SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Report of the Comptroller and Auditor General of India for the period ended March 2023

Government of Rajasthan

Report No. 5 of 2025

(Compliance and Performance Audit - Civil)

Government of Rajasthan - Report No. 5 of 2025

Report of the
Comptroller and Auditor General of India
for the period ended March 2023

Government of Rajasthan
Report No. 5 of 2025
(Compliance and Performance Audit - Civil)

TABLE OF CONTENTS

SUBJECT	Reference to	
	Paragraph	Page
Preface		v
Executive Summary		vii
CHAPTER-I: GENERAL		
Introduction	1.1	1
Audited Entities Profile	1.2	1
Authority for Audit	1.3	2
Planning and conduct of audit	1.4	2
Response of the Government/Departments to Audit observations	1.5	3
Follow-up on Audit Reports	1.6	6
Contents of the Report	1.7	7
CHAPTER-II: Mines and Geology Department		
Introduction	2.1	9
Result of audit	2.2	9
Performance Audit on "Implementation of Pradhan Mantri Khanij Kshetra Kalyan Yojana including DMFT in Rajasthan"	2.3	11-43
Irregularities in Short-term Permits	2.4	44-48
Unauthorised excavation of minerals	2.5	48-53
Non-recovery of dues	2.6	53-54
Unauthorised dispatch of minerals by misuse of *rawannas*	2.7	55
Non-recovery of contract amount due to non-adjustment of performance security against outstanding amount	2.8	57
Non-levy of late fee for delayed filling of returns	2.9	58
Undue benefit to lease holder by back-dated entry in the online-demand register	2.10	59
Non-realisation of registration fee and stamp duty in respect of transfer of lease	2.11	60

SUBJECT	Reference to	
	Paragraph	Page
CHAPTER-III: Transport Department		
Tax administration	3.1	63
Results of Audit	3.2	63
Taxes on motor vehicles not realised	3.3	64
Infructuous expenditure of ₹ 21.26 crore on procurement of Portable Weighing Machines	3.4	66
CHAPTER- IV: Forest Department		
Introduction	4.1	69
Results of audit	4.2	69
Subject specific Compliance Audit on 'Management of Tiger Reserves in Rajasthan'	4.3	70-103
CHAPTER- V: Public Health Engineering Department		
Introduction	5.1	105
Results of audit	5.2	105
Payment without obtaining approval from the competent authority	5.3	106
Laying of clear water trunk main pipeline without obtaining necessary permission	5.4	107
CHAPTER- VI: Devasthan Department		
Introduction	6.1	109
Results of audit	6.2	109
Non-recovery of surface rent and penal interest	6.3	109-111

Appendices

Appendix No.	Subject	Page
1	Brief profile of the Departments	113
2	Statement showing age-wise analysis of the outstanding inspection reports and audit paragraphs	116
3	Details of works sanctioned and implemented in selected DMFTs as on 31.03.2023	118
4	Statement showing excess use of minerals and wrong assessment	120
5	Details of STPs issued for Mineral Masonry Stone without receiving advance payment	121
6	Statement showing the recoverable amount relating to e-rawannas/transit passes generated during 3 January 2022 to 31 March 2022	122
7	Statement showing the details of mining leases which did not deposit the premium amount	123
8	Statement showing the details of mining leases in which excavation was not done in lease area while the lessee despatched the mineral other than the lease area by misusing e-Rawannas	124
9	Details of unserviceable cameras during 2020-23	126
10	Delay in release of funds under CSS by the State Government to tiger reserves	131
11	Details of forest area per Forest Guard sanctioned and working	132
12	Statement showing non-recovery of surface rent and interest thereon	133
Glossary of abbreviations		135

Preface

This Report for the year ended 31 March 2023 has been prepared for submission to the Governor of the State of Rajasthan under Article 151 of the Constitution of India.

This Report contains significant findings of compliance and performance audit of the State Government Departments conducted under the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and Regulations on Audit and Accounts, 2020 issued thereunder by the Comptroller and Auditor General of India.

The instances mentioned in this Report are those, which came to notice in the course of test audit during the period 2022-23 as well as those which came to notice in earlier years but could not be reported in the previous Audit Reports; instances relating to the period subsequent to 2022-23 have also been included, wherever necessary.

The audit has been conducted in conformity with the Auditing Standards, 2017 issued by the Comptroller and Auditor General of India.

Executive Summary

Executive Summary

This Report of the Comptroller and Auditor General of India relates to matters arising from compliance audit of 30 Departments of the Government of Rajasthan. Compliance Audit refers to examination of the expenditure and revenue of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by the authorities are being complied with.

This report consists of six chapters and contains 15 paragraphs involving ₹ 178.93 crore which include one Performance Audit. A summary of the significant audit findings is provided below:

I General

This chapter discusses about the procedure of audit and response of the Government/Departments to Audit observations. The Accountant General (Audit-II), Rajasthan, Jaipur audits the Government/ Departments to test check the transactions and verify the maintenance of important accounts and other records as prescribed in the rules and procedures. These inspections are followed by Inspection Reports (IRs) which incorporate irregularities detected during the audit and not settled on the spot. Analysis of Inspection Reports issued upto March 2023 disclosed that 23,975 paragraphs involving ₹ 65,853.84 crore relating to 5,418 IRs issued for these departments remained outstanding at the end of September 2023.

II Mines and Geology Department

This chapter discusses about the major audit findings noticed during the audit of Department of Mines and Geology.

Performance Audit on "Implementation of Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) including DMFT in Rajasthan"

The PMKKKY was launched to ensure welfare of areas and people affected by mining related operations, using the funds generated by DMFTs. GoR constituted DMFTs (9 June 2016) in all the districts of the State for implementation of the PMKKKY. According to the provisions of Rajasthan DMFT Rules, management of DMFTs vested in Governing Councils, which consist of all the trustees of the trust and headed by the District Magistrate of the district. A macro analysis of legal framework, planning, audit and accounts, demand and collection of DMFT contributions, environmental impact due to mining activities, accountability and transparency mechanism revealed that in violation of directions issued by the Government of India, the GoR issued directions to DMFTs that prior sanction of Finance Department was necessary for sanction and payment from DMFT funds. Accordingly works were approved by the Finance Department. The Government of India directed (June 2022) the preparation of five-year perspective plans for systematic and time-bound development of mining-affected areas, based on baseline surveys and sectoral

strategies. However, the State Government did not amend the Rajasthan DMFT Rules, 2016 to incorporate these provisions.

As per DMFT Rules, 2016, the Governing Councils were required to prepare and approve annual action plans and budgets one month before the financial year. However, no such plans or budgets were prepared or approved, and projects worth ₹5,626.63 crore were sanctioned between the years 2018-19 and 2022-23 without any approved action plans.

Audit of annual accounts up to the year 2022-23 was completed in 17 districts. However, 23 annual accounts for the years 2019-20 to 2022-23 in 16 districts remained unprepared as of February 2025. The ME/AME offices were required to maintain separate Demand and Collection Registers for DMFT contributions; however, audit found that such registers were not maintained physically. The departmental online system DMGOMS was also not developed to show due DMFT contribution, interest on delayed payment of contribution.

It was noticed that work-wise deducted amount of royalty and DMFT was neither submitted by the Works Departments nor demanded by the Mines Department. In absence of work wise details, neither the Mines Department nor Audit could verify the correctness of deducted and deposited amount.

The ME/AME concerned were responsible for collection, reconciliation and cross verification of the contribution to the DMFT Fund. However, reconciliation of DMFT fund was not done with due diligence. In selected districts, audit checked the data of DMFT contribution collected and cross checked with the data of DMG office, it was found that data of selected districts except Bharatpur was not matched.

DMFT contribution of ₹84.71 lakh on collection of ₹84.71 crore towards royalty on illegal mining/transportation/storage was not deposited with the respective DMFT funds as required. As per DMGOMS data, 6,300 mining leases covering 11.22 lakh hectares were non-working due to cancellation, surrender or expiry. However, no information regarding backfilling of mined pits was available on the DMGOMS. Audit observed that selected DMFTs had not undertaken any project for land reclamation of mined areas. Despite provisions requiring the deposit of financial assurance and recovery of mineral costs from defaulters, no initiatives were taken by the Department for reclamation of degraded mining land.

Rule 15(6) of the Rajasthan DMFT Rules mandates transparency through a website with updated information. This included details of the DMFT's composition, mining-affected areas and populations, quarterly contributions, meeting agendas, minutes, action taken reports, annual plans, budgets, work orders, and progress of ongoing projects. However, this information was neither hosted nor updated regularly on the available DMF-website in the selected districts. The audited annual accounts of the Trusts also did not disclose outstanding DMFT contributions, and none of the Trusts published quarterly details of contributions collected on DMF-website. DMFTs did not prepare quarterly progress reports of works implemented by the implementing agencies.

As annual reports were not prepared these could not be laid before the State Legislative Assembly as envisaged in the rules.

An analysis of Institutional arrangements, identification of mining affected people and areas, collection and utilization of DMFT fund, project management and monitoring in selected districts revealed that planning for implementation of projects was poor as identification of affected people and affected areas was not done, resulting in implementation of projects in non-mining affected areas. DMFT contributions collected were not being deposited in interest bearing PD accounts as provided in Rules. DMFT contribution amounting to ₹ 20.80 crore was not received due to lack of mechanism to oversee the collection of DMFT contribution. In contravention of direction of Government of India, funds were transferred to State level agencies. Implementing agencies executed the works in violation of provisions of RTPP Act and Rules made thereunder.

The Rajasthan DMFT Rules stipulate that developmental and welfare activities undertaken by the Trust should complement ongoing State and Central Government schemes. However, these activities were treated as extra-budgetary resources for the State Plan. In the selected districts, ten works/projects totalling ₹ 57.05 crore were included in the budget of Women and Child development, Education and Public Works Department (2018-19 to 2023-24). The additional Secretary PWD directed all Superintending Engineers to get approval of the DMFTs to release funds for the works/projects already approved by these departments. The respective Governing Council also approved the same except for three works/projects. Thus DMFT funds were utilised for budgetary works/projects which was contrary to the principle of financial discipline.

The Rajasthan DMFT Rules stipulate that the meeting of Managing Committees shall be held at least once in two months. However, audit noticed that these meetings were not conducted regularly in the selected districts. Of the 205 meetings required between June 2016 and March 2023, only 66 meetings were held. No meeting took place in Bharatpur (2016-17, 2022-23), Bhilwara (2016-17, 2021-22), Barmer (2019-20, 2022-23), and Sikar (2022-23).

The Rajasthan DMFT Rules require the Governing Council to meet at least once every quarter. However, in selected districts, these meetings were not held as prescribed in the rules. Of the 135 meetings required, only 35 meetings were held. In Barmer district, no meeting was convened after April 2021. Despite this, administrative and financial sanctions totalling ₹ 13.22 crore for various works were issued without the approval of the Governing Council.

Further, excess funds were found transferred to implementing agencies by the DMFTs. Income tax returns were not being filed by the DMFTs therefore, exemption from income tax under Section 10 (46) of Income Tax act was not available. Trustees in DMFTs were not appointed in timely manner. Meetings of Governing Councils and Managing Committees were not convened at regular interval. Advances given to implementing agencies were not monitored. Interest on delayed deposit of DMFT contribution was not levied by ME/AME concerned. Financial assurance submitted by the holders of ML/STP was forfeited by the Department in cancelled MLs and STPs, however, it was not deposited in DMFT fund as only forfeiture orders were issued but the same were not encashed.

Good Practice adopted by the Department

DMFT Bhilwara operates a Mobile Medical Van to conduct health check-ups of miners in the mining area of Bhilwara district with the objective of identifying probable silicosis patient at an early stage. Between November 2021 and March 2023, 294 camps were organized, covering 19,671 individuals and identifying 1,952 suspected cases of silicosis, of which 144 patients were given silicosis certificates. This initiative significantly contributed to early diagnosis and increased health awareness among mines workers.

Audit recommended that the Government/Department may consider:

- ***Developing a module under DMGOMS, to monitor due DMFT contributions, ensure timely deposits and levy interest for delayed payments.***
- ***Evolving a system to transfer the fund to DMFT from cases of unathorised/illegal excavation/transportation of mineral.***
- ***Conducting a study to assess the environmental impact of mining activities and identify necessary measures under PMKKKY to mitigate these effects.***
- ***Developing and enforcing standardized protocols for the preparation and submission of quarterly progress reports and annual reports. Ensuring these reports are publicly accessible to enhance transparency and oversight.***
- ***Instruct the DMFTs to identify specifically mining affected areas and persons to provide the benefit of the fund to the actually affected persons and area.***
- ***Return the funds diverted for State budgeted works.***
- ***Circulate a check list to the DMFTs for preventing irregular sanctions.***
- ***Introduce stricter accountability mechanisms for the Management Committee to ensure timely and appropriate actions to finalize and submit annual accounts and tax returns on time.***
- ***Develop a mechanism to monitor timely appointment of Trustees according to the recommendations of Gram Sabhas and Governing Councils.***
- ***Develop a mechanism to monitor regular meeting of Governing Councils and Managing Committees to oversee the working of the implementing agencies and benefits to the targeted area and persons.***

Audit of 32 units of Mines and Geology Department was conducted during the year. The major audit findings noticed are as follows.

- Neither were Short-Term Permits (STPs) issued diligently, nor was their assessment conducted properly. Public work contractors excavated and used minerals without obtaining STPs, and the Department failed to recover the cost. These irregularities led to a non-recovery of ₹10.23 crore.

- Mining Engineers/Assistant Mining Engineers failed to recover costs for unauthorized excavation. Delayed recovery proceedings allowed lessees to extract and dispatch 0.76 lakh MT of *bajari* despite pending dues. Additionally, under-assessment of illegally excavated minerals led to further revenue loss. These lapses resulted in a non-recovery of ₹20.93 crore, granting undue benefits to lessees.
- Department failed to recover the processing fee regarding the issuance of *e-rawannas* and *e-transit passes* and due instalments of premium which resulted in non-recovery of ₹0.65 crore.
- Unauthorizedly excavated 5.92 lakh metric ton of minerals were dispatched by 10 lessees with the support of *rawannas* issued for Mining Leases granted to them, however, the Mining Engineers concerned failed to detect the illegal mining and recover the cost of minerals amounting to ₹ 20.23 crore.
- Assistant Mining Engineer, Nimbahera had not adjusted the performance security against the outstanding contract amount which resulted in non-recovery of ₹ 0.46 crore from a contractor.
- Fourteen AMEs/MEs did not initiate for levy and recovery of late fee amounting to ₹ 9.35 crore on delayed filling of monthly returns by 48 mining lease holders. These officials also did not take action against the other 58 mining lease holders for non-submission of returns.
- AME did not raise the demand of illegal mining in the online demand register within the prescribed period. This lapse allowed the lease holder to generate *e-rawannas* worth ₹ 6.33 lakh and resulted in non-recovery of ₹0.21crore for illegally excavated minerals.
- Financial loss caused to exchequer of ₹ 7.62 crore on accounts of registration fee and stamp duty in violation of provisions of Rajasthan Minor Mineral Concession Rules, 2017 as well Rajasthan Stamp Rules, 2004.

III Transport Department

Audit of 21 units of Transport Department was conducted during the year. The major audit findings noticed are as follows.

- Motor Vehicle Tax and Special Road Tax amounting to ₹ 12.10 crore in respect of 1,677 vehicles were not paid by vehicle owners. The Department, however, did not initiate effective action to realise the dues.
- The Department incurred an infructuous expenditure of ₹ 21.26 crore on 179 Portable Weighing Machines due to poor monitoring and coordination, leading to non-integration with *VAHAN* software and rendering them unusable.

IV Forest Department

An audit on '**the Management of Tiger Reserves in Rajasthan'** was conducted to assess the effectiveness of conservation and protection measures in Rajasthan's tiger reserves. The Wildlife (Protection) Act, 1972, empowers

the State to designate areas for wildlife conservation. Rajasthan has 32,921 square kilometre of forest land, including three tiger reserves: Ranthambore, Sariska, and Mukundara Hills. Two additional reserves, Ramgarh Vishdhari and Dholpur-Karauli, were also notified May 2022 and October 2023 respectively. The Forest and Environment Department, under the Principal Secretary, manages these areas, with officials at multiple levels overseeing operations. The audit covered the period 2016 to 2021, with findings updated up to 2022-23. Previous audits also highlighted delays in village relocations and weaknesses in conservation efforts.

There were significant shortcomings in wildlife protection and tiger conservation efforts by the Department between the period 2016 and 2023. The Department could not prevent wildlife poaching which caused death of four tigers due to poaching. Moreover, the failure to develop critical tiger corridors, especially between RTR 1 and 2, resulted in overcrowding and territorial fights that caused the death of ten tigers.

There was poor financial management, inadequate security measures and ineffective manpower management by the Department during 2016-2023. Despite an allocation of ₹539.59 crore, ₹344.06 crore was utilised. Wildlife security was compromised due to the absence of effective patrolling plans, lack of adequate staff and insufficient facilities. The Department's inability to address staffing shortages and provide adequate training resulted in forest guards being overburdened with larger monitoring areas.

Non-compliance with the Ministry of Environment, Forest and Climate Change directives regarding Eco-Sensitive Zones exacerbated the situation, particularly around STR, where mining continued near the reserve.

There were significant failures in securing and managing tiger reserves, which jeopardized conservation efforts. The Department did not adequately demarcate and secure land for tiger reserves, leading to encroachment, crop raiding and cattle grazing. The Department was not able to control illegal mining near reserves, disrupting wildlife and damaging the surrounding environment. The Department also lacked a long-term policy to address invasive species, resulting in insufficient efforts to protect habitats.

There were shortcomings in relocating villages from core areas of tiger reserves and involving local communities in conservation efforts. Out of 108 planned village relocations in RTR, STR, and MHTR, only 15 were fully relocated and 17 partially by March 2023. This slow pace of relocation resulted in under-utilization of allocated funds. The incomplete relocation led to issues such as uncontrolled cattle grazing and wildlife crop raiding within reserves.

Audit recommended that the Government/Department may consider:

- ***taking concrete actions such as establishment of STF to minimise tiger mortalities by putting check on poaching.***
- ***taking effective action for development of corridors by carrying out required activities to avoid territorial fights.***

- ***taking action to post adequate veterinary staff and patrolling staff in tiger reserves.***
- ***demarcation of the boundaries of tiger reserves using pillars, walls, or fencing in a specified timeframe and take immediate action to eliminate all encroachment.***
- ***framing a long-term plan for assessment and eradication of invasive species with sufficient funding.***
- ***reviewing relocation package to make it more lucrative to enhance its acceptance among the villagers for relocation and***
- ***establishing a dedicated cell at the headquarters level to efficiently execute the relocation program as a campaign within specified timeframe.***

V Public Health Engineering Department

Audit of 47 units of Public Health Engineering Department was conducted during the year. The major audit findings noticed are as follows.

- The Department executed additional quantities of works more than *50 per cent* amounting to ₹ 3.38 crore, without obtaining necessary approvals from competent authorities.

- The Department laid the clear water trunk main pipeline without obtaining necessary permission from the Public Works Department. This resulted in an extra burden of ₹ 1.24 crore to the Government exchequer in re-laying of pipeline.

VI Devasthan Department

Audit of six units of Devasthan Department was conducted during the year. The audit findings noticed are as follows.

- The Devasthan Department failed to effectively monitor the compliance by surface right holders with regard to their surface rent payment obligations, resulting in prolonged periods of non-payment. This lack of enforcement led to the non-recovery of surface rent and accrued penal interest, amounting to ₹ 0.76 crore.

CHAPTER-I

General

CHAPTER-I
General

1.1 Introduction

This Report of the Comptroller and Auditor General of India (C&AG) relates to the matters arising from Compliance Audit of 30 Departments[1] of the Government of Rajasthan.

Compliance Audit refers to the examination of transactions relating to expenditure, receipts as well as assets and liabilities of audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by competent authorities are being complied with.

The primary purpose of the Report is to bring important results of the audit to the notice of the State Legislature. Auditing Standards require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of transactions. The findings of audit are expected to enable the Executive to take corrective measures and also to frame policies and directives that will lead to improved financial management of the organisations, thus, contributing to better governance.

This chapter, in addition to explaining the planning and extent of audit, provides information on follow-up of previous Audit Reports.

1.2 Audited Entities Profile

The Departments are headed by Additional Chief Secretaries/Principal Secretaries/Secretaries, who are assisted by Commissioners/Directors/Deputy Secretaries and subordinate officers.

A brief profile of the 30 Departments covered in this report, is discussed in ***Appendix-1.***

The summary of the fiscal operations of Government of Rajasthan during the year 2021-22 and 2022-23 is given in **Table 1.1.**

[1] Departments: Agriculture; Agriculture Marketing; Animal Husbandry; Art, Culture, Archaeology and Museum; Civil Aviation; Command Area Development and Water Utilisation; Cooperative; Devasthan; Energy; Environment; Factories and Boilers Inspection; Fisheries; Food, Civil Supplies and Consumer Affairs; Forest; Gopalan; Ground Water; Horticulture; Indira Gandhi Nahar; Industries; Information and Technology and Communication; Mines and Geology; Petroleum; Public Health Engineering; Public Works; Rajasthan State Motor Garage; Science and Technology; State Enterprises; Tourism; Transport and Water Resources.

Table 1.1: Summary of Fiscal Operations

(₹ in crore)

Receipts			Disbursements		
	2021-22	**2022-23**		**2021-22**	**2022-23**
Section-A: Revenue Account					
Own Tax Revenue	74,807.98	87,346.38	General Services	65,406.37	71,874.89
Non-Tax Revenue	18,754.97	20,564.43	Social Services	85,053.68	90,168.36
Share of Union Taxes/ Duties	54,030.61	57,230.79	Economic Services	59,329.92	64,436.00
Grants-in-aid from Government of India	36,326.49	29,846.33	Grants-in-aid and Contributions	0.04	0.04
Total Section-A Revenue Receipts	**1,83,920.05**	**1,94,987.93**	**Total Section-A Revenue Expenditure**	**2,09,790.01**	**2,26,479.29**
Section-B: Capital Account and others					
Miscellaneous Capital Receipts	31.42	16.20	Capital Outlay	24,151.59	19,798.28
			General Services	483.53	542.45
			Social Services	10,951.01	8,850.67
			Economic Services	12,717.05	10,405.16
Recoveries of Loans and Advances	2,373.59	419.61	Loans and Advances disbursed	621.24	174.78
Public Debt Receipts[2]	62,820.90	55,647.01	Repayment of Public Debt[2]	17,585.77	20,819.20
Contingency Fund	500.00	-	Contingency Fund	500.00	-
Public Account Receipts	2,51,294.80	2,43,204.58	Public Account Disbursements	2,40,110.57	2,34,001.34
Opening Cash Balance	6,487.51	14,669.09	Closing Cash Balance	14,669.09	7,671.53
Total Section-B Receipts	**3,23,508.22**	**3,13,956.49**	**Total Section-B Disbursements**	**2,97,638.26**	**2,82,465.13**
Grand Total (A +B)	**5,07,428.27**	**5,08,944.42**	**Grand Total (A+B)**	**5,07,428.27**	**5,08,944.42**

Source: Finance Accounts of the respective years.

1.3 Authority for Audit

The authority for audit by the C&AG is derived from Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

The Accountant General (Audit-II), Rajasthan, Jaipur conducts audit of receipts and expenditure of Departments, including Autonomous Bodies of the Government of Rajasthan under the provisions of the C&AG's (Duties, Powers and Conditions of Service) Act, 1971. The principles and methodologies for various audits are prescribed in the Regulations on Audit and Accounts, 2020 and Auditing Standards, 2017 issued by the C&AG.

1.4 Planning and conduct of audit

Audit process started with the assessment of risk of various Government Departments/organisations and schemes/projects, *etc.* Risk assessments were based on quantum of expenditure, criticality of activities, position of overall internal control systems and the concerns of stakeholders, *etc*. Previous audit

[2] Excluding transactions under Way and Means advances and Overdraft 2021-22: ₹ 38,542.41 crore and 2022-23: ₹ 1,04,918.40 crore.

findings were also considered in this exercise. During 2022-23, audit of 244 units of 30 Departments was carried out.

Inspection Reports containing audit findings were issued to the head of the units after completion of audit of each unit. The units were requested to furnish replies to the audit findings within one month of receipt of the Inspection Reports. Whenever replies were received, audit findings were either settled or further compliance was advised. The important audit observations arising out of these Inspection Reports were processed for inclusion in the Audit Reports.

1.5 Response of the Government/Departments to Audit observations

The Accountant General (Audit-II), Rajasthan, Jaipur audits Departments of State Government to test-check the transactions and verify the maintenance of important accounts and other records as prescribed in the rules and procedures. These inspections are followed by issue of Inspection Reports (IRs) which incorporate irregularities detected during the audit and not settled on the spot.

Analysis of IRs issued upto March 2023 disclosed that 23,975 paragraphs involving ₹ 65,853.84 crore relating to 5,418 IRs issued for these Departments remained outstanding at the end of September 2023.

1.5.1 The Department-wise details of the IRs and audit paragraphs outstanding as on 30 September 2023 and the amount involved are given in the **Table 1.2.**

Table 1.2: Department-wise details of IRs and audit paragraphs

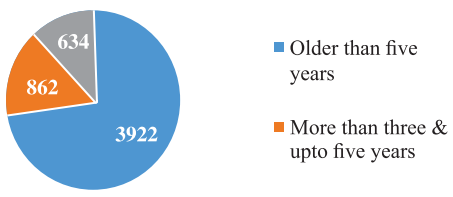
Sl. No.	Name of the Department	Number of outstanding IRs	Number of outstanding audit paragraphs	Amount involved (₹ in crore)
1	Agriculture	252	1,266	3,541.64
2	Agriculture Marketing	11	35	356.32
3	Animal Husbandry	72	247	3,504.33
4	Art, Literature, Culture and Archaeology	89	288	462.44
5	Civil Aviation	8	26	60.50
6	Command Area Development	60	112	148.02
7	Cooperative	93	298	2,427.09
8	Devasthan	48	152	217.91
9	Energy	5	11	7,220.38
10	Environment	10	63	1,721.76
11	Factory and Boilers Inspection	16	55	3.36
12	Fisheries	3	19	52.44
13	Food, Civil Supplies and Consumer Affairs	112	629	5,815.70
14	Forest	379	1,758	2,400.81
15	Gopalan	23	139	386.47
16	Ground Water	39	87	464.01
17	Horticulture	51	227	573.31

Sl. No.	Name of the Department	Number of outstanding IRs	Number of outstanding audit paragraphs	Amount involved (₹ in crore)
18	Indira Gandhi Nahar	73	178	448.99
19	Industries	47	149	143.02
20	Information Technology and Communication	10	52	1,565.18
21	Mines and Geology	362	1,671	4,277.88
22	Petroleum	3	7	321.52
23	Public Health Engineering	1,177	4,897	16,510.69
24	Public Works	1,426	7,063	8,831.97
25	Rajasthan State Motor Garage	6	23	16.67
26	Science and Technology	22	65	48.32
27	State Enterprises	3	6	40.84
28	Tourism	16	59	181.58
29	Transport	325	1,649	151.79
30	Water Resources	677	2,744	3,958.90
Total		**5,418**	**23,975**	**65,853.84**

Source: Information compiled on the basis of Inspection Reports issued and replies received thereon.

As can be seen from the Table, the pendency in terms of outstanding IRs and outstanding paragraphs is highest in the Public Works Department. Age wise analysis of outstanding IRs and audit paragraphs is detailed in ***Appendix-2***, which reveals that 3,922 IRs (72.39 *per cent* of total outstanding IRs) were outstanding for more than five years.

Chart 1.1 Number of outstanding IRs



Source: Compiled by Audit.

The pendency is indicative of the fact that the Heads of Offices and the Departments need to take effective action timely to rectify the defects and irregularities pointed out by Audit through the IRs.

1.5.2 Departmental Audit Committee Meetings

The Government constituted Audit Committees[3] to monitor and expedite the progress of the settlement of the paragraphs in the IRs. The details of the Audit Committee/Audit sub-Committee meetings held during the year 2022-23 and the paragraphs settled therein are given in **Table 1.3.**

[3] Audit Committees, *inter alia*, comprising of Secretary of Department concerned and Accountant General/his representative, were formed as per Circular No. 1/2005 dated 18 January 2005 of Government of Rajasthan and it was decided by the Government that one Audit Committee meeting shall be held in each quarter. In addition to this, Audit sub-Committees comprising of officers of the Departments and representative of Accountant General, are also formed.

Table 1.3: Details of Audit Committee and Audit sub-Committee Meetings

Sl. No.	Name of the Department	Number of Audit Committee meetings held	Number of Audit sub-Committee meetings held	Number of paragraphs settled	Amount (₹ in crore)
1	Agriculture	1	1	21	40.42
2	Agriculture Marketing	1	0	0	0
3	Animal Husbandry	3	1	9	0.64
4	Art, Literature, Culture and Archaeology	1	0	0	0
5	Civil Aviation	1	0	0	0
6	Command Area Development	0	0	0	0
7	Cooperative	3	0	0	0
8	Devasthan	2	0	0	0
9	Energy	3	0	0	0
10	Environment	0	0	0	0
11	Factory and Boilers Inspection	1	0	0	0
12	Fisheries	3	0	0	0
13	Food, Civil Supplies and Consumer Affairs	1	0	0	0
14	Forest	3	8	93	41.55
15	Gopalan	3	1	1	0
16	Ground Water	1	0	0	0
17	Horticulture	1	0	0	0
18	Indira Gandhi Nahar	3	0	0	0
19	Industries	1	0	0	0
20	Information Technology and Communication	1	0	0	0
21	Mines and Geology	4	4	107	78.59
22	Petroleum	4	0	0	0
23	Public Health Engineering	3	0	0	0
24	Public Works	3	0	0	0
25	Rajasthan State Motor Garage	0	0	0	0
26	Science and Technology	0	0	0	0
27	State Enterprises	1	0	0	0
28	Tourism	2	0	0	0
29	Transport	3	0	0	0
30	Water Resources	2	0	0	0
Total		**55**	**15**	**231**	**161.20**

Source: Compiled by Audit.

It can be seen from **Table 1.3** that except the Departments of Mines and Geology and Petroleum, the minimum requirement of four Audit Committee Meetings was not fulfilled in respect of any of the Departments, during the year 2022-23. Further, in respect of Command Area Development, Environment, Rajasthan State Motor Garage and Science and Technology, no Audit Committee meeting was held during 2022-23. Audit sub-Committee Meetings were held in five Departments only, wherein 231 paragraphs involving ₹ 161.20 crore were settled. The Departments may organise more Audit Committee/Audit sub-Committee meetings to settle these outstanding paragraphs expeditiously.

1.5.3 Response of the Departments to the draft audit paragraphs

Factual statements followed by draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India are forwarded to the Additional Chief Secretaries/Principal Secretaries/Secretaries of the six Departments[4] concerned, drawing their attention to the audit findings and requesting them to send their responses within six weeks since issue of Factual Statements.

25 draft paragraphs clubbed into 15 paragraphs including one Performance Audit were sent to the Additional Chief Secretaries/Principal Secretaries/ Secretaries of the respective Departments between June 2023 and September 2024. Replies to all the draft paragraphs have been received and suitably incorporated in the Report.

1.6 Follow-up on Audit Reports

The Finance Department of the State Government decided (December 1996) that explanatory notes on all Performance Audits/paragraphs that have appeared in Audit Reports be submitted to the Public Accounts Committee (PAC), duly vetted by Audit, within three months from the date of laying of the Reports in the State Legislature. No explanatory note on Performance Audits/paragraphs was pending as of 31 December 2024.

Discussion of Audit Reports by PAC

The status of discussion of Performance Audits and paragraphs pertaining to 30 Departments as shown in **Table 1.3** which appeared in Audit Reports (Revenue Sector/Economic Sector/Revenue and Economic Sectors/General and Social Sector/Compliance Audit/Standalone Reports) by the PAC as of 31 December 2024 is given in **Table 1.4.**

Table 1.4: Performance Audits/paragraphs appeared in Audit Reports *vis-a-vis* discussed

Period of Audit Report		Number of Performance Audit/paragraphs			
		Appeared in Audit Report		Paragraphs discussed	
		Performance Audit	Paragraphs	Performance Audit	Paragraphs
2016-17	Revenue Sector	-	7	-	4
	Economic Sector	1	11	1	11
	General and Social Sector	1	7	1	7
2017-18	Revenue Sector	-	7	-	3
	Economic Sector	2	7	2	7
	General and Social Sector	1	5	1	5

[4] Cooperative, Devasthan, Forest, Mines and Geology, Public Health Engineering and Transport.

Period of Audit Report		Number of Performance Audit/paragraphs			
		Appeared in Audit Report		Paragraphs discussed	
		Performance Audit	Paragraphs	Performance Audit	Paragraphs
2018-19	Revenue and Economic Sectors	1	12	-	-
	General and Social Sector	-	5	-	5
2019-20	Compliance Audit (Report No. 7 of the year 2021)	-	7	-	3
	Compliance Audit (Report No. 2 of the year 2021)	-	3	-	3
	Standalone Report on 'Outcomes in Surface Irrigation in Rajasthan;	1	-	1	-
	Standalone Report on 'Illegal Mining in Rajasthan'	1	-	-	-
2020-21	Compliance Audit (Report No. 1 of the year 2022)	-	3	-	-
	Compliance Audit (Report No. 2 of the year 2024)	-	8	-	-

Source: Compiled by Audit.

The discussion on Performance Audits and paragraphs which appeared in Audit Reports (Revenue Sector/Economic Sector/General and Social Sector) upto 2015-16 has been completed.

1.7 Contents of the Report

This Report contains 15 paragraphs including one Performance Audit on 'Implementation of Pradhan Mantri Khanij Kshetra Kalyan Yojana including DMFT in Rajasthan' and one SSCAs on 'Management of Tiger Reserves in Rajasthan'. The total financial impact of the Report is ₹ 178.93 crore. These are discussed in Chapter II to Chapter VI. The Departments/ Government have accepted audit observations involving ₹ 98.58 crore (as of December 2024). Out of the accepted audit observations, the Departments had recovered ₹ 2.05 crore upto December 2024, which was in addition to the recoveries (₹ 47.54 crore) made in response to Audit findings in the local audit inspection reports, during the year 2022-23. Further, the Departments concerned recovered ₹ 20.24 crore during the year 2022-23 in respect of objections raised in previous Audit Reports. Thus, total recoveries made at the instance of Audit during the year aggregated to ₹ 69.83 crore.

CHAPTER-II

Mines and Geology Department

CHAPTER-II
Mines and Geology Department

2.1 Introduction

At the Government level, the Additional Chief Secretary (ACS), Mines and Petroleum and at the Department level, the Director, Mines and Geology (DMG), Udaipur are responsible for administration and implementation of the related Acts and Rules in the Department. The DMG is assisted by an Additional Director (Administration), six Additional Directors, Mines (ADM), six Additional Directors, Geology (ADG) and by a Financial Advisor. The ADMs exercise control through nine Circles, each headed by a Superintending Mining Engineer (SME).

There are 49 offices of Mining Engineers (ME)/Assistant Mining Engineers (AME) which are responsible for assessment and collection of revenue and prevention of illegal excavation and dispatch of minerals from areas under their control. The Department has a separate Vigilance Wing headed by the ADM (Vigilance) for prevention of illegal excavation and dispatch of minerals. There are 31 offices of ME/AME (Vigilance) under the ADM (Vigilance).

2.2 Results of audit

There were 135 auditable units[1] in the Department of Mines and Petroleum. Out of these, 32[2] units were selected for audit wherein out of 48,753 cases[3], Audit selected and examined 16,786 cases[4] (34.43 *per cent*). Deficiencies were noticed in 4,274 cases involving ₹ 683.12 crore. Audit had pointed out similar omissions in earlier years too, but these irregularities had persisted and

---

1 Includes ACS, Mines and Petroleum, DMG office and Director Petroleum (DP) office besides 132 other units.

2 ACS, Mines and Petroleum, Jaipur, DMG, Udaipur, Director Petroleum, Jaipur, Additional Director (Geology) Jodhpur, Additional Director (Mines) Udaipur, Superintendent Geologist (Phosphate) Udaipur- I, Superintendent Geologist: Banswara, Bhilwara and Nagaur; Superintendent ME (vigilance) Udaipur, ME (vigilance) Jodhpur, AME (vigilance) Jhunjhunu; Superintendent ME Jodhpur; MEs: Ajmer, Bhilwara, Chittorgarh, Jaipur, Jalore, Jhunjhunu, Jodhpur, Karauli, Kota, Makarana, Prapapgarh, Rajsamand II, Sirohi, Sojat City and Udaipur; AME (vigilance) Balesar, AMEs: Nimbhahera, Roopwas and Sawai Madhopur.

3 Total 48,753 cases: Sanction of 383 Mining Leases (ML); 6,947 working mines; 177 ML cancelled/surrender, 112 Royalty Collection (RC)/Excess Royalty Collection (ERC) Contracts; 10,390 Quarry licences (QL); 13,419 cases of illegal mining/transportation of mineral; 866 cases of recovery under Rajasthan Land Revenue Act, 1956; 3,441 cases of revenue assessment; three cases of refund; 1,913 cases of outstanding dues and 11,102 Short Term Permit (STP).

4 Total 16,786 cases selected and examined: Sanction of 383 Mining Leases (ML); 919 working mines; 177 ML cancelled/surrender, 106 Royalty Collection (RC)/Excess Royalty Collection (ERC) Contracts; 398 Quarry licences (QL); 3,845 cases of illegal mining/ transportation of mineral; 717 cases of recovery under Rajasthan Land Revenue Act, 1956; 2,257 cases of revenue assessment; three cases of refund; 1,913 cases of outstanding dues and 6,068 STPs.

remained undetected till next audit was conducted. The substantial proportion of errors, omissions and other related issues noticed in audit indicated that the Government needed to improve the internal control system, including strengthening of internal audit so that occurrence/recurrence of such lapses can be avoided. Irregularities noticed broadly fall under the following categories given in **Table 2.1**.

