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Government of India
Ministry of Mines
National Mineral Exploration Trust

F. No. 6/3/2015-NMET/158 New Delhi, 14th September, 2021

Subject: Circulation of Minutes of 3rd Meeting of the Governing Body of National Mineral Exploration Trust (NMET) held on 31st July, 2021-reg.

Please find enclosed the minutes of 3rd Meeting of Governing Body of NMET held on 31st July, 2021 under the Chairmanship of Shri Pralhad Joshi, Hon'ble Minister of Mines, Coal & Parliamentary Affairs, New Delhi for your kind perusal.

Action taken report on relevant paras may kindly be forwarded to this office.

14/9/2021

[Amit Saran]
Director &HoD
National Mineral Exploration Trust

To,

1. PS to Hon'ble Minister of Hon'ble Minister of Mines, Coal & Parliamentary Affairs, Shastri Bhawan, Dr. Rajendra Prasad Road, New Delhi.
2. PS to Hon'ble Minister of Petroleum & Natural Gas, Shastri Bhawan, New Delhi.
3. PS to Hon'ble Minister of State, Department of Atomic Energy, New Delhi.
4. PS to Minister of State, Mines, Shastri Bhawan, Dr. Rajendra Prasad Road, New Delhi.
5. PS to Minister In-Charge, Mines & Geology, Government of Madhya Pradesh, Bhopal.
6. PS to Minister In-Charge, Mines & Geology, Government of Assam, Guwahati.
7. PS to Minister In-Charge, Mines & Geology, Government of Rajasthan, Jaipur.
8. PS to Minister In-Charge, Mines & Geology, Government of Karnataka, Bengaluru.
9. PS to Minister In-Charge, Mines & Geology, Government of Maharashtra, Mumbai.
10. PS to Minister In-Charge, Mines & Geology, Government of Tamil Nadu, Chennai.

Copy to,

1. The Director General, Geological Survey of India 27, J. L. Nehru Road, Kolkata.
2. The Chairman-cum-Managing Director, MECL, Dr. Babasaheb Ambedkar Bhawan, Seminary Hills, Nagpur.
3. The Secretary (Mines), Government of Andhra Pradesh.
4. The Secretary (Geology & Mining), Government of Arunachal Pradesh.
5. The Principal Secretary, Department of Mines & Minerals, Government of Assam.
6. The Principal Secretary-cum-Mines Commissioner, Government of Bihar.
7. The Principal Secretary, Depertment of Mines & Geology, Government of Goa.
8. The Addl. Chief Secretary (Industries), Government of Himachal Pradesh.
9. The Principal Secretary (Industry & Mines), Government of Gujarat.
10. The Commissioner Secretary (Industries & Commerce), Government of Jammu & Kashmir.
11. The Secretary (Industries, Mines & Geology), Government of Jharkhand.
12. The Secretary, (Industries & Commerce) Government of Karnataka.
13. The Principal Secretary, Industries Department, Government of Kerala.
14. The Secretary (Mines), Government of Madhya Pradesh.
15. The Addl. Chief Secretary (Industries & Mines), Government of Maharashtra.
16. The Commissioner and Secretary, Mining & Geology Department, Government of Meghalaya.
17. The Commissioner & Secretary, Geology & Mining, Government of Nagaland.
18. The Principal Secretary (Steel & Mines), Government of Odisha.
19. The Principal Secretary, Mines & Geology, Government of Punjab.
20. The Principal Secretary (Mines), Government of Rajasthan.
21. The Principal Secretary (Industries), Government of Tamil Nadu.
22. The Principal Secretary (Industries & Mines), Government of Telangana.
23. The Secretary (Mines & Geology), Government of Uttar Pradesh.
24. The Principal Secretary (Mines), Government of Uttarakhand.
25. The Secretary (Industry, Commerce & Enterprises), Government of West Bengal.
26. The Secretary, Department of Industries, Administration of Union Territory of Ladakh.
27. The Principal Secretary, Mines and Geology Department, Government of Sikkim.

Copy for information to:

1. PSO to Secretary, Ministry of Mines, Shastri Bhawan, New Delhi.
2. PS to Additional Secretary, Ministry of Mines, Shastri Bhawan, New Delhi.
3. PS to Joint Secretary (UJ), Ministry of Mines, Shastri Bhawan, New Delhi.
4. PS to JS & FA, Ministry of Mines, Shastri Bhawan, New Delhi.
5. Director (Technical), Ministry of Mines, Shastri Bhawan, New Delhi.

Ministry of Mines
National Mineral Exploration Trust (NMET)

Minutes of the 3rd meeting of the Governing Body (GB) of National Mineral Exploration Trust (NMET) held on 31st July, 2021

The 3rd meeting of the Governing Body (GB) of National Mineral Exploration Trust (NMET) was held under the Chairmanship of Shri Pralhad Joshi, Hon'ble Minister of Coal, Mines and Parliamentary Affairs on 31st July, 2021 at New Delhi.

