



Promulgation of District Mineral Foundation Trust Rules

Why in News?

The Uttar Pradesh Cabinet has given approval for the **promulgation of the Uttar Pradesh District Mineral Foundation Trust (Third Amendment) Rules, 2025**, in line with the revised guidelines of the [Pradhan Mantri Khanij Kshetra Kalyan Yojana \(PMKKKY\)](#) issued in **January 2024** by the Ministry of Mines.

Key Points

- **Objective:** The amendment aims to benefit individuals in areas **directly affected by mining operations** by utilising [District Mineral Foundation \(DMF\) funds](#) for community development and welfare activities.
- **Funds Allocation:** **70% of DMF funds** will be exclusively allocated for **drinking water supply, environmental protection, health care, education, and skill development** in mining-affected areas.
 - The remaining **30% of funds** can be utilised for **physical infrastructure, irrigation, alternative energy sources, etc.**
- **Financial Impact:** The promulgation of the revised rules will **not impose any financial burden** on the state government.
- **Monitoring Systems:** A **state-level monitoring committee** will be set up, chaired by the [Chief Secretary](#), to oversee the implementation of works under **PMKKKY** and ensure effective use of the DMF funds.

District Mineral Foundation (DMF)

- **About:** As per the **Mines and Minerals Development Regulation (Amendment) Act, 2015**, in every district affected by mining-related operations, the state government shall, by notification, **establish a trust as a non-profit body** to be called the District Mineral Foundation.
- **DMF Funds:** Each mining leaseholder will pay a portion of the royalty, not exceeding one-third of the total royalty, to the DMF, in accordance with the rates prescribed by the Central Government.
- **Functioning:** The functioning of the **DMF Trusts and the utilisation of funds, governed by the respective States' DMF Rules**, incorporates the mandates of the central guideline, PMKKKY.

Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY)

- **Nodal Ministry:** Launched in 2025, PMKKKY is a scheme by the **Ministry of Mines** for the welfare of people & affected areas by using the funds accrued under the District Mineral Foundation (DMF).
- **Objectives:** Implement welfare projects in mining areas to complement government schemes, mitigate adverse impacts, and ensure sustainable livelihoods.
- **PMKKKY 2024 Guidelines:** PMKKKY 2024 **mandates that at least 70% of DMF funds** must be spent on **High Priority Sectors**, which directly impact the well-being of mining-affected communities.

PDF Refernece URL: <https://www.drishtias.com/printpdf/promulgation-of-district-mineral-foundation-trust-rules>

