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Chhattisgarh District Mineral Foundation Trust Rules, 2015

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Naya Raipur, the 22nd December 2015

NOTIFICATION

No. F 7-19/2015/12.— In exercise of the powers conferred by Section 9(B), 15(4) and 15A of the Mines and Minerals (Development and Regulation) Act, 1957 (No. 67 of 1957), the State Government, hereby, makes the following rules, namely:-

RULES

CHAPTER-I

PRELIMINARY

1. **Short title, extent and commencement.**- (1) These rules may be called the Chhattisgarh District Mineral Foundation Trust Rules, 2015.
 - (2) These rules shall extend to the whole State Chhattisgarh.
 - (3) These rules shall be deemed to have come into force on 12th day of January, 2015.
2. **Definitions.**- (1) In these rules, unless the context otherwise requires,-
 - (a) **"Act"** means the Mines and Minerals (Development And Regulation) Act, 1957(No. 67 of 1957);
 - (b) **"Affected Areas"** means areas affected by mining or mining related operations from a mine or cluster of mines within the District as notified by the Collector and areas affected by mining or mining related operations from a mine or cluster of mines beyond the District as notified by the State Government from time to time;
 - (c) **"Auditor"** means the Auditor/Chartered Accountant appointed by the Governing Council, and include the Accountant General of the State or other Auditors nominated by the Settlor;
 - (d) **"Collector"** shall have the same meaning assigned to him/her under the Chhattisgarh Land Revenue Code, 1959 (No. 20 of 1959);
 - (e) **"Contribution"** means the contribution to be collected in the Trust from the holders of a mining lease or a composite license (prospecting license-cum-mining lease) in case of Minerals or a mining lease or a quarry lease or a quarry permit in the case of Minor Minerals in the District at such percentage of the royalty to be paid in terms of the Second Schedule of the Act, as may be prescribed by the Central Government in the case of Minerals and such percentage of royalty to be paid in the case of Minor Minerals as may be prescribed by the State Government from time to time;

- (f) **"Contribution Fund"** means the funds collected through contribution from the holders of a mining lease or a composite license (prospecting license-cum-mining lease) in the case of Minerals or a mining lease or a quarry lease or a quarry permit in the case of Minor Minerals in the District at such percentage of the royalty paid in terms of the Second Schedule of the Act, as may be prescribed by the Central Government in the case of Minerals and such percentage of royalty paid in the case of Minor Minerals as may be prescribed by the State Government from time to time, or any other funds received by the Trust;
- (g) **"Form"** means a Form appended to these rules;
- (h) **"Governing Council"** means all the trustees of the District Mineral Foundation Trust;
- (i) **"Gram Panchayat Janpad Panchayat, Zila Panchayat and Gram Sabha"** shall have the same meaning assigned to them respectively in the Chhattisgarh Panchayat Raj Adhiniyam, 1993 (No. 1 of 1994);
- (j) **"Lease Area"** means area granted for the purpose of undertaking prospecting or for mining operations of any mineral and /or minor minerals;
- (k) **"Mining"** means operation undertaken for the purpose of winning any Mineral or Minor Minerals;
- (l) **"Managing Committee"** means the Committee formed by the Settlor for the purpose of management of the affairs of the Trust;
- (m) **"State level Monitoring Committee"** means a committee constituted under the Chairmanship of the Chief Minister to lay down the broad policy framework for the overall management of the Trusts of all Districts;
- (n) **"Settlor"** means The Government of Chhattisgarh, represented by the Secretary, Mineral Resources Department having its Headquarter at Naya Raipur;
- (o) **"State Government"** means the Department of Mineral Resources, Government of Chhattisgarh;
- (p) **"Trust"** means (the name of the District) District Mineral Foundation Trust created by the Settlor;
- (q) **"Trust Deed"** means the deed executed in Form-A by the Settlor in favour of the Trustees;
- (r) **"Trustee/Trustees"** means the Person(s) appointed by the Settlor for the purpose of governing the Trust;
- (s) **"Year"** means a financial year beginning from April 1st and ending March 31st of the following year or part period thereof ending on March 31st.
- (2) Words and expressions used in these rules but not defined shall have the same meaning as assigned to them in the Act.

CHAPTER-II

DISTRICT MINERAL FOUNDATION TRUST

3. **District Mineral Foundation Trust.** - (1) There shall be constituted a District Mineral Foundation for each revenue district of Chhattisgarh to be known as District Mineral Foundation Trust of the said district.
- (2) The Trust shall be a perpetual body and shall have a common seal.
- (3) The Settlor shall notify the trustees of the District Mineral Foundation Trust.
- (4) The Trust shall be a nonprofit body.

(5) The Trust shall be deemed to have come into existence with effect from the 12th day of January, 2015.

4. **Name and Location of the Trust.** -The Trust shall be known as the (name of the District) District Mineral Foundation Trust and its office shall be located in the headquarters of the District.

5. **Objects of the Trust.** - The object of the District Mineral Foundation Trust shall be to work for the interest and benefit of persons and areas affected by mining or mining related operations in such manner as specified in these Rules.

6. **Identification of affected areas and people. -**

(1) Affected Area shall include-

(a) directly affected area – where direct mining-related operations such as excavation, mining, blasting, beneficiation and waste disposal (overburdened dumps, tailing ponds, transport corridors etc.), etc. are located. These includes:-

- (i) villages and Gram Panchayats within which the mines are situated and are operational. Such mining areas may extend to neighboring village, block or district of state.
- (ii) villages, in which families displaced by mines are settled/rehabilitated by the project authorities.
- (iii) villages, which significantly depend on the mining areas for meeting their economic needs and have usufruct and traditional rights over the project areas, for instance, for grazing, collection of minor forest produce etc. should be considered as directly affected areas.

(b) Indirectly affected areas– Such areas where local population is adversely affected on account of economic, social and environmental consequences due to mining-related operations. The major negative impacts of mining 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, increased burden on existing infrastructure and resources.

(c) An area within such radius/distance from a mine or cluster of mines as may be specified by the Collector (within the district) and by the State Government (beyond the District), irrespective of whether the said area falls within the district concerned or adjacent/adjoining district/districts.

(d) On the basis of the above the Trust shall prepare and maintain an updated list of such directly and indirectly affected areas by mining related operations.

(2) “Affected People” includes:-

(a) People living/working in affected areas and the following shall be included under directly affected persons:-

- (i) ‘Affected family’ as defined under Section 3 (c) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (No. 30 of 2013).
- (ii) ‘Displaced family’ as defined under Section 3 (k) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (No. 30 of 2013).
- (iii) Any other as appropriately identified by the concerned Gram Sabha.

(b) Persons affected by mining should also include those people who have legal and occupational rights over the land being mined, and also those with usufruct and traditional rights.

(c) Affected families should be identified, as far as possible, in consultation with elected representatives of Gram Sabha.

(d) The Trust shall prepare and maintain an updated list of such affected persons/local communities.

7. **Appointments and Declaration.** - (1) The Settlor shall appoint the persons, as mentioned in Rule 10 of the District Mineral Foundation Rules, as the trustees of the District Mineral Foundation Trust, that is created through the Trust Deed, and the Trustees shall accept such appointment on the terms and conditions mentioned in the Trust Deed.

(2) The Trustees appointed by official designation shall continue as Trustees during the period they are holding the post and the designation and would be deemed to have ceased to be the Trustees once they cease to hold the office by virtue of which they were so appointed i.e. *ex officio* and their successors in office shall be deemed to have been appointed as Trustees in their place with effect from the date of their acquiring such official designation.

(3) The term of appointment for the nominated Trustees shall be for three years with effect from the date of their appointment as Trustees and the Settlor may thereafter renew their appointment for another term or may nominate other persons in their place:

Provided that the term of such nominated trustees shall in no case exceed two terms of three years each.

(4) The Settlor may at any time increase the number of Trustees in any of the categories and for such term as might be deemed fit by the Settlor.

(5) The Settlor may at any time remove any of the trustees and may appoint any other person as the Trustee at its sole discretion. The trustee so removed by the Settlor, shall cease to be a Trustee with effect from the date of such removal.

(6) The TRUSTEES shall have the possession of the Trust Fund which is subjected to the powers and provisions herein declared and contained concerning the same and the TRUSTEES shall have the power at any time or times during the Trust Period to accept any Property from any person or persons by the provisions of any other trust or otherwise to the intent that the same shall be held by or on behalf of the TRUSTEES as an accretion to the Trust Fund.

