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#### NOTIFICATION

No. B.19011/15/2017-C&I/GMR, Dated Aizawl, the 27<sup>th</sup> September, 2023: In exercise of the powers conferred under sub section (4) of section 15 and sections 15A read with section 9B of the Mines and Minerals (Development and Regulation) Act, 1957 (Act No. 67 of 1957) and in pursuance of the direction issued by the Government of India under Section 20A of the said Act to incorporate the provisions of Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY), the Government of Mizoram 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 herewith, namely: -

#### CHAPTER – I PRELIMINARY

1. Short title, extent and commencement.-
  - (1) These rules may be called the District Mineral Foundation Rules of Mizoram, 2023.
  - (2) They shall extent to the whole of Mizoram
  - (3) They shall come into force on the date of publication in the Official Gazette.
2. Application .-

These rules shall apply to -

  - (1) all major minerals as specified in the First Schedule of the Mines and Minerals (Development and Regulation) Act, 1957.
  - (2) all minor minerals specified in the First Schedule of the Mizoram Minor Minerals (Concession and Prevention of Illegal Mining) Rules, 2023.
3. Definitions .-
  - (1) In these rules, unless the context otherwise requires:
    - (a) "Act" means the Mines and Minerals (Development and Regulation) Act, 1957 (Act 67 of 1957), as amended from time to time;
    - (b) "affected areas" means the areas which are affected by mining operations specified in rule 10 ;
    - (c) "affected people" means the persons residing in mining operation affected areas specified in rule 11 ;

- (d) "auditors" means the Auditor/Chartered Accountant appointed by the Government, or in such other manner as the Government may specify;
  - (e) "beneficiaries" means the persons and areas affected by mining related operations undertaken in the area;
  - (f) "contribution" means the amount to be collected from:
    - (i) holders of mining lease or a prospecting license-cum-mining lease under the provisions of sub-section (5) of section 9B of the Act;
    - (ii) holders of mining lease under the provisions of sub-section (6) of section 9B of the Act; and
    - (iii) holders of minor mineral concessions under the provisions of section 15A of the Act in the District as may be prescribed by the State Government;
  - (g) "DISHA" means 'District Development Co-ordination and Monitoring Committee' which is the monitoring mechanism for the PMKKKY scheme under Ministry of Rural Development. It is an effort to improve development coordination and monitoring within the Constitutional framework of responsibilities assigned to Central, State and Local Governments;
  - (h) "DMF Council" means all the trustees of the District Mineral Foundation;
  - (i) "Fund" means fund of the District Mineral Foundations;
  - (j) "Government" means the Government of Mizoram;
  - (k) "Gram Sabha" means a village assembly which shall consist of all adult members of a Village;
  - (l) "mining operations" means any operations undertaken for the purpose of winning any mineral;
  - (m) "PMKKKY" means 'Pradhan Mantri Khanij Kshetra Kalyan Yojana' which is a scheme framed by the Central Government, to be implemented by the District Mineral Foundations of the respective Districts under these rules using the funds accruing to them;
  - (n) "royalty" shall have the same meaning as in section 9 of the Mines and Minerals (Development and Regulation) Act, 1957 for major minerals or shall have the same meaning as provided under rule 28 and 31 of the Mizoram Minor Minerals (Concession and Prevention of Illegal Mining) Rules, 2023 for minor minerals;
  - (o) "Rules" means the District Mineral Foundation Rules of Mizoram, 2023;
  - (p) "Year" means a financial year beginning from 1<sup>st</sup> of April and ending on 31<sup>st</sup> of 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 in the Mines and Minerals (Development and Regulation) Act, 1957, or Minerals(Other than Atomic and Hydrocarbons Energy Minerals) Concession Rules, 2016 or the Mizoram Minor Minerals(Concession and Prevention of Illegal Mining) Rules, 2023, or the District Mineral Foundation Rules of Mizoram, 2023;

## CHAPTER – II DISTRICT MINERAL FOUNDATION

4. Objectives of the District Mineral Foundation.-
- (1) To work for the interest and benefit of persons and areas affected by mining related operations in the Districts;
  - (2) To plan, allocate, and ensure effective utilization of the funds accruing to the DMF;
  - (3) To ensure that the needs of the affected areas and families are addressed from time to time;
  - (4) To implement various developmental and welfare projects or programs in mining affected areas.

- (5) To minimize or mitigate the adverse impacts, during and after mining, on the environment, health and socio-economics of people in mining districts; and
- (6) To ensure long-term sustainable livelihoods for the affected people in mining areas.

5. Constitution of DMF.-

- (1) There shall be for the purpose of these rules, a Foundation called District Mineral Foundation in each of the district of Mizoram to implement PMKKKY scheme which shall be monitored by DISHA.
- (2) Each of the Foundation shall have its headquarters at the respective District Headquarters.
- (3) The Foundation shall be a perpetual body and shall have a common seal.
- (4) The quorum for the Council of the Foundation shall be one-third of the members.
- (5) The Council shall meet at least once in six months in a year.

