



Cabinet Approves National Land Monetization Corp., Mining Of New Minerals

Janani Janarthanan

The Cabinet Committee on Economic Affairs has approved to set up a corporation to monetise surplus land and building assets of central public sector companies. The government also cleared an amendment to allow mining of a new set of minerals to cut imports.

The National Land Monetization Corp. will be a government-owned company with an initial authorised share capital of Rs 5,000 crore and paid-up share capital of Rs 150 crore, a statement issued by the cabinet said.

It aims to monetise underutilised or unused government non-core assets under a programme announced by the Finance Minister.

The "productive utilisation" of assets is expected to "trigger private sector investments, new economic activities, boost local economy and generate financial resources for economic and social infrastructure", the statement said.

The corporation will own, hold, manage and monetise surplus land and building assets of central government-owned companies set to be shut down or privatised.

The Department of Public Enterprise, Ministry of Finance will set up the company and act as its administrative ministry. Its board of directors will comprise senior central government officers and experts.

A team of private sector professionals will manage real estate market research, legal due diligence, valuation, master planning, investment banking, land management, etc. It will operate like the National Investment and Infrastructure Fund, and Invest India.

Nod For Mining New Minerals

The cabinet also approved an amendment to the second schedule of the Mines and Minerals (Development and Regulation) Act, 1957, specifying the rate of royalty for new minerals.

"In the last four-five years, central agencies like the Geological Survey of India and Mineral Exploration Corp. have carried out exploration and handed over reports to state governments of several blocks of minerals which are hitherto not mined in the country," the statement said.

The amendment will allow auctioning blocks for mining import-dependent minerals including glauconite, potash, emerald, platinum group of metals, andalusite, sillimanite and molybdenum. The rate of royalty for andalusite, sillimanite and kyanite has been kept at the same level.

The move is expected to reduce imports of potash fertilisers and other minerals, and ensure their availability for downstream industries.

Stay Updated With **Business News** On BloombergQuint