# Minutes of the 2nd meeting of the Executive Committee of the National Mineral Exploration Trust (NMET)

***(9th May, 2016, Aluminium Hall, Ministry of Mines, New Delhi)***

The second meeting of the Executive Committee of the National Mineral Exploration Trust (NMET) was held on 9th May, 2016 under the chairmanship of Shri Balvinder Kumar, Secretary, Ministry of Mines.

2. The list of participants at **Annexure-1**.

3. Dr. Niranjan K. Singh, Joint Secretary, Ministry of Mines and Member Secretary, NMET, welcomed the members and invitees to the meeting and thereafter, agenda-wise discussions were taken up.

**Agenda 1:** Confirmation of the minutes of the First Meeting of the Executive Committee held on 8.10.2015.

The Executive Committee confirmed the minutes of the First Meeting.

**Agenda 2:** Action Taken on the minutes of the First Meeting of the Executive Committee held on 8.10.2015

*i. Development of a dynamic website for NMET.*
The website under development will be ready for testing by 31st May 2016.

*ii. GSI & MECL to assist State Governments to upgrade status of exploration.*
Total 16 proposals for mineral exploration were received from 7 states under NMET. The Technical Committee of NMET after appraisal recommended 13 proposals to the Executive Committee for approval.

*iii. GSI to submit proposal on aero-geophysical survey in core OGP areas.*
Joint Secretary, Mines informed that letter of Intent (LOI) has been issued to M/s Paterson Grant & Watson Limited for preparation of Expression of Interest (EOI), Detailed Project Report (DPR) and selection of implementing agencies. The DPR will be submitted in three months' time.

*iv. NGRI to submit project proposals and spare the services of experts as consultants.*
NGRI has offered expert services for various activities- geophysical studies, mineral characterisation, geochemistry, geochronology, as per CSIR guidelines.

*v. GSI to take up exploration of deep seated potash deposits in Rajasthan.*
GSI has taken up G3 stage exploration for potash in the Satipura sub-basin of Rajasthan during field season 2016-17.

**Agenda 3:** Status of collection of NMET fund by States.

1) The NMET Rules and the directive of the Ministry requires the states to collect the NMET payments at the state level, transfer the collection in a month to the central account of NMET in Delhi before the 10th of the succeeding month and provide the details of receipts of royalty and NMET contributions to the Ministry (NMET Secretariat) and IBM.

2) Monthly statement of NMET receipts in the given format have been regularly submitted by the states of Andhra Pradesh, Telangana, Odisha and Goa only.

3) Chhattisgarh submits the cumulative NMET collection in a month without giving lease-wise details of the receipts.

4) Jharkhand, Maharashtra, Madhya Pradesh and Bihar have not submitted the monthly statements on a regular basis in the given format.

5) No statement has been received from mineral producing states like Karnataka, Tamil Nadu, Gujarat, Rajasthan, West Bengal, Uttar Pradesh, Uttarakhand.

6) Non-submission of monthly statements in the prescribed format is causing difficulties in the reconciliation of NMET accounts.

7) Executive Committee directed NMET Secretariat to send the monthly bank statements to all states for reconciliation against their receipts. The states should submit the reconciled monthly statements to NMET in two weeks' time. The reconciled statement to be submitted in the given format should indicate name of mine, IBM mine code and the name of mineral mined. He also directed that the states should maintain separate NMET accounts for coal and non- coal minerals.

**(Action: NMET Secretariat, all state DGMs)**

**Agenda 4:** Evaluation of mineral exploration project proposals by the Technical committee.

1) Dr. P.R. Golani, Chairman, Technical Committee made a presentation on the evaluation of the mineral exploration projects. He stressed that the states should provide the basic geo-scientific information together with lease status, forest land etc, at the time of submission of proposals. He also highlighted the importance of preservation of the drill cores in the core libraries for future reference and the need for ore beneficiation studies by IBM.

**(Action: MECL/Exploration Agencies)**

Presentation by Chairman, Technical Committee at **Annexure-2**

2) Executive Committee directed that the states should submit all basic geoscientific information available to the Technical Committee for proper evaluation of proposals. He reiterated that it is necessary to confirm that exploration has been completed up to G4 level in a block before taking up G3/G2 level exploration on scientific basis. Madhya Pradesh expressed the concern that Technical Committee has approved G4 level of exploration in three limestone blocks in the state, whereas it could have directly been taken up at G3/G2 level of exploration since enough geoscientific data conforming to G4 level is already available. The Committee further directed Madhya Pradesh to submit all details of the proposed projects to the Technical Committee and they would review the projects once more to take a final decision on the level of exploration required. He urged all the states to play a more proactive role in evolving proposals on mineral exploration and directed that all concerned states should be invited to the Technical Committee meetings.

