CHAPTER-IV

MONITORING

4.1 Meetings of the Monitoring Committees

4.1.1 Inadequate Monitoring by State Level Monitoring Committee and State Level Review Committee

As per Rule 17 and 18 of CGDMFT Rules, 2015, the SLMC under the Chairmanship of the Chief Minister should supervise and monitor the functioning of the Trusts of all districts in conformity with the objects of the Trust and should meet at least once in a year.

Similarly, the State Level Review Committee (SLRC) constituted (May 2018) by the State Government under the Chairmanship of the Chief Secretary of the State to monitor the implementation decisions of the SLMC. SLRC should quarterly review the progress of works/activities of the Trusts and submit the reports to the SLMC.

Audit observed that the SLMC held only three meetings (January 2016, November 2019 and September 2022), falling short of the required nine meetings. Similarly, the SLRC met only twice (June 2020 to November 2022), instead of the stipulated 36 meetings. No meeting of SLMC and SLRC was held after November 2022.

Thus, the shortfall in convening meetings of both the SLMC and the SLRC led to inadequate monitoring of the functioning of Trusts which in turn led to lack of accountability, inefficient use of resources, implementation of the scheme without identifying beneficiaries, expenditure on activities other than priority area, etc. ultimately affecting the effective implementation of PMKKKY for the benefit of mining affected persons/families.

On being pointed out in audit, the State Government stated (August 2025) that the meetings could not be held in the years 2020 and 2021 due to Covid Pandemic. In the year 2022, the third meeting of the SLMC was held (25 September 2022), in which approval of works contrary to Trust's objective has been prohibited.

4.1.2 Inadequate Monitoring by Managing Committee and Governing Councils

As per Rule 12 and 13 of CGDMFT Rules, 2015, the Governing Council of the Trust should be responsible for laying down and approving the procedure for functioning of the Trust and reviewing the working of the Trust from time to time. Accordingly, the Governing Council should meet as often as necessary but at least once every six months.

Similarly, as per Rule 14 and 15 of CGDMFT Rules, 2015, the Managing Committee should exercise due diligence in carrying out its duties for protecting the interest of the Trust. The Managing Committee meetings should be held at least four times in a financial year.

Audit observed that both Governing Council and Managing Committee failed to meet as mandated in the CGDMFT Rules, 2015 indicating inadequate monitoring of the Trust's activities. Details of meetings held by both during 2016-17 to 2023-24 are detailed in ***Chart 4.1 and Chart 4.2.***

Chart 4.1: Governing Council Meetings

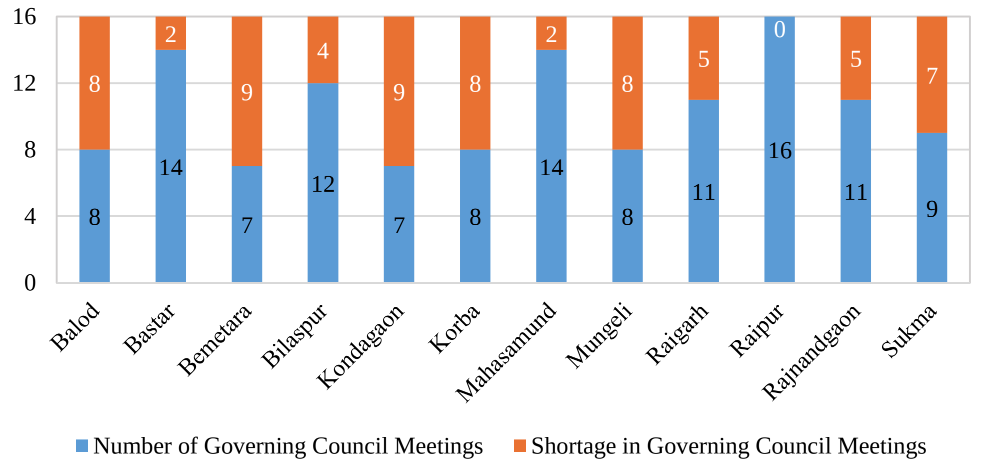
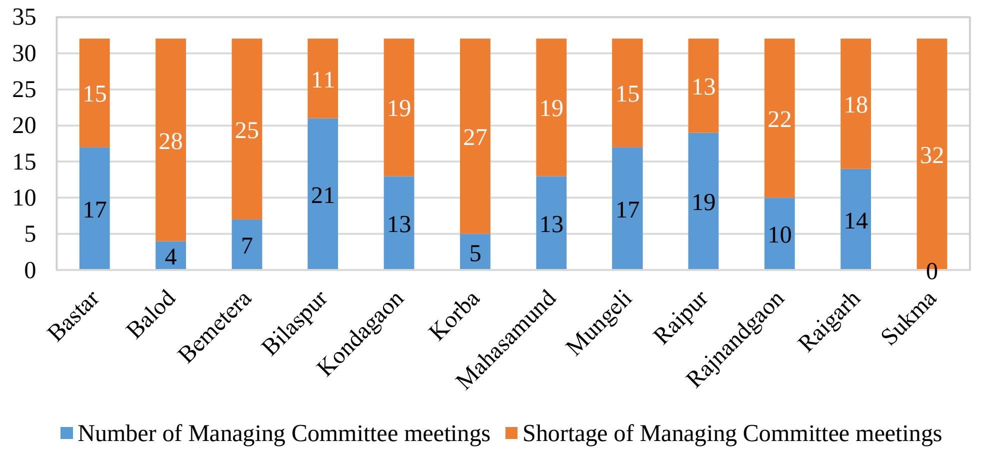


Chart 4.2: Managing Committee Meetings



On being pointed out in audit, the State Government stated (August 2025) that scheduled meetings were not held due to Covid-19 pandemic, however, DMFT related work has been reviewed weekly in the time limit (TL) meetings; currently meetings are being held as scheduled.

