reforms since 2015: Other Reforms

- ❑ Rationalized Royalty Rates for Critical and Strategic Minerals
- ❑ Clarification issued on inclusion of non-mineralized area in ML.
- ❑ National Geoscience Data Repository (NGDR) launched
- ❑ Revised guidelines for DMF issued and DMF portal launched
- ❑ Capped net worth requirement for participation in auction:
  - ML - ₹200 cr.
  - CL - ₹100 cr. and
  - CL - ₹25 cr. (where VER is not assessed)



## Impact of Reforms

# Mineral Exploration



|  | FY24 | FY30 (est.) |
|--|------|-------------|
| Area (lakh sq. km) with Obvious Geological Potential (OGP) | 6.88 | 7.00        |
| % of OGP area explored (G4)                                | 30%  | 50%         |

# Mineral Exploration

- ❑ GSI had demarcated 6.88 lakh sq. km as Obvious Geological Potential (OGP) area.
- ❑ ~40% is NO-GO Area. Thus, actual OGP area available for reconnaissance is around 4.13 lakh sq.km.
- ❑ ~2.31 lakh sq.km. area already been covered through reconnaissance stage mineral exploration.
- ❑ The following table shows the number of projects taken by GSI since 2021 including projects on Critical Minerals:

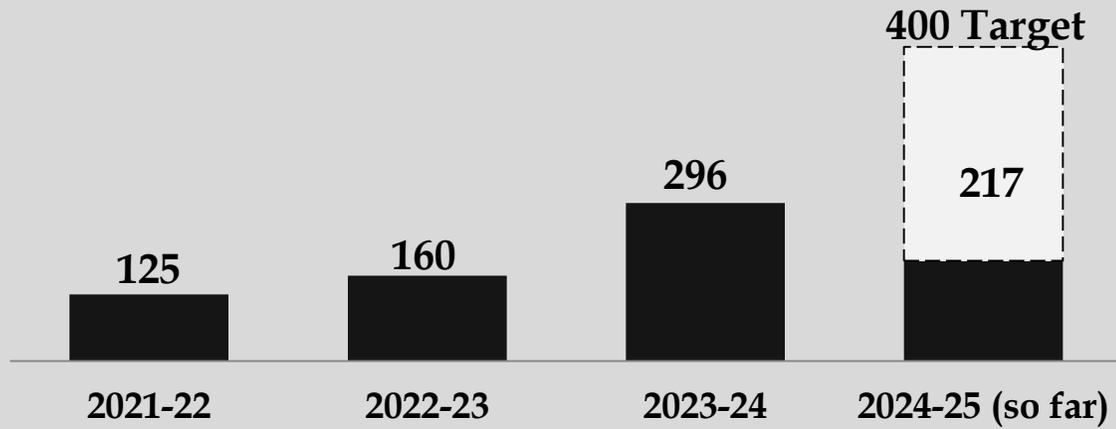
| <b>Field Season</b>                               | <b>2021-22</b> | <b>2022-23</b> | <b>2023-24</b> | <b>2024-25</b> | <b>2025-26</b> |
|---|----------------|----------------|----------------|----------------|----------------|
| Total no. of mineral exploration projects         | 251            | 319            | 360            | 448            | 450            |
| Total projects on strategic and critical minerals | 118            | 123            | 127            | 195            | 227            |

# Mineral Exploration: NGDR

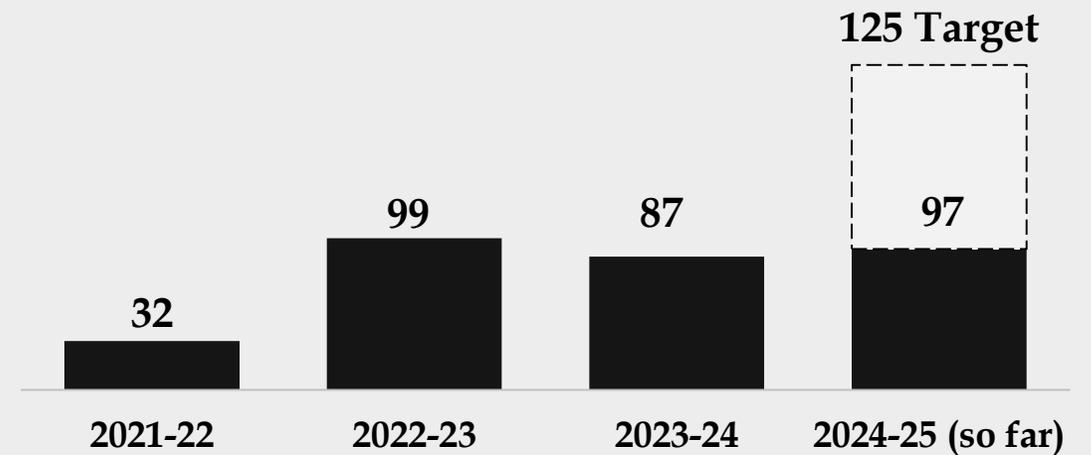
- ❑ NGDR is a flagship initiative under National Mineral Exploration Policy, 2016
- ❑ Hosting all baseline and exploration-related geoscientific data in a single GIS platform.
- ❑ To expedite, enhance and facilitate the exploration coverage of the country.
- ❑ GSI is the nodal agency and BISAG-N is the System Integrator.
- ❑ Currently, about 11,000 reports are available for download to all registered users.
- ❑ Scanning, digitizing and uploading of reports (~8000 nos.) of State governments are under progress.
- ❑ Additional data layers such as Agriculture, Soil, Infrastructure, Electricity, National Park & Sanctuaries, Coal block boundaries, Land record layers of States, Forest Cover Layer and Eco-sensitive zones etc. are also incorporated.

# Mineral Exploration: NMET

NMET expenditure incurred (Rs. cr.)

