Minutes of the 1st Meeting of the Governing Body of National Mineral Exploration Trust (NMET)

Venue: Conference Room Ministry of Steel, 20th November 2015

The 1st Meeting of the Governing Body of National Mineral Exploration Trust (NMET) was held under the chairmanship of Shri Narendra Singh Tomar, Hon'ble Minister of Steel and Mines, on 20th November 2015, in the Conference Room of Ministry of Steel, Udyog Bhavan, New Delhi.

The list of participants is at Annexure.

2. Shri Balvinder Kumar, Secretary, Ministry of Mines and Convener, Governing Body, NMET welcomed the participants and briefed about the establishment of NMET under Section 9C of the MMDR Amendment Act, 2015. He also explained the composition and functions of the Governing Body and the Executive Committee. He informed that the Governing Body would lay down the broad policy framework for the functioning of the Trust, periodically review its activities and approve the annual plan and budget upon the recommendation of the Executive Committee. Further, during the current financial year, an amount of Rs. 300 – 350 crores is expected to accrue into the Trust Fund.

3. Shri Narendra Singh Tomar, Hon'ble Minister of Mines and Chairman of the Governing Body, NMET in his opening address stated that the establishment of NMET has been envisaged to give an impetus to mineral exploration activities in the country. He said that there was a need for GSI and MECL to accelerate mineral exploration in the country to cover more potential areas. He further said that the Governing Body would be giving policy directions and guidelines on the functioning of the Trust and the Executive Committee would decide on detailed modalities for managing and administering its activities.

4. Shri Piyush Goyal, Hon'ble Minister of State for Power, Coal, New and Renewable Energy expressed the view that the establishment of NMET and District Mineral Foundation (DMF) was a significant initiative of Government of India for the Indian mineral industry. He explained that there was a large demand for coking coal

in the country and due to limited availability; Government incurs huge expenditure towards its import. He suggested for prioritization of exploration for coking coal, iron and other critical minerals, which are likely to be extensively used in the next 20-25 years. He emphasized the need to adopt innovative technology in mineral exploration and suggested involving the private sector. He also advised to invite CMPDIL as a nodal exploration agency of Ministry of Coal in the NMET meetings.

5. Shri Rajendra Shukla, Minister In-Charge of Mines & Geology, Government of Madhya Pradesh emphasized the need to adopt new and innovative technologies in exploration, to expedite the process so that more number of mineral blocks is made available for auction. He informed that Madhya Pradesh had submitted a proposal for G2 level exploration of 5 limestone blocks by MECL through NMET funding. He also demanded that the potential resources of coal-bed-methane (CBM) and natural gas in the State should be explored expeditiously.

6. Shri Harbans Singh, Director General (DG), Geological Survey of India (GSI) made a presentation on proposed airborne geophysical survey of obvious geological potential (OGP) areas identified in India. He informed that for targeting deep seated and concealed mineral deposits, airborne geophysical survey was the fastest and best available tool. He stated that the project is proposed to be completed in two phases in three years through outsourcing. In the first phase, reconnaissance aerogeophysical survey of entire OGP area (5.71 lakh sq. km) would be completed with magnetometer and gravity sensors and in the second phase, high resolution airborne survey would be carried out over potential mineral zones recognized in the first phase. A tentative cost of Rs 1500 crore has been estimated for this project.

Shri Anil Swarup, Secretary, Coal while agreeing to the proposal suggested that the technical parameters of this project may be reviewed by a Committee of Experts so that it adopts the best available technology. He further advised to take up the project in collaboration with other beneficiary agencies so that the valuable data generated is fruitfully shared and utilized.

Agreeing with the views expressed by Secretary, Coal, Secretary, Mines suggested that a Committee involving representatives from Ministries of Coal, Petroleum, Mines, Dept. of Atomic Energy and PSUs may be constituted to look into the technical parameters of the project.

Responding to the queries on data sharing, DG, GSI informed that there were certain restrictions imposed by the Ministry of Defence on sharing of critical data. Secretary, Mines informed that Ministry of Mines has already taken up the issue with Ministry of Defence for relaxation of restrictive conditions imposed way back in year 1967. It was suggested to follow it up to its logical conclusion.

