Daily news summary

MMDR Amendment Act Mineral Investment Framework

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WHY IN NEWS

- The amended MMDR framework aims to unlock private capital investment and bring tax uniformity to the mining sector.

WHAT IS THE MMDR ACT, 1957?

- Central governing legislation that regulates the allocation of prospecting licences and mining leases in India.
- Administered by the Ministry of Mines, managing major minerals and royalty frameworks.

KEY CHANGES

- Introduces provisions to streamline exploration licensing and standardize royalty and levy structures.
- **Before:** Fragmented tax regimes and long exploration approval cycles discouraged deep-seated mineral exploration.
- **After:** Standardized fiscal terms incentivize private capital inflow for critical and deep-seated mineral extraction.

WHY IT MATTERS

- Enhances global competitiveness of domestic mineral production and secures raw materials for energy transition.

KEY TERMS

- **Prospecting Licence:** A authorization granted to explore and locate mineral deposits in a specified area.

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PRELIMS FACTS

- MMDR Act 1957 provides the statutory mechanism for auctioning mineral blocks in India.

MAINS DISCUSSION

- Role of mining sector reforms in securing critical minerals for domestic manufacturing.

KEY DATA

- **Parent Statute:** Mines and Minerals (Development and Regulation) Act, 1957 - Core statute governing mining regulation and mineral concessions across India.
- **Nodal Ministry:** Ministry of Mines - Central authority executing national mineral policy and concession rules.

Official source

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