MANIPUR GAZETTE

E X T R A O R D I N A R Y
PUBLISHED BY AUTHORITY

No. 34 Imphal, Thursday, May 14, 2026 (Vaisakha 24, 1948)

GOVERNMENT OF MANIPUR
DEPARTMENT OF TEXTILES, COMMERCE & INDUSTRY

NOTIFICATION
Imphal, the 6th May, 2026

"THE MANIPUR DISTRICT MINERAL FOUNDATION (TRUST) RULES, 2026"

No. GM-1010/1/2021-TCI-T,C&I: In exercise of the powers conferred by sub-sections (1), (2), and (3) of section 9B, and section 15 and section 15A of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the Governor of Manipur do hereby make the following rules, namely:-

1. Short title extent and commencement,

   (a) These rules may be called the "Manipur District Mineral Foundation (Trust) Rules, 2026".

   (b) They shall extend to the whole of the State of Manipur.

   (c) These rules shall come into force on the date of their publication in the Official Gazette.

2. Application.-

   These rules shall apply to all minerals except-

   (a) Petroleum and Natural Gas.

   (b) Minerals listed in Part B of the First Schedule to the Mines and Minerals (Development and Regulation) Act, 1957.

3. Definitions.- (1) In these rules, unless the context otherwise requires, -

   (a) "Act" means the Mines and Minerals (Development and Regulation Act, 1957 (as amended);

(b) "Auditors" means the Auditors of the Local Fund Audit of the State Government as the Internal Auditor and Audit/Chartered Accountant appointed by the trust as Statutory Audit and include the Accountant General of Manipur;

(c) "Beneficiaries" means the areas and persons affected by mining related operations undertaken in the area;

(d) "Contribution" means the contribution to be collected from the holder of:

(i) mining lease or a prospecting licence-cum-mining lease under the provisions of sub-section (5) of section 9B of the Act;

(ii) mining lease under the provisions of sub-section (6) of the section 9B of the Act; and

(iii) minor mineral concession under the provisions of section 15 A of the Act in the concerned district as may be prescribed by the Central Government or State Government, as the case may be;

(e) "Governing Council" means all the trustees of the District Mineral Foundation.

(f) "The District Mineral Foundation (DMF)" means a trust established in terms of sub-section (1) of section 9B of the Act.

(g) "Government" means the Government of Manipur;

(h) "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 Districts under these rules using the funds accruing to them;

(i) "years" means financial year commencing from the 1st day of April and ending on the 31st day of March;

(2) The 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, as may be defined under the provisions of the Mineral Concession Rules, 2016 or the Manipur Minor Minerals Concession Rules, 2012.

4. **Constitution of Foundation.-**

A Foundation to be known as (*name of the district*) District Mineral Foundation shall be set up by the State Government by notification in terms of sub-section (l) and (3) of section 9B and sub-section (4) of section l5 of the Mines and Minerals (Development and Regulation) Act, 1957, as a non-profit body in each district in the State where a mining lease has been granted or is in operation and its office would be located in the office of the District Magistrate of the concerned District.

5. **Objects and function of the Foundation.-**

All DMFs shall implement the development programme:

(a) to work for the interest and benefit of persons affected by mining related operations;

(b) to work for the areas affected by mining related operations;

(c) the amount accruing to DMF shall be utilised: -

(i) for payment of monetary benefits payable monthly or quarterly to members of the family of the person holding occupation or traditional rights in areas affected by mining related operations;

(ii) to implement the schemes provided by PMKKKY by observing all guidelines, scopes and provisions framed by the Central Government;

(iii) such other expenditure as may be prescribed in the DMF for the benefit of the areas affected by mining; and

(iv) payment of administrative expenses necessary for working of the DMF not exceeding 6% of the total annual payment received by it in a financial year;

(d) to maintain a register which shall be open to the public for inspection at any reasonable time, containing (a) copy of the Current Constitution, (b) a copy of the latest annual accounts and of any report of auditor of the accounts of DMF, and (c) a copy of the latest annual report;

(e) to undertake such other activities including creation, management and maintenance of such local infrastructure for socio-economic purposes in areas affected by mining related operations and facilitating the implementation of the sustainable Development Framework;

(f) **PMKKKY** shall be implemented by the **DMFs** of the respective district using the funds accrued to the 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 complement the existing ongoing schemes/projects of State and/or 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 livelihood for the affected people in mining areas.

6. The PMKKKY may cover the activities listed below. -

(a) **High Priority Areas (at least 60% of PMKKKY funds to be utilized under these activities):**

(i) 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, etc.

