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Goa Mineral Ore Permanent Fund Trust Scheme

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Goa Mineral Ore Permanent Fund Trust Scheme

Preamble:

Whereas, the Government of Goa has declared its intention of having a permanent fund, in its Goa Mineral Policy, 2013.

And whereas, in the Judgement and Order of the Hon'ble Supreme Court of India in Writ Petition (Civil) No. 435 of 2012 dated 21st April, 2014; the Apex Court has directed creation of a permanent fund for protection of intergenerational equity by reserving 10 percent of the sale proceeds out of the e-auction and 10% of future sale / export price of iron ore from State of Goa.

Now, therefore, the Government of Goa in consultation with the Central Empowered Committee of Hon'ble Supreme Court of India hereby formulates the following scheme for creation and operation of Goa Mineral Ore permanent fund:

1. This scheme shall be called as “Goa Mineral Ore Permanent Fund Trust ”Scheme (*hereinafter referred to as “Trust”*).

2. Creation of Trust:

- a) The fund shall be operated through a Trust namely “Goa Mineral Ore Permanent Fund Trust”.
- b) For operation of the trust there shall be Governing Body of the Trust and an Executive Committee of the Trust.

3. Composition of the Governing Body and Executive Committee:

(i) The Governing Body shall consist of following members:

- | | | |
|---------------------------------|----|-------------|
| 1. Hon'ble Chief Minister | -- | Chairperson |
| 2. Minister for Mines & Geology | -- | Member |
| 3. Chief Secretary | -- | Member |
| 4. Secretary (Mines) | -- | Member |
| 5. Director of Mines & Geology | -- | Member |
| 6. By nomination | -- | } Members |
| 7. By nomination | -- | |

(ii) The members by nomination to Governing Body and Executive Committee are to be nominated by the Government from amongst persons having

knowledge in the field of engineering, medicine, forest, wildlife, agriculture, biodiversity, rural development and planning.

(iii) In case the Chief Minister is also Minister for Mines, than in such a case Minister for Tribal Welfare shall be nominated in place of Minister for Mines.

(iv) In the case, the Chief Secretary is also in charge of Mines Department, then Secretary to the Government in charge of Social Welfare, shall be nominated in place of Secretary (Mines).

(v) Notwithstanding any such rules, guidelines or orders in this respect, the Governing Body shall have full powers to determine the nature of project, its requirement and approve its execution.

(vi) The Executive Committee shall consist of following:

a. Chief Secretary	--	Chairman
b. Secretary (Mines)	--	Member Secretary
c. Director of Mines & Geology	--	Member
d. P.C.E. Public Works Department,	--	Member
e. P.C.E. Water Resources Department,	--	Member
f. P.C.C.F. Forest Department,	--	Member
g. Director Environment	--	Member
h. Director Animal Husbandry & V. S.	--	Member
i. Director Tribal Welfare	--	Member
j. M.D. G.S.I.D.C	--	Member
k. Director Agriculture	--	Member
l. Director Women and Child	--	Member
m. Director Social Welfare	--	Member
n. By nomination	--	Member
o. By nomination	--	Member

4. Office of the Trust and Creation of Fund:

- (i) The office of the Trust shall be situated at Directorate of Mines & Geology, Ground Floor, Menezes Braganza Building, Panaji, Goa having operational area over entire State of Goa.
- (ii) A Savings Bank Account shall be opened in any Nationalized Bank (to be nominated by the Government) with an initial balance of ` 5,000/- out of sale proceeds of the mineral ore received from *e-auction* process.
- (iii) The Bank account shall bear the name of “*Goa Mineral Ore Permanent Fund Trust*”, *Government of Goa*”.
- (iv) The bank account shall be operated through the Member Secretary under joint signature with another one member of the Executive Committee as may be decided by the State Government.
- (v) This saving bank account, shall basically act as a pooling or reserve account into which the interest amount receivable from short / long term deposits and other proceeds, shall be deposited.

5. Contribution to the Fund: The contribution to the fund shall be the amount received from:

- (a) 10% of the sale proceeds of the mineral ore sold by means of *e-auction* conducted as per the Order of the Hon’ble Supreme Court in Writ Petition (Civil) No. 435 of 2012 dated 21st April, 2012; in case of *e-auction* sale of ore.
- (b) 10% of the pit mouth sale value of mineral as determined by Indian Bureau of Mines.

6. Investment of the amount in the Fund:

The amount collected towards the Fund shall be deposited in fixed deposit receipts of nationalised banks, flexi accounts with Nationalised Banks or any government or bank bonds, securities etc.

