



# Strengthening India's Mineral Exploration Sector

[Source: PIB](#)

## Why in News?

The Ministry of Mines thoroughly reviewed the performance of the [National Mineral Exploration Trust \(NMET\)](#) at the 6th Governing Body meeting of NMET.

- During the meeting, the **Annual Report of NMET** for 2023-24 was officially released.

## What are the Key Developments?

- **Enhancement of NGDR Portal:** The upgradation of the [National Geoscientific Data Repository \(NGDR\) portal](#) was initiated.
  - It aims to facilitate seamless collaboration for **geoscientific data sharing** for optimising it for the nation's benefit.
- **Reimbursement Schemes:** A revised scheme for **Partial Reimbursement of Exploration Expenses**, raising the reimbursement ceiling for **Composite License (CL)** holders has been approved.
- **Support for Left Wing Extremism-Affected Districts and Start-ups:** NMET is actively promoting mineral exploration in districts affected by [Left Wing Extremism](#) by providing 1.25 times the **standard Schedule of Charges** for fieldwork.
- **Incentives for Critical and Strategic Mineral Exploration:** A 25% exploration incentive for agencies engaged in discovering [Critical and Strategic Minerals](#) has been announced.
- **Encouraging State-Level Mineral Exploration:** States were advised to establish State Mineral Exploration Trusts, similar to NMET, to encourage exploration of minor minerals.
- **Focus on Start-ups and Emerging Technologies:** The importance of establishing start-ups in the mining sector, especially in areas like [AI](#), automation, and drone technology was emphasised.

## Rules to Boost Offshore Mineral Exploration and Production

- **About:** The Centre has introduced the [Offshore Areas Mineral Trust Rules, 2024](#). It is the first-ever framework to oversee mineral exploration and production in India's offshore areas.
  - Offshore area means the territorial waters, continental shelf, exclusive economic zone and other maritime zones of India under the [Territorial Waters, Continental Shelf and Exclusive Economic Zone](#).
  - Under the new rules, **holders of production leases of offshore mines are required to contribute to the Offshore Areas Mineral Trust** by paying **10%** of their **royalty** payments to the government.
    - This sum will be deposited in the [Public Account of India](#), providing a financial backbone for the Trust's initiatives.
- **Offshore Areas Mineral Trust:** It is a **fund** established to manage and allocate **revenues** generated from [offshore mineral resources](#), ensuring sustainable development and promoting mineral exploration and production.

## National Mineral Exploration Trust (NMET)

- **Establishment:** NMET was established under Section 9C of the [Mines and Minerals \(Development and Regulation\) Act, 1957](#), with the aim to accelerate mineral exploration in India.
- **Objectives:** The Trust supports regional and detailed mineral exploration in the country and other activities approved by the Governing Body. **Its objectives include:**
  - **Special studies and projects to identify, explore, extract,** beneficiate and refine deep seated and concealed mineral deposits
  - Studies on mineral **development, sustainable mining, mineral extraction and metallurgy adopting advanced scientific and technological practices.**
- **Governance Structure:** NMET has a two-tier structure.
  - **Governing Body:** The apex body is the Governing Body, **chaired by the Hon'ble Minister of Mines.** It holds the overall control of the Trust.
  - **Executive Committee:** The Executive Committee, **chaired by the Secretary, Ministry of Mines,** administers and manages its activities.
- **Funding Mechanism:** The NMET Fund is established to **implement the Trust's activities.**
  - The Fund receives contributions from holders of mining leases or prospecting **license-cum-mining leases, amounting to 2% of the royalty paid as per the MMDR Act, 1957.**

## UPSC Civil Services Examination, Previous Year Question (PYQ)

### Prelims:

**Q. With reference to India consider the following Central Acts. (2011)**

1. Import and Export (Control) Act, 1947
2. Mining and Mineral Development (Regulation) Act, 1957
3. Customs Act, 1962
4. Indian Forest Act, 1927

**Which of the above Acts have relevance to/bearing on the biodiversity conservation in the country?**

- (a) 1 and 3 only
- (b) 2, 3 and 4 only
- (c) 1, 2, 3 and 4
- (d) None of the above Acts

**Ans: (c)**