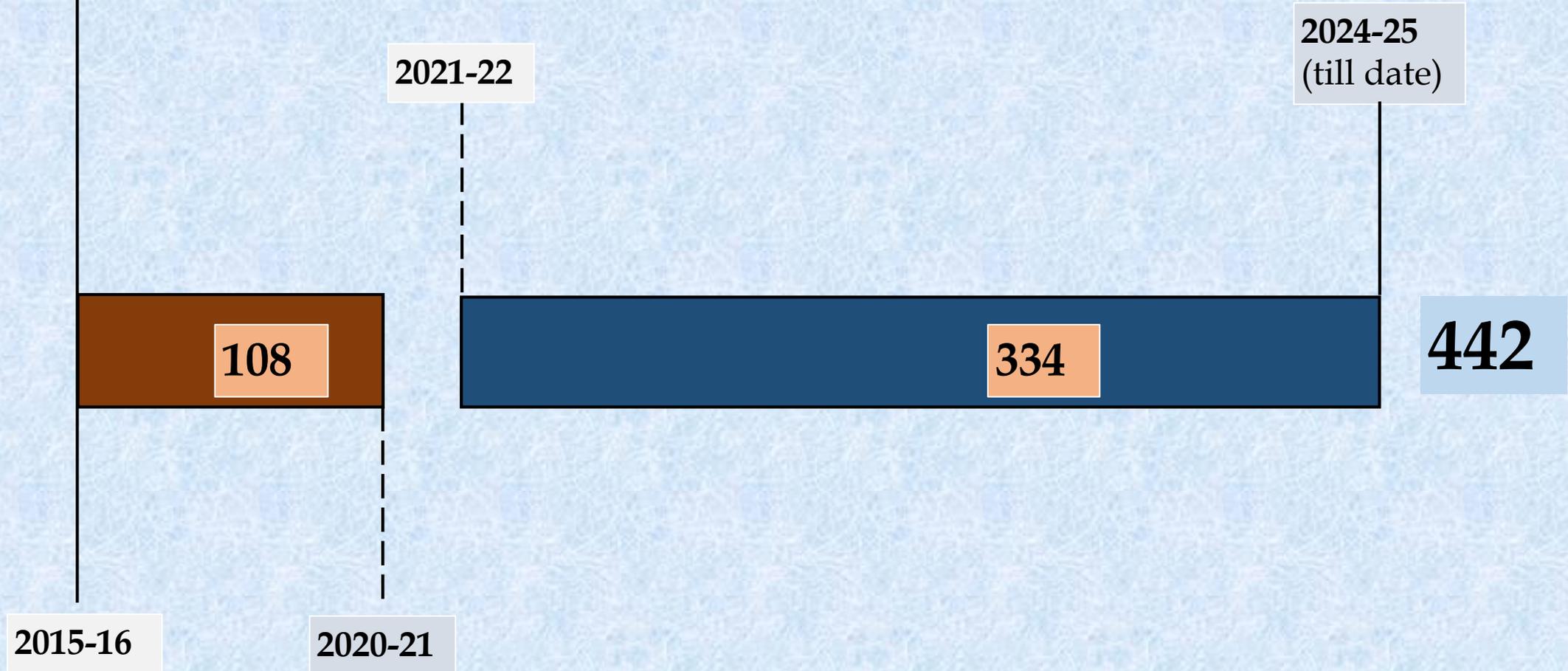


No. of exploration projects



# Auctions: Overall

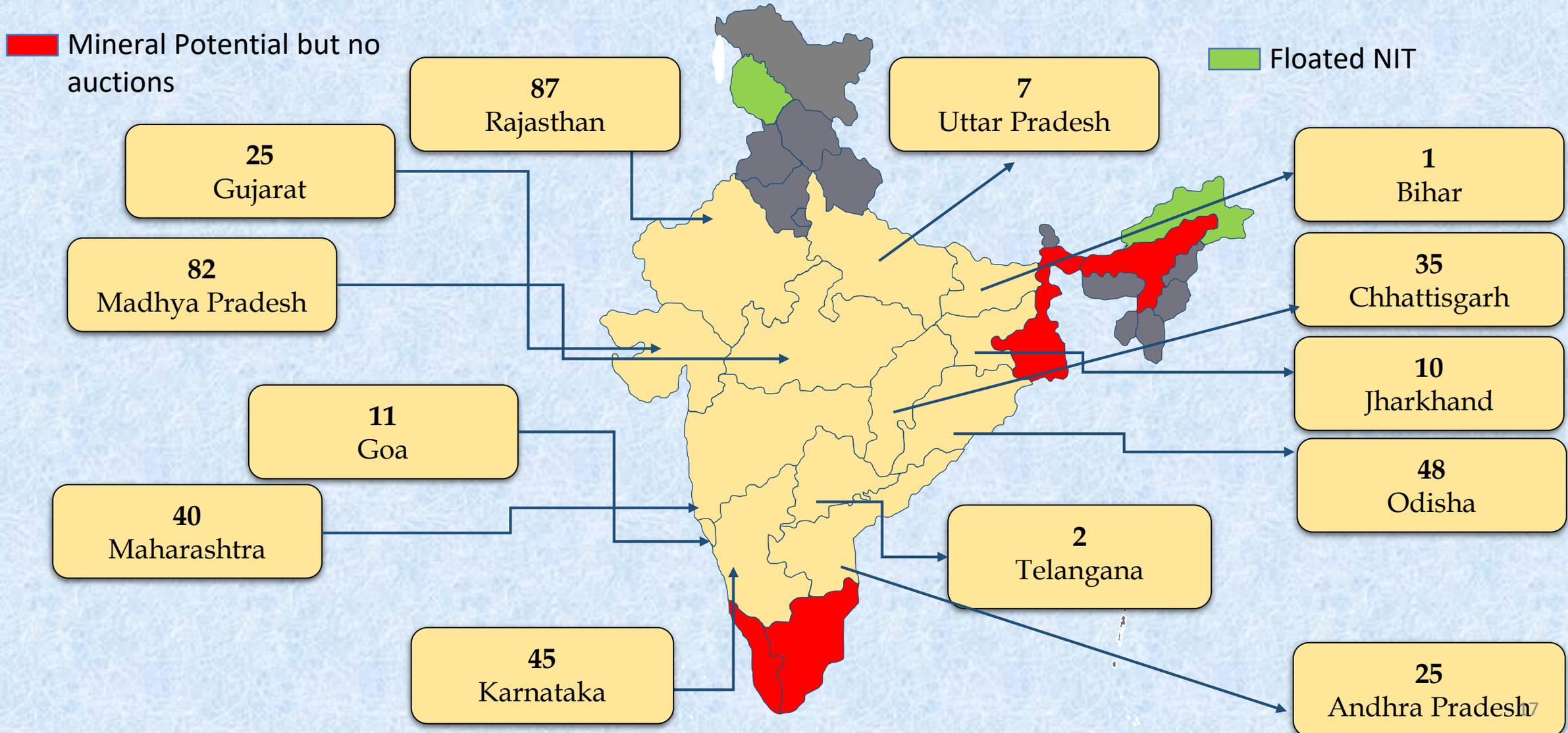
## Increasing Momentum in Mineral Blocks Auctioned



# Auctions: Overall

## State wise auction summary

Successful auction of mineral blocks: 442 major mineral blocks auctioned in 13 States