**(Action: Technical Committee, NMET, all state DGMs)**

3) The Ministry of Coal requested to take up exploration projects on coal through NMET. Secretary, Mines directed the Ministry of Coal to submit their proposals to the Technical Committee for evaluation and, to include a representative from CMPDIL in the Technical Committee.

**(Action: Ministry of Coal, NMET, Technical Committee)**

4) CMD, MECL made a presentation on the 13 mineral exploration projects recommended by the Technical Committee in 6 states. He stated that G4 stage exploration will be seamlessly upgraded to G3/G2, based on the results. He requested to provide a revolving fund from NMET for the execution of the projects, to be reimbursed through auction of mineral blocks by the states.

Presentation by CMD, MECL at **Annexure-3**

5) Director (Technical), Ministry of Mines suggested periodic review of exploration projects once in two months by the Technical Committee and the results of boreholes drilled are evaluated before next borehole is drilled.

**(Action: MECL/Exploration Agencies)**

6) Secretary, Mines directed that a proposal on providing a revolving fund to MECL for exploration may be placed in the next meeting of the Governing Body of NMET.

**(Action: DDG, NMET)**

7) Secretary, Mines directed GSI to provide G4 stage mineral exploration blocks for precious metals and strategic minerals to MECL for exploring the possibility of taking up prospecting.

**(Action: DG, GSI)**

8) Andhra Pradesh has submitted mineral exploration proposals for NMET funding. These proposals are sent to the Technical Committee for evaluation. On evaluation and discussions with the state government, the Technical Committee will decide which of the projects could be taken up by the state government and the remaining by MECL. The recommendations will be submitted before the Executive Committee in the next meeting.

9) The Committee approved the 13 mineral exploration projects in 6 states recommended by the Technical Committee.

   The list of approved mineral exploration projects at **Annexure-4**

**Agenda 5:** Tripartite Agreement on mineral exploration.

1) CMD, MECL informed that the legally vetted Tripartite Agreement has been sent to the states. The states should sign the Tripartite Agreement before a project is taken up by MECL. It is a mandatory pre-requisite for taking up any project under NMET by MECL.

2) Joint Secretary, Mines informed that if required, minor modifications in conformity with the principle of agreement may be made in the document with the consent of MECL and the concerned state.

**(Action: All states, MECL)**

**Agenda 6:** Multi-sensor aero-geophysical survey in OGP area.

1) Once the process of selection of implementing agency is completed by the consultant M/s Paterson Grant & Watson Limited, the proposal will be submitted to the Executive Committee for approval.

2) Executive Committee decided that aero-geophysical survey should be planned in phases, first as part of regional mineral exploration and then specific aero-geophysical surveys like EM to target potential mineral blocks. The active involvement of other stakeholders- AMD, Ministry of Coal, ONGC, NGRI, etc should also be ensured.

**(Action: DG, GSI)**

**Agenda 7:** Capacity building and infrastructure needs of State DGMs.

1) Proposals on capacity building were received from Chhattisgarh, Rajasthan, Bihar, Andhra Pradesh and Madhya Pradesh. But these proposals are not evaluated. Secretary, Mines directed that Technical Committees comprising state DGM, DDG of the concerned State Unit of GSI and Regional Controller of Mines of IBM would be constituted at state levels to assess capacity building/infrastructure needs of state DGMs and to evaluate the projects.

**(Action: Director (Technical), Mines)**

2) Executive Committee asked IBM to submit proposal on requirements for modernization of mineral beneficiation facilities in next meeting of the Executive Committee.

**(Action: CG, IBM)**

**Agenda 8:** Strategies for optimal utilisation of NMET fund

Executive Committee advised GSI to submit proposals on offshore exploration projects to be funded by NMET.

**(Action: DG, GSI)**

**Agenda 9:** Organising an international seminar on mineral exploration.

It was suggested that the seminar may be organised in November 2016 and Mission-II, GSI shall develop a concept paper on the same in consultation with CMPDIL. National Head, Mission-II and Director, Technical, CMPDIL will jointly prepare the concept paper.

**(Action: DG, GSI/CMPDIL)**

**Additional agenda:**

Presentation by SBI Capital Markets Limited (SBICAPS) on exploration contractual framework

1) SBICAPS, engaged by the Ministry of Mines for developing a procedural and contractual framework for encouraging participation of exploration agencies, made a presentation.

2) Executive Committee constituted a committee comprising representatives from GSI, IBM, MECL, SBICAPS to work out:

   a. the normative cost payable to the explorers in case the blocks are not auctioned,
   b. the percentage amount payable to the explorer, relative to his investment,
   c. percentage of the resource value, payable to the explorer with transferable rights.

