

**Government of India
Ministry of Mines
National Mineral Exploration Trust**

F. No. 6/3/2015-NMET /28

New Delhi, 10th May, 2022

OFFICE MEMORANDUM

Subject: Scheme for engagement of Notified Private Exploration Agencies in Mineral Exploration -reg.

Recent amendments in the Mines and minerals (Development and Regulation) Act, 1957 (MMDR Act) in 2021 has empowered the Central Government to notify private sector entities to undertake prospecting operations. The notified agencies shall be eligible for funding from National Mineral Exploration Trust as per provision under sub-section 5 of section 9C of the Act.

In furtherance of NMEP, 2016; recent amendments in the MMDR Act and scheme of accreditation and notification of Private Exploration Agencies (PEAs), the Governing Body of NMET has approved a scheme for engagement of notified Private Exploration Agencies (PEAs) in mineral exploration. The scheme is attached for information and necessary action.

Encl: As above


(Vivek Kumar Sharma)
Director, NMET

To

1. The Secretary (Mines), Government of Andhra Pradesh.
2. The Secretary (Geology & Mining), Government of Arunachal Pradesh.
3. The Principal Secretary, Department of Mines & Minerals, Government of Assam.
4. The Principal Secretary-cum-Mines Commissioner, Government of Bihar.
5. The Secretary, Mineral Resource Department, Government of Chhattisgarh.
6. The Principal Secretary, Department of Mines & Geology, Government of Goa.
7. The Addl. Chief Secretary (Industries), Government of Himachal Pradesh.
8. The Principal Secretary (Industry & Mines), Government of Gujarat.
9. The Commissioner Secretary (Industries & Commerce), Government of Jammu & Kashmir.
10. The Secretary (Industries, Mines & Geology), Government of Jharkhand.

11. The Secretary, (Industries & Commerce) Government of Karnataka.
12. The Principal Secretary, Industries Department, Government of Kerala.
13. The Secretary (Mines), Government of Madhya Pradesh.
14. The Addl. Chief Secretary (Industries & Mines), Government of Maharashtra.
15. The Commissioner and Secretary, Mining & Geology Department, Government of Meghalaya.
16. The Commissioner & Secretary, Geology & Mining, Government of Nagaland.
17. The Principal Secretary (Steel & Mines), Government of Odisha.
18. The Principal Secretary, Mines & Geology, Government of Punjab.
19. The Principal Secretary (Mines), Government of Rajasthan.
20. The Principal Secretary (Industries), Government of Tamil Nadu.
21. The Principal Secretary (Industries & Mines), Government of Telangana.
22. The Secretary (Mines & Geology), Government of Uttar Pradesh.
23. The Principal Secretary (Mines), Government of Uttarakhand.
24. The Secretary (Industry, Commerce & Enterprises), Government of West Bengal.
25. The Secretary, Department of Industries, Administration of Union Territory of Ladakh.
26. The Principal Secretary, Mines and Geology Department, Government of Sikkim.

Copy to:

1. The Director, Department of Mines and Geology, Government of Andhra Pradesh.
2. Director, Directorate of Geology & Mining, Govt. of Assam.
3. Director, Department of Mines & Geology, Govt. of Bihar.
4. The Director, Directorate of Geology & Mining, Govt. of Chhattisgarh.
5. The Director of Mines & Geology, Government of Goa.
6. Commissioner of Geology and Mining, Govt. of Gujarat.
7. The Director, Department of Industries, Govt. of Himachal Pradesh.
8. The Director, Department of Geology and Mining, Government of Jammu and Kashmir.
9. The Director (Mines), Directorate of Mines, Government of Jharkhand.
10. The Director, Department of Mines & Geology, Government of Karnataka.
11. The Director, Directorate of Mining & Geology, Government of Kerala.
12. The Director, Directorate of Geology & Mining, Govt. of Madhya Pradesh.
13. The Director, Directorate of Geology and Mining, Government of Maharashtra.

