



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)