

According to FICCI, mining is the key to **India's double-digit growth** rate

But ...

what about the people affected by mining?

District Mineral Foundation - a Trust established in every mining district of India

FOR

The welfare and development of -
 i) affected people
 ii) affected areas



HOW?

Through a Fund created under the DMF Trust



“The object of the District Mineral Foundation shall be to work for the interest and benefit of persons, and areas affected by mining related operations in such manner as may be prescribed by the State Government.”

Section 9(B), Mines and Minerals (Development and Regulation) Amendment Act 2015.

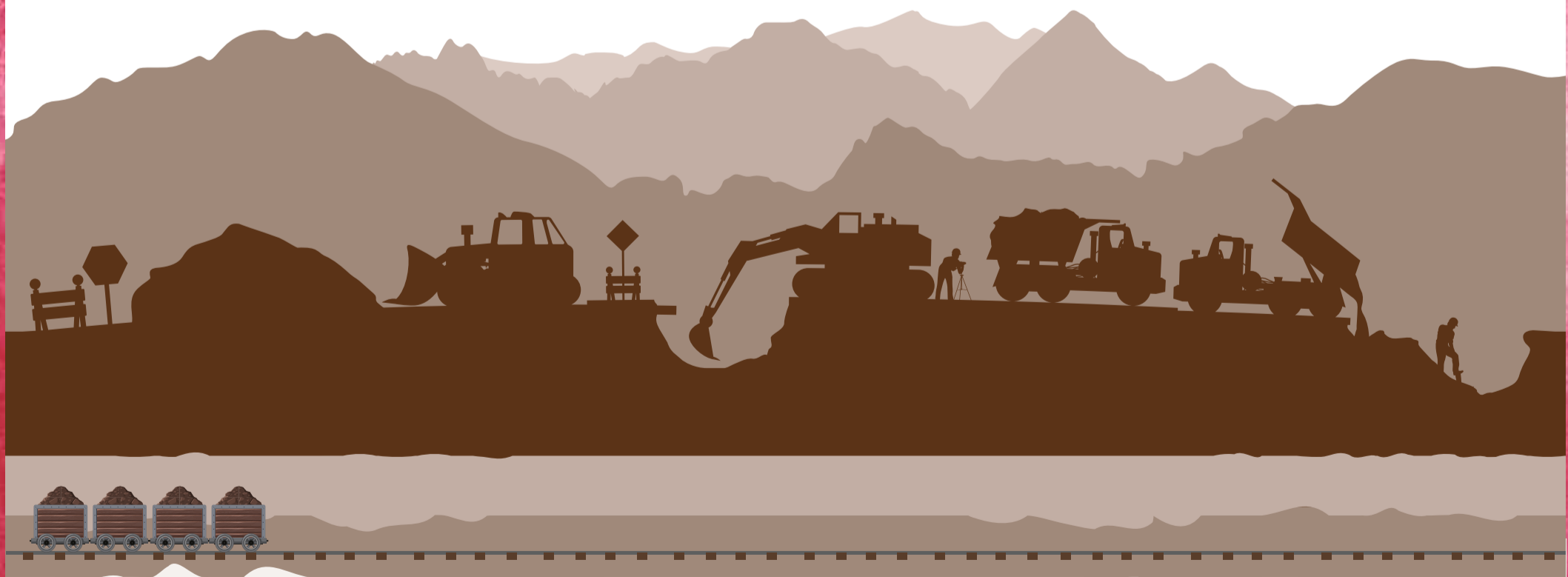
CONTRIBUTION FROM MINING COMPANIES



DMF TRUST FUND



COMMUNITIES AFFECTED BY MINING



HAQ: Centre for Child Rights
 B 1/2, Ground Floor,
 Malviya Nagar, 110017 New Delhi
 Tel: (+91) 011-26677412
www.haqcrc.org

Tracing Origins of DMF

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1946 MICA MINES & 1947 COAL MINES LABOUR WELFARE FUND ACTS

Both Acts create a fund to be used for the welfare of labour employed in mica and coal mines. Customs duty imposed on export of mica or excise duty imposed on despatch of coal from the collieries is collected and deposited into the fund for such purpose. Both Acts have since been repealed.

2006 HODA COMMITTEE

A National Sustainable Development Framework was recommended for India. It was suggested that mining companies spend a % of their turnover on social infrastructure in the villages and give a stake to the affected population in the mining operation in the form of cashless equity.

