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Gujarat District Mineral Foundation Rules, 2016

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Government of Gujarat,
Industries and Mines Department,
Block No. 5, 4th Floor, Sachivalaya,
Gandhinagar-382010
Phone No. 079-23250737, Fax No. 079-23250799
Email: so-chh-imd@gujarat.gov.in

No. DMF/102015/836/CHH,
Dated. 01/04/2016

To,
The Manager,
Government Central Press,
GANDHINAGAR.

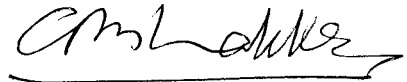
Sir,

I am directed to send herewith a copy of the Government Notification No. GU-2016-(41)-DMF-102015-836-CHH, dated 01/04/2016 and a copy of the Government Notification No. GU-2016-(42)-DMF-102015-836-CHH, dated 01/04/2016 and request you to kindly publish the said notifications in Part IV-B of an Extra Ordinary next issue of the Government Gazette.

2. You are requested to supply directly the copies of the said notifications to the offices mentioned below, as shown against their names, viz.:-

No.	Office	No. of Copies per Notification
1	Industries and Mines Department, CHH Branch, Sachivalaya, Gandhinagar.	500
2	All collectors/ All Dist. Geologist/ Assistant Geologist.	5x33=165
3	Legislative and Parliamentary Affairs Department, Sachivalaya, Gandhinagar.	5
4	Director of Information, Gujarat State, Gandhinagar.	5
5	Commissioner of Geology and Mining, Gandhinagar	50
6	Gujarat Mineral Development Corporation, Ahmedabad	25
	Total	750

Yours faithfully,



(C. B. Thakkar)

Section Officer,

Industries and Mines Department

Encl.: As above. [2 Notifications]

2...

Copy forwarded with compliments to:-

1. The Legislative and Parliamentary Affairs Department, Sachivalaya, Gandhinagar, with a request to publish the Gujarati translation of the notifications in appropriate part of the Government Gazette immediately. It is also requested to arrange to supply 500 copies per notification immediately to this department.
- ✓ 2. The Commissioner, Office of the Geology and Mining, Udyog Bhavan, Gandhinagar.
3. The Managing Director, Gujarat Mineral Development Corporation, Vastrapur, Khanij Bhavan, Ahmedabad.
4. Section Officer, Chh-1 branch, Industries and Mines Department.
5. Section Officer, Appeal branch, Industries and Mines Department.
6. Section Officer, D-3 branch, Industries and Mines Department.
7. Select File.

Notification
Government of Gujarat,
Industries and Mines Department,
Sachivalaya, Gandhinagar.
Dated the 1st April, 2016.

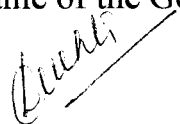
Mines and
Minerals
(Development
and Regulation)
Act, 1957.

No.GU-2016-(41)-DMF-102015-836-CHH- In exercise of the powers conferred by sub-section (1) of section 9B of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) read with sub rule (1) of rule 4 of the Gujarat District Mineral Foundation Rules, 2015, the Government of Gujarat hereby establishes a District Mineral Foundation in the following Districts of the Gujarat State, namely:-

SCHEDULE

No.	Name of District	No.	Name of District	No.	Name of District
1.	Ahmedabad	12.	Banaskantha	23.	Surat
2.	Amreli	13.	Bharuch	24.	Tapi
3.	Kachchh	14.	Narmada	25.	Surendrangar
4.	Kheda	15.	Bhavnagar	26.	Mahisagar
5.	Anand	16.	Mehsana	27.	Devbhumi Dwarka
6.	Gandhinagar	17.	Patan	28.	Gir Somnath
7.	Jamnagar	18.	Rajkot	29.	Botad
8.	Junagadh	19.	Vadodara	30.	Morbi
9.	Porbandar	20.	Valsad	31.	Chhota Udepur
10.	Panchmahal	21.	Navsari	32.	Arvalli
11.	Dahod	22.	Sabarkantha		

By order and in the name of the Governor of Gujarat,


(P. D. Mehta),

Under Secretary to Government.

Notification
Government of Gujarat,
Industries and Mines Department,
Sachivalaya, Gandhinagar.
Dated the 1st April, 2016.

Mines and
Minerals
(Development
and
Regulation)
Act, 1957.

