

# **HARYANA VIDHAN SABHA**

**COMMITTEE ON PUBLIC ACCOUNTS  
(2021-2022)**

**82<sup>nd</sup> (EIGHTY SECOND) REPORT**

**ON**

**the Reports of the**

**Comptroller and Auditor General of India**

**ON**

**Social, General and Economic Sectors  
(Non-Public Sector Undertakings)**

**&**

**State Finances**

**for the year ended 31<sup>st</sup> March, 2019,**

**Revenue Sector**

**for the year ended 31<sup>st</sup> March, 2016**

**AND**

**Appropriation Accounts/Finance Accounts of the  
Haryana Government for the year 2018-19**



**(Presented to the House on 22<sup>nd</sup> March, 2022)**

**HARYANA VIDHAN SABHA SECRETARIAT,  
CHANDIGARH**

**2022**



| TABLE OF CONTENTS                                  |                                                                                                                                                                                                                  |            |         |
|----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------|
|                                                    |                                                                                                                                                                                                                  | Paragraphs | Page(s) |
| <b>Composition of Committee on Public Accounts</b> |                                                                                                                                                                                                                  |            | (iii)   |
| <b>Introduction</b>                                |                                                                                                                                                                                                                  |            | (v-vii) |
| <b>Scope and Functions of the Committee</b>        |                                                                                                                                                                                                                  |            | (ix-xi) |
| <b>Report</b>                                      |                                                                                                                                                                                                                  |            | 1       |
| <b>Part-I</b>                                      | Implementation of Recommendations of the Committee                                                                                                                                                               |            | 3-10    |
| <b>Part-II</b>                                     | Report on the Reports of the Comptroller and Auditor General of India on Social, General and Economic Sectors (Non-Public Sector Undertakings) and State Finances for the year ended 31 <sup>st</sup> March 2019 |            |         |
| <b>Sr. No.</b>                                     | <b>Name of the Department</b>                                                                                                                                                                                    |            |         |
| <b>1.</b>                                          | <b>Welfare of Scheduled Castes and Backward Classes</b><br>(Technical Education, Higher Education, Skill Development and Industrial Training and Medical Education and Research Departments)                     | 1-22       | 13-55   |
| <b>2.</b>                                          | <b>Animal Husbandry and Dairying</b>                                                                                                                                                                             | 23         | 57-59   |
| <b>3.</b>                                          | <b>Revenue and Disaster Management</b>                                                                                                                                                                           | 24         | 61-62   |
| <b>4.</b>                                          | <b>AYUSH (Health)</b>                                                                                                                                                                                            | 25         | 63-66   |
| <b>5.</b>                                          | <b>School Education</b>                                                                                                                                                                                          | 26-27      | 67-75   |
| <b>6.</b>                                          | <b>Food, Civil Supplies and Consumer Affairs</b>                                                                                                                                                                 | 28-30      | 77-87   |
| <b>7.</b>                                          | <b>Forest &amp; Wildlife</b>                                                                                                                                                                                     | 31-34      | 89-100  |
| <b>8.</b>                                          | <b>Home</b>                                                                                                                                                                                                      | 35         | 101-105 |
| <b>9.</b>                                          | <b>Housing (Housing Board, Haryana)</b>                                                                                                                                                                          | 36         | 107-109 |
| <b>10.</b>                                         | <b>Public Health Engineering</b>                                                                                                                                                                                 | 37-38      | 111-117 |
| <b>11.</b>                                         | <b>Public Works Department (Buildings and Roads)</b>                                                                                                                                                             | 39         | 119-122 |
| <b>12.</b>                                         | <b>Town and Country Planning</b>                                                                                                                                                                                 | 40-58      | 123-166 |
| <b>13.</b>                                         | <b>Transport</b>                                                                                                                                                                                                 | 59         | 167-169 |
| <b>14.</b>                                         | <b>Civil Aviation</b>                                                                                                                                                                                            | 60         | 171-174 |
| <b>15.</b>                                         | <b>Development &amp; Panchayats</b>                                                                                                                                                                              | 61-62      | 175-184 |
| <b>16.</b>                                         | <b>Irrigation and Water Resources</b>                                                                                                                                                                            | 63         | 185-189 |
| <b>17.</b>                                         | <b>Labour</b>                                                                                                                                                                                                    | 64         | 191-197 |
| <b>18.</b>                                         | <b>Rural Development</b>                                                                                                                                                                                         | 65         | 199-202 |
| <b>19.</b>                                         | <b>Skill Development &amp; Industrial Training</b>                                                                                                                                                               | 66         | 203-207 |

(ii)

|                           |                                                                                                                                       |         |         |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------|---------|---------|
| <b>20.</b>                | <b>Social Justice &amp; Empowerment</b>                                                                                               | 67-68   | 209-219 |
| <b>21.</b>                | <b>Sports &amp; Youth Affairs</b>                                                                                                     | 69-70   | 221-229 |
| <b>22.</b>                | <b>Technical Education</b>                                                                                                            | 71      | 231-235 |
| <b>23.</b>                | <b>Urban Local Bodies</b>                                                                                                             | 72      | 237-240 |
| <b><u>Part-III</u></b>    | Report on the Report of the Comptroller and Auditor General of India on Revenue Sector for the year ended 31 <sup>st</sup> March 2016 |         |         |
| <b>1.</b>                 | <b>Excise &amp; Taxation</b>                                                                                                          | 73-97   | 243-424 |
| <b>2.</b>                 | <b>Revenue</b>                                                                                                                        | 98-108  | 425-442 |
| <b>3.</b>                 | <b>Transport</b>                                                                                                                      | 109     | 443     |
| <b>4.</b>                 | <b>Mines and Geology</b>                                                                                                              | 110-111 | 445-447 |
| <b><u>Part-IV</u></b>     | Report on Appropriation Accounts/ Finance Accounts of the Haryana Government for the year 2018-19                                     |         | 451-452 |
| <b><u>Appendix-I</u></b>  | Address of the Chairperson of the Committee on the occasion of centennial celebration of PAC in the Parliament.                       |         | 455-458 |
| <b><u>Appendix-II</u></b> | Showing outstanding Recommendations of the Public Accounts Committee on which the Government is yet to take final action.             |         | 461-529 |



### **COMPOSITION OF THE COMMITTEE ON PUBLIC ACCOUNTS**

|    |                                    |                    |
|----|------------------------------------|--------------------|
| 1. | <b>Shri Harvinder Kalyan, MLA.</b> | <b>Chairperson</b> |
| 2. | Smt. Kiran Choudhry, M.L.A         | Member             |
| 3. | Shri Ram Kumar Gautam, M.L.A       | Member             |
| 4. | Dr. Abhe Singh Yadav, M.L.A.       | Member             |
| 5. | Shri Narender Gupta, M.L.A         | Member             |
| 6. | Shri Sudhir Kumar Singla, M.L.A    | Member             |
| 7. | Shri Varun Chaudhry, M.L.A         | Member             |
| 8. | Shri Jogi Ram Sihag, M.L.A         | Member             |
| 9. | Shri Randhir Singh Gollen, M.L.A   | Member             |

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### **COMPOSITION OF THE SUB COMMITTEE ON PUBLIC ACCOUNTS**

|    |                                  |                 |
|----|----------------------------------|-----------------|
| 1. | <b>Shri Varun Chaudhry, MLA.</b> | <b>Convener</b> |
| 2. | Shri Sudhir Kumar Singla, M.L.A  | Member          |
| 3. | Shri Jogi Ram Sihag, M.L.A.      | Member          |

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### **SECRETARIAT**

|    |                                 |
|----|---------------------------------|
| 1. | Shri R.K. Nandal, Secretary     |
| 2. | Shri Visnu Dev, Under Secretary |

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## INTRODUCTION

1. I, the Chairperson of the Committee on Public Accounts, having been authorized by the Committee in this behalf, present this 82<sup>nd</sup> Report on Reports of the Comptroller and Auditor General of India on Social, General and Economic Sectors (Non-Public Sector Undertakings) & State Finances for the year ended 31<sup>st</sup> March, 2019, Report of the Comptroller and Auditor General of India on Revenue Sector for the year ended 31<sup>st</sup> March, 2016 and Report on Appropriation Accounts/Finance Accounts of the Haryana Government for the year 2018-19.
2. The Report of the Comptroller and Auditor General of India on Social, General and Economic Sectors (Non- Public Sector Undertakings) for the year was laid on the table of the House on 16.03.2021 & State Finances for the year ended 31<sup>st</sup> March, 2019 was laid on the table of the House on 26.08.2020 , Report of the Comptroller and Auditor General of India on Revenue Sector for the year ended 31<sup>st</sup> March, 2016 was laid on the table of the House on 27.02.2017 and Report on Appropriation Accounts/Finance Accounts of the Haryana Government for the year 2018-19 was laid on the table of the House on 26.08.2020.
3. The Committee examined the Reports of the Comptroller and Auditor General of India on Social, General and Economic Sectors (Non- Public Sector Undertakings) & State Finances for the year ended 31<sup>st</sup> March, 2019, Report on Revenue Sector for the year ended 31<sup>st</sup> March, 2016 and Report on Appropriation Accounts/Finance Accounts of the Haryana Government for the year 2018-19 and also conducted the oral examination of the representatives of the concerned departments.
4. The Committee considered and approved this Report in its sitting held on 22<sup>nd</sup> February, 2022.
5. A brief record of the proceedings of the meetings of the Committee has been kept in the Haryana Vidhan Sabha Secretariat.
6.
  - a. Soon after constitution of PAC for the year 2021-22, working of Committee had to be postponed due to sudden increase in covid cases (April, 2021) and resumed only in June, 2021, but Committee decided that Principal Accountant General (Audit) and Finance department teams shall keep working during this period also. I myself also remained personally involved, associated and in touch with PAC Secretariat, Principal Accountant General (Audit) and Finance department teams during this period of working.
  - b. Thus during above period vetting of Action Taken Notes (ATNs) and Action Taken Reports (ATRs) received from various departments continued to be done by Principal Accountant General(Audit)team and Finance department team kept persuading concerned departments to submit pending ATNs and ATRs and PAC branch of Haryana Vidhan Sabha Secretariat kept working on other issues.

7.
  - a. Committee further decided that the assistance of Principal Accountant General (Audit) and Finance department would be an integral part of the Committee working. It would surely help ensure that proper ATNs/ATRs are obtained promptly from concerned departments and submitted to Committee only after proper scrutiny and vetting by Audit.
  - b. For above purpose Finance department being a 'Nodal department' was entrusted with the responsibility for obtaining proper and complete ATNs/ATRs respectively on recommendations and paras of CAG's reports from concerned departments and Principal Accountant General (Audit) team was given responsibility for work of examination/vetting of ATNs/ATRs and preparation of questionnaire/memorandum on important points (MIP) etc. for assistance of Committee during discussion.
  - c. Committee also directed for constitution of 'Nodal teams' by concerned departments for effective and prompt working on all PAC related work. The Committee further desired that replies (ATNs/ATRs) should be relevant, factual and well documented and be submitted in a prescribed format only so as to maintain uniformity across the departments.
8. The Committee also desired and took up matter for implementation of application Audit Para Monitoring System (APMS) for PAC working on the lines/pattern of the Parliament. Once implemented, this would surely help make working of Committee more effective, transparent, prompt and easy for all concerned departments and other stakeholders.
9. Committees have a special role to play in the Parliamentary system. Most of the work of the Legislature is accomplished through oversight Committees. The importance of Committees can also be gauged from the fact that Committees are also called mini House. I, personally feel that unless Committee recommendations are implemented timely and in true spirit by the department's whole exercise tend to become unfruitful and intended results are not fully achieved.
10.
  - a. In this context Hon'ble Speaker also desired and directed that special focus be laid on examination of ATRs and implementation of pending recommendations during 1<sup>st</sup> quarter of year 2021-22. Committee, therefore decided to lay special emphasis on discussion/examination of Action Taken Reports (ATRs) received from various departments on priority.
  - b. In view of huge pendency of recommendations, a Sub-Committee of Public Accounts Committee was constituted on 16.06.2021 for the year 2021-22 with the concurrence of Hon'ble Speaker, under rule 231(9) of the Rules of Procedure and Conduct of Business in Haryana Legislative Assembly for examination of ATRs (replies). While Sub committee did scrutiny/examination of the Action Taken Reports (ATRs) pertaining to recommendations contained in all PAC reports prior to 72<sup>nd</sup> Report and Committee scrutinised/examined ATRs on recommendations pertaining to 72<sup>nd</sup> and subsequent Reports.