2011 SUSTAINABLE DEVELOPMENT FRAMEWORK

Defined 'Sustainable Development' in the mining sector and laid down 7 principles. Principle 5 talks of community engagement, benefit-sharing and contribution to socio-economic issues of the affected communities

2011 MMDR BILL

New MMDR Bill proposed in 2011. It proposed setting up of the District Mineral Foundation to work for the interest and benefit of persons affected by mining related operations. It did away with 26% profit sharing and proposed an annual contribution to the DMF equivalent to the royalty paid for the mining lease in case of all major minerals, except coal and lignite. This Bill lapsed in 2014.

1997 SAMATHA JUDGEMENT

The Supreme Court banned non-tribal persons and private companies, except the State Mineral Corporation, from mining in the Fifth Schedule areas. The idea of setting up a permanent fund for the socio-economic development needs of the tribal communities affected by mining found acceptance was mooted. The Court suggested 20% of the profits from mining be set aside to establish such fund.

2008 NATIONAL MINERAL POLICY

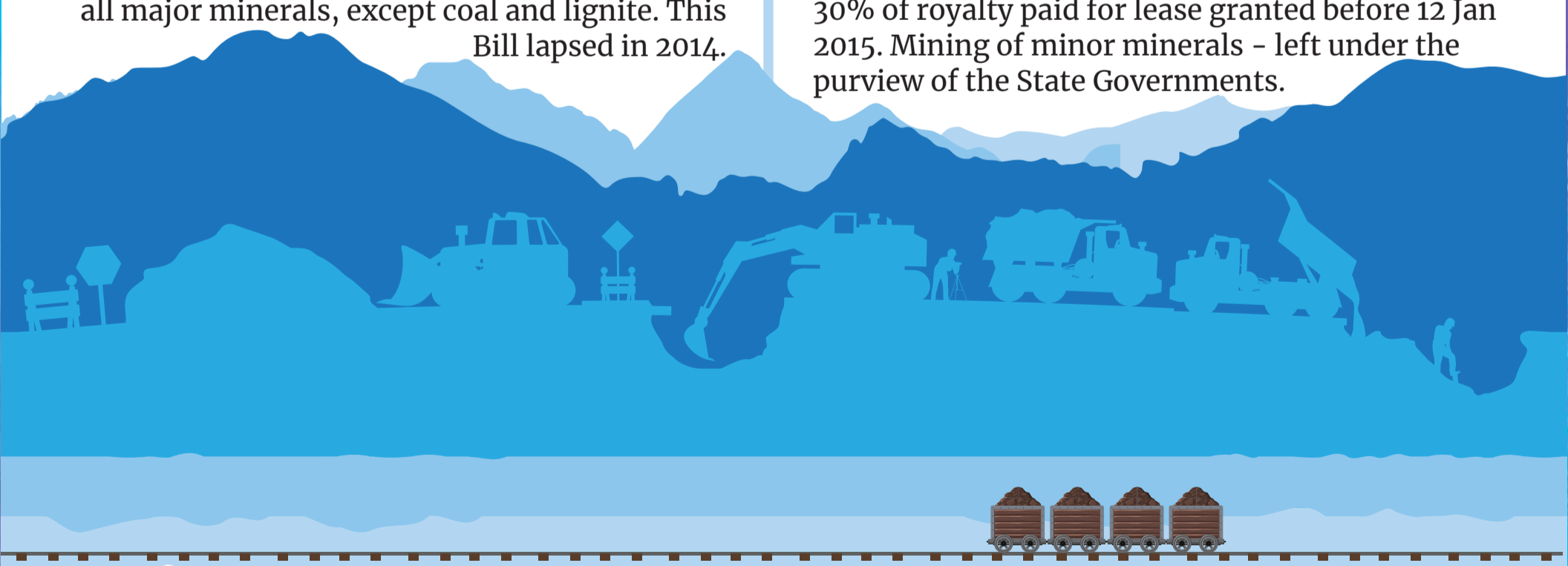
formulated a Sustainable Development Framework (SDF) and gave a major thrust to infrastructure to enhance the socioeconomic development of the mining affected areas and tribal communities. Pledged to improve the living standard of the affected population and ensure a sustainable income above the poverty line.

2010 MINES AND MINERALS (DEVELOPMENT AND REGULATION) BILL

Mines and Minerals (Development and Regulation) Bill [MMDR Bill] issued in 2010 proposed 26% profit sharing by the mine lease holders with affected persons. This bill lapsed in 2011.

