

23

**STANDING COMMITTEE ON
COAL, MINES AND STEEL (2025-2026)**

EIGHTEENTH LOK SABHA

MINISTRY OF MINES

**'NATIONAL MINERAL EXPLORATION AND
DEVELOPMENT TRUST (NMEDT) –
PERFORMANCE AND REVIEW'**

TWENTY-THIRD REPORT



**LOK SABHA SECRETARIAT
NEW DELHI
APRIL, 2026/CHAITRA 1948 (Saka)**

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Presented to Lok Sabha on 17.04.2026

Laid in Rajya Sabha on 17.04.2026



**LOK SABHA SECRETARIAT
NEW DELHI
APRIL, 2026/CHAITRA 1948 (Saka)**

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COMPOSITION OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL
(2024-2025)

Chairperson – Shri Anurag Singh Thakur

Lok Sabha

2. Shri Sukhdeo Bhagat
3. Dr. Raj Kumar Chabbewal
4. Smt. Roopkumari Choudhary
5. Shri Vijay Kumar Hansdak
6. Smt. Kamlesh Jangde
7. Shri Govind Makthappa Karjol
8. Shri Selvaganapathi T.M.
9. Smt. Jyotsna Charandas Mahant
10. Shri Bidyut Baran Mahato
11. Shri Harish Chandra Meena
12. Shri Ananta Nayak
13. Smt. Bharti Pardhi
14. Shri B.K. Parthasarathi
15. Dr. Manna Lal Rawat
16. Dr. Rajkumar Sangwan
17. Shri Kali Charan Singh
18. Shri Shatrughan Prasad Sinha
19. Smt. Dhanorkar Pratibha Suresh
20. Shri S. Venkatesan
21. Shri Aditya Yadav

Rajya Sabha

22. Shri Subrata Bakshi
23. Smt. Mahua Maji
24. Shri Anil Kumar Yadav Mandadi
25. Shri Manas Ranjan Mangaraj
26. Shri Rwngrwa Narzary
27. Shri Deepak Prakash
28. Shri Aditya Prasad
29. Shri Devendra Pratap Singh
30. Shri Pradip Kumar Varma
31. Dr. Fauzia Khan[#]

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21. Shri Aditya Yadav

Rajya Sabha

22. Dr. Sarfraz Ahmad
23. Shri Subrata Bakshi[^]
24. Smt. Mahua Maji
25. Shri Anil Kumar Yadav Mandadi
26. Shri Deepak Prakash
27. Shri Aditya Prasad
28. Shri Devendra Pratap Singh
29. Shri Pradip Kumar Varma
30. Shri Milind Murli Deora^{*}
31. Shri Sajjad Ahmad Kichloo[#]

^{*}nominated w.e.f. 16.10.2025 vide Bulletin – Part-II, Para No. 3329 dated 17.10.2025

[#] nominated w.e.f. 05.12.2025 vide Bulletin – Part-II, Para No. 3767 dated 08.12.2025

[^] retired w.e.f. 02.4.2026

Secretariat

- | | | | |
|----|---------------------------|---|-------------------|
| 1. | Shri Harish Chandra Bist | - | Joint Secretary |
| 2. | Smt. Reena Gopalakrishnan | - | Director |
| 3. | Shri Abhishek Sharma | - | Executive Officer |

INTRODUCTION

I, the Chairperson, Standing Committee on Coal, Mines and Steel (2025-26) having been authorized by the Committee to submit the Report on their behalf, present this Twenty third Report (Eighteenth Lok Sabha) on the subject 'National Mineral Exploration and Development Trust (NMEDT) - Performance and Review' pertaining to the Ministry of Mines.

2. The Committee selected the subject for detailed examination during 2024-25. The Committee were briefed by the representatives of the Ministry of Mines on 07.8.2025. The Committee, thereafter, undertook oral evidence of the Ministry of Mines on 06.1.2026. Based on the oral and written testimonies submitted to the Committee, a report on the subject was prepared.

3. The Report was considered and adopted by the Committee at their sitting held on 16.4.2026. The Minutes of the sittings of the Committee are appended to the Report.

4. The Committee wish to express their gratitude to the Ministry of Mines for placing material information as well as tendering evidence and views before the Committee.

5. The Committee place on record their profound appreciation for the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

6. For the facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in Part-II of the Report.

NEW DELHI;
16 April, 2026
26 Chaitra, 1948(Saka)

ANURAG SINGH THAKUR
Chairperson
Standing Committee on Coal,
Mines and Steel

Part-I REPORT

I. INTRODUCTORY

1.1 The National Mineral Exploration Trust (NMET) was a non-profit autonomous body under Ministry of Mines, Government of India with the objectives to (i) identify, explore, extract, beneficiate and refine deep-seated or concealed mineral deposits; (ii) take up exploration of areas for regional and detailed exploration for grant of mineral concessions; (iii) organize capacity building programmes for raising technical capability; (iv) facilitate ground and aerial geophysical and geochemical survey of OGP areas and (v) facilitate a national core repository for encouraging research in earth sciences.

1.2 The NMET was established by the Government of India vide Notification dated 14th August 2015, in pursuance of sub-section (1) of Section 9C of the Mines and Minerals (Development and Regulation Act, 1957. Subsequently, the NMET (Amendment) Rules, 2018 were notified to fine-tune the operational and administrative aspects of the Trust. Through this amendment, the National Mineral Exploration Trust (NMET) Fund was established as part of the Public Account.

1.3 Further, amendments to the MMDR Act in 2021 strengthened the institutional framework for mineral exploration by enabling the Trust to function as a non-profit autonomous body and permitting Notified Private Exploration Agencies (NPEAs) to submit proposals to NMET for seeking financial support for mineral exploration activities. The MMDR Act amendments in 2023 further expanded the exploration ecosystem by introducing Exploration Licences, thereby enabling Exploration Licence holders to seek financial assistance from NMET for eligible exploration activities.

1.4 Following the recent amendments to the Mines & Minerals [Development & Regulation] Act, 1957 (MMDR Act) in 2025, the National Mineral Exploration Trust (NMET) was renamed as the National Mineral Exploration and Development Trust (NMEDT), effective from 1st September 2025. The lessee contribution to the Trust has been increased from 2% to 3% of royalty, significantly enhancing its financial strength.

Further, the scope of the National Mineral Exploration and Development Trust (NMEDT) has been widened to include funding exploration in offshore areas within India, and outside India for regional and detailed exploration and development of mines and minerals in the prescribed manner. Now the object of the Trust shall be to use the funds accrued to the Trust within India, including the offshore areas, and outside India for the purposes of regional and detailed exploration and development of mines and minerals. Further, the statutory contribution from mineral lessees has been increased from 2% to 3% of royalty.

II. OBJECTIVES AND FUNCTIONS OF NMEDT

1.5 The object of the trust is to use the funds accrued to the Trust within India, including the offshore areas, and outside India for the purposes of regional and detailed exploration and development of mines and minerals. It undertakes such activities as may be deemed necessary by the Governing Body to achieve its objects, including:

- a. funding special studies and projects designed to identify, explore, extract, beneficiate and refine critical and strategic minerals or deep-seated or concealed mineral deposits;
- b. undertaking studies for mineral development, sustainable mining, adoption of advanced scientific and technological practices and mineral extraction metallurgy;
- c. taking up exploration of areas for regional and detailed exploration, giving priority particularly to strategic and critical minerals;
- d. consulting the Central Geological Programming Board to decide the priorities for exploration of the Trust;
- e. facilitating exploration activities in such a manner that areas explored can be taken up for grant of mineral concessions in accordance with the provisions of the Act and the rules made thereunder;
- f. facilitating completion of brownfield regional exploration projects in obvious geological potential areas (G3) including conducting high-risk exploration for deep-seated mineral deposits through modern technologies;
- g. promoting completion of detailed exploration (G2 or G1) in the areas where G3 stage exploration has been completed;
- h. facilitating geophysical, ground and aerial surveys and geochemical surveys of obvious geological potential areas;
- i. facilitating a national core repository for encouraging research in earth sciences for evaluation of the mineral prospects;

- j. organizing capacity building programmes to raise technical capability of personnel engaged in or to be engaged in exploration;
 - j(a) supporting and funding the objectives and schemes of the National Critical Mineral Mission, including domestic critical mineral exploration, support of exploration activities outside India, risk coverage of foreign sourcing and mineral recovery;
 - j(b) supporting and funding of mining, processing, beneficiation, evacuation infrastructure, technology upgradation, and other activities related to mine development.

III. GOVERNANCE STRUCTURE

1.6 NMEDT has a two-tier governance structure. The apex body is the Governing Body (GB), chaired by the Hon'ble Minister of Mines. It holds the overall control of the Trust and gives policy direction to it. The Executive Committee (EC), chaired by Secretary, Ministry of Mines, administers and manages its activities. To facilitate faster project clearance, a Project Sanctioning Committee (PSC), chaired by Director General, NMEDT has been constituted with power to approve projects up to ₹20 crore each. To assist the EC and PSC, there are two Technical-cum-Cost Committees (TCCs); these committees evaluate the technical and cost parameters of the project proposals submitted by various exploration agencies and recommend the suitable proposals to EC/PSC for approval. The TCCs also monitor and review the ongoing sanctioned projects for their timely completion and course correction, if any. The TCCs are headed by Dy. Director General level officers of GSI and comprise of domain experts from various Central Government organizations. The NMEDT Secretariat is headed by Director General and has a sanctioned strength of 12 officers and staff.

IV. ANNUAL BUDGET ALLOCATION AND EXPENDITURE

1.7 The figures of BE, RE and actuals during last three years are as follows:

(₹ in Crore)

Year	BE	RE	Actual Exp.
2022-23	100.00	160.00	159.87
2023-24	400.00	296.50	296.27
2024-25	400.00	400.00	398.95

1.8 On the reasons for enhanced allocation of funds under NMEDT along with details of projects / programmes undertaken / which will be undertaken due to increased allocation, especially w.r.t critical minerals, the Ministry stated as under:-

“Enhanced allocation of funds under NMEDT (previously NMET) has been made to cater to the funding requirement of the National Critical Mineral Mission, which includes components such as Domestic Critical Mineral Exploration, Risk Coverage for foreign sourcing, Support for exploration activities outside India and Pilot Projects of Mineral Recovery with budget outlay of ₹ 8700 Cr during the period of the Mission.

In line with this mandate, 01 project under the Guidelines for Pilot Projects of Mineral Recovery has been sanctioned to NFTDC with NMEDT funding amounting to ₹13.52 crore. Also, 121 projects of critical mineral exploration with sanctioned cost of ₹394 crore are ongoing.”

V. SCHEMES IMPLEMENTED BY NMEDT

1.9 To fulfil the mandate assigned to it, NMEDT has introduced several schemes, which are briefly described as follows:

- i. Release of sanctioned fund in advance to State Governments/ NEAs for mineral exploration:

The NMEDT fund is released to State DGMs, Central and State PSUs in three installments: a) 40% (1st instalment) of the approved project cost is released with the sanction order, b) another 40% (2nd instalment) after submission of the utilization certificate and progress report for the 1st instalment, and the c) final 20% (as adjustment) upon submission of the final utilization certificate, progress report, and review by the Technical-cum-Cost Committee of NMEDT.

- ii. Scheme for engagement of Notified Private Exploration Agencies:

Amendments to the MMDR Act, 1957, in 2021 empowered the Central Government to notify private entities for mineral prospecting. Subsequently, the scheme for engagement of NPEAs was launched on 10th May 2022 to enable private exploration agencies to undertake projects funded by NMEDT through State Governments.

To accelerate the exploration of critical and strategic minerals, the scheme was modified on 12th December 2023 to allow direct submission of such proposals to NMEDT.

A further modification on 27th June 2024 extended this provision to all major minerals (except those in Part B of the First Schedule), and the latest amendment on 9th September 2024 permitted NPEAs to submit detailed project proposals directly to NMEDT without prior in-principle approval.