Table 2.1: Statement showing the amount objected by audit during the year 2022-23

(₹ in crore)

Sl. no.	Category		Number of cases	Amount
1.	Non-recovery/short recovery of dead rent and royalty		542	255.63
2.	Non-forfeiture of security deposit		142	68.03
3.	Non-levy of penalty/interest		1,405	84.89
4.	Non-recovery/short recovery of cost of unauthorised excavated minerals		150	96.26
5.	Non-recovery/short recovery of DMFT/ RSMET/NGT fund		248	65.43
6.	Other irregularities	Revenue	1,759	111.87
		Expenditure	28	1.01
Total			**4,274**	**683.12**

Source: Compiled on the basis of Inspection Report issued to the Department

During the year 2022-23, the Department accepted short realisation of revenue of ₹ 697.58 crore in 4,521 cases, of which 4,274 cases involving ₹ 683.12 crore were pointed out in audit during the year 2022-23 and the rest in earlier years. The Department recovered ₹ 21.93 crore in 236 cases of which ₹ 21.87 crore in 233 cases related to earlier years.

The Government replied (November 2023) that ₹ 13.20 crore has been settled out of ₹ 683.12 crore in 4,274 cases pointed out in the audit during the year 2022-23.

Some illustrative cases amounting to ₹ 137.18 crore are included as given below:

2.3 Performance Audit on "Implementation of Pradhan Mantri Khanij Kshetra Kalyan Yojana including DMFT in Rajasthan"

2.3.1 Introduction

The Government of India launched *Pradhan Mantri Khanij Kshetra Kalyan Yojana* (PMKKKY) in September, 2015 to ensure welfare of areas and people affected by mining related operations, using the funds generated by District Mineral Foundation Trusts[5] (DMFTs). The objectives of PMKKKY were (a) to implement various developmental and welfare projects/programs in mining affected areas, and these projects/programs were to be complementing the existing ongoing schemes/projects of the State and the Central Government; (b) to minimize/mitigate the adverse impacts, during and after mining, on the environment, health and socio-economics of people in mining districts; and (c) to ensure long-term sustainable livelihoods for the affected people in mining areas.

According to the guidelines, the DMFTs had to cover the activities in two categories *i.e.* High Priority Activities and Other Priority activities. High Priority Activities are drinking water supply; environment preservation and pollution control measure; health care; education; welfare of women and children; welfare of aged and disabled people; skill development and sanitation. At least 60 *per cent* of DMFT funds to be utilized under these Heads and upto 40 *per cent* of DMFT funds were to be utilized under other priority activities *i.e.* physical infrastructure (road, bridges, railways and waterways projects); irrigation, energy and watershed development and any other measure for enhancing environmental quality in mining district.

As per rule 13(1) (iii) of Rajasthan DMFT Rules 2016, every mineral concession holder shall pay the contribution to the DMFT fund in respect of any mineral removed by him and/or consumed within the area allotted/permitted to him as follows:

(a) In case of major minerals, as prescribed in the Mines and Minerals (Contribution to DMF) Rules, 2015 as amended from time to time; and

(b) In case of minor minerals, at the rate of ten *per cent* of the royalty paid in terms of the first schedule to the Rajasthan Minor Minerals Concession Rules, 1986, as amended from time to time.

2.3.2 Organisational Set up of DMFTs

The Government of Rajasthan constituted DMFTs in all the districts of the State *vide* notification dated 9 June 2016. According to Rajasthan DMFT Rules,

[5] As discussed in paragraph number 2.3.2 of this report.

2016, management of DMFT is vested in Governing Council[6], which consist of all the trustees[7] of the trust. The Managing Committee[8] is responsible for the day-to-day management and supervision of the activities of the Trust. The District Magistrate is the chairperson of the Governing Council and Managing Committee. The Mining Engineer is the Member Secretary of the DMFT. At the Government level, the Department of Mines and Geology is the administrative department. Apart from the above, a State Level Empowered Committee (SLEC) was also formed (February 2019) under the chairmanship of Minister in charge of Mines and Petroleum Department, Rajasthan. Projects having estimated cost of more than rupees two crore shall be sanctioned only after prior approval of SLEC.

2.3.3 Receipt and utilization of funds

Directorate of Mines and Geology (DMG) is the apex body for demand and collection of DMFT receipts. There were 49 divisions, under the control of DMG, each headed by Mining Engineer/Assistant Mining Engineer.

Rajasthan is blessed with 81 varieties of minerals, out of which 57 are being commercial exploited. These minerals include Major Minerals like Lead, Zinc, Silver, Copper, Wollastonite, Bauxaite, Asbestos, Lime stone (Cement grade), Rock Phosphate, *etc*. and Minor minerals like Marble, Granite, Sand Stone, Masonary Stone, Dolomite, Quartz, Felspar, Gravel, Clays, Bajri, *etc*. Out of total royalty receipts of ₹23,939.76 crore from minerals, Major minerals contributed ₹16,275.21 crore and Minor minerals contributed ₹7,664.55 crore during the period 2018-19 to 2022-23.

Rule 13 of Rajasthan DMFT Rules, 2016 stipulated that every lessee shall remit the amount payable to the DMFT into the Personal Deposit (PD) account of the Trust, under intimation to the officer to whom the royalty is payable. The Mining Engineer (ME)/Assistant Mining Engineer (AME) is responsible for collection, reconciliation and cross verification of contribution to the DMFT.

The Trustees appointed by the State Government have the possession of DMFT fund subject to power and provisions in the rules. The Managing Committee has the power to accord sanction to the projects to be implemented and release and disburse DMFT funds. However, the recommendations of the Managing Committee must be approved by the Governing Council. In addition, the Governing Council also has the power to distribute monetary benefits to persons or families affected by mining related operations in the district.

---

6 Governing Council: A body in which management of the trust shall vest and which shall consist of all trustees including nominated trustees of the trust.

7 Trustees: Members of DMFT as prescribed in rule 5 (1) of the Rajasthan DMFT Rules, 2016 as discussed in paragraph 16 of this report.

8 Managing Committee: A committee to manage the day to day work of the Trust.

2.3.4 Audit objectives

The objectives of the Performance Audit were to assess whether:

- Effective planning and institutional arrangements were in place to implement the scheme as per Rajasthan DMFT Rules and PMKKKY guidelines;
- The system of assessment, demand and collection of receipts under DMFT was reliable and efficient;
- Whether utilization of the funds from DMFTs for implementation of PMKKKY were efficient and as per Rules;
- Monitoring and evaluation were adequate, timely and efficient.

2.3.5 Audit criteria

The audit findings are based on the criteria derived from the following sources:

- Pradhan Mantri Khanij Kshetra Kalyan Yojana guidelines;
- Mines and Minerals (Development and Regulation) Act, 1957 as amended from time to time;
- Rajasthan DMFT Rules, 2016;
- Rajasthan Minor Minerals Concession Rules, 2017;
- Mines and Minerals (Contribution to DMF) Rules, 2015;
- General Financial and Accounts Rules, Delegation of financial powers, Rajasthan Treasury Rules 1999;
- Rajasthan Transparency in Public Procurement Act and Rules made thereunder, and
- Any other relevant orders, circulars, instructions *etc*. issued by the Government of India and the State Government.

2.3.6 Scope of audit, methodology and sampling procedure

The Government of Rajasthan had notified creation of DMFTs for all the 33 Districts in September 2015. The Performance Audit covering the period from April 2018 to March 2023 was conducted from July 2023 to February 2024. Audit selected five DMFTs/districts[9] (three districts from high risk, one district from medium risk and one district from low-risk category) out of 33 DMFTs/districts through random sampling. Eight[10] ME/AME offices of selected districts were also checked. In each selected DMFT/district, 25 to 45 sanctioned and completed projects were selected for scrutiny and joint physical verification. The records of selected 223 works executed under PMKKKY by various implementing agencies were checked in DMFTs. Audit observations related to DMFTs noticed during regular audits are also included in this

[9] High risk: Bhilwara, Banswara and Barmer; Medium risk: Bharatpur and Low risk: Sikar.

[10] Bhilwara (ME Bhilwara and ME Bijoliya); Bharatpur (ME Bharatpur and AME Roopbas); Banswara (ME Banswara), Barmer (ME Barmer) and Sikar (ME Sikar and AME Neem Ka Thana).

Performance Audit. Regarding collection, the contribution to the DMFT fund was checked since inception of the fund in 2016.

An Entry Conference was held (07 August 2023) with the Additional Chief Secretary, Mines and Petroleum Department, Government of Rajasthan wherein objectives and methodology of Performance Audit were discussed. Audit findings were reported to the State Government in July 2024 and the Exit Conference was held on 05 September 2024 wherein audit findings were discussed. The replies wherever received, were appropriately incorporated in the Report.

2.3.7 Acknowledgement

Audit acknowledges the cooperation and assistance extended by the selected DMFTs, alongwith Directorate of Mines and Geology for PMKKKY scheme.

Audit Findings

This PA Report is in two parts. Part A contains the observations relating to the implementation of PMKKKY in the State and Part B contains observations about implementation of the scheme in selected DMFTs.

PART-A

Implementation of PMKKKY in the State

DMFTs in all the 33 districts were established (June 2016) in Rajasthan. A macro analysis which includes legal framework, planning, audit and accounts, Demand and collection of DMFT contributions, environmental impact due to mining activities, accountability and transparency mechanism in Rajasthan State is presented in this part.

Total DMFT contribution received up to March 2023 in Rajasthan was ₹7,926.86 crore, which includes ₹ 6,583.13 crore from Major minerals and ₹1,343.73 crore from Minor minerals. As on 31 March 2023, total 18,973 works involving financial sanction of ₹ 5,626.63 crore were undertaken, of which 12,335 works were completed and 3,617 works were in progress involving expenditure of ₹ 3,505.99 crore and remaining 3,021 works were cancelled/ abandoned in the State.

2.3.8 Legal Framework

Section 9B of Mines and Mineral (Development and Regulation) Act, (MMDR Act), 1957 stipulates that in any 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 Trust (DMFT). The object of the DMFT shall be to work for the interest and benefit of persons, and areas affected by mining related operations in such manner as may be prescribed by the State Government. The composition and functions of the DMFT shall be such as may be prescribed by the State Government. Provided that the Central

Government may give directions regarding composition and utilisation of funds by the DMFT.

In compliance of above, the Government of Rajasthan (GOR) notified (31 May 2016) Rajasthan DMFT Rules, 2016 in the State. These rules were amended from time to time.

The State Government amended (01 July 2020) these rules and State Mineral Fund[11] was established to receive funds from DMFTs. The GoI issued (12 July 2021) an order that creation of State Mineral Fund and transfer of DMFT funds to State Mineral Funds was in violation of provisions of Section 9 B of Mines and Mineral (Development and Regulation) Act, 1957 and directed the State Government that the provisions of Section 9B of the Act shall be strictly adhered to in respect of utilisation of funds by the District Mineral Foundations. No fund shall be transferred in any manner from the District Mineral Foundations to the State exchequer/ State level fund/ any other funds or schemes; and 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.

It was also observed that the Finance Department, GOR *vide* order dated 23 May 2022 issued direction that prior sanction of Finance Department is necessary for sanction and payment from DMFT funds. It was also stated that sanction/payment should be made for works related to Budget proposals. This order was also in contravention of GoI's directions issued in July 2021.

2.3.9 Planning

Planning is required for implementation of welfare projects to ensure systematic development of the affected area and people.

2.3.9.1 Perspective Plan

The GoI *vide* order dated 24 June 2022 directed that for complete coverage of all affected people and areas in a systematic and time bound manner, long term planning is required. It is necessary that perspective plans are prepared and implemented in a manner to ensure systematic development of the area and people. It was also directed that the State Government is to incorporate the following in the rules regulating the utilization of funds for implementation of works using DMFT funds with immediate effect:

- The DMFT shall conduct a baseline survey for formulation of the perspective plan.
- Based on the findings and gaps as identified through the baseline surveys, the DMFT shall prepare a strategy for five years and the same shall be included in the perspective plan.
- The five years perspective plan shall have separate sections on all priority sectors and other sectors.

[11] Rule 15 (7) inserted *w.e.f.* 01 July 2020

- The five years perspective plan shall be approved by the Governing Council of the DMFT and displayed on the website of the trust.

Audit noticed that the State Government did not amend the Rajasthan DMFT rules, 2016 to incorporate the above in the rules.

The Government replied (September 2024) that PMKKKY guideline has been amended by the GoI in January 2024 which includes the provision of five years and one year planning. Accordingly, amendment in Rajasthan DMFT rules is under process. However, these Rules were not amended yet (March 2025).

2.3.9.2 Annual Action Plan

According to Rule 8 (ii) of Rajasthan DMFT Rules, 2016, the Governing Council shall draw up and approve the annual action plan and annual budget for the DMFT. The annual action plan must be prepared and approved at least one month before commencement of the year.

Audit noticed that the annual action plan and annual budget of the DMFTs were not formulated and consequently not approved by the Governing Councils. Therefore, the Projects related to drinking water supply, healthcare, education, physical infrastructure, *etc.* amounting to ₹ 5,626.63 crore were sanctioned out of the respective trust funds during 2018-19 to 2022-23 without any approved action plan in Rajasthan.

The Government replied (September 2024) that the proposals regarding works/projects to be implemented were not received in time from line departments/agencies. Therefore, annual action plan was not prepared. In future, annual action plan will be prepared as provided in rules.

2.3.10 Audit and Accounts

The Managing Committee shall maintain and/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. The accounts of the trust shall be audited at least on completion of year. Database regarding annual account needs to be available with DMG.

Scrutiny of information provided by the DMG office revealed that in 17 districts audit of annual accounts up to year 2022-23 was completed. However, 23 annual accounts for the years 2019-20 to 2022-23 in respect of 16 districts[12] were not prepared till February 2025.

2.3.11 Demand and Collection of DMFT contribution

In order to execute PMKKKY seamlessly, it was crucial to ensure the meticulous collection of DMFT contributions. In Rajasthan, total DMFT contribution received till 31 March 2023 was ₹ 7,926.86 crore, which includes receipt from mineral concession holders (*i.e.* ML, STP, Brick earth permits),

[12] Churu (2019-20 to 2022-23), Dholpur (2020-21 to 2022-23), Bikaner and Dungarpur (2021-22 to 2022-23) and Baran, Barmer, Chittorgarh, Pali, Pratapgarh, Sriganganagar, Dausa, Jasalmer, Jodhpur, Karauli, Kota and Nagaur (2022-23).

any grant/contribution received, interest accrued on deposits.

The records of the selected DMFTs and eight ME/AME offices[13] of selected districts were audited to evaluate the system of demand and collection of DMFT contribution. Audit noticed that no detail of demand of assessed DMFT contribution was available in online demand register on DMGOMS[14].

Audit observations are discussed in the succeeding paragraphs.

2.3.11.1 Non-maintenance of Demand and Collection Register for DMFT Contribution

It was necessary for ME/AME offices to maintain a separate Demand and Collection Register (DCR) for DMFT contribution to ensure its proper collection, reconciliation and verification. During test check of records in selected ME/AME offices it was noticed that separate registers for DMFT contribution were not maintained either in physical form or in online module.

It is pertinent to mention that DMG had implemented an online management system *i.e.* DMGOMS, to oversee various departmental functions. One of its modules was designed to manage the collection of mining receipts, including royalty, penalties, various fees, interest, *etc.* This module also displayed the amounts due from lessees *i.e.* royalty, dead-rent, interest on delayed payment. However, this module was not further developed to show due DMFT contribution, collections from contributors[15], interest on delayed DMFT payments, or the credit and debit balances of the contributors. Thus, lack of a system to oversee these issues resulted in non-recovery of DMFT contribution, non-levy of interest on delayed payment *etc*. as discussed in the Part B of the report.

2.3.11.2 Non-verification of receipt of DMFT contribution from the Works Departments

Rule 51 (9) (iv) of the RMMC Rules, 2017 provides that the Works Departments *i.e*. Public Works, Public Health Engineering, Water Resources and Forest Departments engaged in civil construction works, Local Bodies, *Panchayati Raj* Institution, Organizations concerned shall be responsible for deduction of royalty and contribution in the DMFT fund on every running bill where contractor opts for deduction of royalty and contribution in DMFT fund from the running bill. A Short-Term permit (STP) is issued to a contractor under the *ibid* rules for use of minerals.

It was noticed that the amount of royalty and DMFT collected from various works contractors were being deposited as consolidated amount in respective

---

[13] MEs: Bhilwara, Bijoliya, Bharatpur, Banswara, Barmer, Sikar and AMEs: Roopbas and Neem Ka Thana.

[14] DMGOMS: An online platform named as DMG online management system used by Mines Department, Rajasthan. This system having various modules i.e. Lease Directory, Demand and Collection Register, etc.

[15] Lessees, Excess Royalty Collection/Royalty Collection contractors, STP holders and Brick Earth Permit holders etc.

heads by the Works Departments. However, work wise deducted amount of royalty and DMFT was neither submitted by the Works Departments nor demanded by the Mines Department. In absence of work wise details neither the Mines Department nor Audit could verify the correctness of deducted and deposited amount.

The Government replied (September 2024) that in Sikar and Barmer, implementing agencies were directed to provide information of deduction of DMFT contribution. In Banswara, DMFT contribution was received as per rules. Reply in respect of Bharatpur and Bhilwara DMFTs has not been received. The reply in respect of Banswara was not tenable as no detail of collection of Royalty and corresponding DMFT contribution was provided.

2.3.11.3 Reconciliation of DMFT fund

Rajasthan DMFT rules, 2016 provides that DMFT fund shall include:

- any grant, contribution or any other money from the Government or from any other agency, institution or persons:
- contribution from every mineral concession holder in respect of any mineral removed by him and/or consumed within the area allotted /permitted to him.
- Interest accrued on deposits and any other income derived therefrom; and
- All other properties of the trust and the income derived therefrom or appreciation thereof.

As per Rule 13(5) of Rajasthan DMFT Rules, 2016, the ME/AME concerned shall be responsible for collection, reconciliation and cross verification of the contribution to the DMFT Fund and shall deposit the same in trust account opened in scheduled commercial nationalised bank. They shall send periodic information to the Financial Advisor of the Department who was the nodal officer for proper maintenance of receipt and disbursement. According to the amendment (01 June 2018) in Rules, the Additional Director (Administration) was appointed as nodal officer and funds were to be deposited in interest bearing PD account with effect from 01 June 2018. Scrutiny of the records revealed that reconciliation of DMFT fund was not done with due diligence as discussed hereunder.

(a) Difference in data of DMFT fund collection

- Scrutiny of the reports of collection of contribution to the DMFT up to March 2023 prepared at the office of DMG revealed that total collection in Rajasthan was ₹ 7,926.86 crore, however, certified figures sent by various ME/AME offices to DMG showed\collection of ₹ 7,945.33 crore. Thus, there was a difference of ₹ 18.47 crore between the figures shown by the nodal officer at DMG office and ME/AME offices. In selected districts, audit checked the data of DMFT contribution collected and cross checked with the data of DMG office, it was found that data of selected districts except Bharatpur was not matched. Thus, it was evident that the statistics of receipt of DMFT contribution was not properly maintained.

The Government replied (September 2024) that information regarding difference will be provided after collecting from field offices. However, in Exit conference (05 September 2024), the Departmental officers replied that difference was mainly due to non-inclusion of interest amount. It was also agreed that detailed compliance will be submitted soon. Further progress is awaited (March 2025).

(b) Amount received in centralised bank account not fully reconciled

As per Rule 14 of the Rajasthan DMFT Rules, 2016, the DMFT fund shall be kept in scheduled commercial nationalised banks in the name of the trust and account shall be operated under the joint signature of the chairperson and the treasury officer or any member of the Managing Committee authorized by Managing Committee[16]. The Managing Committee shall maintain the book of accounts of such funds.

During the review of the records of the office of the DMG, it was found that a centralized account was opened (11 August 2016) for DMFT fund collection in the State Bank of India, in contravention of the *ibid* provisions which was operated until 17 October 2019. The collected amounts were then transferred to a centralized PD account which was opened on 21 September 2016 at the Udaipur treasury. As of 31 March 2022, the amount in this PD account was ₹ 823 crore contribution amount and ₹ 10.70 crore interest thereon. The DMG formed (April 2022) a Reconciliation Committee to reconcile the funds received before transferring the fund to all the DMFTs concerned. Out of the deposited ₹ 823 crore as of 30 March 2022, the Committee reconciled ₹ 792.85 crore with all DMFTs and transferred ₹ 817.62 crore to the DMFTs concerned, leaving a balance of ₹ 5.38 crore in the PD account as of 30 March 2022.

Further, scrutiny of these facts revealed that funds transferred to six districts[17] were ₹ 95.56 lakh less than the reconciled amount as shown in **Table 2.2.**

Table 2.2: Detail of less amount transferred to DMFTs than reconciled

(Amount in ₹)

S. No.	Name of District	Amount reconciled by the respective DMFTs	Amount transferred to DMFTs from Central A/c	Amount less transferred
1	Jaipur	12,82,54,143	12,49,38,925	33,15,218
2	Bharatpur	3,47,25,755	3,22,24,000	25,01,755
3	Sawaimadhopur	83,09,378	62,25,000	20,84,378
4	Bikaner	7,89,01,388	7,74,97,208	14,04,180
5	Pali	31,56,21,227	31,53,72,000	2,49,227
6	Ajmer	57,39,93,134	57,39,92,000	1,134
	Total	**1,13,98,05,025**	**1,13,02,49,133**	**95,55,892**

[16] A committee constituted for managing day to day work of the Trust.
[17] Jaipur, Bharatpur, Sawai Madhopur, Bikaner, Pali and Ajmer.

It was also noticed that AME, Hanumangarh did not reconcile the deposited amount but DMFT funds amounting to ₹ 1.68 crore were transferred from Central account to DMFT Hanumangarh without any basis. In other 26 districts, funds of ₹ 29.44 crore were transferred in excess of the reconciled amount.

These facts indicated that funds received were not reconciled properly and transferred without proper reconciliation.

The Government replied (September 2024) that total amount collected in centralized PD account was transferred to the DMFTs, therefore no action was pending at present but no evidence was provided to audit in this support. Reply is not tenable as reason for opening of a centralized account in contravention of the provisions not intimated and reasons for excess/less transfer of funds to DMFTs were also not given.

(c) Amounts deposited in centralised bank account not found deposited

The contributors to the DMFTs, deposited the contribution amount in the Centralised bank account upto 17 October 2019. The DMG issued a letter (7 September 2018) to all MEs/AMEs to reconcile 33,629 entries of this account. Scrutiny of the correspondence of reconciliation revealed that 160 entries relating to five[18] ME/AME offices involving an amount of ₹ 51.29 lakh deposited in Centralised bank account by the lessees were not mentioned in the bank statement.

There was nothing on record at the DMG to indicate that efforts were made to verify this amount. Thus, amounts shown deposited in bank account could not be reconciled.

The Government replied (September 2024) that compliance will be submitted after receiving it from the offices concerned. Further progress is awaited (March 2025).

2.3.11.4 DMFT amount from the cost of illegal excavation/transportation of minerals not deposited

Rule 54 (3) of RMMC Rules, 2017 provides that the cost of mineral which was illegally excavated and dispatched or consumed, will be recovered. The cost of the mineral shall be taken as ten times of royalty in lieu of rent, royalty, compensation for environmental degradation and tax chargeable on the land occupied without lawful authority, *etc*.

It was noticed that neither the GoR nor the DMG issued the instructions to deposit the DMFT contribution amount out of the cost of the illegal excavation/transportation of mineral. In Rajasthan, it was noticed that from 2018-19 to 2022-23, the Department collected ₹ 84.71 crore as the cost of minerals involved in illegal mining/transportation/storage. This included ₹ 8.47 crore of royalty and ₹ 84.71 lakh of DMFT contribution. However, the DMFT

[18] MEs: Beawer, Bharatpur, Kota, Ajmer and AME: Tonk.

contribution was not deposited with the respective DMFT funds as required.

The Government replied (September 2024) that compliance will be submitted after receiving it from the offices concerned. Further progress is awaited (March 2025).

2.3.12 Impact on Environment due to mining activities

Impact on Environment due to mining activities varies based on the quantum of production of the minerals. Land degradation is one of the significant impacts arising out of mining and quarrying activity which is mainly in the form of alternation of land structure due to excavation, stacking of top soil and loss of land due to dumping of mine waste and overburden soil.

Air pollution, due to dust from the mines, is a common environmental problem in mines and quarries especially open cast operations.

(i) Major impact of mining activities was seen in stone mining areas where health of people working in mines was adversely affected. As per data collected from the selected districts total 4,074 people were identified as silicosis patients, of which 1,075 patients were deceased up to March 2023. Thus, life of miners was at risk due to mining activities.

Best Practice

DMFT Bhilwara operates a mobile Medical Van for health check-up of miners in mining areas of Bhilwara districts. The main aim of mobile van was to identify probable silicosis patient at an early stage. During November 2021 to March 2023 total 294 camps were organized. Total 19,671 people were examined and 1,952 suspects of silicosis were identified. Of which 144 patients were given silicosis certificates. This effort of DMFT Bhilwara helps in detecting silicosis suspects and awareness among the mines worker regarding their health.







Source: Photos taken by Audit team during joint inspection of mobile van and health check-up at camp

(ii) India as a signatory of UNSDG (United Nations Sustainable Development Goals) require to reclaim the degraded land under SDG 15 (life on land) but working of DMFTs was not in convergence of SDG.

Rule 29 (18) of RMMC Rules, 2017 envisages that where the ME/AME concerned has reasonable grounds for believing that the protective, reclamation and rehabilitation measures as envisaged in the mine closure plan in respect of which financial assurance was given has not been carried out in accordance with the mine closure plan, either fully or partially, shall forfeit the amount of financial assurance along with interest accrued thereon and same shall be deposited in DMFT. For Major Minerals, similar provisions are made in Rule 27 of Mineral Conservation and Development Rules, 2017.

As per information available on DMGOMS total 6,300 mining leases (ML) were non- working due to cancellation/surrender/expiry of lease period/ rejection of renewal. Total area allotted in these MLs was 11,21,898 hectare. No information of back filling of working pits in these MLs were found recorded on DMGOMS portal.

Audit noticed in selected DMFTs that no work/project was undertaken relating to the reclamation of land used for mining. It is pertinent to mention here that financial assurance amount of mining leases in which mining pits were not filled was required to be deposited with DMFT and cost of mineral in case of unauthorised mining was collected by the State Government from the defaulters but no work for reclamation of degraded land by mining was undertaken.

2.3.13 Information, Education and Communication Activities

Fourth objective of this Performance Audit was to assess whether monitoring and evaluation were adequate, timely and efficient, and it contributed to improvement of the performance of the scheme.

Rule 15(6) of Rajasthan DMFT Rules, 2016 emphasized transparency by mandating the maintenance of a website with updated information. This included details about the DMFT's composition, mining-affected areas and populations, quarterly contributions received *etc*. Additionally, the website was to host all mining-related agendas, minutes, and action taken reports. Annual plans, budgets, work orders, and reports should also be available. Furthermore, online updates on ongoing projects are essential components of this compliance for transparency in DMFTs.

2.3.13.1 Information on website not updated

Though a website namely 'DMF-website' was available. However, above mentioned information were not being hosted and updated regularly in these districts.

Audited annual accounts of the Trusts also did not disclose any information of outstanding DMFT contribution. It was also seen that quarterly details of DMFT contribution collected were not published on DMF-Website in respect any of the trust.

The Government stated (September 2024) that updation of DMF portal was not being done properly due to shortage of technical staff in department. However, updation will be completed at the earliest. In Exit Conference (05 September 2024), the Secretary, Mines stated that DMF portal of Bhilwara and Banswara districts are updated and in progress in respect of other districts. However, audit checked the portals for Bhilwara and Banswara districts and these were not found updated.

2.3.13.2 Preparation and submission of Reports

Rule 18 of Rajasthan DMFT Rules, 2016 provides that the DMFT shall prepare a quarterly progress report in physical and financial terms in respect of the approved schemes and projects within forty-five days of the close of the quarter and forward it to the office of the District Magistrate immediately thereafter for publication on their respective websites. It further provided that the Annual Report of each DMFT shall be laid before the State Legislative Assembly.

It was noticed that the quarterly progress reports of works implemented by the various implementing agencies were not being prepared by DMFTs. Further as the annual reports were not prepared, these could not be laid before the State Legislative Assembly as envisaged in the rules.

The Government stated (September 2024) that directions are being issued to the Chairperson and Member Secretary of DMFTs for compliance. Further progress is awaited (March 2025).

Conclusion

The PMKKKY was launched to ensure welfare of areas and people affected by mining related operations, using the funds generated by DMFTs. GoR constituted DMFTs (9 June 2016) in all the districts of the State for

implementation of the PMKKKY. According to the provisions of Rajasthan DMFT Rules, management of DMFTs vested in Governing Councils, which consist of all the trustees of the trust and headed by the District Magistrate of the district. A macro analysis of legal framework, planning, audit and accounts, demand and collection of DMFT contributions, environmental impact due to mining activities, accountability and transparency mechanism revealed that in violation of directions issued by the Government of India, the GoR issued directions to DMFTs that prior sanction of Finance Department was necessary for sanction and payment from DMFT funds. Accordingly works were approved by the Finance Department. Further, Annual Action Plans and Perspective Plans were not being prepared. Audit of annual accounts of DMFTs were not completed. The departmental online system DMGOMS was not developed to show due DMFT contribution, interest on delayed payment of contribution. DMFT amount from the cost of illegal excavation/transportation of minerals was not deposited with the respective DMFT funds as required. Further, Audit could not verify the deposit of DMFT contribution by the Works Departments, as there was no reconciliation mechanism in place in ME/AME offices to verify these deposits. It was also noticed that no work/project was undertaken relating to the reclamation of degraded land due to mining activities to protect the environment. Data on DMF website was not updated by DMFTs, thus transparency was not maintained. Quarterly progress reports of works implemented by the various implementing agencies were not being prepared by DMFTs.

Recommendations

The Government/Department may consider:

- ***developing a module under DMGOMS, to monitor due DMFT contributions, ensure timely deposits and levy interest for delayed payments.***
- ***evolving a system to transfer the fund to DMFT from cases of unathorised /illegal excavation/transportation of mineral.***
- ***conducting a study to assess the environmental impact of mining activities and identify necessary measures under PMKKKY to mitigate these effects.***
- ***developing and enforcing standardized protocols for the preparation and submission of quarterly progress reports and annual reports. Ensuring these reports are publicly accessible to enhance transparency and oversight.***

PART-B

Implementation of PMKKKY in selected DMFs

A micro analysis of selected DMFTs which includes Institutional arrangements, identification of mining affected people and areas, collection and utilization of DMFT fund, project management and monitoring in selected districts is presented in this part.

2.3.14 Institutional Arrangements

The first objective of the Performance Audit was to assess whether effective planning and institutional arrangements were in place to implement the scheme as per Rajasthan DMFT Rules and PMKKKY guidelines.

Rule 5 of the Rajasthan DMFT Rules, 2016 provides that trustees shall be appointed by the State Government on the basis of recommendation of the District Magistrate. Further, the Community Representatives from areas affected by mining operation shall be recommended by the District Magistrate on the basis of recommendation of respective *Gram Sabha*.

The audit findings pertaining to nomination and appointment of trustees in the selected DMFTs are given in succeeding paragraphs:

2.3.14.1 Nomination of trustees by the Government

Scrutiny of the records of the selected DMFTs revealed that:

- District Magistrates of Bharatpur and Banswara submitted (between 29 June 2016 and 06 January 2017) recommendations for the nomination of 36 trustees to the State Government. The State Government appointed (July 2021) 30 trustees after a period of more than four years of their recommendation.

- In other selected districts[19], the State Government appointed the Trustees after six to eleven months of recommendation of the respective District Magistrate.

On being pointed out, the Government endorsed (September 2024) the reply of the DMFT offices Sikar and Barmer which stated that delay was at Government level.

2.3.14.2 Appointment of trustees in violation of provisions

As stated earlier, the Rajasthan DMFT Rules, 2016 specifically intended to involve *Gram Sabhas* for nomination of Community Representatives. However, on scrutiny of records of selected districts, it was seen that District Magistrates had recommended the names of Community Representatives for nomination as trustees to the State Government without any prior recommendation from the respective *Gram Sabha* during the year 2020-21.

[19] Bhilwara, Barmer and Sikar.

Further, District Magistrates of selected districts recommended names of 85 persons in various categories for appointment as trustees during the period 2017-18 to 2020-21. The Government in turn appointed 88 trustees in these DMFTs. Among them, 30 trustees were appointed without the recommendations of the District Magistrates[20].

The Government replied (March 2024 and April 2025) that these appointments have now been cancelled on 18 December 2023 and trustees will be appointed after notification of new RDMFT Rules. It is recommended that appointment of Community Representatives as trustees will be made as per recommendation of the respective *Gram Sabha* and in all other cases as per recommendation of the District Magistrates as envisaged in the Rules.

2.3.15 Identification of affected areas and people

According to the guidelines, the DMFT shall prepare and maintain an updated list of directly[21] and indirectly[22] affected areas by mining related operations to be covered under the PMKKKY. Further, DMFT shall prepare and maintain an updated list of affected people.

Out of five selected districts, in two districts (Bhilwara and Bharatpur), it was observed that the DMFTs had not identified directly and indirectly affected areas by mining activities to be covered under PMKKKY and declared the entire districts as mining affected area. However, in Sikar, Banswara and Barmer districts, lists of affected villages/areas were prepared, including some urban and non-mining areas, without justification for their inclusion.

Consequently, works/projects were undertaken without aligning with the objectives of PMKKKY and aiming the affected areas/people in the mining regions.

The Government forwarded (September 2024) the reply of the DMFT offices of Sikar and Barmer which stated that majority of works were executed in mining affected areas. DMFT Banswara stated that list of mining affected areas will be updated.

In Exit Conference, the Secretary stated that GoI issued (January 2024) revised guidelines for PMKKKY, wherein mining affected areas are defined. Based on these guidelines, Rajasthan DMFT rules are being revised. Further progress is awaited (March 2025).

---

[20] Bharatpur (9), Bhilwara (6), Banswara (12), Sikar (1) and Barmer (2).

[21] Directly affected areas: where direct mining related operations are located such as villages and gram panchayats within which mines are situated, areas situated within such radius from a mine or cluster of mine as specified by the State Government, villages significantly depend on mining areas for their economic needs.

[22] Indirectly affected areas: areas where local population is adversely affected on account of economic, social and environmental consequences due to mining related operations.

2.3.16 Collection of Fund

The second objective of the Performance Audit was to assess whether the system of assessment demand and collection of receipts under DMFTs was reliable and efficient.

Audit findings pertaining to collection of funds such as non-deposit in interest bearing account, non-recovery of contribution, short levy of interest, irregular transfer of DMFT fund *etc.* are discussed in succeeding paragraphs.

2.3.16.1 DMFT contribution not deposited in interest bearing PD account

Rule 14 of Rajasthan DMFT Rules, 2016 amended in June 2018 provided that the DMFT fund shall be kept in interest bearing PD account.

In all selected districts, it was noticed that DMFTs did not open accounts in nationalised banks as prescribed in rules. Instead of this, non-interest bearing PD accounts were opened between 12 April 2017 and 09 June 2017. Later on, interest bearing PD accounts were also opened (between 28 October 2020 and 21 June 2021) in each DMFT. It was noticed that DMFT contributions were being deposited in non-interest bearing PD accounts and later on amount from these accounts were transferred in interest bearing accounts.

In Exit Conference (05 September 2024), the Secretary stated that matter will be looked into to check the loss of interest amount and reply will be submitted accordingly. Further progress is awaited (March 2025).

2.3.16.2 Non-recovery of DMFT contribution

As per Rule 13(1)(iii) of Rajasthan DMFT Rules, 2016, every mineral concession holder shall pay the contribution to the DMFT fund in respect of any mineral[23] removed by him and/or consumed within the area allotted/permitted to him.

Further, Rule 13(3) of the said rules provides that in case of minor minerals, contribution to the trust fund shall be recovered through the contractors to whom the Royalty Collection Contract (RCC)/Excess Royalty Collection Contract[24] (ERCC) was awarded in that district. In such cases, monthly instalment of the contribution to trust fund shall be directly deposited by the contractors in the Trust account. According to Rule 13(5), ME/AME concerned shall be responsible for collection, reconciliation and cross verification of the contribution to the DMFT Fund.

During scrutiny of records of mining leases, brick earth permits and ERCC/RCC of selected ME/AME offices and regular audit, cases of non-

[23] In case of minor minerals, at the rate of ten per cent of the royalty paid in terms of the first schedule to the Rajasthan MMCR, 1986, and in case of major minerals, ten per cent of the royalty paid in in respect of mining leases granted on or after 12 January 2015; and thirty percent of the royalty paid in respect of mining leases granted before 12 January 2015.

[24] Excess Royalty Collection Contract means a contract to collect royalty in excess of annual dead rent and any other charges as may be specified in the contract, on behalf of the Government for specified mineral dispatched by the mining lessee, from the area specified in the contract.

receipt of DMFT contribution amounting to ₹ 20.80 crore have been noticed as detailed in **Table 2.3.**

Table 2.3 : Details showing non-receipt of DMFT contribution during the period 2016-17 to 2022-23

(₹ in crore)

Type of concession/ permit/ contract	Number of cases	DMFT contribution receivable	DMFT contribution received	Amount of non-receipt of DMFT contribution	Name of ME/AME offices
Mining Leases (Minor mineral)	710	8.41	5.49	2.92	Bharatpur, Bhilwara, Bijoliya, Banswara and Sikar.
ERCCs	17	11.43	6.09	5.34	Bhilwara, Banswara Neem ka Thana, Nagaur, Dungarpur, and Jaisalmer.
Quarry Licensees[25] (RCC)	1	11.65	0.00	11.65	Jodhpur.
Brick Earth Permits	236	2.19	1.30	0.89	Bharatpur, Roopbas, Bhilwara, Bijoliya, Sikar, Neem ka thana, Hanumangarh and Tonk.
Total	**964**	**33.68**	**12.88**	**20.80**	

Source: Information provided by ME/AME offices.

