CHAPTER-III

IMPLEMENTATION OF WORKS/PROJECTS FROM DMFT

3.1 Project Planning and Institutional Arrangements

The Trust should work for the interest and benefit of persons and areas affected by mining or mining related operations in such manner as specified in the CGDMFT Rules, 2015. The Governing Council of the Trust shall be responsible for laying down and approving the procedure for functioning of the Trust and review the working of the Trust.

The deficiencies in planning and institutional framework/arrangements in functioning of Trusts observed during the audit, are discussed below:

3.1.1 Non-conformity of DMFT Rules with PMKKKY

GoI, Ministry of Mines directed the State Governments to notify and establish a District Mineral Foundation in every district and incorporate the PMKKKY guidelines into the rules framed by the State Governments for the DMFs and to implement the Scheme.

Mining related operations largely affect less developed and very remote areas of the country, and vulnerable sections of the population, especially scheduled tribes. Therefore, it is especially necessary that special care and attention is devoted, in an organised and structured manner to ensure that these areas and affected persons are benefitted by the mineral wealth in their regions and are empowered to improve their living.

In view of the above, the Central Government has accordingly, framed the PMKKKY to be implemented by the DMFs from the funds accruing to them in terms of the MMDR Act, 1957.

The discrepancies between DMFT Rules, 2015 and PMKKKY, 2015, that hindered the extension of benefits to mining-affected communities are discussed below:

(a) Non-identification of 'affected people' and maintenance of list of affected persons/local communities

As per PMKKKY guidelines (September 2015), affected people should include 'Affected family' and 'Displaced family' as defined under Section 3(c) and 3(k) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013. Also, any other appropriately identified by the concerned *Gram Sabha* including people who have legal and occupational right over the land being mined and those with usufruct and traditional rights.

Audit observed that while framing CGDMFT Rules, 2015 the definition of 'Affected People', was modified and expanded to include all people living or working in affected areas, in addition to the affected and displaced families whose land was acquired/relocated from affected area or primary source of livelihood affected due to acquisition of land.

Further, as per the PMKKKY guidelines, directly affected area includes 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. Audit noticed that the State Government did not specify any radius for declaring adjacent districts within affected areas.

Consequently, this broader definition extended coverage to all areas and individuals in all the districts, without specific limitations of distance from the mining area. Audit noticed that DMF did not identify and prepare list of affected persons/local communities. Non-identification of affected persons/local communities also hinders effective implementation of the PMKKKY, preventing desired outcomes and positive changes in the affected areas and people's lives.

Audit further observed that funds of ₹709.47 crore were allocated by the Trusts in 12 sampled districts for various beneficiary oriented schemes/works, such as free distribution of shade-nets, agriculture tools and implements to farmers, drilling of personal tube wells, free fishnet distribution, distribution of coaching and tuition fees to students etc., for a large community without identifying the 'affected people' as envisaged in the PMKKKY guidelines and CGDMFT Rules, 2015, defeating the objective of the PMKKKY and DMFT.

Audit noticed that State Government declared Sukma as an affected area being adjacent to cluster of mines in Dantewada district. However, list of directly affected villages within the Sukma district was not yet declared by the Collector as of June 2025. The Collector of Bilaspur and Sukma informed audit that in these two districts there were no 'directly affected People/families' as defined under PMKKKY guidelines. However, in these two districts, the Trusts allocated ₹106.94 crore to implementing agencies for procurement and free distribution of items among the villagers.

Audit test-checked 30 cases of free distribution activities sanctioned from DMFT Funds in six districts for ₹28.11 crore (***Appendix 3.1)*** and observed that the free distributions among the people living both in directly and indirectly affected area, were made randomly by the implementing agencies without stipulating selection criteria of beneficiaries in line with the objectives of PMKKKY, 2015 aiming to benefit the mining affected-people in mining areas.

Non identification of the 'affected people/families' and undertaking beneficiary oriented activities from Trust Fund, also hinders effective implementation of the PMKKKY in achieving the goal of long-term sustainable livelihoods, and bring positive changes in the lives of people affected by mining activities.

During exit conference (August 2025), it was stated that the proposal for amendment to the existing DMFT Rules, 2015 in accordance with the PMKKKY, 2024 and taking into account the audit points have been proposed by the Department, is due for notification.

Although the State Government notified the amendments (12 September 2025), deleting 'people living or working in affected areas' under the scope of 'Affected People', however, the list of affected people/families are yet to be prepared after their identification by DMFT.

(b) Laying of Annual Report before State Legislature

As per Para 7 of the PMKKKY Guidelines, 2015, the Annual Report of each DMFTs should be laid before the State Legislative Assembly.

Audit observed that the State Government omitted this provision while framing the CGDMFT Rules in 2015.

