



കേരള ഗസറ്റ് KERALA GAZETTE

അസാധാരണം EXTRAORDINARY

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GOVERNMENT OF KERALA

Industries (A) Department

NOTIFICATION

G. O. (P) No.63/2025/ID

*Dated, Thiruvananthapuram, 31st October, 2025
14th Thulam 1201*

S. R. O. No. 1251/2025

In exercise of the powers conferred by clause (g) of sub-section (1A) of section 15 of the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957), the Government of Kerala hereby makes the following rules, namely:-



RULES

1. Short title and commencement.- (1) These Rules may be called the Kerala State Mineral Exploration Trust Rules, 2025.

(2) They shall come into force at once.

2. Definitions.- (1) In these rules, unless the context otherwise requires,-

a. "Act" means the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957);

b. "Chairperson of the Executive Committee" means the Chairperson of the Executive Committee of the Trust;

c. "Chairperson of the Governing Body" means the Chairperson of the Governing Body of the Trust;

d. "Convenor of the Executive Committee" means the Convenor of the Executive Committee of the Trust;

e. "Convenor of the Governing Body" means the Convenor of the Governing Body of the Trust;

f. "Department" means Department of Mining and Geology, Government of Kerala;

g. "Fund" means the fund referred to in rule 7;

h. "Government" means the Government of Kerala;

i. "Governing Body" means the Governing Body of the Trust;

j. "Executive Committee" means the Executive Committee of the Trust;

k. "Member, Governing Body" means the member of the Governing Body of the Trust;



l. "Member, Executive Committee" means the member of the Executive Committee of the Trust;

m. "Obvious geological potential areas" means the mineral potential areas identified by the Geological Survey of India as well as Department of Mining and Geology from time to time; and

n. "Trust" means the Kerala State Mineral Exploration Trust referred in rule 3.

o. "Vice-chairperson, Governing Body" means the Vice-chairperson of the Governing Body of the Trust;

p. "Year" means financial year commencing from the 1st April and ending on the 31st March

q. "Competent Authority" means the authority or officer appointed by the Government by notification in the official gazette to exercise the powers and perform the functions of the competent authority under these rules.'

(2) Words and expressions used and not defined in these rules but defined in the Act shall have the same meaning as assigned to them in the Act.

3. Establishment of Trust - There shall be a Trust at the state level to be known as the Kerala State Mineral Exploration Trust. The object of the Trust shall be the planned development of mineral resources and their exploration in the State.

4. Governing Body.- (1) The Governing Body of the Trust shall consist of the following members namely:-

Minister for Industries

Chairperson

Chief Secretary

Vice-chairperson

Additional Chief Secretary/Principal Secretary/
Secretary, Finance Department

Member



Additional Chief Secretary/Principal Secretary / Secretary, Environment Department	Member
Additional Chief Secretary/Principal Secretary / Secretary, Forest Department	Member
Additional Chief Secretary/Principal Secretary / Secretary, Revenue Department	Member
Deputy Director General (Kerala Unit), Geological Survey of India	Member
Director of Mining and Geology	Member
Representative of Mineral Exploration Corporation Limited	Member
Additional Chief Secretary/ Principal Secretary / Secretary, Industries Department	Convenor and Member Secretary

(2) The Chairperson of the Governing Body may invite any person having special knowledge in the field of Mineral Exploration. Such invitee shall have no voting right in the meeting but they shall be entitled to receive such sitting fee and other allowances as may be decided by the Government, from time to time.

5.Executive Committee.- (1) The Executive Committee of the Trust shall consist of the following members namely:-

Additional Chief Secretary/Principal Secretary/ Secretary, Industries Department	Chairperson
Director (Technical Division), Geological Survey of India	Member
Representative of the Regional Controller of Mines, Indian Bureau of Mines	Member



Scientist, Kerala State Remote Sensing and Environment Centre	Member
Scientist, Kerala State Council for Science, Technology and Environment	Member
Representative of Mineral Exploration Corporation Limited	Member
Additional Secretary/ Joint Secretary Industries Department	Member
Additional Director of Mining and Geology	Member
Director of Mining and Geology	Convenor and Member Secretary

(2) The Chairperson of the Executive Committee may invite any person having special knowledge in the field of Mineral Exploration. Such invitee shall have no voting right in the meeting but they shall be entitled to receive such sitting fee and other allowances as may be decided by the Government, from time to time.

