

THE GOA MINERAL DEVELOPMENT CORPORATION BILL, 2021

(Bill No. 36 of 2021)

A

BILL

5 *to establish a Corporation to carry out mining
operation in an orderly, scientific and ecological
sustainable manner and for matters connected
therewith or incidental thereto.*

BE it enacted by the Legislative Assembly of
Goa in the Seventy- second Year of the Republic
of India as follows:—

10 **1. Short title, extent and commencement.—**

(1) This Act may be called the Goa Mineral
Development Corporation Act, 2021.

(2) It shall extend to the whole of the State of
Goa.

15 (3) It shall come into force on such date as the
Government may, by notification in the Official
Gazette, appoint.

2. Definitions.— In this Act, unless the context
otherwise requires,—

20 (a) **“Board”** means the Board of Directors of the
Corporation;

(b) **“Chairperson”** means the Chairperson of the
Corporation;

25 (c) **“Corporation”** means the Goa Mineral
Development Corporation established under
section 3 of this Act;

(d) “**Director**” means a Director of the Corporation;

(e) “**Government**” means the Government of Goa;

(f) “**mining lease**” means a lease granted for the purpose of undertaking mining operations, and includes a sub-lease granted for such purpose; 5

(g) “**mining operations**” means any operations undertaken for the purpose of winning any mineral; 10

(h) “**Official Gazette**” means Official Gazette of the State;

(i) “**prescribed**” means prescribed by rules made under this Act; 15

(j) “**prospecting license**” means a license granted for the purpose of undertaking prospecting operations;

(k) “**rules**” means rules made under this Act;

(l) “**regulations**” means regulations made under this Act; 20

(m) “**State**” means the State of Goa.

3. Establishment and incorporation,—

(1) For the purpose of carrying out mining operations and allied activities in an orderly, scientific and ecological sustainable manner, there shall be established by the Government, by notification in the Official Gazette, a Corporation by the name of the Goa Mineral Development Corporation. 25

(2) The said Corporation shall be a body corporate having perpetual succession and a common seal and may sue and be sued in its corporate name and shall be competent to acquire, hold and dispose of property, both movable and immovable and to contract and do all things necessary for the purposes of this Act.

(3) The Head Office of the Corporation shall be at Panaji, Goa, or at any place as may be directed by the Government.

4. Constitution.— (1) The Chief Minister of the State shall be the Chairperson of the Corporation and it shall consist of the following other Directors, namely:-

(i) Secretary to the Government of Goa, Mines Department;

(ii) Secretary to the Government of Goa, Finance Department, or his nominee not below the rank of Additional Secretary from Finance Department;

(iii) Director of Mines;

(iv) A law graduate having experience of handling matters related to mining to be nominated by the Government;

(v) Two Chartered Accountants having an experience of ten years or more, to be nominated by the Government;

(vi) A Geologist to be nominated by the Government;

(vii) Secretary to the Government of Goa, Department of Environment and Climate change.

(viii) Managing Director of the Corporation who shall be the Ex-Officio Secretary to the Corporation.

5. Managing Director.— (1) The Managing Director shall be appointed by the Government.

(2) The Managing Director shall,— 5

(a) be a whole time officer of the Corporation;

(b) perform such duties and functions as may be specified or as may be assigned to him;

(c) hold office for a term of three years from the date of his appointment and shall remain in office 10 thereafter for three months or until a successor in that office is appointed, whichever is earlier;

(d) receive such salary and allowances as may be prescribed;

(e) divest himself of any directorship of, or other 15 interest held by him in, any other Corporation, Company or concern; and

(f) not become a Director of, or acquire any share or other interest in any other Corporation, 20 Company or concern during his term of office:

Provided that nothing in this section shall prevent the Managing Director from holding shares in any public company acquired by him before this appointment but he shall declare such shares to the Government at the time of his 25 appointment:

Provided further that the Government may, in exceptional circumstances, where it considers necessary to do so, exempt by a special order any person who has been appointed or is about to be 30 appointed as Managing Director from the application of this section.

(2) Nothing in this section shall preclude the Government from extending the term of office of a Managing Director for such period as the Government may determine.

5 **6. Disqualification of Managing Director and/or Director.**— A person shall be disqualified for being nominated/appointed as a Director or Managing Director of the Corporation, if he—

10 (a) is, or at any time has been, convicted of any offence involving moral turpitude; or

 (b) is, or at any time has been, disqualified for appointment in, or dismissed from, Government service; or

15 (c) is, or at any time has been, adjudged insolvent; or

 (d) is of unsound mind and stands so declared by a Competent Court; or

 (e) is not a citizen of India; or

 (f) is less than twenty five years of age.