No. GU-2016-(42)-DMF/102015/836/CHH-In exercise of the powers conferred by sections 9B, 15(4) and 15A of the Mines and Minerals (Regulation and Development) Act, 1957 (67 of 1957), the Government of Gujarat hereby makes the following rules to regulate the composition, functions and manner of working of the District Mineral Foundations and the amount of payment to be made to the DMF by the concession holders of minor mineral for the interest and benefit of persons and areas affected by mining related operations and for purposes connected namely:-

**CHAPTER-I
PRELIMINARY**

1. Short title and commencement:-

- (1) These rules may be called the Gujarat District Mineral Foundation Rules, 2016.
- (2) They shall be deemed to have come into force on January 12, 2015.

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

- (a) “**Act**” means the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957);
- (b) “**Affected Area**” means the area affected by mining related operations comprising of Directly Affected Area and Indirectly Affected Area, identified in accordance with rule 13;
- (c) “**Affected People**” means people affected by mining related operations, identified in the manner provided in rule 14.
- (d) “**Beneficiaries**” means those Affected people who have been identified, as beneficiaries of plans, programmes or projects, in the manner specified in sub-rule (1) of rule 15;
- (e) “**Annual Plan**” means an annual plan prepared in accordance with rule 17;
- (f) “**Annual Report**” means annual report of the DMF-T prepared in accordance with these rules in the format specified by the State Level Co-ordination Committee;
- (g) “**Directly Affected Area**” means the areas directly affected by mining related operations, identified in accordance with clause (a) of sub-rule (1) of rule 13;

- (h) “**DMF**” means a District Mineral Foundation established by the State Government in districts affected by mining related operations, in accordance with Section 9B of Act;
- (i) “**Indirectly Affected Area**” means the areas indirectly affected by mining related operations, identified in accordance with clause (b) of sub-rule (1) of rule 13;
- (j) “**Government**” means Government of Gujarat;
- (k) “**Governing Council**” means governing council of the DMF constituted in accordance with rule 5;
- (l) “**Executive Committee**” means executive committee of the DMF constituted in accordance with rule 6;
- (m) “**Village Panchayat**” means Village Panchayat constituted under the Gujarat Panchayats Act, 1993;
- (n) “**Gram Sabha**” will have the same meaning as has been assigned to it in clause (b) of Article 243 of the Constitution of India;
- (o) “**PMKKKY**” means the Pradhan Mantri Khanij Kshetra Kalyan Yojana framed vide Order of the Ministry of Mines, Government of India, dated 16th September, 2015 of Government of India;
- (p) “**rules**” means the Gujarat District Mineral Foundation Rules, 2016;
- (q) “**Scheduled Area**” includes tribal areas, and the scheduled area as referred in clause (1) of Article 244 of the Constitution of India, and
- (r) “**State Level Co-ordination Committee**” means a committee established in accordance with rule 9.

(2) The words and expressions used but not defined in these rules shall have the same meaning as assigned to them in the Mines and Minerals (Development and Regulation) Act, 1957 (Act 67 of 1957) or, as may be defined under the provisions of the Mineral Concession Rules, 1960 or the Gujarat Minor Mineral Concession Rules, 2010.

CHEPTER-II

ESTABLISHMENT, STRUCTURE AND COMPOSITION OF DISTIRICT MINERL FOUNDATION

3. Establishment:-

- (1) District Mineral Foundation of the district shall be established through notification issued by the Government. The District Mineral Foundation shall be comprised of a Governing Council and an Executive Committee.
- (2) Upon issuance of notification under sub-rule (1) the District Mineral Foundation shall be registered as a society for charitable purpose under the Societies Registration Act, 1860 and shall be a public trust under sub-section (13) of section 2 of the Gujarat Public Trusts Act, 1950.

- (3) The memorandum of association of the District Mineral Foundation shall be in the format as prescribed by the State Level Co-ordination Committee and these rules shall govern the implementation of the District Mineral Foundation.

4. The Governing Council:-

- (1) The members of the Governing Council shall comprise of the following:

Sr. No.	Particulars of office of the member	Designation of Members in the Governing Council
1.	Prabhari Mantri (Guardian Minister)	Chairperson
2.	District Collector	Vice-Chairperson
3.	District Development Officer	Member
4.	District Geologist/Assistant Geologist	Member
5.	Director, District Rural Development Agency	Member Secretary

- (2) The members of the Governing Council shall be appointed as an *ex-officio* basis.
- (3) Vacancy of one or more positions in the Governing Council shall not invalidate the constitution of the Governing Council.
- (4) Immediately upon appointment, each member of the Governing Council, including the Chairperson, Vice-Chairperson and the Member Secretary shall submit to the Governing Council, particulars of their e-mail address, postal address, telephone number and other particulars.

