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## PART-IIA

GOVERNMENT OF MEGHALAYA  
MINING AND GEOLOGY DEPARTMENT

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### NOTIFICATION

The 8<sup>th</sup> December, 2017.

**No.MG.47/2015/229.** - The Governor of Meghalaya is pleased to notify The Meghalaya District Mineral Foundation Rules, 2017 as follows:-

#### **THE DISTRICT MINERAL FOUNDATION RULES, 2017.**

In exercise of the powers conferred by sub section (4) of Section 15, Section 15A and Section 21 read with Section 9B of the Mines and Minerals (Development and Regulation) Act, 1957 as amended by the Amendment Act, 2015, the Government of Meghalaya hereby makes the following rules for the establishment of District Mineral Foundations, the manner of working and receipt of contributions thereto, in all mineral bearing districts, for the interest and benefit of persons and areas affected by mining related operations and for purposes connected therewith, as follows,-

1. **Short title & commencement.**- (1) These rules may be called “the Meghalaya District Mineral Foundation Rules, 2017.”
2. They shall come into force with effect from the date of their notification in the Official Gazette.

2. **Definitions.-** (1) In these rules, unless the context otherwise requires :-
- (a) "Act" means the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957) as amended;
  - (b) "Authorized Officer" means Director or Joint Director or Deputy Director or Mining Engineer or Divisional Mining Officer or Mining Officer or Mines Royalty Inspector or Assistant Mines Royalty Inspector or Engineer of the Mining & Geology Department for their respective jurisdiction or any other officer authorized in this behalf by the State Government by notification in the Official Gazette;
  - (c) "Central Government" means the Government of India;
  - (d) "Department" means Department of Mining & Geology, Government of Meghalaya;
  - (e) "Director" means Director of Mineral Resources, Government of Meghalaya;
  - (f) "DMF" means District Mineral Foundation established under this rule;
  - (g) "Governing Council" means all the trustees of the District Mineral Foundation;
  - (h) "Section" means section of the Mines and Minerals (Development and Regulation) Act, 1957 as amended;
  - (i) "State" means the State of Meghalaya;
  - (j) "State Government" means the State Government of Meghalaya;
  - (k) "Trust" means the District Mineral Foundation set up by State Government under sub-rule (1) of rule 3 of Meghalaya District Mineral Foundation Rules, 2017;
  - (l) "Year" means financial year beginning on April 1 and ending on March 31 of the following year or part period there of ending on March 31;
  - (m) "Gram Sabha" means "Local Authority" as defined in Section 2(g) of the Meghalaya Residents Safety and Security Act, 2016 (Act No. 6 of 2016); and
  - (n) "PMKKKY" means "Pradhan Mantri Khanij Kshetra Kalyan Yojana" notified by Ministry of Mines, Government of India vide notification No. 16/7/2015-M.VI (Part) dated 16<sup>th</sup> September, 2015 appended as Schedule -II.

(2) Words and expression 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, as amended.

3. **Constitution of District Mineral Foundation.-**

- (1) There shall be a Trust to be known as the District Mineral Foundation, constituted for each district of the State.
- (2) The Trust shall be a perpetual body and shall have a common seal.
- (3) The Deed of Trust (Form A appended hereto) shall be registered in each district by the Department or any person duly authorised on his behalf.
- (4) The Deed of Trust shall be read along with this Part for removal of any difficulties and operational issues.

4. **Composition of the District Mineral Foundation.-** (1) The Governing Council shall consist of the following members, namely;-

- (i) District Magistrate or Deputy Commissioner, who shall be its Chairperson and managing Trustee. - Chairman
- (ii) Additional Deputy Commissioner or Project Director, District Rural Development Agency. - Member
- (iii) Divisional Forest Officer. - Member
- (iv) District Medical & Health Officer. - Member
- (v) District Social Welfare Officer. - Member
- (vi) District AH and Veterinary Officer. - Member
- (vii) District School Education Officer. - Member
- (viii) District Agriculture Officer. - Member
- (ix) District Horticulture Officer. - Member
- (x) General Manager, District Commerce & Industries Centre. - Member
- (xi) Deputy Labour Commissioner. - Member
- (xii) Joint Director or Divisional Mining Officer or representative from Directorate of Mineral Resources. - Member Secretary
- (xiii) Executive Engineer Public Works Department (R) & (B). - Member
- (xiv) District Treasury Officer. - Member
- (xv) Representative of Secretary of the concerned Autonomous District Council. - Member

