Evolution of Benefit Sharing With Affected Communities in Mineral Bearing Areas – Historical Perspective and Where it has Landed?

The Mines and Minerals (Development & Regulation) Act, 1957 (a principal Act) was mooted for development of mining and through it for industrial development banking upon such minerals mined for producing end use products, use as raw material and export beneficiated minerals and products. This created a history of industrial development with large PSUs like SAIL, NTPC, Coal India limited, NMDC and several others making mineral bearing areas their home of exploration, extraction and value addition. The conventional process of mining lease award for mining took into stride surface rights of those who had usufruct, traditional and other rights embedded in the mineral areas and nothing much was to be gained by such right holders, instead mining brought a sense of negligence and usurping of community and individual resources, especially land.

With weak regulatory regime, compensation and restoration of land post mining remains a large negative externality and the gap has increased ever since. In the year 2010 Ministry of Mines brought a MMDR Bill 2010 to completely overhaul the existing MMDR Act of 1957 based on the recommendations of the HUDA Committee, the basic intent being that minerals are to be exploited but with the changing social circumstances locally and worldwide acceptance of bringing communities in the benefit stream owing to damages done by mining brought a renewed look to the proposed draft. Herein, the Ministry proposed benefit sharing for the affected people by allotting 26% shares from the promoter quota in case the lease holder is a company or in case the leaseholder is a person than amount equivalent to 26% of profit after tax as annuity as annual compensation. This was lauded as a landmark drift from the conventional approach of exploiting the wealth while leaving the affected in lurch. But before this current bill could hold ground, objections from interest groups dismantled the approach stating that it would be a death knell of mining industry if such provisions of benefit sharing are kept as such.

Further to this the bill was referred to Cabinet Committee to suggest their views, the newly tweaked bill was approved by Cabinet on 30th September 2011 where it proposed 100% equivalent of royalty (in addition to royalty) for non-coal minerals and 26% profit sharing percentage in case of coal. The major difference, however, was introduction of District Mineral Foundation which would receive these funds and utilize for benefit and welfare of the affected. *This is in sharp contrast to the provisions of 2010 bill where it directly included the affected for benefits and proposed National and State Mineral Fund for various other issues to be taken up for systemic improvements.* The same bill was placed in the Lok Sabha on 12th December 2011. For the purpose of giving a thorough look at the bill and invite suggestions and comments from all quarters, a Parliamentary Standing Committee (PSC) – Coal and Steel was formed on 5th January 2012 which took 15 months to table its final report. The committee accepted the provision of benefit sharing from non-coal minerals as such but it recommended that for coal also 100% royalty equivalent would suffice there by taking off the 26% profit sharing percentage. There were no further developments on placing the bill in the parliament and eventually with the announcement of General Elections in the year 2014, the 15th Lok Sabha's term ended and the Bill Lapsed.

The newly elected Government brought a new MMDR Amendment bill 2014 on 16th November 2014. This was not as comprehensive as was the 2010 or 2011 bill but it suggested sweeping changes viz., increasing the duration of mining lease from 20 years to 50 years, doing away with renewal and bringing extension of leases, auctioning of minerals and protecting the interest of miners in this transition but it limited its stance on benefit sharing and kept an open ended clause '**in case of minerals other than minor minerals, such percentage of the royalty paid during the financial year as may be prescribed by the Central Government'**.

Suggestions from public were invited on the provisions of the bill. With an understanding of Ministry of Mines that industrialisation has slowed and mining in particular has not achieved its desired potential and contributes only 1.5-2% to the GDP, it took the route of introducing an Ordinance to this effect and on 12th January 2015 MMDR Amendment Ordinance 2015 was introduced which suggested 'that percentage of royalty which is not above 1/3rd of royalty amount deposited' as a sum that will be deposited in the DMF. The urgency to amend the MMDR bill in a newer form was reflected by the Government through this ordinance but resistance from both the houses, especially the upper house led to a consensus that a bill be introduced which shall be debated in both the houses. Following this MMDR Amendment Bill 2015 was introduced in Lok Sabha on 24th February 2015 with same provision as contained in the ordinance. With numbers in the lower house, the Government sailed through in passing of this bill on 3rd March 2015 but the bill was objected for want of more in depth discussions by the upper house, the upper house consistently demanded formation of a committee to take up this bill before the Rajya Sabha takes up this bill for passing.