(ii) 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 and surface pollution control mechanisms required for environment-friendly and sustainable mine development.

(iii) 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.

(iv) 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.

(v) 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.

(vi) 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.

(vii) Welfare of aged and disabled people – Special program for welfare of aged and disabled people**.**

(viii) 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 centre, self-employment schemes, support to Self Help Groups and provision of forward and backward linkages for such self-employment economic activities.

(ix) 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.

(b) Other priority areas (up to 40% of the PMKKKY to be utilized under these activities):

(i) Physical infrastructure - providing required physical infrastructure - road, bridges, railways and waterways projects.

(ii) Irrigation - developing alternate sources of irrigation, adoption of suitable and advanced irrigation techniques.

(iii) 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.

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

(c) The affected areas and people shall be identified in accordance with the existing guideline of the State Government.

(d) 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.

7. **Composition of the District Mineral Foundation.-**

(a) The District Mineral Foundation shall be managed by a Governing Council which shall consist of all the Members of the Foundation.

(b) Day to day management of the Foundation shall be managed by a Managing Committee to be decided by the State Government.

(c) The State Government shall by notification published in the Official Gazette fix the composition of District Mineral Foundation and Managing Committee thereof taking into account sub-section 4 of Section 9B of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) and as amended.

8**. Appointment of trustees**.-

(a) The State Government shall appoint the trustees as the trustees of the Foundation. The term of appointment for the nominated trustees shall be for three years with effect from the date of their appointment as Trustees and the nominating authority may thereafter renew their appointment for another term or may nominate other persons in their place;

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

(b) The State Government may at any time increase the number of trustees in any of the categories and also may at any time remove any of the trustees and may appoint any other person as the trustee at its sole discretion. The trustees so removed by the State Government shall cease to be trustee with effect from the date of such removal.

9. Management of the Trust.-

The management of the trust shall vest in a Governing Council, which shall consist of all trustees including nominated trustees of the trust. However, the day-to-day management of the Trust shall be managed by a Managing Committee, as specified in rule 10. The Government may however decide to alter the composition of the Managing Committee at any time. The powers and functions of the Governing Council and of the Managing Committee shall be as contained in these rules.

10. Decisions by the trustees.-

(a) All decisions by the trustees shall be taken in the meeting of the Governing Council and every meeting of the Governing Council shall be deemed to be a meeting of the Trust.

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

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

11**. Powers and functions of Governing Council.-**

(a) The Governing Council consisting of all the trustees shall be responsible for :

(i) Drawing up and approving of Annual Action Plan and the Annual Budget for functioning of the Foundation. Annual Action Plan must be prepared and approved by the Governing Council at least one month before the commencement of the year. Annual Budget shall be prepared and approved by the Governing Council as per Annual Action Plan.

(ii) While preparing the Annual Plan for the next financial year, the sum total of the Past Commitment and Project, the sum total of the past liabilities and commitments and new scheme being proposed should not in any case exceed three times the expected in-flows for the next financial year.

(iii) Approving such other expenditure as may be prescribed by the State Government.

(iv) Approving the recommendations of the Managing Committee.

(v) Approving the annual reports and Audited accounts of the Foundation within 60 days of the close of the previous years.

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

12. Powers and functions of the Managing Committee.-

(a) The Managing Committee shall manage, administer and supervise the day to day activities of the Foundation.

(b) The Managing Committee shall :

(i) ensure timely collection of contribution Fund from the concerned Mining lease holders in accordance with the provisions of the Act;

(ii) assist in the preparation of the Annual Plan and the Annual Budget of the Foundation;

(iii) supervise and ensure the execution of Annual Plan and the approved schemes arid projects;

(iv) accord sanction to the projects, release and disburse the Foundation Fund for the purpose;

(v) operate Foundation Fund and to invest the same in a diligent manner and to open Bank Accounts in the Name of the Foundation and operate such accounts and investments;

(vi) monitor and progress of the Utilization of Foundation Fund;

(vii) place the audited accounts along with an Annual Report before the Governing Council for its approval within 60 days of close of the financial year; and

(viii) lay down and/or approve rules and procedures for the functioning of the Foundation.

13. **Meetings of the Governing Council and Managing Committee.-**

(a) The Governing Council shall meet as often as necessary but at least once every quarter. Every meeting of the Governing Council shall be deemed to be a meeting of the Foundation.

(b) The meeting of the Governing Council shall be convened as desired by the Chairperson.

(c) The quorum for such meeting shall be one third of the total membership.

(d) All decisions of the Governing Council shall be taken by the majority of the Members present and voting. In case of tie, the Chaiman of the Meeting shall have a casting vote.