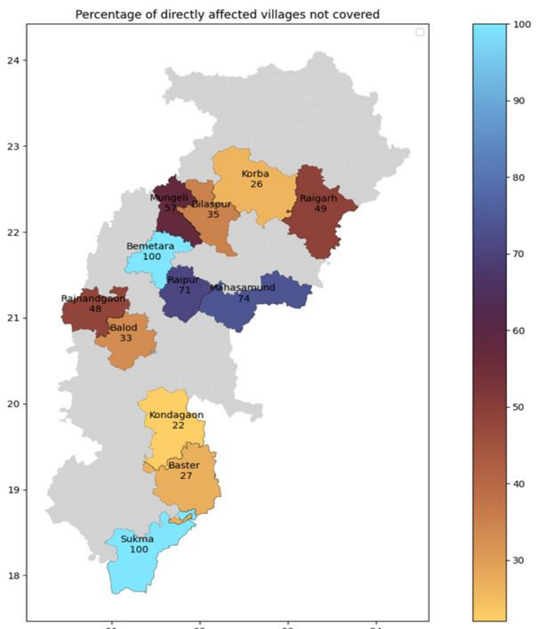
During exit conference (August 2025), it was stated that the proposal for amendment to the existing DMFT Rules, 2015 in accordance with the PMKKKY, 2024 and taking into account the audit points have been proposed by the Department, is due for notification.

Since, the State Government has amended the Rules for laying of Annual Report, the DMFT should lay Annual Reports since their establishment without any delay before the state legislature.

3.1.2 Lack of comprehensive/master plan and vision resulted in inequitable allocation of resources

As per provisions stipulated in Rule 15 (3) of CGDMFT Rules, 2015, the overall development of the area affected by mining or mining related operations shall be done from the Trust fund in accordance with the Annual Plan prepared by the Managing Committee and approved by the Governing Council of the Trust. The Managing Committee shall prepare five-year Master Plan/Vision Document for activities of the Trust according to the requirement of affected areas based on survey and should be approved by the Governing Council.

Further, as per Rule 15 (4) to (7) of CGDMFT Rules, 2015, the Managing Committee shall receive proposals/projects from the implementing agencies viz. Gram Panchayats, Janpad Panchayats, Zila Panchayats and the Urban Local Bodies in the District, Government Departments and Board, Corporations, State/Central Public Sector Undertakings etc., consolidate and develop the Annual Plan. Thereafter, accord sanction orders to the projects, release funds and disburse the Trust fund for the purpose.



Audit observed that in all 12 sampled districts, the proposals submitted by the implementing agencies and sanctioned by the Managing Committee of the Trusts did not provide adequate justification for mitigating the adverse impacts on the environment, health, and socio-economic conditions in these areas and failed to ensure sustainable livelihoods for affected populations.

Further, the Trusts did not prepare Master Plan/Vision Documents according to the requirement of affected areas after conducting survey for implementing the

PMKKKY. Consequently, despite utilising ₹4,536.58 crore (81 *per cent)* of the total funds as of March 2024, the Trusts managed to cover 980 (56 *per cent*) directly affected villages in the 11 sampled districts leaving 754 (44 *per cent*) directly affected villages in which no activities from DMFT funds were implemented. In Sukma, the Trusts utilised ₹333.61 crore (64 *per cent*) of the fund without identifying the directly affected villages as detailed ***Table 3.1***.

Table 3.1: Trust-wise uncovered 'directly affected villages'

(₹ in crore)

Sl. No.	Name of district	Number of directly affected villages	Number of directly affected villages covered	Number of directly affected villages not covered *(percentage)*	Total available Trust fund	Trust funds utilised *(percentage)*
1.	Balod	318	213	105 (33)	439.73	388.36 (88)
2.	Bastar	168	123	45 (27)	859.23	700.72 (82)
3.	Bemetara	12	0	12 (100)	109.55	44.19 (40)
4.	Bilaspur	139	91	48 (35)	653.92	362.73 (55)
5.	Kondagaon	09	07	02 (22)	245.40	176.80 (72)
6.	Korba	334	248	86 (26)	2203.93	2009.17 (91)
7.	Mahasamund	202	53	149 (74)	119.58	95.84 (80)
8.	Mungeli	238	103	135 (57)	121.69	105.48 (87)
9.	Raigarh	83	42	41 (49)	461.61	360.03 (78)
10.	Raipur	131	38	93 (71)	192.88	145.57 (75)
11.	Rajnandgaon	100	62	38 (38)	224.02	147.69 (66)
Total		**1734**	**980**	**754 (44)**	**5631.54**	**4536.58 (81)**
12.	Sukma	Not yet identified			518.88	333.61 (64)
	Grand Total	**1734**	**980**	**754 (44)**	**6150.42**	**4870.19 (79)**