It is evident from the above table that in selected districts ₹ 20.80 crore was not received. Further scrutiny of records revealed that the ME/AMEs could not monitor the contribution to DMFT fund as only deposited amount for DMFT was being shown in the DCR maintained on DMGOMS. It did not show the due amount of DMFT. Manual registers/DCR were not found maintained in selected offices. In case of ERCCs, it was observed that 17 contracts were cancelled due to non-deposit of contract amount, therefore, DMFT contribution amounting to ₹ 5.34 crore could not be recovered. Thus, lack of mechanism to oversee the collection of contribution towards DMFT coupled with lacklustre efforts to collect the contribution from quarry licencees, DMFT contribution amounting to ₹20.80 crore could not be collected.

The Government replied (September 2024) that action for recovery has been initiated in Sikar. In respect of other offices compliance will be submitted soon. In Exit Conference (05 September 2024), the Secretary stated that outstanding amount is being recovered along with interest. Further progress is awaited (March 2025).

In respect of quarry licensees, non-recovery of DMFT contribution is discussed in the case study given hereunder.

[25] Quarry licensees: A licence granted for mineral concession under RMMC Rules, 2017, wherein a licensee is required to pay fixed annual licence fee exclusive of royalty.

CASE STUDY

Quarry licensees can dispatch the excavated minerals from their quarry areas without any *rawanna*/permit. Further, no returns were prescribed for quarry licensees to show the minerals excavated and dispatched from the permitted area. Therefore, to ensure collection of royalty on these minerals, royalty collection contracts were being awarded by the Department for collection of royalty.

In Jodhpur[26] a contract was awarded (March 2016) to collect royalty on the mineral sandstone dispatched from the quarry licence areas of tehsil Jodhpur for the period 01 April 2016 to 31 March 2018 to a contractor. The annual contract amount was ₹ 62.93 crore. Thereafter, the Rajasthan DMFT Rules, 2016 were notified on 31 May 2016. Therefore, to include the DMFT contribution in the contract, the ME Jodhpur revised (15 June 2016) the annual contract amount to ₹ 69.22 crore and directed the contractor to execute a supplementary agreement. The contractor did not execute the supplementary agreement and filed a petition before the Hon'ble Rajasthan High Court against the order of the ME. Hon'ble High Court stayed (12 July 2016) the order of ME. Thus, amount of DMFT contribution was not collected by the contractor during the currency of contract *i.e.* 01 June 2016 to 04 April 2018.

Since the contractor was not liable to collect the DMFT amount along with royalty from quarry licensees in the light of the stay order, the ME concerned should have to make alternate arrangements to collect the DMFT contribution, such as establishing a departmental check post or awarding a new contract. However, these actions were not undertaken despite the fact that the DMFT contribution could only be collected at the time of dispatch of minerals from the quarry areas. After the dispatch of minerals, the Department lacked data regarding excavation and dispatch. In the absence of a system of *rawanna*/returns for the quarry licensees, it was not possible to assess which licensee had dispatched how much quantity of minerals.

Thus, due to non-collection of DMFT contribution by the Department, an amount of ₹11.65 crore[27] being the DMFT contribution for the period 01 June 2016 to 04 April 2018 (calculated on the basis of annual contract amount) could not be received in DMFT fund.

The ME replied (July 2022) that amount of DMFT contribution could not be collected due to stay of Hon'ble Rajasthan High Court in the matter. The reply was not tenable as there was no stay on collection of DMFT contribution through establishing the departmental check posts.

In Exit Conference (05 September 2024), the Secretary assured to submit reply. Further progress is awaited (March 2025). The facts remain that an amount of ₹ 11.65 crore could not be collected as the Department did not have a mechanism to assess the dispatch by quarry licencees.

[26] This unit was a part of regular audit.

[27] 10 % of ₹ 116.47 crore being the royalty deposited by the contractor during the period 01.06.2016 to 04.04.2018)

2.3.16.3 Non/short levy of interest

According to Rule 13A of Rajasthan DMFT Rules, 2016, if any person fails to pay the DMFT contribution as specified in the sub rule 13 (1) of the Rules, he shall be liable to pay interest at the rate of 24 *per cent per annum* as prescribed in Minerals (other than Atomic and Hydrocarbon Energy Minerals) Concession Rules, 2016 and 15 *per cent per annum* as prescribed in RMMC Rules, 2017 in case of Major minerals and Minor minerals respectively.

Scrutiny of records of selected ME/AME offices and regular audit it was noticed that the ME/AME concerned had either not levied interest or short levied interest amounting to ₹ 42.13 crore for delayed deposit of DMFT contribution amounting to ₹ 137.53 crore by ERCCs/mining leases as detailed in **Table 2.4.**

Table 2.4 : Details showing non/short levying of interest on delayed deposit of DMFT contribution

(₹ in crore)

S. No.	ERCC/ML	Number	Amount deposited with delay	Delay in days	Interest leviable
1.	ERCC	16[28]	30.37	01 to 1003 days	2.27
2.	Mining Leases (Major mineral)	7[29]	107.16	03 to 2160 days	39.86
	Total	**23**	**137.53**		**42.13**

Source: Computed by Audit.

The Department replied (July 2023) that in two cases (ERCC) of ME, Jodhpur, interest amounting to ₹ 38.00 lakh has been recovered. Regarding other cases, it was replied that action would be taken after investigation of the cases. However, no clarification was provided regarding non-maintenance of the demand register. Further progress is awaited (March 2025).

2.3.17 Financial assurance amount in DMFT fund

Rule 29 (18) of RMMC Rules, 2017 envisages that where the ME/AME concerned has reasonable grounds for believing that the protective, reclamation and rehabilitation measures as envisaged in the mine closure plan in respect of which financial assurance[30] was given has not been carried out in accordance with the mine closure plan, either fully or partially, shall forfeit the amount of financial assurance along with interest accrued thereon and same shall be deposited in DMFT.

It was noticed during the audit of selected districts that financial assurance amounting to ₹ 75.59 lakh was to be forfeited by the Department in case of 92

[28] ERCC (16): ME Bhilwara (8), ME Bijoliya (2), ME Bharatpur (1), ME Jaisalmer (1), ME Jodhpur (2), ME Dungarpur (1) and AME Neem Ka Thana (1).

[29] MLs (7): ME Chittorgarh (2), ME Sojat City (2), ME Ajmer (1) ad ME Udaipur (2).

[30] Financial assurance: Financial Assurance means the surety furnished by the holder of mining lease or quarry licence, as the case may be, to the competent authority so as to indemnify the authorities against the reclamation and rehabilitation cost after closure of the mining lease or QL

MLs[31] and 17 STPs. However, ₹71.14 lakh were forfeited in 85 MLs and 17 STPs as financial assurance in five MLs were not deposited by the lessees and in two cases financial assurance was deposited with Indian Bureau of Mines. Out of ₹71.14 lakh, ₹ 6.25 lakh was deposited in the DMFT fund by ME Bhilwara in seven cases. The remaining amount of ₹ 64.89 lakh was not deposited in DMFT fund despite forfeiture of financial assurance in these cases. Consequently, the DMFTs were deprived of the ₹ 64.89 lakh.

The Government replied (September 2024) that action for deposit of financial assurance amount in DMFT fund are being taken. Further progress is awaited (March 2025).

2.3.18 Utilisation of Fund by DMFTs

The third audit objective of this Performance Audit was to assess whether utilization of the funds from DMFTs for implementation of PMKKKY were efficient and as per Rules. Efficient utilisation of fund management is crucial to achieve the envisaged objective in implementation of the scheme.

In Rajasthan, as on 31 March 2023, total 18,973 works were undertaken, of which 12,335 works were completed and 3,617 works were in progress. In selected districts 4,273 works were undertaken, of which 2,862 works were completed and 718 works were shown under progress during the same period. Details are given in ***Appendix-3*.**

As of 31 March 2023, the selected districts had accumulated a total DMFT contribution of ₹2,833.11 crore. This significant amount underscores the need for robust and transparent financial oversight to ensure that the resources are deployed efficiently and effectively for the benefit of the communities affected by mining activities. Contribution received in the selected DMFTs are shown in the **Table 2.5.**

Table 2.5 : Details of DMFT contribution received in selected Districts

S. No.	Name of DMFT	DMFT contribution received (₹ in crore)
1.	Bharatpur	58.20
2.	Bhilwara	2,514.54
3.	Banswara	43.50
4.	Sikar	39.38
5.	Barmer	177.49
	Total	**2,833.11**

Source: Information provided by DMG, Udaipur.

Audit scrutinised the records of these DMFTs to ascertain efficient utilisation of fund by DMFTs and noticed:

[31] ME Bhilwara (70), ME Bharatpur (14), ME Sikar (8) and ME Barmer (17 STP).

- ***Irregular constitution of State Mineral Fund***

Rule 15(3)(II)(A) of Rajasthan DMFT Rules, 2016 stipulates that the developmental and welfare activities to be taken up by Trust should be as far as possible, in the nature of complementing the ongoing schemes/projects being funded by the State as well as Central Government. Developmental and welfare activities taken up by the DMFTs should be treated as extra budgetary resources for the State Plan.

Scrutiny of records of DMG Udaipur revealed that a Personal Deposit account was opened (3 December 2020) for State Mineral Fund and ₹ 1,200.63 crore were transferred by various DMFTs to this account during 01 July 2020 to 31 March 2023. Even after GoI order (12 July 2021) regarding non-transfer of any amount from DMFTs, an amount of ₹ 45.93 crore was transferred from various DMFTs in the account of State Mineral Fund. However, after 07 July 2022 no amount was transferred by DMFTs in State Mineral Fund.

Thus, it is clear that the provision made for establishment of State Mineral fund in rules was against the provision of the Act. Further, funds were transferred from State Mineral Fund at State level to various projects/schemes in violation of directions of Government of India. Illustrative case is discussed hereunder:

The State Government launched (November 2020) a welfare scheme 'Indira Gandhi Matrutv Poshan Yojana' (IGMPY) in the year 2020-21 initially in five[32] districts. The scheme was subsequently expanded to the entire State in 2022-23. Scrutiny of records of DMG, Udaipur revealed that DMFT funds amounting to ₹ 161.33 crore were transferred to Women and Child Welfare Department (WCD) being the nodal department for IGMPY in the years 2020-21 to 2022-23[33]. These funds were transferred on the directions of the State Government. Thus, DMFT funds of ₹ 161.33 crore were utilised by the State Government on budgeted program in contravention of the *ibid* provisions.

The Government stated (September 2024) that funds were transferred as per orders/instructions of the State Government. In Exit Conference (05 September 2024), the Secretary accepted the audit observation.

2.3.19 Monitoring of advances given to implementing agencies

Rule 12 (viii) of the Rajasthan DMFT Rules, 2016 provides that Managing Committee shall monitor the progress of utilisation of funds of the trust. Rule 18 (4) of the rules *ibid*, provides that a quarterly report of physical and financial progress of approved works shall be prepared by the trust within 45 days of end of quarter.

Scrutiny of the records of DMFTs revealed that quarterly reports of physical and financial progress of approved works were not being prepared by the DMFTs. Further, scrutiny of the information provided by the selected DMFTs

[32] Baran, Banswara, Dungarpur, Pratapgarh and Udaipur.

[33] ₹ 161.33 crore: Year 20-21: ₹ 19.65 crore (from SMF before GoI directions); Year 2021-22: ₹ 41.88 crore (from SMF after GoI directions) and Year 2022-23: ₹ 99.80 crore.

and records of the DMFTs revealed that an amount of ₹ 67.67 crore was given as advances for the works/projects related to construction of roads, classrooms, hospital buildings, procurement of medical equipment, water supply, *etc.* under PMKKKY. These advances were outstanding for adjustment against the various implementing agencies as on 31 March 2023, as shown in **Table 2.6.**

Table 2.6: Details showing the outstanding amount of advances given to the implementing agencies

Name of DMFT	Amount shown as advance as on 31.03.2023 (₹ in crore)	Remarks, if any
Bhilwara	45.79	Advances paid up to 31 March 2022
Banswara	1.25	Advance paid in the year 2021-22
Barmer	20.63	Advances paid up to 31 March 2022
Total	**67.67**	

Source: information collected from DMFTs

In absence of any mechanism, proper utilisation of funds on works could not be ensured in timely manner.

The Government replied (September 2024) that implementing agencies have been asked to submit utilization certificates in Barmer.

In Exit Conference (05 September 2024), the Secretary stated that utilization of funds has to be ensured by the District Collectors. Further progress is awaited (March 2025).

2.3.20 Works sanctioned without approval of Governing Council

During audit of selected districts, it was found that except in DMFT Bhilwara, remaining four DMFTs granted administrative and financial sanctions of ₹ 27.20 crore for 52 projects[34], without submitting these projects to the respective Governing Councils for approval. In absence of the approval of the Governing Councils these works were irregular.

This practice undermines the significance and effectiveness of the established institutional arrangements, compromising oversight and accountability.

In a case of Sikar, the Managing Committee issued (31 May 2023) administrative and financial sanction of ₹ 1.33 crore for establishing 175 Information and Communication (ICT) labs in schools. However, approval of the Governing Council was not obtained. Despite this, the full amount was transferred to the implementing agency (Additional District Project Coordinator, Samgra Shiksha Abhiyan, Sikar). In July 2023, the financial sanction was revised to ₹ 14.39 lakh for establishing only 19 ICT labs in schools situated in mining-affected areas, as one trustee opposed the allocation of funds to the remaining 156 schools as they were situated in non-mining affected areas. Consequently, an amount of ₹ 1.18 crore was remained with implementing agency.

[34] Bharatpur (27), Banswra (1), Sikar (1) and Barmer (23).

The Government accepted (September 2024) that works were not approved by the Governing Councils and would be got approved.

2.3.21 Sanction of works by Governing Council without approval of Gram Sabhas

Rule 15 (4) of Rajasthan DMFT Rules, 2016 provided that approval of the *Gram Sabha* shall be required- (a) for all plans, programs and projects to be taken up under PMKKKY and other welfare schemes of the State and Central Government (b) identification of beneficiaries under the existing guidelines of the Government, in respect of villages affected by mining situated within the scheduled areas[35]. Further, report of the works undertaken under the trust in the respective village shall be furnished to the *Gram Sabha* after completion of every financial year.

It was noticed that 139 works were undertaken by the DMFT Banswara till 31 March 2023. Out of which, 114 works were completed, and 25 works were under progress. Total funds amounting to ₹ 21.40 crore were transferred to the implementing agencies against estimated cost of ₹ 26.63 crore. Illustrative cases are given hereunder:

(i) The Governing Council DMFT Banswara approved (07 September 2021) two works (construction of Forest Guard Chowki- ₹10 lakh and Construction of watch tower – ₹6 lakh) to Forest Department at a cost of ₹ 16 lakh. Administrative sanction and financial sanction were issued in December 2021 and fund of ₹8 lakh transferred (December 2021) to Forest Department. In April 2022, these works were cancelled.

Thereafter, in place of these works a new work "Construction of Forest Guard Chowki at Chachakota" at the bank of Mahi Dam was approved (April 2022) by the Governing Council. Financial sanction of ₹ 30.59 lakh was issued in June 2022 and fund of ₹ 15.29 lakh (including ₹ 8 lakh transferred in December 2021) was also transferred. It was noticed that approval of *Gram Sabha* was not taken. Further, the sanctioned amount for the construction of the forest guard chowki was increased from ₹ 10 lakh to ₹ 30.59 lakh.

During joint physical verification of the asset it was noticed that construction of 'Guest House' was in progress at the site on the peak of hill in the forest area.

[35] Scheduled Area: The process to be adopted for utilization of fund in the scheduled areas shall be guided by the provisions contained in Article 244 read with Schedule V and Schedule VI to the Constitution relating to administration of the Scheduled Areas and Tribal Areas and the Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 and the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006.




Source: Actual site photograph of construction of Guest House in name of Forest Chowki taken by the Review team during Joint Physical Inspection.

Thus, DMFT funds were irregularly sanctioned for Guest House in the name of forest chowki.

(ii) In Banswara (scheduled area), it was noticed that a work "Development of 44 *Aanganwadi* centres into model *Aanganwadi* centres in mining affected area" involving a cost of ₹ 3.48 crore was approved in the Governing Council on 5 July 2018. Administrative sanction was issued on 26 August 2018 wherein Public Works Department was appointed as the implementing agency. The administrative sanction was revised on 05 October 2018 wherein Implementing Agency was changed to Women and Child Development Department, and it was specifically mentioned in the sanction that funds would be transferred after getting approval of concerned *Gram Sabhas*. However, financial sanction for ₹ 3.49 crore was issued on 05 October 2018 without ascertaining the approval of concerned *Gram Sabhas*. Thereafter, an amount of ₹ 1.74 crore was transferred by DMFT to Zila Parishad Banswara. Thereafter, the work was cancelled by the Governing Council on 20 December 2019 without assigning any reason for cancellation. Chief Executive Officer, Zila Parishad was directed to deposit back the amount with DMFT. Zila Parishad informed (20 May 2020) that an amount of ₹ 1.62 crore has been deposited in DMFT account and remaining amount of ₹ 12.54 lakh were spent on detailed project report and advertisement.

Audit noted that fund was transferred irregularly without approval of concerned *Gram Sabhas* which resulted in wasteful expenditure of ₹ 12.54 lakh.

2.3.22 Works approved in Governing council without proper scrutiny

In Barmer, it was noticed that 29 works (15 works of education and 14 works of PHED) involving cost of ₹ 1.61 crore were approved (October 2016 to September 2018) by the Governing Council. Financial sanctions of ₹ 1.61 crore for these 29 works were issued between December 2017 and September 2021. Accordingly, ₹ 91.50 lakh were transferred to 15 works of education to the

implementing agencies[36] and ₹ 25.12 lakh were transferred to PHED. These works were cancelled (5 April 2021) due to the reasons of non-availability of land, funds made available from other schemes, land dispute, *etc.* However, amount transferred by the DMFT to the implementing agency was not received back. Audit noticed that works were approved without scrutiny of the proposals by Governing Council.

In Exit Conference (05 September 2024), the Member Secretary, DMFT Barmer stated that amount given in above works has been adjusted in other works of the same implementing agencies in most of the cases. However, a detailed reply will be submitted. Further progress is awaited (March 2025).

2.3.23 Non-forwarding progress reports of works to Gram Sabha

According to Rule 15(4)(ii), report on the works undertaken by the Trust in the respective village affected by mining situated within the scheduled areas shall be furnished to the *Gram Sabha* after completion of every financial year.

Out of five selected districts, Banswara district is a scheduled area. It was noticed that total 139 works were undertaken by the DMFT Banswara up to March 2023, but reports after completion of financial year were not furnished to *Gram Sabhas* by the DMFT Banswara.

In the absence of such practice, targeted beneficiaries, could not monitor the project and benefit from it. In view of above, provisions made for Scheduled areas remained ineffective.

The Government replied (September 2024) that progress report will be forwarded regularly to the *Gram Sabhas* in future.

2.3.24 Project Management

During the audit of selected districts, a sample of total 223 works was selected for detailed scrutiny. Of these, 204 works were completed, 16 works were under progress, two works were abandoned and one work was cancelled. Total amount of ₹ 225.89 crore were released by the DMFTs to the implementing agencies. As of March 2024, an amount of ₹ 206.84 crore were utilized by the implementing agencies.

Audit findings are discussed in the succeeding paragraphs:

2.3.24.1 Execution of works in violation of RTPP Act and Rules made thereunder

Rule 15 (5) of Rajasthan DMFT Rules, 2016 provided that the procurement of goods and services shall be as per provisions of Rajasthan Transparency in Public Procurement (RTPP) Act, 2012 and rules made thereunder. The execution of work shall be as per the provisions of accounting rules of respective executing agency.

[36] District project coordinator, Rajasthan Madhyamik Shiksha Abhiyan and Additional District Project Coordinator, Samagra Shiksha Abhiyan.

As per Section 4 of the RTPP Act, 2012 the procuring entity shall have the responsibility and accountability to (a) ensure efficiency, economy and transparency; (b) provide fair and equitable treatment to bidders; (c) promote competition; and (d) put in place mechanisms to prevent corrupt practices.

Scrutiny of the records of selected DMFTs and implementing agencies revealed that the above provisions were not followed during procurement of goods and execution of projects as discussed hereunder in succeeding paragraphs.

(i) In Bhilwara, it was noticed that a work 'Distribution of baby kits to newly born babies in Government hospitals' was approved by Governing Council in its meeting held on 16 September 2017. Administrative and financial sanction was issued (13 September 2019) for ₹ 39.16 lakh for procurement and distribution of 44,000 baby kits. The CMHO, Bhilwara issued (16 January 2020) the purchase order (₹ 38.81 lakh) without inviting tenders and without details of items required in the kit. The supplier firm supplied 44,000 kits in four consignments in January 2020 and an amount of ₹ 38.81 lakh was paid (05 March 2020) to the CMHO, Bhilwara by the DMFT.

The baby kits were procured without competitive bidding which was in violation of provisions of RTPP rules. Further, expenditure was regularized in violation of General Financial and Accounting Rules. Thus, implementation of work/project was not as per rules, which resulted in irregular expenditure of ₹ 38.81 lakh.

(ii) In Barmer, a work titled "Urban plantation and strengthening work at Leeladhora" was sanctioned by the Governing Council in a meeting held on 24 January 2018, with a total cost of ₹ 50 lakh. The Deputy Conservator of Forest, Barmer, was designated as the implementing agency. Administrative and financial sanctions were issued on 27 March 2018 and 7 August 2018, respectively. The first instalment of ₹ 37.50 lakh was transferred to the implementing agency by the Trust on 16 October 2018.

Scrutiny of records revealed that the implementing agency executed the work by directly procuring goods/services from suppliers without competitive bidding. Consequently, the entire amount of ₹ 37.50 lakh was spent irregularly. Despite this, the Trust did not monitor the utilization of trust funds effectively, and the implementing agency carried out the work in violation of the provisions of the RTPP Act.

In Exit Conference (05 September 2024), the Secretary stated that these matter will be taken up with the implementing agencies and detail reply will be submitted. The detailed reply is awaited (March 2025).

2.3.24.2 Diversion of DMFT funds for budgeted works

Rule 15 (3) (II) (A) of Rajasthan DMFT Rules, 2016 provides that the developmental and welfare activities to be taken up by Trust under the scheme should be as far as possible, in the nature of complementing the ongoing schemes/projects being funded by the State as well as Central Government. However, developmental and welfare activities taken up by the foundation treated as extra budgetary resources for the State Plan.

In selected districts, it was noticed that ten works/project[37] involving ₹ 57.05 crore were included in the budget of Women and Child Development, Education and Public Works Department for the years 2018-19 to 2023-24. The Additional Secretary, PWD, GoR directed (January 2021) all Superintending Engineers to get approval of the DMFTs to release funds for the works/projects already approved by these departments. It was noticed that the respective Governing Councils also approved the same except for three works/projects each of Banswara, Barmer and Sikar. One case study is discussed hereunder for illustration of these cases.

CASE STUDY

In Barmer, a work of 'Strengthening and renewal of Other District Road 35 Harsani – Jalipa Road (Km 22/00 to 37/00 and 42/00 to 51/00)' was undertaken under PMKKY.

Scrutiny revealed that above work was included in the budget of the State Government for the year 2020-21. Administrative and financial sanction for ` 3.00 crore was issued (8 October 2020) by Additional Secretary, PWD. Technical sanction was issued on 08 October 2020. However, Additional Secretary, PWD directed (November 2020) that sufficient funds were not available with the State Government in respect of works announced in the State Budget of 2020-21therefore no expenditure will be incurred as approval for budget sanctions from DMFTs are under process.

In light of above, the work was approved by the State Level Empowered Committee[38] in its meeting (12 January 2021) with direction to DMFT Barmer to get it approved by the Governing Council. Accordingly, Governing Council of DMFT Barmer approved the work in its meeting (05 April 2021). Work order was issued (18 March 2021) with stipulated date of commencement and completion of work as 28 March 2021 and 27 November 2021 respectively to a Contractor at a cost of ₹ 1.94 crore based on sanctions issued by the PWD. Thereafter, the administrative and financial sanction for ₹ 3.00 crore was issued (June 2021) by DMFT Barmer. The technical sanction was revised (13 September 2021) for road construction (Km 22/00 to 37/00 and 37/00 to 41/00). The work was completed on the stipulated date *i.e.* 27 November 2021. Total amount of ₹ 2.43 crore (including *pro-rata* charges of ₹ 28 lakh) was transferred to the PWD by the DMFT. It resulted in diversion of DMFT funds of ₹ 2.43 crore for budgeted work.

The Government stated (September 2024) that reply will be submitted soon. Further progress is awaited (March 2025).

Thus, DMFT funds were utilised for budgetary works/projects which was contrary to principle of financial discipline.

The Government while accepting the facts replied (September 2024) that works in Banswara and Sikar were executed after sanction in Budget.

[37] Ten works: Women and Child Development Department (3); Education Department (2); Public Works Department (5).

[38] A committee constituted under the chairmanship of Minister of Mines and Petroleum Department Rajasthan to approve any work/project having estimated cost more than ₹ two crore.

2.3.24.3 Excess funds transferred by the DMFTs

As per rule 12 of Rajasthan DMFT Rules, 2016 Managing Committee shall -

- exercise due diligence in carrying out its duty for protecting the interest of the Trust.
- operate the Trust fund in diligent manner and monitor the progress of the utilisation of trust funds.

Further, Rule 15(5) of the *ibid* rules provides that the execution of work shall be as per provisions of accounting rules of respective executive agency or any special rules made by the GoR in this behalf.

(a) Excess funds issued to implementing agencies

(i) In three cases of Banswara and one case of Bhilwara, additional amount of ₹ 2.34 crore was transferred to implementing agencies by the DMFTs as detailed in **Table 2.7**.

Table 2.7: Details showing excess fund transferred to the implementing agencies

(₹ in crore)

Name of work and Implementing Agency	Amount of Financial Sanction	Amount of work executed	Amount transferred	amount
BANSWARA				
Construction of BT road from NH 927A to Dharkon mata mandir Wakanada (PWD, division Garhi)	0.70	1.03	1.17	0.14
Disposal of legacy waste in Banswara (Nagar Parishad Banswara)	3.80	2.11	3.80	1.69
Construction of submersible bridge over Devka A/R (PWD, division, Banswara)	4.00	3.15	3.28	0.13
BHILWARA				
Construction of OHSR in Kotri (PHED, Division, Shahpura)	0.79	0.41	0.79	0.38
Total				**2.34**

Scrutiny of the records revealed that excess fund of ₹ 2.34 crore was transferred to the implementing agencies by the DMFTs without exercising due diligence. Even in one case, funds were transferred more than the financial sanction. It is pertinent to mention that the excess amount was not received back from the implementing agencies.

Thus, the management of the funds was ineffective in preventing the excess transfer of funds and recovering the excess amounts disbursed.

In the Exit Conference (5 September 2024), the Member Secretary, DMFT Bansawara stated that in two cases, the entire amount of ₹1.82 crore has been received back. In one case, the financial sanction will be revised to regularize the expenditure. In the case of Bhilwara, it was stated that the matter will be taken up with the implementing agency for the recovery of the amount, or the amount will be adjusted against other work of the implementing agency, if possible. Further progress is awaited (March 2025). The facts remained that the funds were being transferred without due diligence.

(ii) As per administrative sanction for the work any excess payment due to non-completion of work in scheduled time will be borne by the implementing agency. Further, condition number 3C of the agreement stipulates that any extra amount incurred for completion of work will be recovered from the defaulting contractor and in case of default or non-observance of the conditions of the agreement, the contractor firm should be blacklisted.

In Bharatpur, it was noticed that a work "Construction of Road from Bharatpur to Sonkh" was awarded (30 April 2021) to Contractor A at a cost of ₹ 11.48 crore by the PWD. Dates of commencement and completion of work were 10 May 2021 and 09 August 2022 respectively. The contractor did not to adhere to the timeline for completion of work, therefore, Executive Engineer, Deeg recommended (05 January 2022) to blacklist the firm and condition 3C of the agreement to be invoked. Department withdrew (16 August 2022) the work after execution of work of ₹ 1.01 crore. A payment of ₹ 1.21 crore was made to the Contractor against this work executed. The payment of ₹ 11.45 lakh was made (November 2022) to the contractor after withdrawal of the work. The remaining work was further awarded to Contractor B at a cost of ₹ 14.76 crore. DMFT transferred ₹ 14.40 crore to implementing agency up to August 2023.

Further, the implementing agency imposed a penalty amounting to ₹ 21.46 lakh on the Contractor A for non-adherence of terms of agreement. This amount was recovered from the contractor as deduction from running bills and deposited to the head '0059' as miscellaneous revenue of the PWD instead of crediting it to DMFT fund. Scrutiny of these facts revealed that:

Condition no. 3C of the agreement stipulates that any extra amount incurred on work would be recovered from the defaulting contractor. As per the condition, an amount of ₹ 11.48 crore was to be transferred to the PWD, division, Deeg, however, the DMFT transferred an amount of ₹ 14.40 crore. Thus, an amount of ₹ 2.92 crore was transferred in excess.

Further, instead of blacklisting the defaulting Contractor A, a payment of ₹ 1.21 crore was made to the Contractor against the cost of work executed of only ₹ 1.01 crore. Thus, an excess payment of ₹ 20.45 lakh was made to the contractor.

Thus, DMFT Bharatpur did not monitor proper use of its funds.

In Exit Conference, the Secretary stated that detailed reply will be submitted in this case. Reply awaited (March 2025).

2.3.25 Monitoring and Evaluation by Selected DMFs

The fourth audit objective of the Performance Audit was to assess whether monitoring and evaluation of the scheme was adequate and effective.

Monitoring and evaluation play a pivotal role in ensuring the success of projects and programs. By systematically collecting and analysing data, monitoring an evaluation provides valuable insights into the progress and effectiveness of the implementation. Its primary objective is to identify the strengths and weaknesses and areas that require improvement, enabling informed decision-

making and strategic planning to achieve the objective of the scheme.

The audit observations pertaining to the selected DMFs are discussed in succeeding paragraphs:

2.3.25.1 Meetings of Managing Committee

Rule 11 of Rajasthan DMFT Rules, 2016 provides that the meeting of Managing Committee shall be held at least once in two months, and it shall be convened as decided by the chairperson of the Managing Committee.

In selected districts, it was noticed that meetings of Managing Committees were not held regularly in any district as prescribed in the rules. Total 205 meetings were to be held in these districts during the period June 2016 to March 2023 but only 66 meetings[39] were held.

The Government replied (September 2024) that due to COVID-19 in 2020-22 and elections in the State during the years 2018, 2019 and 2020, less meetings were held. The reply was not tenable as no meeting was held in Bharatpur (2016-17 and 2022-23), Bhilwara (2016-17 and 2021-22), Barmer (2019-20 and 2022-23) and Sikar (2022-23).

2.3.25.2 Meetings of Governing Council

Rule 9 (1) of the Rajasthan DMFT Rules, 2016 provides that the Governing Council shall meet as often as necessary but at least once in every quarter. In selected districts, it was noticed that meetings of Governing Council were not held as prescribed in rules. Total 135 meeting were to be held in these districts during the period June 2016 to March 2023 but only 35 meetings[40] were held. In Barmer district, no meeting of the Governing Council was convened after April 2021. Despite this, administrative and financial sanctions of ₹ 13.22 crore for various works were issued after the last meeting of the Governing Council without the approval of Governing Council.

The DMFTs replied (between August 2023 and February 2024) that less meetings were held due to elections in the State in the years 2018, 2019 and 2020 and COVID-19 in 2020-22. The reply was not tenable as not even a single meeting was held in Sikar (in the years 2019-20, 2020-21 and 2022-23), in Barmer (2019-20, 2020-21 and 2022-23), Bhilwara in 2019-20 and in Bharatpur in 2020-21. This indicates a lack of effective institutional arrangements as envisioned. Further, Government replied that approval of Governing Council will be obtained in next meeting.

2.3.26 Filing of Income Tax Returns and exemption

Trust or Commission (by whatever name called) referred to in clause (46) of Section 10 of the Income Tax Act; are required to file the return of income tax under Section 139 (4C). Under Section 10(46) of the Income-tax Act, specified income arising to a Trust or Commission, established or constituted by or under a Central or State Act or by a Central or State Government with the object of regulating or administering any activity for the benefit of general public, would

[39] Bharatpur (8/41), Bhilwara (13/41), Barmer (10/41), Banswara (17/41) and Sikar (18/41).
[40] Bharatpur (8/27), Bhilwara (9/27), Barmer (4/27), Banswara (8/27) and Sikar (6/27).

be exempt from tax subject to the condition that the said entity is not engaged in any commercial activity. The entity eligible to claim tax exemption under Section 10(46) is required to be notified by the Central Government as 'Class of persons' in the official Gazette.

Scrutiny of the records of the selected DMFTs revealed following non-compliance to the *ibid* provisions:

- Out of selected five DMFTs, DMFT Bharatpur had not filed its Income Tax returns since inception although, trust was issued (January 2021) with Permanente Account Number of Income Tax Department. Audit further noticed that Central Board of Direct Taxes (CBDT) sought (29 November 2019) the details from DMFTs across the nation to notify them as a 'Class of persons' for exemption from taxation under Income Tax Act. Further, Ministry of Mines, GOI also requested (17 January 2020 and 5 April 2020) to provide desired information to the CBDT. The desired information sought by CBDT was not provided by the DMFT Bharatpur. Therefore, it has not been notified as 'class of person' and is not eligible for exemption from taxation. It was further noticed that annual accounts of the DMFT Bharatpur were also not finalised for the year 2021-22 onwards.
- The CBDT notified (10 September 2021) all DMFTs except Bharatpur as 'class of person' under Section 10 (46) of the Income Tax Act. This notification would be effective subject to the conditions which include that each of the DMFTs would file return of income along with audit report. This notification would be deemed to have been applied for the financial years 2017-2018 to 2021-2022.
- Audit noticed that all four[41] DMFTs (notified as class of person) did not file their Income Tax Returns since inception. Annual accounts of Bhilwara was audited up to year 2018-19 and in other three districts up to the year 2021-22. Audit further noticed that annual accounts of the Trusts for the years 2016-17 to 2021-22 were showing excess of income over expenditure of ₹ 1,596.02 crore, of which income tax liability amounted[42] to ₹ 478.81 crore.

The Government stated (September 2024) that Income Tax Department has been requested to allow for exemption. In Exit Conference (05 September 2024), the Secretary, Mines accepted the observation and stated that directions are being issued to all DMFTs to act accordingly.

Conclusion

A micro analysis of Institutional arrangements, identification of mining affected people and areas, collection and utilization of DMFT fund, project management and monitoring in selected districts revealed that planning for implementation of projects was poor as identification of affected people and affected areas was not done resulting in implementation of projects in non-mining affected areas. DMFT contributions collected were not being deposited

[41] Bhilwara, Barmer, Banswara and Sikar.
[42] Calculated by Audit.

in interest bearing PD accounts as provided in Rules. DMFT contribution amounting to ₹ 20.80 crore was not received due to lack of mechanism to oversee the collection of DMFT contribution. In contravention of direction of Government of India, funds were transferred to State level agencies. Implementing agencies executed the works in violation of provisions of RTPP Act and Rules made thereunder. Further, DMFT funds of ₹ 57.05 crore was found transferred for ten works/project included in the State budget in violation of direction of GoI. Excess funds were found transferred to implementing agencies by the DMFTs. Income tax returns were not being filed by the DMFTs therefore, exemption from income tax under Section 10 (46) of Income Tax act was not available. Trustees in DMFTs were not appointed in timely manner. Meetings of Governing Councils and Managing Committees were not convened at regular interval. Advances given to implementing agencies were not monitored. Interest on delayed deposit of DMFT contribution was not levied by ME/AME concerned. Financial assurance submitted by the holders of ML/STP was forfeited by the Department in cancelled MLs and STPs, however, it was not deposited in DMFT fund as only forfeiture orders were issued but the same were not encashed.

Thus, we conclude that there is ample need of improvement in working of DMFTs so that benefit can be reach to the intended beneficiaries under the PMKKKY.

Recommendations:

The Government/Department may consider to:

- ***instruct the DMFTs to identify specifically mining affected areas and persons to provide the benefit of the fund to the actually affected persons and area.***
- ***return the funds diverted for State budgeted works.***
- ***circulate a check list to the DMFTs for preventing irregular sanctions.***
- ***introduce stricter accountability mechanisms for the Management Committee to ensure timely and appropriate actions to finalize and submit annual accounts and tax returns on time.***
- ***develop a mechanism to monitor timely appointment of Trustees according to the recommendations of Gram Sabhas and Governing Councils.***
- ***develop a mechanism to monitor regular meeting of Governing Councils and Managing Committees to oversee the working of the implementing agencies and benefits to the targeted area and persons.***

Other irregularities noticed during regular audit of Mines and Geology Department

2.4 Irregularities in Short-term Permits

Short-term Permit (STP) means a permit granted for excavation and removal of specified quantity of mineral from a specified area within a specified period[43] for executing works of Government, Semi-Government, Local Body, *Panchayati Raj Institution* or Organizations aided or funded by the Government. Rule 51 of the Rajasthan Minor Mineral Concession (RMMC) Rules, 2017 provides that STP may be granted for excavation and use of mineral masonry stone, *murram* and ordinary earth *etc.* to a contractor for executing works. The irregularities regarding issue and assessment of STPs noticed during the audit of offices of three Mining Engineers (MEs)/Assistant Mining Engineers (AMEs) are discussed in the succeeding paragraphs:

2.4.1 Wrong assessment of Short-term Permits

Assessments of Short-Term Permits were not done diligently which resulted in short recovery of ₹ 9.31 crore

Rule 51 (10) of the RMMC Rules, 2017 provides that for the construction, repair and renewal of National or Mega Highways, four or six lane roads, laying and repair of railway tracks, contractors shall apply as per sub-rule (3)[44] and royalty and other payments shall be paid as per clause (ii)[45] of sub-rule (9).