- (xvi) Five community representatives from areas affected by mining, nominated by the DMF.
- (xvii) One representative each from lease or permit holder of major or minor mineral, nominated by the District Governing Council.
- (2) The Chairperson may nominate or invite such other Officials to the meetings of the Council, as he may consider necessary.
- (3) The quorum for the Council shall be fifty percent of the members.
- (4) The Joint Director or Divisional Mining Officer, acting as convenor shall call for meetings of the Council.
- (5) The Council shall meet once every quarter in a financial year.
- (6) Membership of the District Governing Council will be for a maximum period of three years in respect of non official members. Members once nominated or selected can be re-nominated or reselected only after a gap of 10 years. This provision does not apply to government representatives.

5. **Powers and Functions of the Governing Council of the District Mineral**

**Foundation.**- There shall be a Governing Council for the overall control over the management and day to day functioning of the Trust shall, subject to the guidelines or directions, if any, issued by the State or Central Government from time to time, have the following powers and functions including but not limited to:

- (i) prepare and maintain an updated list of directly or indirectly affected areas by mining related operations;
- (ii) approve the list of beneficiaries identified in the manner as specified in these rules;
- (iii) approve the master plan or perspective plan;
- (iv) ratify the appointment of auditors and approve annual reports;
- (v) monitor the proper functioning of the Trust;
- (vi) approve the annual budget, audit report and annual plan of the Trust;
- (vii) grant administrative sanction for projects, release and disburse the Trust Fund;
- (viii) appoint and remove staff taken on outsourcing basis;
- (ix) supervision of execution of contracts and works and matters incidental thereto;
- (x) maintenance of proper books of accounts;

- (xi) exercise due diligence in carrying out its duties for protecting the interests of the Trust;
- (xii) ensure timely collection of Contribution Fund from the concerned Mining Lease Holders in accordance with the provisions of the Act;
- (xiii) all such other activities which are required for proper administration and working of the DMF; and
- (xiv) any other activity incidental to or connected with any of the powers and functions as stated above.

6. **Objectives of the Trust.**- The objectives of the Trust will be-

- (i) To work for the interest and benefit of persons and areas affected by mining related operations;
- (ii) To plan, allocate, and ensure effective utilization of the funds accruing to the District Mineral Foundation towards the implementation of the various developmental and welfare projects or programmes in mining affected areas;
- (iii) To minimise or mitigate the adverse impacts during and after mining, on the environment, health and socio-economics of people in mining districts;
- (iv) To ensure long term sustainable livelihoods for the affected people in the mining areas.

7. **Contributions to the Trust.**- (1) Amount received under sub-sections (5) and (6) of Section 9B of the Mines & Minerals (Development and Regulation) Act, 1957 as amended at rates as notified by Central Government.

- (2) By concession amount of payment under clause (C) of sub-section (4) of Section 15 of the Mines & Minerals (Development and Regulation) Act, 1957 as amended at the rate prescribed in the Schedule I appended to these rules.
- (3) Income from properties of the Trust.
- (4) Any other income which may accrue in the working of institution controlled by the Trust.
- (5) Contributions to District Mineral Foundation Trust may also be made through grants and aid by either the State or Central Government.

8. **Utilisation of the Funds of the District Mining Foundation.**- The funds available with the District Mineral Foundation shall be utilised covering the activities listed in Para 2 of PMKKKY for the affected areas and people to be identified in the manner prescribed in Para 1 of PMKKKY.