**(Action: SBICAPS, all stakeholders)**

Presentation by SBICAPS at **Annexure-5**

The meeting ended with vote of thanks to the Chair.

## Summary of important recommendations by the Executive Committee

1. States to reconcile the NMET payments received at their end against the bank statement provided by NMET and submit the reconciled monthly statements to NMET in two weeks' time. The present system of collection and reporting by the states will be reviewed after two months.

2. Concerned states to be invited to the meetings of the Technical Committee, during evaluation of mineral exploration projects.

3. CMPDIL to be included in the Technical Committee for evaluating proposals on coal exploration.

4. Proposal on allocation of a revolving fund to MECL for exploration to be placed in the next Governing Body meeting.

5. Tripartite Agreement on mineral exploration to be signed by the concerned parties before taking up any exploration project by MECL under NMET since it is a mandatory pre-requisite.

6. Technical committees to be constituted at state level for assessing capacity building/skill development needs of state DGMs.

7. IBM to submit proposal on modernization of its mineral beneficiation labs.

8. A concept paper on the proposed international seminar on mineral exploration to be developed by Mission-II, GSI in consultation with CMPDIL.

9. A workable model on payments to the exploration agencies engaged through auction, under various circumstances to be worked out by SBICAPS and other stakeholders.

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**Annexure-1**

**List of participants in the 2nd Meeting of the Executive Committee of the National Mineral Exploration Trust (NMET) held on 9th May, 2016**

| Sl. No. | Name & Designation | Organization/Contact No. /email | Remarks |
|---|---|---|---|
| 1 | Shri Balvinder Kumar<br>Secretary & Chairman | Ministry of Mines<br>secy-mines@nic.in | In Chair |
| 2 | Dr. Niranjan K. Singh<br>Joint Secretary & Member Secretary | Ministry of Mines<br>jse-mines@nic.in | Member Secretary, *ex officio* |
| 3 | Shri R.P. Gupta<br>Joint Secretary | Ministry of Coal<br>9978406066 | Member, *ex officio* |
| 4 | Dr. A.K. Rai<br>Director | AMD/DAE | Member, *ex officio* |
| 5 | Shri M. Raju<br>Addl. Director General | GSI<br>9432672087, geolraju@gmail.com, | Member, *ex officio* |
| 6 | Shri R.K. Sinha<br>Controller General | IBM | Member, *ex officio* |
| 7 | Shri Deepak Kumar Mohanty<br>Director | Department of Mines ,Govt. of Odisha<br>9437134628<br>dmohantymailcity.com, | Member, *ex officio* |
| 8 | Shri Nilaya Mitash<br>Principal Secretary | Department of Commerce & Industry, Govt. of Karnataka<br>9650572229 | Member, *ex officio* |
| 9 | Shri D.S. Maru<br>Director | DMG, Rajasthan<br>9414165275<br>director@dmg-raj.org | Member, *ex officio* |
| 10 | Ms Reena Kangale<br>Director | DGM, Chhattisgarh 9407916111<br>reenakangale@gmail.com | Member, *ex officio* |
| 11 | Shri Vineet Austin<br>Director | DGM, Madhya Pradesh<br>0755-2551795,9425411719,<br>vineetaustin@gmail.com | Invitee |
| 12 | Ms. Anjali Nagarkar<br>Deputy Director | DGM, Maharashtra<br>9850891520<br>anjali.mahajan.nagarkar@gmail.com | Invitee |
| 13 | Smt Kumari Anjali<br>Director | DGM, Jharkhand<br>9431592682 | Invitee |
| 14 | Dr. V.P. Dimri<br>Former Director | NGRI<br>7799043000 | Nominated Expert |
| 15 | Dr. Bijendra Singh<br>Chief Scientist (Retd.) | NGRI<br>9849418898 | Nominated Expert |
| 16 | Dr. P. R. Golani<br>Dy. Director General | GSI<br>9414074055, prggsi@gmail.com | Chairman, Technical Committee, NMET |

