



ಕರ್ನಾಟಕ ರಾಜ್ಯಪಾಠ

ಅಧಿಕೃತವಾಗಿ ಪ್ರಕಟಿಸಲಾದುದು
ಏಂಬ್ಲೂ ರಾಜ್ಯ ಪ್ರಾಂತ

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| ಭಾರ- IV-A | ಬೆಂಗಳೂರು, ಸೋಮವಾರ, ಜನವರಿ ೧೧, ೨೦೧೬ (ಹುಣ್ಣಾ ೨೧, ಶಕ ವರ್ಷ ೧೯೩೭) | ನಂ. ೫೪ |
| Part- IV-A | <i>Bengaluru, Monday, January 11, 2016 (Pushya 21, Shaka Varsha 1937)</i> | <i>No. 54</i> |

COMMERCE AND INDUSTRIES SECRETARIAT NOTIFICATION

No: CI 207 MMN 2015 (P-1), Bengaluru, Dated: 11.01.2016

In exercise of the powers conferred by sub-section (4) of section 15 read with section 9B of the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957), the Government of Karnataka, hereby makes the following rules, namely:-

RULES

1. Title and commencement.-(1) These rules may be called the District Mineral Foundation Rules, 2016.

(2) These rules shall be deemed to have come in to force from the 12th of January, 2015.

2. Definitions.- In these rules, unless the context otherwise requires,-

- (a) "Act" means the Mines and Minerals (Development and Regulation) Act, 1957;
- (b) "Affected areas" means the areas specified in sub-rule (1) of rule 22;
- (c) "Affected people" means the persons specified in sub-rule (2) of rule 22;
- (d) "Auditors" Means the auditor or Chartered Accountant or an officer of the State Accounts Department not below the rank of the Deputy Controller or the Accountant General of the State nominated by the State Government;
- (e) "Chairman" means the Chairman of the foundation;
- (f) "Contribution" means the Contribution collected or to be collected from the holder of mineral or minor mineral concession in the district at such percentage of Royalty as may be prescribed by the Central Government under the Mines and Minerals (Contribution to District Mineral Foundation) Rules, 2015 or as may be prescribed by the State Government for Minor Minerals under the Karnataka Minor Mineral Concession Rules, 1994;
- (g) "Directly Affected areas" means the areas specified in clause(a) of sub-rule(1) of rule 22;
- (h) "Foundation" means the District Mineral foundation of the respective district;
- (i) "Fund" means fund of the foundation;
- (j) "Holder of Mineral or Minor Mineral Concession" means the holder of the mining lease or prospecting-cum-mining lease or quarry lease or quarry license or working permission or any other mineral or minor mineral rights under the Act and Rules made there under;
- (k) "Indirectly Affected areas" means the areas specified in clause(b) of sub-rule(1) of rule 22.
- (l) "Member" means a member of the foundation;
- (m) "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 in Rule 36 of Karnataka Minor Mineral Concession Rules, 1994 for Minor Minerals.
- (n) "Rules" means the Karnataka District Mineral Foundation Rules, 2016.
- (o) "Section" means the Section of the Act;
- (p) "Year" means a financial year beginning from 1st of April and ending on 31st of March of the following year or part period there of ending on 31st of March.

3. Objects of Foundation.- The object of the District Mineral Foundation shall be to work for the interest and benefit of the persons and areas affected by mining related operations in the districts in such manner as may be prescribed by the State Government,-

- (1) to implement various developmental and welfare projects or programs in mining affected areas.

(2) to minimize or 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.

4. Constitution of the Foundation.-(1) There shall be for the purposes of these rules, a Foundation called the District Mineral Foundation in each of the districts of Karnataka.

(2) Each of the Foundation shall have its headquarters at the respective District Headquarters.

(3) The Foundation shall be a body corporate which shall also be a non-profit making Trust by the name aforesaid, having perpetual succession and a common seal with power to acquire, hold and dispose of property, both movable and immovable, and to contract and shall by the said name sue and be sued.

5. Composition of District Mineral Foundation.-(1) The District Mineral Foundation in each of the District shall consist of the following, namely:-

| Sl.No. | Name and Designation | Designation in the Governing Council |
|--------|--|--|
| 1 | District in-charge Minister | Chairman |
| 2 | The President, Zilla Panchayat concerned | Ex-Officio Member |
| 3 | The Deputy Commissioner of the District | Member Secretary and authorized signatory |
| 4 | The Chief Executive Officer of the District | Ex-Officio Member and authorized signatory |
| 5 | The Deputy Conservator or Conservators of Forest (Territorial), Forest Department nominated by the Government | Ex-Officio Member |
| 6 | The District Health Officer of the District Concerned Health and Family Welfare Department | Ex-Officio Member |
| 7 | The Executive Engineer Public Works Engineering Services Department of the District. | Ex-Officio Member |
| 8 | The Executive Engineer Zilla Panchayat of the concerned District, Public Health Engineering Service Rural Development and Panchayat Raj Department | Ex-Officio Member |
| 9 | The Joint Director, District Industries Centre, Commerce and Industries Department | Ex-Officio Member |
| 10 | The Environmental Officer, Nominated by the Karnataka State Pollution Control Board | Ex-Officio Member |
| 11 | The Deputy Director of Public Instruction, Education Department in charge of the District | Ex-Officio Member |
| 12 | The Deputy Director or Senior Geologist, nominated by the Director of Mines and Geology Department | Ex-Officio Member and Convener |
| 13 | Two Representatives (one from Major mineral and another from Minor Minerals) from industries using minerals in the concerned district, to be nominated by the State Government. | Members |
| 14 | Two Representatives (one from Major Mineral and another from Minor Minerals) from the holders of mineral or minor mineral concession belonging to the concerned district, to be nominated by the State Government. | Members |
| 15 | One Representative from a prominent Non Governmental Organization or any Institution working on Environmental issues in the concerned district to be nominated by the State Government. | Member |
| 16 | Three representatives of the Community of affected persons from affected areas nominated by the chairman | Members |

6. Decisions of the Foundation.-(1) All decisions by the foundation shall be taken in its meeting. All decisions of the foundation shall be taken by the majority of the members present and voting. In case of tie the Chairman of the meeting shall have a casting vote.

(2) The foundation shall act in accordance with the directions and guidelines issued by the state Government from time to time.

