

CHAPTER-IV: MINING RECEIPTS

4.1 Tax administration

The levy and collection of receipts from mining activities in the State is governed by the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957, the Mineral Concession Rules, 1960 and the Uttar Pradesh Minor Mineral Concession (UPMMC) Rules, 1963. The Principal Secretary, Geology and Mining, Uttar Pradesh is the administrative head of the Department at the Government level. The overall control and direction of the Geology and Mining Department (Department) is vested with the Director, Geology and Mining, Uttar Pradesh, Lucknow. At Headquarters, the Director, Geology and Mining is assisted by two Joint Directors who are further assisted by Chief Mining Officer. At district level, the District Mines Officer (DMO) is responsible for determining royalty, dead rent, and permit fee, etc., due and payable. Additional District Magistrate (Finance & Revenue) is in charge of collection and accounting of mining receipts under the overall administrative control of the District Collector.

4.2 Results of audit

During the year 2021-22, test-check of records of 13 District Mining Offices of Geology and Mining, Uttar Pradesh, out of 75 districts revealed instances of royalty short/not realised and other irregularities involving ₹ 439.99 crore in 3,588 cases as detailed in **Table-4.1**.

Table-4.1

Sl. No.	Categories	Number of cases	Amount (₹ in crore)
1	Royalty not realised	61	119.06
2	Price of minerals not recovered	10	23.83
3	Short levy of stamp duty on lease deeds	40	6.20
4	Penalty not imposed	203	7.03
5	Other irregularities ¹	3,274	283.87
Total		3,588	439.99

4.3 Loss of revenue due to delayed cancellation of lease

The Department did not promptly cancel the lease on account of royalty and other dues not paid by lessee and resettle the lease leading to loss of revenue amounting to ₹ 14.18 crore.

Rule 28(2)(1) and (4) of UPMMC Rules, 1963 provides that instalments of amount of tender/auction will be fixed quarterly as per the Fourth Schedule. Rule 58(1) of UPMMC Rules, 1963 stipulates that the State Government or any officer authorised by it may determine the mining lease after serving a notice on the lessee to pay within thirty days of receipt of the notice any amount due or dead rent under the lease including the royalty due to the State Government, if it was not paid within fifteen days after the date fixed for such

¹ Contribution to District Mineral Foundation Trust (DMFT) not recovered from licensees/lessees, Interest not charged on belated payment of royalty by lessees/brick kiln owners, etc.

payment. This right shall be in addition to and without prejudice to the right of the State Government to realise such dues from the lessee as arrears of land revenue.

Further, as per Rule 10(2) of Uttar Pradesh District Mineral Foundation Trust (DMFT) Rules, 2017, in case of minor mineral the holder of every mineral concession permit shall in addition to the royalty, pay to the Trust of the District in which the mining operations are carried on, an amount which is equivalent to 10 *per cent* of royalty or as may be prescribed by the State Government from time to time.

Thus, Royalty and DMFT contribution for mining leases are required to be paid to the Government on quarterly basis and if not done so, then lease may be cancelled and royalty may be collected as arrears of land revenue in accordance with rules.

Audit test-checked (March 2022) the records of DMO Fatehpur and noticed that an agreement was executed on 31 January 2019 between State Government and M/s Classic Infraventures LLP (the lessee), where State Government allotted 40.48 hectare land for mining work to lessee situated at village Adhawal, Gata no. A11, Fatehpur for five years. The lessee was required to pay royalty @ ₹ 306 per cubic meter for excavation of 8,09,600 cubic meter *morrum* per annum for first year and in subsequent years with increment of 10 *per cent* on previous year's rate as per schedule provided in the lease deed. Audit further noticed that lessee deposited (5 May 2018) ₹ 6.14 crore as security money and first instalment of royalty each as per schedule. However, the lessee defaulted in payment of second and third instalments of ₹ 6.19 crore each due on 1 April 2019 and 1 July 2019. Only partial payment of ₹ 55.00 lakh was made (between September 2019 and October 2019). The lessee further defaulted in payment of fourth instalment of ₹ 6.19 crore due on 1 October 2019. Thus, there was unpaid balance of ₹ 18.03 crore.