- c. In order to complete large quantum of work, Committee on Public Accounts held record number of total 90 meetings including Sub Committee (held 24 meetings). Detail of progress of examination of ATRs and implementation of recommendations is shown in tabulated form in part -1 of Report.
11. a. I feel privileged to mention here that my-self as Chairman of PAC, Haryana Vidhan Sabha alongwith five members of the Committee was also invited for participation in the event on the occasion of centennial celebration of Public Accounts Committee in Parliament on 04th and 05th December, 2021.
- b. During deliberations in two days session, most of the Chairpersons of State legislatures mainly emphasized on improvement of working of the Committee and put forward suggestions to make working more effective, i.e how recommendations of the Committee could be implemented in a time bound framework so as to contribute towards good governance, accountability and transparency in the working of State Government. It has been a privilege for me that as Chairperson of PAC, Haryana Legislative Assembly myself too got a chance to express my views on this occasion which is placed at Appendix-I of Report.
12. I, as Chairperson of the Committee, place on record the appreciation and express my gratitude to Hon'ble Speaker, Haryana Vidhan Sabha for extending valuable guidance and important suggestions to Committee for under taking its business during 2021-22 and place on record appreciation for all the Members of the Committee for their whole hearted cooperation and valuable suggestions for consideration and examination of Action Taken Notes (ATNs) and Action Taken Reports (ATRs).
13. I would like to convey my special thanks to the Convener and other members of Sub-Committee who have done commendable job with their all strength, experience and enthusiasm and thus helped the Committee to achieve its set targets.
14. The Committee places on record its appreciation to the Principal Accountant General (Audit), Haryana and other officers/officials of his team for the valuable and effective assistance and cooperation rendered to it and would also like to convey my thanks to the Additional Chief Secretary to Government Haryana, Finance Department, and other officers/members of his team for rendering assistance and cooperation.
15. I also place on record the appreciation for the representatives of the various departments who appeared for oral evidence before it for the cooperation in giving information to the Committee.
16. The Committee is also thankful to the Secretary, Haryana Vidhan Sabha, Under Secretary and other officers/officials of PAC Secretariat of the Haryana Vidhan Sabha for whole hearted cooperation and assistance extended by them to the Committee.

Sd/-

CHANDIGARH  
The 22<sup>nd</sup> February, 2022

**HARVINDER KALYAN**  
CHAIRPERSON



## **SCOPE AND FUNCTIONS OF THE COMMITTEE ON PUBLIC ACCOUNTS**

The Committee on Public Accounts of State Legislative Assembly has very important role to play in the State to ensure good governance, transparency and accountability through its recommendations and ways and means it would evolve to improve upon systems and procedures. Thus, the Committee on Public Accounts is an important monitoring /oversight Committee of the State Legislature. The scope and functions of the Committee on Public Accounts have been enumerated in Rule 231 and 232 of the Rules of Procedure and Conduct of Business in the Haryana Legislative Assembly

### **Committee on Public Accounts**

#### **‘Rule 231.**

1. As soon as may be after commencement of the first session of the Assembly, a Committee on Public Accounts shall subject to the provisions of this rule be constituted.
2. The function of the Committee shall be to examine the accounts showing the appropriation of the sums granted by the Assembly to meet the expenditure of the Government of Haryana and such other accounts laid before the Assembly as the Committee may think fit.
3. The Committee on Public Accounts shall consist of not more than nine members who shall be elected by the Assembly from amongst its members according to the principle of proportional representation by means of single transferable vote.
4. The term of office of members of the Committee shall be one year.
5. Casual vacancies in the Committee shall be filled, as soon as possible after they occur, by election in the manner aforesaid and any person elected to fill such vacancy shall hold office for the period for which the person in whose place he is elected would under the provisions of this rule, have held office.
6. In order to constitute a meeting of the Committee the quorum shall be three.
7.
  - a. The Chairperson of the Committee shall be appointed by the Speaker from amongst the members of the Committee:  
 Provided that if the Deputy Speaker is a member of the Committee he shall be appointed Chairperson of the Committee:  
 Provided, however, that if the Chairperson of the Committee during the preceding financial year has served as a Chairperson for less than two years and he is elected a member of the Committee, the Speaker may notwithstanding the first proviso or the proviso to Rule 206 (1) appoint him as the Chairperson of the Committee.
  - b. If the Chairperson is for any reason unable to act, the Speaker may similarly appoint another Chairperson in his place.

- c. If the Chairperson is absent from any meeting of the Committee, the Committee shall choose another member to act as Chairperson for that meeting.
- 8. In the case of equality of votes on any matter the Chairperson shall have a second or a casting vote.
- 9. The Committee may appoint one more sub-committee, each having the powers of the undivided Committee, to examine any matters that may be referred to them, and the reports of such sub-committees shall be deemed to be the reports of the whole Committee if they are approved at a meeting of the whole Committee.
- 10. The Committee may, if it thinks fit, make available to Government any completed part of its report before presentation to the House. Such reports shall be treated as confidential until presented to the House.
- 11. The Committee may, hear officials or take evidence connected with the accounts under examination. It shall be in the discretion of the Committee to treat any evidence tendered before it as secret or confidential.
- 12.
  - a. The Speaker, may from time to time, issue such directions to the Chairperson of the Committee as he may consider necessary for regulating the procedure and the organization of its work.
  - b. If any doubt arises on any point of procedure or otherwise the Chairperson may, if he thinks fit, refer the point to the Speaker whose decision shall be final.
- 13. The Committee shall have power to pass resolutions on matters of procedure for the consideration of the Speaker, who may make such variations in procedure as he may consider necessary.
- 14. The Committee may, with the approval of the Speaker, make detailed rules of procedure to supplement the provisions contained in these Rules.'

#### **Functions of Committee on Public Accounts**

##### **'Rule 232.**

- 1. In scrutinising the Appropriation Accounts of the Government of Haryana and the Report of the Comptroller and Auditor-General thereon it shall be the duty of the Committee on Public Accounts to satisfy itself-
  - a. that the money shown in the accounts as having been disbursed were legally available for and applicable to the service or purpose to which they have been applied or charged;
  - b. that the expenditure conforms to the authority which governs it; and
  - c. that every re-appropriation has been made in accordance with provisions made in this behalf under the rules framed by competent authority;



Provided that the provision made in clause (c) above shall not apply to any accounts prior to the year 1950-51.

2. It shall also be a duty of the Committee -
  - a. to examine such trading, manufacturing and profit and loss accounts and balance-sheets as the Governor may have required to be prepared, and the Comptroller and Auditor General's report thereon;
  - b. to consider the report of the Comptroller and Auditor-General in cases where the Governor may have required him to conduct and audit of any receipts or to examine the accounts of stores and stock.'



## **REPORT**

### **GENERAL**

The Committee for the financial year 2021-2022 was nominated on 26<sup>th</sup> March, 2021 by the Hon'ble Speaker in pursuance of motion moved and passed by the Haryana Vidhan Sabha in its sitting held on 17<sup>th</sup> March, 2021, authorizing him to nominate the Chairperson/Members of the Committee on Public Accounts for the financial year 2021-2022.

2. A Sub-Committee of the Committee on Public Accounts was constituted on 16.06.2021 for the year 2021-22 with the concurrence of Hon'ble Speaker, under rule 231(9) of the Rules of Procedure and Conduct of Business in Haryana Legislative Assembly for examination of Action Taken Reports.

3. The Committee held total 90 meetings (including Sub-Committee) during the year at Chandigarh and other places upto 22nd February, 2022 till the finalization of the Report.



## **Part –I**

### **Implementation of Recommendations of the Committee**



## **Follow-up on Implementation**

The finalisation of a Report by the Committee cannot be the end of the PAC process. Reports have practical value only if the issues raised in Report of the Committee are addressed by the Government and recommendations of the Committee are implemented promptly and in true spirit.

As time constraints and availability of often-limited resources with the legislature does not always make it possible for the legislature to ensure that sufficient action was taken by the Government to address particular concerns. Therefore, PAC has been entrusted with oversight functions to exercise effective financial control over spendings of Government. This has been a proven fact that with the increase in oversight potential of the Committee the level of democracy is also enhanced.

Follow-up of implementation of recommendations, though, being very important but sometime overlooked by various stakeholders. A consistent, sound follow-up procedure for implementation would make the work of the Committee more effective byway of checking to see that audited organizations /departments has rectified the identified administrative deficiencies. Surely, an effective mechanism is required for subsequent monitoring and implementation of Government assurances on recommendations of the Committee.

## **Execution of plan for implementation**

Failure to take required corrective action by concerned departments over the years on the PAC recommendations resulted into huge pendency which accumulated to 1873 numbers as on 01.04.2021 as contained in PAC Reports for the year 1971 to 2021. Taking cognizance of huge pendency, Hon'ble Speaker emphasized for implementation of recommendations of the Committee with priority during First Quarter of the year 2021-22. Accordingly the Committee decided to work on Action Taken Reports (ATRs) on top priority.

While Committee examined ATRs pertaining to recommendations contained in 72<sup>nd</sup> and all subsequent Reports and the Sub-committee examined ATRs pertaining to recommendations contained in 71<sup>st</sup> and all previous year Reports. Detail is given in the table below.

| Sr. No. | Department                                                                                 | Outstanding Recommendation as on 01.04.2021 | No. of Recommendations Implemented | No. of Recommendations yet to be Implemented | Percentage of Implementation |
|---------|--------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------------|----------------------------------------------|------------------------------|
| 1       | <b>Administration of Justice*</b>                                                          | 1                                           | 0                                  | 1                                            | --                           |
| 2       | Agriculture & Farmers Welfare                                                              | 91                                          | 25                                 | 66                                           | 27.47                        |
| 3       | Animal Husbandry and Dairying                                                              | 27                                          | 13                                 | 14                                           | 44.44                        |
| 4       | <b>Archaeology and Museums*</b>                                                            | 1                                           | 0                                  | 1                                            | --                           |
| 5       | <b>Architecture*</b>                                                                       | 1                                           | 0                                  | 1                                            | --                           |
| 6       | <b>Art &amp; Culture*</b>                                                                  | 1                                           | 0                                  | 1                                            | --                           |
| 7       | <b>Civil Aviation*</b>                                                                     | 2                                           | 0                                  | 2                                            | --                           |
| 8       | <b>Civil Secretariat including General Administration*</b>                                 | 3                                           | 0                                  | 3                                            | --                           |
| 9       | <b>Commissioner Hisar Division*</b>                                                        | 17                                          | 0                                  | 17                                           | --                           |
| 10      | Co-operation                                                                               | 36                                          | 5                                  | 31                                           | 13.89                        |
| 11      | Development & Panchayat                                                                    | 15                                          | 9                                  | 6                                            | 60.00                        |
| 12      | <b>District Gurgaon*</b>                                                                   | 22                                          | 0                                  | 22                                           | --                           |
| 13      | Education including HSSPP, Elementary Education, School Education, <b>Higher Education</b> | 61                                          | 20                                 | 41                                           | 32.79                        |
| 14      | Environment & Climate Change                                                               | 30                                          | 9                                  | 21                                           | 30.00                        |
| 15      | Excise and Taxation including Commercial Taxes, Prohibition & Excise)                      | 498                                         | 37                                 | 461                                          | 7.43                         |
| 16      | Finance including Lotteries, Justice, Treasury & Accounts)                                 | 32                                          | 6                                  | 26                                           | 18.75                        |