7. The Functions of the Governing Body and the Executive Committee:-

- (i) The Governing Body shall lay down the broad policy framework for the functioning of the Trust and review its working.

- (ii) The Governing Body shall approve the annual plan and annual budget of the Trust upon the recommendations of the Executive Committee and it shall meet at least once in a year.
- (iii) 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.
- (iv) The Executive Committee shall, while discharging its functions, follow the policy framework and the directions of the Governing Body from time to time.
- (v) The Chairperson of the Executive Committee may vary the term of office of any nominated member or remove him from the Executive Committee before the completion of his term.

8. Membership of Governing Body:-

- (i) The members of the Governing Body shall be ex officio members.
- (ii) Nominated members and Special invitees, if any, of the Governing Body shall be entitled to such sitting fee, conveyance and out of pocket expenditure as the Governing Body may decide.

9. Membership of Executive Committee:-

- (i) The ex officio members only shall have voting rights.
- (ii) Members, other than ex-officio members including nominated members and special invitees shall have no voting rights but shall be entitled to such sitting fee, conveyance and out of pocket expenditure as the Governing Body may decide.

10. Object and functions of the Trust:

- (a) The Trust fund subject to restrictions, shall be utilized for:
 - (i) restoring the ecology damaged by mining or other activity, including tree plantation in mining affected Talukas.
 - (ii) providing health facilities, education, etc.,
 - (iii) building road / bridge network,
 - (iv) desilting of water bodies including dams, rivers etc.,
 - (v) installation of pollution control devices, sewage treatment plants,
 - (vi) providing required interventions in agriculture, horticulture, dairy farming, animal husbandry,

- (vii) providing alternate employment for the people residing in Mining Talukas and residing in Talukas used for transportation of minerals,
 - (viii) compensating families impacted by mining directly through a scheme approved by the Government,
 - (ix) providing compensation due to loss of life or property due to attacks from wildlife or other natural disasters,
 - (x) Afforestation and soil conservation measures in the mining impact zone, and
 - (xi) Soil rejuvenation in agriculture fields and fodder development, veterinary clinics, storm water drainage in mining impact zone.
- (b) Restriction of utilization of the Fund:
- (i) The returns derived on the Fund shall be allowed to be spent to the extent of 90% and 10% shall be re-invested.
 - (ii) No amount of the Fund shall be utilized for any purpose except in case of any major calamity or disaster emanating from any mining related activity upto maximum extent of 10% of balance of the fund available as on the day of such event, thereof for restoration and rehabilitation work.
 - (iii) The decision of the Committee constituted under sub-clause 3 (i), in determining applicability and utilization of the fund, in this regard, shall be final and binding.
 - (iv) However, efforts shall be made to utilize at least 60% of the Fund in the Talukas in which mining and its transportation is carried out and such Talukas shall be decided by the Government.
 - (v) Provided that, except for sub-clause 10 (a) (iii), (iv) and (vi) above, none of the activity described above, shall consume more than 20% of the expenditure incurred for a particular year.

11. Implementation of projects by the Executive Committee:

- (i) The Executive Committee will implement the project(s) as per the Annual Plan and Annual Budget of the Trust as approved by Governing body.
- (ii) In implementation of the projects referred to in sub-clause (i), the Executive Committee may devise its own procedure consistent with the Act and the rules made thereunder.

- (iii) The Trust shall monitor implementation of the projects either by itself or by engaging services of any government department.

12.Meetings of the Governing Body:-

- a) The Governing Body shall meet at least once in a year.
- b) The meetings of the Governing Body shall be presided by the Chairperson, Governing Body and in the absence of the Chairperson, Governing Body, the ex-officio Members of the Governing Body may elect an officiating Chairperson, from among themselves.
- c) All decisions or resolutions including circular resolutions of the Governing Body shall be made or adopted by consensus.
- d) In case of any disagreement or dissent, the ruling of the Chairperson, Governing Body shall be final.

13.Meetings of the Executive Committee:-

- a) The Executive Committee shall meet at least once in every three months.
- b) The meetings of the Executive Committee shall be presided by the Chairperson, Executive Committee and in the absence of the Chairperson, Executive Committee; the ex-officio Members of the Executive Committee may elect an officiating Chairperson, from among themselves.
- c) The meetings of the Executive Committee may be either physical or virtual or by circulation or by combination of both.