Further, as per provision of rule 51(11), where contractor has excavated and dispatched or consumed mineral to the extent of

- 10 *per cent* over and above the quantity specified in the permit, only single time royalty shall be recovered,
- quantity more than 10 *per cent* but upto 25 *per cent*, two times of royalty on entire quantity over and above specified in the permit shall be recovered, and
- any quantity more than 25 *per cent*, entire quantity over and above specified in the permit shall be treated as unauthorized excavation and

[43] As per Rule 51 (7) of RMMCR 2017 period of STP is co-terminus with the period of work order unless applied for shorter period.

[44] Every application for grant of short term permit shall be submitted to the Mining Engineer or Assistant Mining Engineer concerned mentioning quantity of minerals and period for which permit is desired along with prescribed documents.

[45] Apply for permit along with bill of quantity or G schedule, permit fees, contribution in the District Mineral Foundation Trust and royalty amount. The contractor shall submit the record for the assessment, along with consumption certificate issued by the competent authority and get a no-dues certificate from the Mining Engineer or Assistant Mining Engineer concerned.

contractor shall be liable to pay cost of such excess mineral which shall be computed as ten times of the royalty payable at the prevalent rate.

During the audit of records of the office of ME, Kota for the period April 2017 to March 2022, it was noticed (September 2022) that Executive Engineer, Public Works Department, National Highway Section, Kota, (EE Kota), issued (16 September 2016) a work order to a contractor for the work of "Widening of four Lane with paved shoulder with CC pavement from km 256/550 to 289/500, Kota-Darah section of NH 12 on EPC[46] mode". The Contractor obtained 26 STPs for excavating 21.42 lakh metric tonnes (MT) of mineral ordinary soil and eight STPs for excavating 13.26 lakh MT of minerals Masonry stone/Grit/GCB/Crusher dust after payment of advance royalty and DMFT amount.

On completion of the work, the EE Kota informed (July 2020) ME Kota that the quantities of mineral Ordinary Soil, Aggregate, and Stone dust/crusher dust used by the Contractor were 17.03 lakh MT, 13.49 lakh MT, and 3.35 lakh MT, respectively. The EE Kota also enclosed the Contractor's letter (19 March 2020) regarding consumption of minerals. The ME Kota issued (December 2020) a show cause notice under Rule 51, and 54 to the Contractor for excess use of minerals than the permitted quantity and to submit the reasons of not recovering the cost of minerals from the Contractor *i.e.* 10 times of the royalty for the excess use of minerals. The Contractor intimated that an excess of 3.58 lakh Metric Tons of mineral Masonry stone/grit/GSB/crusher dust was utilized than the permitted quantity in STPs and submitted documents to show that he had purchased the excess quantity of minerals from others after paying royalty. Accordingly, the ME Kota finalized the assessment of these STPs and a demand was raised (April 2021) for ₹ 91.14 lakh. The Contractor deposited the demand (20 April 2021) and was issued a no-dues certificate on 23 April 2021 by the Mines and Geology Department (Department).

Scrutiny of the records revealed that:

(i) The EE Kota had erroneously intimated the incorrect quantity (17,03,379 MT) of mineral ordinary soil to ME Kota. According to the letter of the Contractor, 17,03,379 cubic meters (*i.e.* 23,84,731 MT) mineral ordinary soil was used in the work. The EE Kota mistakenly used the wrong unit (metric ton instead of cubic meter) while intimating ME Kota. Thus, use of 6,81,352 MT of mineral (23,84,731 – 17,03,379) ordinary soil was short reported to the Department.

(ii) The Contractor used 27 *per cent* excess Masonry stone/grit/GSB/ crusher dust than the permitted quantity. However, while finalizing the assessment of the STPs, the ME Kota ignored the provisions of Rule 51(11) which

[46] EPC: Engineering, Procurement and Construction. The EPC mode of contract gives the entire responsibility of design and construction to the contractor and therefore has a longer defect liability period-cum-maintenance period.

provides that if mineral used was more than 25 *per cent* then entire quantity over and above specified in the permit shall be treated as unauthorized excavation and contractor shall be liable to pay cost of such excess mineral which shall be computed as ten times of the royalty payable at the prevalent rate.

Due to the above reasons, the ME Kota wrongly assessed the STPs which resulted in short recovery amounting to ₹ 9.31 crore as shown in ***Appendix-4***.

The Government replied (March 2024) that various letters have been written to the Executive Engineer, PWD National Highway, Division Kota for deduction of recovery of the amount for excess usages of quantity of mineral ordinary soil from the deposited security amount. Further, in respect of Mineral Aggregate/Masonry stone/GSB/Grit/Crusher dust, it was replied that the royalty was paid on the excess quantity of mineral by purchasing the same from other contractors, hence, a one-time royalty and other amount had been recovered as per rules.

The reply is not tenable, as Rule 51(11) clearly specified that 10-times royalty should be levied for the excess usage of mineral over the permitted quantity. The Rule is self-explanatory and there is no room for discretionary decisions for considering it as a procedural lapse on the Contractor's part and for levying/charging one-time royalty if the minerals used were royalty paid.

2.4.2 Irregular issue of STPs.

ME, Udaipur irregularly issued two STPs to a contractor without receiving advance payment of permit fees, contribution in the District Mineral Foundation Trust (DMFT), Rajasthan State Mineral Exploration Trust (RSMET) and royalty, amounting to ₹ 57.35 lakh and provided undue benefit to the contractor.

Rule 51 (10) of the RMMC Rules, 2017, provides that for the construction, repair and renewal of National or Mega Highways, four or six lane roads, laying and repair of railway tracks, contractors shall apply for STP as per sub-rule (3)[47] and royalty and other payments shall be paid as per Rule 51(9)(ii). According to the Rule 51(9)(ii), the contractor shall apply for permit along with bill of quantity or G-schedule, permit fees, contribution in the DMFT and RSMET, and royalty amount. The Contractor shall submit the record for the assessment, along with consumption certificate issued by the competent authority and get a no-dues certificate from the ME concerned.

Scrutiny of records of office of ME, Udaipur for the period April 2021 to March 2022, revealed that two STPs were issued (between June 2021 and August

[47] Every application for grant of short term Permit shall be submitted to the Mining Engineer or Assistant Mining Engineer concerned mentioning quantity of minerals and period for which permit is desired along with prescribed documents.

2021) to a Contractor. The ME irregularly issued these STPs without receiving advance payment of permit fee, DMFT contribution, RSMET contribution and royalty amount as required under the *ibid* provisions. The total amount to be received in advance for these STPs was ₹ 57.35 lakh as detailed in ***Appendix-5***. Thus, non-compliance with the rules resulted in irregular issue of STPs, extending undue benefit to the Contractor and causing non-receipt of due revenue amounting to ₹ 57.35 lakh.

The Government replied (March 2024) that letters have been issued to the work agency concerned to provide consumption certificate as well as to the Contractor for providing the information of mineral consumed and royalty deposited. Further progress is awaited. (March 2025)

2.4.3 Unauthorised excavation/use of minerals prior to issue of STP

Public work contractor unauthorizedly excavated/used 62,153.21 MT minerals ordinary earth and murram without obtaining STP and Department did not recover the cost of minerals amounting to ₹ 35.29 lakh

Rule 54(1) of RMMC Rules, 2017 stipulates that no person shall undertake any mining operation in any area without holding any mineral concession, permit or any other permission granted or permitted under these rules, as the case may be and shall not dispatch mineral from the mines, except from the quarry licenced area or bricks, without valid *rawanna* or transit pass. Rule 54(2) prescribed that no person shall transport or store or cause any mineral to be transported or stored except in pursuance of the provisions of these rules. Further, in accordance with Rule 54(3), the Mines and Geology Department was empowered to compound such cases by recovering the cost of mineral, equivalent to 10 times of the royalty amount.

Scrutiny of records for the period April 2019 to March 2022 of the Office of AME Nimbahera, revealed that a Contractor submitted (23 April 2019) online application for issue of STP for 17,300 metric ton (MT) of mineral ordinary earth for a work[48]. However, the contractor did not submit the hard copy of the application along with prescribed royalty and permit fee and therefore, the permission was not granted. The date of commencement of work was 10 September 2018 and the date of completion was 09 March 2021. In the application, the Contractor stated that 73,299.45 MT of ordinary soil and 9,337.24 MT of *murram* would be used for this work. After receipt of hard copy of the documents, the department granted STP on 29 October 2020.

[48] "Strengthening and widening of Bhadesar chauraha-Ghatiyawali-Gilunda-Shambhupura-Sawa-Nahargarh road (MDR-209) Km 0/0 to 22/0 and 25/200 to 28/00 and 29/150 to 36/0 and 36/250 to 39/00 (34.40 Km) District Chittorgadh Job No. 40/5054/SM and R/Gn/SC/ST/2018-19" allotted by work order no. 1356 dated 31.08.2018 in favor of a contractor of Public Works Department, Block Chittorgarh.

Audit scrutiny of the Measurement Book (MB) revealed that the contractor utilized ordinary soil and *murram* minerals without the requisite permission. It was observed that 40,847.80 cubic meter (57,186.92 MT) of ordinary soil and 3,547.35 cubic meter (4,966.29 MT) of *murram* were used for this work before the date of grant of STP *i.e.* 29 October 2020. The cost of the minerals used prior to issue of STP is detailed in **Table 2.8**.

Table 2.8: Cost of mineral used in the work prior to issue of STP

Name of mineral	Utilised quantity of mineral (in MT)	Royalty rate (in ₹)	Cost of mineral (₹ in lakh)
Ordinary soil	57,186.92[49]	4	22.87
Murram	4966.29[50]	25	12.42
Total	**62,153.21**		**35.29**

The above table shows that the Contractor had utilised 62,153.21 MT minerals prior to issue of STP. Due to unauthorized use of minerals in violation of the relevant provisions, the recoverable cost of the use of minerals amounted to ₹ 35.29 lakh.

The Government replied (April 2024) that PWD Division, Chittorgarh has been asked to inform the quantities of mineral used before issuance of STP. Further, progress is awaited (March 2025).

2.5 Unauthorised excavation of minerals

Rule 54(1) of RMMC Rules, 2017 stipulates that no person shall undertake any mining operation in any area without holding any mineral concession, permit or any other permission granted or permitted under these rules, as the case may be and shall not dispatch mineral from the mines without valid *rawanna* or transit pass.

During audit of offices of six SME/MEs/AMEs it was noticed that lessees had either excavated minerals in excess of the permitted quantity in the Consent to Operate (CTO) or without the required CTO. These are discussed in the succeeding paragraphs.

2.5.1 Excavation of mineral without obtaining Consent to Operate (CTO) or in excess of quantity permitted in CTO

Four Mining Engineers did not recover ₹ 20.45 crore for the unauthorised excavation of minerals i.e. either without the necessary CTO or by exceeding the permissible quantities specified in the CTO

Rule 34(1) of RMMC Rules, 2017 stipulates that no mining lease or quarry licence shall be granted without obtaining prior consents, approvals, permits, no-objections, as may be required under applicable laws for commencement of mining operations.

[49] Ordinary soil: 40847.80 (cubic meter) x (conversion factor)1.4.
[50] *Murram:* 3547.35 (cubic meter) x (conversion factor)1.4.

According to Rule 28(2)(iv)(b) of these rules, the lessee shall keep production of all the minerals within the limits of mine plan or permitted under applicable laws:

Provided that if lessee has excavated mineral to the extent of:

- applicable laws, only single time royalty shall be recovered;
- quantity more than ten *per cent* but up to twenty-five *per cent*, two times of royalty on entire quantity over and above specified in the mine plan or permitted under applicable laws shall be recovered and
- any quantity more than twenty-five *per cent*, entire quantity over and above specified in the mine plan or permitted under applicable laws shall be treated as unauthorized excavation and lessee shall be liable to pay cost of such excess mineral which shall be computed as ten times of the royalty payable at the prevalent rate, without affecting the powers of taking action by the other departments.

Further, according to Section 21 of Air (Prevention & Control of Pollution) Act, 1981, lessee must obtain a CTO from the State Pollution Control Board before excavation of minerals from the leases.

Audit analysed the dump data provided (9 November 2022) by the Department of Mines and Geology. Analysis of data disclosed that mining leases had excavated minerals either without CTO or more than the permitted quantity in CTO as discussed hereunder.

2.5.1.1 Excavation of mineral even after expiry of CTO

During audit (June 2022 to December 2022) of records of offices of two[51] MEs, it was noticed that two lessees had excavated 1.31 lakh MT of minerals soapstone and red ochre even after expiry of CTOs as detailed in **Table 2.9**:

Table 2.9: Details of excavated minerals after expiry of CTOs.

S. No.	Name of ME office and Audit period	Mining lease number and mineral	Period of approved CTO	Period of excavation and dispatch of minerals without CTO	Quantity of minerals excavated without CTO (in MT)	Recoverable amount under rule 28(2)(iv)(b) (₹ in crore)
1	2	4	5	6	7	8
1.	ME Udaipur (2021-22)	B3/1996 Soapstone	01.11.2014 to 10.04.2017	01.04.2019 to 31.03.2022	99,947.89	14.65
2.	ME Pratapgarh (2018-22)	6A/2001 Red ochre	01.06.2016 to 31.05.2019	01.06.2019 to 31.03.2020	31,400	1.00
	Total				**1,31,347.89**	**15.65**[52]

Source: Compiled by Audit from the records at ME offices.

[51] ME Pratapgarh and Udaipur.

[52] Recoverable amount under Rule 28(2)(iv)(b): 1. ME Udaipur: {(27339.32 MT*100 RR +729.07 MT*350+318.44 MT *75 RR +4154.5 MT *450 RR +26866.46 MT *100 RR +3400.11 MT *450 RR +31885.88 MT *100 RR +5254.11 MT *450 RR)*10 times} 2. ME Pratapgarh: (31400 MT *32 RR *10 times)

As shown in the above table, two lessees had excavated 1.31 lakh MT minerals after expiry of CTO. Thus, these lessees were liable to pay the cost of the unauthorized excavated minerals amounting to ₹ 15.65 crore. However, the MEs concerned did not initiate action to recover the cost of minerals.

The Government replied (March 2024) that according to the sub-section (7) of Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 the consent, unless given or refused earlier, be deemed to have been given unconditionally on the expiry of a period of four months of the making of an application in this behalf complete in all respects to the State Board. Since the Lease holder had applied for CTO within the specified time and the approval was pending, therefore, there was no irregularity in these cases.

The reply is not tenable because Rajasthan State Pollution Control Board (RSPCB) had cancelled (February 2023 and August 2021) these applications due to incomplete information i.e. non-submission of Environmental clearance, action plant for plantation and authenticated production figures. Therefore, the Department incorrectly considered deemed consent under the Act and should not have permitted excavation of minerals.

2.5.1.2 Excavation of minerals in excess of quantity permitted in CTO

Scrutiny of records of offices of two[53] MEs, revealed that four lessees excavated 0.76 lakh MT minerals *i.e.* masonry stone, marble, and granite, in excess of the quantity permitted in CTOs as detailed in **Table 2.10.**

Table 2.10: Details of excavated minerals more than quantity permitted in CTOs.

S. No.	Name of ME/AME office and Audit period	Mining lease number and mineral	Quantity permitted in the CTO (in MT)	Period of excavation	Quantity of excavated Mineral (in MT)	Excess quantity of minerals excavated than the CTO (in MT)	Percentage of excess quantity of minerals excavated than the CTO	Recoverable amount under rule 28(2)(iv)(b) (₹ in crore)
1	2	3	4	5	6	7	8	9
1.	ME Rajsamand-II (2021-22)	1220/1991 Marble	40,169	Aug. 2017 to July 2018	47,170	7,001	17.42	0.37
2.	ME Rajsamand-II (2021-22)	43/2002 Masonry stone	53,946	Oct. 2016 to May 2019	1,06,559.54	52,613.54	97.53	1.44
3.	ME Rajsamand-II (2021-22)	216/1993 Marble	10,056	May 2019 to April 2020	13,863	3,807	37.85	1.01
4.	ME Sojat City (2021-22)	9/2014 Granite	41,082	Nov. 2017 to Oct. 2021	53,886	12,804	31.16	1.98
	Total		**1,45,253**		**2,21,478.54**	**76,225.54**		**4.80**

Source: Compiled by Audit from the records at ME offices.

The above table showed that these four lessees had excavated 0.76 lakh MT minerals in excess of the permitted quantity in CTO. However, the MEs did

[53] ME Rajsamand-II (24.11.22 – 9.12.22) and Sojat City (9.11.22 -23.11.22)

not initiate the recovery of cost amounting to ₹ 4.80 crore for the unauthorized excavated minerals.

The Government replied (March 2024) regarding ME Sojat, that a notice had been issued to the lessee and action would be taken as per rules if the lessee's reply was found unsatisfactory. Regarding ME Rajsamand, the Government replied that notice had been issued to the lessee, and the lessee had submitted his reply. A letter has been written to ME Rajsamand requesting information on the action taken after receiving the lessee's reply. Further progress is awaited in above two cases (March 2025).

Regarding paragraph 2.5.1.1 and 2.5.1.2, it is pertinent to mention that all these information were available on the Departmental web-portal DMGOMS[54], however, the MEs concerned did not notice the irregularity and did not recover ₹ 20.45 crore[55] for unauthorised excavation and dispatch of 2.07 lakh MT[56] minerals.

2.5.1.3 Unauthorised excavation and dispatch of minerals

Scrutiny of records of Mining Engineer, Jaipur for the period April 2020 to March 2022, revealed (August 2022) that a total of 807 minor mineral mining leases were operated during this period. Scrutiny of the information available in the departmental web-based portal *DMGOMS* and related documents of 50 selected mining leases, it was noticed that the mining lease number 138/2001 had obtained Consent to Operate (CTO) from the Rajasthan State Pollution Control Board upto December 2016, thereafter CTO was not obtained. After mapping and reviewing the coordinates of this mining lease on web-based application "Google Earth Pro", it was noticed that even after the expiry of CTO, the lessee continued excavating minerals (until the last satellite picture dated 15 May 2023) and dispatched the mineral without *e-rawanna*.

On this being pointed out (September 2022), the Department replied (November 2022) that Mines Foreman was directed (November 2022) to physically verify the mining lease. After physical inspection on 23 June 2023, the Mines Foreman reported that 2,377.25 MT mineral (masonary stone) was unauthorisedly dispatched by the lessee. Further, it was also informed that a letter had been issued to the lessee to submit CTO and action would be taken as per rules.

Thus, the cost of unauthorisedly excavated and dispatched mineral *i.e.*₹ 10.46 lakh[57] was recoverable from the lessee.

---

[54] DMGOMS: A web-based application "Department of Mines and Geology Online Management System".

[55] ₹ 20.45 crore: ₹ 15.65 crore (Total of Table 2.9) + ₹ 4.80 crore (Total of Table 2.10).

[56] 2.07 lakh MT: ₹ 1.31 lakh MT (Total of Table 2.9) + 0.76 lakh MT (Total of Table 2.10).

[57] 2,377.25 MT x 44 (Royalty rate per MT) x 10 = ₹ 10,45,990

The matter was reported to the Government (December 2023). The Government replied (March 2024) that demand has been raised and the amount would be recovered soon. Further progress is awaited (March 2025).

2.5.2 Under assessment of illegally excavated mineral

Illegally excavated mineral was under assessed by the official concerned which resulted in under reporting of recoverable amount of ₹ 37.95 lakh

Rule 54(1) of Rajasthan Minor Mineral Concession (RMMC) Rules 2017 stipulates that no person shall undertake any prospecting or mining operations in any area without holding any mineral concession, permit or any other permission granted or permitted under these rules, as the case may be. Rule 54(3) gives power to the Mines and Geology Department to compound the offence committed in contravention of the sub-rule (1) on payment of cost of mineral *i.e.* ten times of royalty and compound fee.

During audit (October 2022) of records of Assistant Mining Engineer (AME), Roopwas for the period August 2013 to March 2022, it was noticed that 36 *panchnamas* were made for unauthorized mining. Out of these, a *panchnama* was made on 23 October 2021 for illegal excavation of mineral masonry stone near village Ghatoli. One JCB and a tractor compressor was also seized at the spot. According to the *panchnama,* the size of illegal mining pit was 50 meter x 50 meter x 1.5 meter. The conversion factor for calculating the weight of the mineral was 2.5 per cubic metre. The official calculated the quantity of illegally excavated mineral as 750 MT. Royalty rate for the mineral masonry mineral was ₹ 44 per MT. Thus, the official calculated the cost of the mineral at ₹ 3.30 lakh (750MT x ₹ 44 royalty rate x 10) and compounding fee of ₹ 2.00 lakh. Since the accused absconded from the site of illegal mining, the AME filed a First Information Report (FIR) at Roopwas Police Station regarding the illegal excavation of 750 MT of masonry stone wherein ₹ 5.30 lakh was mentioned as recoverable amount.

Scrutiny of the *panchnama* revealed that according to the pit size, the department calculated the illegal excavated mineral of 3,750 cubic meter (50m x 50m x1.5m) against the illegal excavation of masonry stone as 9,375 MT (3,750 M^3 x 2.5 conversion factor). Consequently, the cost of mineral was ₹41.25 lakh (9,375 MTx₹44 royalty rate x 10). However, it was noted that the Department mentioned ₹ 5.30 lakh as recoverable in the FIR. Thus, the Department undervalued the cost of mineral amounting to ₹ 37.95 lakh (₹41.25-₹3.30 lakh). As a result, the recoverable amount was reduced by ₹ 37.95 lakh in the FIR.

The matter was reported to the Government (October 2023). The Government replied (March 2024) that notice has been issued to the Mines Forman concerned for wrong calculation of recoverable amount. It was also replied that

since the matter is sub-judice, an application has been filed in the Hon'ble Court to rectify the calculation.

2.6 Non-recovery of dues

During audit of offices of six MEs/AMEs it was noticed the due diligence was not taken for levy and recovery of mining receipts amounting to ₹ 65.31 lakh. These are discussed in the following paragraphs.

2.6.1 Non-recovery of Processing fee

Processing fee of ₹ 45.25 lakh remained uncollected due to non comply with the regulations regarding the issuance of e-rawannas and e-transit passes

Sub-rule 73(5) was added in the RMMC Rules 2017, *vide* notification dated 3 January 2022. Accordingly, an online processing fee of ten rupees is required for the generation of each *e-rawanna*. Additionally, the notification replaced the existing Rule 92 stipulating that *e-Transit Pass* shall be issued to the registered dealer on deposition of processing fee of rupees ten for each *e-Transit Pass* through *e-payment* for transportation/dispatch of royalty paid mineral.

During the audit of the records of five office of ME/AME[58], as well as the data available on the departmental web-based application DMGOMS, it was observed that the mining lease holders and dealers under the jurisdiction of these offices did not comply with the aforementioned rules by not submitting the required processing fee. During the period between 3 January 2022 and 31March 2022, a total of 7,54,708 *e-rawannas/transit passes* were generated by the lease holders and dealers, resulting in an outstanding processing fee amounting to ₹75.47 lakh, as detailed in ***Appendix-6***. There was nothing on record to indicate that the concerned MEs/AME took any action to recover the processing fee.

The matter was reported (July 2023) to the Government. The Government acknowledged the audit observation and replied (February 2024) that ₹30.22 lakh has been recovered in respect of pointed out cases and action would be taken to recover the remaining amount.

[58] ME: Ajmer, Bhilwara, Jhunjhunu and Jodhpur. AME: Rpoopwas.

2.6.2 Non- recovery of premium amount

The Mining Engineer (ME) did not initiate action to recover the due instalments of premium which resulted in non-recovery of ₹ 20.06 lakh

Rule 13 of Rajasthan Minor Minerals Concession (RMMC) Rules, 2017 prescribed the bidding parameters for e-auction for mineral concession *i.e.* Mining Leases. Accordingly, the bidders shall quote, premium amount equal to or more than the reserve price as mentioned in Rule 14 as per the bidding parameter, for the purpose of payment to the State Government. The successful bidder shall pay the premium amount in four instalments in the following manner:-

- first instalment, forty *per cent* of the premium amount, within fifteen days of completion of e-auction;
- second instalment, twenty *per cent* of the premium amount, before execution of mining lease deed or issuance of quarry licence, as the case may be;
- third instalment, twenty *per cent* of the premium amount, at the beginning of second year of lease/licence period; and
- remaining twenty *per cent* of the premium amount, at the beginning of third year of lease/licence period.

Further, according to the provision of Rule 87, any unpaid amount which a person is required to pay or for which he is personally liable to pay to the Government shall if such amount remains unpaid, be recoverable as an arrear of land revenue. Rule 28(2)(xvii)(a), provides that in case of any breach on the part of the lessee of any covenant or condition contained in the lease, the competent authority may determine the lease with prior approval of next higher authority and take possession of the said premises.

During the audit of records of the office of ME Makrana for the period April 2020 to March 2022, it was noticed (August 2022) that 12 mining leases were granted through e-auctions (4 October 2018) and contract for mining leases were registered on 24 December 2020. Scrutiny of records of these mining leases revealed that lease holders of 11 mining leases had not paid third installment of premium (twenty *per cent* of bidding amount) amounting to ₹ 20.06 lakh (***Appendix-7***) on the due date (21 December 2021). However, the ME did not issue notices to the lease holders to deposit the due amount. Meanwhile, the fourth installment of these leases, amounting to ₹ 20.06 lakh, had also become payable on 21 December 2022. Thus, a total of ₹ 40.12 lakh was not recovered up to September 2023.

The matter was reported (October 2023) to the Government. The Government replied (March 2024) that the lessees had deposited the amount of third installment of amount of ₹ 20.06 lakh but nothing was replied regarding outstanding demand of the fourth installment.

2.7 Unauthorised dispatch of minerals by misuse of *rawannas*

Unauthorizedly excavated 5.92 lakh metric ton of minerals were dispatched by 10 lessees with the support of rawannas issued for Mining Leases granted to them, however, the Mining Engineers concerned did not detect the illegal mining and recover the cost of minerals amounting to ₹ 20.23 crore

Rule 54(1) of Rajasthan Minor Mineral Concession Rules 2017 stipulates that no person shall undertake any mining operation in any area without holding any mineral concession, permit or any other permission granted or permitted under these rules, as the case may be and shall not dispatch mineral from the mines, except from the quarry licenced area or bricks, without valid *rawanna* or transit pass. Rule 54(2) states that no person shall transport or store or cause any mineral to be transported or stored except in pursuance of the provisions of these rules. Further, under the provisions of Rule 54(3), the Mines and Geology Department was given the power to compound such cases, in which the cost[59] of the mineral would be recoverable.

During the audit (May 2022 to December 2022) of offices of five[60] ME)/AME, it was noticed that a total of 2,048 mining leases (minor mineral) were being operated under their jurisdiction. Out of these, 220 mining leases were selected for test check. Coordinates of selected leases were mapped and reviewed on "Google Earth Pro" application. Information regarding mineral dispatched from these leases was available on the departmental web-based application *DMGOMS*[61]. Scrutiny of the information available on *DMGOMS* and images of selected leases of *Google Earth Pro* revealed that despite no excavation activities being carried out in 10 leases[62], 5.92 lakh metric tons (MT) of minerals were shown as dispatched from these particular leases using 21,687 *rawannas*. The details are given in the **Table 2.11.**

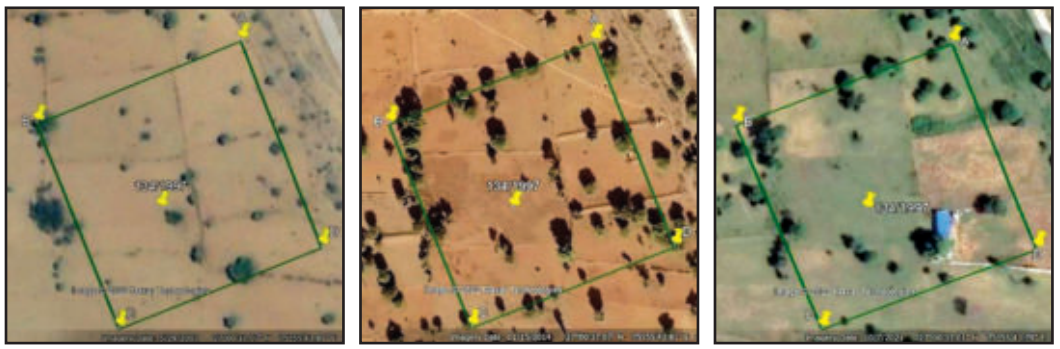
[59] Cost of the mineral: 10 times of the royalty of the mineral.
[60] ME: Ajmer, Karauli, Sirohi, Jaipur and AME Nimbahera.
[61] DMGOMS: A web-based application "Department of Mines and Geology Online Management System".
[62] ME Ajmer: five leases; ME Karauli: one lease; ME Sirohi: one lease; ME Jaipur: two leases and AME Nimbahera: one lease.

Table 2.11: Details of minerals dispatched by misuse of *rawannas*

S. No.	Name of Office	Audit period	Total Number of leases and (selected leases)	Selected Leases	No. of leases where misuse of *rawannas* noticed	Quantity of mineral dispatched (in MT)	No. of *rawannas* misused	Cost of minerals (₹ in crore)
1	ME Ajmer	2021-22	492	50	5	82,160.73	4,720	3.39
2	AME Nimbahera	2020-22	71	20	1	83,095.46	2,118	5.47
3	ME Karauli	2021-22	257	50	1	37,728.03	5,262	1.09
4	ME Sirohi	2021-22	421	50	1	10,877.15	471	0.31
5	ME Jaipur	2020-22	807	50	2	3,77,691.02[63]	9,116	9.97
	Total		**2,048**	**220**	**10**	**5,91,552.39**	**21,687**	**20.23**

Thus, as shown in the **Table 2.11** above a total of 5.92 lakh MT of minerals costing ₹ 20.23 crore (***Appendix-8***) was illegally dispatched by these 10 lessees through the misuse of 21,687 *rawannas*. The ME/AME concerned, however, did not detect the illegal mining and recover the cost of minerals amounting to ₹ 20.23 crore.

An illustrative satellite image of one of the above mentioned mining leases is given here under:



Imagery Date : 29 May 2003 | Imagery Date : 15 November 2014 | Imagery Date : 07 October 2021

Figure 1

The analysis of Satellite images revealed that there was no mining activity at ML number 134/1997 (ME Jaipur) during the period 29 May 2003 to 07 October 2021. However, the lessee dispatched 3.72 lakh MT mineral with the support of *rawannas* issued for this lease during June 2004 to 07 October 2021.

The fact indicates that *rawannas* were misused to transport minerals excavated from other than the allotted areas.

On this being pointed out, the Government replied (September 2023 and December 2023) that the ME office Karauli had raised a demand of ₹1.09 crore (in July 2023) against the respective lessee. The matter is currently being examined by ME Sirohi under his jurisdiction. Notices have been issued to seven lessees (ME Ajmer and Jaipur) and instructions were issued to the

[63] Out of 3,77,691.02 MT of minerals, 2,84,912.28 MT of mineral was dispatched by misusing offline *rawannas*. Information regarding number of offline *rawannas* was not available, hence the number of *rawannas* utilized could not be ascertained.

Foreman to examine the reply of these lessees. AME Nimbahera has also issued a notice to a lessee. Further, progress is awaited (March 2025).

2.8 Non-recovery of contract amount due to non-adjustment of performance security against outstanding amount

Assistant Mining Engineer, Nimbahera had not adjusted the performance security against the outstanding contract amount which resulted in non-recovery of ₹ 45.82 lakh from a contractor

Rule 44(26) of Rajasthan Minor Mineral Concession (RMMC) Rules, 2017 stipulates that in case of default in the due observance of the terms and conditions of the contract, the ME or AME concerned may terminate the contract after providing an opportunity of being heard by issuing a notice of fifteen days. Further, according to Rule 41 of these rules, the contractor will have to deposit performance security equal to 15 *per cent* of the annual contract amount and which will be adjusted against the departmental dues of the contractor on expiry or cancellation of the contract.

During the audit of records of the AME, Nimbahera for the period April 2019 to March 2022, it was noticed (December 2022) that under the jurisdiction of the office, three contracts for collection of royalty/excess royalty[64] were executed. Scrutiny of files of these contracts revealed that a contract for collection of excess royalty on minerals[65] dispatched from the mining leases in the jurisdiction of the office in favor of a contractor was executed (March 2019) for the period 06 April 2019 to 31 March 2021. The annual contract amount was ₹ 3.06 crore. The annual contract amount was revised (August 2019) to ₹ 3.49 crore due to increase in royalty rates by the State Government with effect from 22 August 2019. According to the Rules, a performance security of ₹ 45.82 lakh was submitted by the contractor in the form of bank guarantee as per the details given in the **Table 2.12.**

Table 2.12: Details of the bank guarantee submitted as performance security

S. No.	Date of bank guarantee	Guarantee amount (₹ in lakh)	Guarantee vaild upto
1	11.10.2018	34.96	10.10.2021
2	05.04.2019	10.86	04.04.2022

It was noticed that the contract was terminated (24 April 2020) due to non-compliance of 15 day notice issued to the Contractor for depositing the outstanding amount. As on the cancellation date, ₹ 45.56 lakh were outstanding against the Contractor. The Contractor filed a civil writ petition in the Hon'ble High Court, Jodhpur taking the plea of disruption caused by Covid-19 and

[64] "Excess Royalty Collection Contract" means a contract to collect royalty in excess of annual dead rent and any other charges as may be specified in the contract, on behalf of the Government for specified mineral dispatched by the mining lessee, from the area specified in the contract.

[65] Red Ocher, Yellow Ocher, China Clay, Quartz and Silica Sand.

complete lock-down after 22 March 2020. The Hon'ble Court, ordered (05 May 2020) that the Department shall not terminate the contract on account of non-payment of the amount pertaining to the lock-down period. It was also ordered that the Contractor was required to clear all his dues (upto 22 March 2020) within a period of seven days of the order. Thereafter, the Contractor was not interested to carry on the contract and again appealed to the Hon'ble Court. The Hon'ble Court, therefore, issued order (03 June 2020) to deposit the due amount[66] by 08 June 2020. It was also ordered that the Mining Department shall not invoke performance security without the leave of the Court. However, it was obligatory for the Contractor to renew the bank guarantee/performance security, at least seven days prior to the date of expiry of the previous performance security. In case the Contractor did not renew the same, the Mining Department would be free to encash the performance security without any further order.

It was noticed that the Contractor neither deposited the due amount nor furnished new performance security within the prescribed time. However, the AME, Nimbahera did not encash the performance security. Previous performance security had expired on 10 October 2021 and 04 April 2022.

Thus, due to non-encashment of the performance guarantee even after the instructions of the Hon'ble High Court, an amount equivalent to the bank guarantee of ₹ 45.82 lakh could not be recovered. The matter was reported to the Government (December 2023). The Government replied (February 2024) that a Committee was constituted (3 February 2022) for detailed checking of the matter. The Committee reported to the Directorate that the contract was irregularly cancelled by the office. Hence the performance security was not adjusted against the outstanding demand of the Contractor.

The reply is not tenable as ₹ 45.56 lakh were due against the Contractor prior to cancellation of the contract. Therefore, the Contractor was liable to pay the amount which was not deposited yet (June 2024). Further, the Government did not reply regarding responsibility, if any, fixed for irregular cancellation of the contract (March 2025).

2.9 Non-levy of late fee for delayed filling of monthly returns

Fourteen Assistant Mining Engineers (AMEs)/Mining Engineers (MEs) did not initiate for levy and recovery of late fee amounting to ₹ 9.35 crore on delayed filling of monthly returns by 48 mining lease holders. These officials also did not take action against the other 58 mining lease holders for non-submission of returns

According to the provision of Rule 28(2)(iv)(d) of the Rajasthan Minor Mineral Concession (RMMC) Rules, 2017, the lessee shall submit the monthly online

[66] up to the period 22 March 2020.

return by the 15th of the following month. It also provides that if the lessee fails to submit online monthly returns within the specified time, same may be submitted on payment of late fee at the rate of ₹ five hundred per day of delay, subject to maximum of ₹ fifty thousand.

During audit of records of offices of 14 AMEs/ MEs[67] for the period April 2018 to March 2022, it was noticed (December 2023) that:

- Forty-eight Leaseholders submitted 1,871 monthly returns after 31 March 2023 (date of close of amnesty scheme) with delay ranging between 351 and 2,147 days for which late fee amounting to ₹ 9.35 crore was to be levied by the MEs/AMEs concerned.
- Fifty-eight leaseholders did not submit 2,678 monthly returns for the months ranging between 17 to 48 months.

Audit noticed (December 2023) that neither any notices were issued to the lease holders regarding levy of late fee amounting to ₹ 9.35 crore for delayed submission of returns after 31st March 2023 nor any action was taken against the lease holders who had not submitted the returns.

Thus, late fee amounting to ₹ 9.35 crore could not be realised and no action could be taken in respect of cases of non-submission of returns.

The matter was reported to the Government (December 2023), the Government replied (February 2024) that notices have been issued to the lessees and action would be taken as per rules. The matter was again reported (June 2024) to the Government; reply is awaited (March 2025).

2.10 Undue benefit to lease holder by back-dated entry in the online-demand register

Assistant Mining Engineer did not raise the demand of illegal mining in the online demand register within the prescribed period. This lapse allowed the lease holder to generate e-rawannas worth ₹ 6.33 lakh and resulted in non-recovery of ₹20.73 lakh for illegally excavated minerals

Change management controls are used to ensure that amendments to a database are properly authorised, tested, accepted and documented. These controls should ensure that all system and program amendments are satisfactorily justified, authorized, documented and tested and that an adequate audit trail of the changes is maintained. All change procedures should be documented. Poor change controls could result in accidental or malicious changes to the software and data.