7. Powers and functions of the Foundation.- The foundation shall be responsible for,-

- (1) Laying down the broad policy framework for the functioning of foundation and review its working from time to time, subject to such directions and guidelines issued from Government from time to time under Rule 6 of these Rules.
- (2) Drawing up and approving of Annual Action Plan and the Annual Budget for Foundation. 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 Foundation does not prepare and accord approval to the Annual Plan and Budget within specified time, the Management Committee shall have Annual Action Plan and the Budget of the Foundation prepared and approve the same. The Budget so prepared and approved shall be deemed to have been duly prepared and approved by the Foundation.

Provided also 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 commitments and liabilities and the new schemes being proposed shall not in any case exceed three times the expected inflows for the next financial year.

- (3) Approving such other expenditure in furtherance of the objects of the Foundation from the available Fund in accordance with these rules.
- (4) Approving the recommendations of the Management Committee.
- (5) Approving the Annual Report and Audited Accounts of the Foundation within sixty days of the close of the previous year.

8. Meetings of the Foundation.- (1) The Foundation shall meet as often as necessary but at least once every quarter.

- (2) The meeting of Foundation shall be convened as desired by the Chairman.
- (3) The quorum for such meeting shall be one third of the total existing membership.

9. Term of appointment, and conditions of service of members.- (1) Subject to the pleasure of the State Government the non-official members nominated by the State Government shall hold office for a period of three years.

(2) Any non-official member may resign his office by writing under his hand addressed to the State Government but shall continue in office until his resignation is accepted.

(3) The non-official members shall receive allowances to meet the expenses for attending the meetings in accordance with the Annexure-A to Karnataka Civil Services Rules.

(4) The Ex-Officio members shall continue as members during the period they are holding the post and the designation and shall be deemed to have ceased to be the members once they cease to hold the office by virtue of which they were so appointed and their successors in office shall be deemed to have been appointed as members in their place with effect from the date of their acquiring such official designation.

(5) The term of appointment of the non official members shall be for three years with effect from the date of their appointment as members and the nominating authority may thereafter renew their appointment for not more than another term or may nominate other persons in their place.

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

(6) The Government may at any time remove any of the non official member and may appoint any other person at its sole discretion. The member so removed shall cease to be a member with effect from the date of such removal.

(7) Any vacancy in the non-official members position by virtue of initial appointment not having been done, expiration of term, resignation, removal, disqualification, death or any reasons whatsoever, shall not affect the functions of the Foundation and the Foundation shall function with the reduced membership.

10. Disqualification for office of membership.- A person shall be disqualified for being appointed as and for being a member if he,-

- (a) has been convicted and sentenced to imprisonment for an offence which in the opinion of the State Government involves moral turpitude;
- (b) is of unsound mind and stands so declared by a Competent Court;
- (c) is an un discharged insolvent; or
- (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 share or 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;

(f) is employed as a paid legal practitioner on behalf of the Foundation or accepts employment as legal practitioner against the Foundation:

Provided that no person shall be disqualified under clause (e) or be deemed to have any share or interest in any contract or employment within the meaning of the said clause by reason only of his having a share or interest in any newspaper in which any advertisement relating to the affairs of the Foundation is inserted.

11. Removal of member.- (1) The State Government shall remove a member if,-

(a) he becomes subject to any of the disqualifications mentioned in rule 10:

Provided that no member shall be removed on the ground that he has become subject to the disqualification mentioned in clause (e) of that rule, unless he has been given an opportunity of making his representation against the proposal; or

(b) he refuses to act or become incapable of acting; or

(c) he without obtaining leave of absence from the Foundation, absents from three consecutive meetings of the Foundation; Provided that this clause shall not be applicable in case of ex-officio members; or

(d) in the opinion of the State Government he 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.

12. General Provisions regarding District Mineral Foundation: (1) The developmental and welfare activities to be taken up under the District Mineral Foundation shall be, as far as possible, in the nature of complementing the ongoing schemes or projects being funded by the State as well as Central Government.

(2) Activities meant to be taken up under the "polluter pays principle" shall not be taken up under the District Mineral Foundation.

(3) Without prejudice to the powers of the Foundation, convergence shall be done with the State and the Districts plans so that the activities taken up by the Foundation supplement the development and welfare activities.

(4) An amount not exceeding 5% of the annual receipts of the Foundation may be utilized for administrative, supervisory and overhead costs of the Foundation.

(5) No permanent or temporary posts shall be created under the District Mineral Foundation without prior approval of the State Government.

(6) Services that need to be procured for efficient functioning of the District Mineral Foundation shall be procured as service contracts.

(7) 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 State Government, shall be transferred to the Foundation of the other district concerned for taking up the activities in such areas:

Provided that a project that is for benefit of the affected area or people, but stretches beyond the geographical boundary of the district shall be taken up under the District Mineral Foundation after obtaining prior approval of the State Government.

(8) Projects for development of common infrastructure like construction of roads, bridges etc., in excess of 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.

Provided that prior approval of the State Government shall be taken before taking up such works in excess of the limits of fund utilization.

(9) The District Mineral Foundation shall prepare an Annual Plan and Annual Budget for implementation of the Annual Plan by January of each year for implementation in the forthcoming financial year. Such Plan shall be prepared in consultation with the Karnataka Mining Environment Restoration Corporation (KMERC) and changes suggested by KMERC shall be duly incorporated in the Annual Plan and the Annual Budget.

13. Managing Committee.- The affairs of the Foundation shall be managed by a Managing Committee, which shall consist of all the members of the Foundation except the nominated non-official member. However, the State Government shall have the right to remove, alter or appoint any member of the Managing Committee at its discretion.

14. Meetings of Managing Committee.- The meeting of the Managing Committee shall be held at least six times in a financial year and it shall be convened as decided by the Chairman.