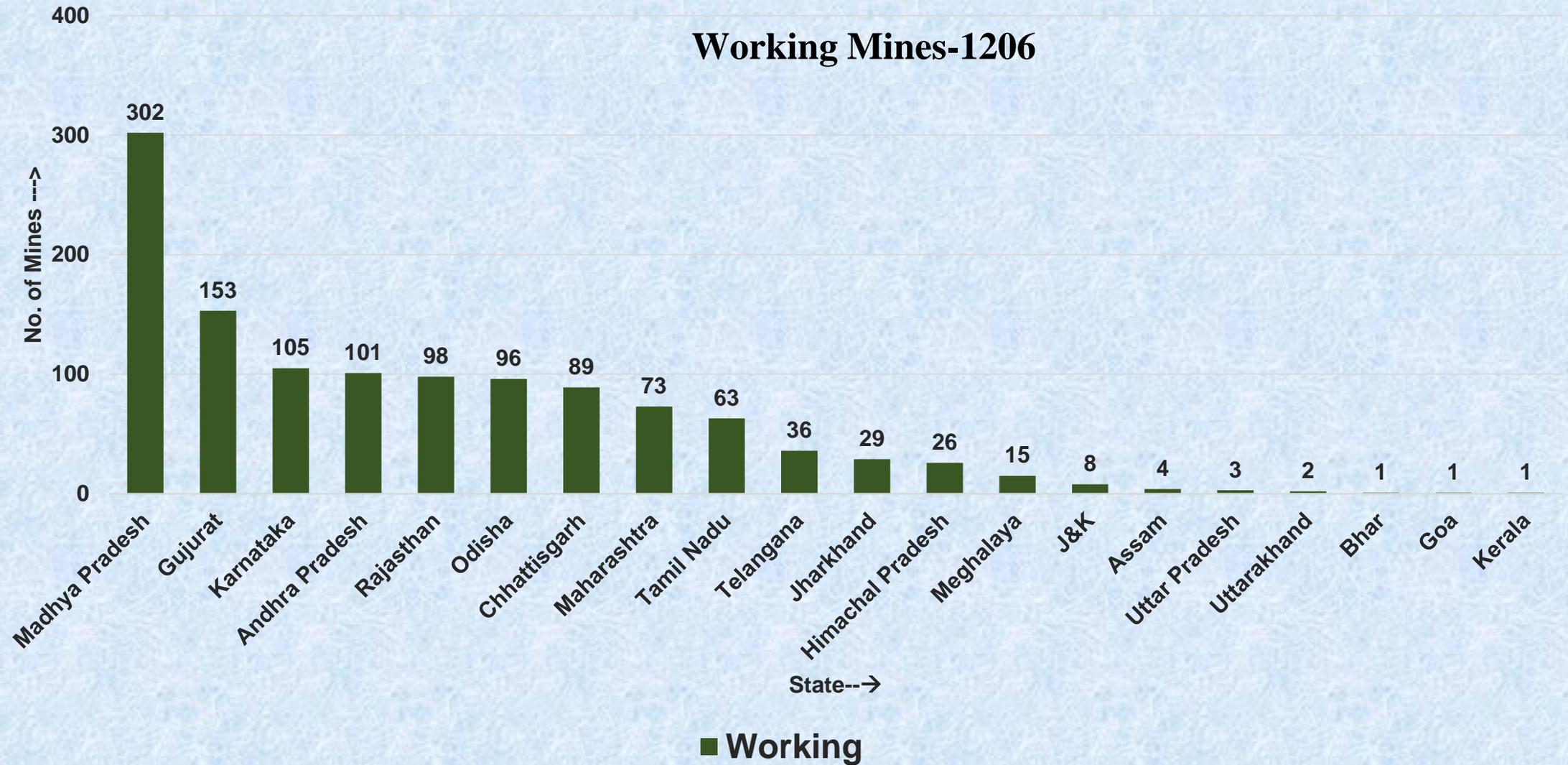
# Auctions: Critical Mineral

| <b>Status of Auctions of Critical Minerals</b> |                      |
|--|----------------------|
| <b>State</b>                                   | <b>No. of Blocks</b> |
| Arunachal Pradesh                              | 4                    |
| Andhra Pradesh                                 | 1                    |
| Bihar  | 3                    |
| Chhattisgarh                                   | 1                    |
| Jharkhand                                      | 1                    |
| Karnataka                                      | 2                    |
| Madhya Pradesh                                 | 3                    |
| Maharashtra                                    | 1                    |
| Odisha   | 3                    |
| Tamil Nadu                                     | 2                    |
| Uttar Pradesh                                  | 3                    |
| <b>Total</b>                                   | <b>24</b>            |