(e) 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 of the Managing Committee.

14. **Operation of Foundation Fund.-**

(a) The Foundation shall have the power to open and operate bank accounts in its name at any scheduled commercial Nationalized Bank. Bank Account will, however, be opened with the prior concurrence of the State Finance Department, Government of Manipur. The Foundation Fund shall be kept in one or more accounts and all the accounts shall be operated under the joint signatures of the Member Secretary and another member of the Managing Committee.

(b) The Foundation Fund would include :

(i) the initial settlement made by the State Government;

(ii) any grant, contribution or other monies received from the State Government or from any other Agency, Institution or person;

(iii) the contributions collected from the holders of :

(a) mining lease or a prospecting licence-cum-mining lease under the provisions of sub-section (5) of section 9B of the Act;

(b) mining lease under the provisions of sub-section (6) of section 9B of the Act; and

(c) minor mineral concession under the provision of section l5A of the Act in the concerned district;

(iv) Investments and other deposits and the interest accrued thereon and any other income desired there from;

(v) all other properties of the Foundation and the income derived therefrom or appreciation thereof.

15. **Contribution.-**

(a) The holder of a mining lease or a Prospecting Licence-cum-Mining Lease granted on or after the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 shall pay the amount under the provisions of sub-section (5) of section 9B of the Act.

(b) The holder of a mining lease or a Prospecting Licence-cum-Mining Lease granted on or before the date of commencement of the, Mines and Minerals (Development and Regulation) Amendment Act, 20l5 shall pay the amount under the provisions of sub-section (6) of section 9B of the Act.

(c) The holder of a mining lease or a Prospecting Licence-Cum-Mining Lease or a permit holder in respect of minor minerals shall in addition to the royalty pay to the District Mineral Foundation of the district in which mining operations are carried on an amount as may be prescribed.

(d) Lessee shall submit return in respect of contribution to DMF, in every quarter to (a) The Chairman of District Mineral Foundation, (b) the concerned D.L. & L.R.O./District Magistrate and (c) the Mining Officer of the concerned zone within 15th day of end of every quarter, failing which penalty @ Rs.l00/- per day shall have to be paid by the Lessee for each day of delay.

(e) If contribution to the DMF is not paid by the lessee within the time prescribed, interest @ 6.25% of the total outstanding with regard to the contribution shall be payable in the next quarter.

16. **Annual Report**.-

(a) The Member Secretary of the Managing Committee shall within 60 days of close of the financial year place an Annual Report in respect of activities undertaken under the fund available with DMF, before the Governing Council of the Foundation.

(b) A copy of Annual Report shall be sent to the concerned District Magistrate and to the Trade, Commerce and Industries Department, Government of Manipur within 30 days from the date of its approval.

(c) The Governing Council of the Foundation shall approve the annual reports within 60 days of the close of the previous year.

17. **The District Mineral Foundation shall maintain a register giving details of.-**

(a) The list of lease holders in the district and the annual payments made by them to the DMF.

(b) The disbursal of benefits to the affected person.

(c) Annual Report including annual audited accounts of the District Mineral Foundation and the same shall be available on the website of the District Mineral Foundation.

18. **Accounts and Audit.-**

(a) The Managing Committee shall maintain and/or cause to be maintained proper accounts, documents and other related records with respect to the Foundation Fund.

(b) Internal Audit of the DMFs shall be done by the Directorate of Local Fund Audit. Responsibilities of the Internal Audit shall include reporting on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, and the level of compliance with financial transparency. Internal Auditor shall submit the audit report direct to the Directorate of Trade, Commerce and Industries, Government of Manipur.

(c) Statement of Income and Expenditure, Receipts and Payments, its assets of the foundation will be open to check any time by Auditors as defined by sub-rule (ii) of rule 3 and the accounts shall be audited every year.

(d) The Foundation shall forward the approved Budget and Annual Plan along with Schemes/Projects for the next Financial Year to the concerned District Magistrate, AEO to Zilla Parishad, CEO to District Council and Trade, Commerce & Industry Department for publication on their websites.

(e) The Foundation shall forward the Approved Annual Report and Approved Audit Report within 60 days of close of Financial Year to the Zilla Parishad, District Council, District Magistrate and Directorate of Trade, Commerce & Industries.

(f) The accounts of Foundation as certified by the District Magistrate together with Audited report shall be forwarded annually to the State Government in Finance Department for laying before State Assembly.

ANURAG BAJPAI,
Additional Chief Secretary
to the Government of Manipur.

Printed at and Published by the Directorate of Printing & Stationery, Government of Manipur.

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Date: 14-05-2026 16:57:04