5. The Executive Committee:-

- (1) The members of the Executive Committee shall comprise of the following:

Sr. No.	Particulars of office of the member	Designation of Members in the Executive Committee
1.	District Collector	Chairperson
2.	District Development Officer	Vice-Chairperson
3.	District Forest Officer	Member
4.	District Planning Officer	Member
5.	District Geologist / Assistant Geologist	Member
6.	Chief District Health Officer	Member
7.	District Education Officer	Member
8.	Executive Engineer, Gujarat Water Supply and Sewerage Board	Member
9.	Executive Engineer, Road & Building (State)	Member
10.	Executive Engineer, Road & Building (Panchayat)	Member
11.	District Social Welfare Officer	Member
12.	Program Officer, Integrated Child Development Scheme (ICDS)	Member
13.	Director, District Rural Development Agency	Member Secretary

- (2) The members of the Executive Committee shall be appointed by the Government as an *ex-officio* basis.
- (3) Vacancy of one or more positions in the Executive Committee shall not invalidate the constitution of the Executive Committee.

- (4) Immediately upon appointment, each member of the Executive Committee, including the Chairperson, Vice Chairperson and the Member Secretary shall submit to the Executive Committee, particulars of their e-mail address, postal address, telephone number and other particulars.

6. Powers and functions of the Governing Council:-

- (1) The Governing Council shall have all such powers as may be necessary for discharge of its functions specified in these rules.
- (2) Without prejudice to the generality of the foregoing powers, the Governing Council shall have the following powers, namely:-
 - (a) to approve the Annual Plan, as specified in rule 17;
 - (b) to consider and approve the recommendations of the Executive Committee;
 - (c) to approve of the Annual Report and audited accounts of the District Mineral Foundation within period prescribed under the Societies Registration Act, 1860 or 90 days from the close of the previous year whichever is earlier; and
 - (d) to appoint and remove auditors.

7. Powers and functions of the Executive Committee:-

- (1) The Executive Committee shall have all such powers as may be necessary for discharge of its functions specified in these rules.
- (2) Without prejudice to the generality of the foregoing powers, the Executive Committee shall have the following powers, namely:-
 - (a) to prepare the implementation scheme, which may include the policy framework, master plan, vision document for the activities of the District Mineral Foundation and submit to the State Level Co-ordination Committee for approval.
 - (b) to prepare administrative procedures for functioning of the District Mineral Foundation and present to the State Level Coordination Committee/Governing Council for approval.
 - (c) to prepare shelf of projects to be taken up and scheme of prioritisation of project implementation and present to the State Level Co-ordination Committee/Governing Council for approval.
 - (d) to prepare the Annual Plan, as specified in rule 17.
 - (e) to Supervise and ensure the execution of the Annual Plan and approved plans, programmes and projects.
 - (f) to Accord sanctions to implementation of plans, programmes and projects approved under the Annual Plan and disburse funds of the District Mineral Foundation for implementation of such plans, programmes and projects.

- (g) to prepare, maintain and update a list of Affected Areas and Affected People.
- (h) to deploy and invest the District Mineral Foundation Fund in a diligent manner and as per the policies and instructions of the Government.
- (i) to open bank accounts in the name of the District Mineral Foundation and operate such accounts and investments.
- (j) to monitor the progress of the utilization of funds by the District Mineral Foundation.
- (k) to place the audited accounts along with an Annual Report before the Governing Council for approval.
- (l) to appoint staff on contractual basis for the affairs of the District Mineral Foundation in accordance with the policies and the instructions of the Government, in accordance with sub-rule (3) of rule 18.

8. State Level Co-ordination Committee:-

- (1) The Government shall appoint a State Level Co-ordination Committee for co-ordination and smooth collection and seamless transfer of funds to the District Mineral Foundation Fund in the respective districts with minimum lag time for better implementation of the District Mineral Foundation across various districts.
- (2) The members of the State Level Coordination Committee shall comprise of the following, who shall be appointed by the Government as an *ex-officio* member:

Sr. No.	Particulars of office of the member	Designation of Members in the State Level Coordination Committee
1.	Minister of Mines and Mineral	Chairperson
2.	Minister of Panchayats and Rural Development	Member
3.	Additional Chief Secretary, Finance Department	Member
4.	Additional Chief Secretary, Industries and Mines Department	Member
5.	Additional Chief Secretary, Health and Family Welfare Department	Member
6.	Additional Chief Secretary, Social Justice and Empowerment Department	Member
7.	Additional Chief Secretary, (Primary and Secondary) Education Department	Member
8.	Principal Secretary, (Planning), General Administration Department	Member
9.	Principal Secretary, Panchayats Department	Member
10.	Principal Secretary, Labour and Employment Department	Member
11.	Secretary, Rural Development Department	Member