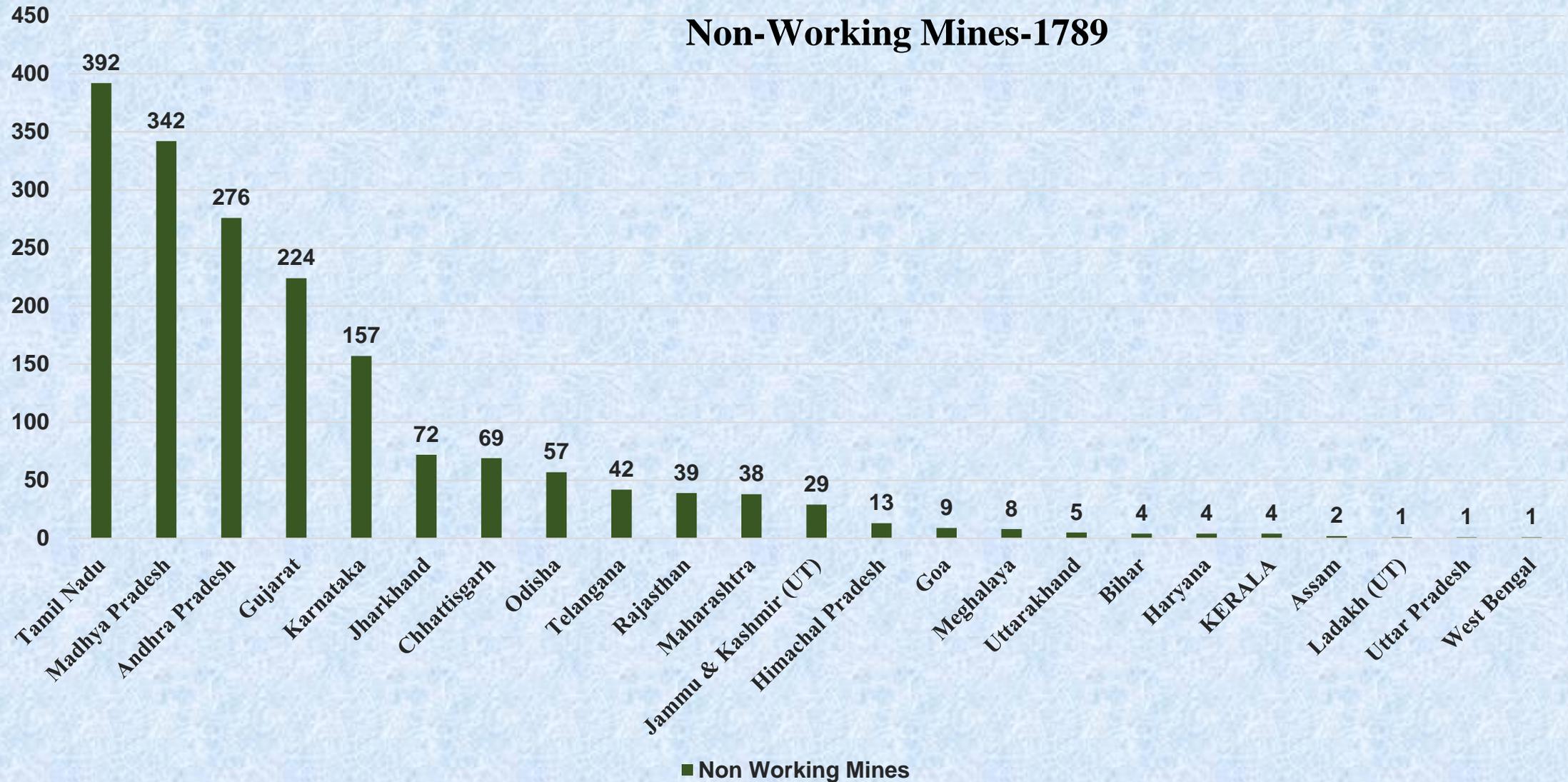
# Auctions: Pragati Review Meeting

- ❑ Pragati Meeting (26.12.2024) Chaired by Hon'ble PM held on the topic of 'Auctions of Mineral Blocks'.
- ❑ States to be classified into 2-3 categories considering their challenges/ work done/ interventions required, etc.
- ❑ Committee comprising of Pr Secy to PM, Cab Secy, and Secy M/o Mines to:
  - Convene monthly meetings with the State Governments for each category to address their unique challenges.
  - Develop a focussed 3-month roadmap for each group to ensure targeted and measurable progress.
  - Monthly reports to be submitted to Hon'ble PM to monitor the progress and resolve bottlenecks.

# Operationalization: State-wise Working Mines



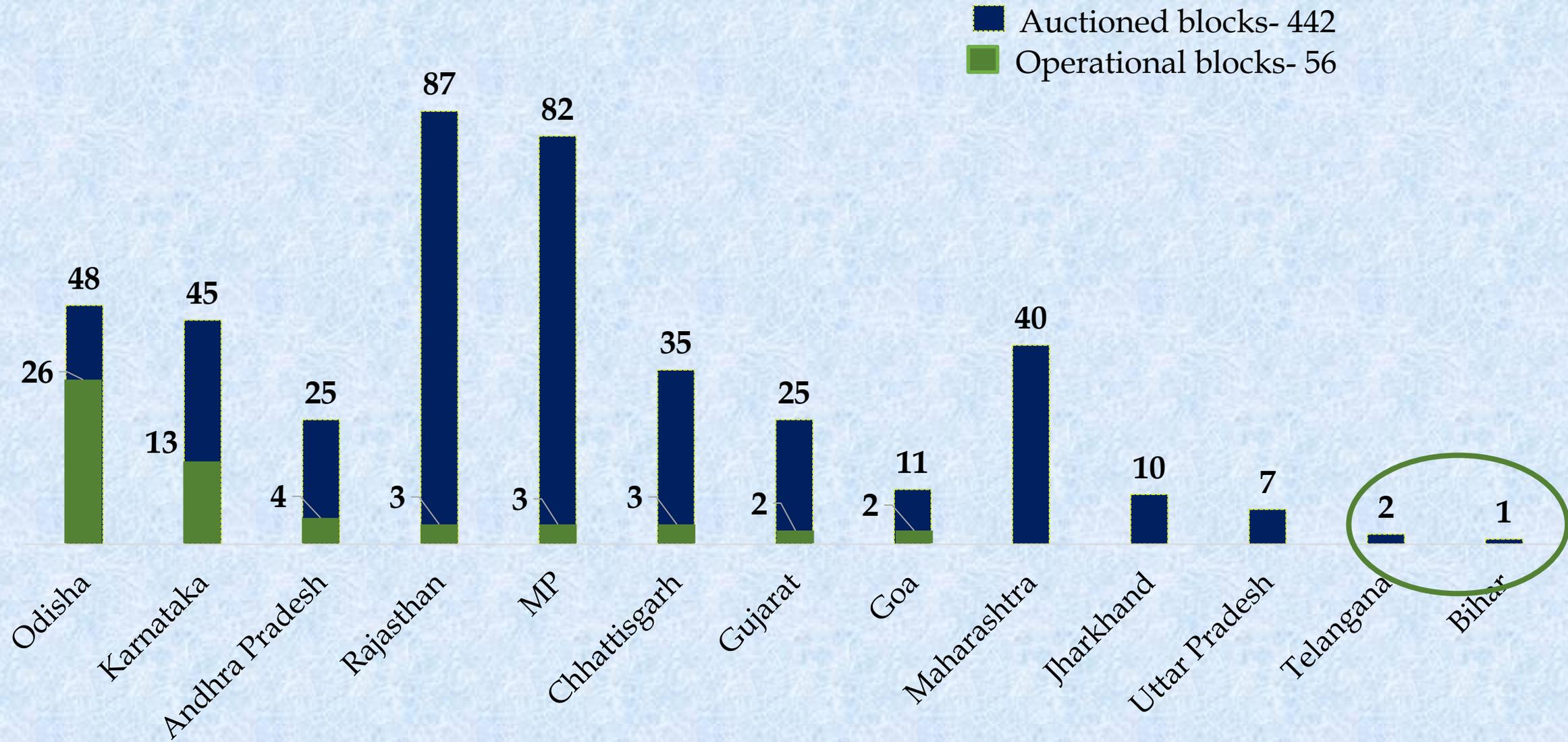
# Operationalization: State-wise Non-Working Mines