- iii. Financial assistance for procurement of machinery/ equipment/ chemical analysis instruments to State DGMs/DMGs and Central Government organizations:

NMEDT provides financial assistance for procurement of machinery/ equipment/ chemical analysis instruments/software aimed at enhancing the exploration activities by State DGMs/DMGs and Central Government organizations

iv. Financial Assistance to NER States:

To accelerate mineral exploration and strengthen the infrastructure of the Directorates of Mining & Geology in the North-Eastern Region (NER), NMEDT launched a scheme on 31st October 2022 for providing financial assistance of ₹5 crore to each NER state. Recognizing the need for deeper and more systematic exploration, this support has been enhanced to ₹10 crores per NER State for the FY 2025–26.

v. Incentive to State Governments for auction of mineral blocks:

NMEDT provides incentives to the State Governments for auction of mineral blocks:

- A sum of ₹20 lakh is released to each State for successful auction of a mineral block.
- NMEDT provides reimbursement of 50% of the amount paid to Transaction Advisor, subject to a maximum of ₹5 lakh for each block which was put up for auction but could not be successfully auctioned.

vi. Scheme for providing matching grant of 10% of the annual collection in SMET:

To give impetus to exploration, research & innovation activities for minor minerals and to encourage the State Governments to set up State Mineral Exploration Trust (SMET), a matching grant to the extent of 10% of annual collection by the State Governments in SMET is being provided for 3 years up to 2026-27.

vii. Scheme for partial reimbursement of exploration expenses for holders of Composite Licences:

CL holders will be reimbursed up to 50% of direct costs as per the SoC of NMEDT in various components like geological mapping, sampling, geochemical analysis, geophysical investigations, exploratory drilling, research collaboration/consultancy/advisory and logistics subject to a maximum ceiling of ₹8 crore.

viii. Scheme for Partial Reimbursement of Exploration Expenses for Holders of Exploration Licence:

EL holders will be reimbursed up to 50% of direct costs as per the SoC of NMEDT in various components like geological mapping, geophysical investigations, exploratory drilling, chemical and petrological analysis/ mineral beneficiation, research collaboration/consultancy/advisory and logistics, subject to a ceiling of ₹20 crore.

However, if the EL holder hands over any G2 block(s) for auction, for grant of mining lease within three years from the execution of EL, and if the said block(s) are successfully auctioned, the total exploration expenses incurred by the EL holder will be reimbursed up to 60% of direct costs as per the SoC of NMEDT, with maximum ceiling increased by 20% on each item.

ix. Exploration Incentive:

Exploration Incentive of 25% of project cost is provided for G-4 exploration projects of critical/strategic minerals, if the block is upgraded from G4 to G3 or is successfully auctioned.

x. Pilot Projects for Recovery of Critical Minerals

NMEDT funds Pilot Projects for Recovery of Critical Minerals from overburden/tailings/fly ash/ Red mud etc., under National Critical Mineral Mission. NMEDT will provide funding support of ₹20 crore per project, with a minimum of 10% contribution of the approved project cost from the industry partner. Pilot projects will be implemented under Ministry of Mines as well as with support of the Anusandhan National Research Foundation (ANRF)".

The Highlights of the work done by NMEDT since its inception, and particularly during the last 5 years are as under:

- "Since inception, NMEDT has approved 648 projects with total sanctioned cost of ₹ 3405 Cr.
- During last 5 years, a total of 488 projects with sanctioned cost of ₹ 2654 have been approved. These include 391 projects of mineral exploration, 55 projects of procurement, 28 projects of S & T Prism, 12 projects of baseline geoscience survey, 01 project pertaining to special study for undertaking geochemical analysis of mine samples by IBM and 01 Pilot project for Mineral recovery under NCMM
- 38 blocks explored with NMEDT funding were successfully auctioned, of which 06 are of critical minerals, and 32 are of bulk minerals. All these blocks were auctioned during the last 5 years
- SMET has been set up in 11 States i.e. Rajasthan, Telangana, Andhra Pradesh, Assam, Gujarat, Mizoram, Tripura, Uttarakhand, Kerala, Punjab and Sikkim. NMEDT provided matching grant of ₹ 7.89 Crore to the extent of 10% of the annual collection in SMET to the States of Rajasthan, Telangana and Andhra Pradesh in FY 2024-25.
- An Incentive of ₹ 67.20 crore. has been provided to 14 States for the successful auction of mineral blocks and ₹10.2 crore for each block which was put up for auction but could not be successfully auctioned till date. This incentive can be utilised by State Governments for Reimbursement of Transaction Advisor Fee, Preparation of DPR/ project proposals for NMEDT, Strengthening of infrastructure of Mining departments, Purchase of equipment- exploration related machineries, laboratory upgradation, specialized software etc, Undertaking studies for Mineral development in the state, Capacity building- training programs for personnel engaged in exploration activities, Studies related to Economic scenario and market analysis of mineral sector Exposure visits within and outside India, etc.

- NMEDT provides funding support to Start-ups and MSMEs under the S&T PRISM scheme of the Ministry of Mines to support R&D projects. It has funded 28 Projects with approved cost of ₹36.02 crore under the S&T Prism scheme of Ministry of Mines since FY 2023-24.
- NMEDT has funded a special study of IBM amounting to ₹12.80 crore for geochemical analysis of samples from mine faces, mineral stacks, dumps, tailings and smelter slags across the country to assess the potential for critical minerals in mine waste.
- 06 Regional Mineral Targeting (RMT) projects have been sanctioned to various NPEAs. This would result in the creation of more exploration blocks of critical minerals".

VI. NMEDT FUND COLLECTION AND UTILIZATION

1.10 The Accounting Procedure of NMEDT was approved by the Ministry of Finance in March 2018, in consultation with the Comptroller and Auditor General (CAG) of India. Under this procedure, the NMEDT Fund has been established as part of the Public Account. As per the approved mechanism, Mining Lease (ML) and Prospecting License-cum-Mining Lease (PL-cum-ML) holders contribute 3% of the royalty paid on major minerals to the NMEDT Fund, which is first deposited in the Public Account of the respective State Government.

1.11 The State Governments are required to transfer this amount to the Consolidated Fund of India by the 10th of the following month. NMEDT, Ministry of Mines makes the necessary budgetary provisions to transfer these funds from the Consolidated Fund of India to the NMEDT Public Account. Simultaneously, NMEDT submits its budget estimates under the Detailed Demand for Grants (DDG) of the Ministry of Mines to obtain allocations for meeting its expenditure. At the end of each financial year, NMEDT records an entry for deduct recovery corresponding to the expenditure incurred, which is then recouped from the NMEDT Public Account, ensuring transparent and compliant financial management.

1.12 The NMEDT fund is utilized to support a wide range of activities, including baseline geoscience surveys, mineral exploration projects by Central, State, and private agencies, special studies on critical minerals, research and development initiatives, institutional capacity building and the administrative and monitoring functions of the NMEDT Secretariat.

1.13 The year-wise details of funds collected and utilised are as under:-



FUND COLLECTED & UTILIZED

(₹ in Cr)

Year	Amount Collected	Fund Utilized
2015-16	134.41	---
2016-17	509.39	--
2017-18	556.64	79.95
2018-19	246.94	88.40
2019-20	664.85	68.31
2020-21	620.85	83.13
2021-22	885.60	124.71
2022-23	934.72	553.47
2023-24	950.97	723.02
2024-25	1001.42	1114.13
2025-26	652.34	754.17
Total	7158.13	3589.29

1.14 On the reasons for any persistent under-utilisation of funds, the Ministry informed as under:-

"Since the inception of NMEDT in 2015 to February 2018, NMEDT could not utilise the fund due to the non-availability of accounting procedures. Thereafter, the worldwide COVID Pandemic had affected the work and resulted in less utilization of fund. However, since 2020-21, the percentage of utilization has increased and more than 99% of the budget allocation has been utilized by NMEDT during last four years."

1.15 When asked about the modalities/criteria adopted by NMEDT for release of funds and its purpose, the Ministry informed as under:-

"NMEDT releases funds as per the approved schemes/guidelines for projects of mineral exploration, baseline geo-science surveys, financial assistance for procurement of machinery/ laboratory equipment, etc, Pilot Projects for mineral recovery and Research and Development as mentioned in the objective and functions of NMEDT. The Technical-cum-Cost Committees of NMEDT evaluate the project proposals and recommend the same for consideration of Executive Committee (EC) / Project Sanctioning Committee (PSC). EC/PSC again deliberate on the project proposals and if found suitable accord sanction to the projects. In this process, NMEDT also seek comments from the concerned State Governments, GSI, MECL, AMD on the project proposals. Upon approval, funds are released to agencies as per the provisions of General Financial Rules."

1.16 When asked whether the State-wise expenditure is made in proportion to the State-wise fund collection and how equity is ensured in State-wise disbursement of funds, the Ministry informed as under:-

"There are no criteria to approve and allocate State-wise fund/expenditure in proportion to the State-wise fund collection. The sanctioning of projects and allocation of funds depends upon the project proposals submitted by the agencies including State Government agencies."

1.17 On whether the Ministry considers the current rate of accumulation commensurate with NMEDT's absorptive and execution capacity, the Committee were informed as under:-

"Yes, the current rate of accumulation is commensurate with NMEDT's absorptive and execution capacity. The fund available with NMEDT will also be utilized to fund various scheme components of National Critical Mineral Mission such as Domestic Critical Mineral Exploration, Risk Coverage for foreign sourcing, Support for exploration activities outside India and Pilot Projects of Mineral Recovery with budget outlay of ₹8700 Cr during the period of the Mission. Further, NMEDT fund is also utilized for Coal & Lignite exploration scheme of Ministry of Coal."

1.18 Regarding whether any internal or external review has been conducted to assess the efficiency of NMEDT's financial planning and expenditure management, the Ministry informed as under:-

"O/o the Director General of Audit (Mines), Kolkata has carried out the thematic audit of NMEDT in 2021."

1.19 On whether NMEDT has defined any outcome benchmarks, the Ministry informed as under:

"The outcomes of NMEDT-supported projects are based on whether the exploration results in upgradation of the mineral block and/or make the block suitable for auction. However, it is not feasible to prescribe uniform outcome benchmarks, as parameters such as resource estimation vary widely depending on the type of mineral, geological disposition, and other site-specific factors."

1.20 When asked to elaborate on the manner in which NMEDT periodically evaluates the cost-effectiveness of its exploration funding in terms of economic returns, potential revenue generation and reduction in mineral imports, the Ministry stated as under:

"The exploration is a high-risk activity, and it is not feasible to predict the success or failure of an exploration project. Hence, NMEDT has not adopted a mechanism for evaluating the cost-effectiveness of its exploration funding in terms of economic returns, potential revenue generation, and reduction in mineral imports. However, the processes and structures it has in place form the basis of periodic evaluation."

1.21 On whether NMEDT engages with State Governments after project completion to ensure timely preparation of auction documents and, if not, whether such a mechanism is under consideration, the Ministry informed as under:

"No, NMEDT does not engage with State Governments after project completion and submission of Geological report."

VII. Project Status and Implementation

1.22 Regarding the criteria for selection and prioritization of exploration projects under NMEDT, the Committee were apprised as under:-

"Exploration proposals are submitted by eligible agencies such as State DMGs/DGMs, Notified Exploration Agencies (NEAs), and Notified Private Exploration Agencies (NPEAs), as per NMEDT guidelines. Projects are selected and given priority based on their importance for strategic and critical minerals, the possibility of finding deep or hidden mineral deposits, and the geological potential of the area."