20 **7. Removal of Managing Director and/or Directors.**— The Government may, by order in writing, remove the Managing Director or a Director, as the case may be, after giving him an opportunity of being heard if he, –

25 (a) refuses to act or fails to discharge or becomes, in the opinion of the Government, incapable of discharging his responsibilities under this Act;

30 (b) has, in the opinion of the Government, abused his position as Managing Director or Director which has rendered his continuance on the Corporation detrimental to the interest thereof or

of the general public ; or

(c) is otherwise unfit to continue as a Managing Director or Director;

(d) has knowingly acquired or continued to hold, without the permission in writing of Government directly or indirectly, or through a partner any share or interest in any contract or employment with, or on behalf of the Corporation or in any property, which he knows is likely to benefit or has benefited him as a result of the operation of the Corporation. 5 10

8. Resignation by or removal of Managing Director or Directors.— Notwithstanding anything contained in this Act, the Managing Director or a Director, at any time before the expiry of his term and upon three months' notice, resign his office, or upon similar notice, be removed from office by the Government without assigning any reason: 15

Provided that Government may, upon payment of three months' salary and allowances in lieu of the notice, remove the Managing Director immediately without assigning any reason. 20

9. Appointment of officers.— The Corporation may appoint such officers, advisers, experts, consultants and other employees, as it considers necessary for the efficient performance of its functions under this Act on such terms and conditions as it may deem fit, subject to such general or special directions as the Government may give from time to time in this behalf. 25 30

10. Financial, technical and advisory committees.— The Corporation may constitute such financial, technical and advisory committees to advise the Corporation as may be deemed

necessary for carrying out the purposes of this Act. The Corporation may engage suitable consultants or persons having special knowledge or skill to assist the Corporation in the performance
5 of its functions.

11. Meetings of Board.— (1) The Board shall meet at such time and places and shall, subject to the provisions of sub-section (2) observe such rules or procedure in regard to the transaction of its
10 business as may be provided by the regulations made under this Act.

(2) A Director, Chairperson or the Managing Director who is directly or indirectly concerned or is interested in any of the resolutions or
15 decisions shall abstain himself from such discussion or decision when such subject matter is taken up for discussion or decision:

Provided that when the Chairperson is required to abstain as aforesaid, the meetings shall be
20 chaired by any other Director to be appointed by majority in such meeting, when discussing or taking decision on such subject.

(3) The quorum required for transaction of the business at the meeting of the Board shall be
25 three.

(4) In the event of equality of vote, the Chairperson shall have the casting vote.

(5) The meetings of the Board shall be presided over by the Chairperson and in his absence by a
30 Director elected for the purpose by the Directors present from amongst themselves.

(6) No act or proceedings of the Board shall be

invalid merely on the ground of existence of any vacancy in the Board.

(7) The minutes of every meeting of the Board, stating among other things, the names of the Directors present, shall be drawn up and recorded in a book to be kept for the purpose and shall be signed by the person presiding over the meeting and such book shall, at all reasonable times and without payment of any fee, be open for inspection to the Directors.

12. Management and administration.— (1) The management and administration of the Corporation and its affairs shall vest in the Board which may exercise all powers and do all acts which may be necessary for the purposes of this Act.

(2) The Board in discharge of its functions shall act after considering welfare of the public and commercial aspects and shall follow such directions as the Government may give from time to time.

(3) If the Board fails to obey any directions mentioned in sub-section (2) or if the Board, its Managing Director or any Director contravenes the provisions of this Act or of the rules or regulations made thereunder or if the Managing Director or any Director is found guilty of misconduct, Government may remove all or any of the Directors or the Managing Director, as the case may be, and notwithstanding anything to the contrary contained in sections 5 and 6, appoint temporarily other persons in their place to be the Directors or the Managing Director, as the case may be, until new Directors are appointed in accordance with

the provisions of section 5 or a new Managing Director is appointed in accordance with the provisions of section 6; provided that only the provisions of clauses (a), (b), (d) and (e) of sub-section (2) of section 6 shall apply to the person appointed temporarily under this sub-section to be the Managing Director.

(4) The Government may suspend the execution of any resolution or order of the Board as in the opinion of Government contravenes the provisions of this Act, the Rules and Regulations framed under this Act, or the directions mentioned in sub-section (2), or prohibit the doing of any act which is to be done or is being done in pursuance of such resolution or order, or if the act has been accomplished, order its rectification in such manner as may be directed.