|    |                                                                                      |     |    |     |       |
|----|--------------------------------------------------------------------------------------|-----|----|-----|-------|
| 17 | Food, Civil Supplies & Consumer Affairs                                              | 39  | 11 | 28  | 28.21 |
| 18 | Forest & Wildlife                                                                    | 21  | 5  | 16  | 23.81 |
| 19 | General                                                                              | 15  | 1  | 14  | 6.67  |
| 20 | Health including Food & Drug Administration, Family Welfare,                         | 58  | 18 | 40  | 31.03 |
| 21 | Home                                                                                 | 41  | 6  | 35  | 14.63 |
| 22 | Housing                                                                              | 15  | 4  | 11  | 26.67 |
| 23 | <b>Skill Development &amp; Industrial Training*</b>                                  | 5   | 0  | 5   | --    |
| 24 | Industries and Commerce including MSME, Supplies&Disposal                            | 21  | 1  | 20  | 4.76  |
| 25 | <b>Information, Public Relations and Cultural Affairs including Public Relation*</b> | 2   | 0  | 2   | --    |
| 26 | Irrigation & Water Resources                                                         | 55  | 17 | 38  | 30.91 |
| 27 | <b>Labour*</b>                                                                       | 7   | 0  | 7   | --    |
| 28 | Medical Education & Research                                                         | 12  | 3  | 9   | 25.00 |
| 29 | Mines & Geology                                                                      | 52  | 1  | 51  | 1.92  |
| 30 | P.W.D.(B&R)                                                                          | 54  | 16 | 38  | 29.63 |
| 31 | Power (Chief Electrical Inspector)                                                   | 17  | 13 | 4   | 76.47 |
| 32 | <b>Printing and Stationery*</b>                                                      | 2   | 0  | 2   | --    |
| 33 | Public Health Engineering                                                            | 42  | 21 | 21  | 50    |
| 34 | <b>Renewable Energy*</b>                                                             | 2   | 0  | 2   | --    |
| 35 | Revenue & Disaster Management                                                        | 253 | 58 | 195 | 23.01 |
| 36 | Rural Development                                                                    | 40  | 19 | 21  | 47.50 |
| 37 | Science & Technology                                                                 | 5   | 4  | 1   | 80.00 |

|    |                                                                   |             |            |             |              |
|----|-------------------------------------------------------------------|-------------|------------|-------------|--------------|
| 38 | <b>Social Justice &amp; Empowerment including Social Welfare*</b> | 18          | 0          | 18          | --           |
| 39 | <b>Sports &amp; Youth Affairs*</b>                                | 5           | 0          | 5           | --           |
| 40 | Technical Education                                               | 12          | 8          | 4           | 66.67        |
| 41 | Town & Country Planning                                           | 85          | 10         | 75          | 11.76        |
| 42 | Transport                                                         | 111         | 64         | 47          | 57.66        |
| 43 | Urban Local Bodies including Colonization, Urban Development      | 39          | 21         | 18          | 53.84        |
| 44 | Welfare of SC&BC                                                  | 2           | 1          | 1           | 50.00        |
| 45 | <b>Women and Child Development*</b>                               | 6           | 0          | 6           | --           |
|    | <b>Total</b>                                                      | <b>1873</b> | <b>426</b> | <b>1447</b> | <b>22.74</b> |

**\* Further, 97 recommendations in 16 departments could not be taken up for examination/discussion by the Committee because either ATRs had not been submitted or submitted with inordinate delay and thus recommendation remained unimplemented.**

An analysis of above tabulated data revealed that 426 recommendations (23percent) were implemented during 2021-22 and 1447 numbers of recommendations still remained to be implemented. However, rate of implementation of recommendations in various departments variably ranged between 02 to 80 percent.

### **General Observations/Recommendations of the Committee:**

1. a. The Committee during oral examination observed that out of pending Recommendations a good number of Recommendations pertained to the categories of conduct of vigilance/departmental enquiry etc. for fixation of responsibility of erring/negligent authorities and taking appropriate departmental punitive action and even lodging of FIRs etc. These categories of Recommendations were to act as an effective deterrence so that recurrence of such serious lapses in future would be avoided.
- b. However, the Committee observed that required action for implementation of these important recommendations was either not initiated at all or initiated with inordinate delay and only subordinate employees were held responsible for defaults in majority of the cases. Thus intended objectives of

recommendations remained largely unfulfilled. **Committee therefore, recommends that;**

- i. **An effective mechanism be devised so that above category recommendations are implemented promptly, effectively and in true spirit for achievement of intended objective.**
- ii. **All these pending recommendations be taken up/ given top priority for speedy completion of enquiry/action by all concerned departments.**

2. a. The Committee also observed that large number of audit objections which came up for discussion pertained to ill planning, non/poor coordination among concerned departments, taking up of projects/scheme without proper assessment of requirements which invariably resulted into wasteful expenditure on infrastructural projects ,blockade of Government funds, non execution of schemes etc. Committee also observed that a large number of recommendations pertained to the categories of taking/initiation of other important corrective action like effecting recovery, completion of works/projects, early utilization of funds, submission of UCs and other required information/data/reports and reconciliation matters etc.

b. Thus, the Committee further observed that required action for implementation of these categories of recommendations was also not as per recommended by the committee and thus intended results could not be achieved in respect of implementation of these recommendations also. **Committee therefore, recommends that;**

- i. **An effective mechanism be devised so that these categories of recommendations are also implemented promptly, effectively and in true spirit as desired by the Committee and intended objective is achieved.**
- ii. **All such pending recommendations be also taken up on priority for speedy completion of desired corrective action by all concerned departments.**

3. The Committee during scrutiny of ATRs observed that in majority cases ATRs were often found to be casually drafted, contained irrelevant facts and thus factually incorrect and were found without proper/adequate documentation with the result about 80 percent of recommendations could not be implemented despite being taken up for discussion time and again by the Committee. **Committee therefore, recommends that;**

- i. **An effective and strengthened mechanism be devised so that ATRs to recommendation are drafted carefully, are relevant & factually correct and supported with proper/adequate documentations.**
- ii. **Revised complete ATRs to all pending recommendations be submitted to the Committee promptly by all concerned departments for speedy implementation**

4. The Committee further observed that more than 50 percent of recommendations pertained to revenue receipts and pace of recovery has been abysmally low in cases pertaining to recovery of revenue . Consequently, arrear of revenue keeps on increasing year by year. Inspite of emphasis being laid by the Committee for effective mechanism like constitution of 'recovery cell' by revenue collecting departments for speedy recovery but results are still awaited. **Committee therefore, recommends that;**

- i. **Arrear of revenue pertaining to all revenue collecting departments be categorized in various categories like recoverable/non-recoverable arrears, traceable/non-traceable firms, requiring writing off and under litigation/stay etc. and effective and practical mechanism be evolved/put in place for time bound recovery .**
- ii. **A'Recovery Cell' at appropriately higher level of the Government with Finance department to be a nodal department for planning, execution and monitoring of recovery process be constituted at the earliest so as to augment State revenue.**

## **PART II**

**Social, General and Economic Sectors  
(Non-Public Sector Undertakings)  
for the year ended 31 March, 2019**



**WELFARE OF SCHEDULED CASTES AND BACKWARD CLASSES, (TECHNICAL EDUCATION, HIGHER EDUCATION, SKILL DEVELOPMENT AND INDUSTRIAL TRAINING AND MEDICAL EDUCATION AND RESEARCH DEPARTMENTS).**

**[1 ] 2.1.6.1 Annual work plan and database of eligible beneficiaries not prepared.**

Preparation of Annual Action Plan is essential for ensuring systematic and realistic assessment of requirement of funds and coverage of eligible beneficiaries. Audit observed that:

- No Annual Action Plan or perspective plan was prepared during 2014-19 for assessing the number of eligible beneficiaries and the strategy for their timely coverage.
- None of the test checked districts prepared year-wise database which could be used to arrive at estimates for number of students for succeeding year(s).
- The Departments had not maintained any database of eligible students. The estimates regarding number of eligible students for scholarship were prepared on adhoc basis without collecting any data from field offices or conducting any survey regarding eligible students under the schemes.
- In the absence of Annual Action Plan and database of eligible students, the Department was not able to ascertain coverage of students with the result that no follow up action could be taken to cover left out students, if any.

Audit noted wide variations in the number of beneficiaries estimated vis-à-vis actual number of beneficiaries in the State as depicted in Charts 2.2 and 2.3.

**Chart 2.2 : Estimated and actual number of beneficiaries of SC Category**

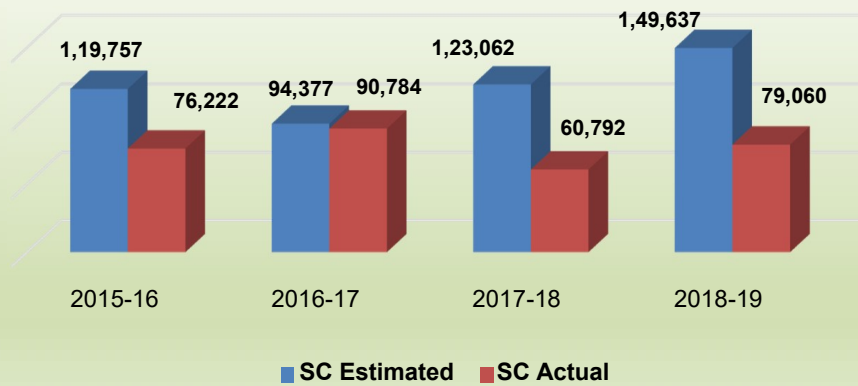
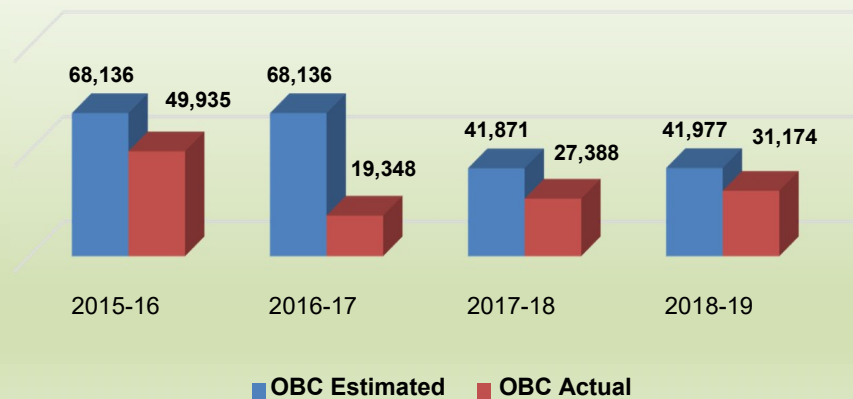


**Chart 2.3 : Estimated and actual number of beneficiaries of OBC Category**



(Source: Information provided by the Welfare of SC and BC Department)

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that Annual Action Plan is now being prepared on the basis of proposals received from concerned implementing departments. It was further added that estimates were prepared on the basis of admission of students. Variation in estimated and actual number of beneficiaries was attributed to income criteria/meagre amount of scholarship.



The reply is not acceptable in view of the systemic deficiencies noted in the process of arriving at the estimated number.

Recommendation: The Departments should prepare a database of all eligible students and make Annual Action Plan for coverage of all the eligible students in a time bound manner.

**The department in its written reply stated as under:**

Annual action plan was prepared and is being prepared by Welfare of SC & BC Department at H.Q level on the basis of proposals received from District Welfare Officers and scheme implementing Departments i.e. Higher Education Department, Technical Education Department, Skill Development & Industrial Training Department, Medical Education & Research Department and Secondary Education. Now on the basis of proposals received from Scheme implementing course related departments mentioned above including Animal Husbandry & Dairying Department.