9. **Power to hold property.** - The Trust shall have the power to hold property both moveable and immovable property which are highly essential for its day to day functioning.
10. **Vacancies in the Trust.**- Any vacancy in the Trust shall not invalidate acts of the Trust.
11. **Audit.**- The accounts of the District Mineral Foundation shall be audited every year by the Chartered Accountant appointed by the Foundation, or in such a manner as the Government may specify, and the report thereof shall be placed in the public domain along with the Annual Report.
12. **Annual Report.**- (1) Every year, within three months from the date of closure of the financial year, the District Mineral Foundation shall cause to prepare an Annual Report on its activities for the respective financial year and place it before District Mineral Foundation.
- (2) The Annual Report will be submitted to the Government within one month from the date of its approval by the District Mineral Foundation and will also be hosted on the website of the Foundation.
- (3) The Annual Report of each District Mineral Foundation shall be laid before the State Legislative Assembly.

**T. DKHAR,**

Commissioner & Secretary to the Government of Meghalaya,  
Mining & Geology Department.

**Schedule -I**

[See sub-rule (2) of Rule 7]

30% of the Royalty paid in terms of the Schedule-IV to the Meghalaya Minor Minerals Concession Rules, 2016.

**SCHEDULE-II**  
**[See Rule 2(1) (n)+8]**

**Guidelines of Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) published  
vide No. 16/7/2015-M.VI (Part) Government of India, Ministry of Mines, New Delhi  
Shastri Bhavan dated 16<sup>th</sup> September, 2015.**

The Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) will be implemented by the District Mineral Foundations (DMFs) of the respective districts using the funds accruing to the DMF and as per provisions laid in Section 20A of the MMDR act, 1957, has directed to incorporate PMKKKY into the rules framed for DMF.

The overall objective of PMKKKY scheme will be (a) to implement various developmental and welfare projects/programs in mining affected areas, and these projects/ programs will be complementing the existing ongoing schemes/projects of State and Central Government; (b) to minimize/mitigate the adverse impacts, during and after mining, on the environment, health and socio-economics of people in mining districts; and (c) to ensure long-term sustainable livelihoods for the affected people in mining areas.

**1. Identification of affected areas and people to be covered under the PMKKKY.**

**1) Affected areas.**

- 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.), etc. are located.
  - a) Villages and gram panchayats within which the mines are situated and are operational. Such mining areas may extend to neighboring village, block or district on even state.
  - b) An area within such radius from a mine or cluster of mines as may be specified by the State Government, irrespective of whether this falls within the district concerned or adjacent district.
  - c) Villages in which families displaced by mines have resettled/rehabilitated by the project authorities.
  - d) 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. should be considered as directly affected areas.



- 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 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. The DMF shall prepare and maintain an updated list of such directly and indirectly affected areas by mining related operations.

## 2) **Affected people.**

- a. The following should include as directly affected persons:
  - a) ‘Affected family’ as defined under Section 3 (c) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.
  - b) ‘Displaced family’ as defined under Section 3 (k) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.
  - c) Any other as appropriately identified by the concerned gram sabha.
- b. Persons affected by mining should include 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 local/elected representatives of gram sabha.
- d. The DMF shall prepare and maintain an updated list of such affected persons/local communities.

## 2. **Utilisation of Funds.**

### 1) **Scope of PMKKKY.**

The PMKKKY may cover the activities listed below: High priority areas – at least 60% of PMKKKY funds to be utilized under these heads:

- 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 of the local bodies, state and Central government. 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 school buildings, Additional class rooms, Laboratories, Libraries, Art and crafts room, Toilet blocks, Drinking water provisions Residential Hostels for students/teachers in remote areas, sports infrastructure, engagement of teachers/other supporting staff, e-learning setup, other arrangement of transport facilities (bus/van/cycles/rickshaws/etc.) and nutrition related programs.
- e. Welfare of Women and Children- Special programmes for addressing problems of maternal and child health, malnutrition, infectious diseases, etc. can be taken up under the PMKKKY.
- f. Welfare of aged and disabled people – Special program for welfare of aged and disabled people.
- g. Skill development–skill development for livelihood support, income generation and economic activities for local eligible persons. The projects / schemes may include training, development of skill development center, self-employment schemes, support to Self Help Groups and provision of forward and backward linkages for such self-employment economic activities.
- h. Sanitation– collection, transportation & disposal of waste, cleaning of public places, provision of proper drainage & Sewage Treatment Plant, provision for disposal of fecal sludge, provision of toilets and other related activities.