15. Powers and Functions of the Managing Committee.- The Managing Committee Shall,-

- (1) Exercise due diligence in carrying out its duties for protecting the interest and contribution of the Foundation.
- (2) Ensure timely collection of Contribution Fund from the concerned holders of Mineral concession in accordance with the provisions of the Act and Rules made there under.
- (3) Get the Master Plan or Vision Document for the activities of the Foundation prepared from the specialized agency.
- (4) Assist in the preparation of the Annual Plan and Annual Budget of the Foundation along with the proposed schemes and projects.
- (5) Supervise and Ensure the execution of the Annual Plan and the approved Schemes and Projects.
- (6) Accord Sanction to the Projects, release and disburse the Foundation fund for the purpose subject to delegation limits.
- (7) Operate the Foundation Fund through Accounts in the name of the Foundation in the Government Treasury and with prior approval of the Government through designated Bank Accounts.
- (8) Monitor the progress of the utilization of the Fund of the Foundation.
- (9) Place the audited accounts along with an Annual Report before the foundation for its approval within sixty days of close of financial year.
- (10) Do all other things which are necessarily for smooth functioning and management of the Foundation.

16. Fund of the Foundation.-(1) There shall be a Fund called the District Mineral Foundation Fund.

(2) There shall be credited to the said Fund,- (i) all grants, subventions, donations and gifts made by the Central Government, State Government, any local authority or any body, whether incorporated or not or any person; (ii) the amount borrowed by the Foundation with prior approval of the State Government; (iii) all other sums received by or on behalf of the Foundation from any source whatsoever; (iv) the Contribution collected or to be collected from the holders of mineral or Minor Mineral concession in the District at such percentage of the Royalty as may be prescribed by the Central Government under the Mines and Minerals (Contribution to the District Mineral Foundation) Rules, 2015 or as may be prescribed by the State Government under the Karnataka Minor Mineral Concession Rules 1994; (v) investments and other deposits and the interest accrued thereon and any other income derived there from; and (vi) all other properties of the Foundation and the income derived there from or appreciation thereof.

(3) Except as otherwise directed by the State Government all moneys credited to the Fund shall be kept in the designated Account in the State Government Treasury.

(4) The administrative expenses of the Foundation including the salaries, allowances and pension if any, payable to the officers and employees of the Foundation shall be defrayed out of the fund of the Foundation.

17. Operation of the Foundation Fund.- The District Mineral Foundation fund shall be kept in non interest bearing deposit accounts under public accounts one for each district in the name of the Foundation and all accounts shall be operated under the joint signatures of the two designated authorized signatories including Member-Secretary. The Foundation shall maintain the books of accounts of this Fund.

Provided that with prior approval of the State Government, part or full amount of the Fund can be kept in such interest bearing account in the State Government Treasury or a designated Bank as the State Government may by general or special guidelines permit.

18. Utilization of Funds.- The fund shall be vested in Foundation and shall be applied for carrying out the purposes of these rules in the following manner namely:- (1) Twenty percent of the fund of the District Mineral Foundation shall be kept aside as endowment for taking care of future expenses after mining activities have ended in the area.

- (2) Out of the balance after reserving twenty percent of the fund as per sub rule(1), at least sixty percent of the District Mineral Foundation fund shall be used for the following; namely:-
 - (a) Drinking Water Supply;
 - (b) Centralized preservation and pollution control measures;
 - (c) Health Care;
 - (d) Education;
 - (e) Welfare of Women and Children including on their nutrition;
 - (f) Welfare of aged and disabled persons;
 - (g) Skill development; and
 - (h) Sanitation.

(3) Out of the balance after reserving twenty percent as per sub rule (1) and sixty percent of the funds under sub section (2) remaining amount of the Fund of the District Mineral Foundation can be used for the following:

- (a) Physical Infrastructure
- (b) Irrigation
- (c) Energy and Watershed Development
- (d) Any other measures for enhancing environmental quality in mining district.

Provided that while using funds as per sub rule (2) and (3) of Rule 18 at least sixty percent of the District Mineral Foundation Fund shall be spent on the directly affected areas.

Provided further that the percent of funds to be spent on directly affected areas may be changed, with prior approval of the State Government, if the number of persons living in the directly affected areas is low and spending such funds in such area may, in the opinion of the District Mineral Foundation, become wasteful.

(4) The Twenty percent of the Fund kept aside as endowment shall be invested as per the guidelines issued by the State Government from time to time.

19. Transfer of Funds.- Transfer of fund to all agencies and beneficiaries shall be into their bank account.

Provided that transfer of funds to agencies of the State Government shall be as per guidelines of the State Government.

20. Pradahan Manthri Khanija Kshetra Kalyana Yojana (PMKKY).- The Pradahan Manthri Khanija Kshetra Kalyana Yojana (PMKKY) shall be implemented by the District Mineral Foundation of the respective Districts using fifty percent of the funds accruing to the District Mineral Foundation as per the guidelines of the Yojana issued by the Government of India from time to time.

21. Identification of affected areas and people.-

(1) Affected areas (a) **Directly affected areas** are where direct mining-related operations such as excavation, mining, blasting, beneficiation and waste disposal, overburdened dumps, tailing ponds, transport corridors etc., etc. are located and shall include:

(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 or 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 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** are 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 District Mineral Foundation shall prepare and maintain an updated list of such directly and indirectly affected areas by mining related operations.

(2) **Affected people.**- (a) The following shall be considered as **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

- (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
- (iii) Any other as appropriately identified by the concerned Gram Sabha.
- (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 Sabha or the Urban Local Body as the case may be.
- (d) The District Mineral Foundation shall prepare and maintain an updated list of such affected persons or local communities.
- (e) The District Mineral Foundation shall prepare and maintain an updated list of such affected people.

22. Implementation of Works or Contracts.- Works or goods or services may be procured by the District Mineral Foundation after following the due procedure prescribed under the Karnataka Transparency in Public Procurements Act, 1999 for such procurements.

23. Compliance of Transparency.- Each District Mineral Foundation shall prepare and maintain a Web Site on which, the following information shall be hosted and kept updated, namely:-

- (i) Details of Composition of the District Mineral Foundation
- (ii) List of areas and people affected by mining.
- (iii) Quarterly details of all contribution received from leases and others.
- (iv) All meeting agenda, minutes and action taken reports (ATRs) of the District Mineral Foundation.
- (v) Annual Plans and Budget
- (vi) Annual Report of the District Mineral 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 District Mineral Foundation.
- (ix) Voluntary disclosures under Right to Information Act, 2000.

24. Accounts and Audit.-(1) The Annual Accounts of the District mineral Foundation shall be prepared within sixty days of the close of the financial year. The accounts of a District Mineral Foundation shall be audited every year by a Chartered Accountant appointed by the District Mineral Foundation.