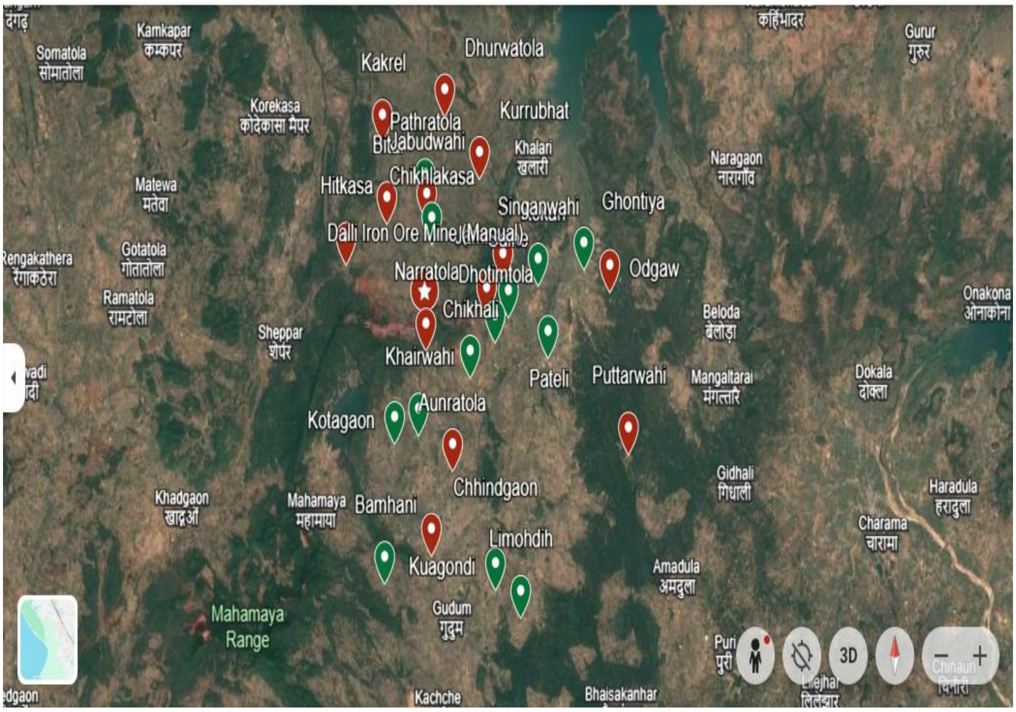
(Source: Compiled by audit from the data provided by the Trusts)

Thus, the Trusts failed to ensure equitable distribution of resources and benefits to all directly affected villages in the test checked 12 districts despite significant utilisation (₹4870.19 crore) of DMFT funds during 2015-24.

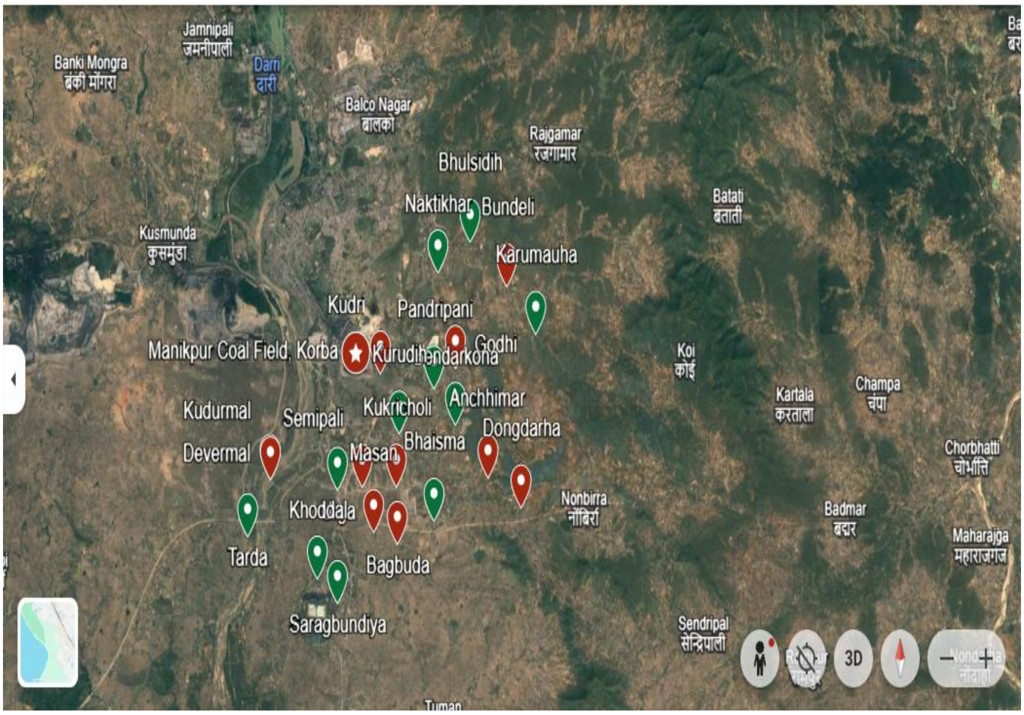
During the exit conference (August 2025), it was agreed that necessary steps would be taken to prepare five-year plan in future.

The Trust should ensure that a comprehensive/master plan and vision document, aligned with the requirements of affected areas based on surveys should be prepared ensuring coverage of all directly affected areas for equitable distribution of resources.

GIS map indicating the names of directly affected villages in a range of 10 to 20 km of mining area, which were unnoticed by the Trusts are depicted in **Picture 3.1 to 3.6.**

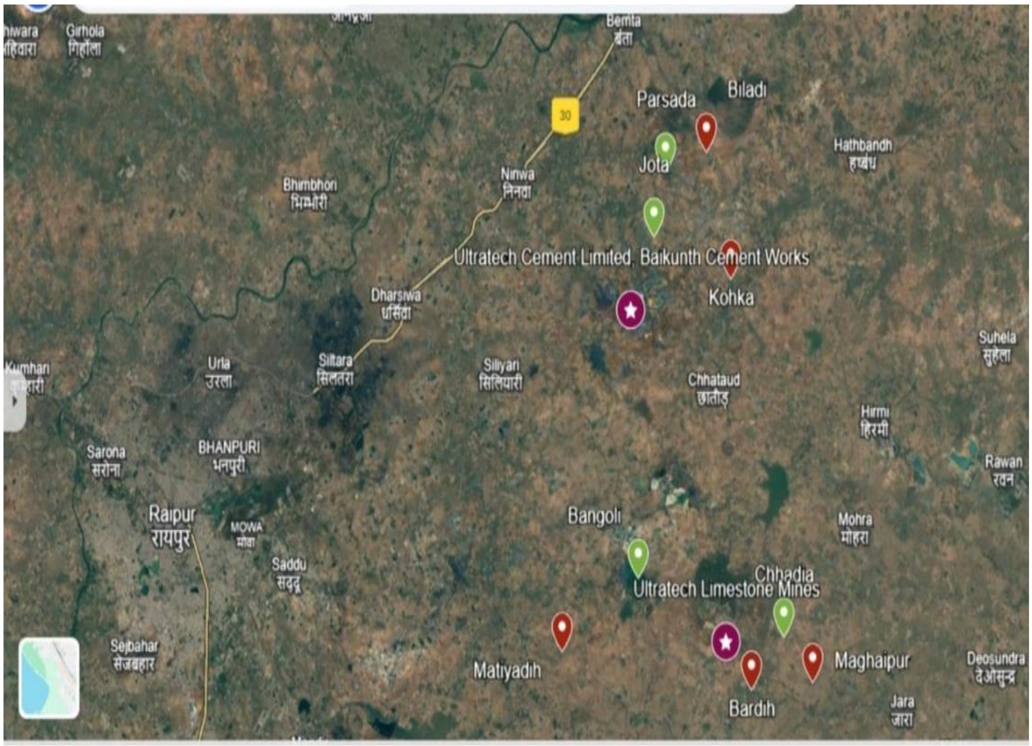


Picture 3.1: GIS Map indicating names of 13 directly affected villages (reflecting in red colour) in Dondi block of Balod district, which were within 15 kms radius of Dalli iron ore mines (reflecting in Blue colour) that remains uncovered by the Trust and 13 directly affected villages Covered (reflecting in Green colour).

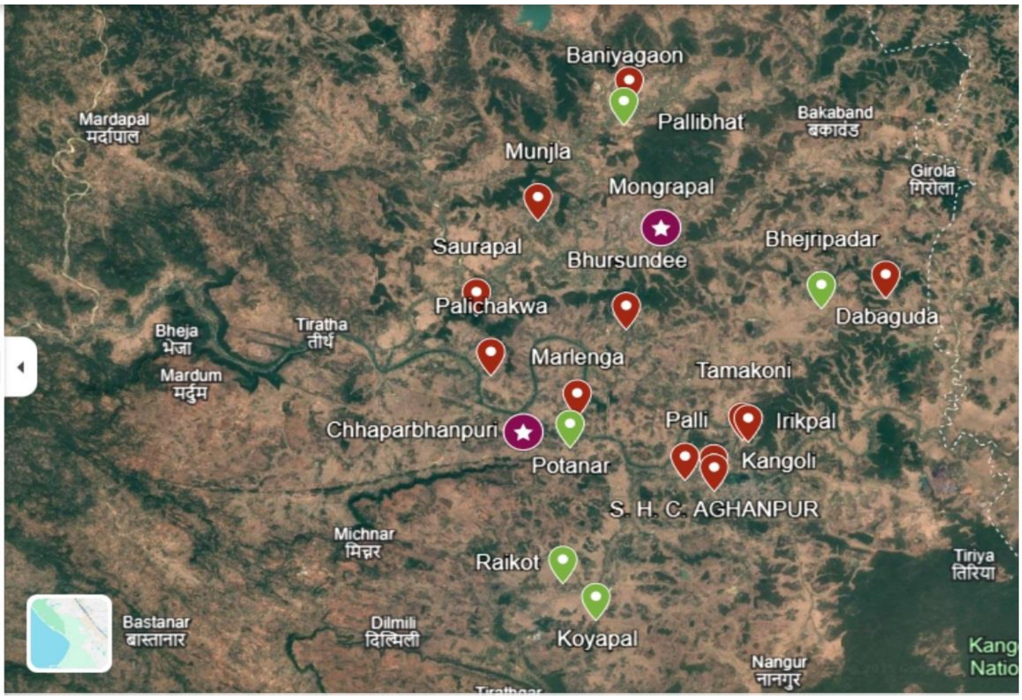


Picture 3.2: GIS Map indicating names of 10 directly affected villages (reflecting in red colour) in Korba and Kartala block of Korba district, which were within 10 kms radius of SECL Manikpur Coal Field Mines (reflecting in Blue colour) that remains uncovered by the Trust and 11 directly affected villages Covered (reflecting in Green colour).

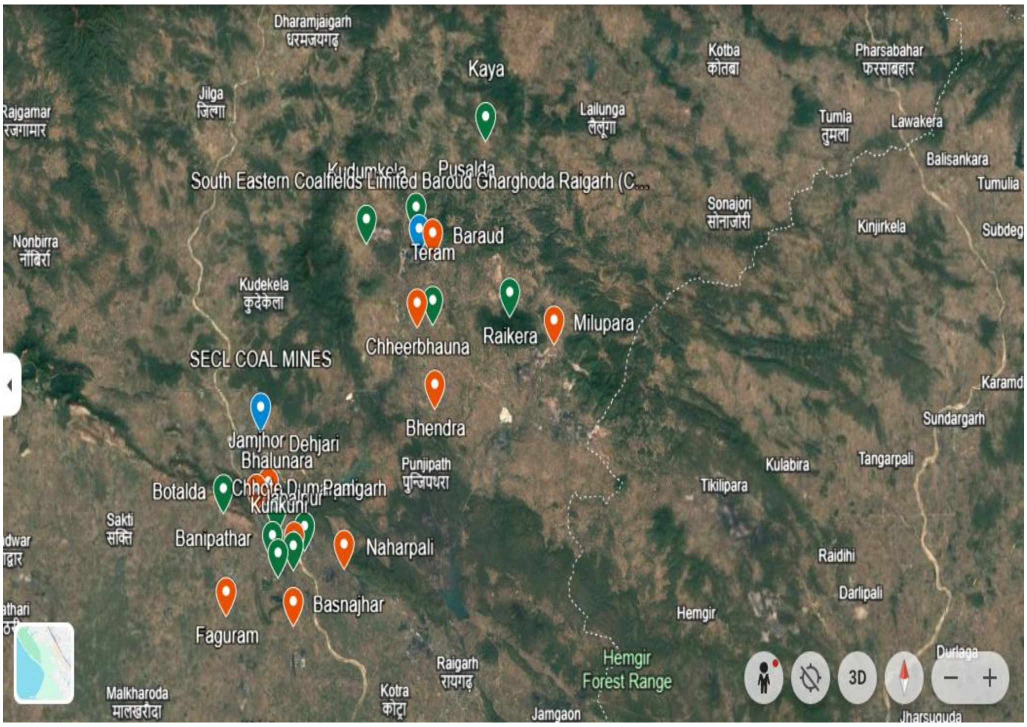
Picture 3.3: GIS Map indicating names of 6 directly affected villages (reflecting in red colour) in Bilaspur district, which were within 10 kms radius of ACC, Lafarge and Jindal mines (reflecting in Star Mark) that remains uncovered by the Trust and 5 directly affected villages Covered (reflecting in Green colour).



Picture 3.4: GIS Map indicating names of 5 directly affected villages (reflecting in Red Colour) of Raipur district, which were within 10 km radius of Ultratech mines (reflecting in star mark) that remains uncovered by the Trust and 4 directly affected villages Covered (reflecting in Green colour).



Picture 3.5: GIS Map indicating names of 12 directly affected villages (reflecting in Red Colour) of Bastar district, which were within 20 kms radius of Chhapar Bhojpuri and Mograpal mines (reflecting in star mark) that remains uncovered by the Trust and 5 directly affected villages Covered (reflecting in Green colour).



Picture 3.6: GIS Map indicating names of 10 directly affected villages (reflecting in Red Colour) of Raigarh district, which were within 20 kms radius of SECL Chhal and Baraud Coal mines(reflecting in blue colour) that remains uncovered by the Trust and 11 directly affected villages Covered (reflecting in Green colour).

3.1.3 Delay in notifying the list of 'Affected Areas'

Rule 2 (1) (b) of the CGDMFT Rules, 2015 defined 'Affected Areas/People' as areas/people affected by mining or mining related operations from a mine or cluster of mines within the district as notified by the Collector and areas/ people affected by mining or mining related operations from a mine or cluster of mines beyond the district as notified by the State Government from time to time.

Audit observed that the State Government notified the CGDMFT Rules in December 2015 and constituted DMFTs in 27 Districts in January 2016. However, in 11 test-checked Districts, district Collectors took five to 65 months to identify and declare the list of 'affected areas' within the district after the Trusts were established. Audit further noticed that the list of affected area declared by Collector was not notified in Chhattisgarh Gazette as prescribed under the DMFT Rules, 2015. Meanwhile, the Trusts allocated an amount of ₹1060.70 crore for various works and activities before identifying the 'affected areas' as detailed in ***Table 3.2***.

Table-3.2: Delay in declaration of directly affected area and allocation of funds prior to declaration

(₹ in crore)

Sl. No.	DMFT	Month in which list of 'affected area' issued	Time taken for issue of order after formation of Trust *(in months)*	Amount allocated prior to identification of 'affected area'
1	Balod	Jun-2016	5	4.77
2	Bastar	May-2019	40	193.95
3	Bemetara	Aug-2018	32	6.50
4	Bilaspur	Jul-2017	19	93.51
5	Kondagaon	May-2021	65	68.84
6	Korba	Jul-2016	7	18.43
7	Mahasamund	Jan-2021	61	32.05
8	Mungeli	Jul-2018	31	7.28
9	Raipur	Jan-2019	36	88.85
10	Rajnandgaon	Dec-2019	46	98.77
11	Sukma	Not yet notified	99	447.75
			Total	**1060.70**

In Sukma district, the Collector had not identified and declared list of villages under 'directly affected area' within the district as of January 2025.

Similarly, in Balod district, the Collector only identified and declared (June 2016) list of 'directly affected area' within the district and has not declared (November 2024) 'indirectly affected area'. However, the Trust has allocated an amount of ₹84.86 crore (for 979 works) for various works/activities in areas other than directly 'affected areas' during 2015-16 to 2023-24.

On being pointed out in audit, the State Government stated that the works were approved by the concerned districts before declaring the 'affected areas' separately so that the objectives of the Trust could be fulfilled and the people of the 'affected areas' could get immediate benefits. It was also stated that a list of 'affected areas' has been maintained by the Trusts according to Rule 6(1)(g) of DMFT Rules, 2015 as there is no provision for publishing in the Gazette.

The reply is not acceptable because the list of 'affected areas' within a district requires to be notified by the Collector as per the CGDMFT, Rules 2015 for transparency.

3.1.4 Cancellation of Works

Audit observed that the Trusts in 12 sampled districts, reported 2,780 works/activities as cancelled to the Director, Geology and Mining, Chhattisgarh for the period 2015-16 to 2023-24, however, as per the Trusts' monthly progress report, 1,749 (4.89 *per cent*) out of 35,754 works were cancelled after issue of administrative sanction. Number of works cancelled in Korba (752 works) and Raigarh (276 works) were highest and constituted 59 *per cent* of total cancelled work. Cancellation of works after allocation of funds indicates lack of proper scrutiny and adequate planning prior to their sanction. The reasons for cancellation of works, as replied by the Trusts were due to sanction of the same work in other scheme, practical problem and hardships to execute the work, failure or delay on the part of implementing agencies to start the work, etc.

This indicates lack of monitoring of progress of works/activities sanctioned by the Trusts.

On being pointed out in audit, the State Government furnished the Trust-wise status of refunds of amounts released against cancelled works, indicating that the Trusts are making efforts to recover the unutilised amounts, implementing agencies in six[1] districts had returned an amount of ₹89.09 crore to the Trust fund account.

The Trusts should make efforts to recover the balance amount for cancelled works held by the implementing agencies, along with the interest earned on these funds.

3.2 Project Implementation

PMKKKY should be implemented by the Trusts of the respective districts using the funds accruing to the DMF.

Rule 29 of CGDMFT Rules, 2015 stipulates that the Trusts should follow due procedure prescribed by the State Government for procurement of works/goods. The works undertaken by the Trust should be executed only through the government departments, agencies and public sector undertakings normally undertaking such works which should follow the relevant norms applicable to the organisation while executing or awarding contracts. Technical approval and supervision of the works should be looked after by officers competent to do so under the delegation of administrative powers as applicable to the department concerned. The Trust should transfer funds to all agencies and beneficiaries into their bank accounts.

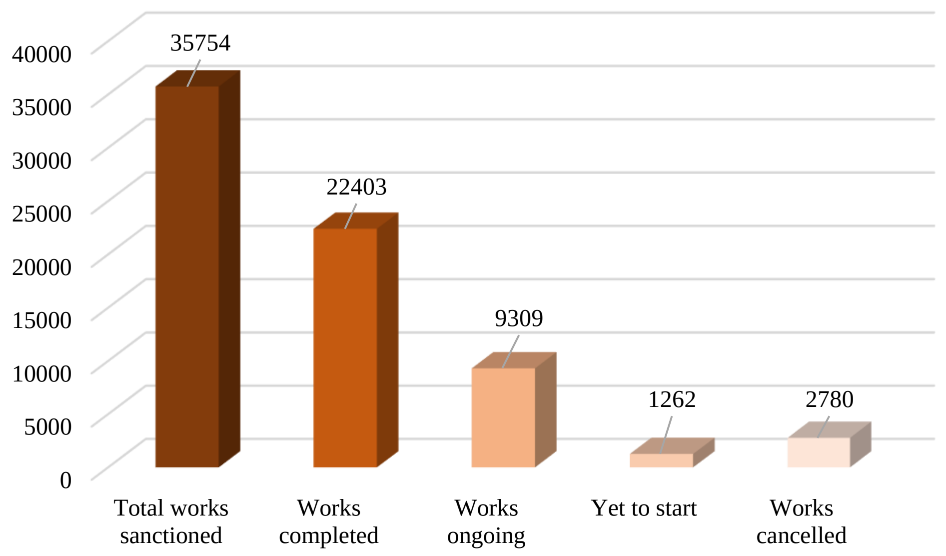
Accordingly, the Trusts engaged the implementing agencies for execution of the works/activities sanctioned by them. The Implementing Agencies were

1 Bastar, Bemetara, Korba, Mungeli, Raigarh and Raipur

responsible for execution of the works/activities and ensure timely completion as per sanction accorded by the Managing Committee.

The Trusts of 12 sampled districts have accorded sanctions of ₹6,735.54 crore for execution of 35,754 works/activities during 2015-16 to 2023-24, as per proposals received from the district level implementing agencies[2] and approved by the Governing Council from time to time. The works/activities sanctioned by the Trusts of all 12 sampled districts during 2015-16 to 2023-24 and their status are given in ***Appendix 3.2*** and ***Chart 3.1.***

Chart 3.1: Status of works/activities sanctioned in 12 sampled Trusts



Out of total 35,754 sanctioned works, 22,403 works/activities were completed, 9,309 ongoing, 1,262 yet to be started and 2,780 cancelled as of March 2024. The deficiencies in project implementation observed during the audit are discussed below:

3.2.1 Blockage of fund on incomplete works and unutilised assets

During scrutiny of records of works executed by implementing agencies, audit noticed instances of blockage of funds/unfruitful expenditure due to incomplete works/activities and/or assets created out of DMFT funds could not be put to use as detailed in ***Appendix-3.3*** and illustrations given below:

[2] Gram Panchayats, Janpad Panchayats, Zila Panchayats and the Urban Local Bodies in the District, Government Departments and Board, Corporations and State/Central Public Sector Undertakings etc.