6.Functions of the Governing Body and Executive Committee.- (1) The Governing Body shall lay down the broad policy framework for the functioning of the Trust and review its working.

(2) The Governing Body shall approve the annual plan and annual budget of the Trust on the recommendations of the Executive Committee.

(3) The Executive committee shall manage, administer and supervise the Trust and shall also monitor and review the expenditure of the Trust fund at regular intervals.

(4) The Executive Committee shall, while discharging its functions, follow the policy framework and the directions of the Governing Body, from time to time.



7. Constitution of a fund under the Trust.- (1) The State Government shall, by order, setup a fund under the Trust to be called as the Kerala State Mineral Exploration Trust Fund to be managed by the Executive Committee of the Trust.

(2) The Trust Fund shall receive amount to be paid in accordance with the provisions of rule 8 and may also receive contribution or aid/s from sources as may be approved by the Executive Committee.

(3) The Fund shall be utilized for the objectives and functions as specified in rule 10.

8. Contribution to Trust Fund.- (1) The Trust shall have power to open and operate Personal Deposit Account/bank accounts in its own name at any Scheduled Bank as specified in the Second Schedule to the Reserve Bank of India Act, 1934 (Central Act 2 of 1934).

(2) The Trust shall communicate the particulars of its Personal Deposit account/bank account to the Director of Mining and Geology, Government of Kerala for the purposes of receipts and payments.

(3) The quarrying lease holders and quarrying permit holders of minor minerals shall pay the contribution to the Trust fund in respect of any mineral removed by him from and/or consumed within the area allotted/permitted to him, a sum equivalent to two percent of the royalty paid in terms of the Schedule I of the Kerala Minor Mineral Concession Rules, 2015.

(4) The payment towards trust fund under sub-rule (3) shall be collected in advance along with royalty under a separate sub-head and deposited in the account of trust and if any difference is accrued at the time of assessment of royalty, the same shall be deposited in the account of trust immediately.

(5) The Government shall allow the Competent authority to remit 5% of the revenue received under rule 108 of the Kerala Minor Mineral Concession Rules, 2015 to the Trust.

(6) The Senior Geologist/ Geologist of the district concerned shall be responsible for collection of amount under sub-rules (3) and (4). The Senior Geologist / Geologist concerned shall maintain books of accounts and its deposit in the Trust account.

(7) The Director of Mining and Geology shall maintain an updated record of the



amount transferred to the Personal Deposit account/bank account of the Trust along with a database of royalty so collected and provide such information to the Trust on a monthly basis.

9.Office and Bank Account.- (1) The office of the Trust shall be situated at Thiruvananthapuram or at such other place as may be determined by the Executive Committee.

(2) The Bank Account of Trust shall be opened and operated through the Director of Mining and Geology.

10.Objectives and Functions of the Trust.- The objectives and functions of the Trust shall be as follows, namely:-

(a) to prepare vision and mission plans of short term, mid-term and long term for the planned development of mineral resources and their exploration in the State;

(b) to prepare master plan of exploration and to undertake regional and detailed exploration and assaying of resource;

(c) to facilitate exploration in forest area after obtaining permission under the Forest (Conservation) Act, 1980 (Central Act 69 of 1980);

(d) to conduct geophysical, ground and aerial survey and geo-chemical survey of the obvious geological potential areas;

(e) to undertake study and advocacy of mineral development, sustainable mining and adoption of advanced scientific and technological practices

(f) to organize capacity building programs for raising technical capability of department personnel

(g) to undertake research and development in the field of mineral analysis, identification of rocks and mineral samples submitted by the public sector undertakings, private sector mineral industries, research institutions, laboratories etc. so as to assess quality of ores, minerals by chemical, physical testing and instrumental analysis on no profit no loss basis;



(h) to initiate action to strengthen and upgrade the Department laboratories and provide impetus to research and development and to provide certificate on the basis of testing and analysis of mineral based products after obtaining accreditation from National Accreditation Board for Testing and Calibration Laboratories (NABL);

(i) to appoint the officers, geologist or scientists, technical persons, financial consultants, management consultants and other employees as are necessary for carrying out the functions of the Trust on deputation/contractual basis;

(j) to develop State Mineral Directory, State Mineral Atlas/Geo- Informatics Mineral Resource Information System for the State and putting up geological and other geoscientific data in digital formats in public domain;

(k) to facilitate the Government to introduce innovation and adoption of new technology and to provide technical or consultancy services;

(l) to assess the needs, designing of courses for generating qualified persons and skill development, identification of institutions for skill development;

(m) to monitor mining and related activities through modern technologies such as drone, survey etc. in the State.