CHAPTER-III

CONSTITUTION OF THE TRUST

8. **Management of the Trust.** - The Management of the Trust shall vest in the Governing Council, which shall consist of all the Trustees of the Trust. However, the Managing Committee shall manage the day-to-day management of the Trust. The Settlor may however decide to alter the composition of the Managing Committee at any time. The powers and functions of the Governing Council and of the Managing Committee shall be such as contained in these Rules.

9. **Trustees of the Trust.** - There shall be Trustees, to govern the affairs of the Trust, appointed by the Settlor.

10. **Governing Council.** -. The Trustees shall be Officers of the State Government Departments holding the Trusteeship *ex officio* except that of the Public Representatives who shall be appointed by the Settlor for a specific period not exceeding 3 years. The nominated members shall not be eligible for reappointment for more than two terms. The Collector shall appoint not more than three representatives from among the Mineral Concession Holders for a specific period not more than 3 years. The Trustees shall be as follows:

No.	Name of the Post/Details of the Trustee	Designation in the Trust
((1))	(2)	(3)
1.	Collector of the concerned district	Ex officio Chairperson
2.	Three Public Representatives (Nominated by the Settlor)	Members
3.	Up to three Representatives from among the Mineral Concession Holders in the District (Nominated by the Collector)	Members
4.	Any two Sarpanchs of Gram Panchayats of directly affected areas(Nominated by the Collector)	Members
5.	Chief Executive Officer, Zila Panchayat	Ex officio Member Secretary
6.	Superintendent of Police	Ex Officio Member
7.	Divisional Forest Officer	Ex Officio Member
8.	Deputy Director(Mineral Administration)/ Mining Officer	Ex Officio Member
9.	Deputy Director Panchayat	Ex Officio Member
10.	Superintending Engineer/Executive Engineer Chhattisgarh State Power Distribution Company Ltd;	Ex Officio Member
11.	District Education Officer	Ex Officio Member
12.	Assistant Commissioner Tribal Welfare	Ex Officio Member
13.	Chief Medical and Health Officer	Ex Officio Member
14.	Deputy Director Agriculture	Ex Officio Member
15.	Deputy/Assistant Director Horticulture	Ex Officio Member
16.	Executive Engineer, Public Works Department	Ex Officio Member
17.	Executive Engineer, Rural Engineering Services	Ex Officio Member
18.	Executive Engineer, Water Resources Department	Ex Officio Member
19.	Executive Engineer, Public Health Engineering Department	Ex Officio Member
20.	District Employment Officer	Ex Officio Member
21.	General Manager, District Trade and Industries Centre.	Ex Officio Member

11. Decisions of the Trustees. - (1) All decisions by the Trustees shall be taken in the meeting of the Governing Council and every meeting of the Governing Council shall be deemed to be a meeting of the Trust.

(2) All decisions of the Governing Council shall be taken by the majority of the members present and voting. In case of tie the Chairperson of the meeting shall have a casting vote.

(3) Unless agreed to by the Settlor the Trustees shall not amend any part of the Trust Deed.

(4) Trustees, Governing Council and the Managing Committee shall act in accordance with the directions, guidelines etc. issued by the Settlor from time to time.

12. Powers and Functions of the Governing Council. - The Governing Council, consisting of all the Trustees, shall be responsible for-

(1) Laying down and approving the procedure for functioning of the Trust and review the working of the trust from time to time.

(2) Approving of Annual Action Plan and the Annual Budget for the Trust which is put up for approval by the Management Committee. The Annual Action plan must be prepared and approved by the Governing Council at least one month before commencement of the year. The Annual Action Plan shall contain the list of schemes and projects with the tentative provisions thereof:

Provided that if for any reason whatsoever, the Governing Council could not prepare and accord approval to the Annual Plan and the Budget within the specified time, the Chairperson shall have Annual Action Plan and the Budget of the Trust prepared and shall have the powers to approve the same. The Budget so prepared shall be deemed to have been duly prepared and approved by the Governing Council.

Provided further that while preparing the annual plan for the next financial year, the sum total of the past commitment and liabilities spilling over shall be assessed. To maintain financial discipline and timely completion of project, the sum total of the past liabilities and commitments and the new schemes being proposed should not in any case exceed three times the expected inflows in the Trust Fund for the next financial year.

(3) Conducting social-audits of the developmental schemes/ works executed from the Trust Fund in the Gram Sabha.

(4) Approving such other expenditure, in furtherance of the objects of the Trust from the available Trust Fund in such manner as may be prescribed by the Settlor.

(5) Approving the recommendations of the Managing Committee;

(6) Approving the annual reports and audited accounts of the Trust within 90 days of the close of the previous year;

(7) Ratifying the appointment of the officers on deputation, contractual or outsourcing basis as decided by the Settlor to run the Trust.

13. Meetings of the Governing Council. - (1) The Governing Council shall meet as often as necessary but at least once every six months.

(2) The Meeting of Governing Council shall be convened as desired by the Chairperson.

(3) The Quorum for such meeting shall be one third of the total members of the Governing Council, if quorum for meeting is not fulfilled, then meeting shall be postponed for half an hour and shall be re-convened at same place on same day for which condition of quorum shall not be applicable.

14. **Managing Committee.** - The affairs of the Trust shall be managed on day-to-day basis by a Managing Committee, which shall consist of the following:-

S.No.	Name of the Post	Designation in the Trust
(1)	(2)	(3)
1.	Collector of the concerned District	Ex officio Chairperson
2.	Chief Executive Officer ,Zila Panchayat	Ex Officio Member Secretary
3.	Superintendent of Police	Ex Officio Member
4.	Divisional Forest Officer	Ex Officio Member
5.	Deputy Director Panchayat.	Ex Officio Member
6.	Chief Medical And Health Officer.	Ex Officio Member
7.	Superintending Engineer/Executive Engineer Chhattisgarh State Power Distribution Company Ltd;	Ex Officio Member
8.	Deputy Director(Mineral Administration)/ Mining Officer	Ex Officio Member
9.	Deputy Director Agriculture/Horticulture	Ex Officio Member
10.	Executive Engineer, Public Works Department	Ex Officio Member
11.	Executive Engineer, Public Health Engineering Department	Ex Officio Member
12.	Executive Engineer, Rural Engineering Services	Ex Officio Member
13.	District Education Officer	Ex Officio Member
14.	Assistant Commissioner Tribal Welfare	Ex Officio Member
15.	Executive Engineer, Water Resources Department	Ex Officio Member
16.	District Employment Officer	Ex Officio Member

17.	General Manager, District Trade and Industries Centre.	Ex Officio Member
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15. Powers and Functions of the Managing Committee. - The Managing Committee shall-

- (1) Exercise due diligence in carrying out its duties for protecting the interests of the Trust;
- (2) Ensure timely collection of Contribution Fund from the concerned Lease Holders in accordance with the provisions of the Act and in the manner provided by the Settlor;
- (3) Prepare the Master Plan / Vision Document for the activities of the Trust;
- (4) Receive proposals /projects from the Gram Panchayats, Janpad Panchayats, Zila Panchayats and the Urban Local Bodies in the District , Government Departments and Board, Corporations and State/Central Public Sector Undertakings etc. However in Scheduled areas the Managing Committee can receive proposals/projects from the Gram Sabhas of the affected areas;
- (5) Coordinate, consolidate and develop the Annual plan of the Trust and the Annual Budget of the Trust along with the proposed Schemes and Projects;
- (6) Supervise and ensure the execution of the Annual Plan and the approved Schemes and Projects;
- (7) Accord sanction orders to the projects, release and disburse the Trust Fund for the purpose;
- (8) Operate the Trust Fund and to invest the same in a diligent manner and to open Bank Accounts in scheduled commercial Banks approved by the Reserve Bank of India in the Name of the Trust and operate such accounts and investments;
- (9) Monitor the progress of the utilization of Trust funds.
- (10) Place the audited accounts along with an Annual Report before the Governing Council for its approval within 60 days of close of financial year.
- (11) Lay down and approve procedures for the functioning of the Trust.
- (12) Appointing employees and auditors as per the directions of the Settlor, however, these appointments shall require ratification by the Governing Council.
- (13) Prepare and maintain a website on which, inter-alia, following information will be hosted and kept updated:-
 - (a) Details of composition of the Trust/bodies of Trust (if any);
 - (b) List of areas and people affected by mining;
 - (c) Quarterly details of all contributions received from lessees and others;
 - (d) All meeting agenda, minutes and action taken reports of the Trust;
 - (e) Annual Plans and budget, work orders, Annual Report;
 - (f) Online status of ongoing works – implementation status/progress of all the projects/programs being undertaken should be made available on the website, including description of work, details of beneficiaries, estimated cost, name of implementing agencies, expected date of commencement and completion of work, financial and physical progress up to last quarter etc.;
 - (g) List of beneficiaries under various welfare programs; and
 - (h) Voluntary disclosures under Right to Information Act, 2005 (No. 22 of 2005).