2015 MMDR (AMENDMENT) ACT

Provided for establishment of the DMF in each mining affected district. Provided for contribution of funds to the DMF by mine lease holders as follows: Mining of major minerals - 10% of royalty paid for lease granted on or after 12 Jan 2015 and 30% of royalty paid for lease granted before 12 Jan 2015. Mining of minor minerals - left under the purview of the State Governments.

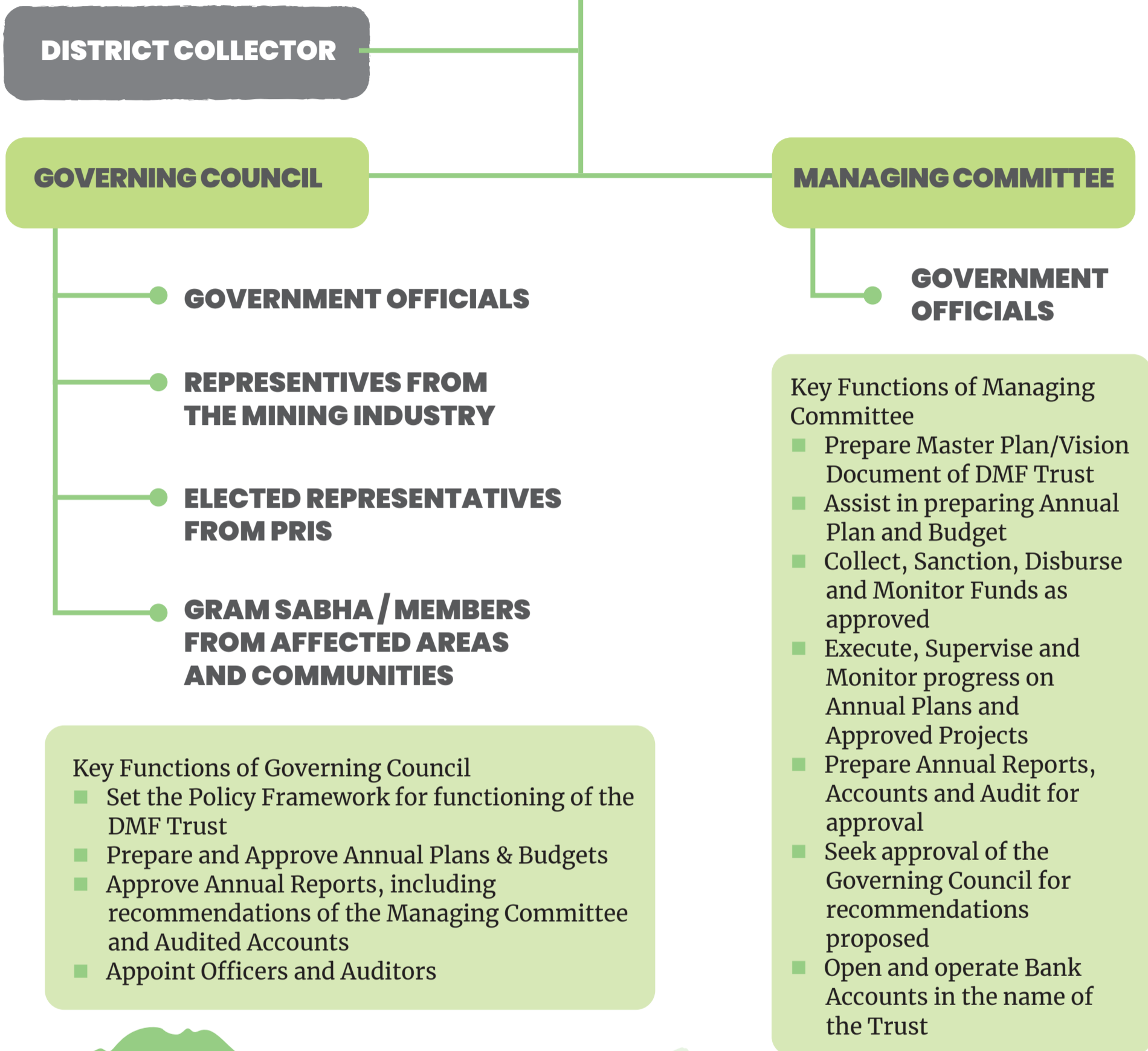


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District Mineral Foundation Trust

DMFT Composition

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Mining affects communities in many ways