(n) Such other purposes that the Governing Body may decide for the development and exploitation of mineral resources in the State.

11. Management and functioning of the Trust.- (1) The overall control, periodical reviews and policy direction of the Trust shall vest with the Governing Body

(2) The Executive Committee shall manage, administer and supervise the day to day activities of the Trust.

(3) The Governing Council shall formulate and finalize the scheme for delegation of financial powers.

(4) The Executive Committee may constitute committees or sub-committees to fulfill the objectives of the Trust or such other tasks that may be assigned or delegated to it by the Executive Committee



(5) The committee or sub-committee so constituted under sub-rule (4) shall discharge the duties and responsibilities under these rules and in exercise of such powers and functions as may be specified by the Executive Committee.

(6) The Executive Committee shall implement the identified projects consistent with the objectives of the Trust as approved by the Governing Body.

(7) In implementation of the projects referred to in sub-rule (6), the Executive Committee shall devise its own procedure consistent with the Act and the rules made thereunder.

12. Monitoring of exploration projects.- (1) The Trust shall monitor the implementation of the projects either by itself or by engaging any entity.

(2) For the purposes of sub-rule (1), the Trust may devise its own procedure consistent with the Act and the rules made thereunder.

13. Meetings of the Governing Body.- (1) The Governing Body shall meet at least twice in a year, provided that not more than 6 months shall elapse between any two meetings.

(2) The meetings of the Governing Body shall be presided by the Chairperson, Governing Body.

(3) All decisions or resolutions of the Governing Body shall be made or adopted by consensus.

(4) In case of any disagreement or dissent, the opinion of the majority shall prevail.

(5) The meetings of the Governing Body may be either physical or virtual or by combination of both:

Provided that the meeting by circulation shall not apply for adoption of accounts of the Trust, for approval of annual plan, annual budget and annual report of the Trust.

14. Meetings of the Executive Committee.- (1) The Executive Committee shall meet at



least 3 times in a year, provided that not more than 4 months shall elapse between any two meetings.

(2) The meetings of the Executive Committee shall be presided by the Chairperson, Executive Committee.

(3) The meetings of the Executive Committee may be either physical or virtual or by combination of both.

15. Notice and agenda for meeting of Governing Body and Executive Committee.- (1) The Chairperson or Member Secretary of the Governing Body with consent of the Chairperson, Governing Body shall convene meeting of the Governing Body by giving a minimum fifteen days notice to all members:

Provided that the Chairperson, Governing Body may authorise to convene a meeting with a shorter notice period.

(2) The Chairperson or Member Secretary of the Executive Committee with consent of the Chairperson shall convene meeting of the Executive Committee by giving a minimum seven days notice to all members.

Provided that Chairperson of the Executive Committee may authorise to convene a meeting with a shorter notice period.

(3) Notice for any meeting may include an agenda for the meeting, draft minutes of the earlier meeting and action taken report on the minutes of the earlier meeting.

16. Quorum for meeting.- (1) The quorum for any meeting of the Governing Body shall be four.

(2) The quorum for any meeting of the Executive Committee shall be four

17. Annual Plan.- (1) The Member Secretary of the Executive Committee shall, before the beginning of each financial year, initiate process of preparation of plans for short term and long term projects proposed to be undertaken by the Trust in the ensuing financial year, to be referred as the annual plan, including details of activities to be undertaken or to be completed during such time and expected time for completion of the projects and cost for such project.



(2) The projects may be submitted by any Government Department or Government agency or institute including educational institutions. Such proposals shall contain the expenditure and expected time of completion and the same shall be submitted before 31st December of previous financial year. The executive committee has the full authority to accept or reject proposals submitted by Government department or Government agencies or institutions, and as such, the decision of the executive committee will be final and cannot be questioned in any manner.

(3) The annual plan shall contain all projects, programs, activities proposed to be undertaken by the Trust for achieving its objectives and shall have clearly demarcated milestones.