(14) Do all other things that are necessary for smooth functioning and management of the Trust.

16. **Meetings of the Managing Committee.** - (1) The Meeting of the Managing Committee shall be held at least four times in a financial year and it shall be convened as decided by the Chairperson.
(2) The Quorum for such meeting shall be one third of the total members of the Managing Committee, if quorum for meeting is not fulfilled, then meeting shall be postponed for half an hour and shall be re convened at same place on same day for which condition of quorum shall not be applicable.

CHAPTER-IV

STATE LEVEL MONITORING COMMITTEE

17. **Composition.** - (1) There shall be a State Level Monitoring Committee under the Chairmanship of The Chief Minister to lay down the broad policy framework to guide the overall functioning of the Trusts of all districts.

(2) The State Level Monitoring Committee shall comprise of the following members:-

No.	Details of the Members	Designation
(1)	(2)	(3)
1.	The Chief Minister	Ex officio Chairman
2.	Minister for Finance	Ex officio Member
3.	Minister for Agriculture	Ex officio Member
4.	Minister for Forest	Ex officio Member
5.	Minister for Panchayati Raj and Rural Development	Ex officio Member
6.	Minister for Public Health And Engineering	Ex officio Member
7.	Minister for Tribal Development	Ex officio Member
8.	Minister for School Education	Ex officio Member
9.	Minister for Health and Family Welfare Department	Ex officio Member
10.	Chief Secretary	Ex officio Member
11.	Secretary, Mineral Resources	Ex officio Member Secretary

(3) With the permission of the Chairman such members may be invited from time to time as special invitees of the committee as the Chairman may deem fit.

18. **Power and Functions of the State Level Monitoring Committee.** -The State Level Monitoring Committee shall -

- (1) Supervise and monitor the functioning of trusts of all Districts in conformation with the objects of the Trust.
- (2) Distribute the Contribution Fund received from a mine or cluster of mines among the districts affected by mining related operations of that mine or cluster of mines.
- (3) Shall cause to make an online monitoring system through a portal that contains all the annual plans, sanctions and approvals given by the Trust.

- (4) Shall ensure maximum transparency through use of e-governance measures in the spending and monitoring of the Trust Fund.

CHAPTER-V

MANAGEMENT OF THE CONTRIBUTION FUND AND TRUST FUND

19. **The Contribution Fund.** - (1) The Contribution Fund shall be maintained by the Managing Committee of the Trust. The Contribution Fund shall comprise of the funds collected through contribution from the holders of a mining lease or a composite licence (prospecting licence-cum-mining lease) in the case of Minerals or a mining lease or a quarry lease or a quarry permit or composite licence (prospecting licence-cum-mining lease) in the case of Minor Minerals in the District.
- (2) The Contribution Fund shall be kept in one or more scheduled commercial Banks approved by the Reserve Bank of India for keeping such public funds only in the name of the Trust and all accounts shall be operated under the joint signatures of the Chairperson of the Managing Committee and the Member-Secretary of the Managing Committee. The Managing Committee of the Trust shall maintain the books of accounts of this Fund.
20. **The Trust Fund.** - The Trust Fund of the District Mineral Foundation Trust would include the following: -
- (1) The Initial Settlement made by the Settlor;
 - (2) Any grant, contribution or other capital assistance received from the Settlor or from any other Agency, Institution or Person;
 - (3) Such share of the **Contribution Fund** as defined in Rule 2 (1) (f) of these Rules from a mine or a cluster of mines as decided by the State Level Monitoring Committee.
 - (4) Investments and other deposits and the interest accrued thereon and any other income derived there from;
 - (5) All other Properties of the Trust and the Income derived there from or appreciation thereof; and
 - (6) Funds received from the **Contribution fund** of other districts as decided by The State Level Monitoring Committee.
21. **Operation of the Trust Fund.** - The Trust Fund shall be kept in one or more scheduled commercial Banks approved by the Reserve Bank of India for keeping such public funds only in the name of the Trust and all accounts shall be operated under the joint signatures of the Chairperson of the Managing Committee and the Member-Secretary of the Managing Committee. The Managing Committee of the Trust shall maintain the books of accounts of this Fund. This account shall be maintained separately from the Contribution Fund.
22. **Expenditure from the Trust Fund.** - The Funds available with the Trust shall be used for :-
- (1) The overall development of the area affected by mining or mining related operations in accordance with the Annual Action Plan prepared by the Managing Committee and approved by the Governing Council of the Trust for the purpose;
 - (2) At least 60 % of the funds available with the Trust shall be utilized for High Priority areas like:-
 - (a) **Drinking water supply:-** centralized purification systems, water treatment plants, permanent/ temporary water distribution network including

standalone facilities for drinking water, laying of piped water supply system.

- (b) **Environment preservation and pollution control measures:-** 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 & surface pollution control mechanisms required for environment-friendly and sustainable mine development.
- (c) **Health care:-** the focus must be on creation of primary / secondary health care facilities in the affected areas. The emphasis should not be only on the creation of the health care infrastructure, but also on provision of necessary staffing, equipment and supplies required for making such facilities effective. To that extent, the effort should be to supplement and work in convergence with the existing health care infrastructure, the expertise available with the National Institute of Miners' Health may also be drawn upon to design special infrastructure needed to take care of mining related illnesses and diseases. Group Insurance Scheme for health care may be implemented for mining affected persons.
- (d) **Education:-** construction of educational institutes and vocational training centres, 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 for students (bus/van/cycles/rickshaws etc.) and nutrition related programs.
- (e) **Agriculture and allied activities:-** Development of activities related to agriculture & allied activities and agro forestry. Assistance to farmers through provision of seed mini kits, financial assistance for agricultural implements and micro irrigation facilities including drip irrigation, financial assistance for bore wells and pump energisation. Assistance to farmers for allied activities of agriculture such as dairy, poultry, fisheries agro forestry etc. Forest right holders under the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 (No. 2 of 2007) shall also be eligible for these assistance.
- (f) **Welfare of Women and Children:-** Special programmes for addressing problems of maternal and child health, malnutrition, infectious diseases, etc.
- (g) **Welfare of aged and disabled people:-** Special program for welfare of aged and disabled people.
- (h) **Skill development and Employment:-** skill development for livelihood support, income generation and economic activities for local eligible persons. The projects /schemes may include training, development of skill development centre, self employment schemes, support to Self Help Groups and provision of forward and backward linkages for such self-employment economic activities, promotion of Innovation, Entrepreneurship and Assistance to Incubation centre.
- (i) **Sanitation :-** collection, transportation & disposal of waste, cleaning of public places, provision of proper drainage & Sewage Treatment Plant, provision for disposal of faecal sludge, provision of toilets and other related activities.

(3) Rest 40% of the Trust funds shall be spent on other priority areas like:-

- (a) **Physical infrastructure-** providing required physical infrastructure such as roads, bridges, railways, waterways, airports, industrial parks/ clusters and other industrial infrastructure etc.;
 - (b) **Irrigation** - developing of irrigation, adoption of suitable and advanced irrigation techniques;
 - (c) **Energy and Watershed Development-** Electrification of households from conventional electricity and renewable sources of energy and strengthening of electricity infrastructure. 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.
 - (d) Any other infrastructure work that the State Government may direct from time to time.
- (4) Various development and infrastructure related projects of Government departments, Corporations and Boards through direct funding method, Public Private partnership mode ;
 - (5) Matching/gap filling of arrangement for qualified human resources like doctors, paramedics and teachers etc;
 - (6) Supplementing Government schemes/programmes related to areas mentioned in sub-rule (2) and (3);
 - (7) Training and capacity building of Gram Sabhas for planning and monitoring of various developmental schemes executed under the Trust Funds;
 - (8) An amount not exceeding 5% or Rs. One crore, whichever is less, of the Trust Fund actually received by the Trust in the financial year in a District may be spent by the Trust for meeting its administrative or establishment expenses in that financial Year:

Provided that the upper limit for meeting its administrative or establishment expenses may be increased from time to time by the Settlor; and

- (9) A reasonable sum of annual receipt should be kept as endowment for providing sustainable livelihood.