(2) After the audit by the Chartered Accountant the accounts shall be audited by the State Accounts and Audit Department.

(3) Audit at sub rule(1) shall be got completed within three months of the close of the financial year and the audit at sub rule (2) shall be got completed within six months of the close of the financial year.

Provided that with prior approval of the State 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.

25. Annual Report.-(1) Every year, within nine months from the date of closure of the financial year, the Member Secretary of the District Mineral Foundation shall cause to prepare an Annual Report on its activities for the respective financial year and place it before the District Mineral Foundation.

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

(2) The Annual Report shall be submitted to the State Government within one month from the date of its approval by the District Mineral Foundation and shall also be hosted on the website of the Foundation.

(3)) The Annual Report of each Foundation shall be laid before both Houses of the State Legislature in its next session following the month in which the Annual Report is received by the State Government.

26. Administrative arrangements.- (1) The State Governments shall provide services of the personnel under their control including employees working in the Zilla Panchayat for management of the Foundation and for execution of the Annual Plan as may be required for the purpose.

(2) The Foundation may request the State Government to provide required number of core personnel from its departments or from regular employees of the Zilla Panchayat or such other cadre, for providing administrative and technical assistance to the Foundation Services of such personnel shall continue to remain in their own respective cadres. The Foundation may bear expenditure up to 5% of its accrued funds for this purpose.

(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.

27. Powers of the State Government: (1) In the interest of convergence with the State Plans, District Plans and the plans of the Karnataka Mining Environment Restoration Corporation, and such other matters as deemed fit, the State Government shall have powers to issue guidelines and directions to the District Mineral Foundation.

(2) The District Mineral Foundation shall abide by such guidelines or directions of the State Government.

28. Delegation of Powers: The State Government may, by notification in the official gazette, direct that any power exercisable by it under these rules may, in relation to such matters and subject to such conditions, if any, as may be specified in the notification be exercisable also by such officer or authority subordinate to the State Government.

29. Removal of difficulty.- (1) If any difficulty arises giving effect to the provisions of the State Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of the said rules, as appear to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made under this rule after the expiry of a period of three years from the commencement of the said rules.

By order and in the name of the Governor of Karnataka.

G. LINGAMURTHY
Deputy Secretary (Mines)
Commerce and Industries Department



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| ಭಾಗ-IV-A Part-IV-A | ಬೆಂಗಳೂರು, ಸೋಮವಾರ, ಜುಲೈ ೨೫, ೨೦೧೬ (ಶ್ರಾವಣ ೩, ಶಕ ವರ್ಷ ೧೯೩೮) Bengaluru, Monday, July 25, 2016 (Shrawana 3, Shaka Varsha 1938) | ನಂ. ೯೫೫ No. 955 |
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COMMERCE AND INDUSTRIES SECRETARIAT

NOTIFICATION

No. CI 207 MMN 2015 (P-2), Bengaluru, Dated: 25-07-2016

In exercise of the powers conferred by sub-section (4) of Section 15 read with Section 9B of the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957), the Government of Karnataka, hereby makes the following rules to amend the District Mineral Foundation Rules, 2016, namely:-

RULES

1. Title and commencement: - (1) These rules may be called the District Mineral Foundation (Amendment) Rules, 2016.

(2) These rules shall be deemed to have come into force from the 12th of January, 2015.

2. Amendment of rule 2.- In rule 2 of the District Mineral Foundation Rules, 2016, (hereinafter referred to as the said rules).-

(i) for clause (e), the following shall be substituted namely:-
"(e) "Chairperson" means the Trustee who has been designated as Chairperson of the Foundation."

(ii) in clause (f), wherever the word "prescribed" is used, the word "specified" shall be substituted.

(iii) after clause (f), the following shall be inserted namely:-
"(f-1) "Convenor" means the Trustee who has been designated as Convener of the foundation."

(iv) for clause (l), the following shall be substituted, namely,-

"(l) "Member Secretary" means the trustee who has been designated as Member Secretary of the Foundation.

(v) After clause (l), the following shall be inserted, namely:-

(l-1) "Official Implementing Agency" means a Department of the State or the Central Government or a Zilla Panchayat, Taluka Panchayat or Gram Panchayat or a public sector undertaking either of the State or the Central Government or a Local Authority constituted under the Karnataka Municipalities Act, 1964 or the Karnataka Municipal Corporations Act, 1976 or a University".

(vi) after clause (o), the following shall be inserted, namely,-

(o-1) "Settlor" means settlor of the Trust who shall be the Government of Karnataka; and

(o-2) "Trustee" means the Trustee of the Foundation who are listed under rule 5:

3. **Amendment of rule 3.** - In rule 3 of the said rules,-

(i) for the word "prescribed" the word "specified" shall be substituted.

(ii) in clause (1) for the words "to implement" the words "to provide funds to implementing agencies for" shall be substituted.

4. **Amendment of rule 4.** - In rule 4 of the said rules, for sub rule (3) the following shall be substituted, namely:-

"(3) The Foundation shall be a non profit making trust, by the name aforesaid, having perpetual succession and a common seal with power to acquire, hold and dispose of movable property and to contract and shall by the said name sue and be sued".

5. **Substitution of rule 5.** - For rule 5 of the said rules, the following shall be substituted, namely:-

"5. **Composition of District Mineral Foundation.** - The Composition of District Mineral Foundation in each of the District shall be the following, namely:-