A select committee of Rajya Sabha was formed on 11th March 2015 with a deadline to finish discussions and tabling of report by 18th March (before the session ends on 20th March 2015). The select committee tabled the report and adopted the provision of 'upper limit of 1/3rd Royalty' with conditional applicability for leases issued on or after 12.01.2015 (the day when Ordinance was introduced) and it provisioned that for leases issued before 12.01.2015 an amount which is not greater than the royalty paid to the state be kept. With these provisions, the Rajya Sabha passed the MMDR (Amendment) Bill 2015 on 20.03.2015 (the last day of Winter Session). The new MMDR (Amendment) Act 2015 was notified on 27th March 2015[1].

By now, benefit sharing was reduced to some predefined percentage limit of royalty with conditional cut off dates for mining leases. Another twist followed, on 17th September 2015, the Ministry of Mines exercising powers conferred by sub-section (5) and (6) of Section 9B of the MMDR (Amendment) Act 2015, brought the 'Mines and Minerals (Contribution to District Mineral Foundation) Rules, 2015 which shall be deemed to have come into force on the 12th day of January, 2015 where in it further reduced the contribution from 33% (upper limit) of royalty equivalent, in addition to royalty for leases issued on or after 12.01.2015 to 10% and specified the contribution by lessees to 30% for leases issued before 12.01.2015.

On the same line, the Ministry of Mines through it order dated 16.9.2015 and in a press release issued on 17th September announced the formulation of PMKKKY using powers conferred to the Central Government under 20A of MMDR Act 1957. Minister of Mines and Steel Shri Narendra Singh Tomar2 said, "PMKKKY is a revolutionary and unprecedented scheme of its kind, which will transform the lives of people living in areas which are affected directly or indirectly by mining." The

[1] The Amendment Act, 2015 ushered in the amendment of Sections, 3, 4, 4A, 5, 6, 13, 15, 21 and First Schedule. Substitution of new sections for Sections 8, 11 and 13. And, insertion of new sections 8A, 9B, 9C, 10A, 10B, 10C, 11B, 11C, 12A, 15A, 17A, 20A, 30B, 30C and fourth schedule

[2] Release ID :126983

scheme defined how the funds accumulated in DMF will eventually be spent, prescribing a ratio of 60:40 (high priority areas and other priority areas). The state Governments were directed to incorporate PMKKKY in the rules framed by them for the DMFs.

Table 1 State of DMF in Different States								
S.No	**State**	**Districts**	**DMF**	**Notification of DMF**	**Notification of DMF Rules**	**Contribution to DMF**	**Status of Fund as per CEC meetings**	
							April 2016	**August 2016**
1	Andhra Pradesh	13	In All Districts	27.06.2015	14.03.2016	Not stated, 2016-17 revenue 764.91 Crore		Collection of funds commenced from August'16
2	Telangana	10	In Districts affected by mining related operations	21.08.2015	21.08.2015	Not stated		No information available
3	Chhattisgarh	27	All districts as of 2.1.16	02.01.2016	22.12.2015[3]	Not stated, news for Korba annexed Rs. 581 crore	Rs. 251 cr	The State has collected and deposited Rs.76 crore in the NMET account. The DMFs have collected Rs.581 crore and projects to the tune of Rs.2,200 crore have been approved and are pending sanction. Every village with a major mineral lease is being developed as a model village and Rs.5-6 crore will be spent every year for the next three years to improve the standard of living in these villages.
4	Jharkhand	24	All districts	24.11.2015	22.03.2016	Rs. 181.23 crore		The DMFs have been set up and Rs.181.23 crore has been collected and projects are yet to be taken up under DMF. Rs. 36.16 crore have been collected in NMET

[3] Amendment dated 30.06.2016:
After clause (i) of sub-rule (2) of rule 22,the following clause shall be inserted, namely :
"0) Public welfare :- Provision, as per the direction of State Government, for programmes and schemes related with public welfare activities of Central Government and State Government."