The District Mining Officer (DMO) and District Magistrate (DM) Fatehpur issued notices on 24 April 2019 and 28 May 2019 respectively but lessee did not deposit the second instalment. The District Authority belatedly issued recovery certificates against the lessee on 16 August 2019 (for outstanding dues of second instalment) and 14 January 2020 (for outstanding dues of subsequent instalments). The Department adjusted the part payment against the third instalment as recovery certificate was already issued against the defaulted second instalment. Finally, the DM cancelled the lease on 3 January 2020.

Audit further observed that though a notice was issued to the lessee on 10 September 2020 for payment of outstanding DMFT contribution of ₹ 1.85 crore and Tax Collection at Source (TCS) amount of ₹ 49.55 lakh, however, no recovery certificates were issued against lessee. Thus, royalty of ₹ 11.83 crore, contribution to DMFT of ₹ 1.85 crore and TCS amount of ₹ 49.55 lakh was not deposited by the lessee.

The concerned DMO and DM failed to cancel the lease after the lessee defaulted in payment of second instalment due on 1 April 2019 and resettle the lease. The recovery certificates issued on 14 January 2020 were returned on 10 June 2021 with remark that neither the partners of the lessee were found at the addresses mentioned in recovery certificates nor any assets were found on their names. This resulted in loss of revenue of amounting to ₹ 14.18 crore.

The matter was reported to the Government (April 2022). Their reply is awaited (June 2022).

4.4 Gaps in regulatory framework

Under existing regulatory framework, as the price of mineral is not defined in cases of mining areas leased out through auction², it is left to the discretion of the district authorities to adopt either Chapter III rates of royalty or rates discovered through auction to work out the price of mineral. As a result, the lessee sometimes pays lower penalty for illegal extraction as against the amount payable for legal extraction, thus encouraging illegal mining.

Section 21(5) of the MMDR Act, 1957 stipulates that whenever any person raises, without any lawful authority, any mineral from any land, the State Government may recover from such person, the mineral so raised, or, where such mineral has already been disposed of, the price thereof, and may also recover from such person, rent, royalty or tax, as the case may be, for the period during which the land was occupied by such person without any lawful authority.

The Government, in its order dated 15 October 2015, clarified that the 'price of minerals' is ordinarily five times of the royalty. The rates of royalty are defined in Chapter III of UPMMC Rules, 1963.

Rule 57 of the UPMMC Rules, 1963 stipulates that whoever contravenes the provision of Rule 3² shall on conviction be punishable with imprisonment for a term which may extend up to six months or with fine which may extend to ₹ 25,000, or with both. Government vide order dated 18 May 2017 revised the penalty provisions of the said Rule to imprisonment for a term which may extend up to five years or with fine which shall not be less than of ₹ two lakh per hectare and which may extend to ₹ five lakh per hectare of the area, or with both.

Rule 23(1) of the UPMMC Rules, 1963 stipulates that the State Government may by general or special order declare the areas which may be leased out by auction. Further, Rule 23(3) stipulates that on such declaration, Chapter III³ of the said Rules shall not apply to the area in respect of which the declaration has been issued.

Thus, for any illegal mining the State Government can recover the mineral or its value and relevant royalty. Penalty for illegal mining was increased in May 2017. For areas which are notified to be leased out by auction, the royalty rates in Chapter III are not applicable.

Audit analysed the penal provisions in respect of notified areas settled through auction under two scenarios: Illegal mining in (a) auctioned areas and (b) areas in the neighbourhood of the auctioned areas. The results of the analysis are given as below.

² Mining operations shall be undertaken in accordance with the terms and conditions of a mining lease or mining permit granted under these Rules.

³ Provisions relating to payment of royalty and dead rent.

(a) 'Price of mineral' not defined in cases of mining areas leased out through auction

Rule 23(3) of the UPMMC Rules, 1963 stipulates that for auctioned areas Chapter III shall not be applicable. Chapter III prescribes that royalty of minerals shall not be more than 20 per cent of 'Pit's mouth value of mineral'. On the basis of this, 'price of mineral' is ordinarily taken as five times of the royalty. As the Chapter III is not applicable in cases of mining areas leased out through auction, there is ambiguity as to the manner in which the 'price of minerals' in case of illegal mining shall be determined in such cases. It is left to the discretion of the district authorities to adopt either Chapter III rates or rates discovered through auction.