| Sl. No. | Name and Designation | Designation in the Foundation |
|---------|--|---|
| 1. | District in-charge Minister | Ex-office Trustee & Chairperson |
| 2. | The President, Zilla Panchayat of the District | Ex-officio Trustee |
| 3. | The Deputy Commissioner of the District | Ex-officio Trustee and Member Secretary |
| 4. | The Chief Executive Officer of the Zilla Panchayat of the District | Ex-officio Trustee and authorized signatory |
| 5. | The Conservator of Forest (Territorial), Forest Department | Ex-officio Trustee |
| 6. | The District Health Officer of the District | Ex-officio Trustee |
| 7. | The Executive Engineer of the Public Works and Inland Water Transport Department of the District. | Ex-officio Trustee |
| 8. | The Executive Engineer of Zilla Panchayat of the District, incharge of the Rural Water Supply in the District | Ex-officio Trustee |
| 9. | The Joint Director, District Industries Centre, Commerce and Industries Department | Ex-officio Trustee |
| 10. | The Environmental Officer, nominated by the Karnataka State Pollution Control Board | Ex-officio Trustee |
| 11. | The Deputy Director of Public Instruction of the District | Ex-officio Trustee |
| 12. | The Deputy Director of Mines and Geology Department or in case there is no position of the Deputy Director, Mines and Geology, then the Senior Geologist in charge of mineral administration in the District | Ex-officio Trustee and Convenor |
| 13. | Two Representatives from industries using minerals from the concerned district, to be nominated by the State Government by notification. | Nominated Trustees |
| 14. | Two Representatives from the holders of mineral or minor mineral concession belonging to the concerned district, to be nominated by the State Government by notification. | Nominated Trustees |
| 15. | One Representative from a prominent Non Governmental Organization or any Institution working on Environmental issues in the concerned district to be nominated by the State Government by notification. | Nominated Trustee |
| 16. | Three representatives of the Community of affected persons from affected areas nominated by the State Government by notification. | Nominated Trustees |

Provided that in case the office of the Conservator of Forest is not located in the headquarter of the District, then the Deputy Conservator of Forest (Territorial) whose office is located in the headquarter of the District shall be the Trustee.

Provided further that if there are more than one Executive Engineer of PWD in the District, then the Executive Engineer of Public Works and Inland Water Transport Department whose office is located in the headquarter of the District shall be the Trustee.

Provided also that if there are more than one Executive Engineer of Zilla Panchayat in charge of Rural Water Supply in the District, then the Executive Engineer, whose office is located in the headquarter of the District shall be the Trustee.

6. Amendment of rule 8.- In rule 8 of the said rules,-

- (i) in sub rule (1), for the word "quarter" the words "six months" shall be substituted; and
- (ii) after sub rule (1), the following provisos shall be inserted, namely:-

"Provided that in case the Chairperson is unable to preside the meeting of the Foundation for any reason to be recorded in writing, then the Member Secretary shall preside the meeting of the Foundation".

"Provided further that the meeting of the Foundation shall not be necessary for the year 2014-15 and 2015-16".

- (iii) for sub rule (2), the following shall be substituted, namely:-

"(2) The meeting of Foundation shall be convened by the Trustee Convener as decided by the Chairperson.

- (iv) After sub rule (2), the following proviso shall be inserted, namely:-

"Provided that in case the Chairperson is unable to convene the meeting of the Foundation for any reason to be recorded in writing, or where the Chairperson of the Foundation has delegated his powers to the Member Secretary, the meeting shall be convened by the Convenor on requisition of the Member Secretary."

- (v) in sub rule (3), for the word "membership" the word "Trustees" shall be substituted.

7. Amendment of rule 9.- In rule 9 of the said rules,-

- (i) in sub rule (5), for the words "non-official members" the word "Nominated Trustees" shall be substituted; and
- (ii) in sub rule (7), for the word "membership" the words "number of Trustees" shall be substituted.

8. Amendment of rule 10.- In rule 10 of the said rules, in item (f), after the proviso, the following proviso shall be inserted, namely:-

"Provided further that no person shall be disqualified under clause (e) or be deemed to have any share or interest in any contract or employment within the meaning of the said clause by reason only of his being an officer or a personnel on the pay rolls of an Official Implementing Agency to whom the Foundation has provided funds for implementing work or service or for procurement of goods".

9. Substitution of rule 13.- For rule 13 of the said rules, the following shall be substituted, namely:-

13. Managing Committee.- The affairs of the Foundation shall be managed by the Managing Committee, which shall consist of all the Trustees of the Foundation except the nominated Trustees at Serial Numbers 13 to 16 in the table of rule 5".

10. Amendment of rule 14.- In rule 14 of the said rules,-

- (i) for the word "six" the word "four" shall be substituted,
- (ii) after rule 14, the following provisos shall be inserted, namely:-

"Provided that in case the Chairperson is unable to convene the meeting of the Managing Committee for any reason to be recorded in writing or when the Chairperson of the Foundation has delegated his powers to the Member Secretary, the meeting shall be convened by the Convener on the requisition of the Member Secretary.

Provided further that in case the Chairperson is unable to preside over the meeting of the Managing Committee for any reason to be recorded in writing, then the Member Secretary shall preside over the meeting of the Managing Committee.

Provided also that the quorum for the meeting of the Managing Committee shall be one-third of the total number of existing Trustees making up the Managing Committee.

Provided also that the meeting of the managing committee shall not be necessary for the year 2014 - 2015 and 2015 - 2016."

11. Amendment of Rule 16.- In rule 16 of the said rules, in sub rule (2), wherever the word "prescribed" is used, the word "specified" shall be substituted.

12. Insertion of new rule 17A.- After rule 17 of the said rules, the following shall be inserted, namely:-

"17A. Holding of Immovable Property.-The District Mineral Foundation shall not acquire or hold any immovable property."

13. Amendment of rule 23.- In rule 23 of the said rules, in item (ix) for the figures "2000" the figures "2005" shall be substituted.

14. Amendment of rule 24.- In rule 24 of the said rules, after the proviso the following shall be inserted, namely:-

"Provided further that the Annual Accounts and Audit for the years 2014-15 and 2015-16 shall be completed by the Foundation by 31st of March 2017".

15. Insertion of new rule 24A.- After rule 24 of the said rules, the following shall be inserted, namely:-

"24A. Double Entry Accrual of Accounts.- The Accounts of the District Mineral Foundation shall be on double entry accrual basis."

16. Amendment of rule 25.- In rule 25 of the said rules, in sub rule (1), after the proviso the following shall be inserted, namely:-

"Provided further that the Annual Report for the years 2014-15 and 2015-16 shall be prepared and got approved by the Foundation by 30th of June 2017."

17. Amendment of rule 26.- In rule 26 of the said rules, for the word "won" the word "own" shall be substituted.

18. Amendment of rule 29.- In rule 29 of the said rules, after the word "arises" the word "in" shall be inserted and after the words "provisions of" the words "these rules" shall be inserted.

19. Substitution of Expression.- In the said rules, for the words "members", "member", "Chairman" and "ex-officio member" wherever they occurs the words "Trustees", "Trustee", "Chairperson" and "Ex-officio Trustee" shall respectively be substituted.

