



GOVERNMENT OF TELANGANA DEPARTMENT OF MINES & GEOLOGY



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CONSTITUTION OF DISTRICT MINERAL FOUNDATION

- As per Section 9B of MMDRA Act 2015, the TS Govt. constituted DMF with Governing Body & Management Committee.
- Subsequently, the TS Govt. taken realistic decision and amended the DMF Rules/guidelines.
- Procedures simplified for identification of affected areas and implementation of welfare schemes/projects specified under PMKKKY in an effective manner and enacted **Telangana State District Mineral Foundation (Trust) Amendment Rules 2018.**
- Governing Body & Management Committee replaced with **District Mineral Foundation Committee** (clubbed into a single committee) with District Minister as Chairman; PD DRDA as Member Treasurer and Collector as Member-Secretary.
- DMFC means which work for the interests, benefits & sustainable development of directly affected areas due to mining or mining related operations in particular and also the district as indirectly affected area in general, in such ways as may be prescribed by these Rules, in an effective, transparent & accountable manner.

Composition of the DMF Committee

(i)	District Minister/In-charge Minister	: Chairperson Ex-Officio
(ii)	Members of Parliament, Lok Sabha	: Member
(iii)	Members of Parliament, Rajya Sabha	: Member
(iv)	Chairperson, Zilla Parishad	: Member
(v)	Members of Legislative Assembly	: Member
(vi)	Members of Legislative Council	: Member
(vii)	Project Officer, ITDA. (wherever ITDA exists)	: Member
(viii)	Asst. Director of Mines & Geology	: Member
(ix)	Lead Bank Officer of district (where DMF Account opened & under operation)	: Member
(x)	District Rural Water Supply Officer	: Member
(xi)	District Forest Officer	: Member
(xii)	District Pollution Control Board Officer	: Member
(xiii)	District Medical & Health Officer.	: Member
(xiv)	District Educational Officer.	: Member
(xv)	District Women & Child Welfare Officer	: Member
(xvi)	District Social Welfare Officer (BC, SC/ST, Minorities)	: Member
(xvii)	District Youth & Sports Officer	: Member
(xviii)	GM, District Industrial Center	: Member
(xix)	District Panchayat Officer	: Member
(xx)	District Officer, R&B Dept.	: Member
(xxi)	Sr. Divisional Engineer (Works), South Central Railway	: Member
(xxii)	District Officer, I&CAD Dept.	: Member
(xxiii)	District Panchayat Raj Engineer (PR)	: Member
(xxiv)	Chief Planning Officer	: Member- Convenor
(xxv)	Project Director, District Rural Development Agency.	: Member- Treasurer
(xxvi)	District Collector and Magistrate	: Member- Secretary

FUNCTIONS OF DISTRICT MINERAL FOUNDATION COMMITTEE

- Public Representative Members shall meticulously assess the impact of mining & mining-related activity and propose suitable developmental schemes/works for upliftment of the directly and indirectly affected areas to be taken-up through the Trust Fund keeping in view High Priority areas & Other Priority areas.
- District Mineral Foundation Committee shall develop and pass the annual plan of the Trust.
- Planning Committee shall assist the DMFC in preparation of Annual Plan alongwith tentative distribution of DMF Fund. DMFC meeting will be held every month.
- Planning Committee shall work under the Chairpersonship of Member-Secretary, DMFC. Depending upon the priority area welfare measures, the concerned District Head shall be the Member.

- Planning Committee shall assist DFMC in preparation of Budget for approved works, annual plans, allocation of funds from time to time.
- Member-Secretary, DMFC shall from time to time through notification empanel consultant(s) having expertise in relevant welfare measures.
- Passing of any resolution with respect to approval of work(s) in the Directly & Indirectly affected areas among Public Representative Members shall be by simple majority.
- Utility of the amount shall be subject to approval of the DMFC.
- Grounding of approved work(s) & monitoring shall be by the concerned Govt. Dept. Member of DMFC as per timelines for completion duly ensuring quality norms as per established standards.
- Approving the annual audit reports shall be by the Chartered Accountant/firm appointed by the Member-Secretary, DMFC.

Criteria for Identification of Affected People/Area

Major environmental impacts arising from mining activities

- Pollution – Water, Air
- Destruction of Land
- Waste Generation
- Subsidence
- Noise
- Energy
- Impact on Biological Environment
- Long-term Supplies of Mineral Resources

Social impacts of mining

- Housing displacements
- Resettlement
- Employment
- Health and Safety
- Ecosystem services
- Socio political conflicts

Factors controlling social impacts of mining

Category	Site-specific factor
Land	Nature of surface/terrain Ownership Adjacent land uses Other land use options, e.g., ecotourism
Water	Sensitivity to erosion, leaching and contamination Other uses of receiving water, e.g., drinking, washing, bathing, fishing
Air	Wind speed and direction Dispersal area and direction
Geology	Overburden depth and height Composition of overburden
Community	Proximity to extraction site Urbanisation of rural areas Community involvement in mining operations Presence of local pressure groups
Biodiversity	Sensitive flora and fauna Fragile ecosystems in nearby areas

- **Directly Affected area** as Villages, Gram Panchayats & Urban areas within which the mines are situated and are operational.
 - Within a radius of 10KM from a mine or cluster of mines, irrespective of whether the area falls within the district concerned or adjacent district.
- **Indirectly Affected area** as the entire district shall be covered under indirectly affected area being adversely affected on account of economic, social & environmental consequences due to mining-related operations.
 - Entire district adversely affected on account of economic, social & environmental consequences due to mining-related operations.
 - Major negative impacts of mining could be by way of deterioration of water, soil and air quality, reduction in stream flows and depletion of ground water, congestion and pollution due to mining operations, transportation of minerals, increased burden on existing infrastructure and resources.