5	Orissa	30	All districts	-	18.08.2015	711.24 Cr. (2016-17) 1292.32 Cr. (Total collection)	Yes, Rs 274 cr	The State has collected and deposited Rs.54.01 crore in the NMET account. District wise DMFs have been set up and Rs.756.42 crore have been collected so far. 6 districts have taken up timeline driven welfare projects.
6	Rajasthan	33	All districts	09.06.2016	31.05.2016			The DMFs have collected Rs.51 crore
7	Karnataka			05.11.2015	11.01.16	Rs. 120 Crore	Rs. 18.38 crore	The State has collected Rs.5.60 crore towards NMET. The State DMF Rules were notified in January 2016 and some lease holders have approached the court regarding the issue of retrospective application of DMF and hence only Rs.18.38 crore have been collected by the DMFs and projects are yet to be undertaken
8	Maharashtra	36	35 (except Greater Mumbai District)	01.09.2016	01.09.2016	Coal Rs. 95.41 Cr For non-coal Rs. 1361.17 Cr as of Oct'16		Maharashtra has been updating the amounts from August onwards.
9	Madhya Pradesh	55	All districts		28.07.2016	Expected Rs. 803 Crore	Yes, Rs 32 cr out of 803 cr	The State has collected and deposited Rs.32 crore in the NMET account. District wise DMFs have been established and Rs.362 crore have been collected so far. Sub-health Centres have been set up in all the beneficiary districts and pipe water supply scheme has also been introduced
10	Goa	2	2	05.05.2015	15.01.2016		Yes, Rs. 12 cr	
11	Himachal Pradesh	12	12	22.06.2016	22.08.2016	No info.	No info.	Majorly limestone mining and stone / sand mining

Checklist 1 – DMF Governance Structure & Functioning and Local Representatives in Committees									
State		**Governance Structure**			**Local Representation Other than Government**				
Chhattisgarh	*Structure*	Governing Council	Managing Committee	State Level Monitoring Committee	3 Public representatives Nominated by settlor[@]	Upto 3 lease holders, nominated by Collector[#]	Any 2 Sarpanchs of GP nominated by Collector		
	Meetings	Atleast once every 6 months and as often as necessary	At least 4 times in a financial year	Under the chairmanship of CM to lay down broad policy framework to guide overall functioning of the Trusts of all districts					
	Quorum	$1/3^{rd}$ of total members[$]	$1/3^{rd}$ of total members[$]	No mention					
Jharkhand	*Structure*	✓	✓	×	Pramukh & Up Pramukh of Directly affected area	Mukhiya & Up Mukhiya of Directly Affected area	2 major lease holders of District	All MLAs or their reps. in District	Representative of MP
	Meetings	Minimum one meeting / quarter and as per necessity	Minimum 6 meetings / financial year	×					
	Quorum	$1/3^{rd}$ members	No mention	×					
Orissa	*Structure*	Board of Trustees	Executive Committee	×				Each MP & MLA of Constituency where any major mineral concession is situated	
	Meetings	Atleast twice in a financial year	At least once a quarter or more frequently if required	×	×	×	×		
	Quorum	50% of members	Not mentioned						

[$] With rider that if quorum is not complete, meeting can be postponed for half an hour and can reconvene at same place on same day for which condition of quorum is required.

[@] Secretary, Mineral Resources, GoCG [#]Ex Officio Chairperson

Checklist 2 – Affected Areas				
Affected Areas	**Provisions**	**Chhattisgarh**	**Jharkhand**	**Orissa**
Directly Affected Areas@	**Definition**: Directly affected area – where direct mining related operation such as excavation, mining, blasting, beneficiation and waste disposal (overburdened dumps, tailing ponds, transport corridors etc.) are located.	6 (1) (a) ✓	×	11 (2) ✓
	Villages and GPs within which mines are situated and are operational. Such mining areas may extend to neighbouring village, block or district.	6 (1) (a) (i) ✓	a. Village and gram panchayat within which mines are situated.	✓
	villages, in which families displaced by mines are settled / rehabilitated by the project authorities	6 (1) (a) (ii) ✓	×	✓
	Villages that significantly depend on the mining areas for meeting their economic needs and have usufruct and traditional rights over the project areas, for instance for grazing, collection of minor forest produce etc.	✓	✓	✓
	An area within such radius from a mine or cluster of mines as may be specified by the State Government, irrespective of whether this falls within the district concerned or adjacent district.	An area within such radius / distance from a mine or cluster of mines as may be specified by the Collector (within District) and by the State Government (beyond District), irrespective of whether the said area falls within the district concerned or adjacent / adjoining district / districts.	An area within such radius from a mine or cluster of mines as may be specified by the State Government, irrespective of whether this falls within the district concerned or adjacent district	an area within a radius of ten kilometers from a mine or cluster of mines, irrespective of the fact whether this falls within the district concerned or adjacent district
Indirectly Affected Areas@	Such areas where local population is adversely affected on account of economic, social and environmental consequences due to mining related operations. The 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.	6 1(b) ✓	3 1(b) ✓	11 2(b) ✓