(b) Inadequate quantum of royalty, 'price of mineral' and penalties imposed for illegal mining in auctioned areas or in areas neighboring the auctioned areas

Audit test-checked (between November 2021 to March 2022) the records⁴ of four DMOs⁵ and noticed that in seven out of 13 test-checked cases where leases had been granted through auction, the investigation team from the district authorities had reported illegal excavation of 61,769 cu.m. of minor minerals (sand/morrum/gitti) by seven lessees from auctioned lease area or areas neighbouring the auctioned lease area. The details are given in **Table - 4.2.**

Table-4.2: Details of illegal excavation

Sl. No.	Name of the lessee	Lease area	Period of lease/Permit	Quantity to be excavated each year (in cu.m.)	Rate of royalty per cu.m. (in ₹)	Quantity of sand illegally excavated (in cu.m.) around leased area as reported	Additional demand raised for illegal mining (in ₹)
1.	M/s Shubh construction prop. Shashi Devi, 168/19, Noniya Mohal, District Banda	Vill-Salemapur, Tehsil-Moth, Dist.-Jhansi, Arazi No.-321ga, Area-10.00 Hec.	16.01.2021 to 15.01.2026	50,000	952	2,885	25.97 lakh
2.	M/s Sagar Brick Field	Village- Rushai saidpur, Tahseel-Chayal, Dist. Kaushambi, Khand No. 8/3 to 8/4 Area-24.28 Hec.	01.05.2020 to 30.04.2025	3,60,000	155	25,364	2.38 crore
3.	Shri Keshari Nandan Singh	Village-Katri, Tehseel- Manjhanpur, Khand No. 14/11 to 14/12 Area-10.46Hec.	20.12.2018 to 19.12.2023	4,85,000	315	10,746	1.12 crore
4.	M/s Rishabh Harbal Pvt.Ltd	Village-Diya, Tehsil-Manjhanpur, Khand No. 11/15 to 11/16 Area-24.28Hec.	11.04.2018 to 10.04.2023	3,60,000	181	19,600	1.81 crore
5	M/s Ratna Jadaon, E-7, M-708, Arera Colony, Bhopal, M.P.	Vill-Adhaval, Tehsil-Fatehpur, Dist.- Fatehpur, Area-25.00 Hec.	06.11.2020 to 05.11.2025	2,50,000	400	50	0.45 lakh

⁴ Lease files.

⁵ DMOs – Fatehpur, Jhansi, Kaushambi and Sonebhadra.

Sl. No.	Name of the lessee	Lease area	Period of lease/Permit	Quantity to be excavated each year (in cu.m.)	Rate of royalty per cu.m. (in ₹)	Quantity of sand illegally excavated (in cu.m.) around leased area as reported	Additional demand raised for illegal mining (in ₹)
6	M/s. C.S. Infra Construction Ltd. Managing Director-Smt. Pushpa Singh.	Vill-Billi Markundi, Tehsil-Rabrtsganj, Sonebhadra, Arazi No.-7536 ga (mi) (Khand-3), Area-4.00 Hec.	06-11-2020 to 05.11.2030	40,000	3,000	608	5.84 lakh
7	M/s Sai Ram Enterprises partner Sri Chandra Bhushan Gupta	Vill-Billi Markundi, Tehsil-Obra, Sonebhadra, Arazi No.-7536 ga mi, Khand-1, Area-4.97 Hec	05.10.2020 to 04.10.2030	49,700	3,010	2,502	24.27 lakh
TOTAL							₹ 5.88 crore

The District authorities calculated quantum of illegal mining and issued (between June 2018 and June 2021) demand notices totalling ₹ 0.93 crore as royalty, ₹ 4.65 crore as 'price of minerals' and only ₹ 30.25 lakh⁶ as penalty for illegal excavation.

Audit compared the quantum actually imposed by the District Magistrate and that based on rate discovered through auction. The details are given in **Table-4.3.**