23. Works prohibited. - The State Level Monitoring Committee may prohibit certain work/works or activities which may not be beneficial to fulfil the objectives of the Trust.

24. Charging of expenses. - The Trustees shall be entitled to charge the Trust Fund with the following expenses:-

- (1) All expenses properly incurred in the operation or execution of the Trust and for the realization, preservation or benefit of the investments and assets comprising of the Trust Fund and for the protection of the interests of the Trust;
- (2) All expenses (including expenses incidental to execution and/or registration of any agreement or other deeds) incurred by the Trustees for obtaining the Contributions and/or any other resources, which may accrue;
- (3) All expenses in connection with any legal proceedings by or against the Trustees concerning the affairs of the Trust including professional fees and costs of any legal adviser;
- (4) All legal and statutory expenses incurred in the operation or execution of the Trust including all levies, duties and other charges paid/ payable in connection with the affairs of the Trust; and

(5) All expenses in connection with the holding of its meetings, and other proceedings and expenditure incurred on planning, execution, inspections, reviews and preparation of projects, hiring of consultants, third party inspections, auditors and such other expenses incidental thereof.

25. Accounts and Audit. – (1) The Managing Committee shall maintain or cause to be maintained proper books of accounts, documents and records with respect to the Trust Fund to give a true and fair picture of the affairs of the Trust;

(2) The accounts of the Trust shall be audited at least on completion of year by a qualified auditor;

(3) The auditors of the Trust shall be appointed by the Governing Council from the List of Chartered Accountants empanelled by Comptroller and Auditor General of India, on such terms and conditions as decided by the Governing Council;

(4) The auditors may be removed and replaced by the Governing Council;

(5) The Settlor may appoint an auditor or auditors or may request the Accountant General of the State for audit of a particular year or period on such terms as the Settlor may so decide;

(6) The Trust shall forward the approved Budget and Annual Plan along with approved Schemes and Projects for the next financial year, to the Zila Panchayat, District Administration and the State Government for publication on their respective websites;

(7) The Trust shall prepare a quarterly progress report in physical and financial terms in respect of the approved Schemes and Projects within 45 days of the close of the quarter and forward it to the Zila Panchayat and District Administration, immediately thereafter for publication on their respective websites;

(8) Every year, within three months from the date of closure of the financial year, the Trust shall cause to prepare an Annual Report on its activities for the respective financial year and place it before the Trust;

(9) The Trust shall forward the approved Annual report and the approved Audit Report immediately after their approval by the Governing Council within three months of close of Financial Year to the Zila Panchayat, and to the State Government along with Audit Report for publication on their respective websites; and

(10) The Annual Report will be submitted to the Government within one month from the date of its approval by the agencies above and will also be hosted on the website of the Trust.

CHAPTER-VI

ADMINISTRATIVE ARRANGEMENTS

26. Arrangement of the Staff. - (1) Departments of the State Government shall provide services of the personnel under their control including employees working in the District in various departments for management of the Trust and for execution of the Annual Plan as may be required for the purpose.

(2) The Trust may request the Settlor to provide required number of core personnel from its departments or from regular employees of the State Government or such other cadre, for providing administrative and technical assistance to the Trust. Services of such personnel shall continue to remain in their own respective cadres. This expenditure would be within the 5% given in these Rules for administrative and establishment expenses.

(3) The Settlor shall have the power to determine the service conditions of officials and auditors to manage the day to day affairs of the trust. However these powers may be delegated by the Settlor to the Trust from time to time.

- (4) The Settlor shall have the power to decide the setup of the staff to run the trust in the District and decide whether to recruit the staff or take on deputation or appoint on contractual basis.
- (5) The Trust may also engage service providers to outsource such services as may be needed for smooth functioning of the Trust and may provide for incurring contingent expenditure for its functioning.
- 27. Liability of Trustees.** - (1) The Trustees shall not be liable on account of anything done in good faith with due diligence. The Trustees shall also not be liable or responsible for any banker, broker, custodian or other person in whose hands any security, in good faith, be deposited or placed nor for the deficiency or insufficiency in the value of any investments of the Trust Fund nor otherwise for any involuntary loss.
- (2) The Trustees and every attorney or agent appointed by the Trustees, shall be entitled to be indemnified out of the Trust Fund in respect of all liabilities, losses and expenses incurred in execution of the Trust, other than those arising out of gross negligence and/or willful misconduct, provided that such indemnity shall not in any event exceed the total of the Contributions.
- 28. Trustees Remuneration.** - The Trustees shall not be entitled to any remuneration for their services. The Nominated Members among the Trustees shall be paid a certain fee decided by the Settlor as sitting fee per meeting for the actual Trust meetings attended by them. Ex Officio members of the Trust are not entitled for any such sitting fee.
- 29. Execution of Works / Contracts.** - (1) Works/goods may be procured by the Trust after following the due procedure prescribed by the State Government for such procurement.
- (2) As far as possible, the works undertaken by the Trust shall be executed only through Government departments, agencies and public sector undertakings normally undertaking such works which will follow the relevant norms applicable to the organization while executing or awarding contracts.
- (3) Technical approval and supervision of the work will be looked after by officers competent to do so under the administrative delegation of powers as applicable to the department concerned.
- (4) In respect of such works which cannot be executed through Government departments, agencies or public sector undertakings, the Managing Committee may award the work to any other competent and sound agencies following a transparent process, after obtaining prior approval of the Governing Council.
- (5) Transfer of fund to all agencies and beneficiaries shall be into their bank account.

CHAPTER-VII

MISCELLANEOUS

- 30. Special Provisions for Schedule Areas.** - In respect of villages affected by mining situated within the scheduled areas-
- (1) Approval of the Gram Sabha shall be required:-
- For all plans, programs and projects to be taken up by Gram Panchayats;
 - Identification of beneficiaries under the existing guidelines of the Government.
- (2) Report on the works undertaken in the respective village shall be furnished to the Gram Sabha after completion of every financial year.

31. **Amendment to the Trust Deed.** - The Trust deed may be amended from time to time by the Trustees only with the prior concurrence of the Settlor and not otherwise.
32. **Power of Settlor to include or ban any scheme/ project.** - The Settlor shall have power to include/ban any scheme/project or a concept aimed at the welfare of the areas and people affected by mining or mining related operations.
33. **Clarification.** - Any clarifications so required for proper and smooth implementation of this Trust Deed shall be issued by the Settlor as and when required.
34. **The Seal of the Trust.** -The Trustees, in a meeting of the Governing Council may decide to provide a Seal for the purpose of the Trust and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The Seal of the Trust shall remain in the custody of the Chairperson of the Managing Committee and the Chairperson shall have the authority to use the same for and on behalf of the Trust.
35. **Revocation.** - This Trust is revocable at the discretion of the Settlor. The Trust shall continue to exist till such time as may be decided by the Settlor. At the time of extinguishment of the trust, all the assets and liabilities of the Trust shall be transferred to the State Government.
36. **Power of Government to relax the operation of these rules.** - State Government may, for the reasons to be recorded, and by an order in writing, relax the application of any of the provisions of these rules to such extent and subject to such conditions as may be specified in the said order.

By order and in the name of the Governor of Chhattisgarh,
EFFAT ARA, Deputy Secretary.

FORM-A

DISTRICT MINERAL FOUNDATION TRUST DEED

THIS DEED OF TRUST EXECUTED AT _____ ON THIS ____ DAY OF _____ MONTH
IN THE YEAR TWO THOUSAND _____.

BY

THE GOVERNMENT OF CHHATTISGARH, represented by the Secretary, Mineral Resources Department, Government of Chhattisgarh having its Headquarter at Naya Raipur, Chhattisgarh herein after called "the SETTLOR", OF THE ONE PART.