6. Composition of District Mineral Foundation Council.-

The District Mineral Foundation Council in each of the District shall consist of the following, namely:-

<u>Sl.No</u>	<u>Designation &amp; Department</u>	<u>Designation in the Foundation</u>
1	Deputy Commissioner of the District	- Chairperson
2	An officer nominated by Director, Geology & Mining.	- Member Secretary
3	All M.L.A within the District	- Ex-Officio Members
4	Director, Geology & Mining.	- Ex- Officio Member
5	SDO (Sadar) of the District	- Ex- Officio Member
6	District Geology & Mining Officer, Geology & Mining.	- Member
7	Senior most Executive Engineer, PHE Dept.	- Member
8	Divisional Forest Officer, EF& CC Dept.	- Member
9	Chief Medical Officer of the District, Health Dept.	- Member
10	District Education Officer, Education Dept.	- Member
11	District Social Welfare Officer/ Senior most CDPO of the District, Social Welfare Dept.	- Member
12	General Manager, DIC/ SDIO, Commerce & Industries Dept.	- Member
13	Executive Engineer, Irrigation & Water Resources Dept.	- Member
14	Senior most Executive Engineer, PWD	- Member
15	Environmental Engineer, Mizoram SPCB	- Member
16	District Employment Officer, Labour & Employment Dept.	- Member
17	One representative of NGO working in the District, nominated by the District Collector	- Member
18	One women representative of the Self Help Groups in the District, nominated by District Collector	- Member
19	One representative from the Mineral Concession Holder nominated by the Director, Geology & Mining.	- Member

Note: Government may expand the composition of District Mineral Foundations by a Gazette Notification.

7. Powers and Functions of the DMF Council.-

- (1) To lay down the broad policy framework for the functioning of the foundation and review its working from time to time, subject to such directions and guidelines issued from the State or Central Government from time to time,

- (2) To prepare and maintain an updated list of directly and indirectly affected areas by mining related operations.
- (3) To approve the list of nominated beneficiaries.
- (4) To approve the master plan or perspective plan;
- (5) Monitor and supervise the activities undertaken in scheduled areas;
- (6) To ratify the appointment of auditors.
- (7) To approve the annual budget, audit report and annual plan
- (8) To award contracts and works and sanction the payment;
- (9) To grant administrative sanction for projects, release and disburse the Fund;
- (10) To appoint & remove staff taken on outsourcing basis;
- (11) To supervise the execution of contracts and works, and matters incidental thereto;
- (12) To maintain proper books of accounts;
- (13) To ensure timely collection of Contribution Fund collected from the concerned Mining Lease/Permit Holders in accordance with the provisions of the Act and timely deposit in its Saving Bank Account;
- (14) To transfer fund to all agencies and beneficiaries into their bank accounts.
- (15) To maintain all other activities which are required for proper administration and working of the DMF.
- (16) To monitor any other activity incidental to or connected with any of the powers and functions as stated above.

8. Meetings of the DMF Council.-

- (1) The DMF Council shall meet as often as necessary but at least once every quarter/year.
- (2) The meeting of the DMF Council shall be convened by the Chairperson.
- (3) The quorum of the meeting shall be one third of the total existing membership.

### CHAPTER - III

#### Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY)

9. Objectives of PMKKKY.-

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. The overall objective of PMKKKY scheme will be:

- (1) 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;
- (2) to minimize/mitigate the adverse impacts, during and after mining, on the environment, health and socio-economics of people in mining districts and
- (3) to ensure long-term sustainable livelihoods for the affected people in mining areas.

10. 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.
  - 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 on even state.
  - ii) 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.

- iii) Villages in which families displaced by mines have resettled/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. 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.
11. Affected people.-
- A. The following should include as directly affected persons:
    - i) Families affected due to land acquired for mining as per the prevailing land acquisition in the State.
    - ii) 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 gram sabha or Local/Village Council.
  - D. The DMF shall prepare and maintain an updated list of such affected persons/local communities by mining related operations.
12. Utilization of Funds.-
- 1) 60% of PMKKKY funds may be utilized to High priority areas 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, groundwater, 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 faecal sludge, provision of toilets and other related activities.
- 2) 30% of PMKKKY funds may be utilized to Other priority Areas:
    - 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.
  - 3) 10% of PMKKKY funds may be transferred to the bank account maintained for this purpose by the Director of Geology & Mining for monitoring and administrative cost including meeting expenditure of DMF Council.