# Operationalization: Auctioned Blocks

| State          | In Production                   |
|----------------|---------------------------------|
| Andhra Pradesh | 4                               |
| Bihar          |                                 |
| Chhattisgarh   | 3 (1 Exp)                       |
| Goa            | 2                               |
| Gujarat        | 2                               |
| Jharkhand      |                                 |
| Karnataka      | 13 (9 C-Cat + 4 Exp)            |
| Madhya Pradesh | 3                               |
| Maharashtra    |                                 |
| Odisha         | 26 (24 Exp)                     |
| Rajasthan      | 3                               |
| Telangana      |                                 |
| Uttar Pradesh  |                                 |
| Central Govt.  |                                 |
| <b>Total</b>   | <b>56 (Only 18 Green Field)</b> |

# Operationalization: Auctioned Blocks



# Operationalization: PMU

- ❑ A Project Monitoring Unit (PMU) has been set up through Deloitte
- ❑ Central PMU Team- 4 Persons, Regional Coordinators - 8 Persons
- ❑ PMUs main function is to increase the pace of operationalization.
- ❑ PMU Functions:
  - Monitoring & Status Tracking
  - Support for clearances and approvals
  - Exiting Policy and Procedural Review
- ❑ PMU will work in close coordination with the successful bidders and state Governments.

