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Government of India
Ministry of Mines
National Mineral Exploration and Development Trust

9th Floor, Jeevan Prakash Building,
25, K.G. Marg,
New Delhi.
Date: 01.06.2026

Office Memorandum

Subject: Guidelines for Funding of Mineral Exploration Projects of the Geological Survey of India through NMEDT-reg

The Guidelines for funding of mineral exploration projects of Geological Survey of India through NMEDT have been approved by Hon'ble Union Minister of Mines/Chairman, Governing Body.

The approved guidelines are enclosed herewith for information and necessary action by all concerned.

Encl: As above

(Geetika Sharma)
Director (Projects)

Copy to:

1. Director General, Geological Survey of India.
2. Chairmen of TCC-1 & TCC-2 of NMEDT.
3. All members of PSC of NMEDT.
4. All members of Executive Committee of NMEDT.

Copy for information to:

1. PSO to Secretary, Ministry of Mines.
2. Sr. PPS to JS&FA, Ministry of Mines.
3. PPS to JS (FMN), Ministry of Mines.
4. PS(Consultant) to DG, NMEDT.

Digitally signed by
Geetika Sharma
Date: 01-06-2026
19:34:40

Subject: Guidelines for Funding of Mineral Exploration Projects of the Geological Survey of India through the National Mineral Exploration & Development Trust

The Central Government has implemented several policy reforms to enhance mineral production in the country and achieve self-reliance in the mineral sector. These guidelines will govern the funding of mineral exploration projects undertaken by the Geological Survey of India (GSI) through the National Mineral Exploration & Development Trust (NMEDT), in accordance with the provisions of the Mines and Minerals (Development and Regulation) Act, 1957, and the rules framed there under.

2. The National Mineral Exploration & Development Trust has been established under Section 9C of the Mines and Minerals (Development and Regulation) Act, 1957, as a dedicated funding mechanism for regional and detailed exploration. As the principal national geoscience organisation, the Geological Survey of India carries out mineral exploration as part of its mandate. Further, with the launch of the National Critical Minerals Mission (NCMM), there has been a heightened focus on the exploration of critical minerals in the country. In line with this vision, GSI has taken up an increased number of projects aimed at critical mineral exploration. Under NCMM, NMEDT has been assigned the mandate to provide funding support for the exploration of critical minerals.

3. NMEDT funds exploration projects undertaken by Notified Exploration Agencies, Notified Private Exploration Agencies, State Directorates of Mines and Geology (DMGs), the Mineral Exploration Consultancy Limited (MECL), and other such agencies. This guideline provides for extending funding support for exploration projects undertaken by GSI.

4. NMEDT funding shall be released to GSI for outsourced and externally procured components of exploration projects, including drilling, geophysical surveys, geochemical analysis, remote sensing, hiring of equipment and vehicles, laboratory analysis, crop compensation, borehole plugging, construction of permanent markers and other miscellaneous costs of the projects. The funding will also be provided for other field components like logistics, travel & manpower etc., specifically related to the project. Any funding to be provided to GSI will be in compliance with the General Financial Rules and Government procurement

procedures. The funding will be as per the Schedule of Charges of NMEDT.

5. Exploration activities shall be undertaken in accordance with the stages defined under the Minerals (Evidence of Mineral Contents) Rules, 2015, namely G4, G3, G2, and G1, to establish mineral resources as per the United Nations Framework Classification. However, for the purpose of funding, baseline surveys and Regional Mineral targeting projects will also be included.

6. All Project proposals will be submitted by the GSI to NMEDT through the “NMEDT Connect” link available on the NMEDT portal. In exceptional circumstances, proposals can also be taken through email or physical mode. Project proposals submitted by GSI shall include details of the area, mineral commodities, detailed geological justification, exploration strategy, drilling plan map, methodology, timelines, and clearly demarcated components proposed for NMEDT funding.

7. All project proposals approved in Central Geological Programming Board (CGPB) will be taken up directly for consideration by the Technical cum Cost Committees. These projects shall not be sent to MECL, AMD and respective State DGMs for their comments as these agencies are members of CGPB.

8. The proposals submitted by the Geological Survey of India for funding under the National Mineral Exploration and Development Trust shall be evaluated based on clearly defined technical, financial, and outcome-oriented criteria to ensure optimal utilization of public funds and achievement of national mineral exploration objectives. In so far as the evaluation of project proposals is concerned, primary emphasis shall be placed on the geological merit and scientific rationale of the proposal. Each proposal shall be required to demonstrate a sound geological model supported by existing data, including previous exploration results, geophysical or geochemical anomalies, and regional mineralisation trends. The extent to which the proposal addresses identified data gaps and contributes to progressive advancement from lower to higher levels of exploration, as defined under the Minerals (Evidence of Mineral Contents) Rules, 2015, shall also be a key consideration.

9. The technical robustness of the proposed exploration methodology shall be critically examined, including the appropriateness of mapping scales, survey techniques, drilling plans, sampling protocols, and analytical methods.

10. Financial evaluation shall focus on the reasonableness and transparency of cost estimates. Funding shall be limited to mineral exploration activities that are aligned with the objectives of the MMDR framework and NMEDT Rules, 2015.

Funding shall be restricted to the components of exploration, in accordance with the approved financial framework of the Schedule of Charges of NMEDT.

11. Projects that do not demonstrate adequate geological justification, lack clear deliverables, involve disproportionate costs, or do not conform to applicable statutory and environmental regulations shall not be considered for funding. Due consideration shall also be given to avoiding duplication of efforts and ensuring optimal allocation of resources across different mineral commodities and geographic regions.

12. The appraisal of projects shall be carried out through a structured mechanism involving scrutiny by the Technical cum Cost Committee of NMEDT.

13. In order to ensure efficiency and timely decision-making, financial powers for the approval of projects have been delineated based on project cost. Based on the recommendations of TCC, the projects shall be approved by the Project Sanctioning Committee (PSC) of NMEDT or the Executive Committee (EC) of NMEDT, depending on the financial power delegated to the PSC.

14. The release of funds shall be linked to project components and milestones. Payments shall be made against verified progress, with adequate financial safeguards and audit provisions. The Deputy Director General, GSI, will be the Nodal Officer from the respective State Unit Office of GSI who will examine/monitor the work executed in the State and verify the bills pertaining to the project. Post verification of the bill, it will be submitted to NMEDT for payment.

15. A robust monitoring framework shall be implemented by GSI, including submission of the Monthly Progress Report by respective State Units of GSI to NMEDT Secretariat with a copy to GSI Central Headquarters and periodic field inspections, to ensure quality, reliability, and adherence to prescribed standards.

16. The raw data generated during the prospecting operations shall be preserved by the Geological Survey of India. The core logs generated in respect of the block have to be submitted to the nearest Regional Core Library of GSI as per the SOP of GSI for this purpose. All data generated under NMEDT-funded components shall be treated as a national asset and shall be submitted to the National Geoscience Data Repository in standardised digital formats, in accordance with applicable data management policies.

17. After the completion of the project, GSI shall submit a Geological Report, which will provide UNFC-compliant mineral resource data and identification of mineral blocks suitable for auction, if any, under the Mineral (Auction) Rules, 2015, thereby strengthening transparency and investor confidence in the mineral sector.

18. The financial implications of the proposal shall be met entirely from the corpus of NMEDT, which is funded through statutory contributions under the Mines and Minerals (Development and Regulation) Act, 1957, and shall not impose any additional burden on the Consolidated Fund of India.