@ The DMF shall prepare and maintain an updated list of such directly and indirectly affected areas by mining related operations

Checklist 3 – Affected People				
Affected People	**Provisions Regarding Affected People / Directly Affected People under DMF Rules**	**Chhattisgarh**	**Jharkhand**	**Orissa**
Directly Affected Persons@	People living/working in affected areas and the following shall be included under directly affected persons:			
	Affected family' as defined under Section 3 (c) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (No. 30 of 2013)	6 (2) (a) (i)	3 (2) a. 1.	11 (3) (a) (i)
	'Displaced family' as defined under Section 3 (k) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (No. 30 of 2013).	6 (2) (a) (ii)	3 (2) a. 2.	11 (3) (a) (ii)
	Any other as appropriately identified by the concerned Gram Sabha.	**6 (2) (a) (iii)**	**3 (2) a. 3.**	**11 (3) (a) (iii)**
	Persons affected by mining should also include those people who have legal and occupational rights over the land being mined, and also those with usufruct and traditional rights	6 (2) (b)	3 (2) b	11 (3) (b)
	Affected families should be identified, as far as possible, in consultation with elected representatives of Gram Sabha	6 (2) (c)	3 (2) c	11 (3) (c)
Note: The Trust sha1l prepare and maintain an updated list of such affected persons/loca1 communities				
Special Provisions for Scheduled Areas		**Chhattisgarh**	**Jharkhand**	**Orissa**
In respect of villages affected by mining situated within the scheduled areas (1) Approval of the Gram Sabha shall be required: (a) For all plans, programs and projects to be taken up by Gram Panchayats; (b) Identification of beneficiaries under the existing guidelines of the Government. (2) Report on the works undertaken in the respective village shall be furnished to the Gram Sabha after completion of every financial year.		Rule 30 ✓	Doesn't explicitly mentions in rules ×	Rule 12

Summary of DMF in Different States

While the DMF is an immature entity at this moment, it has been smartly bureaucratized in such a manner that majority of the members are from Government alone. The DMF is principally governed by State rules under which the institutional framework is broadly adopted from the Model DMF Trust deed i.e. Governing Council and Managing Committee. Mostly there are 20-22 members in the Governing Council and around 8-10 members in Managing Committee, however there is no member as community representative or affected in this committee which has to deal with day to day management of the trust. In the Governing council too, there is a skewed representation of local communities or their representatives

जबकि DMF इस समय एक अपरिपक्क इकाई है, इसका ढाँचा चालाकी से बुना गया है कि अधिक सदस्य सरकार के नुमाइंदे हैं। DMF मुख्यतः राज्य के नियमों के तहत संचालित है जिसमें मोटे तौर पर संस्थागत ढाँचा DMF रुल्स से लिया गया है – जैसे गवर्निंग काउंसिल और प्रबंध समिति। ज्यादातर सभी राज्यों में गवर्निंग काउंसिल में लगभग 20-22 सदस्य और प्रबंधन समिति में 8-10 सदस्य हैं, लेकिन प्रबंधन समिति में न समुदाय के प्रतिनिधि के रूप में कोई सदस्य है और न ही उनके चुने हुए प्रतिनिधि जबकि रोज़मर्रा का काम इसी प्रबंधन समिति को ही देखना है। गवर्निंग काउंसिल में भी स्थानीय समुदायों या उनके प्रतिनिधियों का कम प्रतिनिधित्व है।