Higher Education Department is nominated as nodal implementing Department from 04.03.2020. At present, a centralized portal is developed by Higher Education department and database of all admitted SC/BC students compiled by (Statistics Cell) Higher Education department to assess the number of eligible beneficiaries from the centralized admission of all Govt./ Non. Govt. aided/self finance colleges in the state. This information will be provided shortly after data received from Statistics Cell of Higher Education Department.

**Observations and Recommendations of the Committee as under:**

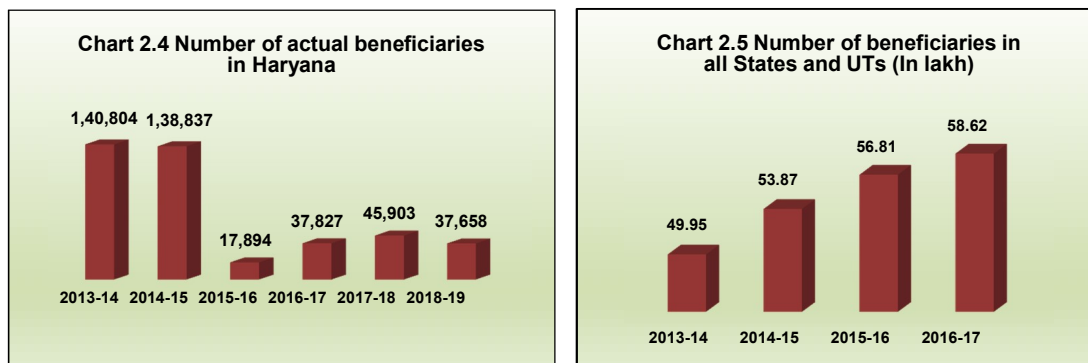
During oral examination the committee observed that department had no data base regarding eligible students for scheme in the state, department failed to utilize all available funds and 50 percent of available funds remained unutilised and serious audit objections on approximately Rs 90 crore of scheme expenditure raised big question mark on working of department. The department stated that such data base was not available with department presently.

**The Committee therefore, recommended that**

- (i) effective steps to identify eligible beneficiaries for the scheme be initiated and a data base be prepared for future planning.
- (ii) It be ensured that maximum number of students in the state are benefitted from the scheme in future.
- (iii) The public representatives be involved to the extent possible to give them important role in planning/implementation of scheme.
- (iv) an effective system to address all deficiencies pointed out by audit, be devised so that such serious defaults are not repeated in future

**[2] 2.1.6.2 Decline in number of SC beneficiaries**

The number of SC students who benefitted under this scheme during the years 2013-14 to 2018-19 in Haryana is given in Chart 2.4 and that of all States and Union Territories (UTs) is given in Chart 2.5.



Source: Information for Haryana provided by Welfare of SC and BC Department and for all States and UTs taken from Gol website).

The Charts show increasing trend of beneficiaries in all States while in Haryana there was a sharp decline in number of students during 2015-19 in comparison to that of 2013-14 and 2014-15. Audit observed that pendency of cases with the department as discussed in paragraph 2.1.6.4 was one of the reasons for decline in number of beneficiaries after 2014-15.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that decline in number of beneficiaries was due to processing of applications through online portal as applicants may not be aware about applying online on the portal or some technical issues related to application and adaptability, etc. The reply is not convincing as pendency of cases with the departments was observed. The department also failed to create awareness about applying online and resolving the problems of the applicants.

### **The department in its written reply stated as under:**

#### **Welfare of SC & BC Department**

Advertisement was published by Welfare of SC & BC Department in the leading newspapers i.e The Tribune, Dainik Tribune, Dainik Bhaskar, Dainik Jagran, Panjab Kesri, Amar Ujala & Aaj Samaj. Help desk in each district was created and all District Welfare Officers were directed to help students to apply for scholarship on online portal.

#### **Technical Education Department**

The decline in number of SC beneficiaries may depend upon various factors. Since 2014-19, due to decline of interest of students towards Diploma/ Degree course of Engineering, admissions in these institutions were reduced and resultantly, many institutions have been closed.

Due to decline in admissions and closure of technical institutions, the SC beneficiaries have been declined year to year.

Further it is also relevant to point out here that due to the non- revisions of income

ceiling i.e. 2.50 lakh for SC students since long, the less numbers of SC student may covered under this scheme.

#### **Higher Education Department**

As per data base of Higher Education Department details of beneficiaries from 2013-14 to 2018-19 is as under.

| <b>Sr. No.</b> | <b>Year</b> | <b>No. of SC Beneficiaries</b> |
|----------------|-------------|--------------------------------|
| 01.            | 2013-14     | 19629                          |
| 02.            | 2014-15     | 11952                          |
| 03.            | 2015-16     | 31531                          |
| 04.            | 2016-17     | 15263                          |
| 05.            | 2017-18     | 17867                          |
| 06.            | 2018-19     | 22805                          |
| 07.            | 2019-20     | 36277                          |
| 08.            | 2021-22     | 37000                          |

Above table shows that there is growth in SC beneficiaries

#### **Observations and Recommendations of the Committee as under:**

During oral examination the Committee observed that figure of beneficiaries students decreased sharply from the year 2013-14 onwards.

**The Committee, therefore recommended that system be strengthened further so as to bring improvement in the working. The Committee further recommends that appropriate corrective action be taken as per outcome of State Vigilance enquiry which is already under process in the matter.**

**The outcome of the enquiry be submitted to the Committee.**

#### **[3] 2.1.6.3 Non-payment of scholarship to SC students**

Table 2.1 shows the position of number of applications received, scholarship disbursed and scholarship not disbursed during 2015-19.

Table 2.1: Position of number of applications received, scholarship disbursed and scholarship not disbursed during 2015-19

| Year to which beneficiaries pertain | Total number of application sreceived | Total number of applications approved | Number of beneficiaries towhom scholarship disbursed | Number of beneficiaries towhom scholarship notdisbursed | Percentage of beneficiaries to whom scholarship disbursed to actual application |
|-------------------------------------|---------------------------------------|---------------------------------------|------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------------------------------|
| (Number of students are in lakh)    |                                       |                                       |                                                      |                                                         |                                                                                 |
| 2015-16                             | 1.10                                  | 0.85                                  | 0.18                                                 | 0.92                                                    | 16.36                                                                           |
| 2016-17                             | 0.46                                  | 0.38*                                 | 0.38                                                 | 0.08                                                    | 82.61                                                                           |
| 2017-18                             | 0.46                                  | 0.46*                                 | 0.46                                                 | 0                                                       | 100.00                                                                          |
| 2018-19                             | 0.66                                  | 0.54                                  | 0.38                                                 | 0.28                                                    | 57.58                                                                           |
| <b>Total</b>                        | <b>2.68</b>                           | <b>2.23</b>                           | <b>1.40</b>                                          | <b>1.28</b>                                             | <b>52.24</b>                                                                    |

This includes the cases sanctioned offline after closing of portal.

(Source: Information taken from website portal of Welfare of SC and BC Department)

The departments concerned did not analyse the poor percentage of scholarship disbursed. Scrutiny in audit showed that scholarship was not disbursed to number of beneficiaries to whom sanction was accorded/ recommendations were made by the departments as discussed below:

- While 83 per cent of the applications were approved, scholarship was disbursed to only 52 per cent of the students despite availability of funds (para 2.1.7.1).
- Scholarship of ₹202.58 crore was withdrawn from treasury for 92, 383 students after sanction by the Technical Education Department during 2014-18. Of this, scholarship of ₹17.98 crore remained unpaid to 7, 757 students. The Nodal Disbursing Officer stated (June 2019) that the action would be taken after verification of the facts. Further developments are awaited (September 2020).

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that the applications were rejected due to incomplete applications/documents or on the basis of eligibility.

Reply is not accepted as the numbers of rejected/ incomplete applications were only 31, 407 as per portal data. Non-payment of scholarship deprived the students of benefits under the scheme.

### **The department in its written reply stated as under:**

#### **Welfare of SC & BC Department**

As the matter is under the investigation of State Vigilance Bureau from financial year 2012-13 to 2018-19, at this stage, department is not in a position to comment in this

regard.SVB, Haryana have been requested to expedite the inquiry.

### **Technical Education Department**

Regarding Non-payment of scholarship to SC students under the Technical Education Department, the following is submitted for kind consideration:

- A. That Technical Education Department drawn total Rs. 202.58 crore for disbursement of scholarship to the SC students from treasury from the year 2014 to 2018 after duly sanction of competent authority. However, the audit observed that the scholarship of Rs. 17.98 crore remained unpaid to the students due to the short comings at the end of beneficiaries such as E24 i.e. Inactive aadhar, E44 i.e. Aadhar mapping does not exist, E22 i.e. Invalid aadhar, E06 i.e. Account closed, E02 i.e. Invalid account and E99 i.e. Miscellaneous etc. Many such beneficiaries were paid the scholarship after the removal of short coming/ rectification of errors in their aadhar seeded bank account through Processing Centre/ Institute.

The reconciliation of bank statement for the period from 03.03.2017 to 31.07.2018 was carried out by the Committee constituted by GBN Govt. Polytechnic Nilokheri, with the master data of response file available in Scholarship Branch of the institute as the cash book was not got written during the period. All the debit credit entries of the Bank Statements were matched with the entries available in master data, the balance in the bank statement on 31.07.2018 was Rs.107102208.5/-

The amount Rs.91254551/- (Nine crore Twelve lakhs Fifty Four Thousand Five Hundred Fifty One Only) remaining in the account of PMS has been deposited in the receipt Head of State Govt. on 15.12.2020.

Further, as informed by the Principal GP Nilokheri vide E-mail dated 10.01.2022 that cash book was not got written for the period 2015 to 2018 so the committee is reconciling the bank statements with the master data provided by the then officer- in charge Scholarship Sh. Asheet Bajaj.

Furthermore, the matter regarding the reconciliation of the amount of bank statement with response files to ascertain the reasons for less closing balance, is under process of reconciliation by the committee at GBN GP Nilokheri. The committee has not submitted its report as of now. Principal vide E-mail dated 10.01.2022 informed that the reminders are given to the Chairman and members of the committee on dated 29.12.2021 and 10.01.2022 to complete the process of reconciliation of bank balance with the response files within 15 days. The report of the committee will be submitted immediately after the completion of work of reconciliation.

Further, the Charge-sheet under Rule-7 for major punishment against Sh. Asheet bajaj, Sr. Lecturer, Civil Engg. GBN GP Nilokheri the then Nodal officer (PMS) at GBN GP, Nilokheri (Disbursement centre for Post matric Scholarship) during the year 2014-18 (period of performance audit) has been approved by the Hon'ble Chief Minister, Haryana. The draft of the charge-sheet is being

prepared and the same is under the process of issuance to the delinquent officer. Similarly, it was also approved by the Hon'ble CM to issue show cause notices to the Principal(s) DDO's who worked during the audit period 2014-2018 and the payments were made during their period. The show cause notices to these Principal(s) are also being issued.

### **Higher Education Department**

Maximum students have received Scholarship during 2015-19. As per detail available, some of the SC beneficiaries received their scholarships with slight delay due to late verification at the level of colleges. PAC mentioned that 83 percentage application were approved but Scholarship was disbursed to only 52%. Department replied in this regard that payment was made to almost 100% students.

Department always initiated to provide their disbursement at the level best. This problem occurs because most of the students are from rural area. However, institutions/colleges was directed to verify claim of the students at the earliest and their scholarship has been disbursed in time.

The process of disbursement of Scholarship was linked to Beneficiaries' Aadhaar numbers from 2017-18. It is pertinent to mention here that all allocated budget was utilized from the year 2015-19 as per below mentioned table:-

| <b>Year</b> | <b>Budget Allocated</b> | <b>Expenditure</b> |
|-------------|-------------------------|--------------------|
| 2014-15     | 120000000               | 119577428          |
| 2015-16     | 273400000               | 273400000          |
| 2016-17     | 250000000               | 239900000          |
| 2017-18     | 300000000               | 300000000          |
| 2018-19     | 250000000               | 250000000          |

### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that a reconciliation was required to sort out difference in amount as per record of department and that pointed out by audit.

