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Haryana District Mineral Foundation Rules, 2017

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*[Authorised English Translation]***HARYANA GOVERNMENT****MINES AND GEOLOGY DEPARTMENT****Notification**

The 19th December, 2017

No. S.O.74/C.A. 67/1957/Ss. 9A, 15 and 15A/2017.— In exercise of the powers conferred by section 9B, sub-section (4) of section 15 and 15A of the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957), the Governor of Haryana hereby makes the following rules, namely:-

1. These rules may be called the Haryana District Mineral Foundation Rules, 2017. Short title.
2. (1) In these rules, unless the context otherwise requires,- Definitions.
 - (a) **“Act”** means the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957);
 - (b) **“affected area”** means the areas affected due to mining related operations;
 - (c) **“affected people”** means the persons affected due to mining related operations;
 - (d) **“auditor”** means the Chartered Accountant appointed by Foundation and include the Principal Accountant General;
 - (e) **“Chairperson”** means the Chairperson of the Foundation;
 - (f) **“Committee”** means a committee constituted by the Government consisting of one officer each from the department of Forest, PWD(B&R), Panchayati Raj, Health Department, Haryana State Pollution Control Board, Education Department & Social Welfare Department not below the rank of officer of district level;
 - (g) **“contribution”** means the contribution collected or to be collected from the holders of major or minor mineral concessions in the district at such percentage of contract money/dead rent/royalty as specified by the Central Government or State Government;
 - (h) **“Deputy Commissioner”** means the Deputy Commissioner of the concerned district;
 - (i) **“Foundation”** means the District Mineral Foundation constituted under rule 4;
 - (j) **“Fund”** means the fund of the Foundation;
 - (k) **“Governing council”** means the council consisting of all the members of the Foundation;
 - (l) **“Managing Committee”** means the committee consisting of all members of the Foundation except the nominated members;
 - (m) **“Government”** means Government of the State of Haryana in the administrative department;
 - (n) **“holder of mineral concession”** means the holder of the mining lease or mining contract of any mineral;
 - (o) **“Year”** means a financial year commencing from the 1st April and ending on 31st March of the following year;

(2) Words and expressions used but not defined in these rules shall have the same meaning as assigned to them under the Mines and Minerals (Development and Regulation) Act, 1957.

Composition
of Foundation.

3. The District Mineral Foundation in a district shall consist of the following members, namely:-

	Ex-officio members	
1	2	3
1	Deputy Commissioner	Chairperson
2	Additional Deputy Commissioner	Vice-Chairperson
3	Member Parliament of concerned district	Member
4	All members of Legislative Assembly in the district	Members
5	Assistant Mining Engineer/ Mining Officer, as the case may be	Member Secretary
6	Divisional Forest Officer	Member
7	Executive Engineer, PWD (B&R)	Member
8	Executive Engineer, Panchayati Raj	Member
9	Chief Medical Officer of the district	Member
10	Regional Officer, Haryana State Pollution Control Board	Member
11	District Education Officer	Member
12	District Social Welfare Officer	Member
	Nominated Members	
13	Two representatives, one from Major Mineral and another from Minor Mineral, Concession holders	Member
14	One representatives, from Mineral Processing Industries	Member
15	Two representatives from the community of affected person of affected areas	Member
16	One representative of mine workers	Member
17	Technical mining person having experience of ten years in mining working in the district	Member
18	Any other officer/eminant person to be nominated by the Chairman with the approval of the Government.	Member

Management of
Foundation.

4. The management of the Foundation shall vest in a Governing Council which shall consist of all members including nominated members of the foundation. The Foundation shall act in accordance with the direction and guidelines issued by the Government from time to time.

Meetings of
Governing
Council.

5. (1) The meeting of Governing Council shall be convened by the Chairman at least once in every quarter.
(2) The quorum for meeting shall be one-third of the total members.
(3) All the decisions by the Foundation shall be taken in the meeting of the Governing Council by the majority of the members present and if required, by voting. In case of the tie, the Chairperson shall have a casting vote. Every meeting of the Governing Council shall be deemed to be a meeting of the Foundation.

Terms and
conditions of
appointment
and service of
nominated
members.

6. (1) The nominated members shall hold office for a period of three years and the Chairperson may renew the appointment of a nominated member for one term.
(2) Any nominated member may resign his office by writing under his hand addressed to the Government but shall continue in office until his resignation is accepted.
(3) The nominated members shall receive allowances to meet the expenses for attending the meetings in accordance with Haryana Civil Services Rules applicable to Class-1 officers of the State.
(4) The nominated members shall not be entitled to any remuneration.

Any vacancy
not to affect
function of
Foundation.

7. Any vacancy arisen in the Foundation due to expiration of term, resignation, removal, disqualification, death or any reasons whatsoever, shall not affect the functions of the Foundation.