18. Annual Budget.- The Member Secretary of the Executive Committee shall, before the beginning of each financial year, initiate process of preparation of an annual budget in advance containing the details of the proposed income and expenditure on activities covered in the annual plan for ensuing financial year, including the legal, administrative and other costs, and expenditure proposed to be incurred by the Trust together with details of the funding requirements in this regard, to be referred as the annual budget which shall be approved by the Executive Committee for onward approval of the Governing Body well in advance.

Provided that the Government Department or agency or institutions whose project has been sanctioned under rule 17 is eligible to get 50% of their project estimate in advance, while the remaining 50% of the estimate shall be sanctioned after the final submission of the project report:

Provided further that in the case of projects with more than one year duration, the manner of release of fund after the advance payment shall be decided by the Governing body on the recommendation of the Executive Committee.

19. Responsibility of the Member Secretary of the Executive Committee.- (1) The Member Secretary of the Executive Committee shall have the following responsibilities, namely:-

(a) to cause the preparation of the annual plan and related annual budget and submit them to the Executive Committee for consideration and recommendation to the Governing Body;

(b) to ensure that due diligence has been exercised before considering proposals or



projects to be undertaken by the Trust in accordance with the best practices, procedure, rules or directions of the Executive Committee;

(c) to ensure that the activities of the Trust are being conducted in accordance with the annual plan and related annual budget; and

(d) to submit to the Governing Body the annual approved plan and related annual budget for each financial year by the end of January of previous financial year.

20. Approval of the Annual Plan and the Annual Budget.- (1) The annual plan and the annual budget shall be laid before the Governing Body for its approval thirty days before the commencement of each financial year.

(2) The Member Secretary of the Executive Committee shall, on receipt of the copies of the duly approved annual plan and the related annual budget from the Member Secretary of the Governing Body, submit the same to the Government within a period of thirty days from the date of receipt of approval of the Governing Body.

(3) Without prejudice to the provisions of sub-rule (2), the Trust may undertake expenditure for activities that are not approved in the annual plan subject to specific approval by the Chairperson, Governing Body, which shall be laid before the Governing Body in the next annual budget.

(4) The annual plan and related annual budget may be amended at any time subject to the approval of the Chairperson, Governing Body, which shall be laid before the Governing Body in the next year plan or budget.

21. Annual Report.- (1) The Member Secretary of the Executive Committee shall, within ninety days of the end of each financial year, submit an annual report containing such information as deemed appropriate by the Executive Committee.

(2) The annual report shall be approved by the Executive Committee and shall contain details, *inter alia*, of the activities completed by the Trust during the financial year and the expenditure incurred by the Trust during such financial year.

(3) A copy of the annual report shall be sent to the Government within a period of thirty days from the date of its approval by the Executive Committee after approval of the Governing Body.



22. Maintenance and Audit of Accounts.- (1) The accounts of the Trust shall be maintained in the form, mode and manner as may be decided by the Executive Committee.

(2) The accounts of the Trust Fund shall be audited in such manner as may be decided by the Executive Committee.

(3) After the audit referred to in sub-rule (2), the Trust shall submit the annual report to the Governing Body.

By order of the Governor,

A P M MOHAMMED HANISH,

Principal Secretary to Government

Explanatory Note

(This does not form part of the notification, but is intended to indicate its general purport.)

In order to promote mineral exploration in respect of minerals, the Central Government vide GSR 632(E) dated 14th August, 2015 issued notification for National Mineral Exploration Trust Rules, 2015 as per sub-sections (2), (3) and (4) of section 9C and section 13 of the Mines and Minerals (Development and Regulation) Amendment Act, 2015. As per Section 9C (4) the holder of a mining lease or a prospecting license-cum-mining lease shall pay to the Trust, a sum equivalent to two percent, of the Royalty paid in terms of the Second Schedule, in such manner as may be prescribed by the Central Government. As per Letter No. 6/3/2015- NMET/S28 dated 19th November, 2024 the Ministry of Mines, National Mineral Exploration Trust, have informed, the State Government, to set up, State Mineral Exploration Trust (SMET), as per clause (g) of sub-section(1A) of the section 15 of the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957). The object of the Trust shall be to use the funds accrued to the Trust for the purposes of regional and detailed exploration in such manner as may be prescribed by the State Government. In order to outline the procedures and requirements of the activities under State Mineral Exploration Trust, State has to frame Rules. Hence, the Government, have decided to establish a Trust, as a non-profit body, to be called the Kerala State Mineral Exploration Trust.

The notification is intended to achieve the above object.