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|---|---|---|---|
| 17 | Dr. Gopal Dhawan | CMD, MECL<br>cmd@mecl.gov.in | Invitee |
| 18 | Shri B.N. Shukla<br>Director Tech/CRD | CMPDI<br>DTCRD.cmpdi@coalindia.in | Invitee |
| 19 | Shri Ashok Sharma<br>Addl. Director | DMG, Rajasthan<br>9214305456<br>adgjaipur@dmg.raj.org | Invitee |
| 20 | U.K. Qureshi,<br>Deputy Director, NMET | DGM,Chhattisgarh<br>9425252592 | Invitee |
| 21 | Dr. Joyesh Bagchi<br>Director (Tech.) | Ministry of Mines<br>dirtech.mom@nic.in | Invitee |
| 22 | Shri Debasish Sarkar<br>Technical Director | NIC, Ministry of Mines | Invitee |
| 23 | Shri M. Koshy John<br>Dy. Director General | NMET Secretariat<br>09868228632<br>koshy.john@gov.in | |
| 24 | Shri Debashish Rout<br>Suptdg. Geologist | GSI<br>8800401010 | Invitee |
| 25 | Yogesh Sharma<br>G.M.( BD & P) | MECL<br>9810163792, yogesh21@hotmail.com | Invitee |
| 26 | Shri Mriganka Ghatak<br>Suptdg. Geologist | GSI<br>mriganka.ghatak@gov.in | |
| 27 | Shri Sanjeeb Bhattacharya<br>Senior Geologist | GSI | |
| 28 | Shri Pankaj Kapoor<br>Deputy Manager | SBI | Invitee |
| 29 | Shri S.V. Prasad<br>Vice President | SBICAPS | Invitee |

Leave of absence granted to:

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|---|---|---|---|
| 1 | Shri U.P. Singh<br>Addl. Secretary | Ministry of Petroleum & Natural Gas | Member, *ex officio* |
| 2 | Smt. Sujata Prasad<br>Joint Secretary & Financial Advisor | Ministry of Coal & Mines | Member, *ex officio* |
| 3 | Prof. A.K. Singh | Ex. CMD, CMPDI and Professor ISM, Dhanbad | Nominated Expert |
| 4 | Dr. Bhabesh Chandra Sarkar | Professor ISM, Dhanbad | Nominated Expert |

**Annexure-4**

## List of project proposals approved by the Executive Committee of NMET

| Sl. No. | Name of the Block (Location, District, State) | Mineral | Area of the Block | Work already done in the block | Work proposed in the block | Estimated cost of the project in Rs. lakh |
|---|---|---|---|---|---|---|
| 1. | Jumka-Pathriposhi Block, Distt. Sundargarh, **Odisha** | Iron | 1.71 Sq. Km. | G-3 | G-2 | 772.68 |
| 2. | Purheibahal-Chandiposhi Block, Distt. Sundargarh, **Odisha** | Iron | 1.35 Sq. Km. | G-3 | G-2 | 265.33 |
| 3. | Mandri-Panchala Block, Distt. Nagpur, **Maharashtra** | Manganese | 2.50 Sq. Km. | Virgin Area | G-4 | 130.31 |
| 4. | Lanjera-Futala Block, Distt. Nagpur, **Maharashtra** | Manganese | 8.00 Sq. Km. | Virgin Area | G-4 | 148.98 |
| 5. | Ranigaon-Gondaiya Block, Distt. Bilaspur, **Chhattisgarh** | Limestone | 5.00 Sq. Km. | G-4 | G-3 | 100.52 |
| 6. | Nahardih-Madhaipur Block, Distt. Raipur, **Chhattisgarh** | Limestone | 5.45 Sq. Km. | Virgin Area | G-4 | 27.89 |
| 7. | Sendurkhar Block, Distt. Kabirdham (Kawardha), **Chhattisgarh** | Bauxite | 2.90 Sq. Km. | Virgin Area | G-4 | 45.13 |
| 8. | Saraipani-Dadar Block, Distt. Kabirdham (Kawardha), **Chhattisgarh** | Bauxite | 0.80 Sq. Km. | Virgin Area | G-4 | 44.66 |
| 9. | Ghumchihai Block, Distt. – Satna, **Madhya Pradesh** | Limestone | 5.00 Sq. Km. | Virgin Area | G-4 | 57.75 |
| 10. | Naubasta-Kolard Block, Distt. Satna, **Madhya Pradesh** | Limestone | 15.00 Sq. Km. | Virgin Area | G-4 | 59.49 |
| 11. | Jamodi-Mahanna Block, Distt. Satna, **Madhya Pradesh** | Limestone | 30.00 Sq. Km. | Virgin Area | G-4 | 65.36 |
| 12. | G.R. Halli South Block, Citra-Durga Schist Belt, Distt. Chitradurga, **Karnataka** | Gold | 1.00 Sq. Km. | G-3 | G-2 | 443.20 |
| 13. | Karam (Karambi) Block, Distt. Sahibganj (Santhal Parganas), **Jharkhand** | Limestone | 1.0 Sq. Km. | G-4 | G-3 | 130.86 |

Total estimated cost Rs. 2292.16 lakhs or say, **Rs. 23.00 Cr.**