

Chapter VIII : Conclusions and Recommendations

Audit Objective I

Whether the Department has adequate human resources and efficient IT system and utilised latest technology and know-how to check and prevent illegal mining.

Use of Technology: Department did not leverage technologies easily available in public domain, to identify and curb illegal mining activities despite a clear provision in the Rajasthan Mineral Policy, 2015. Irregularities viz. overlapping of leases and non-allotment/auction of gap areas lying between the leases, misuse of *e-rawannas* (where mineral was not excavated but lessees dispatched the mineral by using *e-rawannas*) could not be identified by the Department. Further, the Department failed to utilise the IT system effectively. Demands related to illegal mining activities were not shown on the demand register maintained at DMGOMS. There was no check in the system to prevent the dispatch of mineral automatically in excess of quantity permissible in EC/CTO.

The Department may consider:

- 1. utilising Remote Sensing/GIS technology such as Google Earth Pro application to identify illegal mining activities along with other modern technology such as drone survey to expedite identification of illegal mining activities;*
- 2. mapping all the existing leases using Remote Sensing data and GIS technology to do away the overlapping of leases;*
- 3. to fix accountability on the officials for leaving gap areas unauctioned and setting a time frame for auction of gap areas on priority basis;*
- 4. providing a check in the DMGOMS to auto block the generation of e-rawannas whenever the quantity crosses the permitted limit by EC also and to expedite the recovery of the amount for the illegally mined minerals;*
- 5. providing a system in the DMGOMS to generate demand notice only after uploading the demand in online demand and collection register;*
- 6. mapping and uploading coordinates of all the STPs wherein mining was permitted;*
- 7. using GIS technology for measuring distance between place of dispatch and destination in e-rawanna; and*
- 8. adopting good practices of GPS installation in vehicles and use of RFID technology as initiated by other states and proposed by the Department of Mines and Geology, Rajasthan.*

E-rawannas and weigh bridges: Working of weigh bridges revealed serious irregularities viz. the photograph of one vehicle was used many times for confirmation of various *e-rawannas* which indicates that *e-rawannas* were confirmed without actual weighing of the vehicles. There was laxity in the system for effective monitoring on the functioning of the weigh bridges. The Department did not have a mechanism to use printed serial numbered *Panchnamas* which resulted in non-reporting of illegal mining activities to higher authorities. Further, sources/sites of illegal mining were not investigated in cases of illegal transportation of minerals. Government revenue from mining royalty can be multiplied if loopholes are plugged and violations of rules prevented.

The Department may consider:

- 1. developing or approving a single software to be used by weigh bridges across the State under overall control of the Department to check the malpractices;*
- 2. strengthening its monitoring of weigh bridges through IT system at a centralized centre;*
- 3. pursuing cases of vehicles used in illegal transportation with the Transport Department so that stringent action can be taken against vehicles owners.*
- 4. optimally using the data and photos available in DMGOMS to investigate complaints on illegal mining and take stringent action against those involved in the malpractices so that it acts as a deterrent and*
- 5. to adopt the good practice of processing Panchnama with printed serial numbers which is being implemented by the Transport Department of Rajasthan for transparency and accountability.*

Management of Manpower Resources: There was shortage of technical manpower which were necessary to check illegal mining and prevent revenue leakage *i.e.* ME/AME and Foreman. Training of latest technology to check illegal mining activities was given only to a few officials of the Department. Latest instruments were not procured by the Department to use in field offices.

The Department had a vigilance wing to curb illegal mining activities and to check leakage of Government revenue. During the period 2015-16 to 2019-20, Vigilance offices identified 956 cases whereas division offices having jurisdiction on the same area, identified 2,434 cases of illegal mining activities besides their regular work. It indicated that performance of Vigilance wing was not up to the mark and purpose of establishment of specialized wing for identification of illegal mining activities was also defeated to that extent.