Department of Mines and Geology uses online departmental portal DMGOMS for various functions of the Department. One of the module of this portal is

[67] Ajmer, Jalore, Karauli, Bhilwara, Jodhpur, Jhunjhunu, Makrana, Jaipur, Kota, Roopwas, Sawai Madhopur, Sojat City, Udaipur and Rajsamand.

demand register. Whenever any amount is due from leaseholders, a demand is raised in the system and if the amount is deposited, then it is also depicted in the system. Further, as per Directorate of Mines & Geology order (18 October 2017) *e-rawannas* can only be generated by the mining lease holder if no departmental dues are payable.

During audit of the records of the Assistant Mining Engineer (AME) Sawai Madhopur for the period April 2017 to March 2022, it was noticed (November 2022) that a demand order for ₹ 20.73 lakh was issued on 2 February 2022 to a mining lease holder ML No. 78A/2010 for illegal mining of 2,820 cubic meter (7,332 MT) masonry stone outside the lease area. However, the demand was not raised in the online demand register in DMGOMS until January 2024. The Department informed (27 February 2024) that a demand had been raised in DMGOMS against the leaseholder by using the online debit/credit note module in the DMGOMS application. The demand entry was created on 1 February 2024 by the AME and the debit entry date was 2 February 2022.

This entry was retrospectively inserted into the system. Consequently, the backdated entry did not carry forward the demand in the subsequent year's demand register, and it did not accurately reflect the outstanding amount against the lease holder in succeeding years. Therefore, demand of ₹ 20.85 lakh[68] as of 31 March 2022 was not shown as opening balance as on 01 April 2022. This inaccuracy was continued in the online demand register for the succeeding years 2022-23 and 2023-24. Moreover, *e-rawannas* for royalty amount of ₹6.33 lakh were irregularly generated during the period 2 February 2022 to 31 March 2024, even though this amount was payable to the Department.

Thereafter, the Government agreed (May 2024) regarding system deficiencies in the DMGOMS and stated that the Module is being updated and is currently undergoing testing on the departmental server. Regarding the undue benefit to the leaseholder, as pointed in the para it was stated that detailed reply from AME (Sawai Madhopur) was awaited. The fact remains that the leaseholder was given undue benefit of ₹20.85 lakh which not recovered.

Further progress is awaited (March 2025).

2.11 Non-realisation of registration fee and stamp duty in respect of transfer of lease

Financial loss caused to exchequer of ₹ 7.62 crore on accounts of registration fee and stamp duty in violation of provisions of Rajasthan Minor Mineral Concession Rules, 2017 as well Rajasthan Stamp Rules, 2004

The Rajasthan Minor Mineral Concession Rules, 2017 (RMMCR, 2017) under Rule 27 (4) provides that where order for transfer of a mining lease has been issued, a transfer lease deed in Form-12 shall be executed within three months

[68] Included ₹ 0.12 lakh other pending demand.

from the date of the order or within such period as the competent authority may allow. Rule 27 (5) provides that the transfer of lease shall be effective from the day of registration of transfer lease deed.

Rule 27 (6) provides that the transfer lease deed in case of mining lease shall be registered within two months from the execution of transfer deed and shall be returned to the Mining Engineer or Assistant Mining Engineer concerned. Provided that if transfer deed has not been executed or got registered within the stipulated time, the order for transfer shall be revoked by the competent authority with forfeiture of transfer application fee and premium.

Rule 27(7)(iii) provides that the transfer of shares in a company, resulting in the change of control of management or ownership right of the said company shall also be treated as transfer. Rule 27 (8) provides that the lessee or licencee shall inform regarding any change as mentioned in sub rule (7) to the Mining Engineer or Assistant Mining Engineer concerned within sixty days along with the application fee and premium amount as per sub-rule (9). In such case, the transfer shall be effective from the date of such change of partner or director, as the case may be, under relevant law.

In addition to above, the Finance Department (Tax Division), Government of Rajasthan revised (21 November 2019) the rates of land for mining purposes under the Rajasthan Stamp Rules, 2004 (RSR 2004) *inter alia* including that in case of transfer of mining lease the rate of land shall be equal to four times of the rates of agriculture land of that area or four times of the amount of annual dead rent along with cost of the development works done on the site and other miscellaneous charges or the amount of royalty of preceding four years along with cost of the development works done on the site and other miscellaneous charges, whichever is higher.

Audit noticed (February 2023) that National Limestone Company Private Limited (NLCPL), Lakheri Cement Works, Bundi held a Mining Lease (ML) no. 259/1994 of 96.25 hectare in Kotputli for excavation of limestone and marble. It was taken over by ACC Limited on 20 April 2009. Since then, the NLCPL has been 100 *per cent* subsidiary of ACC Limited. However, on 30 November 2020, the 100 *per cent* shareholding was again transferred from ACC Limited to N.G Gadhiya Buildcon Private Limited. NLCPL made (24 December 2020) an application under Rule 27 (8) for intimation of transfer of Mining Lease by way of share transfer under Rule 27(7) (iii) and deposited transfer application fee ₹ 25,000 and transfer premium of ₹10 lakh to Superintending Mining Engineer (SME), Jaipur for issuing an appropriate transfer order. The SME, Jaipur permitted (8 April 2021) to continue the mining lease on terms & conditions of the original contract. In compliance of it, a supplementary contract on stamp paper was executed (21 May 2021) between an authorised representative of NLCPL and Mining Engineer, Jaipur, whereas a transfer lease deed in Form -12 should have been executed. The

Assistant Mining Engineer, Kotputli requested (25 May 2021) the NLCPL for registration of the supplementary contract within two months and thereafter submission of original registered supplementary contract to them. The NLCPL opposed it and represented it (19 July 2021) before the SME, Jaipur. The SME. Jaipur submitted (23 July 2021) the matter before the Directorate for necessary directions. Afterwards, SME, Jaipur communicated (26 August 2021) that according to the directions of the Government, intimation of transfer under the relevant law was enough in such cases and no separate transfer order required. Furthermore, there was nothing on record indicating the transfer of the lease to ACC when ACC Limited took over NLCPL on 20 April 2009.

The Government misinterpreted the relevant provisions of Rule 27 of RMMC Rules, 2017 and extended unwarranted benefits to the leaseholder. This has resulted in a revenue loss of ₹ 7.62 crore[69] to the exchequer on accounts of registration fee and stamp duty.

The matter was reported (September 2023) to the Government. The Government replied (March 2024) that the AME Kotputli had issued (12 December 2023) a notice to the lease holder to deposit the due stamp duty as per the Rule 27(7) of RMMC Rules, 2017 in compliance of the instructions (16 August 2023) of the Directorate of Mines and Geology. Further, progress is awaited (March 2025).

[69] Cost of land = ₹ 86,58,19,185 (Rate ₹ 22,48,881 per hectare x four times x ₹ 96.25 hectare) (Stamp Duty at the rate of 6 *per cent*, Surcharge thereupon 30 *per cent* and Registration Fee at the rate of one *per cent*).

CHAPTER-III

Transport Department

CHAPTER-III
Transport Department

3.1 Tax administration

The receipts from the taxes on motor vehicles payable under the provisions of the Central and the State Motor Vehicles Acts and rules made thereunder are administered at the Government level by Additional Chief Secretary (Transport). The Transport and Road Safety Department (Department) is headed by the Transport Commissioner (CoT) and is assisted by six Additional Transport Commissioners, four Deputy Transport Commissioners and five Joint Transport Commissioners. The entire State is divided into 13 Regions[1], headed by Regional Transport Officers (RTOs) as ex-officio Secretary, Regional Transport Authority.

3.2 Results of Audit

There are 58 Transport Districts[2] headed by RTOs/DTOs and 1.82 crore vehicles were registered therewith up to December 2022. There were 58 auditable units in the Transport Department. Out of these, 21 units were selected for test check wherein 1.40 crore vehicles were registered. Out of these, 68,122 vehicles were selected for test check. Audit noticed 7,007 cases involving ₹ 32.89 crore of non/short payment of tax, penalty, interest and compounding fees, irregularities relating to non/short determination of tax, computation of motor vehicle tax, etc. Some of the similar omissions were pointed out in earlier years also but not only did the irregularities persist, these remain undetected till audit was conducted. These cases are illustrative and are based on a test-check carried out by Audit. These irregularities noticed broadly fall under the following categories given in **Table 3.1**.

Table 3.1: Statement showing the amount objected by audit during the year 2022-23

(₹ in crore)

Sl.No.	Category	Number of cases	Amount
1.	Non/short payment of tax, penalty, interest and compounding fees *etc*.	6,588	32.62
2.	Irregularities relating to expenditure	257	0.27
3.	Other irregularities	162	-
Total		**7,007**	**32.89**

[1] Regions: Ajmer, Alwar, Bharatpur, Bikaner, Chittorgarh, Dausa, Jaipur (First), Jaipur (Second), Jodhpur, Kota, Pali, Sikar and Udaipur.

[2] Transport Districts: Abu Road, Ajmer, Alwar, Bharatpur, Balotra, Banswara, Baran, Barmer, Beawar, Bhilwara, Bhinmal, Bikaner, Bhiwari, Bundi, Chomu, Churu, Chittorgarh, Deedwana, Dholpur, Dudu, Dausa, Dungarpur, Hanumangarh, Jaisalmer, Jalore, Jodhpur, Jhalawar, Jhunjhunu, Jaipur(I), Jaipur(II), Karauli, Kota ,Kekri, Khetri, Kishangarh, Kotputali, Nagaur, Nohar, Nokha, Pipad city, Pokran, Pali, Phalodi, Pratapgarh, Rajsamand, Ramganj Mandi, Sawai Madhopur, Shahpura (Bhilwara), Shahpura (Jaipur), Sirohi, Sikar, Salumbar, Sumerpur, Sadulshahar, Sri Ganganagar, Sujangarh, Tonk and Udaipur.

During the year 2022-23, the Department accepted non/short payment of tax, penalty, interest and other irregularities of ₹ 56.77 crore in 9,648 cases, out of which 6,550 cases involving ₹ 29.87 crore were pointed out in audit during the year 2022-23 and rest in earlier years. During the year 2022-23 an amount of ₹ 4.93 crore was recovered in 2,156 cases, out of which ₹ 1.99 crore was recovered in 503 cases, these were pointed out in 2022-23 and rest in earlier years.

Some illustrative cases amounting to ₹ 36.37 crore are included as given below:

3.3 Taxes on motor vehicles not realised

Motor Vehicle Tax and Special Road Tax amounting to ₹ 12.10 crore in respect of 1,677 vehicles were not paid by vehicle owners. The Department, however, did not initiate effective action to realise the dues

As per section 4 and 4B of the RMVT Act, 1951 and the rules made thereunder, motor vehicle tax and special road tax are to be levied and collected on transport vehicles used or kept for use in the State at the rates prescribed through notifications issued from time to time by the GoR. Surcharge is also leviable on tax due. This tax is payable annually and due on 1 April of every financial year and it has to be deposited by 31 March of the following year. Further, Taxation Officer is empowered to serve notice for recovery of tax under Rule 8 and 33 of the RMVT Rules, 1951 and to recover due tax or penalty by attachment and sale of the movable property of the person liable for payment under Section 13A of the RMVT Act, 1951.

During the year 2022-23, 21 transport offices were test checked and significant irregularities were noticed in 19 transport offices[3] regarding collection of Motor Vehicle Tax. A total of 4.66 lakh vehicles (Articulated goods vehicles, Goods vehicles, Contract Carriage Passenger Vehicles and Stage Carriage Passenger Vehicles) were registered in these offices out of which 14,872 vehicles were test-checked. Scrutiny of registration records, tax ledgers, general index registers and *VAHAN* application[4] for the period 2016-17 to 2021-22 revealed that owners of 1,677 vehicles did not pay the due tax. There was no evidence on record to prove that the vehicles were off the road/were transferred to other District/States or their registration certificates were surrendered. The taxation officers, however, did not initiate effective action to realise the tax due. This resulted in non-realisation of tax and surcharge amounting to ₹ 12.10 crore as mentioned in **Table 3.2.**

[3] RTOs: Ajmer, Alwar, Bikaner, Chittorgarh, Jodhpur, Kota, Pali, Sikar, Udaipur.
DTOs: Beawer, Bhilwara, Bhinmal, Churu, Jhunjhunu, Nagaur, Pratapgarh, PV-II Jaipur, Rajsamand, Sriganganagar.

[4] Departmental web-based application that takes care of the activities of vehicle *i.e.* registration, fitness, taxes, permits and enforcement.

Table 3.2: Details of motor vehicle tax not relaised

Sl. No.	Category of vehicles	No. of vehicles test checked	No. of vehicles (Objected)	Amount (₹ in crore)	Name of offices where irregularities noticed
1.	Articulated goods vehicles[5]	5,135	421	2.17	RTOs: Ajmer, Alwar, Bikaner, Chittorgarh, Sikar and Udaipur DTOs: Beawer, Bhilwara, Bhinmal, Churu, Jhunjhunu, Rajsamand and Sriganganagar
2.	Goods vehicles[6]	8,561	909	4.38	RTOs: Ajmer, Alwar, Bikaner, Pali and Sikar DTOs:Beawer, Bhinmal, Bhilwara, Churu, Jhunjhunu, Nagaur, Pratapgarh, Rajsamand and Sriganganagar
3.	Contract Carriage Passenger Vehicles (All India Permit)[7]	469	145	3.51	RTOs: Bikaner, Chittorgarh, Jodhpur, Kota, Pali, and Udaipur DTOs: Beawer, Bhilwara, Bhinmal, Churu, Jhunjhunu, PV-II Jaipur and Sriganganagar
4.	Stage Carriage Passenger Vehicles[8]	707	202	2.04	RTOs: Bikaner, Jodhpur, Kota and Sikar DTOs:Churu, Jhunjhunu, Nagaur, PV-II Jaipur and Rajsamand
Total		**14,872**	**1,677**	**12.10**	

Source: Compiled by Audit.

On this being pointed out (between May 2023 and April 2024), the Government replied (between June 2023 and April 2024) that in respect of 17 RTOs/DTOs an amount of ₹ 1.68 crore has been recovered from 276 vehicles. Further progress is awaited (August 2024). No reply was received from the remaining RTOs.

5 "Articulated goods vehicle" means a motor vehicle to which a semitrailer is attached.

6 "Goods Vehicles" means any motor vehicle constructed or adapted for use solely for the carriage of goods.

7 "Contract Carriage Passenger Vehicle" means a motor vehicle which carries a passenger or passengers for hire or reward and is engaged under a contract.

8 "Stage Carriage Passenger Vehicle" means a motor vehicle constructed or adapted to carry more than six passengers excluding the driver.

3.4 Infructuous expenditure of ₹ 21.26 crore on procurement of Portable Weighing Machines

The Transport Department incurred an infructuous expenditure of ₹ 21.26 crore on 179 Portable Weighing Machines due to poor monitoring and coordination, leading to non-integration with VAHAN software and rendering them unusable

The Transport Department, Government of Rajasthan submitted a proposal in February 2021 to the Finance Department for procurement of Portable Weighing Machines (PWMs). These PWMs were intended to equip the Department's 'Flying Squads' for enforcing the Motor Vehicle Act, 1988 and various court judgments to control vehicle overloading. The Department citing overloading as a safety concern, highlighted in its proposal that overloading causes damage to road infrastructure and increases pollution. The Department in its proposal stated that as there was shortage of weighing balances on roads and it was inconvenient to escort overloaded vehicles to distant weighing centers, the PWMs would allow on-the-spot weight checks and automatic challan generation. The Department also stated that the procurement would be self-financed, recouping costs within a year through increased penalties from overloaded vehicles, projecting an additional ₹43.20 crore in revenue.

To ensure effective implementation of the project, the Department also proposed the constitution of a Project Management Unit[9] (PMU) headed by the Transport Commissioner to monitor implementation of the project and to coordinate the technical aspects in the implementation of the project.

The Government of Rajasthan accorded (May 2021) an administrative and financial sanction of ₹27.00 crore for the procurement of 179 PWMs. As per the scope of work, these machines were to be integrated with the Transport Department's *e-challan* portal/*VAHAN*[10]. The supplier was to provide API[11] integration, software, and technical support. Necessary software customization for the integration of portable weighing scales with VAHAN and *e-challan* portal/PoS devices[12] was required to enable automatic generation of *e-challans*.

The Department invited (August 2021) bids for the supply of PWMs and four firms participated in the tender. Being the lowest bidder, a Contractor was issued (December 2021) a work order for supply of 179 PWMs at a cost of ₹ 26.72 crore. As per work order the prices were inclusive of all the costs of supply, installation, testing and commissioning of PWMs including integration with PoS devices, warranty for three years and deployment of service engineers for

[9] The PMU had additional transport commissioners, financial advisor, technical director from NIC and system analyst of Department of Information Technology as other members.
[10] It is a flexible and comprehensive system that takes care of the activities of vehicle registration, fitness, taxes, permits and enforcement.
[11] Application Programming Interface.
[12] Point of Sale Machine

maintenance and technical support. The primary responsibility of the work of integration of PWMs rested with the Contractor. National Informatics Centre (NIC) authorities deputed at the Transport Department were to provide necessary assistance for the integration. Eighty *per cent* payment was to be done after supply of PWMs including stamping, training and software integration and rest 15 *per cent* was to be paid after three months satisfactory work and five *per cent* at the end of the contract.

The PWMs were supplied by the Contractor between December 2021 and February 2022 and the Department paid 80 *per cent* of the work order amount, *i.e.,* ₹ 21.26 crore (January and March 2022). However, during the review of the records at the Commissioner of Transport in December 2022, it was found that the machines were neither integrated with the PoS and *VAHAN 4.0* software nor the technical issues[13] faced being by the field units while using the machines were resolved.

To resolve these issues, a meeting of the Project Management Unit was held (December 2022) in which the representative of the Contractor informed that a hardware device (IOT) was to be installed in each PWM to enable the integration. The Director, NIC stated that further work of integration would be carried out after installation of IOT devices. However, the Department did not ensure the integration of PWMs and the field offices of the Department reported (May to December 2023) serious technical problems in PWMs which were not only making the use of these machines impractical by the Flying Squads but also made negative impact on revenue from collection of compounding fee.

This observation was also verified during the audit of nine RTOs/DTOs[14] offices in 2023-24, and it was noticed that 15 PWMs were provided to these DTOs, however, flying squads were unable to use these machines for generating e-challans due to the lack of integration with the VAHAN 4.0 software by the supplier and various technical issues. The Department also did not recover a penalty[15]of ₹ 3.01 crore (for the period from June 2023 to January 2024) from the Contractor for failure in resolving the complaints within the stipulated time.

Thus, the failure of the Contractor to integrate the PWMs with the *VAHAN 4.0* software and PoS devices has resulted in infructuous expenditure of ₹ 21.26 crore. The project fell short of its objectives due to deficiencies in monitoring and coordination by the Transport Department, leaving the PWMs unused. This failure continued to pose risks to road safety and infrastructure.

---

[13] Discrepancies in vehicle weight readings, malfunctions in machine pads, motherboards, and indicators, printing issues, faulty chargers, and absence of service engineers.

[14] DTO: Kekri, Jalore, Jaisalmer, Banswara, Dungarpur, Phalodi, Jhalawar, Bundi and Chomu.

[15] As per terms and conditions of RFP a penalty of ₹ 600 per day per complaint remained unresolved for 48 hours and 1,500 per day per complaint remained unresolved for 72 hours was to be recovered from the Contractor.

Furthermore, the Department's inability to recover penalty of ₹ 3.01 crore from the Contractor aggravated the financial losses to the State Exchequer.

On being pointed out (September 2024), the Government replied (September 2024) that various letters had been issued to the Contractor to integrate the PWMs with the *VAHAN* software. However, the Contractor did not comply. The Financial Adviser also expressed concerns about wasteful expenditure and recommended recovering the amount from the Contractor. Action to forfeit the bank guarantee is being taken. Further progress is awaited (February 2025).

CHAPTER-IV

Forest Department

CHAPTER-IV

Forest Department

4.1 Introduction

Rajasthan is the largest state in the country in terms of area and its north-western part is desert or semi-desert. Rajasthan has a geographical area of 3,42,239 square kms, of which 9.62 *per cent i.e.* 32,921 square kms is Forest Land. This 32,921 square kms of Forest Land includes 13,350 square kms of notified protected area comprising three national parks, three tiger reserves, 27 sanctuaries, and 14 conservation reserves.

The Forest Department of the Government of Rajasthan is responsible for the conservation, protection, and sustainable management of the State's forests and wildlife. It oversees afforestation, biodiversity preservation, and eco-tourism promotion, while also enforcing forest and wildlife laws. Administratively, the Department is headed by the Principal Chief Conservator of Forests (PCCF) which is assisted by Chief Conservator of Forests (CCF) at Zonal level and Deputy Conservator of Forests (DCF) at District level. It also manages national parks and sanctuaries, and implements community-based programs such as Joint Forest Management to ensure people's participation in conserving Rajasthan's rich ecological heritage.

4.2 Results of audit

A brief description of the objections found in the audit of selected offices of the Forest Department during the year 2022-23 is given in **Table 4.1.** During the year 2022-23, there were a total of 119 auditable units under the Forest Department, of which audit of 21 units was done .

Table 4.1: Statement showing irregularities noticed by audit during the year 2022-23

Sl.No.	Subject	Number of Cases
1.	Lack of measurement book maintenance and pruning and overwriting of measurement books	4
2.	Not showing any details of payment of wages to workers	37
3.	Lack of maintenance of daily work registers	8
4.	Lack of recovery of liquidated damages	9
5.	Lack of Income Tax Deduction	4
6.	Irregular Expenditure/Extra Expenditure/Over-Spending/Double Payment/Overpayment/Wasteful Expenditure	78
7.	Administrative/Lack of financial and technical sanction and other irregularities	24

Sl.No.	Subject	Number of Cases
8.	Lack of utilisation of allocated budget/blockage of fund/Lack of obtaining utilisation certificates	10
9.	Lack of quality inspection/testing	12
10.	Lack of disposal of obsolete goods	4
11.	Miscellaneous irregularities	80
12.	Lack of Internal Audit	9
13.	Lack of submission of Records for Audit	4
Total		**283**

Source: Compiled on the basis of Inspection Report issued to the Department.

4.3 Subject specific Compliance Audit on 'Management of Tiger Reserves in Rajasthan'

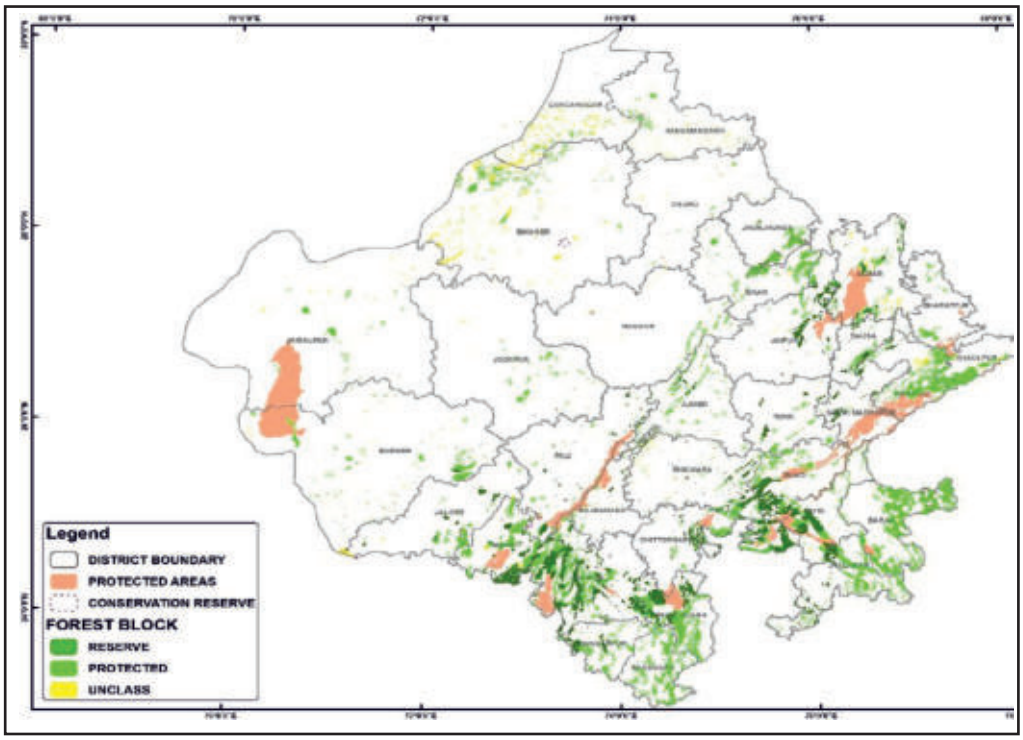
4.3.1 Introduction

The Wild Life (Protection) Act, 1972 empowers the State Government to declare any area of adequate ecological, faunal, floral, natural or zoological significance as a conservation reserve, a national park or a tiger reserve, to protect, propagate and develop wildlife or its environment. A forest area having a substantial presence of tigers with due recommendation of the National Tiger Conservation Authority[1] (NTCA) is considered for declaration as a tiger reserve.

Rajasthan has a geographical area of 3,42,239 square kms, of which 9.62 *per cent i.e.* 32,921 square kms is Forest Land. This 32,921 square kms of Forest Land includes 13,350 square kms of notified protected area comprising three national parks, three tiger reserves, 27 sanctuaries, and 14 conservation reserves. Forest map of the State is presented below in **Figure 4.1**.

[1] A statutory body of the MoEFCC, Government of India with an overarching supervisory/coordination role, performing functions as provided in the Wild Life (Protection) Act, 1972.

Figure 4.1: Forest map of Rajasthan



The details of three tiger reserves are given in **Table 4.2**.

Table 4.2: Details of Tiger Reserves

Sl. No.	Name of Tiger Reserves	Districts Covered	Date/ Year of Notification		Area (square kms)
			Core Area	Buffer Area	
(1)	(2)	(3)	(4)	(5)	(6)
1	Ranthambore Tiger Reserve (RTR)	Bundi, Karauli, Sawai Madhopur, Tonk	28 December 2007	06 July 2012	1,113.36
2	Sariska Tiger Reserve (STR)[2]	Alwar	28 December 2007	06 July 2012	881.11
3	Mukandara Hills Tiger Reserve (MHTR)	Bundi, Chittorgarh, Jhalawar, Kota	09 April 2013	09 April 2013	417.17

Source: Forest Department.

RTR is further divided into two forest divisions *i.e.* RTR-I at Sawai Madhopur and RTR-II at Karauli. In addition to the above, the State Government notified (May 2022 and October 2023) two new tiger reserves *i.e.* Ramagarh Vishdari Tiger Reserve (1,501.89 square kms) and Dholpur-Karauli Tiger Reserve (599.64 square kms). Tiger reserve area includes core area, buffer area and corridor area, as summarised below:

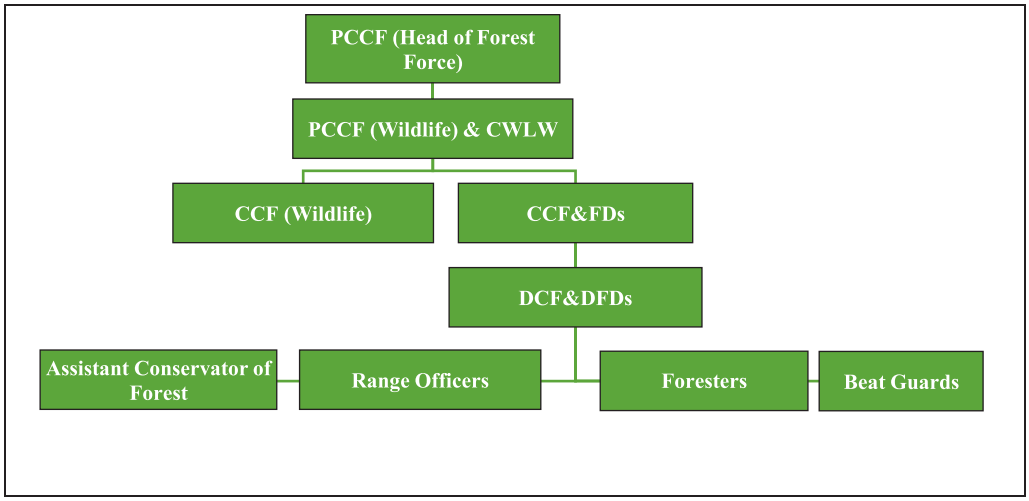
[2] Sariska is not notified as National Park.

Central part of a tiger reserve;	Buffer Area	Corridor
• protected space isolated from human contact; • required to be kept inviolate for tiger conservation.	• area peripheral to core area; • lesser degree of habitat protection is required; • minor forestry operations and other rights and concessions are permitted in a regulated manner.	• stretch of land linking tiger habitats; • allowing movement of tigers, prey and other wildlife from one area to another.

4.3.2 Organisational setup

The Forest and Environment Department is headed by the Principal Secretary at the Government level. The Principal Chief Conservator of Forests (Head of Forest Force) is the functional head of the Department. The Wildlife Wing is headed by the Principal Chief Conservator of Forests (Wildlife), who also acts as the Chief Wildlife Warden (CWLW). He is assisted by the Chief Conservator of Forests (Wildlife) at Headquarters, the Chief Conservator of Forest & Field Director (CCF&FD) and the Deputy Conservator of Forest & Deputy Field Director (DCF&DFD) at the field level. Organisational Chart of the Department is presented below in **Chart 4.1**:

Chart 4.1: Organisational Chart of the Forest Department



4.3.3 Audit Objectives

Audit was conducted to assess whether:

- management of tiger reserve and wildlife habitat has been done effectively; and
- adequate efforts were made for relocation and rehabilitation of villages.

4.3.4 Audit Criteria

The following were used as sources of audit criteria for this Audit:

- Wildlife (Protection) Act, 1972;
- Forest (Conservation) Act, 1980;
- Rajasthan Forest Act, 1953;
- Rajasthan State Forest Policy, 2010;
- National Wildlife Action Plan (NWAP) 2002-2016 and 2017-2031;
- Management Plans and Tiger Conservation Plans (TCPs); and
- Guidelines, orders, circulars, manuals and instructions issued by the Department, State Government, the Ministry of Environment, Forest and Climate Change (MoEFCC), Wildlife Institute of India (WII) and NTCA.

4.3.5 Scope and Methodology of Audit

Records maintained at the offices of the Principal Chief Conservator of Forests (Wildlife) and the field level offices of CCF&FDs and DCF&DFDs of RTR, STR and MHTR were examined to conduct Subject Specific Compliance Audit (SSCA) on 'Management of Tiger Reserves in Rajasthan'. The Audit covering the period of five years from 2016-17 to 2020-21[3] was conducted between July 2021 to January 2022. The position of reported issues was updated (October 2024) upto 2022-23[4].

The objectives, methodology, and scope of the SSCA were discussed with the Principal Secretary (Forest and Environment Department) and the officers of the Forest Department at an Entry Conference held on 02 August 2021. The Exit Conference was held on 30 September 2022, wherein all the audit findings were discussed. The reply of the Government was received in November 2022 and December 2024, which was appropriately considered in the relevant paragraphs.

4.3.6 Previous Audit Coverage

The Comptroller and Auditor General of India (CAG) had conducted a thematic audit on 'Rehabilitation of villages situated in critical Tiger Habitats of Ranthambhore and Sariska Tiger Reserve' which was included in Audit Report No. 3 of the Year 2015. The Public Accounts Committee (PAC) had discussed

[3] Issues relating to notification of Eco Sensitive Zones, approval of Tiger Conservation Plans in RTR and STR, development of corridors in RTR, relocation of villages from RTR and STR, regulating anthropogenic activities in STR, demarcation of boundary and mutation of land in the name of Department, encroachment, mining activity, forest fire, cattle grazing, *etc*. for the period 2013-14 to 2017-18, were previously covered in Performance Audit on 'Protection of forest and wildlife in Rajasthan' (Audit Report No. 5 of the Year 2019). In the present SSCA the status of the above issues with specific emphasis on RTR, STR and MHTR have been included besides other issues.

[4] Where data was available, the position has been updated upto 2023-24.

the Report in January 2017 and recommended that the Department may assess actual funds required for relocation of all villages to decide a timeline to implement relocation of 66 villages of RTR and 28 villages of STR. The PAC also stressed upon making coordinated efforts with the District Administration for timely village relocation so as to develop corridors for movement of tigers.

Another Performance Audit on 'Protection of forest and wildlife in Rajasthan' was included in the Audit Report No. 5 of the Year 2019 which was discussed by PAC in December 2021. PAC recommended to take effective action regarding encroachment and illegal mining on forest land and to expedite the process for declaration of Eco-sensitive zones.

This SSCA was undertaken to follow-up the recommendation made by PAC and also make an overall assessment of the conservation and protection of wildlife.

4.3.7 Acknowledgement

Audit acknowledges the co-operation extended by the officers and staff of the Department of Forest, Government of Rajasthan (GoR).

Audit Findings

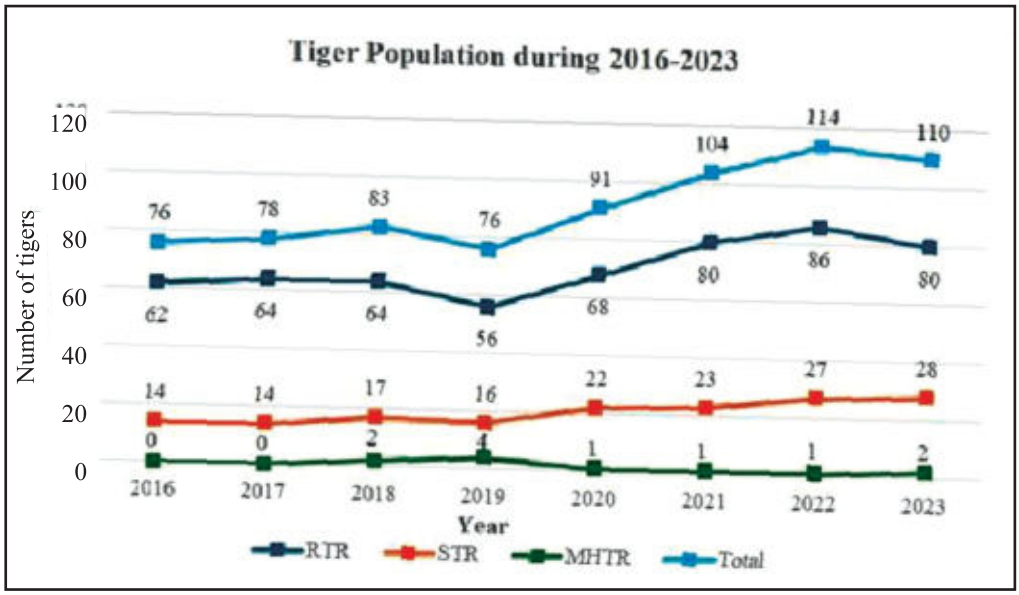
The first audit objective is to see whether management of tiger reserve and wildlife habitat has been done effectively.

Under this objective, audit noticed shortcomings in conservation and protection of wildlife such as poaching in tiger reserves, monitoring and surveillance mechanism, patrolling, development of Corridors, mitigating measures in tiger reserves, allocation of resources for conservation. Further, various issues related to management and consolidation of wildlife habitats such as mining inside and around tiger reserves, anthropogenic activities, Eco-friendly tourism, non-eradication of invasive species, inadequate fire safety arrangements were also noticed. These issues are discussed in the succeeding paragraphs:

4.3.8 Conservation and Protection of Wildlife

Wildlife conservation encompasses support to protected areas, development of corridors, prevention of forest offences and poaching, wildlife health management, mitigating measures to save wildlife, *etc*. The key to successful conservation is the level of protection enjoyed by wildlife species that inhabit the area. Population of tigers in RTR, STR and MHTR during 2016 to 2023 is presented in **Chart 4.2**.

Chart 4.2: Tiger population during 2016-2023



As evident from the above chart, the population of tigers shows an increasing trend in all three tiger reserves. Total tigers in three tiger reserves increased from 76 in 2016 to 110 in 2023.

The issues noticed by audit relating to the Conservation and Protection of wildlife are discussed in the succeeding paragraphs:

4.3.8.1 Tiger fatalities

The State Government is responsible for ensuring the conservation and protection of tigers to minimise their fatalities, for which guidelines have also been issued by NTCA from time to time. As per NTCA Standard Operating Procedure (December 2012), the Department was also required to ascertain causative factors for tiger death.

In this regard, it was noticed that the Department did not ensure safety of tigers, which led to death of 14 tigers in RTR, STR and MHTR during 2016-24, as summarised in **Table 4.3**.

Table 4.3: Details of Tiger deaths during 2016-24

Sl. No.	Cause of Death	RTR	STR	MHTR	Total
(1)	(2)	(3)	(4)	(5)	(6)=(3)+(4)+(5)
1	Poaching	2	2	-	**4**
2	Territorial Fight	9	1	-	**10**
Total		**11**	**3**	**-**	**14**

Source: Forest Department.

The above included death of 14 tigers on account of Poaching (four tigers), Territorial fights (ten tigers), which were controllable by the Department by taking various conservation and protection measures. In addition to the above, nine tigers died due to diseases and two tigers (T-58 and T-2312) were reported

dead in RTR-I during July 2024 and September 2024, for which reasons are being investigated.

The reasons for tiger fatalities were analysed and audit observations are given below:

(i) Poaching in tiger reserves

Poaching, one of the major threats to tigers, is prohibited under the provisions of Wildlife (Protection) Act, 1972. RTR, STR and MHTR executed (December 2010, January 2018 and December 2019) MoUs with NTCA for the deployment of Special Tiger Protection Force (STPF) in tiger reserves.

Audit noticed that 393 offences relating to poaching of wild animals during 2016-23 in RTR, MHTR and STR, have been registered. The reasons for instances of poaching included non-establishment of STPF in STR and MHTR, shortfall of manpower in patrolling camps (**Paragraph 4.3.8.1 (iii)**), *etc*. As stated above, four tigers lost their lives in RTR and STR during 2016-24 due to poaching, defeating the objective of conservation and protection of tigers in RTR and STR. This shows that department could not prevent poaching in protected area, which resulted in the death of tigers.