IN FAVOUR OF

The following TRUSTEES of the OTHER PART which expression shall, unless repugnant to or inconsistent with the context, mean and include the successors occupying the posts by designation:

S.No.	Name	Designation in the Governing Council

WHEREAS, Section 9B of the Mines and Minerals (Development and Regulation) Act 1957 (No. 67 of 1957) provides for establishment of a District Mineral Foundation Trust, a non-profit body, by the State Government, with an objective to work for the interest and benefit of persons, and areas affected by mining related operations in such manner as may be prescribed by the State Government;

WHEREAS, the SETTLOR for this purpose has decided to set up a trust as an entity under the State Government for "no profit" and for playing an important role for common good of the community and for using the fund of the trust for the interest and benefit of persons, and areas affected by mining related operations in such manner as may be prescribed by the State Government; and

WHEREAS, the SETTLOR being desirous of establishing the District Mineral Foundation Trust has placed under the control of the TRUSTEES a sum of Rs.1,000/- (Rupees one thousand only), which sum is hereinafter referred to as the "INITIAL SETTLEMENT".

NOW THIS DEED OF TRUST WITNESSETH AS FOLLOWS:

1. **Definitions.** - (1) In this deed, unless the context otherwise requires,-

(a) **"Act"** means the Mines and Minerals (Development And Regulation) Act, 1957 (No. 67 of 1957);

(b) **"Affected Areas"** means areas affected by mining or mining related operations from a mine or cluster of mines within the District as notified by the Collector and areas affected by mining or mining related operations from a mine or cluster of mines beyond the District as notified by the State Government from time to time;

(c) **"Auditor"** means the Auditor/Chartered Accountant appointed by the Governing Council, and include the Accountant General of the State or other Auditors nominated by the Settlor;

(d) **"Collector"** shall have the same meaning assigned to him/her under the Chhattisgarh Land Revenue Code, 1959 (No. 20 of 1959);

(e) **"Contribution"** means the contribution to be collected in the Trust from the holders of a mining lease or a composite license (prospecting license-cum-mining lease) in case of Minerals or a mining lease or a quarry lease or a quarry permit in

the case of Minor Minerals in the District at such percentage of the royalty to be paid in terms of the Second Schedule of the Act, as may be prescribed by the Central Government in the case of Minerals and such percentage of royalty to be paid in the case of Minor Minerals as may be prescribed by the State Government from time to time;

(f) **"Contribution Fund"** means the funds collected through contribution from the holders of a mining lease or a composite license (prospecting license-cum-mining lease) in the case of Minerals or a mining lease or a quarry lease or a quarry permit in the case of Minor Minerals in the District at such percentage of the royalty paid in terms of the Second Schedule of the Act, as may be prescribed by the Central Government in the case of Minerals and such percentage of royalty paid in the case of Minor Minerals as may be prescribed by the State Government from time to time, or any other funds received by the Trust;

(g) **"Governing Council"** means all the trustees of the District Mineral Foundation Trust;

(h) **"Gram Panchayat Janpad Panchayat, Zila Panchayat and Gram Sabha"** shall have the same meaning assigned to them respectively in the Chhattisgarh Panchayat Raj Adhiniyam, 1993 (No. 1 of 1994);

(i) **"Lease Area"** means area granted for the purpose of undertaking prospecting or for mining operations of any mineral and /or minor minerals;

(j) **"Mining"** means operation undertaken for the purpose of winning any Mineral or Minor Minerals;

(k) **"Managing Committee"** means the Committee formed by the Settlor for the purpose of management of the affairs of the Trust;

(l) **"State level Monitoring Committee"** means a committee constituted under the Chairmanship of the Chief Minister to lay down the broad policy framework for the overall management of the Trusts of all Districts;

(m) **"Settlor"** means The Government of Chhattisgarh, represented by the Secretary, Mineral Resources Department having its Headquarter at Naya Raipur;

(n) **"State Government"** means the Department of Mineral Resources, Government of Chhattisgarh;

(o) **"Trust"** means (the name of the District) District Mineral Foundation Trust created by the Settlor;

(p) **"Trust Deed"** means the deed executed in Form-A by the Settlor in favour of the Trustees;

(q) **"Trustee/Trustees"** means the Person(s) appointed by the Settlor for the purpose of governing the Trust;

(r) **"Year"** means a financial year beginning from April 1st and ending March 31st of the following year or part period thereof ending on March 31st.

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

CHAPTER-II

DISTRICT MINERAL FOUNDATION TRUST

2. **District Mineral Foundation Trust.** - (1) There shall be constituted a District Mineral Foundation for each revenue district of Chhattisgarh to be known as District Mineral Foundation Trust of the said district.

(2) The Trust shall be a perpetual body and shall have a common seal.

(3) The Settlor shall notify the trustees of the District Mineral Foundation Trust.

- (4) The Trust shall be a nonprofit body.
- (5) The Trust shall be deemed to have come into existence with effect from the 12th day of January, 2015.
3. **Name and Location of the Trust.** -The Trust shall be known as the (name of the District) District Mineral Foundation Trust and its office shall be located in the headquarters of the District.
4. **Objects of the Trust.** - The object of the District Mineral Foundation Trust shall be to work for the interest and benefit of persons and areas affected by mining or mining related operations in such manner as specified in the Chhattisgarh Mineral Foundation Trust Rules.
5. **Identification of affected areas and people. -**
- (1) Affected Area shall include-**
- (a) Directly affected area – where direct mining-related operations such as excavation, mining, blasting, beneficiation and waste disposal (overburdened dumps, tailing ponds, transport corridors etc.), etc. are located. These includes:-
- (i) villages and Gram Panchayats within which the mines are situated and are operational. Such mining areas may extend to neighboring village, block or district of state.
- (ii) villages, in which families displaced by mines are settled/rehabilitated by the project authorities.
- (iii) villages, which significantly depend on the mining areas for meeting their economic needs and have usufruct and traditional rights over the project areas, for instance, for grazing, collection of minor forest produce etc. should be considered as directly affected areas.
- (b) Indirectly affected areas- Such areas where local population is adversely affected on account of economic, social and environmental consequences due to mining-related operations. The major negative impacts of mining 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, increased burden on existing infrastructure and resources.
- (c) An area within such radius/distance from a mine or cluster of mines as may be specified by the Collector (within the district) and by the State Government (beyond the District), irrespective of whether the said area falls within the district concerned or adjacent/adjoining district/districts.
- (d) On the basis of the above the Trust shall prepare and maintain an updated list of such directly and indirectly affected areas by mining related operations.
- (2) "Affected People" includes:-**
- (a) People living/working in affected areas and the following shall be included under directly affected persons:-
- (i) 'Affected family' as defined under Section 3 (c) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (No. 30 of 2013).
- (ii) 'Displaced family' as defined under Section 3 (k) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (No. 30 of 2013).
- (iii) Any other as appropriately identified by the concerned Gram Sabha.

(b) Persons affected by mining should also include those people who have legal and occupational rights over the land being mined, and also those with usufruct and traditional rights.

(c) Affected families should be identified, as far as possible, in consultation with elected representatives of Gram Sabha.

(d) The Trust shall prepare and maintain an updated list of such affected persons/local communities.

6. Appointments and Declaration. - (1) The Settlor shall appoint the persons, as mentioned in clause 9 of the District Mineral Foundation Trust deed, as the trustees of the District Mineral Foundation Trust, that is created through the Trust Deed, and the Trustees shall accept such appointment on the terms and conditions mentioned in the Trust Deed.

(2) The Trustees appointed by official designation shall continue as Trustees during the period they are holding the post and the designation and would be deemed to have ceased to be the Trustees once they cease to hold the office by virtue of which they were so appointed i.e. *ex officio* and their successors in office shall be deemed to have been appointed as Trustees in their place with effect from the date of their acquiring such official designation.

(3) The term of appointment for the nominated Trustees shall be for three years with effect from the date of their appointment as Trustees and the Settlor may thereafter renew their appointment for another term or may nominate other persons in their place:

Provided that the term of such nominated trustees shall in no case exceed two terms of three years each.

(4) The Settlor may at any time increase the number of Trustees in any of the categories and for such term as might be deemed fit by the Settlor.

(5) The Settlor may at any time remove any of the trustees and may appoint any other person as the Trustee at its sole discretion. The trustee so removed by the Settlor, shall cease to be a Trustee with effect from the date of such removal.

(6) The TRUSTEES shall have the possession of the Trust Fund which is subjected to the powers and provisions herein declared and contained concerning the same and the TRUSTEES shall have the power at any time or times during the Trust Period to accept any Property from any person or persons by the provisions of any other trust or otherwise to the intent that the same shall be held by or on behalf of the TRUSTEES as an accretion to the Trust Fund.