Table-4.3: Analysis of penal amounts for illegal mining

Sl. No.	Name of the lessee	Quantity of illegal mining (in cum.)	Actually imposed by District Magistrate					Based on rate discovered through auction (calculated by Audit)				
			Rate of Royalty (per cum.)	Royalty	Price of mineral	Penalty	Total	Discovered rate of Royalty (per cum.)	Royalty	Price of mineral	Penalty	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1. (1 case)	M/s Shubh Construction Prop. Shashi Devi, 168/19, Noniya Mohal, District Banda	2,885	150	4.33	21.64	0.00	25.97	952	27.46	137.33	5.00	169.79
2. (2 cases)	M/s Sagar Brick Field	25,364	150	38.05	190.23	10.00	238.28	155	39.31	196.57	10.00	245.88
3. (3 cases)	Shri Keshari Nandan Singh	10,746	150	16.12	80.60	15.00	111.71	315	33.85	169.25	15.00	218.10
4. (2 cases)	M/s Rishab Herbal Pvt.Ltd	19,600	150	29.40	147.00	5.00	181.40	181	35.48	177.38	10.00	222.86
5. (1 case)	M/s Ratna Jadaon, E-7, M-708, Arera Colony, Bhopal, M.P.	50	150	0.075	0.38	0	0.45	400	0.20	1.00	5.00	6.20
6. (1 case)	M/s. C.S. Infra Construction Ltd. Managing Director-Smt. Pushpa Singh.	608	160	0.97	4.86	0	5.84	3,000	18.24	91.20	5.00	114.44

⁶ Rule 59(2) of UPMMC Rules, 1963.

(₹ in Lakhs except column 4 and 9)												
Sl. No.	Name of the lessee	Quantity of illegal mining (in cum.)	Actually imposed by District Magistrate					Based on rate discovered through auction (calculated by Audit)				
			Rate of Royalty (per cum.)	Royalty	Price of mineral	Penalty	Total	Discovered rate of Royalty (per cum.)	Royalty	Price of mineral	Penalty	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
7. (1 case)	M/s Sai Ram Enterprises partner Sri Chandra Bhushan Gupta	2,502	160	4.00	20.02	0.25	24.27	3,010	75.31	376.55	5.00	456.86

An analysis of figures in above table indicated:

- (i) Penal demands for illegal mining were based on rates of royalty as given in Chapter III of UPMMC Rules, 1963 which were much less than the rates discovered through auction. Thus, while Chapter III rates of royalty for *morrhum* was ₹ 150 and for *gitti* (dolostone) was ₹ 160, those discovered through auction were in the range of ₹ 155 to ₹ 952 for *morrhum* and ₹ 3,000 to ₹ 3,010 for *gitti* (dolostone). Based on Chapter III rates, amounts ranging between ₹ 0.45 lakh to ₹ 2.38 crore for *morrhum* and ₹ 5.84 lakh to ₹ 24.27 lakh for *gitti* (dolostone) only were demanded from these lessees. However, if auction rates were to be considered these seven lessees would have to pay penal amounts ranging between ₹ 6.20 lakh to ₹ 4.57 crore. Hence although illegal mining was being done by different lessees in auctioned area or its neighbourhood, the Regulations permitted levy of royalty and 'price of mineral' at much reduced rates.
- (ii) The lessees (refer Sl. No. 6 and 7 of Table 4.3) extracted minerals from lease area auctioned to them without paying royalty. However, penalty levied for illegal extraction was lower as against the amount payable for legal extraction from the auctioned lease area, thus encouraging illegal mining.
- (iii) Even though penalty was required to be imposed and was a maximum of ₹ five lakh per hectare in each case, it was observed that only in seven cases, the district authorities imposed penalty of ₹ 30.25 lakh while in six cases no penalty was imposed.

Earlier, similar audit observation was reported in Para 5.4 of the CAG's Audit Report on Revenue Sector for the year ended March 2019 of Uttar Pradesh and in Para 5.3 of the Audit Report on Revenue Sector for the year ended March 2020 of Uttar Pradesh.

The matter was reported to the Government (April 2022). Their reply is awaited (June 2022).

4.5 Price of mineral not imposed in cases of illegal transportation of minerals by lessees

Price of minerals amounting to ₹ 11.92 crore was not imposed and realised in cases of illegal transportation of mineral without Form MM-11 by lessees.

The UPMMC Rules, 1963 and the Uttar Pradesh Minerals (Prevention of Illegal Mining Transportation and Storage) Rules, 2002 stipulate that no person shall transport any mineral without a valid transit pass (Form MM-11⁷/Form C⁸). The MMDR Act⁹, 1957 stipulates that the price of mineral along with the royalty may be recovered for raising minerals without lawful authority. Rule 70(1) of the UPMMC Rules 1963 read with Section 4 (1-a) and Section 21 (1 to 5) of MMDR Act stipulates that holder of lease or permit or any person authorised by him for this, issue a transit pass in form MM-11 forms to every person to transport mineral from any vehicle, cattle or by any means of transport. Further, Rule 70(2) provides that no person will transport any mineral in the state without MM-11 forms issued under sub rule (2). Rule 70(6) provides that any person who contravenes the provisions of this rule, if found guilty, will be punished for imprisonment which may raise for six months or fine of ₹ 25,000.