7. Dr. Gopal Dhawan, Chairman-cum-Managing Director (CMD), Mineral Exploration Corporation Limited (MECL) made a presentation on action plan of MECL. He said that a major share of exploration done by MECL was on coal. He also informed that MECL had submitted 48 mineral exploration project proposals to five State governments (Karnataka, Madhya Pradesh, Maharashtra, Chattisgarh and Odisha) for consideration. He also explained that an integrated survey project, jointly by MECL and MOIL, through an SPV had been prepared to identify potential mineral blocks in extended areas of mining in the Sausar belt of Central India.

The Hon'ble Minister of Coal advised that instead of forming a SPV, MECL may consider an agreement with MOIL to pursue the above proposal and for the detailed exploration projects, funding may be sought from non-budgetary sources.

8. The issue of delay and difficulty in grant of forest clearance for mineral exploration was also raised. Shri Manoj Kumar Singh, Joint Secretary, MoEF informed that new guidelines are being formulated by the Ministry wherein, no clearance would be required for forest areas with less than 10% canopy cover; for areas having 10-40% canopy cover, the forest clearance would be issued by identified nodal officers at district level and for 40-70% canopy cover, clearances be granted by regional committees to be constituted for the purpose.

9. Shri. Upendra Prasad Singh, Additional Secretary, Ministry of Petroleum and Natural Gas informed that 26 sedimentary basins had been identified on land and in offshore areas for exploration and detailed surveys were being undertaken in these basins to augment basic geological information, to be made available to the bidders. He said that for on land 2-D seismic survey, OIL has been identified as the exploration agency. He further stated that one private agency has carried out multichannel survey in the offshore area and submitted the report and an MOU has been entered into with seven parties to complete basic geodata acquisition in the basins. DG, GSI apprised the Governing Body that this data would be useful for

mineral exploration as well and therefore, needs to be made available in the public domain. He also conveyed that the aerogeophysical data to be acquired by GSI would also be helpful to oil exploration agencies.

10. Shri Arvind Kumar, Secretary and Commissioner for Industrial Promotion Government of Telangana, suggested that a separate notification for collecting 2% equivalent of royalty towards NMET from coal may be issued by Ministry of Coal. It was, however, clarified that the relevant Section on NMET in the MMDR Amendment Act, 2015 was applicable to all minerals listed under Second Schedule. He further requested that exploration of eleven blocks of iron-ore should be undertaken by GSI/MECL under NMET.

11. Smt. Kumari Anjali, Director (Geology) Government of Jharkhand informed that the State would be putting up 6 blocks on auction by December 2015. She informed that the project proposal for reassessment on the basis of 45% cutoff of iron-ore is being prepared by the State DGM to enhance iron ore exploration activities in the State. She also said that project proposals on exploration of iron ore in the gap areas in Singhbhum District had been submitted to the CGPB Committee.

12. Shri. Vineet Austin, Director, Geology and Mining, Government of Madhya Pradesh informed that notice inviting tender (NIT) for auctioning 5 mineral blocks in the State would be floated by end of November 2015. He said that work was going on in 8 other areas for rock phosphate, diamond, bauxite and those would be ready for auction in 8-9 months. He further informed that agreement with PSUs was underway for exploration of various mineral commodities in the State. As per the decision in the SGPB, the available geological data and the data being generated by different agencies would be made available on a single platform. He highlighted the issue of inadequate infrastructure facilities in the State for taking up drilling, chemical analysis and GIS studies and requested NMET support for upgrading these facilities.

13. Shri. Y. Tsering, Additional Chief Secretary, Government of Meghalaya expressed concern over losing valuable mineral deposits like uranium under reservoirs of Hydro Electric Project (HEP) and suggested evaluation of the mineral potential of such areas, prior to approval of the project. Regarding auctioning of

mineral blocks in the State, he informed that most of the land in the State was under private ownership and hence there were some issues, which need to be resolved through negotiations.