The Department may consider:

1. *review the assignment of duties to the officers of division offices and vigilance offices to avoid duplication and ensure optimum utilisation of their abilities and take measures to strengthen functioning of the Vigilance wing; and*
2. *adopt the latest technology to measure volume of minerals excavated.*

Audit Objective II

Whether provisions of the Acts and Rules governing administration of mines and minerals were being implemented effectively to check and prevent illegal mining.

Monitoring and Evaluation: Monitoring and evaluation are an essential activity of the Department to ensure compliance with the rules and regulations by adhering to the procedure in place. In the Department, various tools for monitoring have been prescribed *i.e.* returns, *e-rawannas*, assessment, regular inspection of leases, *etc.*

Test check of returns disclosed that 28 *per cent* of lessees had not submitted any return during the period April 2018 to March 2020 and 72 *per cent* lessees submitted their returns with a delay up to 1,177 days. No return was prescribed to check the dispatch of royalty paid minerals from the stock of dealers. Further, no mechanism was found in place to check the dispatch of minerals by Quarry Licence holders.

Director, Mines & Geology issued instructions to conduct inspection of leases by competent authorities. Scrutiny of records of selected leases revealed that norms for inspection of MLs were also not adhered to and even when inspections were carried out, the reports were deficient. Audit considers that shortfall in inspection might have been a reason for illegal mining in large scale. Rules provide for annual assessments of leases. However, 51 *per cent* assessments were pending as on 31 March 2020 in the State. Department did not make efforts to expedite the finalisation of assessments. As a result, possibility of leakage of revenue cannot be ruled out.

The Department may consider:

1. *making suitable change in the system to generate report of non-filers/delayed filers of returns and for issuing automatic reminders/ notices to them;*
2. *prescribing periodic returns for dealers to monitor movement of royalty paid minerals effectively;*
3. *prescribing a test check of returns by the ME/AME in a month to get a holistic view of mining activities in their jurisdiction area;*

4. *prescribing a mandatory valid document accompanying the mineral to ascertain the source of mineral for each despatch from QL and*
5. *prescribing online detail of inspection on DMGOMS regarding inspections of leases having details of inspections with photograph of leases taken at the time of inspections. Further, selection of leases for inspection shall be done through a scientific process so as to cover all the leases of a Division within a certain period.*

Audit Objective III

Effective controls existed to monitor mining activities so that environmental and ecological concerns were addressed properly.

Scrutiny of satellite images of selected leases disclosed that plantation was not done according to norms prescribed in Environmental clearance. Environmental impact assessment for illegally mined areas was not done in any of the selected divisions.

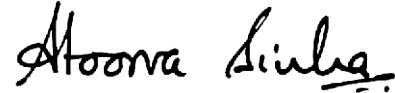
Hon'ble High Court of Rajasthan ordered restoration of *Bajri* to the position from where it was illegally excavated. Scrutiny of *Panchnama* files of selected divisions revealed that in 40 cases, the orders of the Hon'ble High Court of Rajasthan were not complied.

The Department may consider:

1. *adopt the good practice of successful plantation initiated by lease holders of *Neem ka Thana* to safeguard the environment and*
2. *evolve a system to ensure strict compliance with the orders of Hon'ble Courts.*

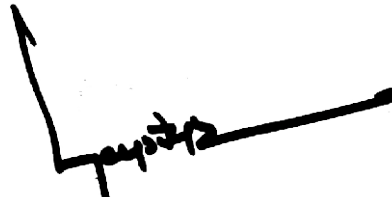
To conclude, we found that Department was unable to utilize the technology to curb illegal mining effectively. The resources deployed for this purpose remained at sub optimal level and the effectiveness of monitoring was found deficient. Therefore, the Department requires to review its monitoring processes and use of technologies in it.

JAIPUR
The 25th October 2022


(ATOORVA SINHA)
Accountant General
(Audit-II), Rajasthan

Countersigned

NEW DELHI
The 27th October 2022


(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