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

- d) All decisions or resolution including circular resolution of the Executive Committee shall be made or adopted by a majority of votes of the members of the Executive Committee present and voting.

- e) In case of equality of votes, the Chairperson, Executive Committee, or in his absence, the member presiding over such meeting as the Chairperson shall have a casting vote.

Provided that no member shall vote or take part in the discussion of any matter coming up for consideration at a meeting of the Executive Committee or any of its committees or sub-committees, if the matter is one in which such member has any direct, indirect or pecuniary interest.

14. Notice and agenda for meeting of the Governing Body and Executive Committee :

- a) The Chairperson or the Convenor of the Governing Body with the consent of the Chairperson, Governing Body shall convene the meeting of the Governing Body by giving a minimum fifteen days notice to all the members.

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

- b) The Chairperson or the Member Secretary of the Executive Committee, with the consent of the Chairperson shall convene the meeting of the Executive Committee by giving a minimum seven days notice to all the Members.

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

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

15. Quorum for meeting:

- (1) The quorum for any meeting of the Governing Body shall be six, excluding the special invitees.
- (2) The quorum for any meeting of the Executive Committee, including a virtual meeting, shall be seven, excluding the nominated members.

16.Powers, Duties and Responsibilities of the Member Secretary of the Executive Committee:

- a) There shall be a Member Secretary of the Executive Committee to discharge the functions of the Executive Committee.
- b) The Member Secretary of the Executive Committee Shall:
 - (i) administer and manage the Trust subject to the superintendence, control and direction of the Executive Committee.
 - (ii) exercise such administrative and financial powers as may be delegated by the Executive Committee or as may be assigned by the Chairperson, Executive Committee.
- c) The Member Secretary of the Executive Committee shall have the following duties and responsibilities, without prejudice to the generality of sub-Clause (a) and (b), namely:
 - (i) 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;
 - (ii) to ensure that due diligence has been exercised before considering proposals or projects to be undertaken by the Trust in accordance with the practices, procedure, rules or directions of the Executive Committee;
 - (iii) to ensure that the activities of the Trust are being conducted in accordance with the annual plan and related annual budget; and
 - (iv) to submit to the Governing Body the approved annual plan and related annual budget for each financial year to the Central Government, by the end of January of previous financial year.

17. Annual Plan:

- a) The Member Secretary of the Executive Committee shall, at the beginning of each financial year, cause preparation of plans for short term projects and long term projects proposed to be undertaken by the Trust in the relevant financial year, to be referred as the annual plan, together with details of the activities to be undertaken or completed by the Trust during such time, the expected time for completion of the projects and cost for such projects.

- b) The annual plan shall contain all projects, programmes, activities proposed to be undertaken by the Trust for achieving its objective and shall have clearly demarcated milestones.

18. Annual Budget: The Member Secretary of the Executive Committee shall, at the beginning of each financial year, cause preparation of an annual budget containing the details of the proposed income and expenditure on activities covered in the annual plan for that particular 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.

19. Approval of the Annual Plan and the Annual Budget:

- a) The annual plan and the annual budget shall be laid before the Governing Body for its approval.
- b) 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 Convener of the Governing Body, submit the same to the State Government within a period of thirty days from the date of receipt of approval of the Governing Body.
- c) Without prejudice to the provisions of sub-Clause (b), the Trust may undertake expenditures 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 with the next annual budget.
- d) 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 with the next annual plan or budget.

20. Annual Report:

- a) 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.

- b) 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.
- c) A copy of the annual report shall be sent to the State Government within a period of thirty days from the date of its approval by the Executive Committee.

21. Financial year:

- a) The accounting or financial year of the Trust shall be from the 1st April to the 31st of March.
- b) The first year of operations of the Trust may be partial year.

22. Maintenance and Audit of Accounts:

- a) The accounts of the Trust shall be maintained in the form, mode and manner as may be decided by the State Government.
- b) The accounts of the Trust Fund shall be audited in such manner as may be decided by the State Government.
- c) After the audit referred to in sub-clause (b), the Trust shall submit the annual report to the State Government.

23. Execution of work: The projects shall be executed through Public Works Department, Water Resources Department, Forest Department, River and Navigation Department, Agriculture Department, Department of Animal Husbandry & Veterinary Services, Goa State Infrastructure and Development Corporation or any other Departments of the Government of Goa, as per the directions and decision of the Committee.

24. Removal of Difficulty: In case of any doubt or difficulty regarding interpretation of any clause of the scheme etc., the decision of the Government on that issue shall be final.