The State Government stated (November 2022) that generally, the offences occur in remote areas, for which witnesses and complaints are not available, which makes investigation a challenging task. Thereafter, in December 2024, it was replied that Sariska Tiger reserve lost tigers in 2004 due to poaching.

This indicate that there is a need to improve vigilance to control forest crimes including poaching.

(ii) Wildlife Surveillance and Anti-poaching System

In order to improve monitoring and surveillance mechanism for prevention of poaching and other illegal activities, Wildlife Surveillance and Anti-poaching System (WS&APS)[5] was established in RTR, STR and MHTR during 2018-19 and 2019-20, with the support of Department of Information Technology and Communication (DoIT&C). It envisaged establishment of 44 camera towers[6] in RTR, STR and MHTR at a cost of ₹ 62 crore, for which site was to be selected from critical areas identified in joint feasibility study by the DoIT&C and the Forest Department.

In this regard, it was noted that the commissioning and utilisation of WS&APS was deficient, which defeated the objective of its installation and adversely impacted the monitoring and surveillance mechanism, as detailed below:

---

5 An integrated software-based surveillance solution equipped with high end thermal/optical cameras.

6 RTR-12, STR-16 and MHTR-16.

- **Deficient selection of location:** Audit noticed that no field survey was conducted in STR and MHTR for selection of probable location of towers for installation of cameras. Though, field survey was conducted in RTR, but the location of towers were selected by DoIT&C as per their technical convenience, without consulting the Forest Department. It was observed that all the locations of towers where 12 cameras were installed were different than the locations identified in the field survey.

- **Delayed repair of defective cameras:** As per the agreement (June 2017) the vendor, was responsible for operation and maintenance of cameras for five years from the date of installation. In this regard, it was noted that camera of 44 locations of RTR, STR and MHTR became unserviceable for 157 times during 2020-23. However, the Department did not ensure repair of cameras promptly. In 59 cases, one to two month were taken to repair and in 46 cases this time was beyond 2 months. **(*Appendix-9*)**.

- **Unmanned Control Command Centre:** Control Command Centre, for monitoring of live data of WS&APS, was established at Aranya Bhawan, Jaipur, which started functioning in April 2018. However, the officers and staff of forest department were posted (January 2019) in the Control Command Centre, after eight months from the date of establishment of centre. Further, five out of seven staff, took charge (August 2020 and October 2020) with a delay of more than two years from the date of establishment of centre.

- **Detection of poaching instances:** After establishment of WS&APS, 130 cases of poaching were recorded (2019-23) in RTR, STR and MHTR, out of which only13 cases were detected by WS&APS. Twelve tigers were reported missing after establishment of WS&APS, which could not be detected by the system. CCF&FD, STR itself accepted (December 2020) that the WS&APS was not useful in detecting poaching cases in night.

- **Inaction on detected cases:** The Department did not take effective action on the probable instances detected through WS&APS, as detailed below in **Table 4.4**.

Table 4.4: Position of action taken on instances detected through WS&APS

Year	RTR			STR			MHTR		
	Detected	Action Taken	*per cent*	Detected	Action Taken	*per cent*	Detected	Action Taken	*per cent*
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2019-20	85	2	2.35	381	185	48.56	278	0	-
2020-21	669	5	0.75	508	425	83.66	632	1	0.16
2021-22	1,087	0	-	1,232	143	11.61	2,395	2,225	92.90
2022-23	1,433	773	53.94	1,144	70	6.12	3,078	3,038	98.70
Total	**3,274**	**780**	**23.82**	**3,265**	**823**	**25.21**	**6,383**	**5,264**	**82.46**

Source: Forest Department.

From the above, it is evident that the Department did not take action on

53.14 *per cent*[7] of the probable instances detected by WS&APS. Thus, the objective of establishing the WS&APS to ensure monitoring and surveillance mechanism in tiger reserves could not be achieved fully, in absence of proper selection of site for installation of cameras, delayed action on cases detected by the system, non-repair of unserviceable cameras in time.

The State Government stated (November 2022) that the location of towers was finalised on the basis of technical feasibility, sensitivity and prioritisation of areas. The Department stated that action on cases detected by WS&APS could not be taken due to inadequate manpower. Further, the Department stated that DoIT&C was regularly intimated about non-working cameras.

In December 2024, it was replied that repair work of faulty cameras is also being done regularly. Prompt action has been taken in cases related to wildlife hunting.

As per information submitted by RTR, five cameras out of 12 were still (December 2024) not working from July 2024.

The reply is not acceptable, as the details of selection of locations were not provided to Audit therefore the reply could not be verified by Audit.

(iii) Patrolling

Rajasthan Forest Manual provided that patrolling is the most effective physical deterrence to poaching. The security of a tiger reserve is dependent on availability of proper infrastructure facilities to a large extent, which include well equipped patrolling camps, availability of adequate modern equipment, adequacy of manpower, *etc*.

- ***Patrolling Plan***: Rajasthan Forest Manual provided that a periodic patrolling plan must be drawn up by each tiger reserve, which should be updated regularly for maximum area coverage based on intelligence report[8]. However, no patrolling plan was found prepared for any of the tiger reserves of the State. Further, crime information reports were also not maintained at RTR and MHTR patrolling camps as NTCA guidelines prescribed to collect data of crime before preparing patrolling plan.
- ***Staff at Patrolling camps*** - Strategically located forest camps and intensive patrolling by the ever-vigilant staff help control intrusion and encroachment. Compendium of guidelines and circulars issued (November 2004) by Director (Project Tiger), MoEFCC provided that a patrol party should ideally be provided with at least four staff.
- There were 175 patrolling camps[9] in RTR, STR and MHTR. However, the patrolling camps were not adequately staffed, as against the requirement of

[7] Out of total 12,922 cases detected by WS&APS in RTR, STR, and MHTR during 2019-23, Department has taken action only in 6,867 cases.
[8] As prepared by State Wildlife Crime Bureau.
[9] RTR-85, STR-57 and MHTR-33.

staff of 700 in the above patrolling camps, 388 staff were posted, leaving a vacancy of 312[10] staff. Further, it was noticed that as on 31 March 2023 more staff were posted in ranges situated near the division offices and at main roads, than the *nakas*/*chowkis* situated in remote areas, which were more prone to risk. Joint physical inspections of 19 patrolling camps[11] also revealed that one *chowki* in RTR was established without any building and staff and in four *chowkis*[12] only single staff was deployed. In addition, it was noted that only one to two home guards were deployed at three *chowkis*[13] along with forest guards in place of STPF.

- ***Facilities at Patrolling camps*** **–** Joint inspections of 19 patrolling camps in RTR, STR and MHTR revealed that firearms were provided in only one patrolling camp at Borawas in MHTR. Further, tiger tracers[14] were provided only in two patrolling camps *i.e.* at Kho and Kushalgarh in STR. In addition to this, various other auxiliary facilities *viz.* water bottle, mosquito net, first aid kit, measurement tape, torch, battery, binocular, protection wall, light, drinking water, *etc*. were also not available in all patrolling camps.

Thus, in the absence of implementation of prescribed measures for evaluation of threats by formulating patrolling plan, deploying adequate staff at patrolling camps, providing adequate facilities at patrolling camps, *etc.*, security of wildlife was compromised to that extent.

The State Government stated (November 2022 and December 2024) that patrolling was undertaken according to the assessment of sensitivity of various areas and as per TCP. Further, infrastructure was being gradually provided as per availability of funds.

The reply is not acceptable, as the Department did not furnish the details of their patrolling plans as provided in the Forest Manual. Further, despite the fact that the fund was available with the Department, same could not be utilized to ensure adequate infrastructure **(Para 4.3.8.1(i)).**

(iv) Development of Corridors to avoid territorial fights

Wildlife corridors are inherent geographical linkages, which facilitate movement of tigers and other animals. It is necessary to identify and develop corridors between two wildlife population areas, especially for tiger reserves having high tiger density, to enable safe dispersal of tigers to avoid conflict among them.

---

10 RTR-146, STR-105 and MHTR-61.
11 MHTR-three, RTR-eight and STR-eight.
12 RTR-Ungulate *chowki*, Raipur, STR - Barrier Bharthari, Tarunda.
13 19 *chowkis* as per the joint inspections carried out with the departmental officials.
14 A glass plate, about 25 by 30 centimetre, which is used to trace the outline of the pugmark left on the pug impression pad.

There was extreme pressure of tiger population in RTR-I, which necessitated a critical need for development of corridors for dispersal and movement of increasing tiger population from high density areas to low density areas. The details of tiger density in RTR, STR and MHTR are furnished in **Table 4.5.**

Table 4.5: Details of tiger density in tiger reserves

Name of Tiger Reserve	Area (square kms)	Number of tigers (as on March 2023)	Average area covered by one tiger (in kms)
(1)	(2)	(3)	(4)
RTR-I Core area	636.24	76	8.37
RTR-II Core area	477.12	4	119.28
STR Core area	881.11	28	31.47
MHTR Core area	417.17	2	Nil[15]

Source: Forest Department.

Accordingly, the State Government, in consultation with NTCA, identified (April 2013, January 2014) development of six corridors[16] for the movement of tigers and other animals from the high animal density areas of RTR to other suitable areas, out of which one corridor i.e. RTR-Kailadevi-Banas river[17] was considered as the most crucial for movement of tigers out of RTR-I because of its close proximity with RTR-II.

However, the Department did not ensure development of any of the identified six corridors, including the critically required corridor between RTR-I and RTR-II. The reasons for non-development of corridors were failure to relocate villages present in the proposed corridors, not carrying out activities like delineating the corridor, conducting detailed survey and preparation of micro plan for intensive programme of rehabilitation and fencing on the agriculture fields that fall in the corridor passage *etc*. Non-development of the proposed corridors led to unwarranted higher tiger density (8.37 kilometer per tiger) and consequent death of nine tigers in RTR-I during 2016-24, due to territorial fights, which was much higher than that of poaching.

The State Government replied (December 2024) that activities such as grassland development, juliflora eradication *etc.* are being done in corridor areas. The reply is not tenable as other planned activities such as delineating the corridors, discouraging fencing on the agriculture fields that fall in corridor areas, develop water points at appropriate places were not carried out to facilitate easy movement of tigers.

---

15 Tigers were translocated and kept in enclosure to ensure their safety and protection, and to help them acclimate to the reserve's wild; therefore, entire area of Tiger Reserve was unutilised.

16 RTR: Ranthambhore-Keladevi Wildlife Sanctuary-Van Vihar Wildlife Sanctuary, Ranthambhore-Kuno-Palpur Wildlife Sanctuarys and Ranthambhore-Ramgarh Vishdhari-Mukandara Hills (three), STR: STR-Jamwa Ramgarh (one), MHTR: Indragarh–Lakheri-Ramgarh Vishdhari Sanctuary-Dabi-Jawahar Sagar Sanctuary, Chambal–Kalisindh to Dara Wildlife Sanctuary (two).

17 Part of Ranthambhore- Kailadevi Wildlife Sanctuary-Van Vihar Wildlife Sanctuary.

4.3.8.2 Mitigating measures in tiger reserves

Various infrastructures in tiger reserves *i.e.* roads, railway lines and transmission lines cut across the landscape, fragment wildlife habitat and often result in mortality of animals, thus, endangering many of the species that have already been severely affected by development. Accordingly, WII prescribed (October 2016) construction of underpasses, use of noise barriers and ban on night traffic on the roads passing through tiger reserves. TCP of STR for the period 2014-24, provided that electricity lines passing through tiger reserve should be checked from time to time to avoid short circuiting, fire and electrocution of wild animals.

In this regard, it was noted that, the Department did not ensure mitigating measures in RTR, STR and MHTR, as detailed below:

- Eight[18] transmission lines were passing through the tiger reserve in RTR, STR and MHTR. There were four[19] recorded wildlife mortalities in MHTR and one mortality of Bear in RTR, due to electrocution during audit period. Inspite of that, no insulation work or other mitigation measures were carried out by any of the tiger reserves in co-ordination with the Energy Department, which led to continued threat to wildlife.
- As per the conditions laid down by NTCA, speed bumps and rumble strips were to be constructed at every 300–400 metre distance along the roads in tiger reserves. However, during joint physical inspection (November 2021) of widened (2019-20) stretch of 10.69 kms Sawai Madhopur-Shivpuri Road (SH- 30) passing through the core area of RTR, it was noticed that speed bumps and rumble strips were not constructed as per the conditions.
- Inspite of the above roads passing through tiger reserves, there was no correspondence on record with respective authorities, for carrying out mitigation measures for the same.

  Consequently, 17 animals[20] in MHTR (2016-23), two Panther and 261 other animals in STR (2016-23) were reported killed in road accidents. The Government stated (November 2022) that various mitigation measures viz. installation of appropriate signage, construction of adequate speed-breakers, proposal of elevated road from Thanagazi to Natnikabara, construction of underground tunnel in MHTR, *etc.* are being taken.

4.3.8.3 Allocation of resources for conservation

Resources for the conservation of forest areas include funding, manpower, infrastructure facilities, technology and equipment. Adequate financial resources, trained personnel, along with proper infrastructure and technology,

[18] RTR – two lines, STR – two lines of 26 kms, MHTR – four lines.
[19] Two Neelgai and two Monkeys.
[20] Panther, sloth bear, wild boar, Sambhar, Jackal, Cheetal *etc.*

enable effective monitoring and enforcement of regulations to protect forests from illegal activities. Issues noticed in connection with the allocation of resources for the conservation and protection of wildlife are detailed in the succeeding paragraphs:

(i) Inadequate fund management

For execution of planned conservation and protection activities in protected areas, funds are received under the Centrally Sponsored Scheme (CSS) from MoEFCC against requests for grants by the State Government. In addition to it, the State Government also provides budget under various Schemes apart from its corresponding share of CSS. Further, the funds are also sanctioned under the Compensatory Afforestation Fund Management and Planning Authority (CAMPA), National Bank for Agriculture and Rural Development, Rajasthan Forestry and Biodiversity Project, *etc.* The State Government was required to release the CSS fund to the tiger reserve within two weeks of its receipt from MoEFCC along with its corresponding share as per the guidelines, for implementing activities planned in APOs.

In this regard, Audit noticed that:

- **Short utilisation of fund:** During the period 2016-23, against the allotment of ₹ 539.59 crore for RTR, STR and MHTR under CSS, State Budget and other sources, the Department utilised only ₹ 344.06 crore, as shown in **Table 4.6**.

Table 4.6: Position of the allotment and expenditure during the period 2016-23

(₹ in crore)

Tiger Reserve	State Plan		CSS		Other sources		Total	
	Allotment	Expenditure	Allotment	Expenditure	Allotment	Expenditure	Allotment	Expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
RTR	64.11	28.08	33.03	20.84	106.62	69.00	203.76	117.92
STR	38.00	29.01	29.73	24.70	82.10	67.71	149.83	121.42
MHTR	20.41	14.88	14.62	9.15	150.97	80.69	186.00	104.72
Total	**122.52**	**71.97**	**77.38**	**54.69**	**339.69**	**217.40**	**539.59**	**344.06**

Source: Appropriation Accounts of Rajasthan State and information received from Forest Department.

The main reasons for the shortfall in utilisation of the allotted budget was not carrying out 50[21] out of 301[22] activities involving an amount of ₹ 11.42 crore planned in APOs of RTR, STR and MHTR for the year 2016-21 relating to the deployment of local workforce, daily monitoring of wild animals, ration to front line staff, construction of check posts, core area habitat improvement, maintenance of roads, procurement of arms, *etc*.. Further, even during 2021-23, the Department did not carry out 43 out of 203 activities planned in APOs of respective years.

[21] RTR – 15, STR – 19 and MHTR – 16.
[22] RTR – 77, STR – 97 and MHTR –127.

Further the State Government did not ensure the release of funds under CSS to RTR, STR and MHTR in the scheduled time of two weeks from the date of its receipt and there were delays ranging upto 200 days in the release of funds (***Appendix-10***). Specifically, in nine sanctions of RTR, STR and MHTR, the funds of ₹ 35.13 crore[23] were released in February and March of that financial year and also in June after the close of that financial year, leaving inadequate time to utilise the same leading to underutilisation of allotted funds.

- **Failure to levy Conservation Fee:** NTCA Guidelines (2012) provided that the State Government, within one year from the date of guidelines, for eco-development and local community upliftment work, may levy Conservation Fee on hotels having more than six beds at the rate of ₹ 500 to 3,000 per room per month of operation. Levy of cess for wildlife conservation was discussed in TCP of RTR and it was also proposed in one meeting (October 2016) of State Board of Wildlife (SBWL). However, the State Government had not (December 2024) issued notification for levy of Conservation Fee on the hotels in any of its tiger reserves. The main reasons for not notifying levy of Conservation Fee was lack of initiative by the State Government.

Thus, the Department did not manage the funds effectively relating to its tiger reserves, as there was shortfall in utilisation of the allotted funds by the Department, there were delays in the release of CSS funds and there was failure to levy Conservation Fee on hotels by the State Government.

The State Government stated (November 2022 and December 2024) that the short utilisation of funds was mainly due to delayed-release of CSS funds. Further, levy of Conservation Fee on hotels was not undertaken due to inadequate legal provisions and implementation issues.

Audit is of the view that department needs to take effective action for notification of conservation fee. Maharashtra has issued notification for levy of conservation fee.

(ii) Inadequate manpower management

Availability of adequate manpower is vital for wildlife conservation and protection. NWAP 2002-16 also envisaged that the State should have adequate wildlife trained personnel.

[23] RTR - ₹ 9.30 crore (21 February 2017), ₹ 6.66 crore (28 February 2022), ₹ 4.71 crore (3 March 2023, 7 June 2023). STR - ₹ 5.88 crore (28 February 2022), ₹ 3.89 crore (20 March 2023, 6 June 2023). MHTR - ₹ 3.18 crore (28 February 2022), ₹ 1.51 crore (8 February 2023).

In this regard, it was noticed that the manpower management in RTR, STR and MHTR was inadequate, which adversely impacted the conservation and protection activities therein, as detailed below:

- As on 31 March 2023, out of the sanctioned strength of 640 staff in RTR, STR and MHTR, only 295 staff were posted leaving a vacancy of 345 staff. Further, vacancies had increased from 11.01 *per cent* (31 March 2017) to 53.91 *per cent* (31 March 2023) of the sanctioned strength, mainly due to non-recruitment of frontline staff in STR and MHTR after 2016-17. The details are furnished in **Table 4.7**.

Table 4.7: Staff position in RTR, STR and MHTR

Name of post	As on 31 March 2017			As on 31 March 2023		
	Sanctioned strength	Men-in-position	Vacant Post (*per cent*)	Sanctioned strength	Men-in-position	Vacant Post (*per cent*)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Range Forest Officers	37	30	7 (18.92)	39	28	11 (28.21)
Forester	57	47	10 (17.54)	54	39	15 (27.78)
Assistant Forester	75	65	10 (13.33)	78	64	14 (17.95)
Forest Guard	467	424	43 (9.21)	469	164	305 (65.03)
Total	**636**	**566**	**70(11.01)**	**640**	**295**	**345 (53.91)**

Source: Forest Department.

The issues related to manpower management in the reserve forests is as below.

- The above table indicates that the vacancy (53.91 *per cent*) position has worsened in the last six years.
- Rajasthan Forest Manual, 2013 provided norms for watch and ward at five to seven square kms by a forest guard. However, due to shortage of forest guards, a forest guard had to cover watch and ward area of 15.39 square kms to 22.35 square kms in tiger reserves, which were much higher than the norms (***Appendix-11***). This adversely impacted the effective monitoring of tiger reserve area.

Further, the post of DCF (Relocation) remained vacant in RTR-II and MHTR during Audit period. Audit noticed that due to vacancy of DCF, relocation of villages could not be taken up as a campaign, which adversely impacted the relocation of villages from core areas of tiger reserves, as discussed in **Paragraphs 4.3.8.7 (i).**

- With a view to develop a pool of professionals with requisite ability to manage tiger reserves, WII organised[24] a post graduate diploma course in advanced wildlife management for Deputy Conservator of Forests, Assistant Conservator of Forests and equivalent officers and a Certificate Course for in-service Range Forest Officers and Deputy Range Officers. However, the Department nominated only two out of 10 eligible officers posted in tiger reserves who completed the diploma course. Further, none of the 26 Range Forest Officers had WII Certificates as on March 2023.

- NWAP 2002-16 and 2017-31 provided for training to the frontline staff of tiger reserves for collection of basic data on wildlife populations, sample collection and investigation, rescue of animals, wildlife health monitoring and human wildlife conflict, *etc*.

  However, survey of *Chokis*, revealed that training on sample collection and investigation, wildlife health monitoring, rescue of animals and human wildlife conflict was provided to only 32 *per cent*, 16 *per cent* and 26 *per cent* of the staff, respectively. Audit noticed that the Department utilised fund of only ₹ 12.48 lakh out of ₹ 62.80 lakh allotted for the purpose of training capacity building during 2016-23.

Thus, the Department did not ensure adequate manpower management in its tiger reserves by not filling the vacant posts and not providing training to its staff and officers, which led to undue increase in coverage area for monitoring of tiger reserves by forest guards.

The State Government, while accepting the observation stated (November 2022) that patrolling area varies depending on sensitivity of the area and management intensity. In December 2024, it was replied that new forest guards have been recruited and are under training. To manage vacant posts, home guards are deployed for patrolling and anti-poaching activities.

(iii) Shortage of veterinary staff

Adequate health management of wildlife include treating the sick and wounded animals, taking care of wild animals in captivity, health assessment of wild animals for translocation, surveillance of diseases, taking preventive measures against diseases, *etc*.

Further, the position of veterinary staff was inadequate as detailed in **Table 4.8**.

[24] Course prescribed in NWAP 2002-16

Table 4.8: Position of veterinary staff

Year	MHTR				RTR				STR			
	Sanctioned		Posted		Sanctioned		Posted		Sanctioned		Posted	
	Veterinary Doctor	Veterinary Assistant	Veterinary Doctor	Veterinary Assistant	Veterinary Doctor	Veterinary Assistant	Veterinary Doctor	Veterinary Assistant	Veterinary Doctor	Veterinary Assistant	Veterinary Doctor	Veterinary Assistant
2016-17	1	1	0	0	1	2	0	0	0	0	0	0
2017-18	1	1	0	0	1	2	0	0	1	0	0	0
2018-19	1	1	1 Doctor posted from August 2018	0	1	2	0	0	1	0	0	0
2019-20	1	1	1	0	1	2	1 Doctor posted on 25.09.2020	0	1	0	0	0
2020-21	1	1	1	0	1	2	1	0	1	0	1 Doctor Posted on 26.10.2020	0

Source: Forest Department.

As evident from the above table, in STR, against the sanctioned post of one doctor, no doctor was posted till October 2020, In RTR, against the sanctioned post of one doctor and two staff, a doctor was posted only in September 2020 and no staff was posted till date. Against the sanctioned post of one doctor and one staff at MHTR, one doctor was posted was posted only in August 2018 and no staff was posted till date. Even in RTR and STR doctors were posted in September 2020 and October 2020 respectively.

Further in RTR one Ambulance was procured in 2013 and the same was not used due to big size and lack of staff. In STR and MHTR, rescue vehicles were procured during 2022-23.

The State Government replied (December 2024) that the monitoring of wildlife health is being done by veterinary officers, who had been posted in STR and RTR.

4.3.8.4 Management and Consolidation of Wildlife Habitats

A habitat is a place where an organism makes its home, which meets all the environmental conditions that an organism needs to survive. Major reasons of habitat degradation are anthropogenic activities inside tiger reserve *i.e.* mining and other commercial activities, movement of people to visit religious places, tourism and cattle grazing *etc.* To consolidate wildlife habitat, the national parks need demarcation of boundaries, mutation of title of land in revenue records, regulation of commercial, tourism and mining activities. Efforts of the Department in this regard were examined by Audit and observations are discussed in the succeeding paragraphs.

(i) Declaration of Eco Sensitive Zones

MoEFCC Guidelines for declaration of Eco Sensitive Zones (ESZ) around National Parks and Wildlife Sanctuaries (February 2011), provided for

identifying, surveying the land within ten kms of protected areas and submitting proposal by the State Government to MoEFCC at the earliest for declaration of ESZ. This would create a kind of shock absorber for national park and wildlife sanctuary besides serving as a transition zone from areas of high protection to areas involving lesser protection.

The Chief Wild Life Warden (CWLW) submitted[25] proposals to declare three ESZs around STR, RTR and MHTR to MoEFCC, out of which ESZs around MHTR only was declared (25 November 2020) by MoEFCC. Declaration of two ESZs around STR and RTR are pending, mainly due to non-compliance with the directions of MoEFCC relating to the inclusion of all buffer zones in ESZ, delineating minimum area as ESZ around the core area, providing the latest coloured maps showing land use around tiger reserves, *etc.* Consequently, the prohibited activity of mining continued in and around one km area of tiger reserve in STR, as discussed in **Paragraph 4.3.8.4 (iii)**. The issue of delay in notification of ESZs was previously highlighted by CAG in its Audit Report no. 5 of 2019, on which PAC also recommended (March 2022) to expedite the matter, however, the position remains same.

The State Government stated (November 2022) that the delay in notification of ESZs was due to the extensive consultation process required for its notification. Further, it was stated that as per the directions of Hon'ble Supreme Court (June 2022), the extent of ESZ should not be less than one km, however, area of notified ESZ was less than one km at some places, due to this, the Zonal Master Plans could not be prepared. Thereafter, it was replied (December 2024) that proposal of final notification of ESZ around STR has been sent to the State Government in April 2024 and draft notification of RTR has been sent in October 2024.

The reply has to be viewed against the fact that despite lapse of six years, declaration of ESZ around RTR and STR was not done.

(ii) Non-securing area of tiger reserves

Rajasthan State Forest Policy, 2010 and TCPs of tiger reserves provided that all notified forest areas should be demarcated by erecting boundary pillars and mutated in the name of the Department in revenue records, mainly to check illegal mining and encroachment in the tiger reserves, which posed a serious threat to tiger reserves and contributes to habitat loss and reduction in net area available for the Wildlife.

In this regard, Audit noticed that:

[25] STR – 10 April 2017, MHTR – 21 April 2017 and RTR – 05 May 2017.

- As on November 2022, out of total boundary of 2,136.01 kms[26] of its tiger reserves, fencing was not constructed for 1,783.60 kms[27] (83.50 *per cent*). Further, though the physical demarcation by erection of wall/ boundary pillars was completed in RTR and MHTR, in STR physical demarcation was completed only for 46.60 kms (6 *per cent*) out of total boundary of 761.52 km. The main reason for non-demarcation of 714.92 kms boundary in STR was non-mutation of land in the name of the Department. Further, the Department could utilise only ₹14.33 crore out of ₹ 21.94 crore allotted for construction of boundary wall in RTR during 2018-23.



Figure 4.2: Villagers leaving cattle for grazing in RTR (July 2021)

  Thus, non-demarcation of boundary in STR and short utilisation of funds allotted for construction of boundary wall in RTR during 2018-23, contributed to crop raiding[28] in STR and RTR, which caused serious resentment among the villagers. Even in Joint survey of 140 persons of 14 villages in periphery of tiger reserves (January 2022), 90 persons stated that there was damage to their crop by wildlife, for which no compensation was paid.

  Joint physical verification also revealed that fencing was broken at various places in Falodi and Kushalpura chowki in RTR, which provided space for the cattle to enter in the tiger reserve for grazing.

- Out of total tiger reserve land of 2,72,938.18 hectare, mutation of 60,502.54 hectare land in the name of the Department was pending as on 31 March 2023, mainly due to not conducting survey of 48,936.10 hectare land, not taking any action on mutation of 1,321.68 hectare *khatedari* land[29], *etc*. The details are furnished in **Table 4.9**.

[26] RTR: 1,034.49 kms, STR: 761.52 kms and MHTR: 340 kms.
[27] RTR: 776.72 kms, STR: 727.17 kms and MHTR: 279.71 kms.
[28] Crop damage due to wildlife.
[29] *Khatedars* are tenants on Government land to whom land is given for agricultural purpose. The land mutated in the name of *Khatedar* is call *Khatedari* land.

Table 4.9: Position of mutation of land in tiger reserves as on 31 March 2023

(Area in hectares)

Name of Tiger Reserve	Total reserve land	Mutation pending on April 2016	Mutation of land during 2016-2023	Mutation pending on March 2023	Land not surveyed	*Khatedari* land
(1)	(2)	(3)	(4)	(5)	(6)	(7)
STR	97,344.55	57,155.81	8,254.48	48,901.33	43,285.35	-
RTR	92,906.15	13,223.59	6,664.92	6558.67	1047.87	996.04
MHTR	82,687.48	5,087.99	45.45	5042.54	4,602.88	325.64
Total	**2,72,938.18**	**75,467.39**	**14,964.85**	**60,502.54**	**48,936.10**	**1,321.68**

Source: Forest Department.

Due to not taking requisite actions by the Department in demarcation and mutation of forest land in its name coupled with inaction of the departmental officials in securing forest land, 320.29 hectare of land in RTR, STR and MHTR was encroached by 253 families, as on 31 March 2023. The encroachment was mainly related to agriculture by the villagers residing inside/in adjoining areas of the tiger reserves. The details are furnished in **Table 4.10**.

Table 4.10: Position of encroachments during 2016-23

Name of Tiger Reserve	Encroachment (1 April 2016)		New encroachment during 2016-23		Encroachment removed during 2016-23		Encroachment (31 March 2023)	
	Families	Area (hectare)	Families	Area (hectare)	Families	Area (hectare)	Families	Area (hectare)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
RTR	67	257.78	95	349.40	15	314.28	129	284.47
STR	8	9.97	105	22.29	23	5.45	90	26.81
MHTR	0	0	38	10.12	4	1.11	34	9.01
Total	**75**	**267.75**	**238**	**381.81**	**42**	**320.84**	**253**	**320.29**

Source: Forest Department.

Thus, the Department could not secure the area of its tiger reserves by way of demarcation and mutation of land in its name, which compromised the security of tiger reserves and encouraged the encroachment, crop raiding and cattle grazing, *etc.* This issue was also highlighted previously in CAG's Audit Report No. 05 of the year 2019. PAC recommended to intimate the plan to initiate action with co-ordination of Revenue Department for mutation of forest land and to take effective action for disposal of encroachment cases.

The State Government, while accepting the observation, stated (November 2022 and December 2024) that survey and demarcation of remaining area was proposed to be done in forthcoming years and continuous efforts were being taken to remove encroachment.

(iii) Prevention of mining inside and around tiger reserves

The Rajasthan Forest Act, 1953 prohibits mining in the forest area and the Rajasthan State Forest Policy, 2010 stipulates that efforts should be made for curbing illegal mining in forest areas by enforcing a strict surveillance mechanism, including the use of satellite imagery and joint inspections with

officials of mining and the police department.

In this regard, Audit noticed that the Department could not ensure check on mining activities inside and around RTR, STR and MHTR mainly due to absence of clear boundary demarcation and missing boundary pillars in most of the areas. The specific Audit observations, in this regard, are detailed as under:

- State Board of Wildlife (SBWL) issued directions (January 2015) to survey illegal mines in all tiger reserves on priority and share the information with the Mines Department. Though, list of illegal mining cases was prepared and submitted (May 2015) by MHTR to CCF (Wildlife), Jaipur. Further, no such survey was conducted in RTR and STR.
- SBWL directed (October 2015) that all illegal mining in tiger reserves, specifically near Uliyana village, Kundera range, RTR should be stopped by involving district administration. However, the Department did not take any concrete action in this regard and only made routine correspondences with district administration without conducting any joint action to stop illegal mining. Consequently, illegal mining of masonry stone in Uliyana and Bhadlav area in Kundera range, RTR along with Khawa Khandoj, Basso and Shyampura Dungari village areas could not be stopped, which was going on for many years.
- Hon'ble Supreme Court of India ordered (August 2006) and Additional Chief Secretary, Forest Department, GoR directed (March 2015) that there would be no mining activity within one km around a tiger reserve.

  However, it was observed that 47 mining leases were in operation within one km of core area of STR during 2016-23. Similarly, 14 mining leases of sandstone were operating within one km of MHTR core area in Rawatbhata, Talera and Ladpura. The Forest Department did not take-up this issue with the higher level of mining department to ensure compliance of the order of Hon'ble Supreme Court. Illustrative images depicting mining activity in and adjoining core area of STR and MHTR, using Global Positioning System (GPS), Geographical Information System technology and *Google Earth Pro* software, are given hereunder:

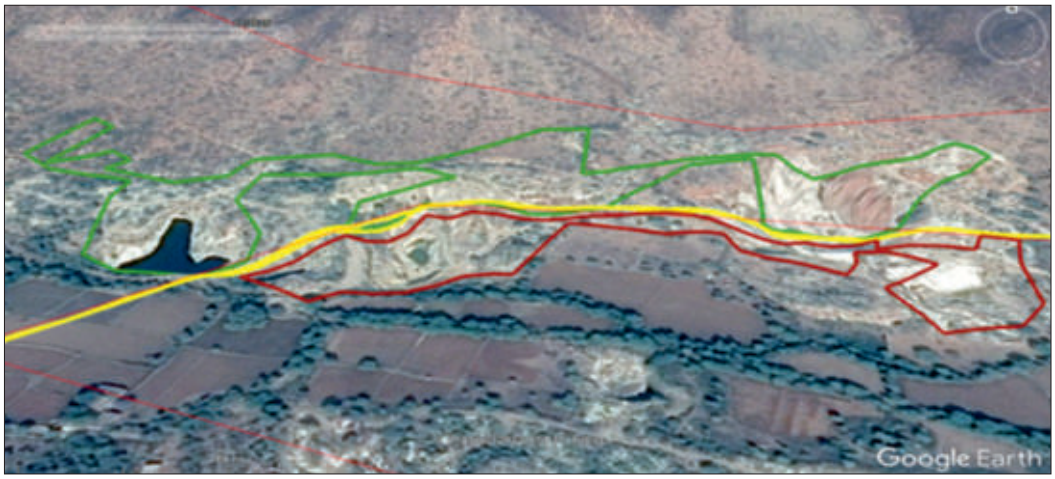


Figure 4.3: Mining in and around STR (Time frame of Image: November 2015) before GoR instruction



Figure 4.4: Mining within and around STR (Time frame of Image: December 2022) after GoR instruction



Figure 4.5: Mining around MHTR (Time frame of Image: May 2016) before GoR instruction

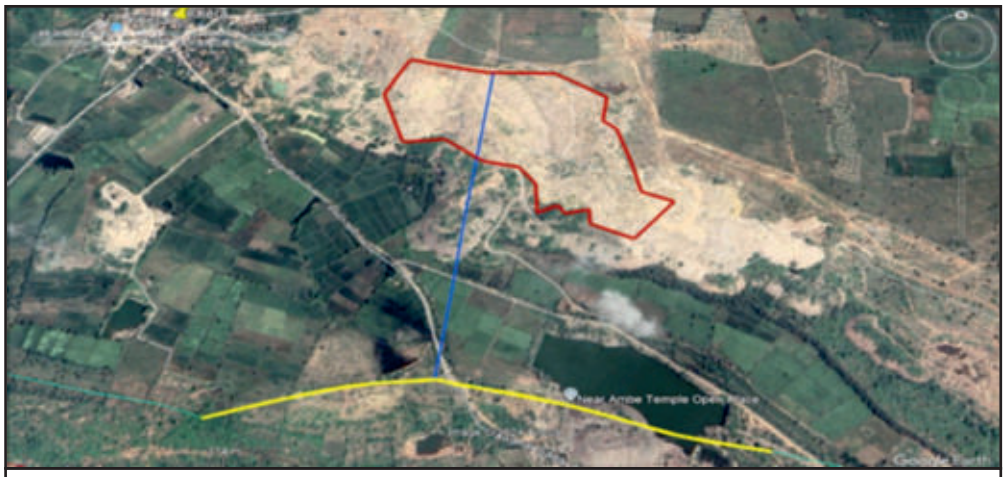


Figure 4.6: Mining around MHTR (Time frame of Image: September 2023) after GoR instruction

mining outside core area mining inside core area core area distance from core area boundary

This unregulated mining had negative effect on fragile area around tiger reserve and the movement of wildlife. This issue was highlighted earlier in CAG's Audit Report No. 5 of 2019.

Thereafter, in December 2024, the Government replied that mining activities within one kilometre has been stopped in compliance of Honourable Supreme Court directions issued in May 2024.

(iv) Anthropogenic activities

Wildlife (Protection) Act, 1972 provide that no person shall destroy, damage or divert the habitat of any wild animal by any act except under, and in accordance with, a permit granted by CWLW. Further, it was provided that core areas of tiger reserves were required to be kept as inviolate for the purposes of tiger conservation.

In this regard, it was noted that the Department did not ensure regulation of the anthropogenic activities in its tiger reserves, as detailed below:

- TCPs of all tiger reserves highlighted great concern on the movement of the pilgrims for religious sites in the park mainly because of unregulated movement of vehicles and pilgrims, which also provide opportunities to poachers to enter the forest to commit wildlife crimes.

  However, there were 565 religious sites[30] in RTR, STR and MHTR, which *inter- alia* included Pandupole in STR, Ganesh Mandir in RTR, Garadiya Mahadev in MHTR. These sites attract lakhs of pilgrims, for which no appropriate mechanism was developed for their management. Further, no

[30] RTR: 242, STR: 308 and MHTR: 15

impact assessment was conducted to assess the negative impact caused by pilgrims on the habitat of wildlife in any of the tiger reserves, due to which mitigative measures to tackle adverse impact of movement of pilgrims on wildlife could not be taken.