**Other priority Areas – Up to 40% of the PMKKKY to be utilized under these heads**

- a. **Physical infrastructure** - providing required physical infrastructure - road, bridges, railways and waterways projects.
- b. **Irrigation** - developing alternate sources of irrigation, adoption of suitable and advanced irrigation techniques.
- c. **Energy and Watershed Development** - 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 measures for enhancing environmental quality in mining district.**

**2) General guidelines**

- a. The developmental and welfare activities to be taken up under the PMKKKY should be, as far as possible, in the nature of complementing the ongoing schemes/projects being funded by the State as well Central Government. Activities meant to be taken up under the 'polluter pays principle' should not be taken up under the PMKKKY. However, without prejudice to the powers of the Foundation, efforts shall be made to achieve convergence with the State and the District Plans so that the activities taken up by the Foundation supplement the development and welfare activities and are treated as extra-budgetary resources for the State Plan.
- b. An amount not exceeding 5% of the annual receipts of the Foundation subject to an upper limit fixed by state government may be utilised for administrative, supervisory and overhead costs of the Foundation. As far as possible, no temporary/permanent posts should be created under PMKKKY. Any creation of temporary/permanent posts and purchase of vehicle by the foundation shall require prior approval of the State Government. However, minimum required staff can be engaged on contractual basis.
- c. If the affected area of a mine in one district also falls in the jurisdiction of another district, such percentage of amount collected from the mine by the Foundation, as may be decided by the Government, shall be transferred to the Foundation of the other district concerned for taking up the activities in such areas. A project that is for benefit of the affected area/ people, but stretches beyond the geographical boundary of the district should be taken up under the PMKKKY after obtaining prior approval of the State Government. Projects for development of common infrastructure like construction of roads, bridges etc. in excess of the limits specified in regard to the priority for fund utilization, on a case to case basis, may also be taken up for projects of importance to the District. The prior approval of the State Government need to be

taken, with intimation to the Central Government, before taking up such works in excess of the limits of fund utilization.

- d. A reasonable sum of the annual receipts should be kept as endowment fund for providing sustainable livelihood.

### **3. Special provisions for scheduled areas**

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

In respect of villages affected by mining situated within the scheduled areas:

- (i) Approval of the Gram Sabha shall be required
  - a) for all plans, programs and projects to be taken up under PMKKKY.
  - b) identification of beneficiaries under the existing guidelines of the Government.
- (ii) Report on the works undertaken under PMKKKY in the respective village shall be furnished to the Gram Sabha after completion of every financial year.

[Gram Sabha will have same meaning as assigned to it for the purpose of implementation of the Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 (Act 40 of 1996)]

### **4. Implementation of Works / Contracts**

- (i) Works /goods may be procured by the DMF after following the due procedure prescribed by the respective state governments for such procurements.
- (ii) Transfer of fund to all agencies and beneficiaries shall be into their bank account.

### **5. Compliance of Transparency**

- (1) Each Foundation will prepare and maintain a website on which, inter-alia, following information will be hosted and kept updated:-
  - (i) Details of composition of the DMF/bodies of DMF (if any).
  - (ii) List of areas and people affected by mining.

- (iii) Quarterly details of all contributions received from lessees and others.
- (iv) All meeting agenda, minutes and action taken reports (ATRs) of the DMF.
- (v) Annual Plans and budget, work orders, Annual Report.
- (vi) Online status of ongoing works – implementation status/progress of all the projects/programs being undertaken under PMKKKY 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 upto last quarter etc.
- (vii) List of beneficiaries under various welfare programs.
- (viii) Voluntary disclosures under RTI Act.

## **6. Audit**

The accounts of the DMF shall be audited every year by the Chartered Accountant appointed by the DMF, or in such other manner as the Government may specify, and the report thereof shall be placed in the public domain alongwith the Annual Report.

## **7. Annual Report**

- a. Every year, within three months from the date of closure of the financial year, the DMF shall cause to prepare an Annual Report on its activities for the respective financial year and place it before the DMF.
- b. The Annual Report will be submitted to the Government within one month from the date of its approval by the DMF and will also be hosted on the website of the Foundation.
- c. The Annual Report of each Foundation shall be laid before the State Legislative Assembly.

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