- Audit observed that the implementing agencies did not complete six works sanctioned by four DMFT namely Korba, Bilaspur, Kondagaon and Sukma during the period 2016-17 to 2021-22 beyond scheduled date of completion which led to blockage of ₹29.25 crore on these incomplete works. Photos of incomplete multilevel parking at Korba is shown in **Picture 3.7.**

Picture 3.7: Photos of incomplete multilevel parking at Korba

- Three Bio gas plants installed at Bastar, Sukma and Korba with Trust fund of ₹1.14 crore could not be operationalised due to lack of arrangement of continuous supply of cow dung and technical deficiencies and remained non-operational as of August 2025. Similarly, one Art and Culture centre constructed with DMFT funds of ₹3.01 crore at Korba could not be utilised as the custody of Centre lies with DMFT as of May 2025.

- During joint physical inspection, audit observed in seven cases that assets created from Trust fund of ₹8.40 crore, were not put to use, damaged or utilised for private purpose. Photos of Poultry and Mushroom Production Centres established from DMFT funds in Janpad Panchayat, Dondi remain unutilised as observed in joint physical inspection (4 April 2024) are given in **Picture 3.8.**

Picture 3.8: Photos of Poultry and Mushroom Production Centres established from DMFT funds in Janpad Panchayat, Dondi

On being pointed out in audit, the State Government stated (August 2025) that the responsibility of the Trust is to approve the work and select the agency. After completion of the work, the responsibility of ensuring the progress of the work, quality and departmental standards lies with the concerned work agency because they are proficient in the departmental rules and standards and have adequate knowledge. Therefore, after approval of any work, the entire responsibility lies with the concerned agency. However, its progress is reviewed from time to time.

The reply indicates a lack of coordination between the Trust and the implementing agencies and inadequate monitoring by Trust after release of funds, impacting the execution of the sanctioned works/activities in a timely manner and utilisation of assets for the intended purpose.

3.2.2 Utilisation of Trust funds on works/activities outside the priority areas

Rule 22 (1) of CGDMFT Rules, 2015 stipulates that the funds available with the Trust should be used for the overall development of the areas affected by mining related operations.

The Principal Secretary, Mineral Resources Department, GoCG (Settlor) issued (July 2016 and April 2019) instructions to all districts to ensure utilisation of Trust fund in the high priority areas/other priority areas as specified under sub rule (2) and (3) of Rule 22 ibid, which provides for use of Trust funds for specified works only. Audit observed that in 12 sampled districts, funds amounting to ₹30.73 crore were provided to implementing agencies for executing 80 different projects/activities beyond the priority areas stipulated in the PMKKKY and were not admissible under the PMKKKY. The expenditure was incurred on beautification or administration related work/activities of Government departments such as the construction of welcome gates, gardens in Collectorate campus, renovation/construction of Government office buildings, purchase of office items, digitisation of land records, promotion of social media network of District administration etc. as detailed in ***Appendix 3.4.***

Picture 3.9: Garden and facade lighting beautification work at the Collectorate office, Bilaspur

These works/activities were not meant for the interest and benefit of persons and areas affected by mining related operations and were beyond the priority areas stipulated under the PMKKKY and the DMFT Rules, 2015.

3.2.3 Irregular utilisation of Trust funds allocated for 'Environmental Preservation and Pollution Control Measures'

As per the PMKKKY guidelines, DMFT funds under 'Environment preservation and pollution control measures' should cover effluent treatment plants, pollution prevention for water bodies, air and dust control from mining, mine drainage systems, pollution prevention technologies and measures for active/abandoned mines to ensure sustainable mining.

Audit observed that the Trust in Korba district utilised Trust funds of ₹5.77 crore for the installation of fire extinguisher in various pre/post matric SC/ST residential hostels in the district which were not covered under the activities prescribed in PMKKKY under 'Environment preservation and pollution measures' sector.

3.2.4 Non-compliance with CG Store Purchase Rules for procurement of items

Para 4 of the PMKKKY Guidelines, 2015 and Rule 29 of CGDMFT Rules, 2015 stipulate that works and goods should be procured by the Trusts after following the due procedure prescribed by the respective State Governments for such procurements.

At the time of issue of the administrative sanctions, the Managing Committee directs the implementing agencies to comply with the provisions of the Chhattisgarh Store Purchase Rules while utilising Trust funds for procurements.

As per Sub-rule 4.3.3 of the Chhattisgarh Store Purchase Rules, 2002, procurements of goods or services exceeding rupees three lakh should be made through open tenders, publishing the notices (NITs) in newspapers. Further, para 4.1 of the Chhattisgarh Store Purchase Rules, 2002 stipulates that technical specifications of procured items should be finalised by a technical committee prior to the invitation of tenders.

Scrutiny of procurement cases revealed the following irregularities:

(a) Irregular procurement of items without inviting open tenders

Audit observed that the implementing agencies[3] in five[4] sampled districts procured items and services amounting to ₹17.49 crore on the basis of limited quotations without inviting open tenders, thereby non-complying with the provisions of the CG Store Purchase Rules as detailed in ***Appendix 3.5***.