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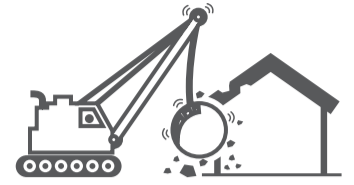
Deprived of proper drinking water, 269 villages in Sonbhadra afflicted by fluorosis



Girls - aged 12-14 yrs. - working in illegal mines of Chitrakoot - forced to sell their bodies to earn daily wage of 200-300



5000 children had to drop out of school and work as labourers in the mica mines of Jharkhand



400 Adivasi families had to leave their land in Lath village, Chhattisgarh for coal mining

Communities have the right for seeking redress through DMF if they are identified as "Affected Persons" or living in "Affected Areas"

AS PER CENTRAL GUIDELINES...

AFFECTED AREAS

DIRECTLY AFFECTED

- Areas within operational mines
- Area within a defined radius from a mine
- Villages where displaced communities have resettled
- Villages dependent on mining areas for their entitled economic rights

Remember...
The DMF has to prepare and update list of "Affected" Persons and Areas

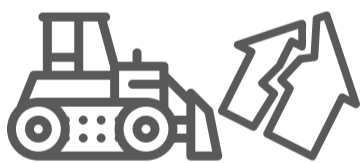
INDIRECTLY AFFECTED

Areas where the population is adversely affected on

'Social'
'Economic'
'Environmental'

aspects due to mining related operations

Displaced and Affected Families as defined in the Land Acquisition Act, 2013

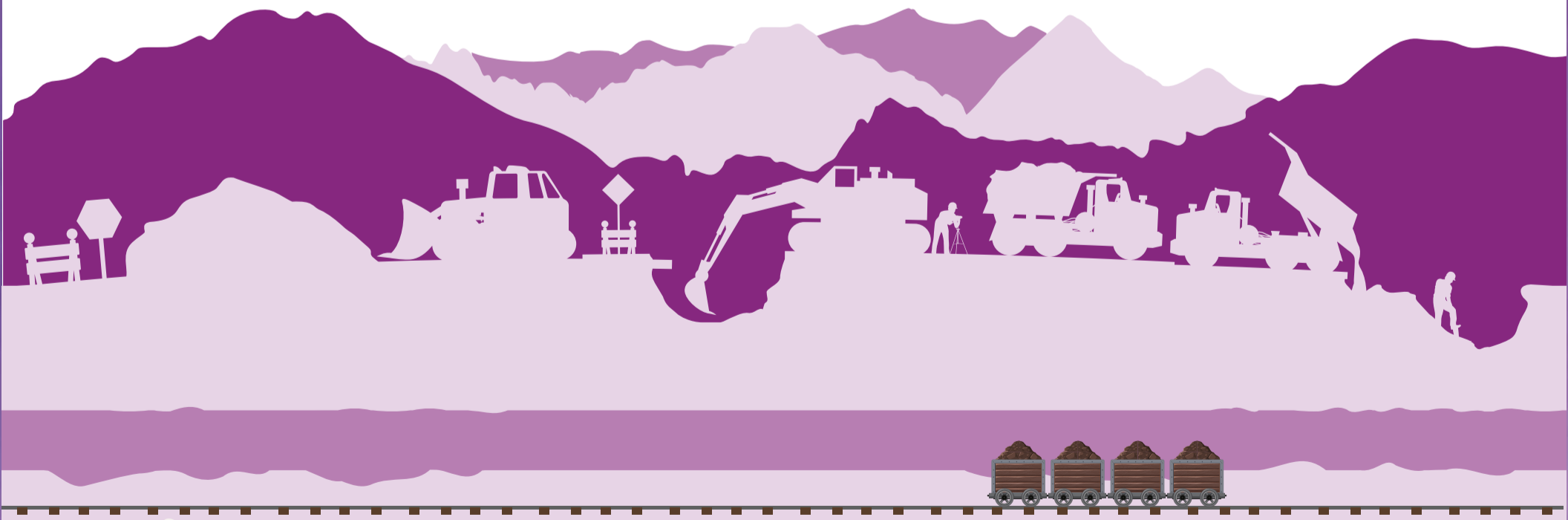


AFFECTED PERSONS

People with Entitlements over area being mined



Affected Families identified in consultation with Gram Sabha



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Use of DMFT funds

5^a

Guidelines are laid down for the use of DMFT Funds by the Central Government.

PRIORITY AREAS...



Drinking Water



Environment Preservation



Education



Healthcare



Welfare of Women and Children



Welfare of Aged and Disabled



Skill Development

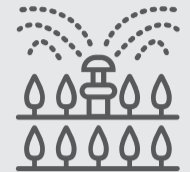


Sanitation

OTHER PRIORITY AREAS



Physical Infrastructure



Irrigation



Watershed Management



Measures for Enhancing Environmental Quality

IF YOU LIVE IN AN AREA AFFECTED BY MINING YOU HAVE EVERY RIGHT TO DEMAND ACCOUNTABILITY FROM THE DMF TRUST

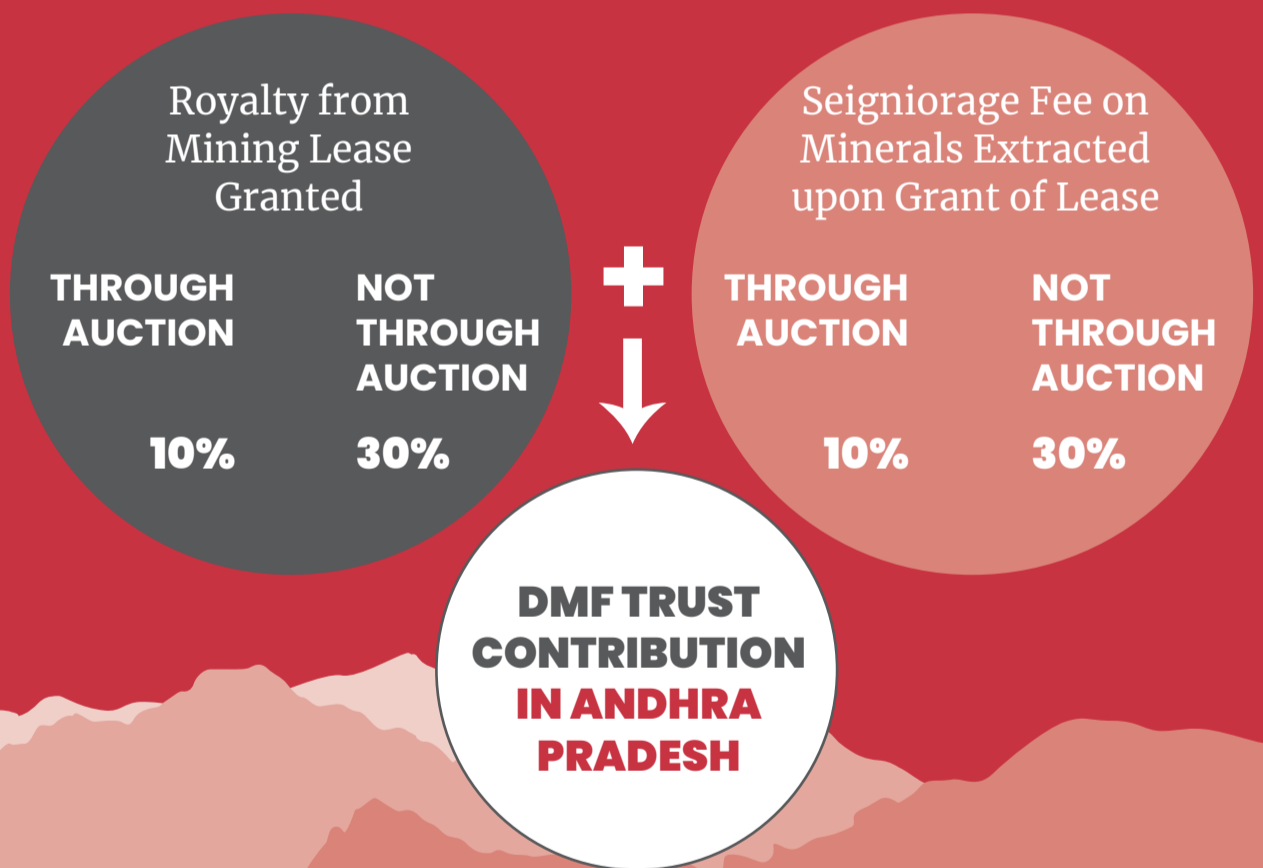
Accrual of Funds in the DMF Trust

The Mines and Minerals (Regulation and Development) Act, 1957 [as amended in 2015] lays down the provisions for accrual of funds in the DMF Trust.