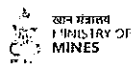
1.23 On the status of physical and financial progress of the sanctioned projects year-wise as on December 2025, the Ministry submitted as under:-

"The status of physical and financial progress of the sanctioned projects, project and year-wise as on December 2025 is as given:

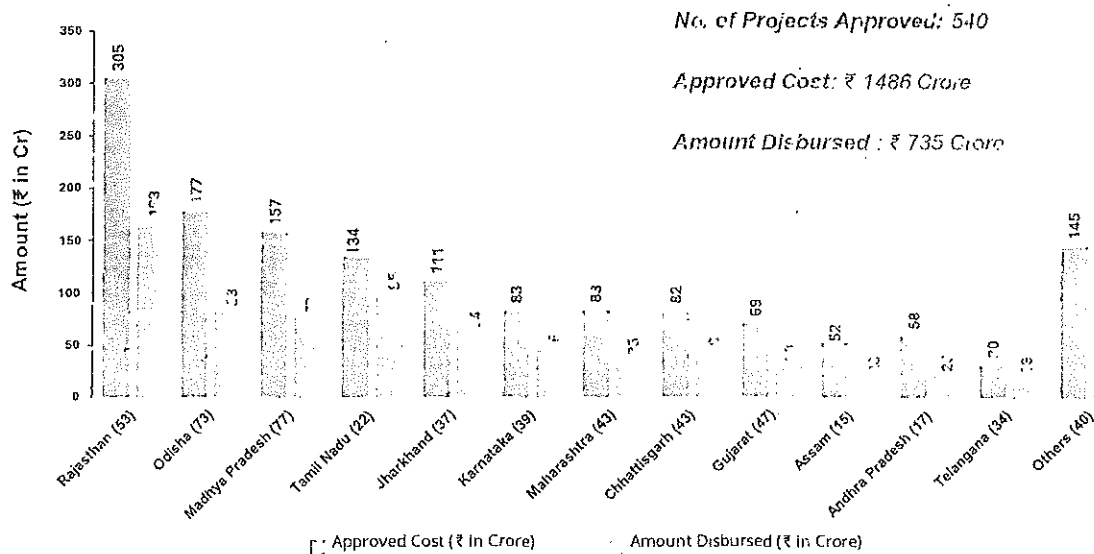
Year	No. of Projects Approved	Sanctioned Cost (₹ in Cr.)	Amount utilized (₹ in Cr.)	No. of Projects Completed
2016-17	57	248	-	57
2017-18	25	155	79.95	25
2018-19	44	126	88.40	38
2019-20	20	56	68.31	19
2020-21	14	166	83.13	13
2021-22	32	571	124.71	30
2022-23	97	356	159.87	74
2023-24	89	524	296.27	50

2024-25	162	738	398.95	16
2025-26 (Till 24.12.2025)	108	465	109.79	-
Total	648	3405	1409.38	324

1.24 In a power point presentation during the oral evidence of the Ministry, the details of State-wise mineral exploration projects were given as under:



MINERAL EXPLORATION PROJECTS - STATE WISE



1.25 Observing that a significant number of NMEDT-funded projects remain ongoing for extended periods, with repeated timeline extensions, when asked to furnish information on the average duration of mineral exploration projects sanctioned by NMEDT; the number of projects which have exceeded their original timelines and the reasons for such delays; and the criteria followed by NMEDT while granting repeated extensions, the Ministry informed as under:-

"NMEDT-sanctioned mineral exploration projects generally have an average duration of 1-3 years, depending on the scale and complexity of exploration. Some projects have exceeded their original timelines mainly due to geological complexities, difficult terrain, delays in statutory clearances, and adverse field conditions. Extensions are granted by NMEDT after technical review, based on justified reasons, progress achieved, and the geological potential of the project area."

1.26 On whether any projects have been closed, surrendered or terminated due to non-performance, and if so, the number of such projects; the financial implications thereof; and the safeguards in place to prevent recurrence, it was informed as under:

“Till date no project has been closed, surrendered or terminated due to non-performance of the exploration agencies.”

1.27 Regarding the details of the institutional and procedural steps involved between completion of exploration and auction of mineral blocks, the Ministry informed as under:-

“Post completion of exploration, the GRs/GMs are handed over to the respective State Governments. After detailed analysis of the reports, the State mining department processes the feasible mineral blocks for auction. For critical and strategic mineral blocks, the Central Government is empowered to auction the blocks after examination of the GRs along with inputs from State Governments.”

1.28 When asked about the role of NMEDT vis-à-vis State Governments and IBM in this process and the specific bottlenecks causing delays at each stage, it was informed as under:-

“NMEDT funds exploration projects and ensures the generation of high-quality geological data to make mineral blocks auction-ready. State Governments (DGMs/DMGs) review the reports, prepare auction documents and grant mining leases, while IBM validates technical data, ensures compliance with the MMDR Act, and advises on resource classification. Bottlenecks include delays in data validation, resource categorization, statutory clearances (forest, environment, land) and legal or land-related disputes, which can slow the transition from exploration completion to auction.”

1.29 On whether NMEDT engages with State Governments after project completion to ensure timely preparation of auction documents and, if not, whether such a mechanism is under consideration, the Ministry informed as under:

“No, NMEDT does not engage with State Governments after project completion and submission of Geological report.”

1.30 As per PIB No. 2044680 dated 12.08.2024, in a strategic move towards more efficient resource management and national development the enhancement of the National Geoscientific Data Repository (NGDR) Portal has been initiated. This initiative aims to facilitate seamless collaboration for geoscientific data sharing among the Geological Survey of India, Directorate of Hydrocarbons, and the Department of Atomic Energy, under the Ministry of Mines' guidance.

1.31 When asked to provide details of this collaboration as a critical step towards optimizing the use of geoscientific data for the nation's benefit, the Committee were informed as under:-

"National Geoscience Data Repository (NGDR) is a flagship initiative conceptualized by the Ministry of Mines as a part of the National Mineral Exploration Policy (NMEP), 2016 for cloud-based hosting of all baseline and exploration related geoscientific data for free dissemination to all stakeholders through a single window system to expedite and facilitate the exploration coverage of the country. The NGDR portal was launched on 19/12/2023 and GSI is the nodal agency for the implementation of NGDR. The sharing of geoscientific data on a single platform by all stakeholder organisations aim towards free access and public use which is a significant step towards optimizing the use of geoscientific data for the nation's benefit."

1.32 On the current status of NGDR portal, the Ministry stated as under:-

"The NGDR portal contains 16200 exploration and baseline reports of GSI as well as 34 stakeholder organizations along with more than 45 geospatial map services, available for free dissemination among all users. Besides this, geoscientific datasets generated by AMD, DGH, CGWB, IBM and a few important layers from PM Gatishakti are also incorporated. NGDR is being utilized by the geoscientific community. At present, NGDR has 5,440 active users, and approximately 67,330 reports/data sets have been downloaded from the repository so far."

VIII. MONITORING, ACCOUNTABILITY AND TRANSPARENCY

1.33 When asked about the mechanisms in place to ensure transparency in the execution of NMEDT-funded projects, the Committee were informed as under:-

"The Technical-cum-Cost Committees of NMEDT review the projects at regular intervals and advise the agencies according to situations. The Geological Survey of India, an attached office of the Ministry of Mines, has been mandated to periodically review through field visits and verify the claims of NPEAs before payment processing. Further, agencies submit the monthly progress reports for approved projects to the NMEDT Secretariat. These progress reports are

critically reviewed and analysed by officials of NMEDT. The minutes of the meetings of the Executive committee, Project Sanctioning committee and Technical-cum-Cost Committees are uploaded on the website of NMEDT.”

1.34 On the mechanism for periodic progress reporting to the Ministry of Mines or NMEDT Governing Body, the Ministry informed as under:-

“The progress is periodically reported to the Executive Committee which is chaired by Secretary, Mines and the Governing Body chaired by Hon’ble Minister of Mines.”

1.35 When asked whether project-wise status, including delays and closures, is publicly disclosed to enhance transparency and accountability, the Committee were apprised as under:-

“The details of all the projects sanctioned by NMEDT are available on its website. The minutes of the meetings of the Executive committee, Project Sanctioning committee and Technical-cum-Cost Committees are also uploaded on the website of the Trust.”

1.36 When asked about the number of exploration projects from the last three FYs which are expected to lead to mining lease applications, the Ministry informed as under:-

“Mineral exploration depends on several factors such as the commodity being explored, the geological setting, economic viability, timely environmental and statutory clearances, etc. As a result, it is not possible to accurately predict how many exploration projects undertaken during the last three financial years will ultimately lead to mining lease applications.”

1.37 On whether independent third-party technical audits or field inspections are undertaken for high-value or long-duration projects and if so, the details thereof including the frequency of such inspections and the action taken on adverse findings, if any, the Ministry submitted as under:-

“Geological Survey of India, an attached office of the Ministry of Mines, has been mandated to carry out field inspections regularly in the NMEDT funded projects executed by NPEAs. The field inspections are conducted when the field work is carried out by NPEAs. Further, the sanction orders issued by NMEDT to various agencies require them to follow the General Financial Rules while executing the projects. In the case of NPEAs, NMEDT asks for a report from Chartered Accountants on the financial performance of the project.”

IX. CAPACITY CONSTRAINTS AT STATE LEVEL

1.38 The Committee observe wide inter-State variation in the execution of NMEDT-funded projects and in auction outcomes. When asked whether any assessment has been made of capacity gaps in State DGMs/DMGs and the details, the Ministry submitted as under:-

"As of now, no formal assessment has been conducted to evaluate capacity gaps in State DGMs/DMGs with respect to the execution of NMEDT-funded projects or auction outcomes."

1.39 On whether NMEDT's financial assistance for procurement of equipment and training has translated into improved performance and whether outcome-linked support to States is being contemplated, the Committee were informed as under:-

"NMEDT's financial assistance for equipment procurement and training has contributed to enhanced capacity and performance of the executing agencies; however, no formal outcome-linked support to States is currently being contemplated."

1.40 When asked whether the Ministry proposes to strengthen institutional mechanisms at State level, including creation of dedicated exploration or auction cells, the Ministry informed as under:-

"Yes, the Ministry propose to strengthen institutional mechanisms at the State level. The steps taken by the Ministry in this regard are as under:

- Pre-auction Committee- The Ministry of Mines has requested Category 'A' states (Andhra Pradesh, Chhattisgarh, Goa, Gujarat, Jharkhand, Karnataka, Maharashtra, Odisha, Madhya Pradesh and Rajasthan) to constitute a Pre-auction committee comprising representative from the mining, forest and revenue departments to identify and resolve key auction issues such as land scheduling and required clearances before putting up blocks for auction to streamline the auction process.

In response, all Category 'A' states have formed the Pre-auction committee. Apart from Category 'A' states, Uttar Pradesh and Jammu and Kashmir have also formed the Pre-auction committee.

- Annual auction Calendar: To bring predictability and better planning to the auction process, the Ministry also proposes to prepare an Annual Auction

Calendar, enabling States and stakeholders to prepare in advance and further streamline the conduct of mineral block auctions.

- State level Coordination Committee: Ministry of Mines vide letter dated 04.12.2025 has requested all major mineral States to constitute a State-level Committee under the chairmanship of the Chief Secretary to monitor the progress of post-auction activities, ensure timely follow-up actions, and facilitate faster operationalisation of auctioned blocks.

In response, Uttar Pradesh, Maharashtra and Odisha have formed the State Level Coordination Committee.”

X. PRIORITISATION OF CRITICAL AND STRATEGIC MINERALS

1.41 When asked whether NMEDT follows a formal mineral-wise or sector-wise prioritisation strategy aligned with national needs such as energy transition, defence and manufacturing, the Committee were apprised as under:-

“Yes, NMEDT follows a mineral-wise and sector-wise prioritization strategy aligned with national priorities. Projects focusing on strategic and critical minerals are given higher priority, ensuring exploration efforts support national resource security and developmental objectives.”

1.42 When asked about the basis on which critical mineral projects are selected and sanctioned and the manner in which NMEDT avoids fragmentation of funds across low-impact projects, the Committee were informed as under:

“To optimize the use of national resources, NMEDT has shifted to a strategic selection process. This ensures that funds are concentrated on projects with the highest potential for impact, particularly in the realm of critical and strategic minerals.

Selection & Sanctioning of Critical Mineral Projects:

Critical mineral projects (like Lithium, Cobalt, Nickel, and Rare Earth Elements) are selected based on a rigorous multi-tier evaluation:

- Projects must target minerals identified in the National Critical Mineral List. Priority is given to minerals essential for the green energy transition (EV batteries, solar panels) and national defense.
- NMEDT prioritizes areas within the Obvious Geological Potential (OGP) zones. These are geologically favorable regions identified through baseline surveys (aero-geophysical and geochemical mapping).
- Every proposal is vetted by the Technical-cum-Cost Committee (TCC). They assess the "Geological Concept" and "Success Probability." A project is only sanctioned if the proposed drilling or survey methodology is scientifically sound and likely to result in a resource upgrade.

- Sanctions for critical mineral projects are 'fast-tracked' with a target turnaround time of one to two months from proposal to approval.

To prevent the dilution of the NMEDT fund across low-impact or "academic" projects, NMEDT employs several structural safeguards:

- Instead of providing open-ended grants, NMEDT uses a reimbursement-based model. For example, Exploration Licence (EL) holders only get 50% of direct costs reimbursed, capped at ₹20 Crores while composite Licence holders only get 50% of direct cost reimbursed, capped at Rs 8 Crores.
- Consolidation through TCC: The TCC acts as a central clearing house that prevents overlapping projects. If two agencies propose exploration in the same area, NMEDT merges the efforts or selects the more technically superior plan to avoid redundant spending.
- Focus on Deep-Seated Deposits: Funds are provided with a focus on deep-seated and concealed deposits where the risk is too high for private capital alone.
- Funding is released in instalments tied to milestones. If the initial drilling (G4) shows no mineralization, NMEDT can "stop-loss" the project and withhold further G3/G2 funding."

1.43 When asked whether annual targets are fixed for exploration of critical minerals and how their achievement is monitored, the Committee were informed as under:

"No annual targets are fixed for exploration of critical minerals."