CHAPTER-III

CONSTITUTION OF THE TRUST

7. Management of the Trust. - The Management of the Trust shall vest in the Governing Council, which shall consist of all the Trustees of the Trust. However, the Managing Committee shall manage the day-to-day management of the Trust. The Settlor may however decide to alter the composition of the Managing Committee at any time. The powers and functions of the Governing Council and of the Managing Committee shall be such as contained in this deed.

8. Trustees of the Trust. - There shall be Trustees, to govern the affairs of the Trust, appointed by the Settlor.

9. Governing Council. - The Trustees shall be Officers of the State Government Departments holding the Trusteeship *ex officio* except that of the Public Representatives who shall be appointed by the Settlor for a specific period not exceeding 3 years. The nominated members shall not be eligible for reappointment

for more than two terms. The Collector shall appoint not more than three representatives from among the Mineral Concession Holders for a specific period not more than 3 years. The Trustees shall be as follows:

S.No.	Name of the Post/Details of the Trustee	Designation in the Trust
(1)	(2)	(3)
1.	Collector of the concerned district	Ex officio Chairperson
2.	Three Public Representatives (Nominated by the Settlor)	Members
3.	Up to three Representatives from among the Mineral Concession Holders in the District (Nominated by the Collector)	Members
4.	Any two Sarpanchs of Gram Panchayats of directly affected areas(Nominated by the Collector)	Members
5.	Chief Executive Officer, Zila Panchayat	Ex officio Member Secretary
6.	Superintendent of Police	Ex Officio Member
7.	Divisional Forest Officer	Ex Officio Member
8.	Deputy Director(Mineral Administration)/ Mining Officer	Ex Officio Member
9.	Deputy Director Panchayat	Ex Officio Member
10.	Superintending Engineer/Executive Engineer Chhattisgarh State Power Distribution Company Ltd;	Ex Officio Member
11.	District Education Officer	Ex Officio Member
12.	Assistant Commissioner Tribal Welfare	Ex Officio Member
13.	Chief Medical and Health Officer	Ex Officio Member
14.	Deputy Director Agriculture	Ex Officio Member
15.	Deputy/Assistant Director Horticulture	Ex Officio Member
16.	Executive Engineer, Public Works Department	Ex Officio Member
17.	Executive Engineer, Rural Engineering Services	Ex Officio Member
18.	Executive Engineer, Water Resources Department	Ex Officio Member
19.	Executive Engineer, Public Health Engineering Department	Ex Officio Member
20.	District Employment Officer	Ex Officio Member

21.	General Manager, District Trade and Industries Centre.	Ex Officio Member
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10. Decisions of the Trustees. - (1) All decisions by the Trustees shall be taken in the meeting of the Governing Council and every meeting of the Governing Council shall be deemed to be a meeting of the Trust.

(2) All decisions of the Governing Council shall be taken by the majority of the members present and voting. In case of tie the Chairperson of the meeting shall have a casting vote.

(3) Unless agreed to by the Settlor the Trustees shall not amend any part of the Trust Deed.

(4) Trustees, Governing Council and the Managing Committee shall act in accordance with the directions, guidelines etc. issued by the Settlor from time to time.

11. Powers and Functions of the Governing Council. - The Governing Council, consisting of all the Trustees, shall be responsible for-

(1) Laying down and approving the procedure for functioning of the Trust and review the working of the trust from time to time.

(2) Approving of Annual Action Plan and the Annual Budget for the Trust which is put up for approval by the Management Committee. The Annual Action plan must be prepared and approved by the Governing Council at least one month before commencement of the year. The Annual Action Plan shall contain the list of schemes and projects with the tentative provisions thereof:

Provided that if for any reason whatsoever, the Governing Council could not prepare and accord approval to the Annual Plan and the Budget within the specified time, the Chairperson shall have Annual Action Plan and the Budget of the Trust prepared and shall have the powers to approve the same. The Budget so prepared shall be deemed to have been duly prepared and approved by the Governing Council.

Provided further that while preparing the annual plan for the next financial year, the sum total of the past commitment and liabilities spilling over shall be assessed. To maintain financial discipline and timely completion of project, the sum total of the past liabilities and commitments and the new schemes being proposed should not in any case exceed three times the expected inflows in the Trust Fund for the next financial year.

(3) Conducting social-audits of the developmental schemes/ works executed from the Trust Fund in the Gram Sabha.

(4) Approving such other expenditure, in furtherance of the objects of the Trust from the available Trust Fund in such manner as may be prescribed by the Settlor.

(5) Approving the recommendations of the Managing Committee;

(6) Approving the annual reports and audited accounts of the Trust within 90 days of the close of the previous year;

(7) Ratifying the appointment of the officers on deputation, contractual or outsourcing basis as decided by the Settlor to run the Trust.

12. Meetings of the Governing Council. - (1) The Governing Council shall meet as often as necessary but at least once every six months.

(2) The Meeting of Governing Council shall be convened as desired by the Chairperson.

(3) The Quorum for such meeting shall be one third of the total members of the Governing Council, if quorum for meeting is not fulfilled, then meeting shall be postponed for half an hour and shall be re-convened at same place on same day for which condition of quorum shall not be applicable.

- 13. Managing Committee.** - The affairs of the Trust shall be managed on day-to-day basis by a Managing Committee, which shall consist of the following:-

S.No.	Name of the Post	Designation in the Trust
(1)	(2)	(3)
1.	Collector of the concerned District	Ex officio Chairperson
2.	Chief Executive Officer ,Zila Panchayat	Ex Officio Member Secretary
3.	Superintendent of Police	Ex Officio Member
4.	Divisional Forest Officer	Ex Officio Member
5.	Deputy Director Panchayat.	Ex Officio Member
6.	Chief Medical And Health Officer.	Ex Officio Member
7.	Superintending Engineer/Executive Engineer Chhattisgarh State Power Distribution Company Ltd;	Ex Officio Member
8.	Deputy Director(Mineral Administration)/ Mining Officer	Ex Officio Member
9.	Deputy Director Agriculture/Horticulture	Ex Officio Member
10.	Executive Engineer, Public Works Department	Ex Officio Member
11.	Executive Engineer, Public Health Engineering Department	Ex Officio Member
12.	Executive Engineer, Rural Engineering Services	Ex Officio Member
13.	District Education Officer	Ex Officio Member
14.	Assistant Commissioner Tribal Welfare	Ex Officio Member
15.	Executive Engineer, Water Resources Department	Ex Officio Member
16.	District Employment Officer	Ex Officio Member
17.	General Manager, District Trade and Industries Centre	Ex Officio Member

- 14. Powers and Functions of the Managing Committee.** - The Managing Committee shall-

- (1) Exercise due diligence in carrying out its duties for protecting the interests of the Trust;
- (2) Ensure timely collection of Contribution Fund from the concerned Lease Holders in accordance with the provisions of the Act and in the manner provided by the Settlor;
- (3) Prepare the Master Plan / Vision Document for the activities of the Trust;

(4) Receive proposals /projects from the Gram Panchayats, Janpad Panchayats, Zila Panchayats and the Urban Local Bodies in the District , Government Departments and Board, Corporations and State/Central Public Sector Undertakings etc. However in Scheduled areas the Managing Committee can receive proposals/projects from the Gram Sabhas of the affected areas;

(5) Coordinate, consolidate and develop the Annual plan of the Trust and the Annual Budget of the Trust along with the proposed Schemes and Projects;

(6) Supervise and ensure the execution of the Annual Plan and the approved Schemes and Projects;

(7) Accord sanction orders to the projects, release and disburse the Trust Fund for the purpose;

(8) Operate the Trust Fund and to invest the same in a diligent manner and to open Bank Accounts in scheduled commercial Banks approved by the Reserve Bank of India in the Name of the Trust and operate such accounts and investments;

(9) Monitor the progress of the utilization of Trust funds.

(10) Place the audited accounts along with an Annual Report before the Governing Council for its approval within 60 days of close of financial year.

(11) Lay down and approve procedures for the functioning of the Trust.

(12) Appointing employees and auditors as per the directions of the Settlor, however, these appointments shall require ratification by the Governing Council.