The list of participants is at Annexure-I.

2. Shri Alok Tandon, Secretary of Mines & Convener, GB, NMET welcomed the dignitaries and other delegates in the meeting and briefed about the activities undertaken by NMET. He informed that NMET fund is being utilized for funding of mineral exploration projects and baseline geoscience data generation and National Geoscience Data Repository (NGDR) projects. He mentioned that NMET organised outreach programmes in Jaipur, Lucknow and Bhopal to reach out to the states and Notified Exploration Agencies to solicit exploration proposals to be executed through NMET funding.

3. The agenda was presented by Shri Upendra Chandra Joshi, Joint Secretary (Exploration), Ministry of Mines as follows:.

3.1 Overview of National Mineral Exploration Trust (NMET)

Shri Upendra Chandra Joshi, Joint Secretary (Exploration), Ministry of Mines presented the details about fund collection, allocation and expenditure; on mineral exploration projects as below:

Sl. No.	FY	Accrual-Opening balance (₹ in Cr)	Fund Accruals- FY (₹ in Cr)	Cost of Sanction projects (₹ in Cr)	Projects Expenditure (₹ in Cr)
1	2015-16	0	134.41	0	0
2	2016-17	134.41	509.39	245.66	0
3	2017-18	643.80	556.64	151.58	79.95
4	2018-19	1200.44	246.93	347.79	88.40
5	2019-20	1447.37	664.85	58.07	68.31
6	2020-21	2112.22	620.85	164.31	83.11
7	2021-22*	2733.08	96.34	48.26	22.03
	Total		**2829.42**	**1015.67****	**341.80**

* upto June, 2021
** Excluding ₹124.78 Cr. of 23 cancelled project cost

He also presented commodity wise and state wise approved exploration project details.

It was informed that National Mineral Exploration Trust, as a part of its Outreach Program, is organizing a series of workshops, on 'Enhancing Exploration through NMET', to assist and empower states in harnessing the mineral potential of the states utilizing NMET fund. The workshops are being organized in collaboration with GSI and MECL.

Outreach Programs for State Govt. & Exploration agencies on formulation & submission of mineral exploration proposals for NMET were planned in 6 clusters. Workshops were held at Jaipur on 18.01.2012, Lucknow on 22.01.2021 and Bhopal on 02.03.2021 respectively and rest are planned to be held in the coming months as below:

Cluster	Name of States	Venue
√ Western States	Rajasthan, Gujarat	Jaipur
√ Northern States	Uttar Pradesh, Uttarakhand, J&K, Ladakh, Himachal Pradesh,	Lucknow
√ Central States	Madhya Pradesh, Chhattisgarh, Maharashtra, Goa	Bhopal
Eastern States	Bihar, West Bengal, Odisha, Jharkhand	Bhubaneswar
Southern States	Andhra Pradesh, Karnataka, Tamil Nadu, Kerala, Telangana	Hyderabad/ Bangalore
North Eastern States	Assam, Meghalaya	Shillong

Shri Pralhad Joshi, Hon'ble Minister of Mines, Coal & Parliamentary Affairs expressed concern on the low expenditure of NMET and emphasized the need to increase mineral exploration project funding by NMET giving priority to strategic, critical minerals and deep seated mineral deposits. He stressed upon the need to focus on exploration of gold, copper, diamond, REE and Rare Metals. He advised state government agencies to come out with detailed and concrete plans for regional exploration of minerals. He suggested to include Ministry of Steel in the Governing Body. He advised to formulate system of advance payment for exploration projects for extending financial assistance to states for accelerating the pace of mineral exploration.

Shri Hardeep Singh Puri, Hon'ble Minister of Petroleum & Natural Gas and Housing & Urban Affairs suggested that states should submit more project proposals to NMET for fund allocation and advance payment may be given to states to execute the approved project and progress of the project should be reviewed before disbursing further payment.

Dr. Jitendra Singh, Hon'ble Minister of State (Independent Charge) Atomic Energy suggested to follow uniform guidelines for the approval of NMET funded projects to the State Governments and frequent interaction with States.

Shri Brajendra Pratap Singh, Hon'ble Minister of Mineral Resources Department, Govt. of MP, requested that funding of exploration activities for Minor minerals may be done by NMET. Hon'ble Minister of Mines, Coal & Parliamentary Affairs clarified that accruals of NMET are from Major Minerals and states can constitute Sate Mineral Exploration trusts on lines of NMET from royalties of Minor Minerals as has been done by some states like Rajasthan and Andhra Pradesh.