By order and in the name of the Governor of Karnataka.

G. LINGAMURTHY
Deputy Secretary (Mines)
Commerce and Industries Department



ಕರ್ನಾಟಕ ರಾಜ್ಯಾಧಿಕಾರ

ಅಧಿಕೃತವಾಗಿ ಪ್ರಕಟಿಸಲಾದುದು

ಬೆಂಗಳೂರು ರಾಜ್ಯಾಧಿಕಾರ

ಭಾಗ-IVA

ಬೆಂಗಳೂರು, ಕರ್ನಾಟಕ, ಮಾರ್ಚ್ ೧೨, ೨೦೧೮ (ಕಾಲ್ಯಾಂ ೨೧, ಶಕ ವರ್ಷ ೧೯೩೯)

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Part-IVA

Bengaluru, Monday, March 12, 2018 (Phalgun 21, Shaka Varsha 1939)

No. 379

COMMERCE & INDUSTRIES SECRETARIAT

NOTIFICATION

NO.CI 82 MMN 2018, BENGALURU, DATED:08.03.2018.

In exercise of the powers conferred by sub-section (4) of section 15 read with section 9B of the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957), the Government of Karnataka, hereby makes the following rule further to amend the District Mineral Foundation Rules, 2016, namely:-

RULES

1. Title and commencement: - (1) These rules may be called the District Mineral Foundation (Amendment) Rules, 2018.

(2) They shall come into force from the date of their publication in the official Gazette.

2. Amendment of rule 2. - In rule 2 of the District Mineral Foundation Rules, 2016, (hereinafter referred to as the said rules),-

- (i) in clause (b) and (c) for the word and figures "rule 22" the word and figures "rule 21" shall be substituted;
- (ii) in clause (e), after the word "Foundation" the word "Trust" shall be inserted;
- (iii) for clause (f-1), the following shall be substituted, namely:-
"(f-1) "Convener" means the trustee who has been designed as convener under rule 5, 5A and 5B;"
- (iv) in clause (g), for the word and figures "rule 22" the word and figures "rule 21" shall be substituted;
- (v) for clause (h), the following shall be substituted, namely:-
"(h) "Trust" means the District Mineral Foundation Trust of the respective district registered under the Karnataka Societies Registration Act, 1960 (Karnataka Act 17 of 1960);"
- (vi) After clause (h), as so substituted, the following shall be inserted, namely:-
"(h-1) "Trustee" means a members of the District Mineral Foundation Trust and Managing Committee;"
- Explanation.** - For the purpose of this clause, the word trustee shall have same meaning as assigned to it in the Indian Trust Act, 1882.
- (vii) in clause (i), after the word "Foundation" the words "Trust" shall be inserted;
- (viii) after clause (i), the following shall be inserted, namely:-
"(i-a) "Governing council" means the Governing Council of all the trustees of the District Mineral Foundation Trust and Managing Committee;"
- (ix) after clause (k), the following shall be inserted, namely:-
"(k-a) "Managing Committee" means an executive body of the District Mineral Foundation Trust constituted for implementation of decisions of the Governing

Council and assisting the Governing Council in preparation and implementation of action plan as under rule 13, and shall exercise all other powers delegated to it by the Governing Council;"

- (x) in clause (l), after the word 'Foundation' the word 'Trust' shall be inserted;
- (xi) for clause (o-2), the following shall be substituted, namely:-
"(o-2) "State Level empowered Committee" means a Committee constituted under rule 5B;
- (o-3) "State Level Monitoring and Evaluation Cell" means a cell constituted under the Director of Mines and Geology and shall work as per the guidelines issued by the State Government;
- (o-4) "State Level Steering Committee" means a Committee Constituted under rule 5A;".

3. Amendment of rule 4.- In rule 4 of the said rules, after sub-rule (3), the following shall be inserted, namely:-

"(4) "Every District Mineral Foundation Trust constituted under these rules shall be registered as per the provisions of the Karnataka Societies Registration Act, 1960 (Karnataka Act 17 of 1960)."

4. Substitution of rule 5.- For rule 5 of the said rules, the following shall be substituted, namely:-

5. District Mineral Foundation Trust.- The District Mineral Foundation Trust in each of the District shall consist of the following trustees, namely:-

| Sl. No. | Name and Designation | Designation in the Governing Council |
|---------|--|---|
| 1 | District in-charge Minister | Ex-Officio trustee and Chairperson |
| 2 | Members of Parliament representing the District | Ex-Officio trustee |
| 3 | Members of Legislative Assembly representing the part or whole of the District | Ex-Officio trustee |
| 4 | Members of Legislative Council registered as voter in the District | Ex-Officio trustee |
| 5 | The President, ZillaPanchayat of the District | Ex-Officio trustee |
| 6 | The Deputy Commissioner of the District | Ex-Officio trustee and Member Secretary |
| 7 | The Chief Executive Officer of the Zilla Panchayat of the District | Ex-Officio trustee and authorized signatory |
| 8 | The Deputy Conservator of Forest (Territorial), Forest Department | Ex-Officio Trustee |
| 9 | The District Health Officer of the District | Ex-Officio Trustee |
| 10 | The Executive Engineer of the Public Works, Inland Water Transport and Ports Department of the District. | Ex-Officio Trustee |
| 11 | The Executive Engineer of Zilla Panchayat of the District, Incharge of the Rural Water Supply in the District | Ex-Officio Trustee |
| 12 | The Joint Director, District Industries Centre, Commerce and Industries Department | Ex-Officio Trustee |
| 13 | The Environmental Officer, Nominated by the Karnataka State Pollution Control Board | Ex-Officio Trustee |
| 14 | The Deputy Director of Public Instruction, Education Department in charge of the District | Ex-Officio Trustee |
| 15 | Two Representatives from industries using minerals in the concerned district, to be nominated by the State Government by notification. | Nominated Trustees |

| | | |
|----|---|---------------------------------|
| 16 | Two Representatives from the holders of mineral or minor mineral concession belonging to the concerned district, to be nominated by the State Government by notification. | Nominated Trustees |
| 17 | One Representative from a prominent Non-Governmental Organization or any Institution working on Environmental issues in the concerned district to be nominated by the State Government by notification. | Nominated Trustee |
| 18 | Three representatives of the Community of affected persons from affected areas nominated by the State Government by notification. | Nominated Trustee |
| 19 | The Deputy Director/Senior Geologist of Mines and Geology Department of the respective district. | Ex-Officio Trustee and Convener |

NOTE: If there are more than one Executive Engineer of Zilla Panchayath in charge of Rural Water Supply in the District, then the Executive Engineer, whose office is located in the headquarter of the District shall be the Trustee."