(13) Prepare and maintain a website on which, inter-alia, following information will be hosted and kept updated:-

(a) Details of composition of the Trust/bodies of Trust (if any);

(b) List of areas and people affected by mining;

(c) Quarterly details of all contributions received from lessees and others;

(d) All meeting agenda, minutes and action taken reports of the Trust;

(e) Annual Plans and budget, work orders, Annual Report;

(f) Online status of ongoing works – implementation status/progress of all the projects/programs being undertaken should be made available on the website, including description of work, details of beneficiaries, estimated cost, name of implementing agencies, expected date of commencement and completion of work, financial and physical progress up to last quarter etc.;

(g) List of beneficiaries under various welfare programs; and

(h) Voluntary disclosures under Right to Information Act, 2005 (No. 22 of 2005).

(14) Do all other things that are necessary for smooth functioning and management of the Trust.

15. Meetings of the Managing Committee. - (1) The Meeting of the Managing Committee shall be held at least four times in a financial year and it shall be convened as decided by the Chairperson.

(2) The Quorum for such meeting shall be one third of the total members of the Managing Committee, if quorum for meeting is not fulfilled, then meeting shall be postponed for half an hour and shall be re convened at same place on same day for which condition of quorum shall not be applicable.

CHAPTER-IV
STATE LEVEL MONITORING COMMITTEE

- 16. Composition.** - (1) There shall be a State Level Monitoring Committee under the Chairmanship of The Chief Minister to lay down the broad policy framework to guide the overall functioning of the Trusts of all districts.

(2) The State Level Monitoring Committee shall comprise of the following members:-

S.No.	Details of the Members	Designation
(1)	(2)	(3)
1.	The Chief Minister	Ex officio Chairman
2.	Minister for Finance	Ex officio Member
3.	Minister for Agriculture	Ex officio Member
4.	Minister for Forest	Ex officio Member
5.	Minister for Panchayati Raj and Rural Development	Ex officio Member
6.	Minister for Public Health And Engineering	Ex officio Member
7.	Minister for Tribal Development	Ex officio Member
8.	Minister for School Education	Ex officio Member
9.	Minister for Health and Family Welfare Department	Ex officio Member
10.	Chief Secretary	Ex officio Member
11.	Secretary, Mineral Resources	Ex officio Member Secretary

- (3) With the permission of the Chairman such members may be invited from time to time as special invitees of the committee as the Chairman may deem fit.

- 17. Power and Functions of the State Level Monitoring Committee.-** The State Level Monitoring Committee shall -

- (1) Supervise and monitor the functioning of the trusts of all Districts in conformation with the objects of the Trust.
- (2) Distribute the Contribution Fund received from a mine or cluster of mines among the districts affected by mining related operations of that mine or cluster of mines.
- (3) Shall cause to make an online monitoring system through a portal that contains all the annual plans, sanctions and approvals given by the Trust.
- (4) Shall ensure maximum transparency through use of e-governance measures in the spending and monitoring of the Trust Fund.

CHAPTER-V
MANAGEMENT OF THE CONTRIBUTION
FUND AND TRUST FUND

- 18. The Contribution Fund.** - (1) The Contribution Fund shall be maintained by the Managing Committee of the Trust. The Contribution Fund shall comprise of the funds collected through contribution from the holders of a mining lease or a composite licence (prospecting licence-cum-mining lease) in the case of Minerals or a mining lease or a quarry lease or a quarry permit or composite licence (prospecting licence-cum-mining lease) in the case of Minor Minerals in the District.
- (2) The Contribution Fund shall be kept in one or more scheduled commercial Banks approved by the Reserve Bank of India for keeping such public funds only in the name of the Trust and all accounts shall be operated under the joint signatures of the Chairperson of the Managing Committee and the Member-Secretary of the Managing Committee. The Managing Committee of the Trust shall maintain the books of accounts of this Fund.
- 19. The Trust Fund.** - The Trust Fund of the District Mineral Foundation Trust would include the following: -
- (1) The Initial Settlement made by the Settlor;
 - (2) Any grant, contribution or other capital assistance received from the Settlor or from any other Agency, Institution or Person;
 - (3) Such share of the **Contribution Fund** as defined in clause 2 (1) (f) of this Deed from a mine or a cluster of mines as decided by the State Level Monitoring Committee.
 - (4) Investments and other deposits and the interest accrued thereon and any other income derived there from;
 - (5) All other Properties of the Trust and the Income derived there from or appreciation thereof; and
 - (6) Funds received from the **Contribution fund** of other districts as decided by The State Level Monitoring Committee.
- 20. Operation of the Trust Fund.** - The Trust Fund shall be kept in one or more scheduled commercial Banks approved by the Reserve Bank of India for keeping such public funds only in the name of the Trust and all accounts shall be operated under the joint signatures of the Chairperson of the Managing Committee and the Member-Secretary of the Managing Committee. The Managing Committee of the Trust shall maintain the books of accounts of this Fund. This account shall be maintained separately from the Contribution Fund.
- 21. Expenditure from the Trust Fund.** - The Funds available with the Trust shall be used for:-
- (1) The overall development of the area affected by mining or mining related operations in accordance with the Annual Action Plan prepared by the Managing Committee and approved by the Governing Council of the Trust for the purpose;
 - (2) At least 60 % of the funds available with the Trust shall be utilized for High Priority areas like:-
 - (a) **Drinking water supply:-** centralized purification systems, water treatment plants, permanent/temporary water distribution network including standalone facilities for drinking water, laying of piped water supply system.
 - (b) **Environment preservation and pollution control measures:-** 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 & surface pollution control mechanisms required for environment-friendly and sustainable mine development.

(c) **Health care:-** the focus must be on creation of primary / secondary health care facilities in the affected areas. The emphasis should not be only on the creation of the health care infrastructure, but also on provision of necessary staffing, equipment and supplies required for making such facilities effective. To that extent, the effort should be to supplement and work in convergence with the existing health care infrastructure. The expertise available with the National Institute of Miners' Health may also be drawn upon to design special infrastructure needed to take care of mining related illnesses and diseases. Group Insurance Scheme for health care may be implemented for mining affected persons.

(d) **Education:-** construction of educational institutes and vocational training centres, 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 for students (bus/van/cycles/rickshaws etc.) and nutrition related programs.

(e) **Agriculture and allied activities:-** Development of activities related to agriculture & allied activities and agro forestry. Assistance to farmers through provision of seed mini kits, financial assistance for agricultural implements and micro irrigation facilities including drip irrigation, financial assistance for bore wells and pump energisation. Assistance to farmers for allied activities of agriculture such as dairy, poultry, fisheries agro forestry etc. Forest right holders under the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 (No. 2 of 2007) shall also eligible for these assistance.

(f) **Welfare of Women and Children:-** Special programmes for addressing problems of maternal and child health, malnutrition, infectious diseases, etc.

(g) **Welfare of aged and disabled people:-** Special program for welfare of aged and disabled people.

(h) **Skill development and Employment:-** skill development for livelihood support, income generation and economic activities for local eligible persons. The projects /schemes may include training, development of skill development centre, self employment schemes, support to Self Help Groups and provision of forward and backward linkages for such self-employment economic activities, promotion of Innovation, Entrepreneurship and Assistance to Incubation centre.

(i) **Sanitation :-** collection, transportation & disposal of waste, cleaning of public places, provision of proper drainage & Sewage Treatment Plant, provision for disposal of faecal sludge, provision of toilets and other related activities.

(3) Rest 40% of the Trust funds shall be spent on other priority areas like:-

(a) **Physical infrastructure-** providing required physical infrastructure such as roads, bridges, railways, waterways, airports, industrial parks/ clusters and other industrial infrastructure etc.;

(b) **Irrigation** - developing of irrigation, adoption of suitable and advanced irrigation techniques;

(c) **Energy and Watershed Development-** Electrification of households from conventional electricity and renewable sources of energy and strengthening of electricity infrastructure. 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.

(d) Any other infrastructure work that the State Government may direct from time to time.

(4) Various development and infrastructure related projects of Government departments, Corporations and Boards through direct funding method, Public Private partnership mode ;

(5) Matching/gap filling of arrangement for qualified human resources like doctors, paramedics and teachers etc;

(6) Supplementing Government schemes/ programmes related to areas mentioned in sub-clause (2) and (3);

(7) Training and capacity building of Gram Sabhas for planning and monitoring of various developmental schemes executed under the Trust Funds;

(8) An amount not exceeding 5% or Rs. one crore whichever is less of the Trust Fund actually received by the Trust in the financial year in a District may be spent by the Trust for meeting its administrative or establishment expenses in that financial Year:

Provided that the upper limit for meeting its administrative or establishment expenses may be increased from time to time by the Settlor; and

(9) A reasonable sum of annual receipt should be kept as endowment for providing sustainable livelihood.

