

BRIEF NOTE ON PRADHAN MANTRI KHANIJ KSHETRA KALYAN YOJANA (PMKKKY)

1. Pradhan Mantri Khanij Kshetra Kalyan Yojana (**PMKKKY**) is a scheme for transforming the living standards / social upliftment of people and development of areas affected by the Mining related operations. The overall objectives of PMKKKY scheme are as follows:
 - (a) to implement various developmental and welfare projects/programs in mining affected areas, and these projects/ programs will be complementing the existing ongoing schemes/projects of State and Central Government;
 - (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 livelihoods for the affected people in mining areas.
2. Directions have been issued under section 20A of Mines and Minerals (Development and Regulation) (MMDR) Act on 16.09.2015 to all States to incorporate the 'PMKKKY' into the rules framed by them for the District Mineral Foundations (DMFs).
3. PMKKKY will be implemented by the DMFs of the respective districts using the funds accruing to the DMF. At least 60% of PMKKKY funds will be utilized for high priority areas like: (i) drinking water supply; (ii) environment preservation and pollution control measures; (iii) health care (iv) education; (v) welfare of women and children; (vi) welfare of aged and disabled people; (vii) skill development; and (viii) Sanitation.
4. The rest of the funds will be utilized for the following: (i) physical infrastructure; (ii) irrigation; (iii) energy and watershed development; and (iv) any other measures for enhancing environmental quality in mining district.
5. Section 9B introduced through the MMDR Amendment Act, 2015, prescribes the establishment of District Mineral Foundation (**DMF**) in any district affected by mining related operations, the object of which shall be to work for the interest and benefit of persons, and areas affected by mining related operations.
6. The DMF is to be funded by statutory contributions from holders of mining lease. Rules specifying rates of contribution to DMFs have been notified on 17.09.2015. The contribution to DMF has been made effective from 12.1.2015 i.e., the date from which the MMDR Amendment Act, 2015 has come into force.
7. The statutory contributions to DMFs shall accrue directly to the District Mineral Foundation Trust set up by the State Governments in the every district where a DMF has been established and will be utilised as per the rules prescribed by the State Government in this regard.
8. The manner in which the DMF shall work for the interest and benefit of persons and areas affected by mining; as also the composition and functions of the DMF shall be prescribed by the State Governments through rules framed in this regard.
9. So far DMFs have been established in 307 districts in twelve major mineral producing states viz., Andhra Pradesh, Chhattisgarh, Goa, Gujarat, Jharkhand, Karnataka, Maharashtra, Madhya Pradesh, Odisha, Rajasthan, Telangana and Tamilnadu.

10. So far a total amount of Rs. 11028 Crores has been collected under the DMFs by the States mentioned above.
11. The expenditure made by States on utilisation of DMF funds for implementation of PMKKKY is weak as the State Governments have taken time in preparing themselves for the roll out, in framing the rules, establishing DMFs and collection of the contributions. Some of the early starters like Chhattisgarh, Jharkhand, and Odisha have identified schemes and have released funds for implementation of PMKKKY.
12. A contract agreement has been signed on 13.09.2017 between Ministry of Mines and National Institute for Smart Government for providing the handholding /PMU support /services for development of national web portal.