Directives on contribution from Mining Companies -

- Central Government guidelines – in case of mining Major Minerals
- State Government's prerogative – in case of Minor Minerals

IN ANDHRA PRADESH



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DMF Trust & People's Role in Ensuring Accountability and Transparency

STEP 1: LOOK FOR DATA ON DMF PROJECTS

Projects Sanctioned, Completed, Ongoing and Scrapped



Funds Collected, Sanctioned and Expenditure

Some Valuable Data Sources:

- Ministry of Mines
- Office of the District Magistrate
- Mines, Minerals & People
- Centre for Science & Environment
- Newspaper Reports

Project Data Status (As on September 2020)

Sr. No.	State	Project Sanctioned		Projects Yet to Start		Project Completed		Ongoing Project		Projects Scrapped/Cancelled	
		Number	Amount	Number	Amount Committed	Number	Amount	Number	Amount Committed	Number	Amount Released
1	Andhra Pradesh	13556	946.30	1661	258.93	5328	301.64	5908	2334.07	3213	495.67
2	Chhattisgarh	44545	6044.14	2177	424.01	24638	2718.39	14549	2334.07	3213	495.67
3	Goa*	7	29.65	2	0.00	2	27.57	3	0.00	0	0.00
4	Gujarat	14376	893.23	2276	325.27	6649	305.62	1856	139.79	5595	108.41
5	Jharkhand*	19294	5112.35	2002	0.00	2338	2899.95	14824	0.00	90	0.00
6	Karnataka	8006	3293.97	3239	2683.29	1215	220.60	1340	372.90	212	37.18
7	Maharashtra	5834	1381.60	532	73.04	1337	229.78	3936	1059.51	29	4.99
8	Madhya Pradesh	9520	2362.35	246	115.02	4215	533.38	3198	783.23	1861	109.26
9	Odisha	18577	12013.43	3590	2590.58	9020	1542.79	5967	7880.02	0	0.00
10	Rajasthan*	18233	2809.98	5987	0.00	6512	982.65	2078	0.00	3656	0.00
11	Tamilnadu	1878	554.58	187	83.35	1018	237.44	640	231.00	33	2.79
12	Telangana*	28004	2902.66	11327	920.11	9488	830.20	6841	1115.77	348	36.61
Sub -Total		179790	38344.24	33226	7453.61	71760	10830.21	61140	14260.78	13696	831.78
13	Assam*	241	71.62	65	12.50	66	9.84	100	44.98	10	0.00
14	Bihar*	30	18.33	23	17.57	7	0.76	0	0.00	0	0.00
15	Himachal Pradesh	73	15.15	72	15.14	1	0.00	0	0.00	0	0.00
16	Jammu & Kashmir	140	11.40	8	0.81	100	6.84	31	3.08	1	0.00
17	Kerala	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
18	Meghalaya	12	13.68	4	6.16	6	6.28	2	3.53	0	0.00
19	Uttarakhand	67	6.83	3	0.70	390	20.35	112	2.38		
20	Uttar Pradesh	6627	465.16	10	0.00	218	9.50	6394	299.51	5	0.00
21	West Bengal	1071	18.32	32	3.72	573	9.30	465	4.60	1	0.70
Sub-Total		11091	519.91	281	62.75	974	43.22	7382	376.04	129	3.08
Grand Total		188556	38988.15	33507	7516.36	72734	10873.43	68522	14636.82	13825	834.86