22. Works prohibited. - The State Level Monitoring Committee may prohibit certain work/works or activities which may not be beneficial to fulfil the objectives of the Trust.

23. Charging of expenses. - The Trustees shall be entitled to charge the Trust Fund with the following expenses:-

(1) All expenses properly incurred in the operation or execution of the Trust and for the realization, preservation or benefit of the investments and assets comprising of the Trust Fund and for the protection of the interests of the Trust;

(2) All expenses (including expenses incidental to execution and/or registration of any agreement or other deeds) incurred by the Trustees for obtaining the Contributions and/ or any other resources, which may accrue;

(3) All expenses in connection with any legal proceedings by or against the Trustees concerning the affairs of the Trust including professional fees and costs of any legal adviser;

(4) All legal and statutory expenses incurred in the operation or execution of the Trust including all levies, duties and other charges paid/ payable in connection with the affairs of the Trust; and

(5) All expenses in connection with the holding of its meetings, and other proceedings and expenditure incurred on planning, execution, inspections, reviews and preparation of projects, hiring of consultants, third party inspections, auditors and such other expenses incidental thereof.

24. Accounts and Audit. - (1) The Managing Committee shall maintain or cause to be maintained proper books of accounts, documents and records with respect to the Trust Fund to give a true and fair picture of the affairs of the Trust;

(2) The accounts of the Trust shall be audited at least on completion of year by a qualified auditor;

(3) The auditors of the Trust shall be appointed by the Governing Council from the List of Chartered Accountants empanelled by Comptroller and Auditor General of India, on such terms and conditions as decided by the Governing Council;

- (4) The auditors may be removed and replaced by the Governing Council;
- (5) The Settlor may appoint an auditor or auditors or may request the Accountant General of the State for audit of a particular year or period on such terms as the Settlor may so decide;
- (6) The Trust shall forward the approved Budget and Annual Plan along with approved Schemes and Projects for the next financial year, to the Zila Panchayat, District Administration and the State Government for publication on their respective websites;
- (7) The Trust shall prepare a quarterly progress report in physical and financial terms in respect of the approved Schemes and Projects within 45 days of the close of the quarter and forward it to the Zila Panchayat and District Administration, immediately thereafter for publication on their respective websites;
- (8) Every year, within three months from the date of closure of the financial year, the Trust shall cause to prepare an Annual Report on its activities for the respective financial year and place it before the Trust;
- (9) The Trust shall forward the approved Annual report and the approved Audit Report immediately after their approval by the Governing Council within three months of close of Financial Year to the Zila Panchayat, and to the State Government along with Audit Report for publication on their respective websites; and
- (10) The Annual Report will be submitted to the Government within one month from the date of its approval by the agencies above and will also be hosted on the website of the Trust.

CHAPTER-VI

ADMINISTRATIVE ARRANGEMENTS

- 25. Arrangement of the Staff.** - (1) Departments of the State Government shall provide services of the personnel under their control including employees working in the District in various departments for management of the Trust and for execution of the Annual Plan as may be required for the purpose.
- (2) The Trust may request the Settlor to provide required number of core personnel from its departments or from regular employees of the State Government or such other cadre, for providing administrative and technical assistance to the Trust. Services of such personnel shall continue to remain in their own respective cadres. This expenditure would be within the 5% given in the Chhattisgarh Mineral Foundation Trust Rules for administrative and establishment expenses.
- (3) The Settlor shall have the power to determine the service conditions of officials and auditors to manage the day to day affairs of the trust. However these powers may be delegated by the Settlor to the Trust from time to time.
- (4) The Settlor shall have the power to decide the setup of the staff to run the trust in the District and decide whether to recruit the staff or take on deputation or appoint on contractual basis.
- (5) The Trust may also engage service providers to outsource such services as may be needed for smooth functioning of the Trust and may provide for incurring contingent expenditure for its functioning.
- 26. Liability of Trustees.** - (1) The Trustees shall not be liable on account of anything done in good faith with due diligence. The Trustees shall also not be liable or responsible for any banker, broker, custodian or other person in whose hands any security, in good faith, be deposited or placed nor for the deficiency or insufficiency in the value of any investments of the Trust Fund nor otherwise for any involuntary loss.

(2) The Trustees and every attorney or agent appointed by the Trustees, shall be entitled to be indemnified out of the Trust Fund in respect of all liabilities, losses and expenses incurred in execution of the Trust, other than those arising out of gross negligence and/or willful misconduct, provided that such indemnity shall not in any event exceed the total of the Contributions.

27. Trustees Remuneration. - The Trustees shall not be entitled to any remuneration for their services. The Nominated Members among the Trustees shall be paid a certain fee decided by the Settlor as sitting fee per meeting for the actual Trust meetings attended by them. Ex Officio members of the Trust are not entitled for any such sitting fee.

28. Execution of Works / Contracts. - (1) Works/goods may be procured by the Trust after following the due procedure prescribed by the State Government for such procurement.

(2) As far as possible, the works undertaken by the Trust shall be executed only through Government departments, agencies and public sector undertakings normally undertaking such works which will follow the relevant norms applicable to the organization while executing or awarding contracts.

(3) Technical approval and supervision of the work will be looked after by officers competent to do so under the administrative delegation of powers as applicable to the department concerned.

(4) In respect of such works which cannot be executed through Government departments, agencies or public sector undertakings, the Managing Committee may award the work to any other competent and sound agencies following a transparent process, after obtaining prior approval of the Governing Council.

(5) Transfer of fund to all agencies and beneficiaries shall be into their bank account.

CHAPTER-VII

MISCELLANEOUS

29. Special Provisions for Schedule Areas. - In respect of villages affected by mining situated within the scheduled areas-

(1) Approval of the Gram Sabha shall be required:-

(a) For all plans, programs and projects to be taken up by Gram Panchayats;

(b) Identification of beneficiaries under the existing guidelines of the Government.

(2) Report on the works undertaken in the respective village shall be furnished to the Gram Sabha after completion of every financial year.

30. Amendment to the Trust Deed. - The Trust deed may be amended from time to time by the Trustees only with the prior concurrence of the Settlor and not otherwise.

31. Power of Settlor to include or ban any scheme/ project. - The Settlor shall have power to include/ban any scheme/project or a concept aimed at the welfare of the areas and people affected by mining or mining related operations.

32. Clarification. - Any clarifications so required for proper and smooth implementation of this Trust Deed shall be issued by the Settlor as and when required.

33. **The Seal of the Trust.** -The Trustees, in a meeting of the Governing Council may decide to provide a Seal for the purpose of the Trust and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The Seal of the Trust shall remain in the custody of the Chairperson of the Managing Committee and the Chairperson shall have the authority to use the same for and on behalf of the Trust.
34. **Revocation.** - This Trust is revocable at the discretion of the Settlor. The Trust shall continue to exist till such time as may be decided by the Settlor. At the time of extinguishment of the trust, all the assets and liabilities of the Trust shall be transferred to the State Government.
35. **Power of Government to relax the operation of this deed.** - State Government may, for the reasons to be recorded, and by an order in writing, relax the application of any of the provisions of this deed to such extent and subject to such conditions as may be specified in the said order.

SCHEDULE

At present, the Trust has no property or assets, either movable or immovable, other than the Trust Fund and the immovable properties, donated by the SETTLOR, as described in the Schedule below:

1. **Cash contribution to the Corpus Fund of the Trust of Rupees -----**
(in words Rupees -----
only)
2. **Properties of -----**
3. **Assets of -----**

IN WITNESS whereof the parties hereto have executed this deed on the day and year first hereinbefore appearing.

Signed and Delivered on behalf of the SETTLOR.

Name
Secretary,
Mineral Resources Department,
Government of Chhattisgarh

Witnesses:

(1) Signature: -----

Name:

Address:

(2) Signature: -----

Name:

Address;

SIGNATURE OF FIRST TRUSTEES

1. Signature: -----

Name:

Address:

2. Signature: -----

Name:

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3. Signature: -----

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4. Signature: -----

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11. Signature: -----

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12. Signature: -----

Name:

Address: