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National DMF Summit 2026 — Reforming Mining-Area Development

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National DMF Summit 2026 — Reforming Mining-Area Development

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WHY IN NEWS

The Ministry of Mines organised the National District Mineral Foundation (DMF) Summit 2026 on March 23-24 at the SCOPE Convention Centre, New Delhi. Union Minister of Coal and Mines G. Kishan Reddy inaugurated the summit, emphasising that DMF funds must prioritise mining-affected areas over political considerations.

National DMF Summit 2026 — Strengthening Mining-Area Governance

Summit Overview

FEATURE	DETAIL
Event	National DMF Summit 2026
Date	March 23-24, 2026
Venue	SCOPE Convention Centre, New Delhi
Theme	Effective Utilisation of District Mineral Funds for ADP/ABP Areas
Inaugurated by	G. Kishan Reddy (Union Minister of Coal and Mines)
Also present	Satish Chandra Dubey (MoS Mines), Secretary Piyush Goyal

The summit brought together senior officials from Central Ministries, State Governments, District Administrations, and NITI Aayog. A **DMF Exhibition** showcased successful projects across health, nutrition, water supply, education, skill development, livelihoods, renewable energy, and infrastructure.

What Is the District Mineral Foundation?

The **District Mineral Foundation (DMF)** is a non-profit trust established under **Section 9B of the Mines and Minerals (Development and Regulation) Amendment Act, 2015** in every district affected by mining-related operations.

Its core purpose is to work for the interest and benefit of persons and areas affected by mining — addressing the developmental deficit that mining-dependent regions often face despite being resource-rich (the “resource curse” paradox).

How DMF Is Funded

Mining lease holders are required to contribute a percentage of royalty to the DMF:

LEASE CATEGORY	CONTRIBUTION RATE
Leases granted on or after January 12, 2015	10% of royalty
Leases granted before January 12, 2015	30% of royalty

This ensures that mining revenue flows back to the communities most affected by mining operations.

DMF Key Statistics

PARAMETER	DATA
DMF districts	306 (across 23 states)
Total funds accrued	Over Rs 40,000 crore
Implementation scheme	PMKKKY (launched September 2015)
High Priority allocation	Minimum 70%
Other sectors allocation	Maximum 30%

PMKKKY — The Implementation Framework

The **Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY)**, launched on September 17, 2015, provides the operational framework for utilising DMF funds:

High Priority Areas (minimum 70% allocation):

- Drinking water supply
- Health care
- Nutrition
- Education
- Environment preservation and pollution control
- Skill development
- Women and child welfare
- Welfare of aged, disabled, and tribal communities
- Sanitation

Other Priority Areas (maximum 30%):

- Physical infrastructure (roads, bridges, railways)
- Irrigation

- Energy and watershed development
- Afforestation and reclamation of mines

Focus on Aspirational Districts and Blocks

The summit specifically linked DMF utilisation with two NITI Aayog programmes:

Aspirational Districts Programme (ADP):

- Launched: January 2018
- Districts: 112 across 28 states
- Objective: Transform India's most underdeveloped districts through convergence of central and state schemes
- Key indicators: Health & Nutrition, Education, Agriculture & Water Resources, Financial Inclusion & Skill Development, Infrastructure

Aspirational Blocks Programme (ABP):

- Launched: January 2023
- Blocks: 500 across India
- Objective: Extend the ADP model to block-level development
- Focus: Bridging intra-district development gaps

Many mining-affected districts overlap with Aspirational Districts, making DMF a natural funding source for accelerated development.

Challenges in DMF Utilisation

Despite substantial fund collection, several challenges persist:

- 1 **Underutilisation** — Many districts have spent only 30-50% of collected funds
- 2 **Governance gaps** — Weak planning capacity at district level
- 3 **Diversion concerns** — Funds sometimes used for general municipal works rather than mining-affected community welfare
- 4 **Lack of community participation** — Limited involvement of affected populations in fund allocation decisions
- 5 **Monitoring** — Inadequate outcome tracking and audit mechanisms

The MMDR Act — Evolution

The Mines and Minerals (Development and Regulation) Act has evolved significantly:

YEAR	KEY CHANGE
1957	Original MMDR Act enacted
2015	Major amendment: introduced DMF, auction-based allocation, PMKKKY
2021	Amendment for removal of end-use restriction, auction of captive mines
2023	Amendment allowing private sector exploration of critical minerals

UPSC RELEVANCE

DMF (Section 9B, MMDR Act 2015), PMKKKY, contribution rates (10%/30%), Aspirational Districts Programme.

MAINS GS-2:

Mining governance and community welfare; the resource curse and institutional responses.

MAINS GS-3:

Mineral resource management; sustainable mining and environmental remediation.

★ FACTS CORNER — KNOWLEDGEPEDIA

DISTRICT MINERAL FOUNDATION (DMF):

- Established under: Section 9B, MMDR Amendment Act 2015
- Nature: Non-profit trust in each mining-affected district
- Total districts: 306 (across 23 states)
- Total funds: Over Rs 40,000 crore
- Contribution: 10% of royalty (post-2015 leases); 30% (pre-2015 leases)

PMKKKY:

- Full form: Pradhan Mantri Khanij Kshetra Kalyan Yojana
- Launched: September 17, 2015
- High Priority: 70% minimum (health, water, education, environment, nutrition)
- Other Priority: 30% maximum (infrastructure, irrigation, energy)

NATIONAL DMF SUMMIT 2026:

- Date: March 23-24, 2026, SCOPE Convention Centre, New Delhi
- Inaugurated by: G. Kishan Reddy (Coal and Mines Minister)
- Theme: Effective Utilisation for ADP/ABP Areas
- Data source: 306 DMF districts + NITI Aayog inputs

NITI AAYOG PROGRAMMES:

- Aspirational Districts Programme (ADP): 112 districts, launched Jan 2018
- Aspirational Blocks Programme (ABP): 500 blocks, launched Jan 2023

MMDR ACT TIMELINE:

- 1957: Original Act
- 2015: DMF, auction, PMKKKY
- 2021: End-use removal, captive mine auction
- 2023: Private exploration of critical minerals

OTHER RELEVANT FACTS:

- India's mining sector: ~2.5% of GDP
- Top mineral-producing states: Odisha, Rajasthan, Chhattisgarh, Jharkhand, Karnataka

India has 1,531 operating mines (IBM Annual Report)

Critical minerals list: 30 minerals notified by Ministry of Mines (2023)

Sources: [PIB](#), [ANI](#), [Tribune India](#)

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