12.	Secretary, Tribal Development Department	Member
13.	Secretary, Roads and Buildings Department	Member
14.	Member Secretary, Gujarat Pollution Control Board	Member
15.	Commissioner, Geology and Mining	Member Secretary

- (3) The State Level Co-ordination Committee may meet as and when it deems necessary.
- (4) The State Level Co-ordination Committee shall have all such powers as may be necessary for discharge of its functions specified in these rules.
- (5) Without prejudice to the generality of the foregoing powers, the State Level Co-ordination Committee shall have the following powers, namely:-
 - (a) to apportion funds between more than one District Mineral Foundation when the Affected Area falls in more than one district;
 - (b) to determine utilization of District Mineral Foundation funds on larger projects in the Affected Areas or projects common to more than one district;
 - (c) to formulate methodology to be adopted by the District Mineral Foundations for determining the Directly Affected Areas, Indirectly Affected Areas and for identification of Affected People and Beneficiaries;
 - (d) to formulate policy guidance of maintenance of records in electronic format; and
 - (e) to specify minimum information required to be provided on the website of each District Mineral Foundation.

CHEPTER-III

MANAGEMENT OF THE DISTRICT MINERAL FOUNDATION

9. Meetings of the Governing Council:-

- (1) The Governing Council shall meet at least once every six months and every quarter. A member may request in writing for participation in meeting of the Governing Council through video-conference, if such member is unable to present in the meeting, the Chairperson after considering such request and technical feasibility, may permit such member to participate in the meeting through video conference.
- (2) A meeting of the Governing Council may be requisitioned by the Member Secretary on his/her own accord, or upon instructions from the Chairperson.
- (3) The agenda for every meeting of the Governing Council shall be circulated in advance, at least 15 calendar days prior to the date of the meeting. The agenda shall be accompanied by an explanatory statement, which shall describe, in sufficient detail, the matters to be considered by the Governing Council at its meeting:

Provided, that, for urgent matters, a meeting of the Governing Council may be convened at a shorter notice: provided that at least fifty per cent. of the members of the Governing Council have given their consent for such meeting. Such consent may be provided through e-mail.¹

- (4) The agenda shall be circulated in writing and may be delivered by hand or through post. In addition to hand delivery or delivery through post, agenda may also be circulated through e-mail.
- (5) The Member Secretary shall cause recording of minute of each meeting of the Governing Council. The Minutes shall describe in sufficient detail of the proceedings of each meeting. The minutes of each meeting shall be circulated to each member, who had attended the meeting, in draft form and shall be considered to be final upon the approval of the Chairperson. The decision of the Chairperson shall be final regarding inclusion of items in the minutes.
- (6) In the event that the Chairperson is unable to attend any meeting, then such meeting shall be chaired by the Vice-Chairperson. In such case, the Vice-Chairperson shall approve the minutes in terms of sub-rule (5). No meeting shall be held in absence of both the Chairperson and Vice-Chairperson.
- (7) Subject to sub-rule (6), the quorum of the Governing Council shall be fifty per cent. of the members.
- (8) All decisions of the Governing Council shall be taken by majority votes and a decision shall be considered to be approved if more than one half of the members present vote in favour of it.
- (9) The meeting may be held at any place within the District and such time as may be decided by the Chairperson.

10. Meetings of the Executive Committee:-

- (1) The Executive Committee shall meet at least once every three months. A member may request in writing for participation in meeting of the Executive Committee through video-conference, if such member is unable to be present in the meeting, the Chairperson after considering such request and technical feasibility, may permit such member to participate through video conference.
- (2) A meeting of the Executive Committee may be requisitioned by the Member Secretary on his/her own accord, or upon instructions of the Chairperson.
- (3) The agenda for every meeting of the Executive Committee shall be circulated in advance, at least 15 calendar days prior to the date of the meeting. The agenda shall be accompanied by an explanatory statement, which shall describe, in sufficient detail, the matters to be considered by the Executive Committee at its meeting:

¹ Note: This provision has been reinstated to provide for flexibility to hold meetings at a shorter notice. In absence of such provision validity of a meeting without notice of 15 calendar days could be questioned.

Provided that, for urgent matters, a meeting of the Executive Committee may be convened at a shorter notice.

