

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 34
ANSWERED ON 07.12.2022

DIVERSION OF DMF FUNDS

34. SHRIMATI RAKSHA NIKHIL KHADSE:

Will the Minister of MINES be pleased to state:

(a) Whether the Ministry of Mines has received any information regarding the diversion of funds accrued under the District Mineral Foundation set up under Mines and Minerals Development and Regulation (MMDR) Act; and

(b) if so, the details thereof regarding the diverted funds, State and district-wise?

ANSWER

THE MINISTER OF MINES, COAL AND PARLIAMENTARY AFFAIRS
(SHRI PRALHAD JOSHI)

(a) & (b): It has come to the notice of the Ministry of Mines that the Governments of Andhra Pradesh and Telangana have diverted Rs. 334.08 crore and Rs. 186.94 Cr respectively, available under DMFs, to the Chief Minister's Relief Fund of the State. Further, the Governments of Madhya Pradesh and Rajasthan have amended/notified the Rules for District Mineral Foundations, wherein provisions have been made for the transfer of unutilized DMF Funds to State Level Mineral Fund.

Hence, in order to prevent the diversion of funds available under DMFs to non-mining areas, the Central Government under the proviso of sub-section (3) of section 9(B) of MMDR Act, 1957 has issued an order on 12.7.2021 to all the States directing that –

- i. the provisions of Section 9B of the Act shall be strictly adhered to in respect of utilization of funds by the District Mineral Foundations;
- ii. No fund shall be transferred in any manner from the District Mineral Foundations to the State exchequer or State level fund (by whatever name called) or Chief Minister's Relief Fund or any other funds or schemes; and
- iii. No sanction or approval of any expenditure out of the fund of the District Mineral Foundation shall be done at the State level by the State Government or any State level agency.