14. The Director, Directorate of Mineral Resources, Government of Meghalaya.
15. The Director, Directorate of Mines, Government of Odisha.
16. The Director, Mines and Geology Directorate, Government of Rajasthan.
17. The Commissioner of Geology & Mining, Government of Tamil Nadu.
18. The Director of Mines and Geology, Government of Telangana.
19. The Director, Directorate of Geology & Mining, Government of Uttar Pradesh.
20. The Director, Geology and Mining Unit, Govt. of Uttarakhand.
21. The Director, Directorate of Mines & Minerals, Government of West Bengal.
22. Shri Pudi Srinivasa Rao, Natural Resources Division - Tata Steel Limited, Room No. 349, 3rd Floor, Commercial Centre, General office, Bistupur, Jamshedpur East Singhbhum, Jharkhand-831001.(pudi.srinivas@tatasteel.com)
23. Shri Arijit Dey, United Exploration India Pvt. Ltd., Tower 2A, 5th Floor, Action Area II, Ecospace Business Park, Rajarhat, New Town, Kolkata, West Bengal-700156. (admin@unitedexploration.co.in).
24. Dr. Nirode Behari Chanda, Indian Mine Planners & Consultants, GE-61 Rajdanga Main Road, Behind Vivanta Hotel, West Bengal, Kolkata - 700107. (nbc@impcon.in)
25. Shri Jijo George, Gemcokati Exploration Private Limited, Plot No 34, Bapat Nagar, Maharastra Chandrapur - 442401. (jijo@gemcokati.com)
26. Dr. S. Karuppannan, Geotechnical Mining Solutions, 1/213B Natesan Complex Tamil Nadu, Dharmapuri - 636705. (info.gtmsdpi@gmail.com).
27. Mr. Channamallikarjun B. Patil, Geoexpore Private Limited, No 12-28/2, SY No. 28/2, Karnataka, Bangalore - 560077. (cm@geoexpore.com)
28. Mr. Leo Christy A, V.M. Salgaocar & Brother Pvt. Ltd, Salgaocar House, Off F. L. Gomes Road, Vasco Da Gama, South Goa-403802. (leochristy@vmsbgoa.com)
29. Mr. Loknath Rath, Geovale Services Private Limited, GN 38/5, 3rd Floor, Sector V, Salt Lake, Kolkata 700 091, India WEST BENGAL NORTH 24PARGANAS-700091. (Ioknath.rath@geovale.com).
30. Mr. Deependra Singh, Mis FCI Aravali Gypsum and Minerals India Limited, Institutional Area Sector B Vivek Vihar Yojna, Jodhpur, Rajasthan, Jodhpur -342005. (fagmill@rediffmail.com)

Copy for information to:

1. PSO to Secretary, Ministry of Mines, Shashtri Bhawan, New Delhi-110 001
2. PPS to AS, Ministry of Mines, Shashtri Bhawan, New Delhi-110 001

Scheme for Engagement of Notified Private Exploration Agencies in Mineral Exploration

1. Background:

1.1 The National Mineral Exploration Policy (NMEP), 2016 envisages private sector participation in mineral exploration and to facilitate, encourage and incentivize private sector participation in all spheres of mineral exploration to harness the technical expertise, technological capability and the financial resources of the private sector to discover and exploit the country's vast mineral resources. It also envisages incentive for exploration agencies to mitigate their risk for exploration works.

1.2 Recent amendments in the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) in 2021 has empowered the Central Government to notify private sector entities to undertake prospecting operations. The involvement of notified private sector exploration agencies (PEAs) shall provide an impetus to the exploration activities in the country and shall enable identification of more blocks suitable for auction. Ministry of Mines in association with QCI-NABET has launched a scheme for accreditation of PEAs in mineral sector. The guidelines issued on 12th August, 2021 by Ministry of Mines provides that upon accreditation from QCI-NABET, the PEAs may apply to Ministry of Mines for their notification under the second proviso to of section 4(1) of the MMDR Act. The guidelines also provided that PEAs will be notified under the following two categories having right to undertake prospecting operations in respect of the mineral deposits as specified below against each category:

Category of exploration agency	Type of mineral deposit
Category A Exploration Agencies	(a) Bedded Stratiform & Tabular deposits (b) Lenticular composite veins (c) Gem-Stone and rare metal pegmatite, reefs and veins/pipes (d) Float & Placer deposits (e) Deep Seated deposits
Category B Exploration Agencies	(a) Bedded Stratiform & Tabular deposits (b) Float & placer deposits

1.3 In furtherance of NMEP, 2016; recent amendments in the MMDR Act and scheme of accreditation and notification of PEAs, the instant scheme has been formulated for engagement of Notified PEAs in exploration of major minerals by the State Governments.

2. Objective:

2.1 The objective of the Scheme is to lay down the mechanism for engagement of Notified PEAs in mineral exploration and enable funding of these operations by such Notified PEAs through National Mineral Exploration Trust (NMET) or State Governments, as the case may be.

3. Procedure for Engagement of Notified PEAs by State Governments and their Funding:

3.1.1 General Conditions

- (i) The present scheme is applicable for exploration of minerals other than minor minerals, mineral oils and minerals listed in Part-A and Part-B of the First Schedule of the MMDR Act.
- (ii) Exploration operations shall be undertaken in accordance with the provisions regarding such operations in the Minerals (Evidence of Mineral Contents) Rules, 2015, the Mineral Conservation and Development Rules, 2017 (MCDR), the Guidelines for notification of accredited private exploration agencies issued by Ministry of Mines on 12th August, 2021 and any other applicable law for the time being in force.
- (iii) Notified PEAs shall undertake exploration in respect of the category of minerals and mineral deposits under which it has been notified.
- (iv) Approval for exploration to Notified PEAs or their funding from NMET or State Governments shall not confer any right on the Notified PEAs for grant of any mineral concession in the area explored. The mineral concession (composite licence, mining lease, etc.) in such explored area shall be granted in accordance with the provision of the MMDR Act and rules made thereunder. A Notified PEA shall not be allowed to participate in auction of mineral concession over the block or a part thereof which has been explored by such Notified PEA.
- (v) The notified PEAs undertaking exploration shall submit the yearly report and final geological report to the State Government and Regional Controller or the authorised officer of Indian Bureau of Mines (IBM) in accordance with rule 9 of MCDR, 2017. A copy of the said reports shall also be submitted to NMET.

