NOTICE

The Ministry of Mines has prepared the following draft rules:

(i) “The National Mineral Exploration Trust Rules, 2015”; and

These draft rules are placed on the website of the Ministry for inviting comments/suggestions from the general public, Governments of States / Union Territories, Mining Industry, Stake Holders, Industry Associations, and other persons and entities concerned. The last date for receipt of the comments/suggestions is 4th May, 2015.

The comments/suggestions may be sent by e-mail to the following ID: mmdr2014@gov.in
It may kindly be ensured that the comments are sent on MS-Office Word file.

Alternatively, comments/suggestions may also be sent by post to the following address:

Shri Rokhum Lalremruata
Director
Ministry of Mines
Room No 302, D Wing
Shastri Bhawan
Dr Rajendra Prasad Road
New Delhi -110 001

The envelope may kindly be super scribed on the top with:

“Comments/suggestions on the National Mineral Exploration Trust Rules, 2015”
and/or
“Comments/suggestions on the Mineral (Mining by Government Company) Rules, 2015”
THE NATIONAL MINERAL EXPLORATION TRUST RULES, 2015

In exercise of the powers conferred by Section 13 of the Mines and Minerals (Development & Exploration) Act, 1957, the Central Government makes the following Rules namely;

1. These Rules will be called The National Mineral Exploration Trust Rules, 2015.

2. These Rules shall come into force with effect from the date of their publication in the Official Gazette.

3. Constitution of Trust – A trust to be known as National Mineral Exploration Trust shall be set up by the Central Government in terms of Section 9C (1) of the Mines and Minerals (Development and Regulation) Act, 1957.

4. The objectives of the Trust will be –

   (a) To utilize the funds accumulated in the National Mineral Exploration Trust Fund for carrying out regional and detailed exploration for minerals in any part of India.

   (b) While choosing areas and minerals for regional and detailed exploration, the Trust shall give priority to the exploration of strategic and critical minerals.

   (c) The exploration activities of the Trust shall be taken up to a level where the grant of mineral concessions in respect of such minerals is possible through the procedures laid down in the Act.

   (d) The Trust fund may also be used for taking up any such study as may be required for exploitation of any mineral resources discovered. Such studies could cover areas of min development, sustainable mining, adoption of advanced scientific and technological practices as well as mineral extraction metallurgy.

   (e) The Trust fund may also be used for funding special studies and projects designed to identify, explore, extract, beneficiate and refine deep-seated or concealed mineral deposits.

   (f) The Trust fund may be used for any other purposes that the Trustees may decide to be desirable or expedient in the interest of development and exploitation of India’s mineral resources.

5. Contributions to the Trust Fund

   (a) Every holder of mining lease, or a prospecting-cum-mining lease which is in the stage of production through mining, shall pay a sum equivalent to
2% of the royalty paid in terms of the Second Schedule along with the periodical payments of royalty to the concerned State Governments.

(b) The State Government shall, within 10 days from the end of every month, transfer the amounts so collected to the credit of the Bank Account of the National Mineral Exploration Trust Fund as notified by the Central Government.

(c) Contributions to NMET may also be made through grants and aid by the government, and such other sources as may be approved by the Central Government.

6. Exploration Agencies to be engaged by the Trust.

(a) The National Mineral Exploration Trust may engage any exploration agency of the Central Government or any of the State Governments and assign any specific project to be carried out through such agency. The expenditure on exploration to such agencies may be decided on the basis of negotiated rates.

(b) The Trust may also empanel qualified exploration agencies by soliciting expressions of interest. The Trust may prepare more than one panel in case different kinds of expertise are felt essential.

7. Expenditure from the Trust Fund - The funds available with the National Exploration Trust Fund can be used for all or any of the following purposes:

(a) Expenditure on approved projects.

(b) Grants to State Governments for undertaking specific projects in line with the objectives of the Trust.

(c) Grants for capacity building in exploration and other areas required for meeting the objectives of the Trust.

(d) Sponsoring research at academic institutions in areas falling within the purview of the Trust.

(e) Administrative expenditure of the Trust.

8. Accounts and Audit.

(a) The accounts of the Trust shall be maintained in consultation with the Comptroller and Auditor General of India (C&AG).

(b) The accounts of the Trust shall be audited annually by the Comptroller and Auditor General of India (C&AG).
(c) The Trust shall submit an annual report and the audited report to the Government which shall cause them to be placed before both Houses of Parliament.


The Administrative Support required for operating the Trust shall be provided by the Ministry of Mines.
Ministry of Mines, Government of India

Mineral (Mining by Government Company) Rules, 2015

Draft for consultation purposes only
In exercise of the powers conferred by section 13 of the Mines and Minerals (Regulation and Development) Act, 1957, the Central Government hereby makes the following rules, namely:

1. **Short title and commencement**
   
   1.1. These rules may be called the Mineral (Mining by Government Company) Rules, 2015.
   
   1.2. These Rules shall come into force on the date of their publication in the Official Gazette.

2. **Period of Mining Lease under Section 8A(8)**
   
   2.1. A mining lease for minerals other than those specified in Part A and Part B of the First Schedule of the Mines and Minerals (Development and Regulation) Act, 1957 (the “Act”), granted to a Government company or corporation shall be valid for a period of 50 years. In case of existing mining lease(s) that have been granted to a Government company or corporation, the tenure of the same shall be deemed to be 50 years from its date of issuance.
   
   2.2. Provided that in case, upon expiry of such period of 50 years the lessee so requests to the respective state government, the period of mining lease shall be deemed to be extended for a period of additional 50 years.

3. **Payments by a Government Company under Section 17A(2C) of the Act**
   
   3.1. A Government Company or Corporation shall be required to make payments as specified in the Act. Such payments shall include without limitation, royalties under Section 9 of the Act or the dead rent under Section 9A of the Act.
   
   3.2. Additionally, the Government Company or corporation shall be required to make payments under Section 17A(2C) of the Act. Pursuant to Section 26 of the Act, the Central Government hereby delegates its powers under Section 17A(2C) to the State Government with effect from the date of notification of these Rules.
   
   3.3. The amount specified by the State Government shall be payable by the Government company or corporation to the State Government.

4. **Applicability of these Rules to joint-venture**
   
   Rules 2 and 3 shall also apply to a joint-venture formed pursuant to Section 17A(2B).