- Rajasthan Forest Act, 1953 prohibited pasturing of cattle in reserved forest, mainly to avoid human wildlife conflicts. However, as per TCPs of RTR, STR and MHTR, there were large number of domestic livestock owned by people living in villages located inside tiger reserves. Even during joint physical inspection, it was noticed that cattle were grazing inside STR (especially near water points), RTR (Seldar Neemly rest house, near Kushalpura chowki, Phalodi range) and MHTR (Jawahar Sagar, Borawas range). Uncontrolled grazing in tiger reserves was mainly due to non-relocation of villages situated inside tiger reserves as discussed in **Paragraph 4.3.8.7 (i)**, broken boundary wall/ fencing at many places as discussed in **Paragraph 4.3.8.4 (ii)**, which further facilitated cattle to enter the park for grazing.



Figure 4.7: Domestic Cattle in STR (July 2021)

Thus, the Department did not ensure regulation of various anthropogenic activities *i.e.* movement of pilgrims, operation of shops and kiosks, other commercial activities, grazing by domestic cattle, *etc.* in its tiger reserves, which adversely impacted its habitat management.

In December 2024, the Government replied that in order to minimize the effect of anthropogenic activities, the village relocation process is being carried out by the STR administration. Implementation of the e-vehicles and shuttle bus service are under consideration for STR. To regulate human activities around RTR, the concerned regional forest officer is issuing notices to remove 42 kiosks/shops at Ganesh Dham.

Audit is of the view that the Forest Department needs to ensure effective coordination with other department (district administration and revenue department) to reduce anthropogenic activities to prevent negative impact on wildlife.

(v) Eco-friendly tourism in tiger reserves

Eco-tourism is responsible travel to natural areas that conserves the environment and improves the well–being of the local people, while raising awareness in the public at large about the worth and fragility of ecosystems.

However, during the review of management of tourism activities in tiger reserves of the State, Audit noticed the following:

- NWAP 2017-31, envisaged to develop impact assessment techniques and standards that could be used by wildlife managers to evaluate negative impacts of tourism on soil, water resources, vegetation, animal life, sanitation, cultural environment, *etc*. In this regard, the details of tourists in RTR, STR and MHTR during 2016-23 is given in **Table 4.11**.

Table 4.11: Details of tourists in RTR, STR and MHTR

Year	RTR	STR	MHTR
(1)	(2)	(3)	(4)
2016-17	4,69,850	52,205	NA
2017-18	4,90,942	50,265	32,465
2018-19	4,61,899	46,333	73,943
2019-20	4,35,386	48,547	84,549
2020-21	1,93,092	41,375	34,241
2021-22	3,59,059	51,069	69,796
2022-23	5,53,519	56,183	94,548

Source: Forest Department.

Though, TCP of STR and RTR[31], fixed maximum number of vehicles to be permitted at 35 and 140 respectively, no impact assessment study was conducted to assess and quantify the impact of tourism activities in any of the tiger reserves.

In order to regulate tourism and monitor movement of tourist vehicles in tiger reserves, PCCF&CWLW (September 2016) and the State Government (December 2019) directed to install GPS instrument in every tourist vehicle entering the tiger reserve. Though, as on 31 March 2023, 557 tourist vehicles were fitted with GPS in RTR, their monitoring through GPS was not in operation.

- NTCA (Normative Standards for Tourism activities and Project Tiger) Guidelines, 2012 provided that use of battery-operated vehicles should be encouraged in tiger reserves to minimise pollution. However, RTR and STR did not explore the feasibility of introducing any battery-operated tourist vehicles, so far (March 2024).
- Eco Tourism Policy, 2018 envisaged to establish Interpretation Centres, posters and exhibition material for use by people, to increase awareness about wildlife. Accordingly, the Department established one Interpretation

[31] There was no safari in MHTR.

Centre in RTR core area, one Interpretation Centre in STR (2012) and one[32] Interpretation Centres in MHTR (2019-20).



Figure 4.8: Interpretation Centre at STR (December 2021)

- However, Interpretation Centres at RTR and MHTR were not in operation due to lack of staff and infrastructure, out of which RTR Interpretation Centre was being used for parking two wheelers. Further, Interpretation Centre at STR was not well maintained, as damaged structure, paintings, models, plaster, wood work, *etc.* were not repaired. This defeated the objective of establishment of Interpretation Centres.

The Government stated (November 2022) that impact assessment of tourism activities was shortlisted as a topic for research and GPS monitoring would be initiated in 2022. In reply (December 2024), it was intimated that efforts are being made to promote BS VI vehicles to organize eco-friendly tourism in the sanctuary area.

The department needs to expedite the implementation of its proposals to reduce negative impact of tourism in tiger reserves.

4.3.8.5 Non-eradication of invasive species

The TCPs of RTR, STR and MHTR identified *Prosopis juliflora* (*Vilaiti babul*)[33]*, lantana, etc.* as major invasive alien species, which are undesirable weeds that have little wildlife value and which invade all the available habitats. NWAP (2017-31) recommended to set up a mechanism for assessing, monitoring and managing the invasive alien species inside tiger reserves, as these cause loss of biodiversity with significant undesirable impacts on the ecosystem.

---

[32] At Garadiya Mahadev in Jawahar Sagar range.

[33] *Juliflora*, can have a negative impact on forests in several ways, including displacing native plant communities, reducing tree diversity, suppressing plant growth, reducing plant height and stem diameter, negatively impacting livelihoods, *etc*.

In this regard, it was noted that the Department did not prepare any long-term policy for removal of invasive alien species. Further, area for removal of invasive species was not assessed in RTR and MHTR, for which the targets for eradication were fixed on *ad-hoc* basis. Though the Department assessed 5,000 hectare area for eradication of alien species in STR during 2016-23, but fixed targets for the same at only 600 hectare area, which was much lower than the assessed area. The Department could not achieve even the fixed targets in RTR and MHTR during 2016-23, leaving a shortfall of 14.54 *per cent* against physical targets and 18.21 *per cent* against financial targets, as detailed below in **Table 4.12.**

Table 4.12: Targets and achievements for removal of invasive alien species (2016-23)

Name of Tiger Reserve	Area assessed (hectare)	Target		Achievement		Shortfall (in percentage)	
		Physical (hectare)	Financial (₹ in lakh)	Physical (hectare)	Financial (₹ in lakh)	Physical	Financial (₹ in lakh)
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(5)/(3)*100	(8)=(6)/(4)*100
RTR	-	151.00	110.00	97.00	86.33	35.76	21.52
MHTR	-	653.30	208.75	480.63	154.77	26.43	25.86
STR	5,000	600.00	110.00	622.50	109.56	-	0.40
Total	**5,000**	**1,404.30**	**428.75**	**1,200.13**	**350.66**	**14.54**	**18.21**

Source: Forest Department.

The reasons for shortfall in achievement of targets were planning for very low area for removal of invasive species in APOs, *etc*. Thus, the efforts made to remove the invasive alien species in its tiger reserves were not sufficient to resolve the problem, which adversely affected the habitat.

The Government replied (December 2024) that grassland development work is being done in RTR by eradicating invasive species. An integrated invasive species removal plan for MHTR is under process.

4.3.8.6 Inadequate fire safety arrangements

Fire is one of the major destructive agents of forest. In Rajasthan, most of the forest fire are ground fires, which normally do not cause permanent damage to the forest tree crop, but they tend to reduce the density of the stocking and destroy invaluable wildlife habitat. Accordingly, Rajasthan Forest Policy envisaged that in order to curb the forest fire, the fire lines need to be created and maintained in forest areas at regular intervals, for which staff would be given modern gadgets.

During 2016-23, there were 105 recorded cases of fire in 3,650.68 hectare area in RTR, STR and MHTR, which included a major fire outbreak (27 March 2022) in 1,000 hectare of STR. In this regard, it was noted that the fire safety arrangements in tiger reserves during 2016-23 were inadequate, as detailed below:

- Assessment of area vulnerable to fire was not carried out in any of the tiger

reserves, for which reasons were not available.

- Firefighting equipment were not provided in any of the tiger reserves except RTR-II, citing reason of non-availability of adequate funds.
- During 2016-23, the department utilised only ₹ 1.92 crore out of ₹ 3.05 crore allotted for carrying out works related to fire lines.
- For protection of fire, fire watchers, fire fighters, beaters were also not deployed in RTR-I and STR. Further, budget was not allotted for fire watchers, fire fighters, beaters in RTR-II during 2017-21.

Non-assessment of area vulnerable to fire, non-availability of firefighting and fire protection equipment, indicated that the tiger reserves were not vigilant regarding forest fires. This issue was earlier highlighted in CAG Audit Report no. 5 of 2019, however, no effective action have been taken by the department.

The Government stated (November 2022) that the protected area under review is less fire prone than the southern parts of the State. Thereafter, it was replied (December 2024) that fire-fighting equipment are given to range level, fire line created to preventing forest fire and also fire-fighting training given to field staff periodically. At present, fire lines are being established for fire safety in the sanctuary area and action is being taken to provide fire equipment.

Conclusion

There were significant shortcomings in wildlife protection and tiger conservation efforts by the Department between the period 2016 and 2023. The Department could not prevent wildlife poaching which caused death of four tigers due to poaching. Moreover, the failure to develop critical tiger corridors, especially between RTR 1 and 2, resulted in overcrowding and territorial fights that caused the death of ten tigers.

There was poor financial management, inadequate security measures and ineffective manpower management by the Department during 2016-2023. Despite an allocation of ₹539.59 crore, ₹344.06 crore was utilised. Wildlife security was compromised due to the absence of effective patrolling plans, lack of adequate staff and insufficient facilities. The Department's inability to address staffing shortages and provide adequate training resulted in forest guards being overburdened with larger monitoring areas.

Non-compliance with the Ministry of Environment, Forest and Climate Change directives regarding Eco-Sensitive Zones exacerbated the situation, particularly around STR, where mining continued near the reserve.

There were significant failures in securing and managing tiger reserves, which jeopardized conservation efforts. The Department did not adequately demarcate

and secure land for tiger reserves, leading to encroachment, crop raiding and cattle grazing. The Department was unable to control illegal mining near reserves, disrupting wildlife and damaging the surrounding environment. The Department also lacked a long-term policy to address invasive species, resulting in insufficient efforts to protect habitats.

Recommendations

The Government/Department may consider for:

- ***taking concrete actions such as establishment of STF to minimise tiger mortalities by putting check on poaching.***
- ***taking effective action for development of corridors by carrying out required activities to avoid territorial fights.***
- ***taking action to post adequate veterinary staff and patrolling staff in tiger reserves.***
- ***demarcation of the boundaries of tiger reserves using pillars, walls, or fencing in a specified timeframe and take immediate action to eliminate all encroachment.***
- ***framing a long-term plan for assessment and eradication of invasive species with sufficient funding.***

4.3.8.7 Relocation and Rehabilitation of villages

The second audit objective is to see whether adequate efforts were made for relocation and rehabilitation of villages.

Under this objective audit noticed shortcomings in efforts made for relocation and rehabilitation of villages such as delay in conducting survey, delayed approval of land for rehabilitation, deficient monitoring.

NWAP 2002-16 provided that relocation and rehabilitation of villages inside core area of tiger reserves should be undertaken voluntarily or by persuasion. NTCA Guidelines (2007) prescribed that relocation of villagers from tiger reserves should be done within five years from the date of notification of area. Significant audit findings relating to relocation and rehabilitation of villages from tiger reserves are elaborated in the succeeding paragraphs:

(i) Relocation of villages from tiger reserves

There were 108 villages[34] (as on April 2013) inside the core area of RTR, STR and MHTR[35], which were to be relocated. Accordingly, the Department submitted to NTCA, year-wise relocation plan of 66 villages from RTR with timeframe upto 31 March 2014 and 28 villages from STR with timeframe upto 31 March 2016, additionally 14 villages in MHTR were proposed to be

[34] RTR-66 villages, STR-28 villages and MHTR-14 villages.

[35] 14 villages inside the core area of MHTR were proposed to be relocated in phased manner starting from 2015-16.

relocated in phased manner starting from 2015-16..

However, against the above proposal, department made year-wise relocation plan of only 31 villages[36], out of which relocation of 20 villages was approved by NTCA. Subsequently, 18 more villages were approved and taken up (2014-23) for relocation.

Thus, as against the pending relocation of 108 villages from core areas of RTR, STR and MHTR, the Department planned relocation of only 49 villages (31+18), against which, the Department could relocate 15 villages completely and 17 villages partially, as on 31 March 2023. This indicated very slow progress in relocation process, for which detailed reasons are included in **Paragraph 4.3.8.7 (ii) and (iii)**. The position of village relocation from RTR, STR and MHTR during 2016-23 is given in **Table 4.13**.

Table 4.13: Status of village relocation from RTR, STR and MHTR during 2016-23

Tiger Reserve	Notification month	Total Villages	Pending relocation as on 31 March 2016 (Villages/ Families)	Relocated during 2016-23 Villages (Villages/ Families)	Pending relocation as on 31 March 2023 (Villages/ Families)	Villages in process of relocation (as on 31 March 2023)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
RTR	December 2007	66	60/ 8,025	3/ 373	57/ 7,652	9
STR	December 2007	28	26/ 4,629	2/ 269	24/ 4,360	6
MHTR	April 2013	14	14/ 1,585	2/ 175	12/ 1,410	2
Total		**108**	**100/ 14,239**	**7[37]/ 817**	**93/ 13,422**	**17[38]**

Source: Forest Department.

Consequently, as on 31 March 2023, relocation of 93 villages (100-7) was pending, even after lapse of more than 10 to 15 years from the date of notification of tiger reserves.

Further, due to lower relocation of villages, out of total funds of ₹ 283.57 crore allotted for village relocation during 2016-23, only ₹ 107.73 crore could be utilised by the Department. Slow pace of relocation of villages, also led to uncontrolled grazing by domestic cattle inside tiger reserves and crop raiding by wildlife, as discussed in **Paragraph 4.3.8.4 (ii)**.

(ii) Lack of efforts in relocation of villages

The Department did not ensure relocation of villages from core areas of RTR, STR and MHTR, as discussed in previous **Paragraph 4.3.8.7 (i)**. The main reasons for low relocation and rehabilitation of villages were lack of efforts by the Department, as detailed below:

---

36 RTR-19 villages and STR-12 villages.

37 Garhi, Panidhal, Dabli and Laxmipura, Kathuli, Kala khohera and Kharli baori.

38 RTR- Kalibhat, Hindwar, Munderheri, Berai Bhimpura, Dangra, Unchi Gwari, Chodkyakalan, Marmada and Chodkyakhurd, STR- Sukola, Kraska, Devri, Kankwari, Loj Nathusar and Haripura, MHTR-Ghatigaon and Masalpura.

- **Delayed approval of land for rehabilitation:** DCF, MHTR proposed (November 2017) approval of funding for the relocation of 1,589 families of 14 villages at ₹ 251.63 crore compensation and allotment of 2,263 plots, for which in-principal approval (August 2018) was accorded by NTCA for 100 hectares of forest land in Lakhava for village rehabilitation. However, final approval by MoEFCC was pending even after lapse of more than six years (December 2024), mainly due to non-compliance with the laid down conditions[39] included in in-principal approval and pendency of the final proposal at the level of State Government.
- **Deficient monitoring:** The relocation process was required to be monitored and implemented by SLMC every six months at the State level and District Level Implementing Committee (DLIC) every quarter at the district level. During 2016-23 as against the requirement of minimum 14 SLMC meetings, five meetings were conducted[40] and against the minimum requirement of 112 DLIC meetings, 55 meetings were conducted in three tiger reserves. The reasons for holding less meetings were not available on records. Inadequate monitoring at the State and district level adversely affected and slowed down the relocation process in tiger reserves of the State, as the implementation of the decisions taken by SLMC relating to providing city package for relocation, prioritise land availability by FD&CCFs, carry out survey for relocation, *etc*. could not be monitored. During PAC meeting held in October 2019, the government replied that efforts are being made to held regular meetings, however, the facts mentioned in the above para indicates that meetings were not being held regularly.

(iii) Conducting surveys

Rajasthan State Relocation Package (2002), provided that Socio-Economic Survey should be carried out to identify persons to be relocated from tiger reserves.

However, the Department did not ensure carrying out Socio-Economic Surveys, as per the guidelines as detailed below:

- **Delay in Survey:** The Department did not commence (December 2024) survey and relocation process in ten villages[41] of RTR-II, though the families of these villages were ready for relocation, for which RTR Park Manager had requested (2016-17 onwards) the CCF. The reasons for the same were not available on records.
  Surveys were conducted (2014 to 2019) in only three[42] out of 14 villages

[39] Approval of district level, sub-division level and Gram sabha level
[40] 19 May 2016, 12 April 2018, 28 May 2019, 10 January 2022 and 22 April 2022.
[41] Ashaki, Hatiyaki, Noniyaki, Nibhera, Mula Ka Pura, Bandan Ka Pura, Pahadpur, Jogpura, Rawatpura and Chodiya Khata.
[42] Laxmipura and Kharlibavri (10.12.2014 to 14.12.2014) and Ghati Jagir (01.07.2019 to 31.07.2019).

of MHTR, out of which committees for survey was formed for two villages. Further, there were discrepancies in numbers of family identified mainly due to change in family composition due to time gap in conducting survey.

Further, village relocation Proposals for five[43] villages of MHTR were prepared on the basis of initial survey conducted during July 2011 without conducting actual socio-economic surveys and consequently no fund was approved. Further, as against the proposal of CSS funds of ₹ 104.10 crore for relocation of five [44] villages proposed in APOs during 2016-21[45], no amount was approved by NTCA.

- **Joint survey:** Audit conducted (September 2021 to January 2022) Joint survey of 112 families of 10[46] villages which were to be relocated and 38 families of two[47] villages which were rehabilitated, with officials of the Department. Survey of families from villages to be relocated revealed that 49 families (five villages) were unaware about the relocation process, 85 families (eight villages) confirmed that survey was not done in their village and 51 families (six villages) expressed dissatisfaction over the relocation package amount.

  Further, survey of families of relocated villages revealed that 38 families were not satisfied with the rehabilitation site, as either the allotted land was not transferred in their name in revenue records or conversion of land was pending. They also cited lack of basic facilities such as gas connection, fair price shop, health centre, community centre, *etc.* at rehabilitation site.

Thus, delays and discrepancies in conducting socio-economic surveys caused dissatisfaction among affected families and hindering relocation efforts.

The State Government stated (November 2022) that socio-economic surveys were carried out only when sufficient number of families show inclination to relocate. Further, it was stated that mutation of land in the name of relocated people was a continuous process and action is being taken to resolve other issues, which has led to increased pace of relocation.

It was also stated that village relocation is a voluntary process and continuous efforts are being made to relocate villages.

The reply is not acceptable as even when sufficient number of families showed inclination for relocation in RTR-II and MHTR, the Department did not carry out socio-economic surveys.

---

43 Kolipura, Ruppura, Girdharpura, Kharli Bavdi and Laxmipura.
44 Darrah, Ghati, Mashalpura Girdharipura and Laxmipura
45 No funds were proposed in APOs for the year 2021-22 and 2022-23.
46 RTR-Jhilkapura, Ashaki Guwadi, Hatiyaki, Rasilpur, Kalibhat and Bhavpur, STR-Kraska, Rajor May Mandalwas, MHTR-Ghati Jagir and Damodarpura.
47 RTR-Ganesh Nagar and STR-Tizara Rundh.

(iv) Inadequate local participation in management of tiger reserves

NWAP emphasised on local participation in management of tiger reserves. Efforts made by the Department for involvement of local people for eco-development and participation in management for conservation of tiger reserves through involvement of Tiger Conservation Foundation (TCF) and Eco Development Committee (EDCs) are discussed below:

- In RTR, STR and MHTR during 2016-21, Governing Bodies held only 20 meetings against requirement of 26 meetings and Executive Committee held only 21 meetings against the requirement of 156 meetings. Consequently, TCF could not ensure implementation of decisions taken in its meetings relating to establishment of wildlife station at Karauli, increase entry fees for high demand zones, cattle compensation, police deployment, translocation of cheetals, electric shuttle buses, *etc*.

- The State Government issued (October 2000) guidelines to constitute EDC in every village in each tiger reserve, for security and development of wildlife. However, 267 EDCs were constituted for 356 villages of three tiger reserves, out of which 126 EDCs (46.76 *per cent*) were working. Further, Micro Plans[48] were not prepared by any EDCs of STR, whereas partial plans were prepared by EDCs of MHTR. In absence of this, it could not be ensured that activities were carried out as per the requirements of local area and people.

  The Government stated (November 2022) that the meetings of RTCFs were held regularly despite covid pandemic. The reply is not acceptable as there was huge deficit in holding the meetings of RTCFs even during non-covid period.

- PCCF and Finance Department instructed (January 2017 and April 2018) that the payment of various work executed by EDCs was to be transferred by cheque/ electronic mode in the bank account of respective labour directly, instead of cash.

In ten EDCs of Sariska and Akbarpur range, ₹ 11.87 crore was spent on various development works executed through EDCs, during 2018-23 whose payment was transferred by the Department in the bank account of EDCs through cheque. The payment was further transferred by EDCs in bank accounts of Gang chief[49] by cheque, which was further disbursed to the concerned labours. However, the details of actual payment of wages to labourers was neither tracked nor available with EDCs and the Department. This was in violation of the instructions of PCCF and the Finance Department, which also compromised transparency in ensuring employment to the members of EDCs.

---

[48] EDC was required to prepare an eco-development and wildlife protection plan for their area, to be approved by DCF.

[49] Leader of group of labours.

The Government replied (December 2024) that payment to the labourers are being made through bank accounts. However, nothing in support to the reply was submitted.

Thus, the Department did not ensure payment for development works directly in the bank accounts of labours.

- TCP of RTR for 2013-22, proposed plan for livelihood, education, socio-economic upliftment and rehabilitation of *Mogiya, Bawariya* and other nomadic tribes residing near its core area at estimated cost of ₹ 17.62 crore with financial assistance of Project tiger. However, the department did not demand any budget in APOs for the year 2016-23. Only a meagre amount of ₹ 19.41 lakh was incurred by Ranthambhore Tiger Conservation Foundation (RTCF) towards hostel facilities and education of *Mogiya* children.

  Audit noticed that although the issue was discussed in TCP but no budget was proposed in STR for upliftment of the above tribes in its TCP. Though, ₹ 16.50 lakh was approved (2016-23) for skill development of *Bawariya* community, the Department incurred expenditure of ₹ 7.97 lakh.

Conclusion

There were shortcomings in relocating villages from core areas of tiger reserves and involving local communities in conservation efforts. Out of 108 planned village relocations in RTR, STR, and MHTR, only 15 were fully relocated and 17 partially by March 2023. 51 families out of 112 families expressed dissatisfaction over the relocation package during joint survey. This slow pace of relocation resulted in under-utilization of allocated funds. The incomplete relocation led to issues such as uncontrolled cattle grazing and wildlife crop raiding within reserves.

Recommendations

The Government/Department may consider:

- ***reviewing relocation package to make it more lucrative to enhance its acceptance among the villagers for relocation.***
- ***establishing a dedicated cell at the headquarters level to efficiently execute the relocation program as a campaign within specified timeframe.***

CHAPTER-V

Public Health Engineering Department

Chapter-V
Public Health Engineering Department

5.1 Introduction

The Public Health Engineering Department (PHED) of Rajasthan plays a pivotal role in ensuring clean, safe, and accessible drinking water for every household in the State. It is responsible for planning, designing, execution, and maintenance of water supply projects in rural and urban areas of the State. It is also committed to development of ground and surface water resources.

The Secretary is the Administrative Head of the department, who is assisted by the Joint Secretary, Deputy Secretary and Chief Engineers. The Additional Chief Engineers, Superintending Engineers and Executive Engineers are responsible for carrying out departmental activities at Regional, Circle and Divisional level respectively.

5.2 Results of audit

There were 331 auditable units in the PHED, out of these, 47 units were selected for the audit in the financial year 2022-23. During the audit, the significant cases of execution of additional quantities without obtaining competent approval (₹ 3.38 crore) and extra expenditure due to laying of pipeline along the State Highway without obtaining permission (₹ 1.24 crore) were noticed, which have been included in this Chapter. Audit also observed some other irregularities, which are illustrative and based on test-checks. The audit had pointed out similar omissions in earlier years, but these irregularities remained persisted till the next audit was conducted. These irregularities broadly fall under the categories given in **Table 5.1**.

Table 5.1: Statement showing the category-wise irregularities observed by the audit during the year 2022-23 and the objected amount

(₹ in crore)

Sl. No.	Category	Number of cases	Amount
1.	Undue benefits to contractors through irregular expenditure/excess payments in respect of execution of the capital/O&M works	166	1,748.35
2.	Lack of levying compensation for non-maintenance of pro-rata progress of work by the contractors and non-recovery of compensation levied	74	214.62
3.	Avoidable expenses	12	67.52
4.	Non-recovery/short recovery of royalty/District Mineral Foundation Trust	40	12.62
5.	Wasteful expenditure/blockage of public money	43	112.66
6.	Lack of recovery of outstanding water revenue	30	82.94
7.	Irregular sanction of extra/excess items	22	43.00
8.	Other irregularities	486	432.85
Total		**873**	**2,714.56**

Source: Compiled based on the Inspection Report issued to the Department.

5.3 Payment without obtaining approval from the competent authority

The Department executed additional quantities of works more than 50 per cent amounting to ₹3.38 crore, without obtaining necessary approvals from competent authorities

The Public Health Engineering Department (PHED) issued a circular (22 May 2019) regarding 'Schedule of Power' for making payment of additional quantity more than 50 *per cent* of any item executed during different periods. According to this circular, approvals of various authorities were required for execution of above additional quantities.

The PHED issued (July 2013) a work order amounting to ₹ 143.50 crore to a contractor for Package-3A under 'Pokaran-Falsoond-Balotra-Siwana Lift Water Supply Project'. The work was completed in May 2022 with an expenditure of ₹ 124.20 crore.

Scrutiny (August 2023) of records of Executive Engineer, PHED, Project Division Pokaran revealed that the Department executed the additional quantities more than 50 *per cent* amounting to ₹ 3.38 crore in Package-3A without obtaining competent approval from the Finance Committee/Finance Department, as per the details given in **Table 5.2** below:

Table 5.2: Details of the approval required for execution of additional quantities more than 50 *per cent* and the quantities executed thereagainst in different periods

Period	Name of the authority whose approval was required as per the Government circular	Name of item	Quantities executed (in *percentage*)
08 March 2017 and 22 March 2018	Finance Department	Earthwork for 125mm DI K-7 pipe	65.04
		Providing, laying, jointing, testing, commissioning of 125mm DI K-7 pipe	65.04
After 22 March 2018	Finance Committee of Rajasthan Water Supply and Sewerage Management Board (with prior approval) and Finance department (if prior approval was not taken)	Earthwork for 110mm uPVC pipe	112.69
		Providing, laying, jointing, testing, commissioning of 110mm uPVC pipe	112.69
		Junction box (1,500 mm*1,200 mm) for RCC chambers for the valves	56.52

Further, if prior approval is not taken for execution after 22 March 2018, the responsibility of the officer concerned was to be fixed for this as per the circular *ibid*. However, no action was taken against the defaulter officers (as of March 2025).

The State Government, while accepting the audit observation, stated (March 2025) that the enquiry has been initiated in this matter and the appropriate action would be taken against the defaulter officers.

5.4 Laying of clear water trunk main pipeline without obtaining necessary permission

The PHED laid the clear water trunk main pipeline without obtaining necessary permission from the Public Works Department. This resulted in an extra burden of ₹1.24 crore to the Government exchequer in re-laying of pipeline

Clause 2.4.2 (18) of the contract agreement (Vol.-II) of Package 2B of 'Pokaran-Falsoond-Balotra-Siwana Lift Water Supply Project' provides for making all necessary arrangements by the contractor for pipeline crossing National Highway, State Highway, and other roads or laying parallel thereof. It was the contractor's responsibility to obtain necessary approvals/permissions from respective departments for execution of such work and the PHED was required to assist the contractor in getting necessary approvals/permissions.

The PHED issued (September 2012) work order of Package 2B to a contractor. Under the work, the contractor started (October 2013) laying of clear water trunk main pipeline from Balotra to Siwana, along single lane State Highway. This road was notified as National Highway in March 2014.

Scrutiny of records (December 2023) of Executive Engineer, PHED, Project Division Balotra revealed that the contractor deployed by the PHED started pipeline work along the State Highway without obtaining necessary permission from the Public Works Department (PWD). Later, EE, National Highway Division, PWD, Barmer found (August 2015) the laid pipeline in the zone of Right of Way[1] and therefore, intimated the PHED to stop the work. However, the contractor and the PHED ignored the request and continued laying the pipeline.

Afterwards, the PWD removed (June 2019) 975 meter pipeline near *Moothly* village as it was affecting widening work of road during its conversion into National Highway. Further, the Finance Committee of the RWSSMB approved (February 2022) an estimated cost of ₹ 1.24 crore for re-laying the pipeline and the pipeline was re-laid (July 2022) by the PHED. Thus, laying pipeline without obtaining necessary permission resulted in an extra burden to the Government exchequer.

[1] The Right of Way is the total land width required for the Project Highway, to accommodate the roadway (carriageway and shoulders), side drains, service roads, tree plantation, utilities, *etc*.

The State Government stated (August 2024 and March 2025) that the pipeline was laid safely away from carriageway of existing road. It also mentioned that no objection was raised by the PWD during the work.

The reply is contradictory to the facts mentioned in the report of the joint site visit conducted (August 2015) by the officers of the PWD and the PHED. This report clearly mentioned that the pipeline work was irrational and executed in zone of Right of Way without appropriate permission. Further, removal of the pipeline by the PWD during widening work of road also confirms that the pipeline was not laid safely away from the carriageway of existing road.

CHAPTER-VI

Devasthan Department

CHAPTER-VI
Devasthan Department

6.1 Introduction

The Devasthan Department of the Government of Rajasthan is entrusted with the management, administration, and preservation of temples, religious institutions, and endowments under state control. Its key functions include overseeing the functioning of state-managed temples, ensuring proper utilization of temple properties and revenues, maintaining transparency in temple affairs, and promoting cultural and spiritual heritage. The department also facilitates pilgrim welfare, organizes religious events, and implements schemes related to temple development and renovation.

Administratively, the department functions under the Revenue Department and is headed by the Commissioner, Devasthan. It operates through regional and district-level offices, with Devasthan Commissioners and Assistant Commissioners ensuring effective implementation of policies and coordination with temple management committees. The Department also maintains a record of registered public trusts and oversees their functioning under the Rajasthan Public Trusts Act, 1959.

6.2 Results of audit

There are 14 auditable units in the Devasthan Department out of these 6 units were selected for test check. Audit noticed ₹ 158.38 crore of irregularities relating to expenditure. Some of the similar omissions were pointed out in earlier years also but remain unattended till audit was conducted. These cases are illustrative and are based on the test-check carried out by Audit. Irregularities noticed broadly fall under the categories given in **Table 6.1**.

Table 6.1: Statement showing the amount objected by audit during the year 2022-23

(₹ in crore)

Sl. No.	Category	Amount
1.	Non-recovery/short recovery of rent	1.34
2.	Irregularities relating to expenditure	158.38
Total		**159.72**

Source: Compiled on the basis of Inspection Report issued to the Department.

During the year 2022-23, the Department accepted Non-recovery/short recovery and irregularities relating to expenditure of ₹ 159.72 crore.

6.3 Non-recovery of surface rent and penal interest

The Devasthan Department did not monitor the compliance by surface right holders with regard to their surface rent payment obligations, resulting in prolonged periods of non-payment. This lack of enforcement led to the non-recovery of surface rent and accrued penal interest, amounting to ₹ 76.27 lakh.

The State Government (Government) introduced (April 2000) a Mining Policy (Policy) for mining activities on the land of the Devasthan Department. This Policy provided that the Mines and Geology Department would grant mining leases to a person who obtained surface rights from the Devasthan Department.

To obtain the surface rights, the applicant has to pay a lump sum amount and annual surface rent as per the rates prescribed in the clause 2(b) of the Policy. If any person does not pay the annual surface rent and lump sum amount after getting the surface right, the Devasthan Department can revoke the surface right. In such cases, the occupant would be evicted by serving a 30-day notice. Clause 4 of the Policy also provided that if the surface right was assigned, judiciously, but the same has subsequently been transferred by the right holder, in such cases, the new mining leaseholder may be assigned the surface right after depositing lump sum amount as envisaged in clause 2(b) of the Policy and the new leaseholder would also deposit annual rent.

During Audit (May 2023) of Assistant Commissioner Udaipur Divison Devasthan Department for the period April 2015 to March 2023, it was observed that the Assistant Commissioner (Udaipur Division), issued (14 December 2011) no objection certificates (NOC) in favour of two licensees 'A' and 'B' allowing the use of surface rights for the mining of pink marble for 10 years upon *Araji*[1] no. 3526 and 3580 (Plot no.1) and *Araji* no. 3604 & 3643 (Plot no.2) respectively measuring four hectares each. The annual surface rent for each plot was ₹ 2.21 lakh along with a lump sum non-refundable deposit of ₹ 4 lakh. Agreements were executed between the Commissioner, Devasthan Department, Udaipur (Licenser) and successful Licensees on 13 December 2011 and on 14 December 2011 respectively *inter alia* including the following terms and conditions:

(i) The licensee shall not assign the rights conferred by the deed to any other person without previous consent in writing of the licensor.

(ii) The licensee shall pay the surface rent by 1st of April every year in advance, with interest at the rate of 18 *per cent* imposed on delayed payments. Non-payment of the license fee on time may result in recovery actions under the Rajasthan Public Demand Recovery Act, in addition to evict the licensee after serving a 30-day notice.

Mining lease no. 46/2011 and lease no. 45/2011 were granted in favour of above said licensees by the Mining Engineer (Udaipur Division), Mines & Geology Department with effect from 14 December 2011 for 30 years despite the fact that the surface rights were granted for only 10 years by the Devasthan Department.

Both the licensees had not made payment of annual surface rent since the year 2013-14. In June 2019, the Assistant Commissioner, Devasthan Department requested the Mines & Geology Department to provide an update on the status of these leases. In response, the Mines and Geology Department informed (July 2019) that lease no. 46/2011 and lease no. 45/2011 had been transferred by the Additional Director (Mines) to two other persons. Thereafter, the Devasthan Department issued (2 September 2020) notices to the licensees asking them to deposit the outstanding surface rent. In response to the notice, licensees replied that the mining leases allotted to them had been transferred on 16 July 2014 and 26 February 2014 and thus they no longer bore responsibility for any payment with regard to these leases.

[1] Araji- A unique number assigned to a plot or a piece of land.

A review of the records of the Assistant Commissioner, Devasthan Department revealed (May 2023) that the Department did not monitor licensees' compliance with regular surface rent payments, allowing non-payment for several years without taking appropriate action *i.e.* evict the licenses after serving a 30 day notice and recovery under the Rajasthan Public Demand Recovery Act. As a consequence, the non-recovery of surface rent and penal interest on the mining leases has mounted to ₹ 76.27 lakh (Surface rent ₹ 37.64 lakh and Interest ₹ 38.63 lakh) for the period 2013-14 to 2020-21 as detailed in ***Appendix-12.***

Further, Audit noted that the Department did not even raise the issue with the Mining Department regarding the transfer of mining leases to third parties without their consent, nor did it address the issue of granting mining leases for 30 years while the surface rights were given for only 10 years.

Thus, due to laxity in monitoring of surface rent payments by the Department led to a financial loss of revenue amounting to ₹76.27 lakh to the exchequer, compounded by its negligence to address unauthorised lease transfers and synchronize lease durations with surface rights.

The matter was reported to the Government (August 2023). The Government stated (September 2024) that notices had been issued to the concerned licensees and efforts are being made to recover the amount as per provisions of Land Revenue Act, 1956. Further progress is awaited (February 2025).