- **Affected People:** Appropriately identified by the Public Representative Member.
- **Affected Families:** Should be identified, as far as possible, in consultation with Public Representative Members.
- Affected People/Families shall be based on the Right to Fair Compensation & Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.
- Affected People/Families are considered in strict 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.
- Extraction of minerals from surface and especially below the surface of the earth is fraught with innumerable dangers

Responsibility of Mine Owners & Government

- Closing legal/illegal and unregulated mines
- Scrap mining and recycling
- Better legislation and regulations
- Improving environmental performance
- Accurate tallying of toxic mining waste
- Building from reusable waste
- Closing and reclaiming sites of shut-down mines
- Investing in research and development of Green Mining Technology
- Replenishing the environment
- Improving the efficiency of manufacturing processes

- Proportionate allocation in respect of Directly Affected area shall not be less than 30%.
- DMF Fund accrued is categorized into **Coal & Non-Coal** minerals.
 - **Coal:** Remitted so far shall be distributed in an equitable manner covering 13 Coal bearing constituencies and incur expenditure on **30:70** equating to Directly Affected area is to Indirectly Affected area **among the 13 Coal bearing constituencies.**
 - Henceforth, DMF on Coal shall be remitted to respective District covering 13 Coal bearing constituencies located in six districts in an equitable manner.
 - **Non-Coal:** Contribution accrued shall be remitted to respective Districts and incur expenditure on **30:70** equating to Directly Affected area is to Indirectly Affected area **within the respective Districts.**

- Mineral Activity at Regional & State level is considered as base for apportionment of DMF funds for Directly/Indirectly Affected areas including PMKKKY schemes.
- District(s) with higher DMF accrual, apportionment is based on developmental schemes extending across Districts for benefit of community at large.
- DMF being 'Extra-Budgetary Resources' should be utilized for specific purpose and judiciously.
- Infrastructure, Developmental and Welfare Projects/Programs in mining affected areas on larger community basis shall be planned and taken-up across the Districts/State-wise.
- DMF fund shall not be used for any Works/Schemes which are already under implementation as Flagship programmes of the State.
 - Wherever, any works/schemes already under implementation but facing resource crunch, DMF funds shall be used as matching grant.

- DMF fund for grounding & execution of any approved scheme/work(s) as per prioritization under PMKKKY, the proportionate allocation in respect of Directly Affected area shall not be less than 30%.
- District Level Heads/Nodal Functionaries of all Programmes under PMKKKY shall be under the purview of DISHA and discharge of its functions, follow-up action on recommendations of the DISHA.
- DISHA monitors all non-statutory schemes of GoI as administrative body. The monitoring of schemes under PMKKKY through DMF Funds shall also be monitored or reviewed by DISHA.
- 60:40 percent of amounts defined for High Priority area & Other Priority area under PMKKKY is not realistic.
 - Realistically, DMF fund assigned in the ratio of 30:70 under Coal & Non-Coal and consequently apportioned for development across 6 coal bearing areas covering 13 coal bearing constituencies .
 - In Non-coal areas, 30:70 within District concerned equating Directly/Indirectly affected areas.

- Register of Complaints & Annual Reports.
 - **Ombudsman** shall be appointed by the following three members:
 - Chief Minister of the State
 - Member Leader of Opposition of the State
 - Member Chief Justice of the State High Court
 - Maintain a register of complaints with details of related facts and evidences.
- Power of the State Govt.
 - Issue district/demographic/scheduled area specific, DMF Rules, for proper administration working, as & when required.
 - Relax the operation of any of the provisions of this rules as may be specified therein in the interest of the public.

OTHER ISSUES

- State Govt. simplified procedures for identification of affected areas and implementation of welfare schemes/projects specified under PMKKKY in an effective manner.
- For better & smooth functioning of DMF Committee, the District Collector concerned is appointed as Member-Secretary and Project Director, District Rural Development Agency as Member-Treasurer who are also associated with DISHA .
- Telangana Govt. taken a stand to contribute comparatively very lesser DMF funds for Water, Health & Agriculture sectors, as the said schemes are being allocated funds from State Budget.
- Civil Societies or Non-Governmental Organizations to conduct of social audit surveys.
- Empanelment of Auditors of Accountant General to be entrusted with the scrutiny of Trust Accounts through Accountant General.

- Other State Govt. viz., Karnataka, Andhra Pradesh, Tamil Nadu approached Telangana State to study implementation of DMF through **(TSDMF Amendment Rules 2018)** in Telangana.
- Telangana only State formulated DMF Rules in **Telugu (Regional Language)** and disseminated upto micro-level for effective and real time implementation.

Minerals for ALL Mining for ALL Benefits for ALL



**The 5
Principles
of Mining**

Safeguard the Health, Environment and Economic conditions of the People/Families, especially Tribals affected by Mining and providing them with opportunities to benefit from the vast mineral resources that are extracted from the areas where they live.

Thank You