- 8.** A nominated member shall be disqualified if he,-
- (a) has been convicted and sentenced to imprisonment for an offence which in the opinion of the Government involves moral turpitude;
- (b) is of unsound mind and stands so declared by a competent court;
- (c) is an undischarged insolvent;
- (d) has been removed or dismissed from service of the Central Government or a State Government or a body or corporation owned or controlled by the Central Government or a State Government;
- (e) has directly or indirectly by himself or as partner, has any private share or private interest in any work done by the order of the Foundation or in any contract or employment with or under or by or on behalf of the Foundation; or
- (f) is employed as a paid legal practitioner on behalf of the Foundation or accepts employment as legal practitioner against the Foundation.
- Disqualification of member.
- 9.** The Government may remove a nominated member if,-
- (a) he becomes subject to any of the disqualifications prescribe in rule 8;
- (b) he without obtaining leave of absence from the Foundation, absents from three consecutive meetings of the Foundation;
- (c) in the opinion of the Government has so abused his position as to render his continuance in office detrimental to the public interest:
- Provided that no member shall be removed under this clause unless he has been given an opportunity of making his representation against the proposal.
- Removal of nominated member.
- 10.** The Governing Council shall be responsible for,-
- (i) laying down the broad policy framework and its review, subject to such directions and guidelines as issued by the Government, from time to time;
- (ii) drawing up and approving of annual action plan containing the list of schemes and projects with the tentative provisions thereof and the annual budget;
- (iii) approving the annual budget plan and in preparing thereof for the next financial year and shall asses the sum total of the Past Commitment and liabilities;
- (iv) maintaining financial discipline and timely completion of project;
- (v) approving such other expenditure in furtherance of the objects of the Foundation from the available Fund in accordance with these rules.
- (vi) approving the recommendations of the Management Committee;
- (vii) approving the annual report and audited accounts of the Foundation preferably within ninety days but not exceeding one eighty days of the close of the previous year.
- (viii) preparing and maintaining an updated list of affected persons.
- Powers and function of the Governing Council.
- 11.** (1) The day to day management of the Foundation shall be managed by a Managing Committee, which shall consist of all the members of the Foundation except the nominated members.
- (2) The Managing Committee shall,-
- (i) exercise due diligence in carrying out its duties for protecting the interest and contribution of the Foundation;
- (ii) ensure timely collection of contribution from holders;
- (iii) get the master plan or vision Document for the activities of the Foundation prepared by the committee;
- (iv) assist in the preparation of the annual plan and annual budget of the Foundation along with the proposed schemes and projects;
- (v) supervise and ensure the execution of the Annual Plan, Schemes and Projects approved by the foundation;
- (vi) accord sanction to the projects;
- (vii) operate the Fund through Accounts in the name of the Foundation in the Government Scheduled Nationalised Bank with prior approval of the Government;
- (viii) monitor the progress of the utilization of the Fund;
- (ix) place the audited accounts along-with an annual report before the Governing Council for its approval within ninety days of close of the year;
- (x) do such other things which are necessarily for smooth functioning and management of the Foundation;
- Power and function of Managing Committee.
- 3.** The meeting of the foundation shall be held at least once every quarter.

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| Fund. | <p>12. (1) There shall be credited to the said Fund;</p> <ul style="list-style-type: none"> (i) all grants, subventions, donations and gifts made by the Central Government, State Government, any local authority or anybody, whether incorporated or not or any person; (ii) the amount borrowed by the Foundation with prior approval of the Government; (iii) all other sums received by or on behalf of the Foundation from any source whatsoever; (iv) the contribution received in respect of major mineral; (v) one third of total amount received under Mines and Mineral Development and Regulation Fund established in accordance with Haryana Minor Mineral Concession, Stocking, Transportation of Minerals and Prevention of illegal Mining Rules, 2012 in respect of minor minerals. (vi) investments and other deposits and the interest accrued thereon and any other income derived therefrom; and (vii) all other properties of the Foundation and the income derived therefrom or appreciation thereof. <p>(2) The payment towards foundation shall be collected from contractors/ lessees in the district, in advance alongwith monthly instalments and shall be directly deposited in the account of the foundation. If any difference amount is accrued at the time of assessment of royalty, the same shall be deposited in the account of foundation immediately.</p> |
| Operation of Fund. | <p>13. The Fund shall be kept in interest bearing account in Government Scheduled Nationalised Bank only in the name of Foundation and all accounts shall be operated under the joint signatures of the two designated signatories, one to be nominated by the Chairman and other is Member Secretary. The Foundation shall maintain the books of accounts of Fund.</p> |
| Utilization of Fund. | <p>14. The Fund shall be utilised in the following manner, namely:-</p> <ul style="list-style-type: none"> (1) twenty percent of the fund shall be kept aside as endowment for taking care of future expenses after mining activities have ended in the area as per the guidelines issued by the Government from time to time. (2) Sixty percent of the fund shall be utilised for the following:- <ul style="list-style-type: none"> (a) for 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) for centralized 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 noise, air and dust pollution caused by mining operations and dumps, mine drainage system, mine pollution prevention technologies, and measures for working or abandoned mines, restoration, reclamation and rehabilitation of mined out areas and other air, water and surface pollution control mechanisms required for environment-friendly and sustainable mine development. (c) for welfare, improvement and protection of health conditions of local mine workers affected by mining operation related health hazards. (d) ex-gratia payment to the eligible patients legal heirs; (e) for regular health check up camps; (f) for Group Insurance Scheme for health care for affected persons; (g) for primary/secondary health care facilities in the affected areas and for updation of existing health care infrastructure of the local bodies, State and Central Government. (h) for construction of school building, additional class rooms, laboratories, libraries, art and crafts room, toilet blocks, residential hostels for students/teachers in remote areas, sports infrastructure, engagement of teachers/other supporting staff, e-learning setup, other arrangement of transport facilities (bus/van/cycles/rickshaws/etc) shall be taken up and further nutrition related programs; (i) for welfare of Women and Child- Special programmes for addressing problems of maternal and child health, malnutrition, infectious diseases, etc; (j) for welfare of aged and disabled persons; |