Audit test-checked (March 2022) the records of DMO Fatehpur and noticed that two leases for excavation of *morrum* were allotted to two lessees and agreements were executed (between March 2018 and April 2018) between State Government and lessees.

Audit noticed that in compliance of order of Director, Geology and Mining, DM Fathepur set up (September 2018) an enquiry for verifying the results of previous inspection reports (inspections made in June 2018) for illegal excavation of *morrum*. Enquiry team reported (October 2018) that both lessee excavated 2,09,514 cu.m. *morrum* out of which e-MM-11 forms were generated for only 1,42,414 cu. m. of *morrum*. Thus, 67,100 cu.m. *morrum* was illegally transported without generating e-MM-11 forms.

Further, audit noticed that both of the lessees accepted (October 2018) the overloading of *morrum* but Department did not impose price of mineral of ₹ 11.92 crore for illegal transportation of *morrum* without e-MM-11 forms. Subsequently, both of the lessees did not deposit the instalment due in October 2018 and the Department cancelled the leases (between January 2019 and February 2019) after forfeiting the security deposit.

Thus, Department extended undue favour to the lessees by not recovering the price of mineral amounting to ₹ 11.92 crore, as shown in **Appendix-XXXIX**.

The matter was reported to the Government (April 2022). Their reply is awaited (June 2022).

⁷ Transit pass (*Rawanna*) issued by the holder of the mining lease or crusher plant for transportation of minor minerals. It includes names and addresses of the lessees, nature and quantity of minerals and vehicle number through which the minerals are transported.

⁸ The holder of licence for storage of minerals shall issue the transit pass in 'Form-C' for lawful transportation of minerals from the Store.

⁹ Section 21(5) of the MMDR Act.

4.6 Pre-bid earnest money not forfeited for delay in payment of royalty and security deposit

District Mines Officers did not forfeit pre-bid earnest money of ₹ 3.51 crore for delay in payment of royalty and security deposit.

Government of Uttar Pradesh order¹⁰ dated 14 August 2017 stipulates that every successful bidder of lease for minor minerals, after receiving Letter of Intent (LoI) shall deposit 50 *per cent* of the first year's royalty due (25 *per cent* as security deposit and 25 *per cent* as first instalment) on the e-payment gateway of Metal Scrap Trade Corporation (MSTC)¹¹ through RTGS/NEFT within two working days from the date of issue of LoI. The pre-bid earnest money, deposited by the successful bidder, shall be adjusted before depositing this amount. Further, if the successful bidder fails to deposit the above amount within stipulated time, pre-bid earnest money deposited by him shall be forfeited and any complaint or application in this regard shall not be entertained.

Audit test-checked the records¹² of the two¹³ offices of District Mines Officer (DMOs) and noticed (January/March 2022) that concerned District Magistrates (DMs) issued (between June 2020 and January 2021) LoI in favour of successful bidders for four mining leases of sand/*morrum* in a bid of e-tender cum e-auction. The bidders were required to deposit ₹ 6.50 crore (50 *per cent* of first year's royalty due) within two working days from the date of issue of LoI. The bidders deposited the required amount with delays ranging from six to 88 days. But, the concerned DMOs did not initiate any action to forfeit the pre-bid earnest money of ₹ 3.51 crore for delay in payment of royalty and security deposit, as detailed in **Appendix-XL**.

The matter was reported to the Government (April 2022). Their reply is awaited (June 2022).

4.7 Short levy of stamp duty and registration fees on mining lease deeds

Contribution payable to the District Mineral Foundation Trust (DMFT) was not included in the consideration of 39 mining lease deeds which resulted in short levy of stamp duty of ₹ 4.85 crore and registration fees of ₹ 1.10 crore.

Stamp duty and contribution to DMFT in accordance with the rules is applicable to mining leases.

