F. No 143/1/2026-NMEDT/529
Government of India
Ministry of Mines
National Mineral Exploration and Development Trust

9th Floor, Jeevan Prakash Building
25, K.G. Marg, New Delhi
Date: 28.08.2026

Circular

NMEDT has issued a guidelines on Overseas Mineral Exploration Promotion with an objective of incentivizing Indian entities to undertake mineral exploration in overseas jurisdictions.

In accordance with Section 5 of the guidelines, NMEDT invited applications from eligible entities to be considered for engagement as Designated Agency vide circular no. 143/1/2026-NMEDT/407 dated 03.08.2026 (https://nmet.gov.in/upload/press_release/circular_for-OMEPG.pdf). In continuation to the above circular, NMEDT has received few queries for which the clarification is given below:

Reference under Guideline	Existing Content	Clarification Sought	Clarification
Para 4.a.	"Bring-Back Obligation" means the binding commitment of the Exploration Agency or "EA" (as defined in 4(e)) to make the discovered mineral resource, or an agreed minimum share thereof, available for supply in India.	Force Majeure/Home (Foreign) Country's sector specific future policies may override the Bring-Back obligation. This may affect the financial viability adversely. What safeguards/recourse have been built-in for DA to protect it from any default of its financial commitments?	In cases where compliance with the Bring-Back obligation is not feasible due to the prevailing policies, laws, or regulatory requirements of the foreign country, the provision of funding support by DA to EA may not be considered. As of now no safeguard exists but DA are free to choose protection through MIGA etc.

Para 5.a.	… The net worth of the entity, for the previous FY, should be not less than the NMEDT seed capital sought under the application.	Net worth of the entity is meant with reference to DA or parent(s) of DA? Also, in case of a newly floated Company/Firm/SPV, how will the Net worth criteria be defined and complied with?	It is with reference to DA only Please refer para 5(i)(b)
Para 9.1 – Table 1	Defines maximum contribution of INR 100 crore and INR 300 crore respectively under G4 and G3	Maximum contribution means the maximum amount DA can sanction/disburse to EA under Funding Agreement	Yes
Para 10.a.	… where the project is certified as an Exploration Success by a reputed consulting firm in accordance with internationally recognised reporting standards as may be applicable, the beneficiary Exploration Agency ("EA") shall suitably repay the Financial Support received from the Designated Agency ("DA") in accordance with the terms and conditions specified in the Financing Agreement	It appears that repayment under Financing Agreement is linked with Exploration Success and not otherwise. Therefore, in case of Exploration Failure, 1. Can DA take legal recourse against EA to recover its dues? 2. Will NMEDT exempt DA from repayment of seed capital? 3. Also, since DA will be required to raise funds from Domestic/Foreign Institution and Companies, will NMEDT provide sovereign guarantee for such funds raised by DA to protect DA from any default of its financial commitment?	In case of Exploration Failure: **1 & 2.** The guidelines are designed to link repayment only with success unless otherwise specified in Financing Agreement on case-to-case basis. **3.** NMEDT will not provide any sovereign guarantee to protect DA from any default of its financial commitment.

	executed between the "DA" and the "EA".		
Para 15.b.	These Guidelines shall be read together with the Contribution Agreement (NMEDT – “DA”), the Funding Agreement (“DA”–“EA”), and the Offtake Agreement.	Please share, 1. Draft/Model Contribution Agreement (NMEDT to DA), 2. Draft/Model Financing/Funding (DA to EA), and 3. Draft/Model Offtake Agreement, if any	There are no draft model agreements as of now. NMEDT-DA agreement will be drawn based on mutual consultation. Other agreement will be the responsibility of DA.
Annexure 1 Application Format Para 6.b.	Contribution proposed by the entity/parent body to the OMEF corpus	The contribution sought under para shall be infused subsequent to date of being engaged as DA? Moreover, in case of a newly floated SPV, will equity infused to form the Entity under the relevant Indian statutes be considered as Contribution?	Yes, but formal legally binding commitment with NMEDT is to be made prior to being accepted as DA. Please refer to Para 6(b) of the Application format issued vide OM No. F. No 143/1/2026-NMEDT/407 Newly floated SPV or equity are ineligible as per Para 5(i)(b).

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