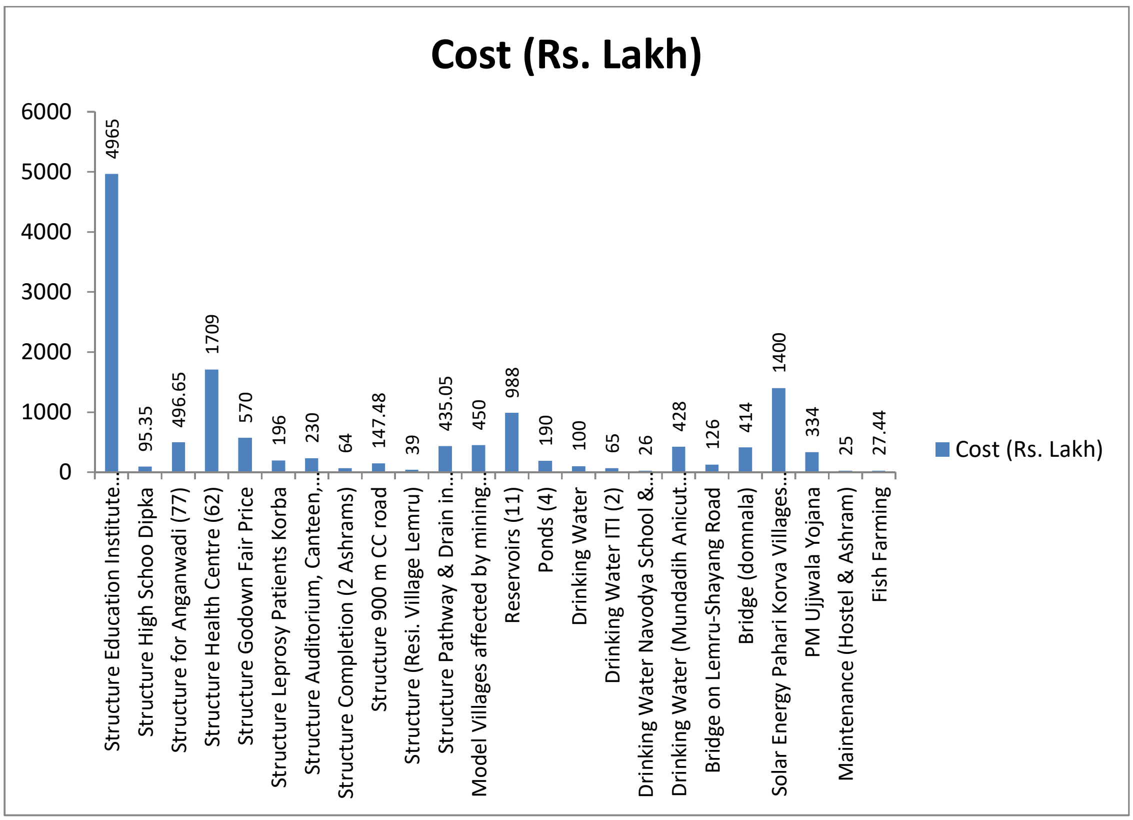
- In Orissa, there is no member from the community or affected people which makes the Trust wholly administered and managed by the state. Similar is the case of Telanagana, it proposes to have a representative of NGO working in the district to be nominated by the Government and two women representatives of the SHGs to be nominated by Collector thus having no member of affected areas or people in the committee.
- ओड़ीशा में समुदाए या प्रभावित व्यक्ति का कोई भी सदस्य ट्रस्ट की मैनिजिंग कमेटी या प्रबंधन कमेटी में न होने से ऐसा प्रतीत होता है जैसे यह कोई सरकारी प्रोजेक्ट की समितियां हैं। यही स्थिति तेलंगाना की है। जहां गैर सरकारी संस्था के नुमाइंदे को सरकार द्वारा नामांकित करने का प्रस्ताव है और स्वयसेवी समूह की दो महिलाओं को जिला कलेक्टर नामांकित करेंगे
- In Chhattisgarh, there is a three tier structure which comprises of Governing Council, Managing Committee and State Level Monitoring Committee (Ministerial Committee). The Ministerial committee or SLMC in short, will be the guiding force and politically motivated to route funds as required in a particular constituency. For example, the DMF funds are to be distributed from mines and mine clusters in one district to other districts. For example, the funds accumulated from coal mines in District Korba will be distributed in Korba, Janjgir Champa, Bilaspur and Jashpur in this proportion 60%-20%-15%-5%. The powers of the committee thus reflect upon utilizing the funds in seemingly common infrastructure corridors of these adjoining districts.
- छत्तीसगढ़ की स्थिति भिन्न: छत्तीसगढ़ में न्यास का तीन चरणीय ढाँचा बनाया गया है – गोवेर्निंग काउंसिल, मैनिजिंग कमेटी और राज्य स्तरीय निगरानी समिति (जिसके मेम्बर मंत्री हैं)। यह निगरानी समिति राजनीति से प्रेरित तो होगी क्योंकि इसका मार्गदर्शन मंत्री करेंगे जो निर्वाचन क्षेत्र में प्रभाव दाल सकती है। इस समिति ने कोरबा जिले में एकत्रित निधि को कोरबा के साथ-साथ उसके पड़ोसी जिलों जैसे जंजगीर-चम्पा, बिलासपुर और जशपुर में इस अनुपात में आवंटन करने का प्रावधान दिया है - क्रमशः 60%-20%-15%-5%। इस तरह के आवंटन से यह भी झलकता है कि समिति खनन क्षेत्र से खनिज की आवाजाही के लिए पड़ोसी जिलों में अधोसंरचना के विकास पर ज़ोर इस निधि के माध्यम से कर रही है और एक तरह से उद्योगपतियों के हिट में निर्णय ले रही है।