13. Submission of returns, statements, etc. to the Government.— (1) The Government may require the Managing Director to furnish to it –

- (a) any return, statement, estimate, statistics or other information regarding any matter under the control of the Corporation; or
- (b) a report on any such matter; or
- (c) a copy of any document in his charge, and the Managing Director shall comply with any such requisitions without any undue delay.

(2) The Managing Director shall prepare and submit a quarterly report to the Board.

14. Power of Board to associate other persons.— (1) The Board may associate with itself, in such manner, on such terms and for such period

as it may deem fit, any person whose assistance or advice it may desire in carrying out any of the provisions of this Act.

(2) A person associated under sub-section (1) for any purpose shall have the right to take part in the discussion relating to such purpose in the meetings of the Board, but shall not have the right to vote, and shall not be deemed to be a Director for that or any other purpose. 5

15. Functions of the Corporation.— (1) The Corporation shall obtain mining leases/grants, prospecting licenses, etc. under the Mines and Mineral Development and Regulation Act, 1957(Act 67 of 1957) and carry out all mining operations in accordance with the said Act. 10 15

(2) The Corporation shall also carry out mining operations for the State under MMDR Act.

(3) The Corporation shall carry out business relating to the mining dumps, transportation, extraction of ore, export of ore and mining rejects, slurries, tailings, etc. as may be directed by the Government from time to time. The Corporation shall also participate in the auction related to mining lease/prospecting licence as and when Government auctions such mining leases/prospecting licenses. 20 25

(4) The Corporation shall be entitled to enter into any contracts, agreements, memorandum of understandings, etc. for engaging entities for the purpose of carrying out mining operations as it may consider necessary or expedient or any other business connected therewith in accordance with this Act. 30

(5) The Corporation shall be entitled to publicly auction, sell the ore which is extracted or which may be otherwise required to be sold by the Corporation, on such terms and conditions as it may deem fit.

(6) The Corporation shall also carry out such other activities as may be directed by the Government from time to time.

16. The authentication of orders and documents of the Corporation.— All the permissions, orders, other documents of the Corporation shall be authenticated by the signature of the Managing Director or any other Officer authorized by the Corporation in this behalf. The Government may issue to the Corporation such general or special directions as to the Policy, as it may think necessary or expedient for the purpose of carrying out the purposes of this Act and the Corporation shall be bound to follow and act upon such directions.

17. Application of Corporation's assets.— All property, funds and other assets vesting in the Corporation shall be held and applied by it, subject to the provisions and for the purposes of this Act.

18. Corporation's fund.—(1) The Corporation shall have and maintain its own fund, to which shall be credited,-

(a) all monies received by the Corporation by way of grants, subventions, interest, profits, loans, advances or otherwise;

(b) all monies received by the Corporation from the mining business and other allied activities.

(c) all monies received by the Corporation by way of royalties, rents and profits, or in any other manner or from any other source including the proceeds of any loan authorized by section 20.

(2) The Corporation may keep in current or in deposit account with the State Bank of India or any other Public Sector Bank approved by the Government in this behalf such sum of money out of its fund as may be prescribed and any money in excess of the said sum shall be invested in such manner as may be approved by the Government.

(3) Such accounts shall be operated upon by such officers of the Corporation as may be authorized by it by regulations made in this behalf.

19. Grants, subventions, loans, advances and capital contribution to the Corporation.- The Government may, after due appropriation made by the State Legislature by any law in this behalf, make such grants, subventions, loans and advances and capital contributions to the Corporation as it may deem necessary for the performance of the functions of the Corporation under this Act; and all grants, subventions, loans, advances and capital contribution made shall be on such terms and conditions as the Government may determine.

20. Power of the Corporation to borrow.-The Corporation may, subject to such conditions as may be prescribed in this behalf borrow money in the open market or otherwise with a view to providing itself with adequate resources, subject to prior approval of the Government.

21. Reserve and other funds.— (1) The Corporation shall make provision for such reserve

and other specially denominated funds as the Government may, from time to time, direct.

5 (2) The management of the funds referred to in sub-section (1), the sums to be transferred from time to time to the credit thereof and the application of money comprised therein, shall be determined by the Corporation.

10 (3) None of the funds referred to in sub-section (1) shall be utilized for any purpose other than that for which it was constituted, without the previous approval of the Government.

15 **22. Expenditure from funds.**— The Corporation shall have the authority to spend such sums as it thinks fit for the purposes authorised under this Act from and out of the general fund of the Corporation referred to in section 18 or from the reserve and other funds referred to in section 21, as the case may be.