**The Committee observed that this was an important and serious matter therefore recommended that a reconciliation be made with the Office of the Principal Audit General (Audit), Haryana and detailed latest report be submitted to the Committee.**

#### [4] 2.1.6.4 Timelines for scholarship disbursement not prescribed

The Government of Haryana (GoH) did not prescribe timelines for payment of scholarship to a student under the scheme. In the absence of the above, audit noted that there were delays in payment of scholarships to the students in different test checked departments during the period 2014-19 as given in Table 2.2.

Table 2.2: Statement showing the delay in payment of scholarship

| Name of the department                        | Total number of students | Number of students with delayed receipt of scholarship (per cent) | Average and range of delay in months (from the end of financial year of admission) |
|-----------------------------------------------|--------------------------|-------------------------------------------------------------------|------------------------------------------------------------------------------------|
| Technical Education Department <sup>#</sup>   | 11, 167                  | 7, 182 (64.31)                                                    | 7.52 (1-33)                                                                        |
| Welfare of SC and BC Department <sup>##</sup> | 41, 035                  | 35, 000 (85.29)                                                   | 6.88 (1-72)                                                                        |
| Higher Education Department                   | 64, 625                  | 56, 975 (88.16)                                                   | 8.02 (1-11)                                                                        |

# Data pertains to 21 selected institutes

## Data pertains to selected districts

(Source: Information compiled from departmental records)

It was seen that majority of the students could not receive the scholarship in time, while there was no benchmark to assess the performance in disbursement of the implementing departments.

Delay in disbursement of scholarship adversely affects the objectives of the scheme intended to ensure uninterrupted studies of students belonging to vulnerable sections of society, and exposes the students to undue hardships.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that State Government has now issued instructions to all implementing departments to make payment within one year from the date of closing of portal.

#### The department in its written reply stated as under:

##### Matter of record.

Higher Education Department is nominated as nodal implementing Department from 04.03.2020. As per report of Higher Education Department, the process of submission of application form for PMS scholarship on Scholarship portal from 2018-19 and disbursement has been made after some steps:-

1. Application form submitted by student.

2. Case verify by concerned college.
3. Case approved HQ level.
4. Disbursement process by H.C.L

A large no of transactions failed due to inactive aadhar of concerned students and Higher Education Department has issued the instructions from time to time to concerned institutions to ensure that the Aadhar of students linked with their bank accounts.

It is also mention here that the process of application on online portal extend from November to March onwards due to many reasons and further process also take time, resulted in delay and extent to next financial year also.

#### **Welfare of SC & BC Department**

It is pertinent to mention to here that as per the guideline issued by Government of India in respect of Post Matric Scholarships to this the students belonging to scheduled castes for studies in India disbursal of scholarships for all applications (fresh/renewals) shall be made in one instalment as per the following schedule for the period from 2020-21 to 2025-26:-

| <b>Dates of receiving of applications</b>                 | <b>Date by which States share (40%; 10% in case of NE States) should be released</b> | <b>Date by which Central share (60%; 90% in case of NE States) should be released</b> |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| From 1 <sup>st</sup> April to 31 <sup>st</sup> July       | 15 <sup>th</sup> August                                                              | 30 <sup>th</sup> August                                                               |
| From 1 <sup>st</sup> August to 30 <sup>st</sup> November  | 30 <sup>th</sup> December                                                            | 26 <sup>th</sup> January                                                              |
| From 1 <sup>st</sup> December to 31 <sup>st</sup> January | 28 <sup>th</sup> February                                                            | 15 <sup>th</sup> March                                                                |
| From 1 <sup>st</sup> February to 31 <sup>st</sup> March   | With 75 days of application                                                          | Within 90 days of application                                                         |

#### **Observations and Recommendations of the Committee as under:**

During oral examination the Committee observed that there was inordinate delay to the extent of 1 to 72 months in payment of scholarship as against prescribed period.

**The Committee, therefore recommended that whole process of payment of scholarship be reviewed, a time limit be fixed for payment of scholarship to students and an effective system be devised to ensure timely payment of scholarship to concerned students in future.**



### [5] 2.1.7.1 Budget allocation and expenditure

The scheme is funded by the Union and the State Governments. The expenditure incurred by a State on the scheme during the terminal year of any Plan period is termed as committed liability of that State and is required to be borne by the State Government for each year during the next plan period from its own budgetary provisions. Any further requirement of funds over committed liability is borne by the Union Government. Budget provision and expenditure incurred during 2014-19 is given in Table 2.4.

Table 2.4: Statement showing budget allotment and actual expenditure

(₹in crore)

| Year         | Budget allotted  |               |                              | Actual expenditure <sup>5</sup> |              | Total expenditure (per cent) |
|--------------|------------------|---------------|------------------------------|---------------------------------|--------------|------------------------------|
|              | SC               | OBC           | Total                        | SC                              | OBC          |                              |
| 2014-15      | 129.76           | 12.36         | 142.12                       | 109.18                          | 4.11         | 113.29(80)                   |
| 2015-16      | 388.12           | 35.56         | 423.68                       | 176.31                          | 11.78        | 188.09(44)                   |
| 2016-17      | 313.87           | 37.36         | 351.23                       | 239.00                          | 5.12         | 244.12(70)                   |
| 2017-18      | 325.14           | 37.36         | 362.50                       | 110.23                          | 8.52         | 118.75(33)                   |
| 2018-19      | 313.87           | 37.36         | 351.23                       | 158.75                          | 6.84         | 165.59(47)                   |
| <b>Total</b> | <b>1, 470.76</b> | <b>160.00</b> | <b>1, 630.76<sup>6</sup></b> | <b>793.47</b>                   | <b>36.37</b> | <b>829.84 (51)</b>           |

(Source: Information extracted from Detailed Appropriation Accounts)

Year-wise expenditure incurred by implementing departments is given in Appendix 2.2.

It was observed that:

- Allocation to the extent of 49 per cent was not utilised by the GoH, at the same time there were constant shortfalls in the number of beneficiaries against the number estimated during this period. In the absence of realistic data of students of SC and OBC categories, budget estimations were made on adhoc basis leading to persistent savings. The department should have prepared the budget with reference to estimated number of beneficiaries and their entitlements as per scheme guidelines to arrive at correct estimates.
- The committed liability of the State Government for next five years (2017-18 to 2021-22) was to be fixed on the basis of expenditure pertaining to the beneficiaries of 2016-17 i.e terminal year of 12<sup>th</sup> five year plan period that was ₹82.57 crore for SC students per year. Audit observed that the Department did not send the information relating to expenditure of 2016-17.

In the absence of information in prescribed format, the committed liability at ₹317.61 crore per year was fixed by Gol on the basis of highest expenditure incurred in any year during 12th five year plan period. Actual expenditure on the students pertaining to the year 2017-18 was ₹102.25 crore which was within committed liability fixed by the Gol. Had the committed liability been fixed at ₹82.57 crore on the basis of actual number of beneficiaries pertaining to 2016-17, the State Government would have been able to claim funds of ₹19.68 crore from Gol.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that State Government had requested (October 2015) Gol to reconsider the fixation of committed liability and matter was under their consideration.

Recommendation: The State Government should take up the issue with Gol to abolish the system of committed liability and provide assistance to State Government on sharing basis like other Centrally Sponsored Schemes.

**The department in its written reply stated as under:**

As per funding pattern of revised guidelines of PMS 2020-21 to 2025-26, there will be a 60:40 sharing ratio between the Centre and States of the average demand for the scheme for three year period 2017-18 to 2019-20 with a 5% overall annual increase each year in the Central Assistance for all States put together in absolute terms. Applicable from 2020-21 till Financial Year 2025-26.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that system of committed liability is no longer operative presently.

**The Committee would like to know as to who were responsible for negligence which resulted in to short receipt of funds from Government of India. The Committee recommended that detailed factual information in the matter be submitted to the Committee.**

**[6] 2.1.7.2 Irregularities in financial administration**

Rule 2.10 (b) (5) of Punjab Financial Rules, as applicable in Haryana, stipulates that no money should be withdrawn from the treasury unless it is required for immediate disbursement. Rule 2.15 of these rules stipulates that if it is found at any time that the balance in hand is larger than requirement to meet the anticipated expenditure, the surplus should be returned into the nearest treasury. The Finance Department issued (May 2014) instructions to make payment of scholarships directly into bank account of beneficiaries. To ensure that all payments are made directly to the ultimate beneficiaries, instructions were issued by the Finance Department that all intermediate bank accounts should be closed.

Following procedure is adopted by the implementing departments to release the scholarship to the beneficiary's accounts:

- I. Departments of Welfare of SC and BC and Skill Development and Industrial Training release scholarship direct from treasury to student's accounts through National Payment Corporation of India (NPCI).

- II. The departments of Technical Education and Higher Education have opened intermediate accounts for disbursement of scholarship, contrary to the instructions of the Finance department.

Following observations are made based on scrutiny of records relating to payment of scholarship:

- (i) Technical Education and Higher Education departments had withdrawn (during 2014-19) funds of ₹360.03 crore from Government account and deposited in bank accounts and made further payment of scholarship to students from the bank accounts. This included ₹25 crore drawn by Technical Education Department, at the fag end of financial year (March 2017) to avoid lapse of budget grant, however, the amount was disbursed to students in 2017-18. Drawal of funds in anticipation of requirement and parking these funds in bank accounts was in violation of Government instructions and resulted in loss of interest of ₹5.99 crore to the State exchequer.

It was further observed that the amounts were drawn on regular contingent bills without vouchers, whereas these amounts should have been drawn on Abstract Contingent (AC) bills. As a result, incurring of expenditure or refund of unspent amounts against these drawals was not being ensured by the Drawing and Disbursing Officers (DDO). Further, the Accountant General (A&E) also could not monitor the utilisation of these funds through the mechanism of AC bills.

- (ii) In Welfare of SC and BC Department and Skill Development and Industrial Training Department, an amount of ₹10.93 crore remained undisbursed during 2015-19 and the amount was returned by NPCI in the shape of 120 bankers' cheques. The Departments did not deposit the amount into treasury. This resulted in irregular parking of funds outside the Government account and consequential loss of interest of ₹25.27 lakh. The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that undisbursed funds with their Department had been deposited in the treasury during November 2019 to January 2020.
- (iii) In Nodal Disbursing Office of Technical Education Department, 421 cheques of ₹144.13 lakh were prepared (between February 2011 and November 2013) for making payment of scholarship to students. Audit observed that out of 421 cheques, 279 cheques for ₹30.21 lakh had neither been delivered to the beneficiaries nor the amount had been deposited in Government account. These cheques remained with the department for a period ranging between 65 and 98 months (Appendix 2.3) from the date of their preparation and ₹30.21 lakh remained outside the Government Account resulting in loss of interest of ₹18.61 lakh. Nodal Disbursing Office stated (June 2019) that the matter would be investigated. Further developments were awaited (September 2020).
- (iv) In Higher Education Department, 1, 442 transactions involving ₹65.17 lakh of students studying in Rohitash Degree College, Ateli and Rohitash Institute of Management, Ateli had failed due to improper Aadhaar mapping. The Department did not try to remit the undisbursed funds again after rectification of Aadhaar numbers. The said amount after three failed attempts was required to be

deposited in the receipt head of the Department as per Finance Department orders (September 2017). However, in violation of scheme guidelines, the amount was paid to the colleges. Disbursement of scholarship to students could not be verified. Possibility of misappropriation of funds in these cases cannot be ruled out. The Higher Education Department stated (May 2020) that notices had been issued (March 2020) to the Colleges and responsibility for the lapse would be fixed.

During Exit Conference all the officers of the concerned departments agreed that the payment should be made directly to the beneficiaries' account and stated that the present mechanism would be stopped.