# Operationalization: Expired Blocks

## State-wise Expired Leases

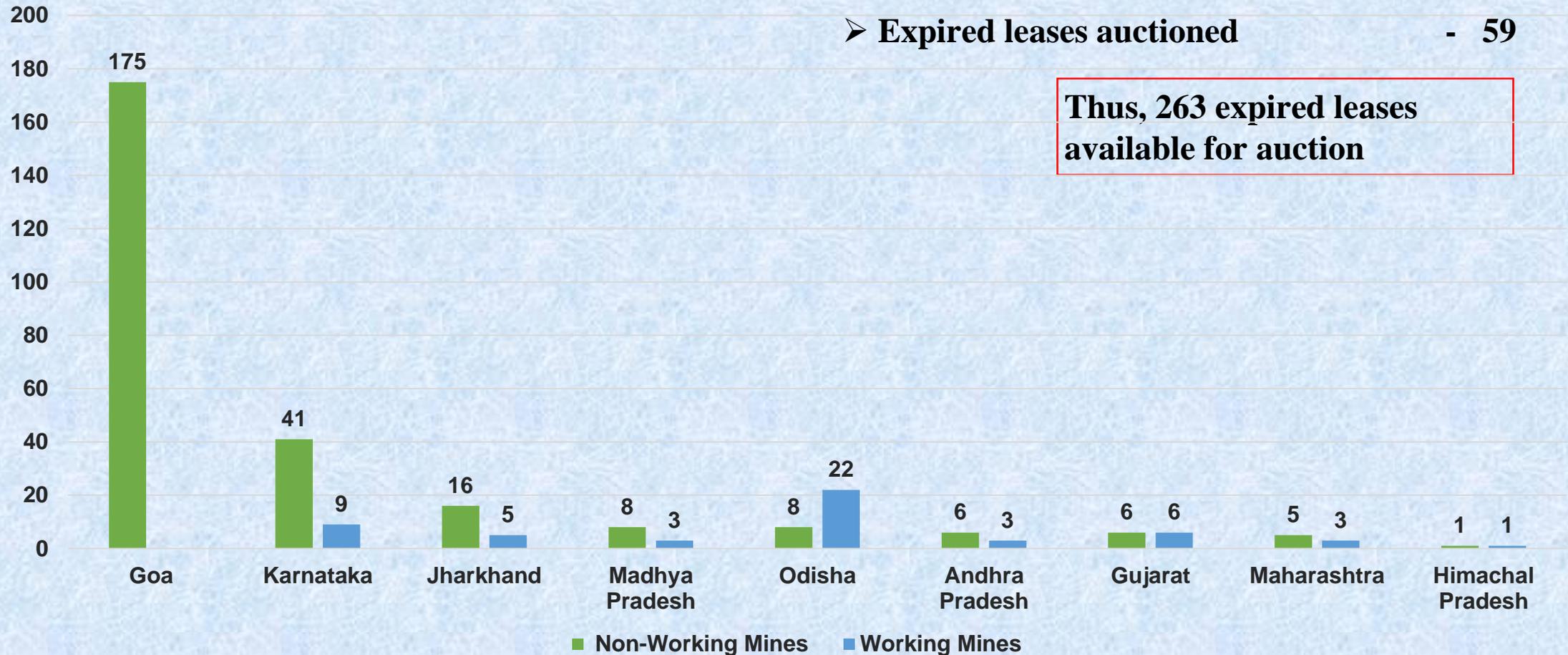
Total leases expired in 2020 - 322

➤ Non-Working leases at the expiry - 268

➤ Working leases at the expiry - 54

➤ Expired leases auctioned - 59

**Thus, 263 expired leases available for auction**



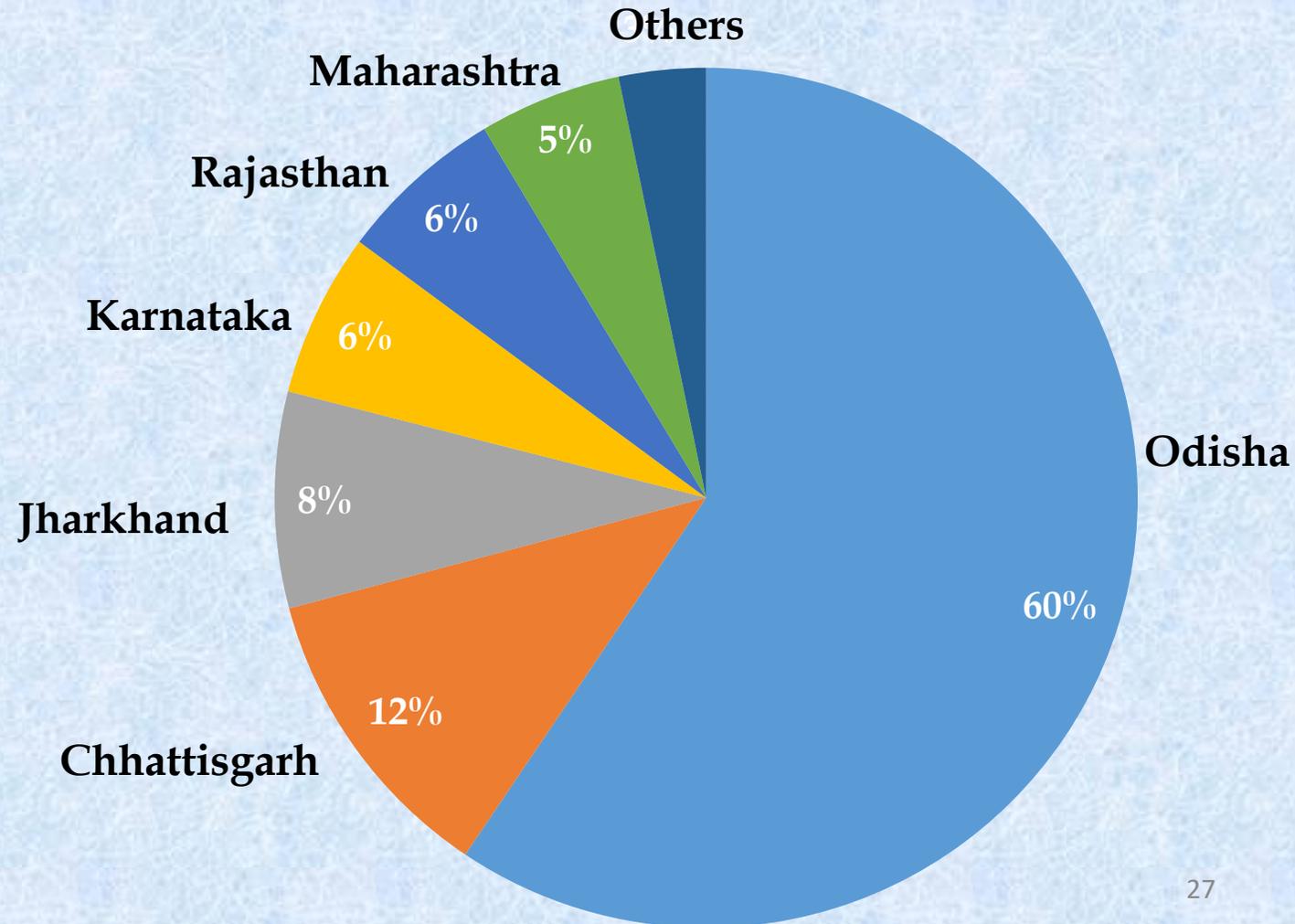
# Revenue Accrual to States

**Total Revenue: Pre-auction regime vs Post-auction regime in ₹ cr.**

| State        | FY 2004-05 to 2014-15 | FY 2015-16 to 2023-24 |
|--------------|-----------------------|-----------------------|
| Odisha       | 19,105                | 1,33,711              |
| Rajasthan    | 11,525                | 26,834                |
| Chhattisgarh | 8,169                 | 26,581                |
| Karnataka    | 4,060                 | 22,886                |
| Jharkhand    | 4,662                 | 14,350                |
| MP           | 3,640                 | 5,211                 |
| Others       | 17,781                | 15,624                |
| <b>Total</b> | <b>68,942</b>         | <b>2,45,198</b>       |

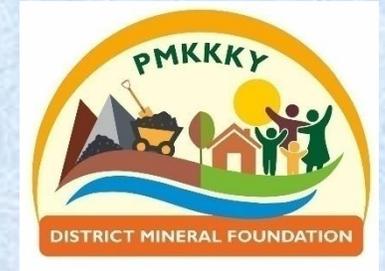
# Revenue Accrual to States

**State shares in mining revenue**  
(2023-24: ₹61,940 cr.)



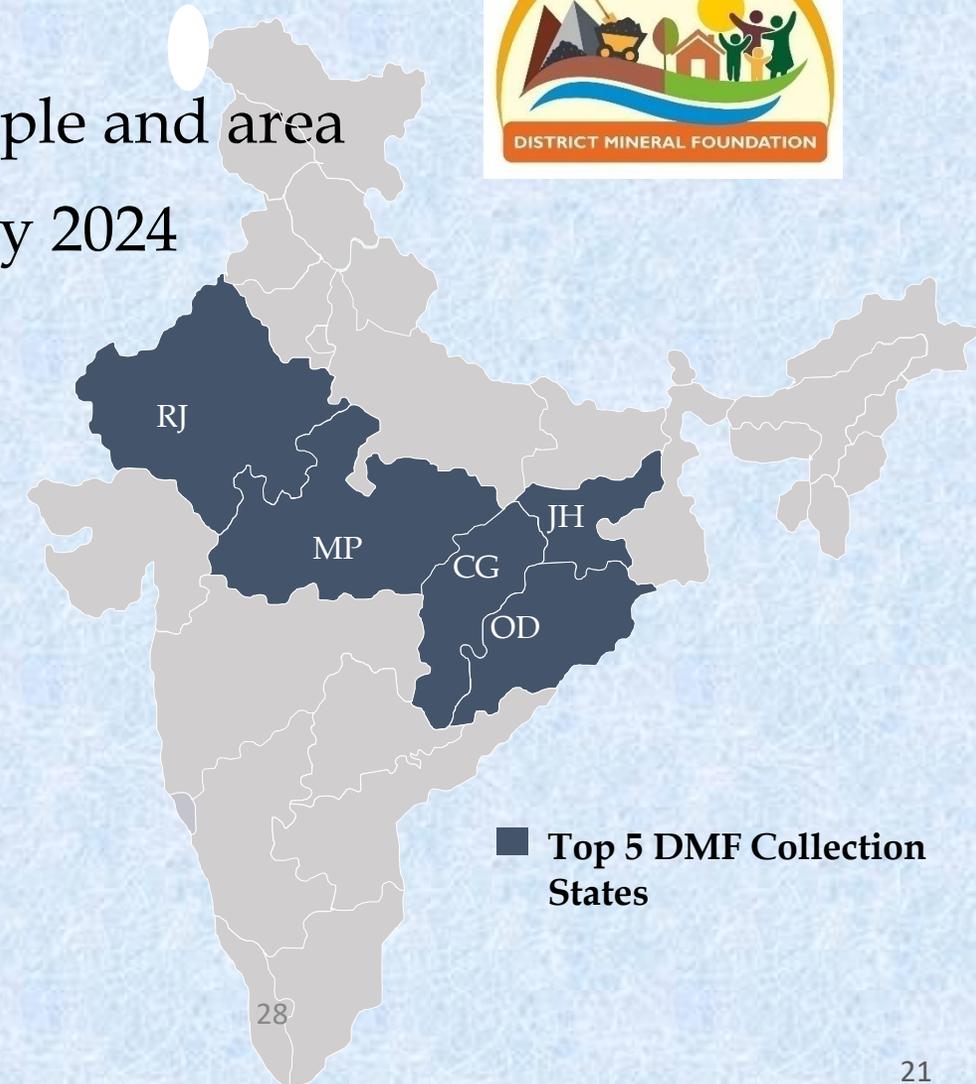
# District Mineral Foundation (DMF)