#### CHAPTER - IV CONTRIBUTION TO DMF

13. Amount of contribution to be made to District Mineral Foundation.-
  - 1) Major Minerals
    - (a) Every holder of a Mining Lease or a Prospecting Licence-cum-Mining Lease in the case of minerals other than coal, lignite and sand for stowing shall, in addition to the royalty, pay to the District Mineral Foundation of the district in which the mining operation are carried on, an amount at the rate of 10% of the royalty paid in term of the second schedule to the Mines and Minerals (Development and Regulation) Act, 1957 in respect of mining lease or a prospecting license-cum-mining lease with effect from 17<sup>th</sup> September, 2015 when the rates were prescribed by the Central Government or with effect from the date of granting the Mining Lease or any other concessions permitting the extraction of mineral or with effect from the date on which the DMF was establish by the State Government by a notification in the Official Gazette, whichever is later; and
    - (b) Every holder of a Mining Lease or a Prospecting Licence-cum-Mining Lease in the case of coal, lignite and sand for stowing shall, in addition to the royalty, pay to the

District Mineral Foundation of the district in the mining operation are carried on , an amount at the rate of 10% of the royalty paid in term of the second schedule to the Mines and Minerals (Development and Regulation) Act, 1957 in respect of mining lease or a prospecting licence-cum-mining lease with effect from 20<sup>th</sup> October, 2015 when the rates were prescribed by the Central Government or with effect from the date of granting the Mining Lease or any other concessions permitting the extraction of mineral or with effect from the date on which the DMF was established by the State Government by a notification in the Official Gazette, whichever is later.

2) Minor Minerals

Every holder of a Mining Lease/ Permit or a prospecting licence-cum-mining lease or in respect of minor minerals shall, in addition to the royalty, pay to the District Mineral Foundation of the district in which the mining operation are carried on, an amount at the rate of 10% of the royalty paid in terms of the Second Schedule to the Mizoram Minor Minerals (Concession and Prevention of Illegal Mining) Rules, 2023 with immediate effect from the date of granting the Mining Lease/ Permit or any other concessions permitting the extraction of mineral or with effect from the date on which the DMF was established by the State Government by a notification in the Official Gazette, whichever is later.

14. Date on which contribution is to be made:

The amount under sub-rule (1) and (2) of rules 13 shall become payable and be paid on the same day on which such royalty was payable to the Government.

CHAPTER – V  
MISCELLANEOUS

15. Compliance of Transparency.-

Each Foundation will prepare and maintain a website on which, inter-alia, following information will be hosted and kept updated:-

- (1) Details of composition of the DMF Council.
- (2) List of areas and people affected by mining.
- (3) Quarterly details of all contributions received from Mining Lease/Permit Holders and others.
- (4) All meeting agenda, minutes and action taken reports (ATRs) of the DMF.
- (5) Annual Plans and budget, work orders, Annual Report.
- (6) 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.
- (7) List of beneficiaries under various welfare programmes.
- (8) Voluntary disclosures under RTI Act.

16. Works in areas overlapping in two districts.-

- (1) Projects for the benefit of affected area/ people that stretch beyond the geographical boundary of the District should be taken up after obtaining prior approval of the State Government/ DMF Council
- (2) Funding for the Projects in Inter-District areas shall be sourced from the district where mining operations take place and shall be spent in the district where the affected families reside and affected areas fall.

17. Maintenance of accounts.-  
The Foundation shall maintain true and correct accounts of all DMF fund and of all the income and investments and all the outgoing expenses accurately and correctly or in accordance with such accounting procedure as being practiced by the Central/State Government.
18. Audit.-  
The accounts of the DMF shall be audited every year by the Auditor/Chartered Accountant appointed by the Government/DMF Council, or in such other manner as the Government may specify, and the report thereof shall be placed in the public domain along with the Annual Report.
19. Annual Report.-  
1) Every year, within three months from the date of closure of the financial year, the Member Secretary of DMF Council shall cause to prepare an Annual Report on its activities for the respective financial year and place it before the DMF Council.  
2) The Annual Report will be submitted to the Government within one month from the date of its approval by the DMF Council and will also be uploaded in the website of the Foundation.
20. Powers of State Government.-  
(1) Notwithstanding any provision contained in these rules, the State Government shall have power to issue district specific, demographic specific, scheduled area specific DMF rules for proper administration, working, ensuring receivables and revenues, as and when required;  
(2) The State Government may specify an affected area within such radius from a mine or cluster of mines, irrespective of whether this falls within the district concerned or adjacent district;  
(3) The State Government may, by an order, relax the operation of any of the provisions of these rules as may be specified therein if, in the opinion of the Government, such relaxation is in the public interest.  
(4) The State Government may grant exemption for the operation of these rules by issuance of a general or special order in Official Gazette.  
(5) The State Government may form a State Level Advisory Committee for better administration, coordination and the working of the District Mineral Foundations.

R. Lalramnghaka,  
Secretary to the Govt. of Mizoram,  
Commerce & Industries Department.