



mines, minerals & PEOPLE

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Suggestions for amendment of the Pradhan Mantri Khanij Kalyan Yojna (PMKKKY) guidelines for effective utilization of DMF Funds in the districts affected by mining related operations

Submitted to: - Ministry of Mines, Government of India

Submitted by: - mines, minerals & People (mm&P) <https://www.mmpindia.in/>

Suggestions/ Recommendations

Note: - All the suggestions are in addition to the guidelines framed by the ministry of mines.

1. **Apart from English language, the guidelines must be released in all the regional languages.**
2. **Identification of affected areas and people to be covered under the PMKKKY**
 - 1) **Affected Areas**
 - a. **Directly affected areas – Directly affected areas should be specified clearly and restricted up to 25 km.**
 - 2) **Affected People – It should be written as Affected People and Communities.**
 - a. **The responsibility to define and identify directly affected people and communities must be vested solely with the Gram Sabha.**
 - b. **For this purpose, specifically, Gram Sabha shall create a standing committee.**
3. **Utilization of Funds**
 - 1) **Scope of PMKKKY**
 - a. **Environment preservation and pollution control measures –**
 - a) **Special equipment should be installed in all the affected villages to measure the pollution level of water, air and soil.**
 - b) **It should be displayed on the monitors.**
 - c) **An awareness campaign should be done at least four times a year in all the directly affected villages.**
 - b. **Health Care –**
 - a) **Medical checkup camps should be organized at least four times year.**
 - b) **A base line health checkup should be done in directly affected areas.**
 - c) **Free medical services along with treatment and medicines should be provided to the directly affected people.**
 - d) **A well-equipped ambulance should be provided in standby mode round the year in each directly and indirectly block level panchayat.**
 - c. **Education –**
 - a) **From DMF, scholarships and free study materials should be provided to underprivileged children, especially Scheduled Tribes, Scheduled Castes, and Other Backward Castes. For primary as well as higher education.**
 - d. **Welfare of aged and disabled people –**
 - a) **Old age home should be constructed at the directly affected block panchayat level.**
 - b) **Pension should be provided to the directly affected elderly people.**

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- c) All the disabled persons in directly as well as indirectly affected areas should be given equipment according to their need and requirements.
 - d) All the disabled persons in directly as well as indirectly affected areas should be given basic monthly allowance to meet their needs.
 - e) Special arrangements should be made for the education of the disabled persons.
- 2) Allotment of Funds
- a. A minimum of 60% of the DMF amount shall mandatorily be spent on the directly affected area/persons. The remaining amount can be spent on the indirectly affected area/persons.
 - b. Fifty percent of the total annual receipts of the District Mineral Fund shall be given directly to the Gram Sabha of the directly affected areas, ten percent to the block level Panchayats of the directly affected area, and ten percent to the District Panchayats of the directly affected area. This amount Should be transferred as an untied amount in proportion to population and area.

4. Special Provisions for Scheduled Areas

The guidelines clearly mention that in the scheduled areas while making rules state should follow the spirit of the Fifth Scheduled, Provisions of the Panchayats (Extension to scheduled Areas) and the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006. But yet none of the states have followed these guidelines. Therefore, we request the Ministry of Mines to issue notice to the states to strictly follow the spirit of Fifth Schedule, PESA and FRA, 2006 while processing DMF.

- 1) Fifty percent of the total annual receipts of the District Mineral Fund shall be given directly to the Gram Sabha of the directly affected areas, ten percent to the block level Panchayats of the directly affected area, and ten percent to the District Panchayats of the directly affected area. This amount Should be transferred as an untied amount in proportion to population and area.
- 2) The amount of District Mineral Trust collected from the Fifth Schedule areas should be spent only in the Fifth Schedule areas.
- 3) Control of Gram Sabha over DMF
 - a. The royalty of minor minerals, which will be deposited in the District Mineral Fund Trust, shall be wholly owned by the Gram Sabha/Sabhas of the Minor Mineral Area, and such amount shall be transferred to their Gram Sabha Fund.
 - b. To utilize the amount received from minerals other than minor minerals, directly and indirectly, affected Gram Sabhas will nominate two members from amongst themselves in the governing council of the DMF, in which one person will be the President of the Gram Sabha.
 - c. To utilize the amount received from minerals other than minor minerals, directly and indirectly, affected Gram Sabhas will nominate two members from amongst themselves in the management committee of the DMF, in which one person will be the Gram Sabha secretary.
 - d. Gram Sabha shall have power and responsibility to make master plan for the utilization of the DMF.
 - e. It will be mandatory for the officer concerned with the management of the DMF to compulsorily send the report of the tax and financial expenditure made in respect of its spending to all the Gram Sabhas every three months. And at the end of the year, officers

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must also submit an annual report of work completed and expenditures of that financial year to the Gram Sabhas.

f. Gram Sabha shall provide utilization certificate.

4) Role of Tribal Advisory Council – TAC should be made nodal agency for utilizing funds as TAC is assigned duty to welfare and advancement of Scheduled Areas and Scheduled Tribes.

5. Implementation of works/ contracts

a. Works/ goods may be procured by the DMF only after taking prior consent of the Gram Panchayat at the District Level and shall be informed to the Gram Sabhas.

6. Compliance of Transparency

a. It will be mandatory for the officer concerned with the management of the DMF to compulsorily send the report of the tax and financial expenditure made in respect of its spending to all the Gram Sabhas every three months. And at the end of the year, officers must also submit an annual report of work completed and expenditures of that financial year to the Gram Sabhas.

b. Officers concerned with the management of the DMF shall be accountable to the Gram Sabhas.

7. Audit

a. Gram Sabha shall do a social audit of the utilization of DMF Funds.

Best wishes

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Chairperson, mm&P

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