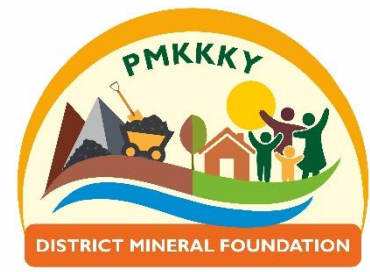




Ministry Of Mines
Government Of India



DMF & PMKKKY Guidelines

प्रधानमंत्री खनिज क्षेत्र कल्याण योजना

18th January, 2019



District Mineral Foundation

1. Section 9B of MMDR Act 1957 mandates the State Governments to establish District Mineral Foundation (DMF) in each district affected by mining related operations.
2. Section 15A of the Act empowers the State to collect funds for DMF in case of minor minerals.
3. The object shall be to work for the interest and benefit of persons, and areas affected by mining related operations.
4. All 21 mineral rich States of the country have framed DMF rules of its composition and functions. DMFs have been set up in 557 districts.
5. Directions to all States to incorporate PMKKKY guidelines into the rules framed for DMFs.



PMKKKY

1. Government has formulated Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) which is implemented by the DMFs using the funds accruing to the DMF.
2. These funds are used for the welfare of persons and areas affected by mining related operations.
3. Utilisation of funds
 - 60% of PMKKKY funds to be utilized under High Priority sectors.
 - 40% of PMKKKY funds to be utilized under Other Priority sectors.
4. DMFs to prepare and maintain an updated list of directly and indirectly affected areas as well as affected people.
5. Affected people to include both “affected family” and “displaced family”.



DMF Administration

1. 2-tier mechanism for the effective administration of DMF.
 - Managing Committee
 - Governing Council
 - States have also formed State Level Monitoring Committees
2. Ministry of Mines directed the States to include MPs and MLAs/MLCs appropriately in the Governing Council of DMFs
3. Provision has been made to utilize an amount not exceeding 5% of the annual receipts for the overall administration of the Foundation.



Transparency & Public Accountability

1. Audit - The accounts of the DMF to be audited every year.
2. Annual Report to be prepared within three months from the date of closure of the financial year.
 - The Report should also be presented to the State Government within one month from the date of its approval by the DMF.
3. DMFs should prepare annual plans in order to address the long term and short term needs of mining affected people. This will help in efficient utilization of DMF funds.
3. Disclosure of information -- key measure for transparency.



DMF Fund Collection Data – National View

Overview of Funds (as on November 2018)

Total Collection (in Cr.)	Amount Allocated (In Cr.)	Amount Allocation (In %)	Amount Spent (In Cr.)	Amount Spent (In %)
23,606	18,189	77	5,726	24

Overview of Projects (as on November 2018)

Total No. of Projects Sanctioned	Projects yet to start	Total No. of Projects Completed	No. of Ongoing Projects	No. of Projects Scrapped / Cancelled
94874	23773	26201	41792	3108



Effectiveness of Investments

1. High priority areas- maximum investment in drinking water supply (27%) followed by education (26%).
2. Other priority areas- maximum projects are under physical infrastructure (72%) followed by energy and watershed development (10%).
3. 24% only fund has been utilized, 16% for high priority areas, 8% for other priority areas.
4. Out of total 23 thousands collection, 47% is from major minerals, 44% from Coal & Lignite, 9% from minor minerals.
5. Telangana, AP, Maharashtra, Rajasthan and Gujarat are the major States for collection from minor minerals.
6. The highest collection is in the State of Odisha, followed by Jharkhand, Chhatisgarh, Rajasthan and Telangana.



Directives for the States

1. Affected area, affected people should be identified and list should be maintained by all DMFs.
2. States are directed to complete auditing of DMF.
3. Every District should prepare & submit the annual reports of the DMF to the State Government.
4. The developmental and welfare activities taken up under the PMKKKY should compliment the ongoing scheme/ projects by the State as well as Central Govt.
5. Planning is one of the most essential exercise to address immediate and long term needs and sustain investment.

Thank You