### **The department in its written reply stated as under:**

#### **Technical Education Department**

Regarding the Irregularities in financial administration under Technical Education Department, the following is submitted for kind consideration:

1. That Technical Education Department Haryana, in routine had never withdrawn the funds from Government Treasury in anticipation and deposited in DBT bank account meant for scholarship for further payment of scholarship to the students from the DBT bank account.
2. That however in march 2017, the Principal Secretary to Government of Haryana, Technical Education Department, Chandigarh accorded a sanction of 25 crore in the favour of Principal GBN Govt. Polytechnic Nilokheri (Disbursing Centre) to withdraw the funds from treasury and deposited/parked in DBT account i.e. Principal GBN Govt. Polytechnic Nilokheri for further disbursement of scholarship to eligible SC students for the next F.Y. i.e. 2017-18 vide Endst. No. 35/31/2017-4TE dated 30.03.2017.
3. This fund was utilized for disbursement of PMS scholarship for 2016-17 session students. The drawn fund i.e. Rs. 25 crore was fully utilized upto Oct. 2017. So there was no loss of interest to government fund.

#### **Higher Education Department**

Regarding 2.1.7.2. The Department of Higher Education also disburses Scholarship to students through National Payment Corporation of India (NPCI). Intermediate Accounts were opened in order to make payment to those PMS students who have taken admission on zero fees as per the Haryana Government Policy for PMS SC students. Admissions in colleges continue with late fee up to November of every year. Thereafter, Scholarship Portal remains open for applications up to March of every year. Then, College and University verify applications of students and this process takes at least three months. The Department has to make PMS payments to these SC students to reimburse their fees. Department of Higher Education has withdrawn payment and credited in bank account to make payment to PMS SC students in the months of April, May and June. It is done keeping in mind immediate need of PMS to SC students. If this amount is deposited in Government treasury, the Department has to wait for at least 5 months for new budget allocation for these

students. This would have resulted in hardship for PMS to SC students as colleges stop them from sitting in examination if they don't reimburse fee to their colleges.

### **Welfare of SC & BC Department**

As far as Welfare of SC/BC Department is concerned, it is submitted that after online implementation of scheme from 2015-16, all disbursement were made through DBT by central DDO at Head Quarter, WSCBC Department. DDO prepares the bill after receiving sanction (dully approved by the competent authority) from Training Branch. After passing the bill from Haryana State Treasury, Chandigarh. EPS was sent to bank for payment of scholarship to the beneficiaries through NPCI. In case failure of transfer of payment in the account of beneficiary, bank send the bounce back demand draft to the DDO along with the discrepancies for re-verification of the beneficiaries so that the amount may be transferred to the relevant beneficiaries timely. The DDO send all the draft along with the detail so received from the bank to the scheme implementing branch i.e Training Branch to do the needful. Further Training Branch sends the detail to the concerned District Welfare Officers for re-verification as the same was earlier recommended by the DWO concerned. As per FD letter no. DD(DBT)-2017/454-496 dated 18.09.2017 "In case of wrong Aadhaar number, sometimes the funds are bounced back and remains undisbursed in the shape of DD/RTR. On receipt of such bounced back information, the Department should get the Aadhaar number rectified through the field offices and try to remit the funds as soon as possible. Further, if the funds are not credited to beneficiaries after three attempts, then the undisbursed funds may immediately deposited in the receipt head of concerned Department." The whole process takes time, due to this, the undisbursed amount was not deposited in the treasury.

### **Skill Development & Industrial Training Department**

As per audit officer letter No. SS/PA-PMS/2019-20/11 dated 02/08/2019 only 4 bankers' cheques of worth Rs. 1.75 crores were pending on the part of Skill Development and Industrial Training Department which resulted in loss of interest worth 11.20 lakh. This pendency was due to non existence of aadhar mapping/inactive aadhar. Keeping inview the unsuccessful transaction, the disbursement process was repeated again and again so that the motive of the scheme can be served. Moreover, as indicated in this letter that the undisbursement/parked amount of Rs. 1.75 crore has already been credited in the state exchequer through E-Challan Nos. 59391768, 59392635, 59392769 and 59393443 dated 13/11/2019.

Here it is also submitted that this department follows the same payment pattern as done by parents/nodal department. The parent/nodal department did not issue any guidelines in respect to the deposition of funds stored due to unsuccessful payments during the period under consideration. Thus on the basis of above facts, it is submitted that the fund was not parked intentionally but it was a part of process. This matter already apprised to the Vidhan Sabha Committee in the meeting held on 19.10.2021 with a request to drop out the said para.

### **Technical Education Department**

In this regard it is intimated that a show cause notice was issued to the concerned officer In-charge of PMS namely Sh. Asheet Bajaj, Senior Lecturer at Nilokheri vide memo no. Spl.2/SC scholarship cell dated 29.05.2020 and his reply has also been received in this office. The copy of the reply of Sh. Asheet Bajaj along with others documents already sent to Chairman of the enquiry committee (which was constituted by this office for fixing the responsibility of erring employees in this matter) vide U.O. no. 50/SC Scholarship dated 11.09.2020 for consideration and fixing the responsibility.

In view of findings of committee, the matter was put up to the State Government and the Charge-sheet under Rule-7 for major punishment against Sh. Asheet Bajaj, Sr. Lecturer Civil Engg. GBN GP Nilikheri, The then Nodal Officer (PMS) at GBN GP, Nilokheri (disbursement centre for Post Matric Scholarship) has been approved by the Hon'ble Chief Minister, Haryana. The draft of the charge-sheet is being prepared and the same is under the process of issuance to the delinquent officer. Similarly, it was approved by the Hon'ble CM to issue show cause notices to the Principal(s)/DDO's who worked during the audit period 2014-2018 and the payments were made during their period. The show cause notices to these Principal(s) are also being issued.

### **Higher Education Department**

Special Investigation team investigated the matter and made recommendation as below:-

1. Immediate withdrawal of Affiliation of Rohitash Degree College, Ateli(Mohindergarh) and Rohitash Institute of Management, Ateli (Mohindergarh) and Registration of fresh FIR against both these colleges for the entire duration of embezzlement starting from 04/2014 to 03/2018.
2. Immediate forfeiture of FDR and Bank Guarantee of Rohitash Degree College, Ateli, Mohindergarh and Rohitash Institute of management. Ateli, Mohindergarh and recovery of remaining amount out of Rs. 10, 35, 17000/- along with applicable interest till the amount is paid, as recommended by AG Special Audit, to be made from both these colleges.
3. Vigilance enquiry into the matter to be ordered at the State Level to probe the embezzlement committed during the entire period from 2014 to 2018 and Officials/Officers mentioned in SIT report and posted at the Head Quarter level shall also be included in Vigilance Inquiry, based on A.G special Audit report which establishes that record was not properly maintained at Scholarship branch. The SIT also observed during inspection of the record that the record was not maintained by the Scholarship Branch properly.
4. Special Investigation Team also recommends that students enrolled in these colleges during 2021-22 Session, may be shifted to nearby Govt/Aided colleges running the same courses. These students can apply for scholarship from the colleges where they will be shifted.

5. Quarterly Surprise inspection of all Private/Aided Colleges by District Higher Education Officers is recommended to check actual strength, Aadhaar, Number, and record of students availing different scholarships from the Directorate of Higher Education.
6. Special Grievance Redressal Officers to be appointed at the State/Head Quarter level and District level to expedite redressal of grievances of SC/OBC students.

In this regard, e-file is already submitted to Hon'ble CM regarding approval of SIT recommendations to be approved in this regard and action will be taken regarding this point after approval from Hon'ble CM.

Hence, the Department took serious notice of irregularities by Rohitash Institute of Management, Ateli and Rohitash Degree College, Ateli and misappropriation of funds.

All payments now are made directly to the beneficiaries account through DBT and PFMS by verifying their Aadhaar No. through Nation Payment Corporation of India (NPCI).

### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that though funds were withdrawn in advance from the account but paid later to beneficiaries.

**The Committee was not satisfied with the reply of department and therefore, recommended that**

- (i) **Complete detailed reply be submitted to the Committee expeditiously.**
- (ii) **Required action be completed and detailed report be submitted to the Committee within two months for consideration of the Committee.**

### **[7] 2.1.7.3 Non-reconciliation of bank balances with response files**

Soft data of response files provided by the Nodal Disbursing Office of Technical Education Department for 2014-18 revealed that an amount of ₹17.98 crore remained undisbursed (July 2018) to 7, 757 students. Audit observed that the bank balance in scheme account was only ₹10.71 crore (July 2018). Thus, there was a difference of ₹7.27 crore. The Department had not reconciled the amount of bank statement with response files to ascertain the reasons for less closing balance. In the absence of reconciliation, possibility of misappropriation of funds cannot be ruled out. During exit conference, it was assured that the reconciliation would be done within 15 days and results would be intimated to Audit. However, further developments were awaited (September 2020).

### **The department in its written reply stated as under:**

#### **Technical Education Department**

The reconciliation of bank statement for the period of 03.03.2017 to 31.07.2018 was carried out by the committee constituted by Principal GBN Govt. Polytechnic Nilokheri, with the master data of response files available in the scholarship branch of the institute as the cashbook was not got written during the period. All the debit credit entries of the Bank Statements were matched with the entries available in

Master data, the balance in the bank statement on 31.07.2018 was Rs. 107102208.5/-.

The amount Rs. 91254551/- (Nine crore Twelve lakhs Fifty Four Thousand Five Hundred Fifty One only) remaining in the account of PMS has been deposited in the receipt Head of State Govt. on 15.12.2020.

However, for remaining reconciliation amount, a show cause notice was issued to the concerned officer In-charge of PMS namely Sh. Asheet Bajaj, Senior Lecturer at Nilokheri vide memo no. Spl.3/SC scholarship cell dated 29.05.2020 in this regard also and his reply has also been received in this office. The copy of the reply of Sh. Asheet Bajaj along with others documents already sent to Chairman of the enquiry committee (which was constituted by this office for fixing the responsibility of erring employees in this matter) vide U.O. no. 50/SC Scholarship dated 11.09.2020 for consideration and fixing the responsibility.

In view of findings of committee, the matter was put -up to the State Government and the Charge-sheet under Rule-7 for major punishment against Sh. Asheet bajaj, Sr. Lecturer, Civil Engg. GBN Nilokheri the then Nodal Officer (PMS) at GBN GP Nilokheri, (disbursement centre for Post Matric Scholarship) has been approved by the Hon'ble Chief Minister, Haryana. The draft of the charge-sheet is being prepared and the same is under the process of issuance to the delinquent officer. Similarly, it was also approved by the Hon'ble CM to issue show cause notices to the Principal(s)/DDO's who worked during the audit period 2014-2018 and the payments were made during their period. The show cause notices to these Principal(s) are also being issued.

Further as informed by the Principal GP Nilokheri vide E-mail dated 10.01.2022 that cash book was not got written for the period 2015-18 so the committee is reconciling the bank statements with the master data provided by the then officer-in charge Scholarship Sh. Asheet Bajaj.

Furthermore, the matter regarding the reconciliation of the amount of bank statement with response files to ascertain the reasons for less closing balance, is under process of reconciliation by the Committee at GBN GP, Nilokheri. The committee has not submitted its report as of now. Principal vide E0mail dated 10.01.2022 informed that the reminders are given to the Chairman and members of the committee on dated 29.12.2021 and 10.01.2022 to complete the process of reconciliation of bank balance with the response files within 15 days. The report of the committee will be submitted immediately after the completion of work of reconciliation.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that one lecturer of Nilokheri could not be the mastermind in a case of such magnitude and held solely responsible for all these lapses. The Committee, therefore recommended that a detailed enquiry be conducted in the matter and a complete action taken report be submitted to the Committee.**



## **[8] 2.1.8 Irregularities in disbursement of scholarship**

### **2.1.8.1 Suspected fraudulent payments**

- (i) As per data of response files of Welfare of SC and BC Department, scholarship of ₹41.16 crore was disbursed to 7, 022 SC students of Sonapat, Fatehabad, Rohtak, Yamunanagar, Jhajjar, Palwal and Panipat districts during 2014-19. Audit observed that:

- Name and Aadhaar numbers of beneficiaries mentioned in the sanction files maintained in the Department did not match with the details of names and Aadhaar numbers as mentioned in the bank response files in respect of 1, 690 cases involving ₹13.80 crore.
- In respect of 756 cases, incorrect Aadhaar numbers were mentioned against the name of beneficiaries in sanction files. When the name of recipients of scholarship indicated in response files were compared with sanction files, it was observed that name of beneficiaries indicated in sanction files did not match with the persons to whom the payments were made by the banks. Thus, suspected fraudulent payment of scholarship of ₹5.11 crore was made (Appendix 2.4).