- (k) for skill development for livelihood support, income generation and economic activities for local eligible persons shall be taken up. This shall include training, development of skill development centre, self-employment schemes and support to self help groups and provision of forward and backward linkages for, such self-employment economic activities;
- (l) for sanitation, collection, transportation and disposal of waste, cleaning of public places, provision of proper drainage and sewage treatment plant, provision for disposal of fecal sludge provision of toilets and other related activities;
- (3) Twenty percent fund shall be utilised,-
 - (a) for providing roads, bridges, railways and waterways projects;
 - (b) for developing alternate sources of irrigation, adoption of suitable and advanced irrigation techniques;
 - (c) for development of alternate sources of energy (including micro-hydel) and rainwater harvesting system, Development of plantation, orchard, integrated farming and economic forestry and restoration of catchments:

Provided that while using funds as per sub-rule (2) and (3) atleast 60% of fund shall be spent on directly affected areas.

15. The Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) as notified shall be implemented by the Foundation of the respective districts using the funds accruing to the Foundation as per the guidelines of the Yojana issued by the Government of India from time to time.

Pardhan
Mantri Khanij
Kshetra
Kalyan Yojna
(PMKKKY).
Identification
of affected
areas and
people.

16. (1) Affected area shall comprise of-
- (a) Directly affected areas- where direct mining-related operations such as excavation, mining, blasting, beneficiation and waste disposal, (overburdened dumps, tailing ponds, transport corridors etc.), are located and shall include the followings, namely:-
 - (i) villages and gram panchayats within which the mines are situated and are operational. Such mining areas may extend to neighbouring village, block or district;
 - (ii) an area within such radius from a mine or cluster of mines, as may be specified by the Government, irrespective of whether this falls within the district concerned or adjacent district;
 - (iii) villages in which families displaced by mines have been resettled or rehabilitated by the project authorities;
 - (iv) villages that 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.
 - (b) **Indirectly affected areas-** Those 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 may 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.
- (2) **Affected people:-**
- (a) The following shall include 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. (Central Act 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. (Central Act. 30 of 2013)
 - (b) persons affected by mining shall include people who have legal and occupational rights over the land being mined and also those with usufruct and traditional rights;
 - (c) affected families shall be identified, as far as possible, in consultation with local/elected representatives of Gram Panchayat or the Urban Local Body, as the case may be.