Provided further that, at least fifty per cent. of the members have given their consent for such meeting. Such consent may be provided through e-mail

- (4) The agenda shall be circulated in writing and may be delivered by hand or through post. In addition to hand delivery of delivery though post, agenda may also be circulated through e-mail.
- (5) The Member Secretary shall cause recording of minute of each meeting of the Executive Committee. The Minute shall describe in sufficient detail of the proceeding of each meeting. The minute of each meeting shall be circulated to each member, who had attended the meeting, in draft form and shall be considered to be final upon the approval from the Chairperson. The decision of the Chairperson shall be final regarding inclusion of items in the minutes.
- (6) In the event that the Chairperson is unable to attend any meeting, then such meeting shall be chaired by the Vice-Chairperson. In such case, the Vice-Chairperson shall approve the minutes in terms of sub-rule (5). No meeting shall be held in absence of both the Chairperson and Vice Chairperson.
- (7) The quorum of Executive Committee s shall be fifty per cent. of the members.
- (8) All decisions of the Executive Committee shall be taken by majority votes and a decision shall be considered to be approved if more than one half of the members present vote in favour of it.
- (9) The meeting may be held at any place within the District and at a time as may be decided by the Chairperson.

CHEPTER-IV

ACTIVITIES UNDER THE DISTRICT MINERAL FOUNDATION

11. Object of District Mineral Foundation:-

- (1) The District Mineral Foundation shall work for the interest and the benefits of persons, and areas affected by mining related operations in such manner as prescribed under these rules.
- (2) The District Mineral Foundation shall also implement the PMKKKY with the following overall objectives:
 - (a) to implement various developmental and welfare projects and programs in areas affected by mining related operations, which projects and programs shall compliment the existing ongoing schemes or projects of State or Central Government;

- (b) to minimize/mitigate the adverse impacts, during and after mining, on the environment, health and socio-economics of people in mining districts; and
 - (c) to ensure long-term sustainable livelihoods for the people in areas affected by mining related operations.
- (3) The District Mineral Foundation shall also undertake such other activities as may be necessary towards meeting the objects as specified in sub-section (2) of Section 9B of the Act.

12. Identification of the Affected Area:-

- (1) The Executive Committee shall identify the Affected Area which shall be classified in following two categories:
- (a) **Directly Affected Areas** – which shall be the areas where mining related operations (such as excavation, mining, blasting, beneficiation and waste disposal, such as overburdened dumps, tailing ponds, transport corridors, etc.) are located. For the purposes of identification of Directly Affected Areas, the Executive Committee may consider the following, namely:-
 - (i) an areas under the village Panchayat within which the mines are situated and operational. The Executive Committee may also include neighbouring villages, blocks or district² within Directly Affected Areas.
 - (ii) an area within such radius from a mine or cluster of mines as may be specified by the State Level Co-ordination Committee, irrespective of whether such area falls within the district of DMF or adjoining district.
 - (iii) villages in which families displaced by mining related operations have resettled or rehabilitated by relevant authorities.
 - (iv) villages that significantly depend on the areas affected by mining related operations for meeting their economic needs and have usufruct and traditional rights over the project areas, such as for grazing, collection of minor forest produce.
 - (b) **Indirectly Affected Areas** – which shall be the areas where local population is adversely affected on account of economic, social and environmental consequences due to mining related operations, like such adverse effect could be by way of deterioration of water, soil and air quality, reduction in stream flows and depletion of ground water, congestion and pollution due to mining operations, transportation of minerals or increased burden on existing infrastructure and resources.
- (2) If any Directly Affected Area or the Indirectly Affected Area identified by the Executive Committee of a District includes area falling outside such District and falling in another District, the Executive Committee shall inform the DMF of another District through the State Level Co-ordination Committee.

² Note: The PMKKKY refers to neighboring state, but it has not been included herein as these rules are limited to Gujarat.

- (3) The Executive Committee shall, from time to time, update the list of Affected Area comprising of Directly Affected Area and Indirectly Affected Area,.

13. Identification of the Affected People:-

- (1) Upon identification of the Affected Area, the Executive Committee shall prepare a list of Affected People, who shall be classified into following categories, namely:-
- (a) “Affected Family” as defined under sub-section (c) of Section 3 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013;
 - (b) “Displaced Family” as defined under sub-section (k) of Section 3 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013;
 - (c) Persons identified by the Gram Sabha as being affected by mining related operations;
 - (d) Other persons who are affected by mining related operations, including people who have legal, occupational, traditional or usufruct rights over the Affected Area, as identified by the Executive Committee.
- (2) The Executive Committee, if deems fit, identify the Affected People in consultation with the Gram Sabha.
- (3) The Executive Committee shall update the list of Affected People from time to time.