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1	Andhra Pradesh	13264	905.25	1721	339.25	5040	265.58	5845	265.58	658	34.82
2	Chhattisgarh*	41732	5464.31	0	0.00	25762	3725.18	13519	0.00	3951	0.00
3	Goa*	7	28.51	2	0.00	2	26.44	3	0.00	0	0.00
4	Gujarat	14037	862.05	2484	320.16	6139	282.23	1943	134.69	3471	107.41
5	Jharkhand*	19144	5094.73	2028	0.00	2356	2825.91	2370	0.00	0	0.00
6	Karnataka	5055	2525.55	2610	1958.88	1024	194.40	1249	337.35	172	34.92
7	Maharashtra	5792	1329.36	523	61.34	1275	204.72	3967	1044.73	27	4.29
8	Madhya Pradesh	9501	2356.34	289	134.61	4026	465.89	3327	833.64	1859	107.48
9	Odisha	15641	11807.99	3952	3008.15	7979	1410.95	3710	7388.86	0	0.00
10	Rajasthan	18072	2805.04	5943	598.64	6046	912.90	2701	495.28	3382	798.22
11	Tamilnadu	1822	543.04	188	143.64	915	191.65	686	204.97	33	2.79
12	Telangana	27954	2856.87	11411	924.83	9346	788.99	6850	1106.44	347	36.61
Sub -Total		172021	36579.04	31151	7489.49	81580	11305.60	46170	11811.54	13120	1126.54
13	Assam*	181	47.60	29	0.00	25	9.63	110	0.00	17	0.00
14	Bihar	30	18.33	23	17.57	7	0.76	0	0.00	0	0.00
15	Himachal Pradesh	73	15.15	72	15.14	1	0.00	0	0.00	0	0.00
16	Jammu & Kashmir	140	11.40	8	0.81	100	6.84	31	3.08	1	0.00
17	Kerala	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
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Sub-Total		11091	519.91	281	62.75	974	43.22	7382	376.04	129	3.08
Grand Total		176636	37226.56	32258	7595.81	82507	11347.31	48615	12072.68	13256	1129.62

STEP 2: ASK QUESTIONS

Remember...

DMF Trust is a public office

You can use your Right to Information

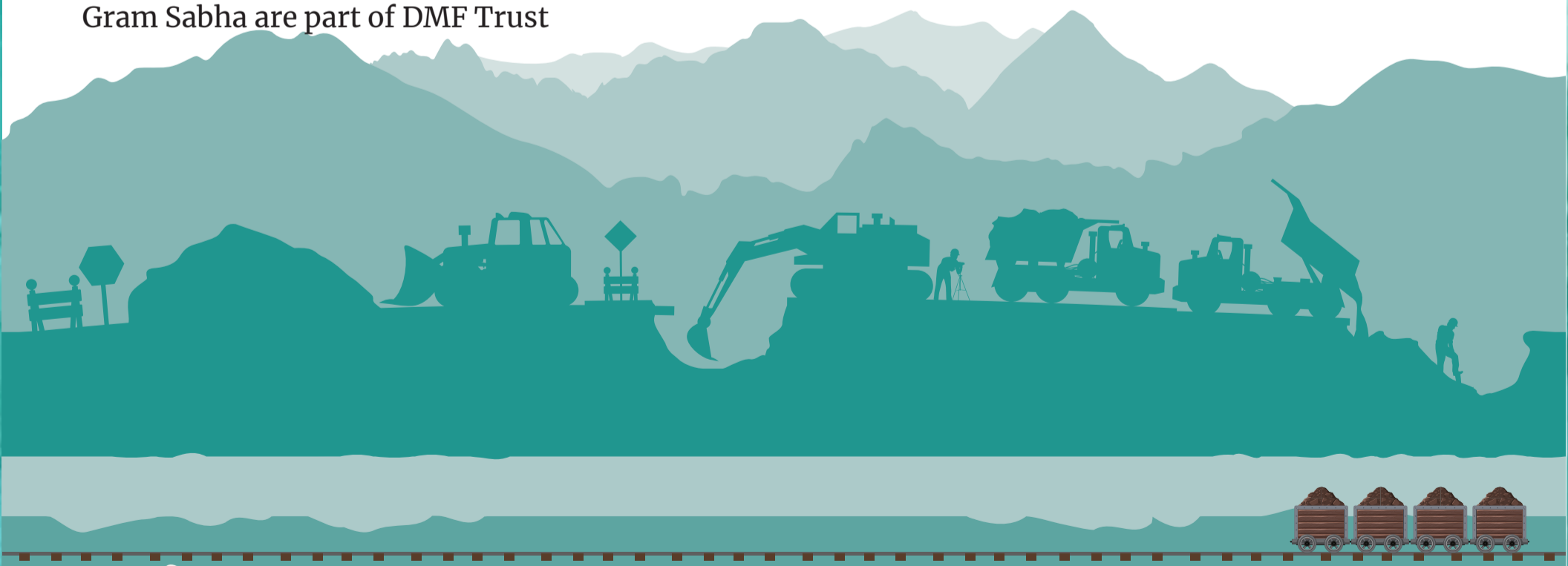
Practice of Social Audits have helped in successful implementation of social schemes like MNREGA

Elected representatives from PRIs and members of Gram Sabha are part of DMF Trust

Did you know???

Between July 2020 and September 2020...