3.2 Salient decisions of Executive Committee (EC) held between April 2018 to June 2021

Shri Upendra Chandra Joshi, Joint Secretary (Exploration), Ministry of Mines presented the salient decisions taken by Executive Committee (EC) during various meetings held between FY 2018-19, FY 2020-21 and FY 2021-22 (upto June 2021) for information of GB.

3.3 Annual Plan and Budget

Annual budget estimates and actual expenditure details for FY 2018-19, 2019-20, 2020-21 and 2021-22 given below were presented for approval of GB.

(₹ in crore)

	2018-19	2019-20	2020-21	2021-22
Budget Estimates(B.E)	400	150	150	100
Revised Estimates (R.E)	150	110	90	-
Expenditure	88	68	83	22.03*

*Expenditure upto June, 2021

It was informed that the utilisation of NMET budget depended on the progress of work of NMET funded exploration projects executed by various Notified Exploration Agencies (NEAs). As the number of suitable project proposals being received from NEAs were low, the expenditure was less than anticipated in these years.

In order to solicit more proposals from the state governments and NEAs, NMET is conducting a series of workshops as a part of its outreach program in different states, as discussed in Para 3.1 above. Further, with the participation of private sector in exploration, the number of projects being undertaken is expected to increase substantially in the coming years.

The budget estimates for 2021-22 was reduced to ₹100 crore keeping in view of uncertainty of ongoing COVID-19 pandemic and limitations in mobility of

international agencies associated with the advanced geoscience projects due to COVID. The additional requirement of budget, if any that may arise during the year, will be requested at RE stage during 2021-22.

Hon'ble Minister of Mines, Coal & Parliamentary Affairs advised to speed up the mineral exploration work for maximum utilization of annual budget from this year.

GB decision:

GB approved the annual plan and budget as proposed.

3.4 Annulment of Tripartite Agreement with MECL

The Governing Body was informed that as per the decision of the 1st GB meeting, a tripartite arrangement among the Ministry of Mines, MECL and the concerned State Governments have been signed with 14 States for reimbursement of exploration cost on auction of mineral block by the successful bidder to NMET.

Till date, a total of 100 no. exploration projects at an estimated cost of ₹410.65 Cr have been approved for NMET funding to MECL in states with which tripartite agreement exists.

A total of 75 no. of NMET approved exploration projects at an estimated cost of ₹110.02 Cr are being executed by other NEAs viz. NMDC, KIOCL, NLC, CMPDI, Directorate of Mines & Geology (DMG)/Mineral Development Corporations of States, Central/State PSUs in various states with whom there is no tripartite agreement. As no Tripartite Agreement was signed with these NEA's, they have no obligation to reimburse the exploration cost to NMET on successful auction/allocation of the blocks.

The matter was discussed in 12th EC meeting and it was decided to put up the matter for consideration of GB.

In view of above, the following was proposed for approval of the Governing Body.

i. The Tripartite Agreement among NMET, MECL and concerned State Government may be done away with in respect of project approved by NMET henceforth.
ii. The reimbursement provision in respect of NMET funded projects already carried out or ongoing by MECL will continue to be applicable in case of auction of any eligible block. The procedure to receive fund from other sources including reimbursement of exploration cost shall be made.
iii. As there is no Tripartite Agreement in respect of other exploration agencies, the requirement of the same may be do away with for all Notified Exploration Agencies, including MECL henceforth.

Hon'ble Minister of Mines, Coal & Parliamentary Affairs opined that the NMET fund comes from States as 2% of royalty and hence there is no need to collect the cost of exploration for the auctioned block.

GB decision:

GB approved the proposal for annulment of tripartite agreement as proposed.

3.5 Autonomous status of National Mineral Exploration Trust

The Governing Body (GB) was informed that as per Ministry of Mines Gazette Notification dated 28th March, 2021 regarding Mines and Minerals (Development and Regulation) Amendment Act, 2021 (the Act), the National Mineral Exploration Trust is to be made a "non-profit autonomous body"

The words "non-profit autonomous body" has been substituted in place of "non-profit body" in sub-section (1) of 9C of the Mines and Minerals (Development and Regulation) Act regarding autonomous status to National Mineral Exploration Trust.

Shri Alok Tandon, Secretary of Mines & Convener, GB, informed that proposal has been submitted to Committee on Establishment Expenditure (CEE) and CEE meeting is expected to be held soon. He briefed the house about the proposed organizational structure and set up of NMET as autonomous body.

Shri Hardeep Singh Puri, Hon'ble Minister of Petroleum & Natural Gas and Housing & Urban Affairs suggested to speed up the process of making NMET fully functional as autonomous body to increase the mineral exploration for extraction of available resources and include private agencies for accelerating mineral exploration in country. He further advised that, NMET should be a lean organization focused on expediting exploration activities in the country.