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that the matter was under investigation of State Vigilance Bureau.

- (ii) Scholarship for 407 students was claimed by ILET, Samani (Kurukshetra) in 2014-15 and sanctions were issued (March 2016) by Technical Education Department. Scrutiny of 313 response files in respect of these sanctions revealed that two Aadhaar numbers were used against four students for making payment of first instalment for 2014-15 and 15 Aadhaar numbers were used against 30 students for making payment of second instalment for 2014-15. Thus, 17 Aadhaar numbers were used twice for claiming payment of 34 different scholars. This led to double payment of ₹5.02 lakh to 17 students. The Nodal Disbursing Office stated (May 2020) that scholarship in-charge had not checked the Aadhaar numbers.

Similarly, payment of ₹1.63 lakh was made to three beneficiaries of two institutions (DAV College of Engineering, Kanina and BLS Jakhoda) by Nodal Disbursing Office, Nilokheri for the period from 2014-15 to 2016-17 by changing Aadhaar numbers.

Thus, suspected fraudulent payment of ₹18.98 crore was made by manipulating Aadhaar numbers. No system was evolved by the Department to reconcile or to check that payment was made by the

banks to the persons for whom the amount of scholarship was sanctioned. Further, the Department had not prescribed any system for checking and authentication of Aadhaar numbers of the applicants.

Recommendation: The Department may examine all the cases to detect fraudulent payments. Further, the Department may evolve proper systems for authentication of Aadhaar numbers of applicants and checking of payment made to students by banks with reference to sanctions.

### **The department in its written reply stated as under:**

Matter is under investigation of State Vigilance Bureau (SVB) from financial year 2012-13 to 2018-19. Four enquiry reports of 13 districts have been received from SVB. On the basis of these reports, five FIR have been lodged. Five Officers have been issued charge-sheet and two delinquent officers have already expired. SVB, Haryana have been requested to expedite the inquiry.

#### **Technical Education Department**

In this regard the following is submitted as under:

1. That a committee consisting of Smt. Geeta Fulia Principal GP Jhajjar, Sh. Ashok Kumar Principal GP Danger and Sh. Sukhbir Yadav Principal GPES Lisana was constituted vide office order no.7/PMS dated 29.05.2020 to enquire this matter.
2. That now the committee submit the report vide memo no.GPD/2020/125 dated 13.08.2020.
3. Regarding the payment of 1.63 lakhs which was made to three beneficiaries of two institutions (DAV College of Engineering, Kanina and BLS Jakhoda) by Nodal Disbursing Office, Nilokheri for the period from 2014-15 to 2016-17 by changing Aadhaar numbers, the matter enquired by the above committee. The Committee in its report submitted dated 13.08.2020, informed that there was no irregularities in the payment made to the students of DAV College, Kanina. However, the committee in its report informed that the payment of rupees 25400/- was made to the wrong person namely Sh. Pawan S/o Sh. Satbir having aadhar number 934192324136 and responsibility may be fixed with BLSIMS Bahadurgarh.
4. Hence, out of rupees 1.63 lakh there was no irregularities in the amount of Rs.1, 37, 600/- in case of students of DAV College, Kanina as per the report of the committee. Thus an amount of rupees 25400/- is yet to be recovered from BLSIMS Bahadurgarh or from Sh. Pawan S/o Sh. Satbir having aadhar number 934192324136 by the Processing Centre i.e. GP Jhajjar.

In order to obtained the latest update, the matter was discussed telephonically with the Principal GP Jhajjar as well as the then O/I PMS at GP Jhajjar. The Principal informed that they have made every efforts to follow up with the

BLSIMS Bahadurgarh for the recovery of an amount of rupees 25400/-. The Principal has been informed that the said recovery may be made within a period of 15 days otherwise initiate legal proceeding by way of filing DDR or FIR against the BLSIMS Bahadurgarh as well as against Sh. Pawan S/o Sh. Satubir having aadhar number 934192324136.

5. In case of IIET, Samani (Kurukshetra), the Committee recommends the recovery of payment of Rs.5.02 lakh from IIET, Samani (Kurukshetra) or from the candidates to whom the payment was made. This was related to the wrong payment made to the 19 students out of which 14 aadhar were different and for 05 students data was not provided by the IIET, Samani (Kurukshetra)

Further the Principal GP Nilikheri has been requested that the said recovery may be made within a period of 15 days otherwise initiate legal proceeding by way of filing DDR or FIR against IIET, Samani (Kurukshetra) or or from the candidates to whom the payment was made.

In this regard, it is intimated that from Academic Year 2018-19 course related scheme implementing Departments were directed by Welfare of SC/BC department to disburse scholarship to students/decide them as per scheme guidelines.

However Higher Education Department has been nominated as nodal implementing Department from 04.03.2020 (Annexure-1)

At present, a centralized portal is developed by Higher Education department and database of all admitted SC/BC students compiled by (Statistics Cell) Higher Education department to assess the number of eligible beneficiaries from the centralized admission of all Govt./ Non. Govt. aided/self finance colleges in the state.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that there was mismatch in Adhar numbers of beneficiaries involving payment of Rs 13.80 crore and therefore recommended that verification of aadhar be made mandatory before making payment in future under intimation to the Commiteee.**

#### **[ 9 ] 2.1.8.2 Payment of scholarship to students not registered with Universities**

The Higher Education Department paid scholarship of ₹10.54 crore to two colleges (Rohitash Degree College, Ateli and Rohitash Institute of Management, Ateli) during 2014-18 for 3, 598 SC/OBC students shown to have studied in these institutes. These institutes were affiliated with Maharshi Dayanand University, Rohtak during 2014-17 and Indira Gandhi University, Meerpur during 2017-18. All admission to various Graduate and Post-Graduate courses are done through University only and their examination are also conducted by the same affiliating University. Audit obtained registration data of all students admitted to these colleges from these Universities and matched the details of all students shown to have studied in these Institutions with the University registration data and observed that:

- These institutes had claimed and received payment of scholarship of ₹7.36 crore for 2, 490 students who were not registered with the respective Universities. Further, 12 students of General category had claimed scholarship of OBC category amounting to ₹0.07 crore and 182 students of General and OBC category had claimed scholarship of SC category resulting in excess claim of ₹0.52 crore. However, 102 students who were of SC category had claimed scholarship of OBC category. Audit observed that the Department had not evolved any system to verify the genuineness of students from the University records.
- Details of 532 students for whom payment of ₹1.70 crore was made to the colleges matched with the university data, but their courses did not match with that of University record.

Thus, the payment of ₹9.65 crore of scholarship in respect of 3, 216 students was suspected to be fraudulent. The Director, Higher Education stated (May 2020) that a special investigation team had been constituted by the Department in October 2019 for examination of all claims of concerned institutes.

Recommendation: The Departments may put in place a mechanism for verification of details of all students shown to have studied in institutions with the Universities/Boards registration data.

### **The department in its written reply stated as under:**

#### **Higher Education Department**

Special Investigation Team submitted a fresh inquiry report in the matter of embezzlement and fraudulent payments to Rohitash Institute of Management, Ateli and Rohitash Degree College, Ateli. The SIT made following recommendations regarding point number 2.1.8.2 and embezzlement committed by these to colleges:-

1. Immediate withdrawal of Affiliation of Rohitash Degree College, Ateli(Mohindergarh) and Rohitash Institute of Management, Ateli (Mohindergarh) and Registration of fresh FIR against both these colleges for the entire duration of embezzlement starting from 04/2014 to 03/2018.
2. Immediate forfeiture of FDR and Bank Guarantee of Rohitash Degree College, Ateli, Mohindergarh and Rohitash Institute of management. Ateli, Mohindergarh and recovery of remaining amount out of Rs. 10, 35, 17000/- along with applicable interest till the amount is paid, as recommended by AG Special Audit, to be made from both these colleges.
3. Vigilance enquiry into the matter to be ordered at the State Level to probe the embezzlement committed during the entire period from 2014 to 2018 and Officials/Officers mentioned in SIT report and posted at the Head Quarter level shall also be included in Vigilance Inquiry, based on A.G special Audit report which establishes that record was not properly maintained at Scholarship branch. The SIT also observed during inspection of the record that the record was not maintained by the Scholarship Branch properly.

4. Special Investigation Team also recommends that students enrolled in these colleges during 2021-22 Session, may be shifted to nearby Govt/Aided colleges running the same courses. These students can apply for scholarship from the colleges where they will be shifted.
5. Quarterly Surprise inspection of all Private/Aided Colleges by District Higher Education Officers is recommended to check actual strength, Aadhaar Number, and record of students availing different scholarships from the Directorate of Higher Education.
6. Special Grievance Redressal Officers to be appointed at the State/Head Quarter level and District level to expedite redressal of grievances of SC/OBC students.

Action will be taken on above mentioned points once e-file gets approved from Hon'ble CM.

Now, Special mechanism is at place to verify the claims of all applicants on online Scholarship portal of Higher Education. Claims of students are verified at college, Universities and Department level from 2019-20 to avoid fraudulent claims. Moreover, data of all applicants is available online for transparency.

#### **Higher Education Department**

Previously there was no mechanism in online portal to verify the students data of all applicant through concerned universities. From 2019-20 onwards, all the eligible students got verified from their concerned universities before scrutiny the case at HQ level.

There was 55816 cases got verified by universities for the year 2019-20 through this mechanism.

#### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that case pertained to Higher education and FIR already lodged in the matter.

**The Committee would like to know what further action has been taken by department and recommended that a detailed enquiry be conducted and required action be completed within two months under intimation to the Committee.**

#### **[10 ] 2.1.8.3 Disbursement of scholarship to students not registered with DMER**

Counselling for admission in General Nursing and Midwifery (GNM) and Auxiliary Nursing Midwifery (ANM) courses in the State was being conducted by Department of Medical Education and Research (DMER). The Department used to issue a Unique Registration Number for every registered student who had taken admission for such courses.

Welfare of SC and BC Department disbursed scholarship of ₹31.68 lakh to 75 SC students of two colleges in Hisar and Sonapat districts. Audit noticed that 28 out of 75 students, to whom scholarship of ₹11.56 lakh was disbursed during 2016-18, were not registered with

DMER. Audit observed that no system was evolved for verification of registration numbers of students. The Department disbursed the scholarship to students without verification of their registration with DMER. The Director, DMER accepted (February 2019) that the students were not registered with their Department.

**The department in its written reply stated as under:**

**Department of Medical Education and Research**

It is submitted that the counseling for the admission to ANM and GNM Course is being done by the DMER and the unique registration number to the successful admitted students have been generated through the online mechanism developed by the DMER. These students are only entitled for the scholarship benefit.

As far as, the matter of release of scholarship to the beneficiaries of the academic session 2016-18 for the students pursuing the courses under DMER is concerned, it is submitted that the scholarship to the said academic batch was disbursed by the Welfare of SC & BC Department. The students of the college under question i.e Ch. Bhagmal Institute of Nursing, Hisar and Gajraj School of Nursing, Sonapat received the scholarship amounting to Rs. 31.68 lacs to the 75 SC students by the concerned DWO under SC & BC Welfare Department. However, out of above 75 students, 28 students were found non-registered which were pointed out by the auditors during the audit.