14. Identification of Beneficiaries³:-

- (1) With respect to each plans, programmes and projects to be implemented as a part of the Annual Plan, the Executive Committee shall prepare a list of Beneficiaries. Such Beneficiaries may be:
- (a) specified individuals - in case of plans, programmes or projects targeted at individuals; or
 - (b) a class of population – in case of plans, programmes or projects targeted for general welfare of a particular class of populations, such a people residing in a specified area.
- (2) In case of a Scheduled Area, approval of the Gram Sabha shall be required for identification of Beneficiaries.

³ Note: The PMKKKY refers to affected persons, affected people and beneficiaries, the import of such expressions in the context of implementation to be discussed. Pending such discussion, the provisions are indicative.

15. Time frame for preparation of Annual Plan:-

- (1) The first Annual Plan of the District Mineral Foundation shall be prepared within three months of the effective date and shall be valid till:
 - (a) end of the financial year–, if more than six months are remaining in such financial year; or
 - (b) end of the subsequent financial year–, if less than six months are remaining in such financial year. In such case, the first Annual Plan shall be for a period of more than one year.
- (2) For the purposes of these rules, the “effective date” shall be the date of publication of notification establishing the District Mineral Foundation by the Government.
- (3) The Annual Plan shall be prepared by the Executive Committee and shall be submitted to the Governing Council for Approval. Annual Plans for a financial year other than the first Annual Plan shall be prepared and approved by the end of the fourth quarter of the previous financial year in accordance with rule 16.

16. Preparation of the Annual Plan:-

- (1) The Annual Plan shall be prepared in the format prescribed by the State Level Co-ordination Committee and shall contain particulars of plans, programmes and projects including, type, quantum, budget and time for completing the same: Provided that, in case of a Scheduled Area, approval of the Gram Sabha shall be required for formulation and implementation of all plans, programmes and projects.
- (2) Each Annual Plan shall contain measurable time bound performance benchmarks for its implementation.
- (3) Each Annual Plan would take into account local needs and priorities of the Affected Areas and also any directions issued by the State Level Co-ordination Committee.
- (4) Subject to the total expenditure (being aggregate expenditure for new schemes and spill over of past liabilities and commitments) not exceeding exceed 1.5 times, the available funds and the available funds under the Annual Plan shall be allocated in the following manner⁵, namely:-
 - (a) at least sixty per cent. of the funds must be allocated towards “high priorities areas” as specified in clause (a) of sub-rule (5);

⁵ Note: The provisions of PMKKKY have been incorporated in these rules. However, please note that such an approach would require amendment of these rules each time the PMKKKY is modified. To avoid the same, one approach could be to not include provisions of the PMKKKY and only refer to the PMKKKY. The DMF may be guided directly by PMKKKY.

- (b) up to forty per cent. of the funds may be allocated towards “other priority areas” as specified in clause (b) of sub-rule 5;
 - (c) a maximum of five per cent. of the funds may be allocated towards administrative, supervisory and overhead costs of the District Mineral Foundation; and
- (5) Such per cent. of funds as may be specified by the State Level Coordination Committee must be allocated towards an endowment fund.
- (a) “**high priority areas**” means :
- (i) Centralized purification systems, water treatment plants, permanent/temporary water distribution network including standalone facilities for drinking water, laying of piped water supply system.
 - (ii) Effluent treatment plants, prevention of pollution of streams, lakes, ponds, ground water, other water sources in the region, measure for controlling air and dust pollution caused by mining operations and dumps, mine drainage system, mine pollution prevention technologies, and measures for working or abandoned mines and other air, water and surface pollution control mechanisms required for environment-friendly and sustainable mine development.
 - (iii) Creation of primary / secondary health care facilities in the affected areas. Provision of necessary staffing, equipment and supplies required for making such facilities effective. To supplement and work in convergence with the existing health care infrastructure of the local bodies, State and Central government. Consultations with the National Institute of Miners’ Health design special infrastructure needed to take care of mining related illnesses and diseases. Group Insurance Scheme for health care for mining affected persons.
 - (iv) Construction of school buildings, additional class rooms, laboratories, libraries, art and crafts room, toilet blocks, drinking water provisions residential hostels for students/teachers in remote areas,, sports infrastructure, engagement of teachers/other supporting staff, e-learning setup, other arrangement of transport facilities (bus/van/cycles/ rickshaws, etc.) and nutrition related programs.
 - (v) Special programs for addressing problems of maternal and child health, malnutrition, infectious diseases, etc.
 - (vi) Special program for welfare of aged and disabled people.
 - (vii) Skill development for livelihood support, income generation and economic activities for local eligible persons, including training, development of skill development center, self-employment schemes, support to self-help groups and provision of forward and backward linkages for such self-employment economic activities.