- 11,920 new projects were sanctioned, an increase of 6.3%
- Percentage of projects completed declined from 46.7% to 38.6%



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5^b

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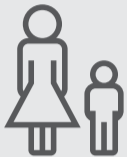
Environment Preservation



Education



Healthcare



Welfare of Women and Children



Welfare of Aged and Disabled



Skill Development

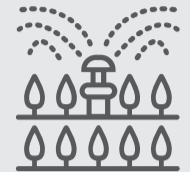


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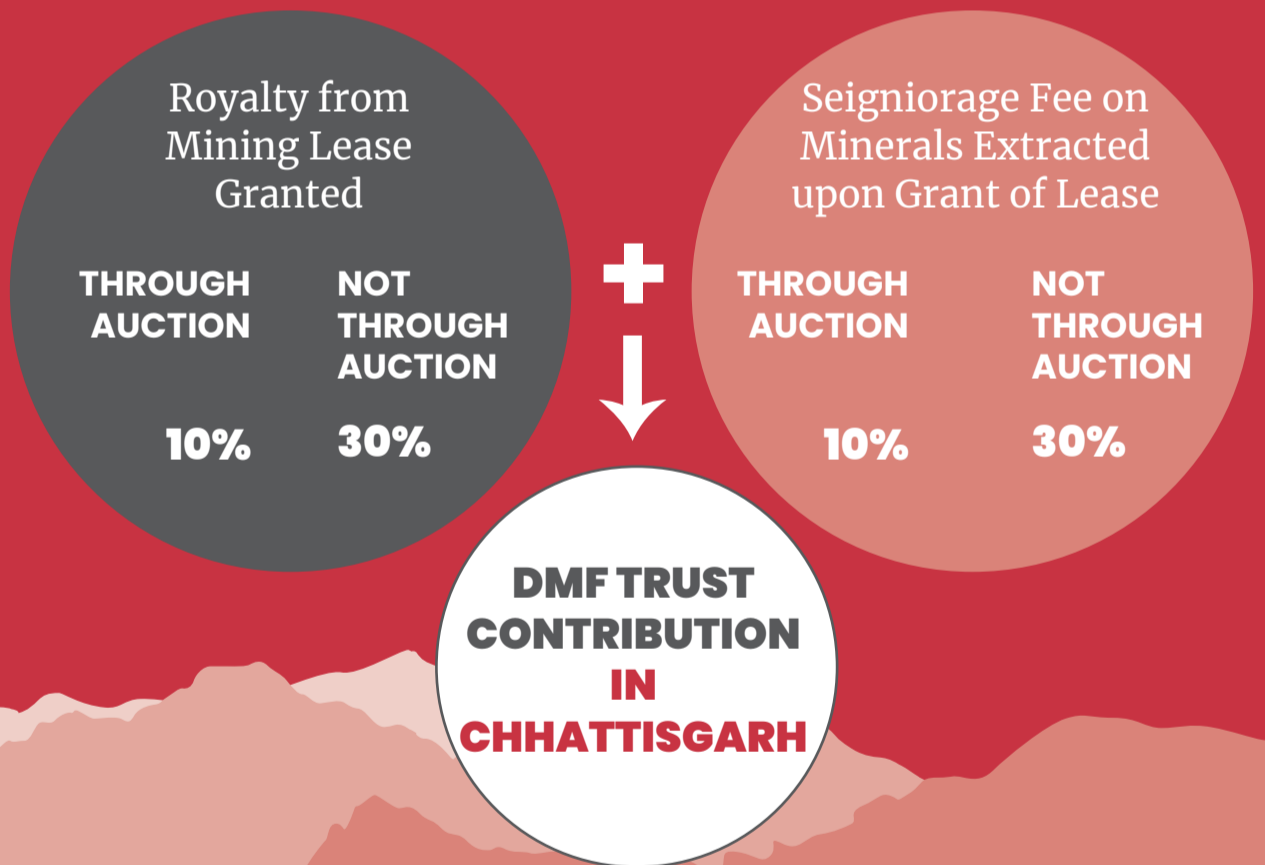
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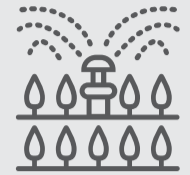


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IN UTTAR PRADESH

Royalty from Mining Lease Granted

AFTER MMDR AMENDMENT ACT, 2015

10%

BEFORE MMDR AMENDMENT ACT, 2015

30%



10% Royalty from Mining Lease Granted

DMF TRUST CONTRIBUTION IN UTTAR PRADESH



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