The Managing Committee and the Governing Council should do regular meetings to facilitate proper implementation of the PMKKKY.

4.2 Accountability and Transparency Mechanism

As per para 5 of the PMKKKY guidelines, 2015 and Rule 15 (13) of CGDMFT Rules, 2015 the Managing Committees should prepare and maintain website and host information such as details of composition of Trust, list of areas and people affected by mining, quarterly details of all contributions received from lessees, agenda of all meetings, minutes and actions taken report of the trust, annual plans, budget etc.

Audit review of websites of 12 sampled districts revealed that the key information such as composition of Trust, list of areas and people affected by mining, quarterly details of contributions received, status of works undertaken, annual plan and budget, minutes of meetings etc., were not disclosed/updated on the websites.

Thus, lack of disclosure of information and their timely updation on website indicate inadequate monitoring and lack of transparency in utilisation of funds.

On being pointed out in audit, the State Government stated (August 2025) that the districts have completed audit report from 2015-16 and annual reports from 2016-17 and the same has been uploaded to the DMF portal and the Ministry of Mines (GoI) portal.

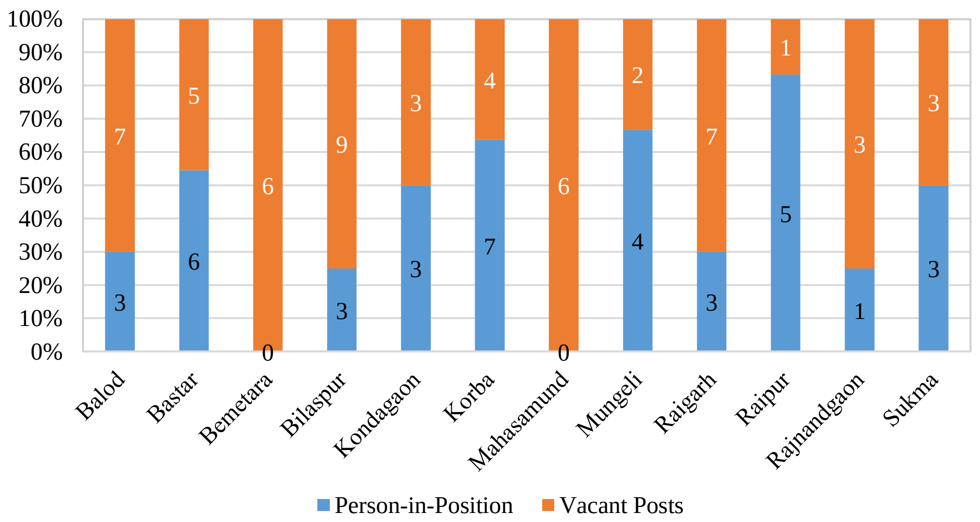
The reply is not acceptable because the key information has not yet been uploaded in the Trust's website (September 2025).

4.3 Manpower

The Settlor issued (July 2017) order for setting up staff to run the Trust's office in each district, as per Rule 26 (4) of CGDMFT Rules, 2015.

Audit observed that the Trusts could not deploy sufficient skilled manpower to manage the Trust's activities, against the sanctioned strength. Moreover, the Trusts did not fill the crucial positions of Development Associates and Assistant Project Coordinator, Accountant, etc., despite these posts being included in the sanctioned setup. The significant shortage of manpower has been depicted in the ***Chart 4.3.***

Chart 4.3: Details of Person in Position and Vacant Posts



The Managing Committee of 12 Trusts has not filled key posts such as Project Coordinator, Assistant Project Coordinator, Accountants and Assistants since its inception, the details are illustrated in the ***Appendix 4.1***. There was

100 *per cent* manpower shortage in two[1] districts and over 50 *per cent* shortage in four[2] districts.

The shortage of manpower severely impacted the smooth functioning of the Trust offices.

During the exit conference (August 2025), it was stated that the department would issue notifications for filling the vacant posts at the earliest.

4.4 Record Keeping

Rule 25 of CGDMFT Rules, 2015 stipulates that the Managing Committee should maintain or cause to be maintained proper books of accounts, documents and records with respect to the Trust fund to give a true and fair picture of the affairs of the Trust. Separate registers should be maintained by the Trust according to the prescribed format issued by the Settlor for mining related activities in the districts, receipt of Trust funds, expenditure from Trust fund, list of beneficiaries, proposals received in Trust, works approved by the Trust and complaints received in Trust.

Audit observed that all 12 sampled DMFTs failed to maintain registers and ledgers such as register of administrative sanctions, release of funds to implementing agencies, receipt of utilisation certificates etc. Additionally, the SLMC had also not prescribed formats for record-keeping as required under the rules. The Trusts maintained records of their works and activities solely in editable digital format (Excel spreadsheets), which were vulnerable to alteration and can easily be modified.

In Korba district, the Trust's records were maintained in loose files without chronological organisation. Similarly, the Trust’s records in four districts (Mahasamund, Korba, Balod, and Bemetara) were also not maintained properly. Further, in all 12 districts, implementing agencies produced procurement records for audit in loose files due to which completeness of records/file could not be ensured.

During exit conference (August 2025), it was stated that the lack of adequate manpower is the reason for this, and the department would issue notifications for filling the vacant posts at the earliest. Currently, the Trusts are being maintaining separate registers for administrative approval and fund transfer orders.

The fact remains that the SLMC may prescribe formats for record-keeping as required under the rules and the Trusts may monitor the records of implementing agencies to ensure that they maintain proper documentation.

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1 Bemetara and Mahasamund

2 Balod, Bilaspur, Raigarh and Rajnandgaon