6. Insertion of new rule 5A and 5B.- After rule 5 of the said rules, the following shall be inserted, namely:-

"5A State Level Steering Committee: (1) The State Level Steering Committee shall consist of the following members, namely:-

| Sl. No. | Name and Designation | Designation in the State Level Steering Committee |
|---------|--|---|
| 1. | The Chief Minister, Government of Karnataka | Ex-Officio Chairman |
| 2. | The Chairpersons of respective District Mineral Foundation Trust | Ex-Officio Members |
| 3. | The Chief Secretary to the Government of Karnataka | Ex-Officio Member |
| 4. | The Member Secretary of respective District Mineral Foundation Trust | Ex-Officio Member |
| 5. | The Secretary to Government, Commerce and Industry (MSME and Mines). | Ex-Officio Member |
| 6. | The Director, Department of Mines and Geology. | Ex-Officio Member and Convener |

(2) The State Level Steering Committee shall meet at least once in a year.

(3) The State Level Steering Committee shall monitor the implementation of projects and programs of the District Mineral Foundation Trust and review the functioning of State Level Empowered Committees.

5B. State Level Empowered Committee: (1) The State Level Empowered Committee shall be consist of the following members, namely:-

| Sl. No. | Name and Designation | Designation in the State Empowered Committee |
|---------|---|--|
| 1. | The Chief Secretary to the Government of Karnataka | Ex-Officio Chairman |
| 2. | The Additional Chief Secretary Forest and Ecology | Ex-Officio Member |
| 3. | The Additional Chief Secretary to the Government, Finance Department | Ex-Officio Member |
| 4. | The Additional Chief Secretary to the Government, Commerce and Industry. | Ex-Officio Member |
| 5. | The Additional Chief Secretary to the Government, Public Works, Ports and Inland Water Transport Department | Ex-Officio Member |
| 6. | The Principal Secretary to the Government, Education Department (Primary and Secondary Education) | Ex-Officio Member |
| 7. | The Principal Secretary to the Government, Rural and Development Panchayath Raj Department | Ex-Officio Member |

| | | |
|-----|--|--|
| 8. | The Principal Secretary to the Government, Women and Child Welfare Department | Ex-Officio Member |
| 9. | The Principal Secretary to the Government, Health and Family Welfare Department | Ex-Officio Member |
| 10. | The Principal Secretary to the Government, Major and Minor Irrigation Department | Ex-Officio Member |
| 11. | The Secretary to the Government, Commerce and Industry (MSME and Mines). | Ex-Officio Convener and Member Secretary |

(2) The State level empowered committee shall meet at least three times in a year.

(3) The State Level Empowered Committee shall monitor and review the progress of projects and programs of the District Mineral Foundation Trust and Managing Committees."

7. Amendment of rule 7.- In rule 7 of the said rules, in sub-rule (3), after the words "with these rules" the words "drawn from the endowment with the concurrence of the Government" shall be inserted.

8. Amendment of rule 12.- In rule 12 of the said rules, for sub-rule (9), the following shall be substituted, namely:-

"(9) The District Mineral Foundation Trust shall prepare an Annual Plan and Budget for implementation by January of each calendar year. In so far as the three districts viz., Bellary, Chitradurga and Tumkuru such Plan shall be prepared in consultation with the Karnataka Mining Environment Restoration Corporation (hereinafter referred to as the KMERC) and changes suggested by the KMERC shall be duly incorporated in the Annual Plan and Budget."

9. Substitution of rule 13.- For rule 13 of the said rules, the following shall be substituted, namely:-

"13. Managing Committee.- the Managing Committee shall be consist of the following members, namely:-

| Sl. No. | Name and Designation | Designation in the Governing Council |
|---------|--|--------------------------------------|
| 1 | The Deputy Commissioner of the District | Ex-Officio Trustee Chairman |
| 2 | The Chief Executive Officer of the Zilla Panchayat of the District | Ex-Officio trustee |
| 3 | The Deputy Conservator of Forest (Territorial), Forest Department | Ex-Officio Trustee |
| 4 | The District Health Officer of the District | Ex-Officio Trustee |
| 5 | The Executive Engineer of the Public Works and Inland Water Transport Department of the District. | Ex-Officio Trustee |
| 6 | The Executive Engineer of Zilla Panchayat of the District, In charge of the Rural Water Supply in the District | Ex-Officio Trustee |
| 7 | The Joint Director, District Industries Centre, Commerce and Industries Department | Ex-Officio Trustee |
| 8 | The Environmental Officer, Nominated by the Karnataka State Pollution Control Board | Ex-Officio Trustee |
| 9 | The Deputy Director of Public Instruction Department in the District. | Ex-Officio Trustee |
| 10 | The Deputy Director or Senior Geologist of Mines and Geology Department of the respective district. | Ex-Officio Trustee and Convener |

10. Amendment of rule 14.- In rule 14 of the said rules, for the second proviso the following shall be substituted, namely:-

"Provided that in case the Deputy Commissioner is unable to attend the meeting of the managing committee for any reason to be recorded in writing, the meeting shall be chaired by the Chief Executive Officer."

11. Amendment of rule 15.- In rule 15 of the said rules,-

- (i) for clause (4), the following shall be substituted, namely:-
"(4) Preparation of the Annual Plan and Budget of the Trust along with the proposed schemes and projects, for approval of the trust.;" and
- (ii) in clause (6) for the word "sanction" the words "work order" shall be substituted.