1.44 When asked about the manner in which NMEDT has helped to support and expand mineral exploration in the country specifically with regard to critical minerals and to furnish details of funds allocated/utilised and projects sanctioned/under process/completed year wise during the last 5 years w.r.t critical minerals, the Ministry submitted as under:-

"NMEDT has extended support to mineral exploration activities in the country, particularly with respect to critical minerals, in the following manner:

- i. Funding mineral exploration projects executed by State DGMs/DMGs, NEAs, Central PSUs, and NPEAs.
- ii. Financial assistance to State DGMs/DMGs and Central Government organizations for procurement of machinery/ laboratory equipment etc. to strengthen their capacity for enhancing exploration activities.
- iii. Exploration Incentive of 25% for G-4 exploration projects of critical and strategic minerals, if the block is upgraded from G4 to G3 or is successfully auctioned.

The details of funds allocated/utilized and projects sanctioned/under process/completed year-wise during the last 5 years w.r.t critical minerals are as given:

Financial Year	No. of Critical Mineral Projects	No. of Completed projects	No. of Ongoing projects	Approved Sanctioned Cost (₹ in crore)	Utilized Cost (₹ in crore)
2021-22	6	6	0	15	9.64
2022-23	25	22	1	61	44.73
2023-24	28	22	6	63	46.93
2024-25	62	2	60	166	61.92
2025-26 (upto 24.12.2025)	54	0	54	218	24.08
Total	175	54	121	523	187.30

1.45 On whether exploration projects are being undertaken by PSUs on behalf of NMEDT and if so, the details thereof, the Committee were informed as under:-

"NMEDT has funded/is funding the projects submitted by Central and State Government PSU's. Details are as follows:

(₹ in Crore)

PSU	No. of Projects sanctioned	Sanctioned Amount
MECL	257	912.68
CMPDI	30	111.30
FAGMIL	5	13.00
HCL	1	2.52
JEMCL	3	4.03
KIOCL	13	27.58
MERIT	7	19.68
MPSMC	10	10.80
NMDC	6	9.86
OMC	21	47.99
TGMDC	14	14.61

MECL: Mineral Exploration and Consultancy Limited
CMPDI: Central Mine Planning & Design Institute Limited
OMC: Odisha Mining Corporation
FAGMIL: FCI Aravali Gypsum and Minerals India Limited
HCL: Hindustan Copper Limited
JEMCL: Jharkhand Exploration and Mining Corporation Limited
KIOCL: Kudremukh Iron Ore Company Limited
MERIT: Mineral Exploration Research and Innovation Trust
MPSMC: Madhya Pradesh State Mining Corporation Limited
NMDC: National Mineral Development Corporation

TGMDC: Telangana State Mineral Development Corporation Limited

1.46 Regarding the steps being taken to improve project tracking in order to enforce time-bound execution and the number of projects pertaining to critical minerals, it was informed as under:-

"To improve project tracking for ensuring time-bound execution, a Project Sanctioning committee (PSC) of the Executive committee of NMEDT has been constituted vide OM Np.6/2/2015-NMET/440 dated 6th October 2025. The PSC meetings are convened monthly during which new project proposals are deliberated and ongoing projects are reviewed. Further, the frequency of TCC meetings has been increased from monthly to weekly.

The bifurcation of 378 projects sanctioned upto FY 2023-24 is as follows:

Mineral Exploration: 317
Procurement:37
Baseline: 23
S&T Prism:1

Out of the 317 projects sanctioned for mineral exploration, 79 projects were of Critical minerals. The status of the 79 projects as on date is as under:

Completed: 72 (including 3 surrendered/cancelled)
Ongoing: 7
(WR Q14)

One of the prime objectives of NMEDT since its inception is upgrading the status of mineral exploration in an area from G3 to G2/G1 level. When asked about the reasons for the limited progress from G3/G4 to G2/G1., the Ministry replied as under:-

The upgradation from G3 /G4 is dependent on the findings of the exploration project. At times, enough mineral deposits are observed, leading to the auction of the mineral blocks. In case the findings are such that more conclusive data is required, the exploration block is put up for further upgradation to G2/G1. Statistically, only a small fraction of G3 projects shows enough economic promise to justify a G2/G1 detailed study. Further, the Government has increasingly moved towards the auctioning of Composite Licences. This shifts the responsibility of upgrading from G3 to G2/G1 onto the bidder rather than NMEDT funded projects.

1.47 On the steps being taken by NMEDT to enforce stricter timelines execution of projects so that the survey stages are upgraded within reasonable period of time, it was stated as under:-

“NMEDT enforces timelines by linking fund releases to milestones, monitoring progress regularly, conducting technical reviews, and granting extensions only when justified to ensure timely project completion.”

1.48 NMEDT launches various schemes to boost the morale of exploration agencies and encourage them to submit more and more mineral exploration proposals for auction of more blocks. When asked whether such milestone-linked incentives are given for timely upgradation of exploratory researches of minerals including critical minerals, it was informed as under:-

“Exploration incentive of 25% of project cost is provided for G-4 exploration projects of critical/strategic minerals, if the block is upgraded from G4 to G3 or successfully auctioned.”

1.49 The Committee observed during the Oral Evidence that both NMEDT and Khanij Bidesh India Ltd. (KABIL) are expected to function in a coordinated fashion in the overseas critical mineral space to avoid duplication and ensure optimal use of public funds.

1.50 NMEDT has issued Guidelines for Pilot Projects for Recovery of Critical Minerals from Overburdens/Tailings/Fly ash/Red mud etc. under NCMM on 14.11.2025. Under the guidelines, NMEDT provide funding support upto ₹20 crore per project, with a minimum of 10% contribution of approved project cost from the industry partner. Pilot projects implemented under Ministry of Mines and Anusandhan National Research Foundation (ANRF). 01 project sanctioned to Non-Ferrous Materials Technology Development Centre (NFTDC) with approved cost of ₹17.33 crore of which ₹13.52 crore to be funded by NMEDT.

XI. ENCOURAGING PRIVATE SECTOR PARTICIPATION IN MINERAL EXPLORATION

1.51 In line with the amendments in Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) in the year 2021, the Governing Body of NMET approved the scheme for engagement of Notified Private Exploration Agencies (NPEAs) in mineral exploration through NMET funding in May 2022. During Financial Year 2023-24, 23 projects to 7 Notified Private Exploration Agencies (NPEAs) have been sanctioned from NMET funds amounting to ₹29.12 Crore. When asked about the reasons behind low participation of NPEAs, the Ministry submitted as under:-

"The low participation of Notified Private Exploration Agencies (NPEAs) in NMET-funded projects can be attributed to several barriers:

- Accreditation Rigor: Agencies must undergo an accreditation process through QCI-NABET, and non-compliance with manpower or technical standards might have contributed to initial delays;
- Forest and Statutory Clearances: Obtaining the necessary clearances for field work remains a primary challenge, often stalling projects after they have been sanctioned;
- Delayed Fund Release: Initially projects were routed through State Governments; significant delays occurred in project sanction and fund release to NPEAs;
- Mobilization Capital Issues: While agencies can avail of a mobilization advance of up to 30% of the project cost, they must provide a Bank Guarantee of equal value, which can be a financial burden for smaller private entities;
- Reimbursement Model: Beyond the initial advance, payments are made on a reimbursement basis against submitted bills, requiring private agencies to have significant upfront liquid capital to sustain long-term exploration activities.

To address these issues, the Ministry of Mines recently approved a revised scheme (June 2024) allowing direct engagement of NPEAs by NMEDT, to expedite fund release and project sanctions."

1.52 On the steps being taken by NMEDT to encourage wider private participation, the Committee were apprised as under:-

"The various steps undertaken by NMEDT to encourage wider private participation is as given below:

- i. Initially, the Scheme for engagement of NPEAs in mineral explorations provided for submission of project proposal through the concerned state Government. Due to delays observed in submission of proposals to NMEDT, the scheme was revised in December 2023 and later in June 2024 allowing the NPEAs to submit project proposals directly to NMEDT. To further improve the ease of doing business for NPEAs, the scheme was further relaxed in September 2024 thereby allowing direct submission of DPR;
- ii. 100% funding support for exploration projects of NPEAs;
- iii. mobilization advance (up to 30% of the approved project cost) to NPEAs against submission of Bank Guarantee (BG, including e-bank guarantee) of equal value of advance to NMEDT;
- iv. Partial reimbursement up to 50% of direct exploration costs, subject to ceiling of ₹8 crore for Composite Licence (CL) holders and upto ₹20 crore for Exploration Licences (EL) holders;

- v. Workshops at both the Central and State levels to build the capacity of NPEAs.”

1.53 When asked whether private players face issues in terms of Ease of Doing Business and ease of approvals to them, the Ministry apprised as under:-

“No issue is faced by private players in terms of Ease of Doing Business, as the entry barrier for private players keen on exploration is kept very low. The proposals submitted by NPEAs are taken up for consideration every week by TCC to ensure expeditious approval. Further, NMEDT provides mobilization advance (up to 30% of the approved project cost) to NPEAs against the submission of Bank Guarantee (BG, including e-bank guarantee) of equal value to take care of their funding needs.”

1.54 Regarding list of private players who have been rejected from being notified or are awaited, from the year 2023 till date including the grounds for such rejections, the Committee were informed as under:-

“Since the year 2023, no agency has been rejected by Ministry of Mines from being notified. Currently, only one accredited private exploration agency is awaiting notification and one agency is under process for re-notification.”

XII. SUPPORTING R&D ACTIVITIES OF START-UPS AND MSMES

1.55 When asked about the details of support being given by NMEDT to Private exploration agencies in Mineral Exploration, the Committee were informed as under:-

“The National Mineral Exploration Trust (NMEDT) offers a comprehensive suite of funding and cost-reimbursement mechanisms to reduce the high financial risks associated with mineral exploration in India:

- * For sanctioned projects, Notified Private Exploration Agencies (NPEAs) are eligible to receive 100% funding of the project cost from NMEDT;
- * To help agencies start operations, NMEDT provides an advance of up to 30% of the approved project cost (against a Bank Guarantee of equal value);
- * For holders of the Exploration Licence, NMEDT reimburses up to 50% of the direct cost, with a ceiling of ₹20 Crore;
- * CL holders can claim up to 50% of direct exploration costs with a ceiling of ₹8 Crore;
- * Exploration Incentive of 25% for G-4 exploration projects of critical/strategic minerals, if the block is upgraded from G4 to G3 or successfully auctioned;
- * Since June 2024, NPEAs can submit project proposals directly to NMEDT rather than through State Governments. This change was designed to eliminate “unnecessary delays” in project sanctioning and fund release;

* Private agencies are given access to the National Geoscientific Data Repository (NGDR) portal to help them select high-potential areas for exploration based on existing baseline data;

* NMEDT extends support to Startups and MSMEs through the S&T PRISM scheme, encouraging the use of AI, drone technology, and automation in exploration;

* NMEDT has earmarked officers to each private agency, and these officers act as mentors to NPEAs for any of the issues faced them in developing a proposal and submitting it to the Trust. Further, the earmarked officer monitors the project throughout its life cycle and helps in mitigating issues that arise during the execution of the project in terms of coordination with State authorities for forest issues, local agitation, etc;

* The NPEAs are encouraged to attend training programs and seminars conducted by NMEDT;

* Frequent meetings are held with NPEAs to understand the issues faced by them and providing solution to them. The outcome of this has led to an increase in the number of TCCs to two and the TCCs are meeting every week for expeditious clearance of the project proposals.

This has led to increased participation of NPEAs and till date, NMEDT has sanctioned 112 projects of mineral exploration amounting to ₹279.49 crore to NPEAs."

1.56 Regarding performance comparison between projects executed by public agencies and NPEAs, the Ministry submitted as under:-

"The comparison between projects executed by public agencies (NEAs) and NPEAs is as under:

Sl .No.	Particulars	No. of Projects		
		Total	NPEAs	NEAs
1	Total Approved M.E Projects	540	112	428
2	Ongoing (including 1 suspended)	240	88	152
3	Total Completed Projects(including 11 Cancelled/surrendered)	300	24	276
	Auctioned	32	0	32
	Auctionable	90	10	80
	Upgraded	39	1	38
	Upgradable	42	10	32
	Potentially non-viable	86	3	83
	Cancelled/surrendered	11	0	11

1.57 About the safeguards which are in place to ensure quality, cost control and timely completion of private sector projects; and for addressing disputes or non-performance by NPEAs, the Committee were informed as under:-

"The Technical-cum-Cost Committees of NMEDT ensure the NPEAs maintain the quality of project proposals, monitor the progress of the project and cost control of the project. They review the projects at regular intervals and advises the agencies accordingly. Further, the Geological Survey of India, an attached office of the Ministry of Mines, has been mandated to periodically review and verify the claims of NPEAs for payment processing. Further, NPEAs are required to submit a report from a Chartered Accountant on their financial performance."