14. Secretary, Mines appreciated the efforts made by the State Government of Gujarat of launching of e-auction of 5 blocks of limestone. Shri Arvind Agarwal, Additional Chief Secretary, Industries and Mines, Government of Gujarat informed that so far, the State has been carrying out limestone and bauxite exploration up to G1 level on its own. He further informed that the State proposes to carry out aerogeophysical survey in the extended areas of Aravalli range in Gujarat covering about 1000 ha and had sent a letter of request for NMET funding. He further said that DMF would be established in the State by December 2015, and proposed setting up a State Mineral Fund with a certain percentage of contribution from the DMF, to finance major infrastructure development projects in the State.

The Hon'ble Minister of Mines suggested that, for the time being, the funds accrued in DMF should be utilized for the overall development of remote and less developed areas affected by mining in the respective districts and contributing towards State Mineral Fund from DMF could be considered later.

15. Summing up the discussion, Secretary, Mines made the following observations:

i. GSI to prioritise the OGP area into 3-4 zones and take up airborne geophysical survey in phases depending upon the availability of funds. The Ministry should take on board other concerned Ministries, like Ministry of Coal, Ministry of Petroleum and Natural Gas, Dept. of Atomic Energy, Ministry of Water Resources, Ministry of Steel and their PSUs, that would be benefitting directly from the proposed geophysical surveys. In this regard, Ministry of Mines would constitute a committee comprising representatives from these Ministries and their PSUs and other stakeholders, to finalise the technical details of the project so that the acquired geophysical data is beneficial for taking up further exploration by respective organisation. The Committee will also work out the modality of seeking extra-budgetary support from these organisations for expeditious completion of this program.

ii. State Units of GSI should set up dedicated mineral exploration cell to expedite and coordinate exploration in respective State. Mineral exploration projects are to be taken up by GSI with a commercial perspective and all the concerned agencies have to closely coordinate for the successful implementation of the projects.

iii. MECL may take up exploration projects for identified mineral block proposed by the State Governments after approval of the Executive Committee of NMET. Executive Committee may opt for technical appraisal of the proposed exploration projects by an Expert Committee. There will be a tripartite arrangement among the Ministry of Mines, MECL and the concerned State Govts. for reimbursement of exploration cost by the successful bidder on the auction of the respective mineral block. A revolving fund will be provided from NMET to MECL for taking up of exploration of approved mineral blocks and the fund will be replenished by reimbursement of the exploration cost upon auctioning of the explored blocks.

16. Expressing satisfaction over the deliberations, the Hon'ble Minister of Mines in his concluding remarks stated that the meeting gave an insight into the overall progress made by the primary exploration agencies and the State Governments in mineral exploration. To accelerate activities under NMET and to ensure optimal utilization of the fund, firstly, the activities of various exploration agencies including GSI and MECL in various States should be prioritized and completed expeditiously, and secondly, capacity building and skill development of the State DMGs and other stakeholders in mineral exploration must also be given priority under NMET.

17. After detailed discussions on various agenda items, the following decisions were taken by the Governing Body:

1. As a nodal exploration agency for Ministry of Coal, CMPDIL should be invited to the meetings of the NMET. For Ministry of Mines, MECL will be the nodal exploration agency

(Action: NMET)

2. GSI may divide the OGP area into 3-4 zones and the proposed multisensor aerogeophysical survey may be taken up in phases depending upon the availability of fund including non-budgetary support from other organisations. The project will be undertaken in close coordination with other stakeholders - Ministry of Coal, ONGC, Oil India, AMD, NGRI, CGWB, etc.

(Action: GSI)

3. A Committee of representatives from Ministry of Coal, Ministry of Petroleum and Natural Gas, Dept. of Atomic Energy, Ministry of Water Resources, Ministry of Steel and their PSUs and other stakeholders would be constituted to finalise the technical parameters of the project. The Committee will also finalise the modality of collaboration and extra-budgetary support from the stakeholder organisations. This is aimed for completing the project expeditiously. Addl. DG, RSAS will be the member-secretary of this Committee.

