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Chhattisgarh Mineral Development Fund Act, 2003

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CHHATTISGARH ACT

(No. 22 of 2003)

CHHATTISGARH MINERAL DEVELOPMENT FUND ACT, 2003

An Act to make special provisions for creation of Mineral Development Fund for the State of Chhattisgarh and its utilisation towards mineral exploration and development of mining activities in the State.

Whereas, it is expedient to make special provisions for creation of Mineral Development Fund for the State of Chhattisgarh and its utilisation towards mineral exploration and development of mining activities in the State and for matters connected therewith or incidental thereto.

Be it enacted by the Chhattisgarh legislature in Fifty fourth year of the Republic of India as follows :-

Short title and
Commencement.

1. (i) This Act may be called the Chhattisgarh Mineral Development Fund Act, 2003 (No. 22 of 2003).
- (ii) It shall come into force from the date of its publication in the Official Gazette.

Definitions.

2. In this Act, unless the context otherwise requires;
 - (a) "Advisory Committee" means the Advisory Committee constituted under section 6;
 - (b) "Corporation" means the Chhattisgarh Mineral Development Corporation Ltd., Raipur, a State Government Undertaking;
 - (c) "Department" means the Mineral Resources Department of Government;
 - (d) "Directorate" means the Directorate of Geology and Mining;
 - (e) "Director" means the Director of the Directorate of Geology and Mining.

- (f) "Fund" means Chhattisgarh Mineral Development Fund constituted under section 3 of the Act;
- (g) "Managing Director" means the Managing Director of the Chhattisgarh Mineral Development Corporation;
- (h) "Member" means the Member of the Advisory Committee;
- (i) "Principal Secretary" means Principal Secretary Mineral Resources Department of the Government of Chhattisgarh;
3. (1) The State Government shall constitute, by appropriation made out of its mineral revenue and contribution from any other source, a Fund to be called the Chhattisgarh Mineral Development Fund. Chhattisgarh Mineral Development fund.
- (2) Every year an amount equivalent to five percent of mineral revenue collected during the preceding financial year shall be earmarked and contributed to the Fund.
4. The Fund so created shall be assigned to the Department which shall make available such sums, as may be required, to the Directorate of Geology and Mining and the Chhattisgarh Mineral Development Corporation. Allotment of Fund.
5. The Fund may be utilised for :- Utilisation of Fund.
- (a) carrying out the functions and activities of the Directorate of Geology and Mining specially for investigation and exploration of mineral deposits in the state, and
- (b) carrying out the activities of the Corporation, such as exploitation of minerals, partnership in Joint Ventures, providing infrastructures in mines and also for other purposes connected with mining activities for functions for promoting mineral based industries in the State in accordance with the State Mineral Policy.
6. (1) The State Government shall by notification in the *Official Gazette*, constitute an Advisory Committee for the purposes of giving directives for proper utilisation of the Fund and allocation from the Fund for various purposes as per Section 5. The Advisory Committee shall also perform such other functions as may be prescribed. Advisory Committee.
- (2) The Fund shall be regulated and administered by the Department and its utilisation shall be subject to the approval of the Advisory Committee.
- Provided that, the Fund shall not be utilized for any purposes other than those for which it is created.
- (3) The Advisory Committee shall consist of the following members :-
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| (a) Chief Minister | Ex-officio; Chairman. |
| (b) Minister for Mineral Resources | Ex-officio Member; |
| (c) Minister for Finance | Ex-officio Member; |
| (d) State Minister for Mineral Resources | Ex-officio Member; |
| (e) Chief Secretary | Ex-officio Member; |
| (f) Principal Secretary to Government Mineral | Ex-officio Member; |

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| | (g) | Managing Director, Chhattisgarh Mineral Development Corporation. | Ex-officio Member; |
| | (h) | Two experts in the field of mining to be appointed by the State Government. | Member; |
| | (i) | Director, Geology and Mining, Chhattisgarh | Member Secretary. |
| | (4) | A person appointed as an expert member under clause (h) of sub-section (3) shall hold office for a period of three years from the date of his appointment unless his term of office is terminated by the Government by notification in the Official Gazette. | |
| | (5) | No act or proceeding of the Advisory Committee shall be invalid by reason only of a vacancy therein, or any defect in nomination of any member, if such act or proceeding is otherwise in accordance with the provision of the Act. | |
| Accounting Fund. | 7. | (1) | The accounts of the amount credited, withdrawn and spent from the Fund, from time to time, shall be maintained by the Department in the prescribed manner and shown under appropriate heads in the annual financial statement. |
| | | (2) | The annual financial statement shall be placed before the State Legislature, as soon as may be, after it is prepared by the Department. |
| Protection of action taken in good faith. | 8. | No suit, prosecution or legal proceeding shall lie against the Government or the Department or an officer or an employee of the State Government or of the Directorate, or of the Corporation for anything which is done in good faith or intended to be done under this Act. | |
| Power to remove difficulties. | 9. | If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by an order published in the Gazette, do anything not included in the provisions of this Act, which appears to it to be necessary or expedient for the purpose of removing the difficulty. | |
| Power to make rules. | 10. | The State Government shall make rules for the purpose of implementation of this Act and for purposes connected therewith. | |