Secretary, Mines & Convener, GB, NMET informed that that ministry is in process to finalise terms and conditions to notify private agencies as notified exploration agencies so that more agencies will be available for mineral exploration in country.

Hon'ble MoS Mines, Shri Raosaheb Patil Danve, suggested that the chairman of the autonomous body be the Minister of Mines. The GB advised that the matter may be taken up by the Ministry of Mines.

Hon'ble Minister of Mines, Coal & Parliamentary Affairs, advised to expedite the process to make NMET as autonomous body so that formal inauguration may be held on 2nd October, 2021.

3.6 Funding of National level awards proposed to be instituted by the Ministry of Mines and awarded to States who take initiative to increase mineral production in the country

It was informed that Ministry of Mines is developing a mechanism of incentivizing States for grant of early clearances for mines and facilitate early start of production by instituting national level awards to states who take initiative to increase mineral production in the country. The awards are proposed under three categories: **(1)** Iron ore, limestone & bauxite, **(2)** Other minerals and **(3)** Minor Mineral (Other than sandstone, gravel) like mica, granite, marble etc.

The award money will be ₹3 Crore, ₹2 Crore and ₹1 crore for 1st, 2nd and 3rd prize in each category respectively. For the first time, the award will be given based on the combined performance of last two financial years i.e 2019-20 and 2020-21.

An amount of ₹18 Crore would be required for the award money in respect of 9 awards (three awards under three categories) proposed to be given in three categories for one year.

Secretary Mines & Convener, GB informed that the procedures and terms & conditions for selection in each category will be finalized by Ministry of Mines with approval of competent authority.

GB decisions:

GB approved the budget of ₹18 Crore for award money from NMET fund for year 20221-22 as proposed.

4. The meeting ended with vote of thanks by Shri Upendra Chandra Joshi, Joint Secretary (Exploration), Ministry of Mines.

Annexure-I

List of participants

S. No.	Name & Designation	Organization
1	Shri Pralhad Joshi	Hon'ble Minister of Coal, Mines and Parliamentary Affairs and Chairperson, *ex-officio*
2	Shri Hardeep Singh Puri	Hon'ble Minister of Petroleum & Natural Gas and Housing and Urban Affairs, Member *ex-officio*
3	Dr. Jitendra Singh	Hon'ble Minister of State (Independent Charge) Science & Technology; Earth Sciences; MoS PMO, Personnel, Public Grievances, Pensions, Atomic Energy and Space, Member *ex-officio*
4	Shri Raosaheb Patil Danve	Hon'ble Minister of State for Coal, Mines and Railways, Member *ex-officio*
5	Shri Brajendra Pratap Singh	Hon'ble Minister of Mineral Resources Department, Govt. of Madhya Pradesh, Member *ex-officio*
6	Shri Jogen Mohan	Hon'ble Minister of Mines and Minerals Department, Govt. of Assam, Member *ex-officio*
7	Shri Alok Tandon Secretary	Convener, *ex officio* Ministry of Mines
8	Shri Sanjay Lohiya Addl. Secretary	Ministry of Mines
9	Shri Upendra C. Joshi Joint Secretary (Exploration)	Ministry of Mines
10	Shri R. S. Garkhal Director General	Geological Survey of India
11	Shri Janardan Prasad Addl. Director General	Geological Survey of India
12	Dr. Ranjit Rath Chairman-cum Managing Director	Mineral Exploration Corporation Ltd.
13	Shri Amit Saran Director, NMET	Ministry of Mines
14	Shri Pradeep Singh Director (Tech)	Ministry of Mines
15	Shri Ritesh Chauhan PS to Hon'ble Minister of Mines	Ministry of Mines
16	Dr. Honnareddy N, PS to Hon'ble Minister of Mines	Ministry of Mines
17	Shri Vaibhav Kumar APS to Minister of State, Mines	Ministry of Mines

18	Shri Rasaal Dwivedi PS to Minister of Petroleum & Natural Gas	Minister of Petroleum & Natural Gas
19	Shri M. Venkateshan OSD to Minister of State, Atomic Energy	Minister of State (Independent Charge), Atomic Energy and Space
20	Shri Vineet Kumar Austin Director, Geology and Mining	Mineral Resources Department, Government of Madhya Pradesh
21	Dr. Vijay Kumar Singh OSD to Hon’ble Minister	Mineral Resources Department, Government of Madhya Pradesh
22	Shri Noresh Gwala PA to Hon'ble Minister, Assam	Mines and Minerals Department, Government of Assam
23	Ms. Barnalee Nath Joint Director, DGM	Mines and Minerals Department, Government of Assam
24	Ms. Barnali Borah Sr. Geologist, DGM	Mines and Minerals Department, Government of Assam