1:58 On whether any delays in reimbursements or approvals have been reported by private agencies and how such issues are being addressed, it was informed that there are no delays in reimbursements or approval of projects by private agencies which are attributable to NMEDT.

XIII. UTILISATION OF BASELINE GEOSCIENCE DATA

1.59 It had been observed that substantial investments are made by NMEDT in baseline geoscience surveys such as NAGMP, NGPM and DSRS. When asked to explain how the outputs of these surveys are prioritised for follow-up exploration, the Ministry informed as under:-

"A total of 322 anomaly zones/areas, covering 87,000 sq. km have been identified from National Aero-Geophysical Mapping Programme (NAGMP) survey, completed in 7 blocks, for further detailed geological and geophysical investigations, to identify potential mineralization zones in the States of Rajasthan, Gujarat, Madhya Pradesh, Uttar Pradesh, Chhattisgarh, Telangana, Andhra Pradesh, Maharashtra, and Karnataka. The NAGMP data has been made available to all stakeholders free of cost through digital platform such as the BHUKOSH of GSI portal from 2017 and National Geoscience Data Repository (NGDR) portal since 2023 for enabling exploration agencies to launch focussed exploration programs. Under the National Geophysical Mapping (NGPM) till date, a total of 86 potential target zones have been delineated for further follow up through geophysical and geological investigations. Deep Seismic Reflection Survey (DSRS) is an advanced geophysical imaging technique used to delineate the Earth's subsurface structure from the surface down to depths of approximately 40–55 km. The outputs of DSRS are prioritized for follow-up mineral and resource exploration through systematic scientific interpretation."

1.60 Regarding the number of mineralised zones identified so far that have been taken up for detailed exploration and the time lag between data generation and actionable outcomes, the Committee were informed as under:-

"As an outcome of NAGMP, till date 194 mineral exploration programmes for various mineral commodities such as Basemetal, Diamond, Gold, REE-RM etc. in Madhya Pradesh, Uttar Pradesh, Jharkhand, Telangana, Andhra Pradesh, and Rajasthan have been taken up by GSI. Based on the National Geophysical Mapping (NGPM) by GSI, total 86 potential target zones have been delineated and taken up for further follow up geophysical and geological investigation by GSI."

1.61 When asked whether a structured roadmap exists to ensure downstream utilisation of baseline data for auctions and mining development including details thereof, the Ministry informed as under:-

"Yes. the Ministry of Mines has been developing an increasingly structured approach to generating, managing and using baseline geological and mineral data to support mineral auctions and mining development downstream. This approach is built into policy frameworks and digital tools that connect data generation with exploration, auctions, and investment planning.

1. Baseline Geoscience Data Generation & Dissemination
National Mineral Exploration Policy (NMEP)

- Under the National Mineral Exploration Policy, the Government promotes systematic generation, collation, maintenance and open dissemination of baseline geoscience data by Central/State and other agencies along with all concession holders through NGDR portal. This data includes reconnaissance and detailed exploration results and is intended to accelerate exploration and create a reliable national mineral database.

- Since the amendments to the MMDR Acts, 2015 and 2023, GSI has handed over 314 resource bearing G2/G3 reports (GR) to the concerned State/Central Governments for consideration in the auctioning process, including 90 geological reports of Critical and Strategic Minerals (CSM). GSI has also handed over 344 Geological Memorandums (GMs) to the concerned State/Central Governments for Composite Licence, including 78 CSM GMs. Further, GSI has submitted 45 Exploration Licence blocks for various mineral commodities including REEs to the Ministry of Mines for consideration in the auction process to facilitate exploration of deep-seated, critical, and strategic minerals.

After introduction of auction regime through MMDR Act, 2015 amendment, a total of 592 mineral blocks have been successfully auctioned based on the available geological reports.

National Geo-scientific Mapping Program

- GSI's national geoscientific mapping and aero-geophysical surveys generate large-scale baseline datasets across the country, delineating subsurface structures and potential mineral occurrences. Data from these programs has

been used to identify new prospective areas for mineral exploration, building a robust pipeline for future auctions and development.

2. Digital Tools & Dashboards for Downstream Utilisation

- The Ministry of Mines has launched a digital Mining Dashboard to track the status of various clearances of auctioned mineral blocks till their operationalization. This provides near real-time monitoring and data support. The Dashboard allows identification of bottlenecks and supports evidence-based intervention for timely operationalization of auctioned mineral blocks.”

1.62 During the evidence of the Ministry on 06.01.2026, a representative of the Ministry of Mines informed as under:-

“...xxx... As far as the AI centre of DPIIC is concerned, we have received its DPR report and its examination is underway in the Ministry of Mines, and its work will start very soon ...xxx...”

XIV. INSTITUTIONAL CAPACITY OF NMEDT

1.63 The Committee observed that NMEDT's mandate, funding base and operational scope have expanded significantly in recent years. When asked about the current staffing position of the NMEDT Secretariat, the impact of vacancies on project monitoring and execution and the timeline for filling sanctioned posts, the Ministry informed as under:-

“12 posts have been sanctioned to NMEDT. Out of the 12 posts, 5 posts have been filled including the post of Director General. The remaining sanctioned posts are expected to be filled within the next six months. The shortfall is being managed by attaching 4 technical, 2 finance and 1 admin staff from Geological Survey of India. It is expected that the vacant sanctioned posts would be filled up within six months.”

1.64 On availability of specialised expertise in project management, mineral economics and contract management within NMEDT to handle its growing responsibilities, the Ministry informed as under:-

“The Executive Committee, Project Sanctioning committee and the TCCs comprise of technical and financial experts having vast experience of related domains. These experts are drawn from Geological Survey of India, Atomic Minerals Directorate for Exploration and Research, Indian Institute of Technology (Indian School of Mines), Dhanbad, Indian Institute of Technology-Bombay, Indian Bureau of Mines, National Geophysical Research Institute, NALCO, HCL etc. Further, the TCCs may invite any independent expert whenever required.”

1.65 On the issues/challenges being faced by the National Mineral Exploration and Development Trust (NMEDT) in carrying out its mandated functions, the Committee were informed as under:-

"NMEDT faces several challenges in carrying out its functions, including:

- i. Geological and field challenges: Difficult terrain, deep-seated or concealed mineral deposits, and complex geology can slow exploration.
- ii. Capacity constraints: Limited manpower or technical expertise with implementing agencies can affect project execution.
- iii. Time extensions and project continuity: Some projects require repeated extensions, affecting timely completion and outcomes."

1.66 Regarding whether any impact assessment studies have been carried out to assess the work of NMEDT and if so, the details thereof, the Ministry informed as under:-

"NMEDT has not carried out impact assessment study to assess its work. However, 38 blocks carved out from NMEDT funded projects have been successfully auctioned. These include 06 blocks of Critical Minerals."

1.67 Regarding the provisions for audit of NMEDT funds, the Ministry informed as under:-

"NMEDT Rules 2018 and the approved accounting procedure of NMEDT provides for audit of NMEDT by the Comptroller and Auditor General of India. Further, the Internal Audit Wing of Ministry of Steel and Mines also carries out the internal Audit of NMEDT."

PART-II
OBSERVATIONS / RECOMMENDATIONS

National Mineral Exploration and Development Trust (NMEDT) – An Overview

1. The Committee note that the National Mineral Exploration Trust was established *vide* Notification dated 14th August, 2015, in pursuance of sub-section (1) of Section 9C of the Mines and Minerals Development Regulation Act, 1957, as a statutory trust with the objective of strengthening mineral exploration in the country. The NMET Rules were amended on 7th March 2018 to incorporate the accounting procedure and the National Mineral Exploration Trust (NMET) Fund was established as part of the Public Account. Subsequently, through the 2021 Amendment to the Act, it was accorded the status of Non-Profit Autonomous Body, thereby providing it greater functional flexibility and administrative autonomy. The 2021 amendments also permitted Notified Private Exploration Agencies (NPEAs) to submit proposals to NMET for seeking financial support for mineral exploration activities. The 2023 amendments to the MMDR Act further expanded the exploration ecosystem by introducing exploration licences, thereby enabling exploration licence holders to seek financial assistance from NMET for eligible exploration activities. The NMET was renamed as National Mineral Exploration and Development Trust (NMEDT) by an amendment under MMDR (Amendment) Act, 2025, *w.e.f.* 1st September, 2025. The objective of the Trust as redefined is to use the funds accrued to the Trust within India, including the offshore areas, and outside India for the purposes of regional and detailed exploration of deep-seated or concealed mineral deposits and development of mines as decided by its Governing Body. The MMDR (Amendment) Act, 2025 also provided for the mining lease holders to pay a sum equivalent to 3% of the royalty paid as NMEDT Contribution which was earlier 2%. This Contribution is deposited into the Public Account of the State. The State Governments transfer this contribution from their Public Account to the Consolidated Fund of India on a monthly basis. The NMEDT contribution is then transferred from the Consolidated Fund of India to NMEDT through budget provision for incurring expenditure on NMEDT activities. The Committee observe that the renaming of the Trust as NMEDT reflects the Government's

vision of an integrated "Explore–Develop–Utilise" value chain for India's mineral wealth. By explicitly incorporating "Development" into its mandate, NMEDT has evolved from a funding conduit for exploration to an institution with a strategic role in ensuring that identified mineral resources are developed and made productive for the national economy. The Committee hope that NMEDT will endeavour to operationalise this expanded developmental role with the same rigour and ambition with which it has pursued mineral exploration. The Committee opine that significant changes such as allowing the Notified Private Exploration Agencies (NPEAs) to seek financial support from NMEDT will incentivize private sector participation in mineral exploration. The Committee appreciates the increase in lessee contribution to the National Mineral Exploration Trust (NMET) from 2% to 3% of the royalty paid as it is expected to strengthen the financial resources available for mineral exploration and mine development activities. While recognising the important role of NMEDT in exploration and development of mineral blocks including those of critical minerals, the Committee hope that the recent measures to strengthen the NMEDT would go a long way in promoting exploration and development activities in the mining sector.

(Recommendation No. 1)

Allocation under NMEDT

2. The Committee note that the Revised Budget Estimates for NMEDT during FY 2022-23, FY 2023-24 and FY 2024-25 were Rs. 160 crore, Rs. 296.50 crore and Rs. 400 crore respectively and the actual utilisation was Rs. 159.87 crore, Rs. 296.27 crore and Rs. 398.95 crore respectively. The Committee are informed that the enhanced allocation of funds under NMEDT has been made to cater to the funding requirement of the National Critical Mineral Mission, which includes components such as domestic critical mineral exploration, risk coverage for foreign sourcing, support for exploration activities outside India and pilot projects of mineral recovery with a total Mission outlay of Rs. 8700 crore. In line with this mandate, one project under the Guidelines for Pilot Projects of Mineral Recovery has been sanctioned to NFTDC with NMEDT funding amounting to Rs. 13.52 crore. Also, 121 projects of critical mineral exploration

with sanctioned cost of Rs. 394 crore are ongoing. The Committee note that while the total NCMM outlay through NMEDT is Rs. 8,700 crore over six years (2024–25 to 2030–31), the pace of implementation so far reflects an early stage of deployment. The Committee suggest that the Ministry prepare and share with NMEDT a year-wise phased action plan for each component of the NCMM outlay including domestic critical mineral exploration, overseas exploration support, risk coverage for foreign sourcing, and pilot projects for mineral recovery, with specific annual milestones, agency-wise targets and disbursement projections.

(Recommendation No. 2)

Fund Collection and Utilization Mechanism

3. The Committee note that the accounting procedure of NMEDT was approved by the Ministry of Finance in March 2018, with inputs from the Comptroller and Auditor General of India. Under this framework, NMEDT Fund forms part of the Public Account. As per the approved mechanism, Mining Lease (ML) and Prospecting License-cum-Mining Lease (PL-cum-ML) holders contribute three per cent of the royalty paid on major minerals to the NMEDT Fund, which is first deposited in the Public Account of the respective State Government. The State Governments are required to transfer this amount to the Consolidated Fund of India by the 10th of the following month. Subsequently, the Ministry of Mines makes the necessary budgetary provisions to transfer these funds from the Consolidated Fund of India to the NMEDT Public Account. Simultaneously, NMEDT submits its budget estimates under the Detailed Demands for Grants (DDG) of the Ministry of Mines to obtain allocations for meeting its expenditure. At the end of each financial year, the expenditure incurred is recouped from the NMEDT Public Account through the deduct-recovery mechanism, thereby ensuring transparent and compliant financial management. The Committee further note that the NMEDT fund supports a wide range of activities, including baseline geoscience surveys, mineral exploration projects by Central, State and private agencies, special studies on critical minerals, research and development initiatives, institutional capacity building and the administrative and monitoring functions of the

NMEDT Secretariat. The Committee note that while NMEDT was established in 2015, its accounting procedure was approved by the Ministry of Finance only in March 2018, which delayed the early utilisation of funds during the initial years of the Trust's operation. In this regard, the Committee desire that an appropriate mechanism may be evolved to further enhance transparency and accurate reporting of contributions by the States concerned. The Committee desire that the Ministry of Mines, in consultation with the Ministry of Finance, explore the feasibility of a real-time digital reconciliation dashboard that allows NMEDT to track State-wise royalty collections, contributions remitted, and pending transfers. This will not only strengthen financial discipline but also enable NMEDT to plan its disbursements more effectively.