20 **23. Budget and programme of work.**— (1) The Corporation shall, by such date in each year as may be prescribed, prepare and submit to the Government for approval an annual financial statement and the programme of work for the succeeding financial year.

25 (2) The annual financial statement shall show the estimated receipts and expenditure during the succeeding financial year in such form and detail as may be prescribed.

30 (3) The Corporation shall be competent to make variations in the programme of work in the course of the year provided that, all such variations and re-appropriations out of the sanctioned budget are brought to the notice of the Government by a supplementary financial statement.

(4) A copy each of the annual financial statement and the programme of work and the supplementary financial statement, if any, shall be placed before the Legislative Assembly as soon as may be after their receipt by the Government. 5

24. Accounts and audit.— (1) The Corporation shall maintain books of accounts and other books in relation to its business and transaction in such form, and in such manner, as may be prescribed.

(2) The accounts of the Corporation shall be audited by an auditor appointed by the Government, in the prescribed manner. 10

(3) As soon as the accounts of the Corporation are audited, the Corporation shall send a copy thereof with a copy of the report of the auditor thereon to the Government. 15

(4) The Government shall cause the accounts of the Corporation together with the audit report thereon forwarded to it under sub-section (3) to be laid annually before the Legislative Assembly. 20

25. Concurrent and special audit of accounts.— (1) Notwithstanding anything contained in section 24, the Government may order that there shall be concurrent audit of the accounts of the Corporation by such persons as it thinks fit. The Government may also direct a special audit to be made by such person as it thinks fit of the accounts of the Corporation relating to any particular transaction or class or series of transaction or to a particular period. 25 30

(2) When an order is made under sub-section (1), the Corporation shall present or cause to be presented for audit such accounts and shall furnish

the person appointed under sub-section (1) such information as the said person may require for the purpose of audit.

5 **26. Recovery of sums due to the Corporation as arrears of land revenue.**— All sums payable by any person to the Corporation or recoverable by it by or under this Act and all charges or expenses incurred in connection therewith shall, without prejudice to any other mode of recovery,
10 be recoverable as arrears of land revenue on the application of the Corporation.

15 **27. Dissolution of Corporation.**— (1) Where the Government is satisfied that the purposes for which the Corporation was established under this Act have been substantially achieved, so as to render the continued existence of the Corporation in the opinion of the Government unnecessary, the Government may by notification in the Official Gazette declare that the Corporation shall be
20 dissolved with effect from such date as may be specified in the notification, and the Corporation, shall be deemed to be dissolved accordingly.

(2) From the said date,—

25 (a) all properties, funds and dues which are vested in, or realisable by the Corporation, shall vest in, or be realisable by, the Government;

(b) all liabilities which are enforceable against the Corporation shall be enforceable against the Government.

30 **28. Power to make rules.**— (1)The Government may, after consultation with the Corporation in regard to the matters concerning it, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:-

(a) under clause (d) of sub-section (2) of section 5, the salary and allowances of the Managing Director of the Corporation; 5

(b) under section 18, the sums of money to be kept by the Corporation in Current and deposit accounts ; 10

(c) under section 20, subject to prior approval of the Government ;

(d) under section 23, the date by which the annual financial statement and programme of work shall be submitted by the Corporation to the Government and the form and manner of preparing such statement; 15

(e) under section 24, the form and manner of maintaining books and other books of accounts; and manner of auditing accounts ; 20

(f) any other matter which has to be, or may be, prescribed by the rules.

29. Power to make regulations.— The Corporation may, with the previous approval of the Government, make regulations consistent with this Act and the rules made thereunder to carry out, the purposes of this Act, and without prejudice to the generality of this power, such regulations may provide for:— 25

(a) under section 18(3), the Officer of the Corporation who may operate its accounts: 30

(b) under section 28, the manner in which Government lands shall be dealt with by the Corporation after development.

5 **30. Rules and regulations to be published in the Official Gazette.**— All rules and regulations made under this Act shall be published in the Official Gazette.

10 **31. Protection of action taken in good faith.**— No suit, prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or intended to be done under this Act or any rule or regulation made there under.