3.2 Mode of Engagement of Notified PEAs by the State Governments and their Funding:

The engagement of Notified PEAs by the State Governments and their Funding may be done under the following modes:

3.2.1 Mode A: Mineral Exploration Projects formulated by Private Exploration Agency (PEA) and funding by NMET

- (i) A Notified PEA may select the area for exploration based on available geoscience data and submit an application in respect of the same to the State Government. The geoscience data may be accessed from Geological Survey of India's baseline geoscience database available free of cost in the OCBIS/Bhukosh portal, database of other government or private agencies, etc.
- (ii) A Notified PEA may submit an application outlining the details of the area, mineral commodities etc. it proposes for undertaking exploration to the State Government in the format specified in Schedule to this Scheme.
- (iii) The State Government shall examine the application and grant its 'in principle' approval or reject the same within one month of the receipt of the application.
- (iv) Upon grant of 'in principle' approval, the Notified PEA shall prepare and submit the exploration proposal to the State Government containing the scheme of reconnaissance or prospecting in the format prescribed by NMET.
- (v) The State Government shall, after examination of the proposal and if acceptable, forward the same to the NMET for funding of exploration operations through NMET.
- (vi) The proposals submitted to NMET shall be evaluated and approved as per the prescribed procedure of NMET and the concerned Notified PEA will be responsible for defending the proposal before the NMET.
- (vii) NMET shall issue the sanction order to the State Government and all advances and payments shall be made by NMET to the State Government directly. The State Government, in turn, will get the work executed through the notified PEA that had submitted the relevant exploration proposal and make payments to the PEA for such purpose. The State Government shall submit the utilization certificate to NMET periodically in the manner as specified by NMET.
- (viii) The notified PEAs shall submit periodic report(s), as specified by NMET, to NMET and the State Government.
- (ix) The State Government shall technically evaluate the geological report and decide about the potential mineral blocks which can further be taken up for auction. The State Government shall put the block for auction as per the procedure prescribed in the Mineral (Auction) rules 2015 for grant of composite licence or mining lease, as the case may be. The State Government shall mention the name of Notified PEA who has prepared the Geological Report in the tender document.

3.2.2 Mode B: Mineral Exploration Projects formulated by State Government and funding by NMET

- (i) At present, the State Governments formulate mineral exploration proposals on its own by analysing the available baseline geoscience data and request funding from NMET. The State Governments execute these proposals directly through State's Department of Geology and Mining (DGM) by employing the departmental manpower and by outsourcing all or some of the components of the project or through Central or State PSUs.
- (ii) In such case, the State Government may also engage a notified PEA by selecting it through limited tender amongst all the Notified PEAs for undertaking entire work from exploration up to preparation of final geological report. Further, in cases where the State Government decides to outsource all or some of the components of the project, the Notified PEAs may also be allowed to participate in selection process for the same.
- (iii) The Notified PEAs shall follow the conditions prescribed in this scheme for undertaking exploration operations.

3.2.3 Mode C: Mineral Exploration Projects formulated by State Government and funding by State Government

The State Government may engage Notified PEAs in the projects funded by it in the manner prescribed under Mode A and Mode B.

FORMAT FOR SUBMITTING PROPOSAL FOR UNDERTAKING EXPLORATION

To,
The Director,
Mining and Geology Department,
Government of ____ [mention name of State Government]

Madam/ Sir,

I/we am/are submitting the following details for granting 'in-principle' approval of the State Government for submitting the scheme of reconnaissance or prospecting to NMET under Mode-A of the Scheme for Engagement of Notified Private Exploration Agencies in Mineral Exploration issued by Ministry of Mines vide order No. _____ dated _____.

1. Name and Address of the Applicant

(a)	Name:	
(b)	Postal address:	
(c)	Telephone Number (Office):	
(d)	Fax number (Office):	
(e)	Mobile No.:	
(f)	Telephone Number (Residence):	
(g)	E-Mail address:	

2. Details of Accreditation as Private Exploration Agency and Notification under the proviso to Section 4(i) of the MMDR Act

(a)	Date of accreditation granted by QCI-NABET:	
(b)	Date of expiry of accreditation:	
(c)	Date of Notification under the proviso to Section 4(1) of the MMDR Act:	
(d)	Date of expiry of Notification:	
(e)	Category of the exploration Agency (Category A or B) under Notification:	

3. Location Details of the Area Proposed

(a)	State	
(b)	District (s)	
(c)	Nearby Village(s)	
(d)	Survey of India (SOI) Toposheet (s) No.	
(e)	Area in sq. km.	
(f)	Boundary coordinates of the proposed block (in Decimal degree)	

4. Mineral Potential of the Area

(a)	Name of Mineral(s) identified/ expected in the area/ block	
(b)	Basis on which mineral potential in the area has been identified	
(c)	List of documents and references relied upon in support of item (b) above.	

5. Documents to be enclosed with the application

- Location of the proposed block demarcated on Survey of India (SOI) Toposheet No.
- Documents mentioned in item 4(c) above.

Place:

Date:

Signature of Applicant