(Action: Ministry of Mines/GSI)

4. MECL was accorded in-principle approval to take up the mineral exploration projects for identified mineral blocks proposed by the State Governments after appraisal and approval of the Executive Committee of NMET. There will be a tripartite arrangement among the Ministry of Mines, MECL and the concerned State Govts. for reimbursement of exploration cost by the successful bidder on the auction of the respective mineral block. A revolving fund will be provided from NMET to MECL for taking up exploration of approved mineral blocks, and the fund will be replenished by reimbursement of the exploration cost upon auctioning of the explored blocks.

(Action: MECL)

5. In principle approval was given for capacity building and skill development of State DMGs in mineral exploration, through NMET. The modalities of fund utilization for projects would be decided by the Executive Committee of NMET.

(Action: NMET)

18. The meeting ended with vote of thanks to the Chair.

Annexure

List of participants

Sl. No.	Name and Designation/Organization	Designation	Contact Details (E-mail id Phone No./ Mobile No.
	Shri Narendra Singh Tomar	Hon'ble Union Minister of Steel and Mines	**In the Chair**
	Shri Piyush Goyal	Hon'ble Minister of State with Independent Charge for Power, Coal, New and Renewable Energy	
	Shri Rajendra Shukla	Hon'ble Minister In-Charge of Mines & Geology, Govt. of Madhya Pradesh	
	Shri Balvinder Kumar	Secretary, Ministry of Mines	
	Shri Anil Swarup	Secretary, Ministry of Coal	
	Shri K.D. Tripathi	Secretary, Ministry of Petroleum and Natural Gas	
	Shri R. Sridharan	Additional Secretary, Ministry of Mines	as-mines@nic.in
	Shri Upendra Prasad Singh	Additional Secretary, Ministry of Petroleum and Natural Gas	upsingh1962@hotmail.com 8800388228
	Shri Y. Tsering	Additional Chief Secretary, Mining and Geology, Govt. of Meghalaya	ytsering@yahoo.com 8794195573
	Shri Arvind Agarwal	Additional Chief Secretary, Industries and Mines, Govt. of Gujarat	secimd@gujarat.gov.in 9825419819
	Shri Arvind Kumar	Secretary and Commissioner for Industrial Promotion Govt. of Telengana	arvindkumar@telangana.gov.in 04023453305
	Shri S.P. Negi	Director (Mines) Govt. of Jharkhand	09801932640
	Shri Harbans Singh	Director General, GSI	harbanssingh.gsi@gmail.com 08017308949
	Dr. Gopal Dhawan	CMD, MECL	cmd@mecl.gov.in 8007771467
	Dr. Dinesh Gupta	Additional Director General (Geophysics) & HoD RSAS, GSI	adgnmh1b.gsi@gmail.com 033-23210100
	Shri Manoj Kumar Singh	Joint Secretary Ministry of MoEF	mks2973@yahoo.com 9871577222
	Dr. Niranjan K. Singh,	Joint Secretary, Ministry of Mines	jse-mines@nic.in
	Shri Nikunj Kumar Srivastava	PS to the Hon'ble Union Minister of Mines	
	Shri Arun Kumar	Addl. P.S to the Hon'ble Union Minister of Mines	
	Shri Ashok Sharma	OSD to Hon'ble Minister In-Charge of Mining, Govt. Of Madhya Pradesh	energy.min@gmail.com
	Dr. J. Bagchi	Director (T), Ministry of Mines	dirtech.mom@nic.in 9868918087
	Shri Vineet Austin	Director Geology & Mining MP	vineetaustin@gmail.com 9425411719
	Smt. Kumari Anjali	Director (Geology) Govt. of Jharkhand	
	Shri M. Koshy John	Dy. Director General, GSI & NMET	koshy.john@gov.in

			9868228632
	Dr. J.S.Mehta	Director, GSI, DGCO	
	Shri Mriganka Ghatak	Supdg. Geologist	mghatak.sdmc@gmail.com
	Dr. Sreemati Gupta	Supdg. Geologist, GSI, DGCO	guptasreemati@gmail.com
	Shri Debashish Rout,	Supdg. Geologist, GSI, DGCO	debashish.india@yahoo.com 8800401010
	Shri S. Gogia	Sr. Geologist, GSI, DGCO	