No. 16/40/2021-Mines VI-Part (2)
Government of India
Ministry of Mines
*****

Shastri Bhawan, New Delhi
Dated the 18th June, 2025

Notice

Subject: Amendment in the Mineral Concession Rules for linking the ASP of Iron Ore with International Prices/Index.

As per Rule 42(3) of the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016 [M(OAHCEM)CR, 2016] the Average Sale Price (ASP) of any mineral grade / concentrate in respect of a month shall be the weighted average of the ex-mine prices of the non-captive mines and any merchant sale done by the captive mines, computed in accordance with the provisions of Rule 42(2) of the said rules, the weight being the quantity dispatched from the mining lease area of mineral grade / concentrate relevant to each ex-mine price.

2. As per Rule 43 of the aforesaid Rules, the Indian Bureau of Mines (IBM) publishes the ASP of each mineral grade / concentrate removed from the mining leases in a month in a State within 45 days from the due date for filing the monthly returns as required under the Mineral Conservation and Development Rules.

3. Various issues have been highlighted from time to time in implementing the current system of computation of ASP of iron ore. Accordingly, Ministry of Mines proposes to amend the M(OAHCEM)CR, 2016 for linking the ASP of Iron Ore with International Prices / Index (copy of the draft rules is enclosed herewith).

4. As part of the Pre-Legislative Consultation Policy, comments/ suggestions are invited from the general public, Governments of States and Union Territories, mining industry stake-holders, industry associations, and other persons and entities concerned, on the draft amendment rules.

5. The last date for receipt of the comments/suggestions is**03.07.2025**.

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

jspolicy-mines@gov.in

The subject of the e-mail should be "Comments/ suggestionson the proposal for amendment in the Mineral Concession Rules for linking the ASP of Iron Ore with International Prices/Index".

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

Dr. Ashish Saxena, Deputy Secretary
Ministry of Mines
Room No 349-A,
D-Wing Shastri Bhawan,
Dr Rajendra Prasad Road

New Delhi -110 001

The envelope may kindly be super scribed on the top with:

"Comments/ suggestions on the proposal for amendment in the Mineral Concession Rules for linking the ASP of Iron Ore with International Prices/Index".

Encl.: As stated above

Vinod Kumar
18/08/2025
(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 ___June, 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 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, in rule 45, after sub-rule (10), the following sub-rule shall be inserted, namely:—

“(11) The following procedure shall be used by the Indian Bureau of Mines for publishing the average sale price of Iron Ore, namely:—

(a) The Indian Bureau of Mines shall compute the daily price of Iron Ore (60 to below 62% Fe grade) Fines in Indian Rupees on the basis of prices published daily by S & P Global Platts or other reputed publications for Iron Ore (60 to below 62% Fe grade) Fines in the following manner, namely:—

$$\text{Daily price of Iron Ore (60 to below 62\% Fe grade) Fines} = \text{P – United States Dollar (USD) 55} \times \text{Reference rate of Reserve Bank of India for the day} \times A$$

Where,
P = IP, when IP is less than or equal to USD 120; and
P = IP – 1/2 x (IP - USD 120), when IP is greater than USD 120;

Where, IP (International Price) is the price published by S & P Global Platts or other reputed publications for Iron Ore (60 to below 62% Fe grade) Fe Fines; and

A = 1 when IP is less than or equal to USD 100;

A = 0.85 when IP is more than USD 100; provided that calculated daily price of iron ore (60 to below 62% Fe grade) should not be less than the daily price of iron ore at A = 1 and the IP is equal to USD 100.

(b) Where the Reserve Bank of India reference rate is not available for any day on which the International Price is available, the Reserve Bank of India reference rate for the immediately preceding day shall be used.

(c) The simple arithmetic average of the daily prices of Iron Ore (60 to below 62% Fe grade) Fines for the month, as computed under clause (a), shall be published by the Indian Bureau of Mines as the average sale price of Iron Ore (60 to below 62% Fe grade) Fines for that month.

(d) The average sale price of remaining grades of Iron Ore for the month shall be calculated on the basis of average sale price of Iron Ore (60 to below 62% Fe grade) Fines in the following manner, namely:—

ASP of remaining grades of Iron Ore	=	Average sale price of Iron Ore (60 to below 62% Fe grade) Fines for the month [as computed under clause (c)]	X	Conversion Factor

Where, the conversion factor for other remaining grades of Iron Ore is as follows:

Type of Iron Ore	Grade	Conversion Factor
(i) Lumps	(a) Below 45% Fe (For Magnetite Ore only)	0.20
	(b) 45% to below 51% Fe	0.30
	(c) 51% to below 55% Fe	0.65
	(d) 55% to below 58% Fe	0.96
	(e) 58% to below 60% Fe	1.11
	(f) 60% to below 62% Fe	1.22
	(g) 62% to below 65% Fe	1.34
	(h) 65% and above Fe	1.47
(ii) Fines	(a) Below 45% Fe (For Magnetite Ore only)	0.10
	(b) 45% to below 51% Fe	0.19
	(c) 51% to below 55% Fe	0.45
	(d) 55% to below 58% Fe	0.72
	(e) 58% to below 60% Fe	0.80
	(f) 62% to below 65% Fe	1.10
	(g) 65% and above Fe	1.21
(iii) Concentrate	Concentrate	1.00
(iv) Calibrated Lump Ore (CLO)	(a) 60% to below 62% Fe (5-40 mm size CLO)	1.10
	(b) 62% to below 65% Fe (5-40 mm size CLO)	1.67

	(c) 65% and above Fe (5-40 mm size CLO)	1.84

[F. No. 16/40/2021-Mines VI-Part (2)]

(Dinesh Mahur)
Joint Secretary

Note:- The Minerals (Other than Atomic and Hydro Carbons Energy Mineral) 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 4th March, 2016 and lastly amended *vide* number G.S.R. 118(E), dated the 20th February, 2024.