(Recommendation No. 3)

NMEDT Fund Collection and Utilization Trends

4. The Committee note that barring FY 2018-19 and 2020-21, there has been a steady year-on-year increase in collection of NMEDT funds which has increased from Rs. 134.41 crore in the year 2015-16 to Rs. 1001.42 crore in the year 2024-25. The collection of NMEDT funds is further likely to increase since lessee contribution to NMEDT fund has been increased from 2 per cent to 3 per cent in 2025. The Committee observe that while the revised budget allocations have been lower than the total funds collected, there has been a marked improvement in utilization of funds particularly since FY 2021-22, despite low utilization during the initial years. In this regard, the Ministry has informed that utilisation during the initial years was affected due to the non-availability of the accounting procedure until February 2018, followed by the disruptions caused by the COVID-19 pandemic. However, it is observed that during the last four years, more than 99% of the budget allocation has been utilized. The Ministry has informed that the current rate of fund accumulation commensurate with NMEDT's absorptive and execution capacity. The available funds are also being utilized to support various components of National Critical Mineral Mission, including domestic critical mineral exploration, risk coverage for foreign sourcing, support for overseas exploration and pilot projects of mineral

recovery, with a total Mission outlay of Rs.8700 crore, besides supporting Coal and Lignite exploration scheme of the Ministry of Coal. The Committee appreciate the steady growth in fund collections and the significant improvement in utilisation in recent years, and hope that the Ministry will continue to ensure effective and timely deployment of NMEDT resources to support mineral exploration and development activities in the country. The Committee also observe that with the expanded mandate under the 2025 MIMDR Amendment, including overseas exploration and the significant NCMIM commitments, NMEDT's annual absorptive capacity will need to increase substantially in the coming years. The Committee are of the view that the Ministry may proactively plan for enhanced budget allocations at the BE stage commensurate with NMEDT's growing mandate. The Committee would also like to be apprised of the periodic progress made in utilisation of Rs. 8,700 crore NCMIM component, including a year-wise break-up of funds deployed against each Mission objective.

(Recommendation No. 4)

NMEDT Fund Allocation to States

5. The Committee are informed that there are no prescribed criteria to approve and allocate State-wise fund/expenditure in proportion to their respective fund collection. The sanctioning of projects and allocation of funds depends upon the project proposals submitted by the agencies including State Government agencies. The Committee also note that certain States while contributing to the NMEDT Fund have received negligible or do not have sanctioned projects because of the proposal-driven mechanism. The Committee are of the view that the Ministry may explore the feasibility of establishing a framework for effective utilisation of NMEDT resources amongst different states to support the broader objective of systematic mineral exploration in the country. The Committee are of the view that the Ministry may consider developing State-specific multi-year mineral exploration roadmaps in consultation with respective State Directorates of Geology and Mining, to systematically build proposal pipelines from States having lower participation.

Measurable Impact of NMEDT Funding

6. The Committee note that mineral exploration is a high-risk activity, and it is not feasible to predict the success or failure of an exploration project. The outcomes of NMEDT-supported projects are based on whether the exploration results in upgradation of the mineral block and/or make the block suitable for auction. As a result, NMEDT has not adopted a specific mechanism to evaluate the cost-effectiveness of its funding in terms of economic returns, potential revenue generation or reduction in mineral imports. The Committee observe that for the exploration projects, high-quality geological data are generated to make mineral blocks auction-ready. In the existing frame work, State Governments review the reports, prepare auction documents and grant mining leases, while Indian Bureau of Mines validates technical data, and ensures compliance with the MMDR Act. The Committee are informed that the transition from exploration to auction is often affected by delays in data validation, resource categorization, statutory clearances relating to forest, environment and land, and other legal or land-related disputes. In view of the complexities involved in assessing economic outcomes of exploration funding, the Committee are of the view that suitable physical targets such as upgradation of mineral blocks and making them suitable for auction, may serve as benchmarks to evaluate the impact of NMEDT funding. The Committee further urge that the Ministry, in coordination with the State Governments, address procedural bottlenecks, particularly those relating to data validation, resource categorisation and statutory clearances, to facilitate the timely conversion of explored blocks into auctionable assets. The Committee note the that NMEDT does not, at present, engage with State Governments after the completion of an exploration project and submission of the Geological Report. Given that the transition from exploration completion to auction is where critical bottlenecks arise, including delays in data validation, resource categorisation, preparation of auction documents, and statutory clearances, the role of NMEDT in this "last mile" may significantly enhance the return on public investment in exploration. The Committee, therefore, suggest that NMEDT may institute a structured post-

project engagement mechanism whereby, upon submission of a satisfactory Geological Report, a dedicated facilitation process is triggered involving the State DGM, the Indian Bureau of Mines, and NMEDT's officers, with a view to preparing the block for auction within a defined timeframe. The Committee also recommend that a specific "Blocks-to-Auction Conversion Rate" be adopted as a key performance indicator for NMEDT, and that annual targets for this metric be set and reported upon.

(Recommendation No.6)

National Geoscientific Data Repository (NGDR) Portal

7. The Committee note that the National Geoscience Data Repository (NGDR) is a flagship initiative of the Ministry of Mines conceptualised under the National Mineral Exploration Policy (NMEP), 2016 for cloud-based hosting of all baseline and exploration related geoscientific data for free dissemination to all stakeholders through a single window system. The portal launched on 19.12.2023 is being implemented by and the Geological Survey of India (GSI) as the nodal agency. The Committee note that NGDR portal contains about 16,200 exploration and baseline reports of GSI as well as of 34 stakeholder organizations along with over 45 geospatial map services, for free dissemination among all users. Besides this, geoscientific datasets generated by the Atomic Minerals Directorate for Exploration and Research, Directorate General of Hydrocarbons, Central Ground Water Board and the Indian Bureau of Mines, as well as a few important layers from PM *Gatishakti* are also incorporated. NGDR is being utilized by the geoscientific community with around 5,440 active users at present and so far, approximately 67,330 reports /data sets have been downloaded. The Committee appreciate this initiative as a significant step and hope the repository may enable wider public access to geoscientific data and facilitate broader exploration coverage of the country. The Committee note that as of January 2026, approximately 23 per cent of geoscientific data is yet to be uploaded to the NGDR portal. The Committee suggest that the Ministry fix a definitive deadline for the complete migration of all pending data onto the portal. Further, the Committee suggest that the NGDR

portal be enhanced to integrate with the PM GatiShakti National Master Plan and the Digital Mining Dashboard, so that baseline geoscience data directly informs infrastructure and investment planning in mineral-rich areas. The Committee would also suggest the Ministry to explore the possibility of developing an investor-facing interface of the NGDR portal, positioned as a global-standard geoscience data service to attract international exploration investment into India's unexplored mineral belts.

(Recommendation No.7)

Monitoring, Accountability and Transparency

8. The Committee note that the Technical-cum-Cost Committees of NMEDT review the projects at regular intervals and advise the agencies according to situations. The Geological Survey of India has been mandated to periodically verify the claims of NPEAs through field visits, before payment is processed. Implementing agencies also submit monthly progress reports to the NMEDT Secretariat, which are duly examined and analysed. Further, details of sanctioned projects as well as the minutes of the meetings of the Executive Committee, Project Sanctioning Committee and Technical-cum-Cost Committees are also uploaded on the website of the Trust. The sanction orders by NMEDT also require agencies to follow the General Financial Rules while executing the projects. In the case of private exploration agencies, NMEDT asks for a report from Chartered Accountants on the financial performance of the project. The Committee recognise that mineral exploration outcomes depend on several factors and therefore conversion of exploration projects into mining lease applications cannot always be predicted. While appreciating the monitoring and transparency mechanisms already in place, the Committee express hope that these measures will ensure accountability and transparency in the mineral exploration domain and would like to be apprised of the grievance redressal mechanism available to the various stakeholders. The Committee suggest that NMEDT develop a comprehensive digital project-monitoring dashboard that provides real-time visibility into the status of all sanctioned projects, from proposal submission to geological report

submission and eventual auction with milestone-wise tracking accessible to the Ministry of Mines. The Committee would also like to be apprised of the existing grievance redressal mechanism for all stakeholders, including State Directorates, Central PSUs, and Notified Private Exploration Agencies, and whether a formal Grievance Redressal Officer or mechanism has been designated within NMEDT for this purpose.

(Recommendation No.8)

Capacity Constraints at State Level

9. The Committee note that there exists considerable inter-State variation in the execution of NMEDT-funded projects and in auction outcomes. However, as of now, no formal assessment has been conducted to evaluate capacity gaps in State Directorates of Geology and Mining with respect to the execution of projects or auction outcomes. The Committee are also informed that NMEDT's financial assistance for procurement of equipment, and training has contributed to enhanced capacity and performance of the executing agencies, though no formal outcome-linked support to States is currently being contemplated. The Committee further note the Ministry's proposal to strengthen institutional mechanisms at the State level using measures such as constitution of pre-auction committee in Category 'A' states (Andhra Pradesh, Chhattisgarh, Goa, Gujarat, Jharkhand, Karnataka, Maharashtra, Odisha, Madhya Pradesh and Rajasthan) to address issues relating to land scheduling and statutory clearances, preparation of an Annual Auction Calendar to facilitate advance planning by States and stakeholders, and the constitution of a State-level Committee under the chairmanship of the Chief Secretary to monitor the progress of post-auction activities. While noting these initiatives, the Committee feel that a suitable mechanism may be developed for an objective assessment of implementation and outcome of NMEDT-funded project across States, which will ensure better and coordinated efforts towards a balanced distribution of NMEDT resources and in promoting mineral exploration and development in the country. The Committee suggest that NMEDT, in collaboration with the Ministry of Mines and the Geological Survey

of India, design and implement a National Mineral Exploration Capacity Building Programme for State DGMs/DMGs, which includes standardised training modules in exploration project management, geological report preparation, block auction documentation, and use of new technologies such as GIS-based mapping and drone surveys. The Committee would also like the Ministry to consider establishing a Centre of Excellence for Mineral Exploration, possibly hosted within an institution of national repute, which can serve as a technical support hub for State agencies undertaking NMEDT-funded projects. Such a centre would go a long way in bridging the technical capability gap between resource-rich States and well-established exploration ecosystems.

(Recommendation No.9)

Prioritisation of Critical and Strategic Minerals

10. The Committee note that NMEDT follows a mineral-wise and sector-wise prioritization strategy aligned with national priorities with particular emphasis on strategic and critical minerals. Projects relating to minerals such as lithium, cobalt, nickel, and rare earth elements are selected through a multi-tier evaluation targeting minerals identified in the National Critical Mineral list. The Committee also note that exploration proposals in geologically favourable regions and sanctions for critical mineral projects are generally fast-tracked. Further, several safeguards have been instituted to ensure optimal utilisation of NMEDT funds including a reimbursement-based model, scrutiny by the Technical-cum-Cost Committee to avoid duplication of projects, prioritisation of exploration for deep-seated and concealed deposits and phased release of funds linked to project milestones. While appreciating NMEDT's focus on critical and strategic minerals along with the measures to prevent the dilution of the NMEDT fund across low-impact projects, the Committee hope that NMEDT may continue sustained efforts on exploration and development of critical and strategic minerals blocks so as to strengthen domestic resource security and reduce the country's dependence on imports which are prone to global supply-chain disruptions. The Committee note that India's energy transition goals,

including the target of 500 GW of renewable energy capacity by 2030 and commitments under the National Green Hydrogen Mission, are heavily dependent on secure and sustainable domestic supplies of critical minerals such as lithium, cobalt, nickel, graphite, rare earth elements, and vanadium. The Committee desire that NMEDT's critical mineral exploration portfolio be explicitly aligned with the National Critical Mineral List and the energy transition roadmap of the country, with at least a defined percentage of annual sanctions prioritised for minerals critical to clean energy and defence applications. The Committee further note that India's overseas critical mineral aspirations through the National Critical Mineral Mission need NMEDT to play a proactive role in tandem with KABIL (Khanij Bidesh India Ltd.), MEA and suggest that a clear inter-agency coordination framework may be developed for this purpose.