Article 35 (b) (i) of Schedule I-B of the Indian Stamp Act, 1899 (IS Act) stipulates that where lease for a term not exceeding thirty years has been granted for a fine or premium, or for money advanced and where no rent is reserved, the stamp duty chargeable should be the same as a conveyance for a consideration equal to the amount or value of such fine or premium or advance as set forth in the lease. Stamp duty on such lease deeds was chargeable at the rate of two *per cent* of the consideration vide Notification dated 10 July 2008.

¹⁰ Para 19(2) of the order

¹¹ Service provider of the Geology and Mining Department for e-auction.

¹² Lease files, letter of intent etc.

¹³ Fatehpur and Kaushambi.

In addition, Explanation (I) of Article 35 states that when a lessee undertakes to pay recurring charge, such as the Government revenue, the landlord's share of cess or the owner's share of municipal rates or taxes, which by law, is recoverable from the lessor, the amount so agreed to be paid by the lessee shall be deemed to be part of the rent.

Further, Section 33(1) of the said Act stipulates that every person in charge of a public office, except an officer of police, before whom any instrument, chargeable, in his opinion, with duty, is produced or comes in the performance of his functions, shall, if it appears to him that such instrument is not duly stamped, impound the same.

Under Rule 10(2) of the Uttar Pradesh DMFT Rules, 2017, the lessees are also required to pay an amount equivalent to 10 *per cent* of royalty to the DMFT. Also, vide Notification¹⁴ dated 13 February 2020 Government amended previous Notification¹⁵ dated 8 December 2015 and revised the registration fees at the rate of one *per cent* of such consideration or value, calculated for the purpose of stamp duty chargeable on the document, whichever is higher, subject to the minimum of ₹ 100.

Audit noticed (between November 2021 and March 2022) in 39 mining lease deeds executed between February 2018 and January 2022 for a period of five to 10 years each in six¹⁶ DMOs that only the amount of royalty was included in consideration for charging the stamp duty and contribution payable to the DMFT was not included. Stamp duty and registration fee of ₹ 56.16 crore was charged on the consideration of ₹ 1,978.78 crore in these lease deeds against stamp duty and registration fee of ₹ 62.11 crore chargeable on the consideration of ₹ 2,176.66 crore. Thus, the Government was deprived of revenue due to short levy of stamp duty of ₹ 4.85 crore and registration fee of ₹ 1.10 crore.

The matter was reported to the Government (April 2022). Their reply is awaited (June 2022).

4.8 Royalty not deposited by lessees

Royalty of ₹ 1.73 crore was not deposited by nine lessees in two District Mining Offices.

Rule 28(2)(1) and (4) of UPMMC Rules, 1963 provides that instalments of amount of tender/auction will be fixed quarterly as per the Fourth Schedule. Rule 58(1) of UPMMC Rules, 1963 stipulates that the State Government or any officer authorised by it may determine the mining lease after serving a notice on the lessee to pay within thirty days of the receipt of the notice any amount due or dead rent under the lease including the royalty due to the State Government, if it was not paid within fifteen days after the date fixed for such payment. This right shall be in addition to that of the State Government to realise such dues from the lessee as arrears of land revenue.

¹⁴ No. 02/2020/127/94- Stamp Nibandhan-2-2020-700(74)/15.

¹⁵ No. 30/2015/1430/94-Stamp Nibandhan-2-2015-700(74)/15.

¹⁶ Fatehpur, Jhansi, Kaushambi, Lalitpur, Shahjahanpur and Sonbhadra.

Thus, Royalty for mining leases is required to be paid to the Government on quarterly/monthly basis and if not done so, then lease may be cancelled and royalty may be collected as arrears of land revenue in accordance with rules.

Audit test-checked the lease files of 35 lease deeds in DMOs Gonda and Lalitpur and noticed (November 2021 and March 2022) that nine lessees did not deposit amount of due royalty of ₹ 2.68 crore payable between April 2019 and January 2022 as per payment schedule of lease deeds. Only in one case of lessee M/s Aradhya Enterprises Gonda, the Government adjusted the security amount of ₹ 95.14 lakh against due royalty of ₹ 1.79 crore in December 2021. Thus, royalty of ₹ 1.73 crore was not deposited by the lessees. The concerned DMOs also did not initiate any action to recover these dues. As a result, revenue of ₹ 1.73 crore was not realised.

The matter was reported to the Government (April 2022). Their reply is awaited (June 2022).