- In Jharkhand, under rule 8, powers are given to Gram Sabhas of affected areas to prepare a list of activities, prepare annual plan, hold gram sabhas for passing resolutions from time to time and monitoring of activities. The said rules also provide for quorum requirement with participation of women, STs, SCs and OBCs with atleast 33% presence of women.
- झारखंड खनिज न्यास नियमावली का नियम 8 प्रभावित ग्राम सभा को गतिविधिओं की सूची, वार्षिक नियोजन और गतिविधियों की निगरानी करने की ताकत प्रदान करता है। नियमावली में महिलाओं, आदिवासियों, पिछड़े वर्गों की सहभागिता का प्रावधान भी दिया गया है, जिनमें कम से कम 33% महिलाएं होनी चाहिए।
- In case of AP, there is only a Governing Council which will take up day to day functioning of the Trust and exercise overall control over the management. It will have to conduct business from identification of affected people , preparing list of beneficiaries, master plan or perspective plan, monitor and supervise activities undertaken in scheduled areas and guide Gram Sabhas by deciding the priority areas and sectoral allocations
- इसी तरह आंध्र प्रदेश में सिर्फ गोवेर्निंग काउंसिल ही है जो न्यास के दिनचर्या के कार्यों को देखेगी और पूरी देखरेख की ज़िम्मेवारी इसी समिति पर होगी। इस समिति का कार्य प्रभावितों की पहचान, लाभान्वितों की सूची बनाना, मास्टर प्लान या दूरगामी नियोजन और अधिसूचित क्षेत्रों में गतिविधिओं की निगरानी एवं संचालन के साथ-साथ ग्राम सभा को कार्यों की प्राथमिकता और योजना में सुझाए गए कार्यों के लिए आवंटन में भी मदद करेगी।
- Most of the states have not defined the manner and quantum of contribution from minor minerals will accrue to the Trust. Himachal Pradesh stands out as one example and prescribes Re. 1/tonne of mineral dispatch in case of ordinary soil/brick earth/shale and Rs. 10/tonne of dispatch in case of all other minerals
- It also distinguishes allocation of trust fund for directly affected areas, indirectly affected areas, administrative expenses and most importantly saving 10% of the total fund for future use. It proposes to save 10%; earmark not less than 50% for directly affected areas; not more than 10% for administrative expenditure and rest 30% to be utilized for indirectly affected areas. It breaks down monetary benefit to the directly affected persons at the mine level with a rider that such a monetary benefit will not exceed 20% of the total contribution of such mine. But it doesn't have any community representatives from affected areas, panchayats or communities and thus the scheme or activities could be a wish list of the committee.
- While the rules specify (Jharkhand) that planning for the forthcoming financial year be started at the beginning of fourth financial quarter and as powers are given to Gram Sabha to identify activities and prepare annual plan, the training of members of Gram Sabha is mentioned under the duties of Managing Committee but it doesn't reflect any conviction whether such a step will be taken in practice.