- (viii) Collection, transportation and disposal of waste, cleaning of public places, provision of proper drainage and sewage treatment plant, provision for disposal of fecal sludge, provision of toilets and other related activities.
- (b) “other priority areas” means :
- (i) Providing required physical infrastructure - road, bridges, railways and waterways projects.
 - (ii) Developing alternate sources of irrigation, adoption of suitable and advanced irrigation techniques, building check dams.
 - (iii) Development of alternate source of energy (including micro-hydel) and rainwater harvesting system. Development of orchards, integrated farming and economic forestry and restoration of catchments.
 - (iv) Any other measures for enhancing environmental quality in mining district.

17. Implementation of the Annual Plan:-

- (1) The Annual Plan shall be implemented in the manner specified in the Annual Plan.
- (2) Any procurement of goods or services by the District Mineral Foundation or for implementation of the Annual Plan shall comply with the procedure specified by the Government for such procurement.⁶
- (3) Any creation of temporary or permanent positions, or purchase of vehicles by the District Mineral Foundation shall require prior approval of the Government. The District Mineral Foundation may engage the service of persons on a contract basis, if so required under the Annual Plan.
- (4) The compliance with performance benchmarks specified in the Annual Plan shall be measured and reported on a quarterly basis by the Executive Committee. If no measureable performance benchmarks have been provided, then the Executive Committee shall prepare a general report regarding implementation of the Annual Plan. Each such quarterly report shall be posted on the website of the District Mineral Foundation.
- (5) In case of Scheduled Area, after completion of every financial year, the report of the work undertaken in each village in each financial year shall be furnished to the respective Gram Sabha.

⁶ Note: To be discussed if specific reference should be made to document akin to General Financial Rules in Gujarat, if any.

18. Monitoring of the Annual Plan:-

- (1) The day-to-day monitoring of implementation of the Annual Plan shall be carried out by the Executive Committee.
- (2) The Governing Council shall have overall supervision of implementation of the Annual Plan.

19. Special Provisions for Scheduled areas:-

The process to be adopted for utilization of funds by the District Mineral Foundation in the scheduled areas shall be guided by the provisions contained in Article 244 read with Fifth and Sixth Schedules to the Constitution relating to administration of the Scheduled Areas and Tribal Areas and the Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 and the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006.

CHEPTER-V
DISTRICT MINERAL FOUNDATION FUND

20. Bank Account:-

- (1) The District Mineral Foundation shall have the power to open, operate and close one or more bank accounts in its own name in a public sector bank.
- (2) The District Mineral Foundation may open such types of bank accounts as may be approved by the Governing Council. Such accounts shall be opened at a branch of a public sector bank located in the district of the District Mineral Foundation.
- (3) Prior to opening of each bank account, the Governing Council shall also approve an authorisation matrix for operation of bank accounts, specifying the particulars of members and their respective authorisation limits:

Provided that, such authorisation matrix must include operation of bank accounts under the joint signatures of at least two of the three signatories; the two signatories being the Chairman and Member Secretary of Executive Committee.

- (4) The Governing Council may approve investment of any unutilised funds in the bank account of the District Mineral Foundation in the following manner, namely:-
 - (a) such investments may be liquidated at any time;
 - and (b) there is no risk to the principal amount so invested.

21. Contributions:-

- (1) The following contributions may be made to the bank account of the District Mineral Foundation:
 - (a) Contributions from the holders of a mining lease, or a prospecting license-cum-mining lease, under the provisions of sub-section (5) of section 9B of the Act;

- (b) Contributions from the holders of a mining lease under the provisions of subsection (6) of section 9B of the Act;
 - (c) Contributions from the holders of minor mineral concession under the provisions of section 15A of the Act.;
 - (d) Any interests accrued to the bank accounts of the District Mineral Foundation Fund;
 - (e) Any other contribution as may be determined by the Government.
- (2) To achieve seamless transfer without delays, payments towards contribution to the District Mineral Foundation shall be made along with payment of royalty and the amount payable to each District Mineral Foundation shall be credited into its bank account in the manner specified by the Government,

22. Expenditure:-

- (1) Any expenditure from the bank account of the District Mineral Foundation shall be solely to meet the objectives of the District Mineral Foundation or to meet its administrative, supervisory and overhead costs, as specified in the Annual Plan.
- (2) All such expenditure must be approved by the Governing Council, in the Annual Plan or a specific approval shall be required for an expenditure which has not been approved as a part of the Annual Plan.
- (3) With prior approval of the State Government and intimation to Central Government, projects for development of common infrastructure such as construction of roads, bridges. In excess of limits specified in this regard to the priority for funds utilisation, on a case to case basis, may also be taken up for projects of importance to the district, as specified by the State Level Co-ordination Committee,

23. Entitlement of a District:-

The entitlement of districts to receive funds from the Government shall not be affected by the District Mineral Foundation coming into effect and the funds under the District Mineral Foundation shall be in addition to existing entitlement of the districts to receive funds.