(Recommendation No.10)

Encouraging Private Sector Participation in Mineral Exploration

11. The Committee note that in May 2022, the Governing Body of NMET approved a scheme for engagement of Notified Private Exploration Agencies (NPEAs) in mineral exploration through NMET funding. However, during FY 2023-24, the participation of NPEAs remained limited, on account of rigorous accreditation process, challenges in obtaining statutory clearances, delays in fund release through State Governments, requirement of bank guarantees for mobilisation advances, and the reimbursement-based payment model requiring substantial upfront capital. In order to address these issues, the Ministry approved a revised scheme in June 2024 allowing direct engagement of NPEAs by NMET to expedite fund release and project sanctions. The Ministry further informed that NMET now offers a comprehensive suite of funding and cost-reimbursement mechanisms to reduce the high financial risks associated with mineral exploration in India resulting in increased participation of NPEAs and till date, NMEDT has sanctioned 112 projects of mineral exploration amounting to Rs.279.49 crore to NPEAs. While appreciating the measures to encourage private sector participation in mineral exploration, the Committee

observe that suitably revising the scheme parameters from time-to-time may address any emerging constraints and ensure greater participation from the private sector players. The Committee would also like to be apprised of the feedback and grievance redressal mechanism available to NPEAs for conveying their genuine issues and suggestions regarding the scheme. The Committee are also of the view that the Ministry may explore the possibility to establish a formal NPEA Grievance Redressal and Feedback Cell within the NMEDT Secretariat to provide a structured channel for private agencies to convey their grievances, suggestions and experiences. The Committee also note that there was less response under the Partial Reimbursement Schemes for holders of Exploration Licences (EL) and Composite Licences (CL), although the scheme has been operational for nearly two years. The Committee are of the view that the scheme parameters, documentation requirements, or financial ceilings may be attuned to the practical realities of private exploration licensees. The Committee suggest that the Ministry may undertake a focused outreach and review exercise, in consultation with the exploration industry, to identify specific barriers and revise the scheme accordingly. The Committee also suggest that the ceiling for reimbursement under the EL scheme be reviewed in light of current drilling costs to ensure it remains economically meaningful.

(Recommendation No.11)

Utilisation of Baseline Geoscience Data

12. The Committee note that NMEDT has made substantial investments in baseline geoscience surveys such as National Aero-Geophysical Mapping Programme (NAGMP), National Geophysical Mapping (NGPM) and Deep Seismic Reflection Survey (DSRS), to strengthen mineral exploration in the country. A total of 322 anomaly zones/areas, covering 87,000 sq. km have been identified from NAGMP survey, across several States including Rajasthan, Gujarat, Madhya Pradesh, Uttar Pradesh, Chhattisgarh, Telangana, Andhra Pradesh, Maharashtra, and Karnataka for further detailed geological and geophysical investigations. The NAGMP data has been made available to all

stakeholders free of cost through digital platform such as the BHUKOSH of GSI portal from 2017 and National Geoscience Data Repository (NGDR) portal since 2023. Under NGPM, 86 potential target zones have been delineated for follow up investigations. Further, the outputs of Deep Seismic Reflection Survey (DSRS) also provide inputs about potential mineralisation zones through scientific interpretation. The Committee note that baseline data compiled through various geo scientific surveys plays a critical role in mineral exploration and allied activities. While appreciating the structured approach adopted to generate and disseminate geoscientific data, the Committee hope that these efforts are also woven into the policy frameworks and digital tools which connect data generation with exploration, auctions and investment planning in the mining sector. The Committee may, therefore, be apprised of the impact of Digital Mining Dashboard in tracking the status of clearances of auctioned mineral blocks till their operationalization, particularly in identifying bottlenecks and facilitating evidence-based interventions. The Committee would also like to be apprised of the role of upcoming technologies such as Artificial Intelligence (AI) in analysing the data obtained from geoscience surveys and supporting mineral exploration. The Committee appreciate that NMEDT is supporting the establishment of the Data Processing, Interpretation and Integration Centre (DPIIC), also referred to as the AI Centre, at GSI's Remote Sensing Applications Centre in Bengaluru, and phase-1 works are currently under progress. The Committee recommend that the Ministry set specific milestones for the DPIIC, including the target date for generating predictive mineral potential maps for priority mineral belts, the date by which AI-powered data access is to be made available to NPEAs and other exploration agencies, and the date by which Phase-II is to be commissioned. The Committee also recommend that the outputs of the DPIIC be used to identify and prioritise at least a defined number of new exploration blocks each year, thereby creating a direct pipeline from AI-driven analysis to exploration project sanction.

(Recommendation No.12)

Institutional Capacity at NMEDT

13. The Committee are informed that out of the 12 sanctioned posts in NMEDT, only five posts, including that of Director General, have been filled so far. The remaining sanctioned posts are expected to be filled within the next six months. At present, the manpower shortfall at NMEDT is being managed by temporarily attaching technical, financial and administrative staff from the Geological Survey of India. The Committee are also informed that the Executive Committee, the Project Sanctioning committee and the Technical-cum-Cost Committees (TCCs) comprise experts from institutions such as Geological Survey of India, Atomic Minerals Directorate for Exploration and Research, Indian Institute of Technology (Indian School of Mines), Dhanbad, Indian Institute of Technology-Bombay, Indian Bureau of Mines, National Geophysical Research Institute, NALCO, HCL etc. Further, the TCCs may invite any independent expert whenever required. While noting the availability of domain expertise through these channels, the Committee hope that the issue of manpower will soon be addressed. The Committee observe that with NMEDT's expanded mandate to include offshore exploration, overseas mineral development, coordination with the National Critical Mineral Mission, and a substantially enlarged project portfolio, the Ministry undertake a comprehensive manpower assessment for NMEDT, and take appropriate measures in this regard. The Committee further suggest that NMEDT may develop plans to build a dedicated cadre of specialist officers with domain expertise in geology, geophysics, project finance, and international mineral law, which would ensure institutional continuity and long-term organisational capability commensurate with its national importance.

(Recommendation No.13)

Impact Assessment Studies

14. The Committee note that NMEDT has not carried out impact assessment studies of projects, though 38 blocks identified from NMEDT funded projects, including six critical mineral blocks, have been successfully auctioned so far.

While acknowledging the operational challenges involved in mineral exploration, the Committee emphasize the role of impact assessment to better appreciate and acknowledge the contribution of NMEDT to mining sector in the country. The Committee would like to be apprised of the measures taken in this regard. The Committee suggest that NMEDT's Annual Report may include a standardised "Performance Dashboard" presenting, inter alia, the number of blocks explored, upgraded, auctioned and made operational; the mineral resources estimated; the projected and actual revenue from auctioned blocks; the number of NPEAs engaged and their performance metrics; the status of NCMM components; and the technology innovations adopted during the year. The Committee further suggest that a comprehensive third-party evaluation of NMEDT may be made for its decade-long performance, which can serve as a strategic input for shaping the NMEDT's future direction and priorities under its expanded mandate. Such an impact assessment would significantly enhance the accountability and visibility of NMEDT's contribution to the national economy.

(Recommendation No.14)

Operationalising the Offshore Exploration Mandate

15. The Committee note that the 2025 amendment to the MMDR Act has explicitly expanded NMEDT's mandate to fund exploration in offshore areas within India. The Committee are informed that India's Exclusive Economic Zone (EEZ) and continental shelf hold significant potential for polymetallic nodules, cobalt-rich crusts, hydrothermal sulphides and other seabed mineral resources, which remain largely unexplored. The Committee also note that multiple Central Ministries, including the Ministry of Earth Sciences, the Ministry of Petroleum and Natural Gas, and Ministry of Ports, Shipping and Waterways, have jurisdiction over India's maritime zones, and that no dedicated institutional framework for offshore mineral exploration funded by NMEDT has yet been established. The Committee are of the view that the inclusion of offshore areas in NMEDT's mandate represents a transformative opportunity for India to develop a frontier mineral resource base that can

significantly strengthen its long-term mineral security. The Committee suggest that NMEDT, in consultation with the Ministry of Earth Sciences, the National Institute of Ocean Technology (NIOT), and the Geological Survey of India may explore the possibility of preparing a dedicated Offshore Mineral Exploration Policy and Funding Framework. This framework may delineate eligible agencies, project categories, technology requirements, fund-release mechanisms and outcome benchmarks specific to offshore exploration. The Committee further suggest that NMEDT convene an inter-ministerial coordination committee to ensure that funding, data, and regulatory frameworks for offshore mineral exploration are seamlessly aligned across concerned Ministries.

(Recommendation No.15)

Overseas Mineral Exploration and NMEDT-KABIL Coordination

16. The Committee note that under the National Critical Mineral Mission, NMEDT has been allocated Rs. 1,600 crore for supporting exploration activities outside India and an additional Rs. 4,000 crore for risk coverage of foreign mineral sourcing, over a six-year period. The Committee also note that Khanij Bidesh India Ltd. (KABIL), a joint venture of NALCO, HCL and MECL, has been mandated by the Government of India to identify and acquire mineral assets of critical and strategic importance in resource-rich countries. The Committee observe that both NMEDT and KABIL are expected to function in the overseas critical mineral space, and that a clearly defined coordination framework between the two institutions is essential to avoid duplication and ensure optimal use of public funds. The Committee are further informed that the scheme for overseas exploration support is still under preparation. The Committee suggest the Ministry expedite the finalisation and notification of the overseas exploration scheme under the NCMM framework. The Committee further recommend that NMEDT and KABIL may consider developing a joint operational protocol, in consultation with the MEA, clearly defining their respective roles, with NMEDT providing financial risk-coverage and exploration funding support, and KABIL serving as the primary vehicle for asset acquisition and bilateral mineral

partnership, so that India presents a cohesive and strategically coordinated approach in the global critical mineral arena.

(Recommendation No.16)

Scaling Up Pilot Projects for Critical Mineral Recovery from Mine Waste

17. The Committee note that India generates massive quantities of overburden, tailings, fly ash and red mud each year from its coal, alumina, steel and other mineral processing operations, and that these secondary streams contain significant quantities of critical minerals including lithium, gallium, germanium, vanadium, rare earth elements and scandium. The Committee are informed that NMEDT issued guidelines for Pilot Projects for Recovery of Critical Minerals from Overburden/Tailings/Fly Ash/Red Mud on 14 November 2025, with funding support of up to Rs. 20 crore per project and a minimum of 10 per cent contribution from the industry partner, and one project has been sanctioned so far under this scheme, to the Non-Ferrous Materials Technology Development Centre (NFTDC), with an approved cost of Rs. 17.33 crore. The Committee are of the view that the potential of secondary sources of critical minerals in India remains vastly underdeveloped, and that NMEDT's pilot project scheme is a timely and forward-looking initiative that must be significantly scaled up. The Committee suggest that NMEDT set annual targets for the number of pilot projects to be sanctioned under this scheme, with a focus on engaging a wider range of institutions, including IITs, CSIR laboratories, CPSUs, and private technology companies. The Committee also suggest that NMEDT, in consultation with the Anusandhan National Research Foundation (ANRF), develop a technology commercialisation pathway for successful pilot projects, so that proven technologies for mine waste mineral recovery can be scaled up to industrial deployment. The Committee note that this initiative directly aligns with the Government's circular economy and waste management objectives and could serve as a significant contribution to India's clean energy transition.

(Recommendation No.17)

Universal Coverage of State Mineral Exploration Trusts (SMETs)

18. The Committee note that as of January 2026, only eleven States, Andhra Pradesh, Telangana, Rajasthan, Assam, Gujarat, Uttarakhand, Mizoram, Tripura, Kerala, Punjab and Sikkim have established State Mineral Exploration Trusts (SMETs), and that of these, only three States have availed the NMEDT matching grant. The Committee are also informed that the existing matching grant scheme, under which NMEDT provides 10 per cent of annual SMET collections as a matching grant for three years up to 2026–27, is close to its sunset, with no announcement of continuation beyond that date. The Committee observe that minor minerals, which include sand, gravel, quartzite, clay and building stone, are critical inputs for infrastructure development and are mined extensively across all States, yet systematic exploration of minor minerals is largely absent. The Committee suggest that the Ministry of Mines, in coordination with NMEDT may take concerted steps to encourage all remaining States and Union Territories to establish SMETs within a period of two years. The matching grant scheme may be extended with enhanced grant rates for States establishing new SMETs. Model SMET Guidelines, circulated to States in December 2024, may be actively promoted through workshops, peer-learning platforms and dedicated technical assistance from NMEDT. The Committee believe that a nationwide network of functional SMETs, working in concert with NMEDT, will significantly strengthen India's comprehensive mineral mapping, from major to minor minerals, and lay a stronger foundation for evidence-based mineral policy at the State level.