- Implementation of Works or contracts. **17.** (1) The works undertaken by the Foundation shall be executed only through Government Departments, agencies and public sector undertakings normally undertaking such works which shall follow the relevant norms and procurement procedures as may be applicable to the Government projects implemented by the organisation while executing or awarding contracts.
- (2) Technical approval and supervision of the work shall be looked after by officers competent to do so under the administrative delegation of powers as applicable to the Department concerned.
- (3) In respect of such works which may be executed through Government Department, agencies or public sector undertakings, the Executive Committee may award the work to any other competent and sound agencies following a transparent process, after obtaining prior approval of the Governing Council.
- Compliance of transparency. **18.** The Government shall develop a web-portal for **Foundation** of each district which shall host and keep updated the following, namely: -
- (i) details of composition of the Foundation;
- (ii) list of areas and people affected by mining;
- (iii) quarterly details of all contribution received from leases and contracts;
- (iv) all meeting agenda, minutes and action taken reports (ATRs) of the Foundation;
- (v) annual Plans and Budget;
- (vi) annual Report of the Foundation;
- (vii) status of ongoing works including description of work, details of beneficiaries, estimated cost, name of implementing agencies, expected date of commencement and completion of work and financial and physical progress up to last quarter;
- (viii) list of beneficiaries made under various welfare programs taken up by the Foundation;
- (ix) voluntary disclosures under Right to Information Act, 2005.
- Express. **19.** The following expenses of the Foundation shall be met from the Fund, namely:-
- (a) all expenses properly incurred in the operation or execution of the works of the foundation and for the realisation, preservation or benefit of the investments and assets comprising the fund and for the protection of the interests of the foundation;
- (b) all expenses (including expenses incidental to execution and/or registration of any agreement or other deeds) incurred by the members for obtaining the contributions and or any other resources;
- (c) all expenses in connection with any legal proceedings by or against the member concerning the affairs of the foundation including professional fees and costs of any legal advisor;
- (d) all legal and statutory expenses incurred in the operation or execution of the foundation including all levies, duties and other charges paid/payable in connection with the affairs of the Foundation;
- (e) all expenses in connection with the holding of its meetings and other proceedings as per norms of the Government;
- (f) the operation of the Fund shall be 100% cash less and in no case shall any amount above ₹5000/- be paid except electronically through Real Term Gross Settlement (RTGS)/other valid and legal mode.
- Accounts and audit. **20.** (1) The annual accounts of the Foundation shall be prepared within ninety days of the close of the financial year. The accounts of Foundation shall be internally audited every year by a Auditor appointed by the Foundation.
- (2) After the audit by the Auditor, the accounts shall be audited by the Principal Accountant General (Audit), Haryana.
- (3) Audit under sub-rule (1) shall be got completed within three months of the close of the financial year and the audit under sub-rule (2) shall be got completed within six months of the close of the financial year.
- Provided that with prior approval of the Government the completion of audits at sub-rules (1) and (2) put together could be extended up to a period of nine months from the close of the financial year.
- Annual report. **21.** (1) Within nine months from the date of closure of the financial year, the Member Secretary of the Foundation shall cause to prepare an Annual Report on its activities for the respective financial year and place it before the Foundation:

Provided that with prior approval of the Chairman, this period of nine months may be extended by a period of another three months.;

- (2) The Annual Report shall be submitted to the Government within one month from the date of its approval by the Foundation and shall also be hosted on the website of the Foundation;
- (3) The Annual Report of each Foundation shall be laid before the Houses of the State Legislature in its next session following the month in which the Annual Report is received by the Government.
- 22.** (1) The Government shall provide such services of the personnel working under their control for management of the Foundation and for execution of the Annual Plan, as may be required for the purpose. Administrative arrangement.
- (2) the Foundation may request the Government to provide required number of core personnel from its departments/undertakings for providing administrative and technical assistance to the Foundation. Services of such personnel shall continue to remain in their own respective cadres.
- (3) The Foundation may also ask service providers to provide such services as may be needed for smooth functioning of the Foundation and may provide for incurring contingent expenditure for its functioning.
- 23.** The ex-officio Members shall not be liable on account of anything done in good faith, bonafide with due diligence. The Members shall also not be liable or responsible for any banker, broker, custodian or other person in whose hands the same may, in good faith, be deposited or placed nor for the deficiency or insufficiency in the value of any investments of the Fund nor otherwise for any involuntary loss. Liability of Members.
- 24.** (1) The following State Level Review Committee shall review the works undertaken by the Foundation on yearly basis. State Level Review Committee.

Serial No.	Name/Designation of the Officer	Status
1	2	3
1	Principal Secretary to Government, Haryana, Mines and Geology Department;	Chairman
2	Representative of the Finance Department not below the rank of Special Secretary;	Member
3	Representative of the Environment Department, not below the rank of Director;	Member
4	Representative of the Forest Department, not below the rank of Additional Principal Chief Conservator of Forest;	Member
5	Representative of the Health Department, not below the rank of Special Secretary or the Director General;	Member
6	Representative of Panchayat and Development Department, not below the rank of Special Secretary or the Director;	Member
7	Engineer-in-Chief (PWD)B&R Haryana;	Member
8	Engineer-in-Chief (PWD) Public Health;	Member
9	Director, Mines and Geology, Haryana;	Member Secretary
10	State Mining Engineer, Mines and Geology Department, Haryana;	Member
11	Any other officers/s of other concerned departments and/or representatives of the Mineral Concession holders of the area concerned as may be decided by the Committee or the Chairman	Special Invitee

- (2) The State Level committee shall review all the works/activities executed by the foundation and shall ensure that all the works executed by the Foundation shall be in accordance with the provisions of these rules. The Committee shall review works/activities carried out by Foundation on yearly basis. The review committee shall submit its report to the Government.

A. K. SINGH,
Principal Secretary to Government Haryana,
Mines and Geology Department.