- ❑ Introduced in 2015
- ❑ Created in 645 districts in 23 States
- ❑ Projects for welfare of the mining affected people and area
- ❑ Revised PMKKKY guidelines issued in January 2024
- ❑ National DMF Portal launched in July 2024

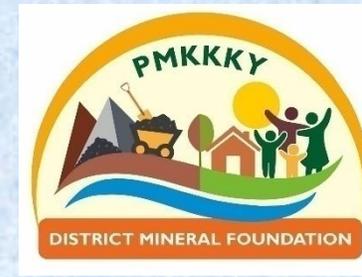


|                             |          |
|-----------------------------|----------|
| DMF Fund Accrual (in ₹ Cr.) | 1,02,083 |
| Amount Allocated (in ₹ Cr.) | 87,357   |
| Amount Spent (in ₹ Cr.)     | 54,557   |

|                     |          |
|---------------------|----------|
| Projects Sanctioned | 3,60,584 |
| Projects Completed  | 2,01,525 |



# District Mineral Foundation (DMF)



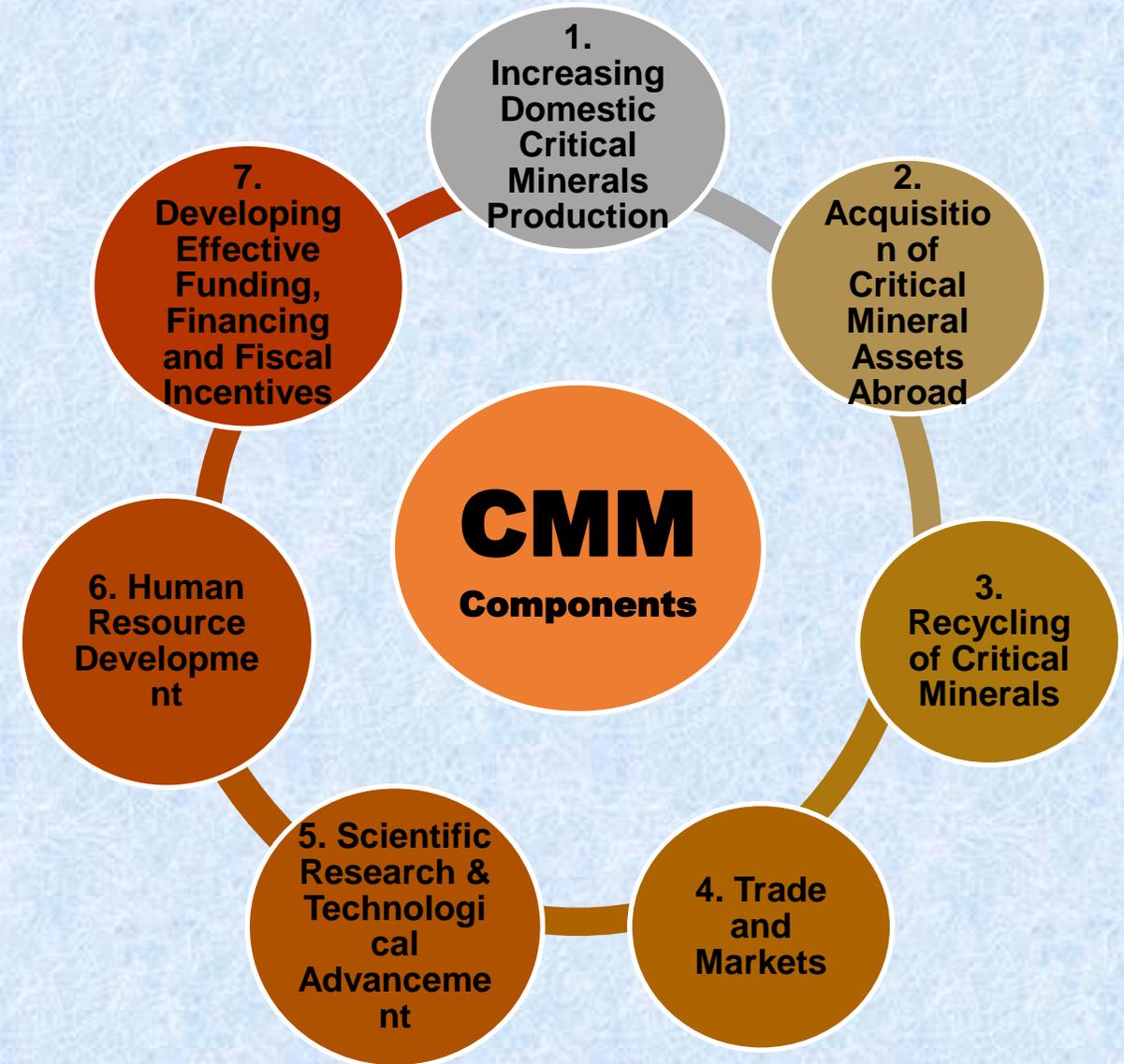
## Key Features of PMKKKY Guidelines 2024:

- Clear demarcation of *directly affected areas (up to 15 kms)* and *indirectly affected areas (up to 25 kms)*.
- At least 70% DMF funds to be spent only in the directly affected area.
- At least 70% utilisation in high Priority Sectors (11 Sectors including newly added *Housing, Agriculture and Animal Husbandry*).
- DMFs to give priority to achieving targets under Aspirational Districts Programme and Aspirational Blocks Programme.
- Audit of DMF accounts by Comptroller and Auditor General (CAG).
- Introduction of three level grievance redressal system.
- State Level Monitoring Committee (SLMC) headed by Chief Secretary.

# National Critical Mineral Mission (NCMM)

## Objectives

- ❑ To secure India's critical mineral supply chain by ensuring mineral availability from domestic and foreign sources.
- ❑ Strengthening the value chains by enhancing technological, regulatory, and financial ecosystems to foster innovation, skill development, and global competitiveness in mineral exploration, mining, beneficiation, processing, and recycling.



# Offshore Mining

OAMDR Act amended in 2023

5 Rules notified

Royalty rates fixed

13 blocks identified

7 Polymetallic nodules

Andaman Sea

3 Construction sand

Kerala coast

3 Lime-mud

Gujarat Coast

Auction launched on 28<sup>th</sup> Nov. 2024



Raw lime mud

3 Lime mud blocks  
Off Porbandar  
Gujarat coast



3 Construction sand  
Blocks Off Kollam  
Kerala Coast



7 Polymetallic nodules  
and Crusts Blocks  
Off Great Nicobar Island



# Mine Closure



## Terracing & Coir Matting for Dump Stabilization



Green Energy Generation Through Solar Power Plants

# Mine Closure

| State                             | Mines under PMCP | Mines under FMCP under progress | No. of Cases where BG forfeited | Sum of Amount of Bank Guarantee (in Rupees) |
|-----------------------------------|------------------|---------------------------------|---------------------------------|---|
| Rajasthan                         | 98               |                                 | 6                               | 81,55,000                                   |
| Karnataka                         | 62               | 3                               |                                 |   |
| Odisha                            | 96               |                                 | 8                               | 15,71,62,000                                |
| Tamil Nadu                        | 63               | 21                              |                                 |   |
| Jammu & Kashmir; Himachal Pradesh | 36               |                                 | 3                               | 43,15,000                                   |
| Gujarat                           | 153              | 11                              | 13                              | 2,79,84,000                                 |
| Goa                               | 53               |                                 |                                 |   |
| Assam and Meghalaya               | 19               |                                 | 2                               | 62,75,000                                   |
| Telangana                         | 36               |                                 |                                 |   |
| Madhya Pradesh                    | 305              | 5                               | 7                               | 14,13,42,950                                |
| Maharashtra                       | 65               |                                 |                                 |   |
| Chhattisgarh                      | 89               | 1                               |                                 |   |
| Jharkhand                         | 30               | 3                               |                                 |   |
| Andhra Pradesh                    | 101              |                                 |                                 |   |
| <b>Grand Total</b>                | <b>1206</b>      | <b>44</b>                       | <b>39</b>                       | <b>34,52,33,950</b>                         |

# Support Sought from State Governments



# Support required from State Governments

## 1. Facilitating Exploration

- State Governments to facilitate exploration agencies such as GSI, MECL, Notified Government / Private Exploration Agencies in obtaining forest clearance and local administration support.

## 2. Accelerating Auctions

- Expedite auction process of available GRs, lapsed non-working mines & expired mines
- Timely issue of Letter of Intent (LoI)
- Monthly review at PMO level and submitting monthly reports to Hon'ble PM

## 3. Operationalization

- ❖ Target to operationalize 10% auctioned mines annually
- ❖ 78 of 143 State PSUs mines are not working – low hanging fruit
- ❖ At least 20% of non working lapsed mines in the State to be auctioned and operationalised – utilising the benefit of transfer of clearances
- ❖ Expired mines to be assessed for auction and if required, re-exploration through NMET funds
- ❖ Creation of land banks for CA to be expedited
- ❖ Special Treatment to Critical Minerals in CA Land Allocation & grant of forest / environment clearance.
- ❖ Support to PMU set up by M/o Mines

# Support required from State Governments

## 4. Mine Closure

- ❖ States to monitor both progressive and final mine closure
- ❖ States to also ensure scientific closure of all abandoned mines in the States
- ❖ Involve local communities

## 5. District Mineral Foundation

- ❖ Incorporation of PMKKKY Guidelines 2024 into respective State DMF Rules and implementation of the same.
- ❖ Telangana yet to make District Magistrate as chairperson of DMF.
- ❖ Upload annual reports and annual audit reports on National DMF Portal
- ❖ Facilitate C&AG Audit as per PMKKKY 2024 Guidelines
- ❖ Regularly updating the DMF data on the Portal.

# Support required from State Governments

## 6. NMET

- Timely procurement of Machinery, Laboratory Equipment/instruments etc.
- Reconciliation of NMET funds and Timely submission of Utilization Certificates
- Assistance to Exploration agencies for forest clearance
- Avail NMET financial support by constituting State Mineral Exploration Trust
- More participation in Mineral Exploration availing NMET support

## 7. NGDR

- to provide the reports to GSI & BISAG-N for uploading to NGDR.
- Avail training & capacity building programs from GSI about the available datasets, features & functionalities of NGDR.

# Support required from State Governments

## 8. State level monitoring mechanism

- Creation of inter-departmental committee under Chief Secretary to review auction, operationalization, mineral production and resolution of pending FC/ EC cases.

## 9. To facilitate offshore exploration and mining to assist in development of blue economy.

*THANK YOU*

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# Year wise/State wise Auction Summary

| Year               | 2015-16  | 2016-17   | 2017-18   | 2018-19   | 2019-20    | 2020-21   | 2021-22    | 2022-23    | 2023-24   | 2024-25   | Total      |
|--------------------|----------|-----------|-----------|-----------|------------|-----------|------------|------------|-----------|-----------|------------|
| State              |          |           |           |           |            |           |            |            |           |           |            |
| Andhra Pradesh     | -        | 1         | 2         | 2         | -          | -         | 4          | 11         | 3         | 2         | 25         |
| Bihar              |          |           |           |           |            |           |            |            |           | 1         | 1          |
| Chhattisgarh       | 3        | -         | 2         | -         | -          | 2         | 2          | 20         | 6         |           | 35         |
| Gujarat            | -        | -         | 3         | -         | -          | 4         | 3          | 2          | 6         | 7         | 25         |
| Jharkhand          | 2        | 1         | 1         | 3         | -          | -         | -          | -          | 3         |           | 10         |
| Karnataka          | -        | 7         | -         | 7         | 4          | 1         | 8          | 11         | 6         | 1         | 45         |
| Madhya Pradesh     | -        | 1         | -         | 5         | 2          | 5         | 4          | 29         | 22        | 14        | 82         |
| Maharashtra        | -        | -         | 2         | 1         | 10         | -         | 9          | 6          | 10        | 2         | 40         |
| Odisha             | 1        | 2         | 2         | -         | 25*        | 1         | 9*         | 10         |           |           | 48         |
| Rajasthan          | -        | 3         | 2         | 1         | 2          | -         | 7          | 8          | 31        | 33        | 87         |
| Tamilnadu          | -        | -         | -         | -         | -          | -         | -          |            |           |           | 0          |
| Telangana          | -        | -         | -         | -         | -          | -         | -          |            |           | 2         | 2          |
| Uttar Pradesh      | -        | -         | -         | -         | -          | -         | -          | 4          | 3         |           | 7          |
| Goa                | -        | -         | -         | -         | -          | -         | -          | 4          | 5         | 2         | 11         |
| Central Government | -        | -         | -         | -         | -          | -         | -          | -          | -         | 24        | 24         |
| <b>Total</b>       | <b>6</b> | <b>15</b> | <b>14</b> | <b>19</b> | <b>43*</b> | <b>13</b> | <b>46*</b> | <b>105</b> | <b>95</b> | <b>88</b> | <b>442</b> |