15 **32. Notice to suit and limitation of suits against Corporation, Committees, Officers and servant for acts done in pursuance of execution of this Act.**— (1) No suit shall lie against the Corporation or against any committee constituted under this Act, or against any Officer, or servant of the Corporation in respect of any act done in
20 pursuance or execution or intending execution of this Act, or in respect of any alleged neglect, or default in the execution of this Act,—

(a) unless it is commenced within six months after the accrual of the cause of action; and

25 (b) until the expiration of two months after the notice in writing has been in the case of the Corporation or its Committee, delivered or left at the Corporation's office and in the case of an Officer or servant of Corporation, delivered to
30 him or left at his office or place of abode; and all such notices shall state with reasonable particulars the cause of action and the name and place of abode of the intending plaintiff and

of his advocate, pleader, or agent, if any, for the purpose of the suit.

(2) If the defendant in any such suit is an officer, or servant of the Corporation, payment of any sum or part thereof payable by him in or in consequence of the suit may, with the sanction of the Corporation, be made from the Corporation funds. 5

33. Members, officers and staff of Corporation to be public servants.— All officers and servants of the Corporation shall, when acting or purporting to act in pursuance of any of the provisions of this Act, be deemed to be public servants within the meaning of section 21 of the Indian Penal Code, 1860 (XLV of 1860). 10 15

34. Power to remove doubts and difficulties.— If any doubt or difficulty arises in giving effect to the provisions of this Act, the Government may, by order, make provision or give such direction not inconsistent with the express provisions of this Act, as may appear to it to be necessary or expedient for the removal of doubt or difficulty: 20

Provided that, no such order shall be made after the expiry of the period of two years from the commencement of this Act. 25

Statement of Objects and Reasons

The Bill seeks to provide for establishment of a Corporation to carry out mining operations in an orderly, scientific and ecological sustainable manner and for matters connected therewith or incidental thereto.

This Bill seeks to achieve the above objects.

Financial Memorandum

Clause 5(2)(d) of the Bill provides that the Managing Director shall receive such salary and allowances as may be prescribed.

Clause 8 of the Bill provides for resignation of the Managing Director at any time before the expiry of his term upon three months' notice or upon similar notice, be removed by the Government without assigning any reason provided that Government may, upon payment of three months, salary and allowances in lieu of the notice, remove the Managing Director immediately without assigning any reason.

Clause 9 of the Bill empowers the Corporation to appoint such officers, advisers, experts, consultants and other employees, as it considers necessary for the efficient performance of its functions.

Clause 10 of the Bill empowers the Corporation to engage suitable consultants or persons having special knowledge or skill to assist the Corporation in the performance of its functions.

The establishment of the Corporation will involve financial implications towards capital expenditure (infrastructure), salaries, office expenses, approximately to a tune of Rs. 5 Crores.

Memorandum Regarding Delegated Legislation

Clause 1(3) of the Bill empowers the Government to appoint a date, by notification in the Official Gazette, for bringing into force the Act.

Clause 5(2) of the Bill empowers the Government to frame rules for prescribing the manner in which the Managing Director shall receive the salary and the allowances.

Clause 18(2) of the Bill empowers the Government to frame rules for prescribing such sum of money out of Corporation's fund to be kept in current or in deposit account.

Clause 20 of the Bill empowers the Government to frame rules for prescribing conditions for borrowing money by the Corporation in the open market.

Clause 23(1) of the Bill empowers the Government to frame rules for prescribing such date in each year by which the Corporation shall prepare and submit annual financial statement and the programme of work for the succeeding financial year.

Clause 23(2) of the Bill empowers the Government to frame rules for prescribing the form for showing estimated receipts and expenditure.

Clause 24(1) of the Bill empowers the Government to frame rules for prescribing the form and manner in which the Corporation shall maintain the books of accounts.

Clause 24(2) of the Bill empowers the Government to frame rules for prescribing the manner in which the accounts of the Corporation shall be audited.

These delegations are of normal character.

Porvorim, Goa,
28th July, 2021.

Dr. Pramod Sawant
Mines Minister/
Chief Minister

Assembly Hall,
Porvorim–Goa.
28th July, 2021.

Namrata Ulman
Secretary to the
Legislative Assembly of Goa.

**Governor's Recommendation under Article 207
of the Constitution of India**

In pursuance of Article 207 of the Constitution of India, I, P. S. Sreedharan Pillai Governor of Goa, hereby recommend the introduction and consideration of the Goa Mineral Development Corporation Bill, 2021, by the Legislative Assembly of Goa.



LEGISLATIVE ASSEMBLY OF THE STATE OF GOA

**THE GOA MINERAL
DEVELOPMENT CORPORATION
BILL, 2021**

(Bill No. 36 of 2021)

(To be introduced in the Legislative Assembly of the State of Goa)

**GOA LEGISLATURE SECRETARIAT,
ASSEMBLY HALL, PORVORIM, GOA
JULY, 2021**