Specific Example of Korba

The objective of the trust is to utilize funds of DMF for the welfare of affected people. But there is likelihood that blanket coverage of affected areas is defined by the Governing Council, like in case of Korba, where coal mining is abundant. It is not likely that the whole district is affected by mining, there are indirect impacts and that too where the most vulnerable are located. The trust has formulated a plan to spend largely on infrastructure to aid evacuation of coal but it lacks identification of directly and indirectly affected communities and people. It has kept open the option to specify parameters for identification of affected areas (see checklist 2). Similarly 'affected people' in this region are largely on account of land acquisition and displacement and loss of usufruct and traditional rights but the process to identify affected and displaced as well as earmarking priority funds for them has not found a place. The question at the end arises, why to spend on infrastructure in affected areas, if people are on the verge of displacement, it is clear that the same will be utilized for mining and mining related works.

Korba has gained the distinction of becoming the first District in the country alongwith Kanker to develop an Annual plan by the District Mineral Foundation Trust. The areas in 3-5 kilometers periphery of coal mines and Gram Panchayats in ULBs have been declared as directly affected, some 202 villages come in the list and the whole district is considered as affected area? While an annual plan is envisaged under the rules, the trust has developed a 3 year plan under which 397 work areas have been identified and Rs. 119.34 Crore has been sanctioned and another 615.92 crore worth of works are identified. (see graph below for some of the major proposed works identified)



Few major works identified by the Trust amount to Rs. 1352 Million which majorly (66.18%) pertains to construction or structures for various sectors like educational institute, hostel, anganwadi, health centre, auditorium, roads etc. Ujjwala yojana was included under works to be undertaken by the Trust with an order passed by the Chhattisgarh Government on 12th July 2016, in the outlay a sum of Rs. 334 Lakh (2.47%) is allocated for the same. A solar energy scheme for pahari korva's is envisaged for 32 such villages at a cost of Rs. 1400 Lakh (10.35%). While the Government proposes to develop 11 affected villages as model villages at a cost of Rs. 450 Lakh, two bridges are proposed for Rs. 540 lakh.

For schemes which are under process for clearance, the amount of Rs. 128 crore is outlaid for activities and it is no different than the proposed main activities. A whooping 71.33% of the allocation has been made for Road development like expansion of road, Marine drive, model road and a railway under bridge; almost another 25% is allocated to structures (buildings) to be constructed like convention hall, planetarium etc. These two major categories together take the lion's share of more than 96% of the total allocation for schemes under process for clearance.

A look at the activities / schemes proposed and under process by the Trust reveals the following;

- While it is proposed that an annual plan has to be made by the Trust for every financial year based on the funds available with the trust, the current paradigm shift is seen where the trust has planned for next 3 years, probably because most of the activities are construction / structure based which have long gestation periods.
- By declaring the whole district as affected, the trust has thus equated those which are on the verge of displacement and living in mining areas with the infrastructure needs of this mining district. This has overshadowed the direct relief and works for the affected. For any Government, development is a dynamic process and when a city or its infrastructure reaches climax, it has to look for various financial sources and it has looked upto DMF funds which is actually meant for those which are directly & indirectly affected by mining related operations. The other problems of the city are those of growth pattern for which structural measures / schemes are proposed and in no way it suffice with the purpose and objectives of the trust.
- The state has not disclosed as to what amount from DMF is being pumped up for schemes which are identified and under process and what amount is being sourced from plan budget of the district allocated by the state.
- Public welfare is a broad term and it can include all the population of the district but the object of DMF is clear i.e. for the welfare of affected people. In a notification dated 30th June 2016 a clause is introduced as clause *(j) Public welfare :- Provision, as per the direction of State Government, for programmes and schemes related with public welfare activities of Central Government and State Government.* This is added to Rule 22 'Expenditure from the Trust Fund' and provides lee way to the Government to interplay with funds.

The state is setting a bad precedent by utilizing the DMF fund for all such activities which are meant to be done by the state in a normal course of development planning under its annual plans for the district. It cannot get away by showcasing inclusion of groups and activities which form part of 'Public Welfare' and leaving the affected in lurch altogether for whom this fund is to be utilized. It is the foremost duty of the trust to bridge this gap and not to construct physical bridges and structures for want of claiming 'public welfare'.