CHEPTER-VI
RECORDS, REGISTERS AND AUDIT

24. Records and Registers:-

- (1) The District Mineral Foundation shall maintain proper accounts and other relevant records with respect to all its activities. Without prejudice to the generality of the foregoing, the District Mineral Foundation shall maintain the following registers⁸, namely:-
 - (a) Register of mining related operations in district:- which shall contain particulars of, mining related operations in the district, mines, and persons holding any mineral concessions with respect to an area situated within the district.
 - (b) Register of receipt:- which shall contain particulars of all payments made to the District Mineral Foundation, including payments made by persons holding mineral concessions.
 - (c) Register of expenditure:- which shall contain particulars of all expenditure made by the District Mineral Foundation.
 - (d) Register of beneficiary:- which shall contain particulars of all Affected People of the District Mineral Foundation, as identified in terms of these rules.
 - (e) Register of Members of Various Committees:- list of members of Governing Council and Executive Committee.
- (2) As a part of the Annual Report, the District Mineral Foundation shall also prepare an income and expenditure statement and a balance sheet for every financial year, commencing from April 01 and ending on March 31, in a manner as may be prescribed by the Government in consultation with the Accountant General of the State.
- (3) The records and registers may be maintained by the District Mineral Foundation in electronic format in the manner as approved by the Co-ordination Committee.

25. Audit:-

- (1) The accounts of the District Mineral Foundation shall be audited annually upon completion of a financial year by Chartered Account an auditor appointed by the Governing Council, from a list of qualified auditors notified by the Accountant General.
- (2) In addition to the financial audit, there may be an independent social-audit by the Governing Council in the manner specified by the State Level Co-ordination Committee. The parameters of such social audit may include coverage of mining affected people and families with respect to benefit sharing, timeliness of benefit payments, timeliness of developmental schemes/works undertaken, work completion rates, and any such related issues.

⁸ Note: Please consider if the format of such registers should be appended to these rules.

- (3) The District Mineral Foundation at the end of each year shall prepare an Annual Report. The annual report shall be prepared by the Executive Committee within three months of end of a financial year and shall be presented before the Governing Council. Upon approval of the annual report by the Governing Council, the annual report shall be submitted to the Government and also posted on the website of the District Mineral Foundation.
- (4) The accounts of the District Mineral Foundation together with the financial audit report, the social-audit report and the Annual Report shall be forwarded annually to the Government by the District Mineral Foundation. The Government shall cause the reports to be laid, as soon as it is received, before the State Legislative Assembly.
- (5) In case of scheduled area, a report of work undertaken by the District Mineral Foundation in the respective village shall be furnished to the Gram Sabha after completion of every financial year.

CHAPTER-VII MISCELLANEOUS

26. Website:-

- (1) Every District Mineral Foundation shall maintain a website. The State Level Co-ordination Committee shall approve a minimum information that must be provided by each such website.
- (2) The website of District Mineral Foundation shall be updated on a periodic basis and shall include the following information, namely:-
 - (a) Particulars of composition of the District Mineral Foundation, including particulars of members of the Governing Council and the Executive Committee;
 - (b) Particulars of Affected Area and Affected People, in case of Affected People, in the interest of privacy the State Level Co-ordination Committee may specify the manner in which the particulars of Affected People may be published.
 - (c) Quarterly details of all contributions made to the District Mineral Foundation;
 - (d) Agenda, minutes and action taken reports with respect to meetings of the Executive Committee and the Governing Council;
 - (e) Annual Plan, Annual Report and audit report.
 - (f) Implementation status or progress of all the plans, programmes and projects being undertaken by the District Mineral Foundation, including description of work, details of Beneficiaries, estimated cost, name of implementing agencies, expected date of commencement and completion.
 - (g) Physical and financial progress report of the approved plans, Programmes and projects.

- (3) The agenda, minutes and action taken reports with respect to meetings of the State Level Coordination Committee shall also be posted on a website of the State Government.

27. Review:-

The Government shall review and revise the provisions declared under such rules every ten years, to remain effective to uphold the objective of the District Mineral Foundation.

By order and in the name of the Governor of Gujarat,



(P. D. Mehta),

Under Secretary to Government