12. Substitution of rule 17.- For rule 17 of the said rules, the following shall be substituted, namely:-

"17. Operation of the District Mineral Foundation Trust Fund.- The District Mineral Foundation Trust shall open a Bank Account in the name of the respective District Mineral Foundation Trust in any of the nationalized bank and shall operate the accounts as per the provisions of the Trust Model Guidelines. The District Mineral Foundation Trust account shall be operated under joint signatures of the Member Secretary and Convener. The District Mineral Foundation Trust shall maintain the books of accounts of all its transaction in a fair and transparent manner as per rule 24A. "

13. Substitution of rule 18.- For rule 18 of the said rules, the following shall be substituted, namely:-

"18. Utilization of Funds.- The fund shall be vested in the District Mineral Foundation Trust and shall be applied for carrying out the purposes of these rules in the following manner, namely:-

(1) ten percent of the fund of the District Mineral Foundation trust shall be earmarked for endowment purpose after closure of mining activities in the affected areas;

(2) out of five percent of the annual receipt of the trust, four percent to be utilized for administrative, supervisory and overhead costs of the respective trusts as may be decided by District Mineral Foundation Trust and remaining one percent shall be transferred to the Director, Department of Mines and Geology to meet the administrative expenditure at the State Capital for smooth functioning of Steering Committee, State Level Empowered Committee and State Level Monitoring and Evaluation Cell; and

(3) remaining eighty five percent shall be utilized for implementation of projects and schemes prescribed under the Pradhan Manthri Khaneeja Kshetra Kalyana Yojana (hereinafter referred to as the PMKKY) and guidelines issued by the Government of India in the ratio of 60:40 as under,-

(i) High priority areas.- At least sixty percent of PMKKY funds shall be utilized under the following heads, namely:-

(a) Drinking water supply.- The centralized purification systems, water treatment plants, permanent or temporary water distribution network including standalone facilities for drinking water, laying of piped water supply system;

(b) Environment preservation and pollution control measures.- The 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 the mining operations and dumps, mine drainage system, mine pollution prevention technologies, and measures for working or abandoned mines and other air, water and surface pollution control mechanisms required for environment-friendly and sustainable mine development;

(c) Health care.- (i) The focus shall be on creation of primary or 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; and

(ii) To that extent, the effort shall 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.- The construction of school buildings, additional class rooms, laboratories, libraries, art and crafts room, toilet blocks, drinking water facilities, residential hostels for students or teachers in remote areas, sports infrastructure, engagement of teachers or other supporting staff, e-learning setup, other arrangement of transport facilities (like bus/van/cycles/rickshaws/etc.) and nutrition related programmes;

(e) Welfare of Women and Children.- The Special programmes for addressing problems of maternal and child health, malnutrition, infectious diseases, etc. shall be taken up under the PMKKKY;

(f) Welfare of aged and disabled people.- The Special programmes for welfare of aged and disabled people;

(g) Skill development.- The Skill development projects or schemes for livelihood support, income generation and economic activities for local eligible persons. Such projects or 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; and

(h) Sanitation.- The 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.

(ii) Other priority areas.- Up to forty percent of the PMKKKY shall be utilized under the following heads, namely:-

(a) Physical infrastructure.- Providing required physical infrastructure, like 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; and

(d) Any other measures for enhancing environmental quality in mining district.

Note: The percentage of funds to be spent on directly affected areas may be changed, with prior approval of the State Government, if the number of persons living in the directly affected areas is low and spending such funds in such area may, in the opinion of the District Mineral Foundation Trust, is wasteful."

14. Substitution of rule 20.- For rule 20 of the said rules, the following shall be substituted, namely:-

"20. Pradhan Manthri Khanija Kshetra Kalyana Yojana (PMKKKY).- The Pradhan Manthri Khanija Kshetra Kalyana Yojana (PMKKKY) shall be implemented by the District Mineral Foundation Trust of the respective Districts as per the guidelines of the Yojana issued by the Government of India from time to time as specified in rule 18."

15. Substitution of Expression.- In the said rules, for the word 'foundation' wherever it occurs except rule 2, the words 'Foundation Trust' shall be substituted.

By Order and in the name of the
Governor of Karnataka

ANVAR BHASHA
Under Secretary to Government(Mines-2)(I/c.,)
Commerce & Industries Department



GOVERNMENT OF KARNATAKA

No: CI 349 MMN 2019

Karnataka Government Secretariat,
Vikasa Soudha,
Bengaluru, dated 06.05.2020.

NOTIFICATION

In exercise of the powers conferred by sub-section (4) of section 15 read with section 9B of the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957), the Government of Karnataka, hereby makes the following rules further to amend the District Mineral Foundation Trust Rules, 2016, namely:-

RULES

1. Title and commencement: - (1) These rules may be called the District Mineral Foundation Trust (Amendment) Rules, 2020.

(2) They shall come into force from the date of their publication in the official Gazette.

2. Amendment of rule 2.-In clause (h) of rule 2 of the District Mineral Foundation Rules, 2016, (hereinafter referred to as the said rules), the words brackets, figures is "registered under the Karnataka Societies Registration Act, 1960 (Karnataka Act 17 of 1960)" shall be ommitted.

3. Amendment of rule 4.-In rule 4 of the said rules, for sub-rule (4), the following shall be substituted namely,-

"(4) Every District mineral Foundation Trust constituted under these rules may be registered as per the provisions of the Registration Act, 1908 (Central Act 16 of 1908)."

4. Amendment of rule 7.-In sub-rule (2) of rule 7 of the District Mineral Foundation Rules, 2016, (hereinafter referred to as the said rules),-

- (i) in the first proviso for the words "specified time" the words "Thirtieth April of the financial year for which Annual Action Plan needs to be approved" shall be substituted;
- (ii) for the second proviso, the following shall be substituted, namely:- "Provided also 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. Action Plan for new schemes being proposed shall include re-assessed or spill-over and an amount not exceeding three times the expected inflow for the financial year for which Action Plan needs to be prepared, to maintain financial discipline and completion of schemes or projects in a time bound manner."

5. Amendment of rule 18.- In rule 18 of the said rules,-

- (a) in sub-rule (2), after the words "State Level Monitoring and Evaluation Cell" the words "to meet other administrative charges at the Directorate of Mines and Geology" shall be inserted.
- (b) in sub-rule (3), clause (i),-
 - (i) in the heading to Item (b), after the words "Environment preservation", the word "Afforestation" shall be inserted and in item (b) after the word "enviorment friendly," the words "afforesation" shall be inserted.
 - (ii) in Item (e), after the words "infectious diseases", the words . "women safety" shall be inserted.

By Order and in the name of the
Governor of Karnataka



(SHIVAPRAKASH)

DESK OFFICER (MINES)

COMMERCE AND INDUSTRIES DEPARTMENT.