(Recommendation No.18)

Deep-Seated Mineral Exploration: A National Roadmap

19. The Committee note that one of NMEDT's foundational mandates since 2015 is to fund the identification and exploration of deep-seated or concealed mineral deposits, which cannot be detected by conventional surface-level exploration techniques. The Committee appreciate that technologies such as deep seismic reflection surveys, heliborne time-domain electromagnetic

(TDEM) surveys, gravity gradiometry and AI/ML-based predictive geological modelling are being deployed or funded by NMEDT for this purpose. The Committee are of the view that preparing a comprehensive national roadmap for deep-seated mineral exploration, specifying target depths, commodity priorities, regional focus areas, technology deployment plans and expected timelines would enable a coordinated national effort. The Committee, therefore, suggest that NMEDT, in collaboration with the Geological Survey of India, the National Geophysical Research Institute (NGRI), the Indian Institute of Technology (Indian School of Mines) Dhanbad and other leading earth science institutions, may explore the possibility of preparing a National Deep-Seated Mineral Exploration Roadmap. This roadmap may identify the most promising geological provinces for deep exploration, the specific mineral commodities to be prioritised at depth, the exploration technologies to be deployed, the agencies to be engaged, the required investment envelope and the milestones for geological target identification and resource estimation and may be aligned with the NCMM.

(Recommendation No.19)

National Core Repository: Completion and Operationalisation

20. The Committee note that the establishment of a National Core Repository, for systematic storage, indexing and analysis of drill cores obtained from mineral exploration projects, is one of the explicitly stated original objectives of NMEDT as provided in the MMDR Act. The Committee are informed that a National Geoscience Data Repository (NGDR) portal has been established for digital data sharing. The Committee are of the view that drill cores are irreplaceable physical specimens that contain detailed geological and geochemical information about the subsurface, and their preservation, systematic cataloguing and public accessibility are essential for enabling future re-evaluation using next-generation analytical techniques. The Committee desire that the Ministry inform them of the current status of the National Core Repository initiative. The Committee suggest that NMEDT may prepare a plan for the completion and operationalisation of a state-of-the-art National Core Repository, incorporating digital core scanning, geochemical indexing and AI-

accessible databases, that can serve as a world-class reference facility for the Indian geoscience community, academic institutions and exploration investors.

(Recommendation No.20)

Technology Modernisation: Drones, AI/ML and 3D Modelling

21. The Committee note with appreciation that NMEDT has taken forward-looking steps to incorporate new technologies into the mineral exploration domain including modification of its Schedule of Charges to fund drone surveys, AI/ML analysis, 3D mapping and modelling and volumetric analysis. The Committee further note that NMEDT is supporting seven Regional Mineral Targeting (RMT) projects, each covering 500 to 2,000 sq. km, and that AI/ML-based predictive models are expected to significantly improve the identification of target zones for deep-seated and concealed deposits, reduce exploration risks and optimise drilling programmes. The Committee suggest that NMEDT develop and publish an annual Technology Integration Report, documenting the specific technologies employed in each project, the cost-efficiency gains achieved compared to conventional methods, and the geological outcomes attributable to new technology adoption. The Committee also suggest that NMEDT may develop and disseminate standardised technical protocols and best practice guidelines for the use of drone surveys and 3D geological modelling in Indian exploration conditions, which will benefit the exploration companies. Furthermore, the Committee desire that the AI Centre (DPIIC) being set up at GSI Bengaluru may be operationally linked to the NGDR portal so that its AI-generated mineral potential heat maps are freely accessible to all registered users of the data repository, maximising the multiplier impact of public investment in geoscience data analysis.

(Recommendation No.21)

Aligning NMEDT with India's Energy Transition and Net-Zero Goals

22. The Committee note that India has committed to achieving net-zero carbon emissions by 2070, to installing 500 GW of non-fossil fuel-based power capacity by 2030, and to meeting the targets of the National Green Hydrogen

Mission and the Production Linked Incentive schemes for Advanced Chemistry Cell batteries and solar PV manufacturing. The realisation of these goals requires a reliable and growing domestic supply of energy transition minerals including lithium, cobalt, nickel, graphite, vanadium, silicon and rare earth elements used in permanent magnets for wind turbines and EV motors. The Committee observe that NMEDT's growing emphasis on critical mineral exploration is a timely step in this direction, but that a more explicit and quantified alignment between NMEDT's work programme and India's energy transition mineral requirements is desirable. The Committee suggest that NMEDT, in consultation with the Ministry of New and Renewable Energy, the Ministry of Heavy Industries and NITI Aayog, develop a Critical Mineral Security Index that maps India's current and projected import dependence for energy transition minerals against NMEDT's domestic exploration pipeline, and that this Index be updated annually and used to inform NMEDT's project prioritisation decisions. The Committee further suggest that NMEDT may consider establishing a dedicated "Green Minerals Fund" window within its broader portfolio, ringfencing a defined proportion of annual project sanctions for minerals whose domestic availability is critical to India's clean energy industrial base. This will ensure that NMEDT's work programme is explicitly aligned with the country's long-term strategic and climate objectives.

(Recommendation No.22)

NEW DELHI;
16 April, 2026
26 Chaitra, 1948 (Saka)

ANURAG SINGH THAKUR
Chairperson,
Standing Committee on Coal,
Mines and Steel

Annexure-I

MINUTES OF THE TWENTY SIXTH SITTING OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL (2024-2025) HELD ON 07.08.2025 FROM 1600 HRS. TO 1745 HRS. IN COMMITTEE ROOM NO. '2', PARLIAMENT HOUSE ANNEXE EXTENSION BUILDING, NEW DELHI.

PRESENT

Shri Anurag Singh Thakur- Chairperson

Lok Sabha

2. Shri Sukhdeo Bhagat
3. Smt. Roopkumari Choudhary
4. Shri Vijay Kumar Hansdak
5. Shri Govind Makthappa Karjol
6. Smt. Jyotsna Charandas Mahant
7. Shri Bidyut Baran Mahato
8. Shri Harish Chandra Meena
9. Shri Ananta Nayak
10. Smt. Bharti Pardhi
11. Dr. Manna Lal Rawat
12. Dr. Rajkumar Sangwan
13. Shri Kali Charan Singh
14. Shri Shatrughan Prasad Sinha
15. Smt. Pratibha Suresh Dhanorkar
16. Shri Aditya Yadav

Rajya Sabha

17. Smt. Mahua Maji
18. Shri Anil Kumar Yadav Mandadi
19. Shri Deepak Prakash
20. Shri Aditya Prasad
21. Shri Devendra Pratap Singh
22. Dr. Fauzia Khan

SECRETARIAT

- | | | |
|----------------------------|---|------------------|
| 1. Smt. Jagriti Tewatia | - | Director |
| 2. Smt. Sunanda Chatterjee | - | Deputy Secretary |

MINISTRY OF MINES

1. Shri V.L. Kantha Rao, Secretary
2. Shri Sanjay Lohiya, Additional Secretary
3. Shri Pankaj Garg, Director General, NMET

2. At the outset, the Chairperson welcomed the Secretary and other representatives of the Ministry of Mines and National Mineral Exploration Trust to the Sitting of the Committee convened for Briefing on the subject 'National Mineral Exploration Trust – Performance and Review'.

3. The Chairperson then drew their attention to Direction 55(1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings. Thereafter, he directed the representatives to introduce themselves.

4. The Secretary, Ministry of Mines during his presentation gave an overview on the performance, utilization of funds, institutional mechanisms, and challenges of NMET, with emphasis on exploration of critical minerals and sustainability. The Secretary briefed the Committee on the objective of the NMET, which is funding mineral exploration, especially for critical and strategic minerals, geoscience surveys, Research & Development, and capacity building. He also briefed the Committee about the fund mechanism, funds collected, accrued and disbursed since the inception of NMET in 2015, projects sanctioned and various initiatives taken by the Trust to ensure rise in private sector participation, support to State Mineral Exploration Trusts, incentives for auctions, etc.

5. Thereafter, some members raised their queries/questions regarding the high proportion of unutilized funds, delays in project execution and drew the attention of the representatives towards gap between collection and expenditure despite rising needs for exploration. The Members stressed upon the need for stronger audit mechanisms (CAG audits) and performance assessment, as well as enquired about the transparency in selection of private exploration agencies and project cancellations.

6. The representatives of the Ministry, while clarified that the expenditure lag was due to initial rule-making, they assured that the utilization is now improved with 100% of accruals

in the previous year. They also informed of the plans to expand offshore exploration using NMET funds, and their commitment to increase R&D/start-up support.

7. The Chairperson then directed the representatives of the Ministry of Mines to furnish written replies to the queries raised by the Members which remained unanswered during the Sitting of the Committee within 15 days.

8. Hon'ble Chairperson thanked the Members of the Committee and Officials of the Ministry and NMET for their active participation in the Sitting of the Committee.

9. The witnesses then withdrew.

A copy of verbatim record of the Sitting of the Committee has been kept separately.

The Committee then adjourned.

Annexure-II

MINUTES OF THE TWELFTH SITTING OF THE COMMITTEE ON COAL, MINES AND STEEL (2025-26) HELD ON 06 JANUARY, 2026.

The Committee sat on 06 January, 2026 from 1100 hrs to 1245 hrs in Committee Room No. 1, Parliament House Annexe Extension Building, New Delhi.

PRESENT

Shri Anurag Singh Thakur-Chairperson

Lok Sabha

2. Smt. Roopkumari Choudhary
3. Smt. Kamlesh Jangde
4. Shri Harish Chandra Meena
5. Shri Ananta Nayak
6. Smt. Bharti Pardhi
7. Dr. Manna Lal Rawat
8. Shri Shatrugan Prasad Sinha
9. Shri S. Venkatesan
10. Shri Aditya Yadav

Rajya Sabha

11. Dr. Sarfraz Ahmad
12. Shri Deepak Prakash
13. Shri Devendra Pratap Singh
14. Shri Sajjad Ahmad Kichloo

Secretariat

1. Shri Harish Chandra Bist - Joint Secretary
2. Smt. Reena Gopalakrishnan - Director
3. Smt. Sunanda Chatterjee - Deputy Secretary

WITNESSES

Ministry of Mines

1. Shri Piyush Goyal - Secretary, Ministry of Mines
2. Shri Sanjay Lohiya - Joint Secretary
3. Shri Vivek Kumar Bajpai - Joint Secretary
4. Shri Pankaj Garg - Director General, NMEDT

At the outset, the Chairperson welcomed the Members, the representatives of the Ministry of Mines to the sitting of the Committee convened to take oral evidence on the subject, 'National Mineral Exploration Trust (NMET) – Performance and Review'. The Chairperson outlined in brief the major issues on which the Committee would like to have a discussion and requested the representatives of the Ministry to present their points.

2. The representatives of the Ministry made a presentation on various aspects of the subject like objectives, functions and structure of NMEDT, contribution to NMEDT fund, collection and utilization of NMEDT fund since its inception, NMEDT budget and approved projects, exploration of critical and strategic minerals, financial assistance and incentive to State Governments, private sector participation in mineral exploration, encouraging start-ups and MSMEs and use of AI in identifying mineral deposits for exploration.

3. Thereafter, the Chairperson and the Members raised various queries based on the testimonies given by the Ministry. The key points of discussion included underutilization of funds by NMEDT, contribution from individual States into NMEDT fund, setting up of State Mineral Exploration Trusts (SMETs), measures to promote extraction of critical minerals, impact of one percent increase in lessee contribution, use of Artificial Intelligence (AI) in mineral exploration, composition of District Mineral Foundation (DMF) Board and other institutional and procedural changes under the amended MMDR (Amendment) Act.

4. The representatives of the Ministry responded to some of the queries raised by the Members. The Chairperson then directed the representatives of the Ministry of Mines to furnish written replies to the queries which remained unanswered during the sitting to the Committee secretariat within ten days.

5. Hon'ble Chairperson thanked the Members of the Committee and officials of the Ministry for their active participation in the sitting of the Committee.

The Committee then adjourned

(The witnesses then withdrew)

A verbatim record of the proceedings has been kept.