JAIPUR
The 26th November 2025

(RAMAWATAR SHARMA)
Accountant General
(Audit-II), Rajasthan

Countersigned

NEW DELHI
The 3rd December 2025

(K. SANJAY MURTHY)
Comptroller and Auditor General of India

Appendices

Appendix-1

(Refer Paragraph 1.2; page 1)

Brief profile of the Departments

Sl. No.	Name of Department	The main objectives/functions of the Departments are:
1	Agriculture	To plan growth in 'area & productivity' of the crops of fruits, vegetables, spices, flowers & medicinal plants, *etc.* It is also responsible for dissemination of latest technical know-how besides ensuring timely supply of quality inputs to the farming community.
2	Agriculture Marketing	To strengthen basic infrastructure related to agriculture marketing, provide marketing facilities in *Mandis* to farmers and provide fair & competitive price to farmers at the time of selling their crops.
3	Animal Husbandry	To provide treatment to livestock, prevention & control of livestock diseases, providing artificial insemination services to cattle, manufacturing of vaccines and provide training, *etc*.
4	Art, Culture, Archaeology and Museum	To preserve and conserve our cultural heritage, promotion of all forms of art and culture both tangible and intangible, making concerted efforts to discover, preserve, protect, exhibit and interpret the cultural legacy embodied in various forms of art and architecture. It also takes care of monuments, museums, art galleries, archaeological sites under its control.
5	Civil Aviation	To establish an integrated eco-system for growth of civil aviation sector, which in turn would promote tourism, industries, increase employment and lead to a balanced regional growth.
6	Command Area Development and Water Utilisation	To achieve agricultural production by irrigating maximum land through efficient use of the created irrigation potential and coordinating agricultural expansion and sustainable agricultural research.
7	Cooperative	To improve living standard of youth, women, tribal, farmers and needy persons through active participation in the cooperative movement.
8	Devasthan	To create self-dependence in temples/religious institutions. The Department is also involved in their control and management, providing *puja* facilities, organising various festivals and *melas*, registration and supervision of public trusts and their control, making plans for devasthan development, construction and maintenance of *dharmshalas* and rest houses for public and appointing *mahants* and priests for various temples.
9	Energy	To develop and implement policies aimed at ensuring a secure and reliable energy supply by overseeing the exploration, development and distribution of energy resources, promoting energy efficiency and facilitating the transition to renewable energy sources. Therefore, department oversee and regulate the functioning of power

Sl. No.	Name of Department	The main objectives/functions of the Departments are:
		generation, transmission and distribution systems across the state. Further, department also issues sanctions for loans and grants to Power Sector Companies and to deal with other administrative matters.
10	Environment	To conduct environmental appraisal at planning level related to development schemes, formulate and execute schemes, plans, programmes for environmental conservation and scrutinize the environment related proposals prepared by other Government agencies and non-government organizations.
11	Factories and Boilers Inspection	To ensure safety, health and welfare of the Factory Workers, investigation of accidents and dangerous occurrences in factories and to conduct medical surveillance of industrial workers.
12	Fisheries	To increase fish and fish seed production, promote fish culture in the State and uplift the socio-economic conditions of fishermen.
13	Food, Civil Supplies and Consumer Affairs	Procurement of food grains at reasonable prices from farmers, its storage/handling, maintenance of buffer stocks, implementation and proper functioning of Public Distribution System.
14	Forest	To achieve environmental stability and ecological security through increasing vegetal cover. This is to be accomplished by undertaking massive afforestation for expanding the natural cover of the State, combating desertification, conserving floral and faunal diversity and gene pool reserve through a network of protected areas, such as National Parks, Sanctuaries, Conservation reserves and Community Reserves.
15	Gopalan	Registration of *gaushalas* and their development towards self-sufficiency, conservation and up-gradation of the indigenous breeds of the cows of the State, fodder management during scarcity, organize awareness and training programme for *gaupalak* and *gaushalas* and value addition of cattle products through processing.
16	Ground Water	The Department is nodal department in the State for all kind of ground water related activities such as ground water resource evaluation, survey and investigation, drilling of deep tube wells, ground water quality monitoring, source development, technical assistance for artificial recharge structures and rain water harvesting structures.
17	Horticulture	To increase the area, production and productivity of fruits, vegetables, spices, medicinal and floriculture crops, high quality grafted plants in nurseries and supply to the farmers, popularize the use of drip irrigation system, implement the different State and National Programmes/Schemes regarding horticulture.
18	Indira Gandhi Nahar	To provide irrigation facilities in desert area to meet the increasing demand of agricultural products and to provide water for drinking and industrial uses.
19	Industries	Promotion of Micro, Small and Medium Enterprises (MSMEs), to assist in the marketing of their products, development of salt areas, handicrafts artisan development, development of handloom, *etc*. The Department also provides various concessions, facilities and assistance for setting up of industrial enterprises in the State.

Sl. No.	Name of Department	The main objectives/functions of the Departments are:
20	Information Technology and Communication	To put technology to its highest and best use throughout the various Departments/Autonomous Bodies of Rajasthan Government to improve the administration of State programmes and services. The Department also provides guidance on technical matters vetting IT projects. The Department formulates and implement the Information Technology (IT) Policy in the State.
21	Mines and Geology	To discover, develope and administer mineral resources in the State. The Department conducts survey and prospecting for new mineral deposits and their conformity evaluation by geological, geophysical, geochemical and drilling techniques to make them ready for exploitation.
22	Petroleum	Processing of proposals for grant of Petroleum Exploration Licenses and Petroleum Mining Leases. Collection of revenues from Petroleum Sector, pursuance of various issues such as implementation of Minimum Work Programme awarded blocks for Oil, Gas & Coal Bed Methane (CBM), *etc.*
23	Public Health Engineering	The Department is responsible for development of ground and surface water resources and creation of infrastructures for distribution of adequate and safe drinking water to rural and urban population of the state. It also regulates water supply scheme of the state and collects water charges.
24	Public Works	Construction and maintenance of roads, bridges and Government buildings. The Department also act as technical advisor to the State Government in these matters.
25	Rajasthan State Motor Garage	To implement motor vehicle policy of State Government. Further, it ensures availability of motor vehicles to the functionaries from State/District pool.
26	Science and Technology	To promote new areas of science and technology and to play the role of a nodal department for organizing, coordinating and promoting science and technology activities in the State.
27	State Enterprises	To provide safety to the employees of public sector enterprises effected with the reconstitution of such public sector enterprises.
28	Tourism	To promote tourism and culture of the State for making it as a leading tourism brand in national and international market. Its main functions are to strengthen and diversify existing tourism products, provide innovative tourism products, expand tourist accommodation structures and improve connectivity to tourist destinations.
29	Transport	Registration and fitness of motor vehicles, levy and collection of motor vehicle tax, issuing driving licences, issuing permits to motor vehicles, determination of routes for benefit of public at large and work towards controlling vehicular pollution.
30	Water Resources	Construction of major, medium and minor irrigation projects, operation and maintenance of existing tanks, canals and other irrigation structures are the prime functions of the Department. It also takes flood control measures and construction of irrigation structures under various special schemes.

Appendix-2

(Refer Paragraph 1.5.1; page 4)

Statement showing age-wise analysis of the outstanding inspection reports and audit paragraphs

Sl. No.	Name of the Department	Number of outstanding IRs				Number of outstanding audit paragraphs				Amount involved (₹ in crore)			
		Older than five years	Between three to five years	Upto three years	Total	Older than five years	Between three to five years	Upto three years	Total	Older than five years	Between three to five years	Upto three years	Total
1.	Agriculture	151	71	30	**252**	597	412	257	**1266**	1653.28	971.5	916.86	**3541.64**
2.	Agriculture Marketing	8	0	3	**11**	21	0	14	**35**	25.87	42.86	287.59	**356.32**
3.	Animal Husbandry	52	11	9	**72**	106	75	66	**247**	2999.83	188.76	315.74	**3504.33**
4.	Art, Culture, Archaeology and Museum	54	25	10	**89**	133	111	44	**288**	120.78	107.29	234.37	**462.44**
5.	Civil Aviation	4	1	3	**8**	10	3	13	**26**	37.37	4.32	18.81	**60.50**
6.	Command Area Development and Water utilisation	52	5	3	**60**	82	15	15	**112**	88.21	8.26	51.55	**148.02**
7.	Cooperative	54	22	17	**93**	123	102	73	**298**	995.49	1242.43	189.17	**2427.09**
8.	Devasthan	33	9	6	**48**	78	43	31	**152**	81.54	102.18	34.19	**217.91**
9.	Energy	0	1	4	**5**	0	1	10	**11**	0	278.49	6,941.89	**7220.38**
10.	Environment	6	1	3	**10**	31	4	28	**63**	576.31	0	1145.45	**1721.76**
11.	Factories and Boilers Inspection	1	0	15	**16**	1	0	54	**55**	0	0	3.36	**3.36**
12.	Fisheries	0	1	2	**3**	0	6	13	**19**	0	14.06	38.38	**52.44**
13.	Food and Civil Supply	84	12	16	**112**	394	115	120	**629**	5053.57	266.64	495.49	**5815.70**
14.	Forest	231	88	60	**379**	808	514	436	**1758**	1110.75	460.26	829.80	**2400.81**
15.	Gopalan	7	13	3	**23**	33	80	26	**139**	48.82	264.66	72.99	**386.47**

Sl. No.	Name of the Department	Number of outstanding IRs				Number of outstanding audit paragraphs				Amount involved (₹ in crore)			
		Older than five years	Between three to five years	Upto three years	Total	Older than five years	Between three to five years	Upto three years	Total	Older than five years	Between three to five years	Upto three years	Total
16.	Ground Water	26	5	8	**39**	40	11	36	**87**	392.25	34.32	37.44	**464.01**
17.	Horticulture	34	0	17	**51**	119	0	108	**227**	527.97	0	45.34	**573.31**
18.	Indira Gandhi Nahar	58	10	5	**73**	112	34	32	**178**	263.30	134.52	51.17	**448.99**
19.	Industries	23	6	18	**47**	50	28	71	**149**	28.73	92.29	22	**143.02**
20.	Information Technology and Communication	1	6	3	**10**	1	19	32	**52**	0	1495.64	69.54	**1565.18**
21.	Mines and Geology	248	56	58	**362**	780	354	537	**1671**	1804.96	206.4	2266.52	**4277.88**
22.	Petroleum	1	1	1	**3**	1	2	4	**7**	0	118.06	203.46	**321.52**
23.	Public Health Engineering	885	168	124	**1177**	2991	1125	781	**4897**	7821.33	3812.34	4877.02	**16510.69**
24.	Public Works	1114	194	118	**1426**	5196	1134	733	**7063**	4236.60	1672.34	2923.03	**8831.97**
25.	Rajasthan State Motor Garage	1	3	2	**6**	1	12	10	**23**	0.03	13.71	2.93	**16.67**
26.	Science and Technology	7	6	9	**22**	13	17	35	**65**	8.19	6.24	33.89	**48.32**
27.	State Enterprises	1	0	2	**3**	1	0	5	**6**	0.07	0	40.77	**40.84**
28.	Tourism	13	2	1	**16**	24	24	11	**59**	72.3	69.74	39.54	**181.58**
29.	Transport	240	34	51	**325**	859	164	626	**1649**	39.35	5.43	107.01	**151.79**
30.	Water Resources	533	111	33	**677**	1816	745	183	**2744**	2084.61	512.42	1361.87	**3958.90**
Total		**3922**	**862**	**634**	**5418**	**14421**	**5150**	**4404**	**23975**	**30071.51**	**12125.16**	**23,657.17**	**65853.84**

Appendix-3

(Refer Paragraph 2.3.18; page 31)

Details of works sanctioned and implemented in selected DMFTs as on 31.03.2023

S. No.	Name of DMFT	Department to which works related	Total sanctioned works	No. of completed works	No. of works in progress	No. of works cancelled/abondoned
1	Banswara	EDUCATION	92	76	9	7
		Panchayati Raj	54	0	8	46
		PWD	19	13	6	0
		MEDICAL	22	15	6	1
		FOREST	11	5	5	1
		WRD	2	1	0	1
		OTHER	7	3	3	1
Total			**207**	**113**	**37**	**57**
2	Bhilwara	PWD	297	149	43	105
		PHED	605	500	15	90
		EDUCATION	841	535	88	218
		WRD	33	29	4	0
		FOREST	65	24	16	25
		MEDICAL	750	615	16	119
		OTHER	65	3	15	47
Total			**2656**	**1855**	**197**	**604**
	Sikar	EDUCATION	29	23	4	2
		PWD	9	6	3	0
		FOREST	8	6	1	1
		MEDICAL	22	14	1	7
		WRD	50	43	0	7

S. No.	Name of DMFT	Department to which works related	Total sanctioned works	No. of completed works	No. of works in progress	No. of works cancelled/abondoned
		Panchayati Raj	0	0	0	0
		OTHER	4	0	0	4
Total			**122**	**92**	**9**	**21**
28	Barmer	EDUCATION	397	308	89	0
		PHED	510	203	306	4
		MEDICAL	17	14	1	0
		FOREST	153	143	10	0
		PWD	102	48	63	3
		Panchayati Raj	12	6	3	3
		WRD	25	24	0	1
		OTHER	29	13	3	0
Total			**1245**	**759**	**475**	**11**
30	Bharatpur	PWD	4	4	0	0
		MEDICAL	11	11	0	0
		Panchayati Raj	28	28	0	0
Total			**43**	**43**	**0**	**0**
Grand Total			**4273**	**2862**	**718**	**693**

Appendix-4

(Refer Paragraph 2.4.1; page 46)

Statement showing excess use of minerals and wrong assessment

(₹ in lakh)

Particulars / Minerals	Quantity permitted under STPs (MT in lakh)	Quantity actually used (MT in lakh)	Excess quantity used (percentage of excess quantity used) (MT in lakh)	Recoverable amount	Quantity used according to the EE Kota and assessed by Mines Department (MT in lakh)	Excess quantity used according to the Mines Department (MT in lakh)	Demand based on the assessment by Mines Department
1	2	3	4	5	6	7	8
Ordinary soil	21.42	23.85	2.43 (11.31)	₹ 19.38 (2.43 x 4 x 2)	17.03	4.39 (less quantity used)	19.32
Aggregate/ Masonry stone /Crusher Dust	13.26	16.84	3.58 (27)	₹ 1,002.73[1] (3.58 x 28 x 10)	16.84	3.59[2]	110.46 (One time Royalty and DMFT)
Total				**1,022.11**			**91.14**
Amount of short assessment (5-8) ₹ 9.31 crore							

[1] More than 25 *per cent* mineral was used than the permitted quantity, therefore 10 times royalty is payable.
[2] The Contractor submitted documents for purchase of royalty paid minerals 3,58,645 MT.

Appendix-5

(Refer Paragraph 2.4.2; page 47)

Details of STPs issued for Mineral Masonry Stone without receiving advance payment

(Amount in ₹)

S.No	STP No.	Contractor	Work order details	Quantity of mineral (in MT)	Date of issue of STP	STP Expiry date	Amount was to be receive in advance				
							Royalty	DMFT	RSMET	Permit fee	Total
1	7/2021	H G Infra Engineering Limited	Upgradation of two lane with paved shoulder from Kundal to Jhadol (Section of NH 58E) from design chn 0.000 to 43.900 (working length=58.03 km) in the state of Rajasthan on EPC mode (Package-1)	80000	6/8/2021	10/31/2021	2240000	224000	44800	40100	2548900
2	17/2021	H G Infra Engineering Limited		100000	8/31/2021	10/31/2021	2800000	280000	56000	50100	3186100
			Total	**180000**			**5040000**	**504000**	**100800**	**90200**	**5735000**

Appendix-6

(Refer Paragraph 2.6.1; page 53)

Statement showing the recoverable amount relating to e-rawannas/transit passes generated during 3 January 2022 to 31 March 2022

(Amount in ₹)

S. No.	Office Name	Number of e-rawannas generated for mining leases	Number of e-rawannas generated for short term permits	Number of e-transit passes generated for registered dealers	Total generated e-rawannas/ transit passes	Recoverable amount in respect of processing fee	Amount realised in compliance of issued factual statement	Rest amount to be recover
1	ME Jhunjhunu	190933	0	100800	291733	2917330	1789740	1127590
2	ME Bhilwara	105776	0	36551	142327	1423270	118810	1304460
3	AME Roopwas	75357	1610	40460	117427	1174270	390970	783300
4	ME Jodhpur	83432	5167	20741	109340	1093400	523710	569690
5	ME Ajmer	34427	22790	36664	93881	938810	199160	739650
Grand Total		**489925**	**29567**	**235216**	**754708**	**7547080**	**3022390**	**4524690**

Appendix-7

(Refer Paragraph 2.6.2; page 54)

Statement showing the details of mining leases which did not deposit the premium amount

(Amount in ₹)

S. No.	Lease No	Lessee Name	Mineral Name	Registration Date	Total Premium	Due date of deposit of premium (Third instalment)	20 *per cent* Premium to be deposited
1	ME/MKN/Minor/ML/04/2018	Rohit Choudhary	Masonary stone	24-Dec-20	160000	24-Dec-21	32000
2	ME/MKN/Minor/ML/06/2018	Rohit Choudhary	Masonary stone	24-Dec-20	1750000	24-Dec-21	350000
3	ME/MKN/Minor/ML/02/2018	Hema Choudhary	Masonary stone	24-Dec-20	160000	24-Dec-21	32000
4	ME/MKN/Minor/ML/08/2018	Rohit Choudhary	Masonary stone	24-Dec-20	160000	24-Dec-21	32000
5	ME/MKN/Minor/ML/11/2018	Rohit Choudhary	Masonary stone	24-Dec-20	170000	24-Dec-21	34000
6	ME/MKN/Minor/ML/03/2018	Hema Choudhary	Masonary stone	24-Dec-20	3500000	24-Dec-21	700000
7	ME/MKN/Minor/ML/10/2018	Hema Choudhary	Masonary stone	24-Dec-20	160000	24-Dec-21	32000
8	ME/MKN/Minor/ML/01/2018	Smt. Hema Choudhary	Masonary stone	24-Dec-20	160000	24-Dec-21	32000
9	ME/MKN/Minor/ML/07/2018	Hema Choudhaey	Masonary stone	24-Dec-20	160000	24-Dec-21	32000
10	ME/MKN/Minor/ML/05/2018	Hema Choudhary	Masonary stone	24-Dec-20	1750000	24-Dec-21	350000
11	ME/MKN/Minor/ML/09/2018	Hema Choudhary	Masonary stone	24-Dec-20	1900000	24-Dec-21	380000
Total							**20,06,000**

Appendix-8

(Refer Paragraph 2.7; page 56)

Statement showing the details of mining leases in which excavation was not done in lease area while the lessee despatched the mineral other than the lease area by misusing e-Rawannas

S.No.	Office Name	Total number of existing leasese	Number of selected leasese	Lease No.	Lessee Name	Mineral Name	Period	Number of Rawannas used for dispatch	Dispatched Quantity (M.T)	Rate of Royalty (in ₹)	Recoverable Amount (in ₹)
1	ME Ajmer	492	50	20/2004	Shri Sunil Kumar Jain	Masonarystone	April 2018 to March 2021	1401	29848.98	28	8357714.4
2				284/2010	Sapediya Group Of Industries	Masonarystone	March 2019	878	13496.66	28	3779064.8
3				B/23/1995	Girish Sone Ji	Felspar	01-04-18 to 21-08-19	410	6516.95	60	3910170
							22-08-19 to 31-03-20	241	3073.96	90	2766564
4				5/2006	Smt. Shilpa Jain	Masonarystone	January 2019 to November 2021	540	7701.47	28	2156411.6
5				B/359/2006	Shanti	Felspar	01-07-18 to 21-08-19	1250	21522.71	60	12913626
Total								**4720**	**82160.73**		**33883551**
6	AME Nimbahera	71	20	B/65/2007	Sugni Devi Jat	China Clay	27-10-17 to 21-08-19	21	739.35	50	369675
							22-08-19 to 31-03-22	1997	79043.71	65	51378411.5
						Silica Sand	22-08-19 to 31-03-22	100	3312.4	90	2981160
Total								**2118**	**83095.46**		**54729247**
7	ME Karauli	257	50	49N/1998	Shri Shyam Lal Mali	Masonarystone	01-04-18 to 12-09-21	4671	33298.45	28	9323566

S.No.	Office Name	Total number of existing leasese	Number of selected leasese	Lease No.	Lessee Name	Mineral Name	Period	Number of Rawannas used for dispatch	Dispatched Quantity (M.T)	Rate of Royalty (in ₹)	Recoverable Amount (in ₹)
							13-09-21 to 31-03-22	591	4429.58	35	1550353
Total								**5262**	**37728.03**		**10873919**
8	ME Sirohi	421	50	129/2002	Iswar Sing	Lime stone (Crusher)	27-10-17 to 12-09-21	398	9579.1	28	2682148
							13-09-21 to 04-02-22	73	1298.05	35	454318
Total								**471**	**10877.15**		**3136466**
9	ME Jaipur	807	50	278/2006	Anubhav Enterprises	Masonary Stone	9/2016 to 10/2017	0*	1760	30	528000
							11/2017 to 3/2018	30	393.27	35	137644.5
							4/2018 to 19.04.2021	234	3260.85	35	1141297.5
10				134/1997	Ajit Singh	Masonary Stone	6/2004 to 09/2007	0*	13932	8	1114560
							10/2007 to 12/2010	0*	43646	16	6983360
							01/2011 to 07/2014	0*	113746	22	25024120
							08/2014 to 10/2017	0*	111828.28	30	33548484
							11/2017 to 03/2018	2255	18757.62	35	6565167
							04/2018 to 07.10.2021	6597	70367	35	24628450
Total								**9116**	**377691.02**		**99671083**
Grand Total		**2048**	**220**					**21687**	**591552.39**	**0**	**202294265**

* As a total of 2,84,912.28 MT of mineral was dispatched by misusing offline rawanna, hence the number of rawannas utilised could not be ascertained.

Appendix-9

(Refer Paragraph 4.3.8.1 (ii); Page No.77)

Details of unserviceable cameras during 2020-23

Name of Tiger Reserve	Location of Camera	Period in which camera remain non-working	Time Taken in re-start	Date of Joint Physical Inspection	Down time at the time of Joint Physical Inspection
Ranthambore Tiger Reserve	Rajbagh-1	04.01.2021 to 05.02.2021	32 days		
		15.07.2021 to 31.03.2022	260 days	22.09.2021	69 days
		01.04.2022 to 12.05.2022	41.5 days		
		22.12.2022 to 21.02.2023	62 days		
	Rajbagh-2	04.01.2021 to 05.02.2021	32 days		
		27.08.2021 to 21.02.2022	179 days	22.09.2021	26 days
		22.12.2022 to 21.02.2023	62 days		
	Jhoomer Bawri	04.01.2021 to 05.02.2021	32 days		
		22.12.2022 to 21.02.2023	62 days		
	Ama Ghati	07.10.2020 to 22.10.2020	15 days		
		04.01.2021 to 09.02.2021	36 days		
		30.06.2022 to 21.07.2022	22 days		
		10.08.2022 to 21.08.2022	12 days		
		22.12.2022 to 21.02.2023	62 days		
	Hill Top Opposite RTR Killa	07.10.2020 to 22.10.2020	15 days		
		19.07.2021 to 17.09.2021	61 days		
		30.06.2022 to 04.08.2022	36 days		
		10.08.2022 to 22.08.2022	12.5 days		
		22.12.2022 to 21.02.2023	62 days		
	Bharav Ji ka Sthan	07.10.2020 to 22.10.2020	15 days		
		04.01.2021 to 09.02.2021	36 days		
		23.11.2021 to 04.02.2022	74 days		
		30.06.2022 to 21.07.2022	22 days		
		10.08.2022 to 21.08.2022	12 days		
		16.12.2022 to 23.02.2023	70 days		
		01.03.2023 to 14.03.2023	14 days		
	High Point	07.10.2020 to 22.10.2020	15 days		
		10.08.2021 to 13.10.2021	65 days	22.09.2021	43 days
		30.06.2022 to 04.08.2022	36 days		

Name of Tiger Reserve	Location of Camera	Period in which camera remain non-working	Time Taken in re-start	Date of Joint Physical Inspection	Down time at the time of Joint Physical Inspection
		10.08.2022 to 21.08.2022	12 days		
		22.12.2022 to 21.02.2023	62 days		
	Jagirdar Ki Haveli	04.01.2021 to 09.02.2021	36 days		
		30.06.2022 to 21.07.2022	22 days		
		10.08.2022 to 21.08.2022	12 days		
		22.12.2022 to 21.02.2023	62 days		
	Lada Ladi Ki Ghati	02.12.2020 to 15.12.2020	13 days		
		04.01.2021 to 09.02.2021	36 days		
		19.07.2021 to 04.02.2022	201 days	22.09.2021	65 days
		30.06.2022 to 04.08.2022	36 days		
		10.08.2022 to 25.08.2022	15.5 days		
		15.09.2022 to 04.10.2022	20 days		
		22.12.2022 to 21.02.2023	62 days		
	Mansarovar Dam	24.12.2020 to 09.02.2021	47 days		
		07.06.2021 to 25.06.2021	19 days		
		10.08.2021 to 17.02.2022	192 days	22.09.2021	26 days
		30.06.2022 to 24.07.2022	25 days		
		10.08.2022 to 24.08.2022	14.5 days		
		22.12.2022 to 27.02.2023	68 days		
		01.03.2023 to 29.03.2023	29 days		
	Balaji Tant	24.12.2020 to 09.02.2021	47 days		
		07.06.2021 to 23.07.2021	47 days		
		10.08.2021 to 17.02.2022	192 days	22.09.2021	43 days
		30.06.2022 to 24.07.2022	25 days		
		10.08.2022 to 24.08.2022	14.5 days		
		22.12.2022 to 21.02.2023	62 days		
	Sherpur	10.08.2022 to 21.08.2022	12 days		
		22.12.2022 to 21.02.2023	62 days		
Sariska Tiger Reserve	Sadar Gate	19.05.2020 to 19.06.2020	31 days		
		24.09.2021 to 01.02.2022	131 days		
	Bhartri Tiwara	19.05.2020 to 19.06.2020	31 days		
		01.07.2020 to 04.11.2020	126 days		
		24.09.2021 to 01.02.2022	131 days		
	Banna Top	19.05.2020 to 19.06.2020	31 days		
		24.09.2021 to 01.02.2022	131 days		

Name of Tiger Reserve	Location of Camera	Period in which camera remain non-working	Time Taken in re-start	Date of Joint Physical Inspection	Down time at the time of Joint Physical Inspection
	Panali	19.05.2020 to 19.06.2020	31 days		
		24.09.2021 to 01.02.2022	131 days		
	Phata Khora	19.05.2020 to 19.06.2020	31 days		
		24.09.2021 to 01.02.2022	131 days		
	Mala Jodka	19.05.2020 to 19.06.2020	31 days		
		24.09.2021 to 01.02.2022	131 days		
		10.08.2022 to 07.09.2022	29 days		
	Kankwadi	19.05.2020 to 19.06.2020	31 days		
		24.09.2021 to 01.02.2022	131 days		
		12.08.2022 to 05.09.2022	25 days		
		07.09.2022 to 19.09.2022	12.5 days		
	Star Point	19.05.2020 to 19.06.2020	31 days		
		09.09.2020 to 23.09.2020	14 days		
		24.09.2021 to 01.02.2022	131 days		
	Pandu Pole	19.05.2020 to 19.06.2020	31 days		
		26.10.2020 to 04.12.2020	39 days		
		24.09.2021 to 16.02.2022	146 days		
		08.03.2023 to 19.03.2023	12 days		
	Hawamahal	19.05.2020 to 19.06.2020	31 days		
		31.08.2020 to 02.11.2020	63 days		
		09.11.2020 to 04.12.2020	25 days		
		24.09.2021 to 16.02.2022	146 days		
	Kraska Top	19.05.2020 to 19.06.2020	31 days		
		09.11.2020 to 04.12.2020	25 days		
		24.09.2021 to 07.02.2022	137 days		
		08.03.2023 to 19.03.2023	12 days		
	Kraska Down	19.05.2020 to 19.06.2020	31 days		
		24.09.2021 to 08.02.2022	138 days		
	Hanuman Mandir	19.05.2020 to 19.06.2020	31 days		
		26.10.2020 to 18.11.2020	23 days		
		24.09.2021 to 01.02.2022	131 days		
		27.10.2022 to 07.12.2022	42 days		
		12.12.2022 to 31.03.2023	111 days		
	Kala Khora	19.05.2020 to 19.06.2020	31 days		
		11.08.2020 to 25.09.2020	45 days		

Name of Tiger Reserve	Location of Camera	Period in which camera remain non-working	Time Taken in re-start	Date of Joint Physical Inspection	Down time at the time of Joint Physical Inspection
		24.09.2021 to 16.02.2022	146 days		
		02.09.2022 to 15.09.2022	13.5 days		
	Talvriksh	19.05.2020 to 19.06.2020	31 days		
		14.09.2020 to 26.09.2020	12 days		
		12.01.2021 to 29.01.2021	17 days		
		24.09.2021 to 16.02.2022	146 days		
		08.03.2023 to 19.03.2023	12 days		
	Sukola (Rotkyala)	19.05.2020 to 19.06.2020	31 days		
		31.08.2020 to 06.10.2020	36 days		
		07.10.2020 to 02.11.2020	26 days		
		04.11.2020 to 05.12.2020	31 days		
		24.09.2021 to 07.02.2022	137 days		
		08.03.2023 to 19.03.2023	12 days		
Mukandara Hills Tiger Reserve	MHTR DAM-1	10.01.2023 to 24.02.2023	46 days		
	MHTR DAM-2	27.10.2020 to 23.11.2020	27 days		
		03.12.2020 to 16.12.2020	13 days		
		10.01.2023 to 02.03.2023	51.5 days		
		17.03.2023 to 31.03.2023	15 days		
	Ghati Mata	10.01.2023 to 24.02.2023	46.5 days		
	Food Talab	10.01.2023 to 24.02.2023	46 days		
	Hill Top	10.01.2023 to 24.02.2023	46 days		
	Mashalpura-1	27.07.2022 to 09.08.2022	13.5 days		
		12.08.2022 to 31.08.2022	20 days		
		10.01.2023 to 24.02.2023	46 days		
	Mashalpura-2	27.07.2022 to 09.08.2022	13.5 days		
		12.08.2022 to 31.08.2022	20 days		
		10.01.2023 to 24.02.2023	46 days		
	Mashalpura-3	07.10.2020 to 19.11.2020	43 days		
		18.07.2022 to 28.11.2022	133.5 days		
		10.01.2023 to 24.02.2023	46.5 days		
	Mashalpura-4	07.10.2020 to 19.11.2020	43 days		
		29.07.2022 to 04.11.2022	99 days		
		10.01.2023 to 24.02.2023	46.5 days		
	Mashalpura-5	07.10.2020 to 19.11.2020	43 days		
		10.01.2023 to 24.02.2023	46 days		
	Baba Ki Mjahar	07.10.2020 to 19.11.2020	43 days		

Name of Tiger Reserve	Location of Camera	Period in which camera remain non-working	Time Taken in re-start	Date of Joint Physical Inspection	Down time at the time of Joint Physical Inspection
		10.01.2023 to 24.02.2023	46 days		
	Mohanpura	07.10.2020 to 19.11.2020	43 days		
		12.08.2022 to 02.09.2022	22 days		
		04.10.2022 to 07.11.2022	35 days		
		10.01.2023 to 24.02.2023	46 days		
	Teen Manzil	07.10.2020 to 19.11.2020	43 days		
		03.12.2020 to 16.12.2020	13 days		
		12.08.2022 to 08.11.2022	89 days		
		10.01.2023 to 24.02.2023	46 days		
	Foot Chauki	07.10.2020 to 10.12.2020	64 days		
		14.12.2020 to 26.02.2021	74 days		
		12.08.2022 to 02.09.2022	22 days		
		04.10.2022 to 07.11.2022	35 days		
		10.01.2023 to 24.02.2023	46 days		
	Keshavpura	07.10.2020 to 26.02.2021	142 days		
		03.08.2022 to 22.08.2022	20 days		
		24.08.2022 to 09.09.2022	17 days		
		10.01.2023 to 24.02.2023	46 days		
	Padampura	07.10.2020 to 26.02.2021	142 days		
		08.08.2022 to 22.08.2022	15 days		
		24.08.2022 to 09.09.2022	17 days		
		10.01.2023 to 24.02.2023	46 days		

Source: Forest Department

Appendix-10

(Refer Paragraph 4.3.8.3 (i); Page No. 83)

Delay in release of funds under CSS by the State Government to tiger reserves

Tiger Reserve	Year	Amount sanctioned (₹ in crore)	Date of receipt of fund	Due Date of release of fund (two weeks)	Actual Date of release of fund	Delay (Days)
RTR	2016-17	9.30	30-12-2016	13-01-2017	21-02-2017	39
	2017-18	7.09	30-08-2017	13-09-2017	09-11-2017	57
	2018-19	6.45	27-07-2018	10-08-2018	15-01-2019	158
	2019-20	9.49	22-08-2019	05-09-2019	01-10-2019	26
	2020-21	9.11	25-08-2020	08-09-2020	16-10-2020	38
	2021-22	6.66	29-07-2021	12-08-2021	28-02-2022	200
	2022-23	4.71	13-12-2022	27-12-2022	03-03-2023	66
			29-03-2023	12-03-2023	07-06-2023	87
MHTR	2016-17	2.91	07-09-2016	21-09-2016	26-10-2016	35
	2017-18	2.76	30-06-2017	14-07-2017	04-09-2017	52
	2018-19	3.27	27-07-2018	10-08-2018	15-01-2019	158
	2019-20	5.77	23-07-2019	06-08-2019	01-10-2019	56
	2020-21	7.06	13-07-2020	27-07-2020	16-10-2020	81
	2021-22	3.18	23-09-2021	07-10-2021	28-02-2022	144
	2022-23	1.51	12-12-2022	26-12-2022	08-02-2023	44
STR	2016-17	5.98	07-10-2016	21-10-2016	08-11-2016	18
	2017-18	5.47	26-05-2017	09-06-2017	30-08-2017	82
	2018-19	7.12	27-07-2018	10-08-2018	16-01-2019	159
	2019-20	10.08	06-08-2019	20-08-2019	22-09-2019	33
	2020-21	11.29	23-07-2020	06-08-2020	21-10-2020	76
	2021-22	5.88	17-09-2021	01-10-2021	20-12-2021	80
			27-12-2021	10-01-2022	28-02-2022	49
	2022-23	3.89	16-12-2022	30-12-2022	20-03-2023	80
			29-03-2023	12-04-2023	06-06-2023	55
Total	**2016-23**	**128.98**				**18-200 days**

Appendix-11

(Referred to in Paragraph 4.3.8.3 (ii); Page No. 84)

Details of forest area per Forest Guard sanctioned and working

Tiger Reserve	Area (sq kms)	Sanctioned strength of Forest Guard as of 31 March 2023	Forest area per Forest Guard sanctioned (sq kms)	Working strength as of 31 March 2023	Forest area per Forest Guard working (sq kms)	Increase in covered area (*per cent*)
RTR, Sawai Madhopur	934.17	120	7.78	43	21.72	179.18
RTR, Karauli	477.12	104	4.59	31	15.39	235.29
MHTR	759.99	112	6.79	34	22.35	229.16
STR	1,213.34	133	9.12	56	21.67	137.61
Total	**3,384.62**	**469**		**164**		

Appendix-12

(Refer paragraph 6.3; page 111)

Statement showing non-recovery of surface rent and interest thereon

(Amount in ₹)

A (Lease no. 46/2011)				B (Lease no. 45/2011)			
Year	**Surface Rent**	**Interest @ 18 *per cent***		**Year**	**Surface Rent**	**Interest @ 18 *per cent***	
		Period	**Amount**			**Period**	**Amount**
2013-14	2,21,000[3]	9 Year	3,58,020	2013-14	2,21,000[3]	9 Year	3,58,020
2014-15	2,54,150[4]	8 Year	3,65,976	2014-15	2,54,150[4]	8 Year	3,65,976
2015-16	2,54,150	7 Year	3,20,229	2015-16	2,54,150	7 Year	3,20,229
2016-17	2,54,150	6 Year	2,74,482	2016-17	2,54,150	6 Year	2,74,482
2017-18	2,92,272	5 Year	2,63,045	2017-18	2,92,272	5 Year	2,63,045
2018-19	2,92,272	4 Year	2,10,436	2018-19	2,92,272	4 Year	2,10,436
2019-20	2,92,272	3 Year	1,57,827				
2020-21	3,36,113	2 Year	1,21,001				
Total	**21,96,379**		**20,71,016**		**15,67,994**		**17,92,188**

Surface Rent	37,64,373
Interest	38,63,204
Total	**76,27,577**

[3] Agreement Value of Highest bidders. Agreements were executed between the Commissioner, Devasthan Department, Udaipur (Licenser) and successful applicants (Licensees), A and B on 13 December 2011 and 14 December 2011 respectively

[4] Lease allotted in 2011 at highest bidding price and licenser has right to increase and amend the surface rent within a period of three year that was increase by 15 *per cent* in every three year.

Glossary of abbreviations

Abbreviation	Expanded form
ACS	Additional Chief Secretary
ADG	Additional Directors, Geology
ADM	Additional Directors, Mines
AME	Assistant Mining Engineers
C&AG	Comptroller and Auditor General of India
CAMPA	Compensatory Afforestation Fund Management and Planning Authority
CCF&FD	Chief Conservator of Forest & Field Director
CoT	Transport Commissioner
CSS	Centrally Sponsored Scheme
CTO	Consent to Operate
CWLW	Chief Wildlife Warden
DCF&DFD	Deputy Conservator of Forest & Deputy Field Director
DCR	Demand and Collection Register
DFO	District Forest Officer
DI	Ductile Iron
DLIC	District Level Implementing Committee
DMFTs	District Mineral Foundation Trusts
DMG	Director, Mines and Geology
DMGOMS	Department of Mines and Geology Online Management System
DoIT&C	Department of Information Technology and Communication
DP	Director Petroleum
EDCs	Eco Development Committee
ERC	Excess Royalty Collection
ERCC	Excess Royalty Collection Contract
ESR	Elevated Service Reservoir
ESZ	Eco Sensitive Zones
GCC	General Conditions of Contract
GoI	Government of India
GoR	Government of Rajasthan
GPS	Global Positioning System
IGMPY	Indira Gandhi Matrutv Poshan Yojana
IRs	Inspection Reports
LPCD	Litre per Capita per Day
ME	Mining Engineers
ML	Mining Leases
MMDR	Mines and Mineral (Development and Regulation)
MoEFCC	Ministry of Environment, Forest and Climate Change
MT	Metric Tonnes
NLCPL	National Limestone Company Private Limited
NTCA	National Tiger Conservation Authority

Abbreviation	Expanded form
NWAP	National Wildlife Action Plan
O&M	Operations and Maintenance
PAC	Public Accounts Committee
PD	Personal Deposit
PHED	Public Health Engineering Department
PMKKKY	Pradhan Mantri Khanij Kshetra Kalyan Yojana
PMU	Project Management Unit
PWD	Public Works Department
PWMs	Portable Weighing Machines
QL	Quarry licences
RC	Royalty Collection
RMMC	Rajasthan Minor Mineral Concession
RMMCR	Rajasthan Minor Mineral Concession Rules
RSMET	Rajasthan State Mineral Exploration Trust
RSPCB	Rajasthan State Pollution Control Board
RTOs	Regional Transport Officers
RTPP	Rajasthan Transparency in Public Procurement
RWSSMB	Rajasthan Water Supply and Sewerage Management Board
SBWL	State Board of Wildlife
SLEC	State Level Empowered Committee
SME	Superintending Mining Engineer
STP	Short Term Permit
TCF	Tiger Conservation Foundation
TCPs	Tiger Conservation Plans
TS	Technical Sanction
UNSDG	United Nations Sustainable Development Goals
WCD	Women and Child Welfare Department
WII	Wildlife Institute of India

© COMPTROLLER AND
AUDITOR GENERAL OF INDIA
www.cag.gov.in

http://cag.gov.in/ag2/rajasthan/en