Although the Trusts directed the implementing agencies to comply with the provisions of the CG Store Purchase Rules and made them fully responsible, the Trusts did not effectively monitor the work executed by the implementing agency and ensure compliance to the terms and conditions of sanction issued.

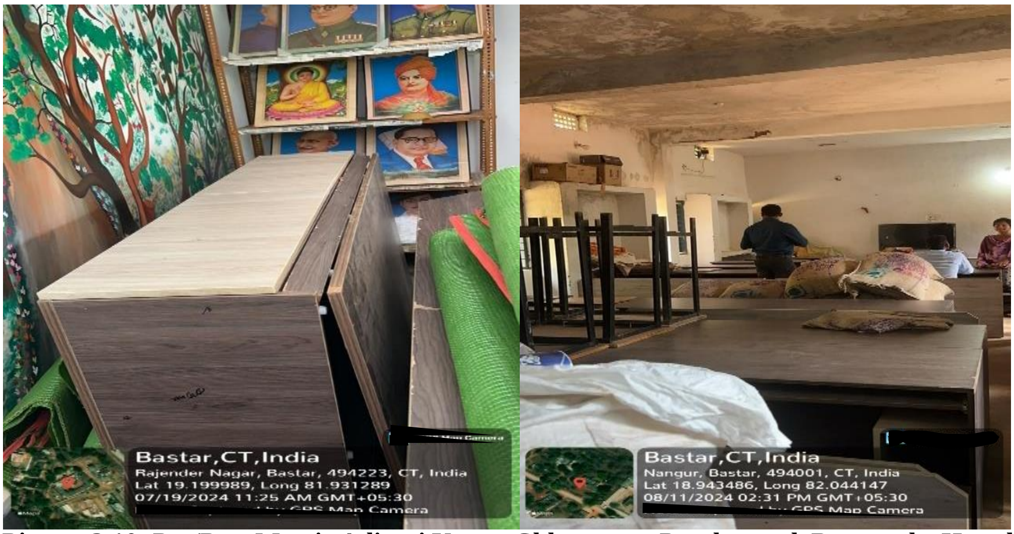
[3] District Education Officer, Assistant Commissioner (Tribal Development), Sub Divisional Officer (Light Machinery, Tube well and Gate Division), Janpad Panchayat

[4] Balod, Bastar, Bemetara, Bilaspur and Korba

(b) Procurement of items without stipulating technical parameters and specifications

Audit observed that the implementing agencies[5] in two[6] sampled districts procured goods and services amounting to ₹38.82 crore without stipulating technical parameters and specifications before invitation of tenders as required under sub-rule 4.1 of the CG Store Purchase Rules as detailed in ***Appendix 3.6***. The procured items did not fulfill the conditions of the BIS certification and compliance with Indian Standard (IS) 17632:2022 for ensuring quality and safety.

Moreover, the sanctions for procurements accorded by the Trusts were based on the proposals submitted by the implementing agencies, which lacked essential details such as source or basis for the estimated cost of items to be procured, the quality/standards of materials to be supplied, technical specifications for furniture, computers, water purifiers, etc.



Picture 3.10: Pre/Post Matric Adivasi Kanya Chhatravas, Parchampal, Bastar, the Hostel Superintendent reported that the furniture had been infested by termites within a short period of their supply.

This indicates that Trust did not exercise due diligence in scrutinising the proposals of procurement submitted by the implementing agency for supply of good quality items.

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[5] Assistant Commissioner, Tribal Development; District Mission Co-ordinator, Samagra Shiksha, Bastar and Principal, Livelihood College, Bilaspur

[6] Bastar and Bilaspur

Picture 3.11: RO systems supplied in tribal hostels of Bastar district, was not in working condition and the Hostel Superintendent reported that the candles of the RO purification systems had not been cleaned or serviced since their installation.

On being pointed out in audit, the State Government stated that the implementing agency is responsible to follow the Store Purchase Rules for execution of the works and to follow the norms of the concerned departments.

During exit conference (August 2025), it was stated that the administrative department is responsible for monitoring the execution of works sanctioned under DMFT. They are also responsible for ensuring their maintenance and utilisation. Necessary directions for this would be issued to the administrative departments for monitoring the projects/works sanctioned under DMFT.
The Trust should establish a robust monitoring mechanism to ensure strict compliance to CG Store Purchase Rules for transparency in the procurement process by the implementing agency.

3.2.5 Utilisation of funds without approval from Governing Council

As per Rule 12 (2) of CGDMFT Rules, 2015 the Governing Council shall approve Annual Action Plan containing the list of schemes and projects with the tentative provision thereof, provided that, any deviation from the Annual Plan, it is necessary to obtain post facto approval on scheme/project from the Governing Council, within six months.

Audit observed that the Trusts in Bastar, Kondagaon and Sukma provided Trust fund amounting to ₹33.12 crore to Chhattisgarh Infotech Promotion Society (CHiPS), Raipur for the implementation of Bastarnet project without obtaining approval of the Governing Council.

On being pointed out in audit, the reply furnished by the State Government did not specifically mention the reason for not taking approval of the Governing Council.