**Welfare of SC & BC Department**

As per report received from the DWO Hisar and Sonipat, 11 students of Ch. Bhagmal Institute of nursing Hisar and 17 students of Gajraj Nursing Institute Sonipat respectively have registered. As per report received letter no. A13/PMS/AUDIT/02/13510 dated 18.10.2021 DMER, all students were registered.

Hence, para may kindly be dropped.

**Observations and Recommendations of the Committee as under:**

During oral examination department admitted that at the time of admission 28 students were not registered and that rechecking in the matter was required to be done.

**The Committee was not satisfied with the reply of the department and therefore recommended that whole detail regarding registration of beneficiary students be submitted to the Committee at the earliest.**

**[ 11] 2.1.8.4 Payment of scholarship in excess of prescribed limit**

- (i) DMER fixed (July 2013) fee for General Nursing and Midwifery (GNM) and Auxiliary Nursing Midwifery (ANM) courses at ₹63, 000 for first year and ₹46, 000 for second and third years. The Welfare of SC and BC Department and District Welfare Officer (DWO), Sonapat paid scholarship of ₹48.47 lakh in excess to 458 out of 2, 333 SC students of different institutes of Fatehabad and Sonapat districts in first, second and third years for ANM and GNM courses during 2015-18. Audit observed that no system was evolved to

restrict the fee as fixed by the DMER. The DWO, Sonapat stated (August 2019) that recovery of excess scholarship would be made from the students through institutions.

- (ii) Haryana State Admission and Fee Fixation Committee fixed tuition fee for ITM Murthal for B. Tech/B.E. courses at ₹40, 000 and development fund at ₹10, 000 per student. The Nodal Disbursing Office, Nilokheri, however, paid tuition fees and development fees at the rate of ₹44, 000 and ₹11, 000 during 2016-18. This resulted in excess payment of ₹1.57 lakh (one instalment to 33 SC students i.e ₹82, 500 and second instalment to 30 SC students i.e ₹75, 000). The Nodal Disbursing Office admitted (May 2020) that payment was made as per fee structure submitted by the institute.

### **The department in its written reply stated as under:**

#### **Directorate Medical and Research Department**

It is submitted that the DMER is the controlling authority to decide the fee structure of various medical courses in the State. Accordingly the fee for the nursing courses has been fixed by the DMER in the month of July, 2013 and the reimbursement of PMS would be made according to the fee structure fixed by DMER as per the instructions of the PMS policy. The same was reimbursed by the DMER in past for the session 2013-14 and 2014-15. The fee that has been reimbursed by DMER to the beneficiaries of ANM and GNM courses for the above said academic year is as below:-

#### **For GNM & ANM (1st year)**

|                        |         |
|------------------------|---------|
| Admission Fee          | 27000/- |
| Tuition Fee            | 30000/- |
| Practical training Fee | 5000/-  |
| Examination Fee        | 1000/-  |
| Total                  | 63000/- |

#### **For GNM & ANM (2nd year)**

|                        |         |
|------------------------|---------|
| Admission Fee          | 10000/- |
| Tuition Fee            | 30000/- |
| Practical training Fee | 5000/-  |

|                 |         |
|-----------------|---------|
| Examination Fee | 1000/-  |
| Total           | 46000/- |

For GNM & ANM (3rd year)

|                        |         |
|------------------------|---------|
| Admission Fee          | 10000/- |
| Tuition Fee            | 30000/- |
| Practical training Fee | 5000/-  |
| Examination Fee        | 1000/-  |
| Total                  | 46000/- |

The reimbursement of PMS to the beneficiaries of 2015-19 which is under question was made by the concerned DWO of Sonipat and Fatehabad which are under the Welfare of SC & BC Department. The excess amount of scholarship was released to the beneficiaries by the DWO's which is not the concern of this office. Accordingly the recovery of the amount i.e Rs. 46, 27, 480/- (Forty Six Lacs Twenty Seven thousand Four Hundred Eighty only) has to be made by the Welfare of SC & BC Department.

#### **Welfare of SC & BC Department**

As per report received from DWO Sonipat and Fatehabad, letters have been issued to the concerned institute to recover the excess amount from the concerned students and get it deposited in the receipt head of the department.

Subsequently, an amount of Rs. 46, 000/- has been recovered by the DWO Sonipat and Rs. 20, 000/- by the DWO Fatehabad respectively. FIR against Sh. Rajendar Singh Sangwan (Retd.) DWO Sonapat, Sh. Balwan Singh, DWO Fatehabad (Retd.) and Sh. Surender, Accountant Cum Clerk (Suspended) has been lodged. A letter has been issued to the DWO Fatehabad and Sonipat for providing the recovery status.

#### **Technical Education Department**

The payment of scholarship was made to the students as per the fee structure of IITM Murthal i.e. Rs. 44000/- for tuition fee and Rs. 11000/- for development Fund, fixed & approved by the State Fee Committee Haryana vide memo no. 305/ SFC dated 30-09-2011 (Annexure R/1). Hence, no excess payment was made to the students.

#### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that process of clarification in the matter and recovery of excess payment was under process.



The Committee observed that despite clarity regarding quantum of fee to be paid to beneficiaries, excess payment was made by the department. The Committee, therefore recommended that matter be re-checked in detail and responsibility be fixed and appropriate action be taken against erring officers/officials within two months under intimation to the Committee.

**[ 12] 2.1.8.5 Double payment of scholarship**

- (i) Scholarship of ₹5.70 lakh was disbursed as first instalment of session 2014-15 to 20 SC students of R.N. College twice i.e in February 2016 and March 2016. Similarly, first instalment of ₹0.15 lakh to one student for session 2014-15 of another college was sanctioned twice as well as paid twice i.e in July 2015 and February 2016. In other cases, payment of first instalment of ₹0.51 lakh was paid (July 2017) to two students twice against the same sanction. Thus, scholarship ₹6.36 lakh was paid twice to 23 students. The Nodal Disbursing Office admitted (May 2020) that double payment was made by the then in-charge scholarship.
- (ii) In Welfare of SC and BC Department, DMER and DWOs, Sonapat and Rohtak, a sum of ₹14.89 lakh was disbursed twice to 26 SC students during 2014-19.

The Director, DMER stated (February 2019) that double payment of scholarship would be recovered from beneficiaries. However, further developments were awaited (May 2020). The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that the matter regarding double payment of scholarship relating to their department was under investigation of State Vigilance Bureau.

**The department in its written reply stated as under:**

**Technical Education Department**

In this regard it is intimated that this department constituted a committee to enquire this matter vide office order no. 08/PMS dated 29.05.2020. The committee submitted its report vide memo no. SPI-1 dated 18.09.2020. The observations/recommendations of the committee is as under:-

“The committee gone through all the relevant document produced by the concerned institute and based upon the fact available in the record, the report of the committee is as under:

In case of 20 students of R.N. College: As per copy of sanction and response sheets, sanction of 20 students amounting to Rs. 570.250/- of RN College was granted twice detail given below:-

| Sr. No. | Sanction No. | Date       | Session |
|---------|--------------|------------|---------|
| 1.      | 430          | 08/02/2016 | 2014-15 |
| 2.      | 650          | 05/03/2016 | 2014-15 |

As per response sheets having tran dated 29-02-2016 (Annexure-3) for sanction no. 430 & tran dated 19-03-2016 (annexure-4) for sanction no. 650, the amount was paid twice to 19 students and one student credit status code shown error. In last response sheet having tran date 20-05-2016 (annexure-5) the amount is paid successfully to the one student. It shown that 19 students are paid the PMS amount twicely out of 20 students. However, in the documents submitted by Sh. Asheet Bajaj, Sr. Lect. Civil Engg. by post, the second installment was stopped of 20 students, but no proof was submitted by him in this regard. E-mail was also sent to Nodal Centre, Govt. Polytechnic Nilokheri but no response submitted by the institute. Hence, the payment was paid twicely to 19 students of RN College, Panipat."

Further, vide this office email dated 10.01.2022, the Principal GBN GP Nilokheri has been requested to send the latest action taken report on the observations/ recommendation of the committee.

However, the whole matter pertaining to performance audit during the period 2014-18 was putup to the State Government and the Charge-sheet under rule-7 for major punishment against Sh. Asheet Bajaj, Sr. Lecturer, Civil Engg. GBN GP Nilokheri, the then Nodal officer (PMS) at GBN GP, Nilokheri (disbursement centre for Post Matric Scholarship) has been approved by the Hon'ble Chief Minister, Haryana. The draft of the charge-sheet is being prepared and the same is under the process of issuance to the delinquent officer. Similarly, it was also approved by the Hon'ble CM to issue show cause notices to the Principal(s)/ DDO's who worked during the audit period 2014-2018 and the payments were made during their period. The show cause notices to these Principal(s) are also being issued.

#### **Medical Education & Research**

At present the latest position is as under:-

Out of 18 students total 08 students have returned their excess amount of scholarship. Accordingly total amount of Rs. 5, 04, 000/- have been recovered out of total 11, 34, 000/-. The process of recovery of left out 6, 30, 000/- (Six Lacs Thirty Thousand only) is under process.

It is further intimated that Directions have already been issued to the University/Council for holding their detail mark cards and final Certificate till the recovery of excess amount from the concerned students/beneficiaries.

#### **Welfare of SC/BC**

Matter is under investigation of State Vigilance Bureau (SVB) from financial year 2012-13 to 2018-19. Four enquiry reports of 13 districts have been received from SVB. On the basis of these reports, five FIR have been lodged. Five Officers have been issued charge-sheet and two delinquent officers have already expired. SVB, Haryana have been requested to expedite the inquiry.

#### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that replies of concerned institutes were awaited and assured the Committee that replies would be compiled within two months and balance

amount would be recovered expeditiously.

**The Committee, therefore recommended that replies of institutes be obtained and compiled and balance amount be recovered expeditiously under intimation of the committee.**

**[13 ] 2.1.8.6 Lack of scrutiny regarding income, caste, education qualification, etc**

Scrutiny of 5, 585 out of 11, 167 scholarship applications of Technical Education Department of six processing centres of selected districts for the period 2014-19 revealed that verification of documents was deficient in 478 applications as discussed in succeeding paragraphs.

- 55 SC applicants of eight institutes claimed scholarship on the basis of bogus income/resident/caste certificates in five Processing Centres. The certificates attached with the applications were verified by audit from the edisha.gov.in website of the Haryana Government and it was noticed that these certificates were checked neither by the institutes nor by the Processing Centres concerned. Audit observed that name of applicants along with other particulars of certificates were altered/edited manually/electronically. Even photos and certificates numbers of the original certificate holder were retained while preparing bogus certificates. Thus, the payment of ₹24.91 lakh in these cases was suspected to be fraudulent.
- In 35 cases, affidavits of income were not signed by the deponent but these affidavits were certified by the Revenue Authorities. Neither the Institutes nor the Processing Centres checked the affidavits properly and scholarship of ₹7.42 lakh was disbursed.
- 142 applicants in 16 institutes claimed scholarship on the basis of self- declaration income affidavits or photo copy of self-declaration income affidavits, which were attested by the Notaries whereas certificates issued by the Tehsildar/ Sub Divisional Magistrate were required to be submitted. Scholarship of ₹59.56 lakh was disbursed in violation of instructions of Welfare of SC and BC Department to these applicants.
- Annual parental income of the 27 SC applicants in respect of 13 institutes were found more than ₹2.50 lakh per annum as per income proof attached with the applications. These applicants were not eligible for grant of benefit under the scheme. However, scholarship of ₹14.09 lakh was disbursed without verification of documents to these ineligible students.
- In eight cases of Processing Centre, Narnaul, it was also noticed that fathers of the applicants were Government employees and income certificate issued by DDO was required to be submitted but the required certificates were not found attached. Thus, payment of ₹6.07 lakh to these beneficiaries was irregular.
- A total of 211 applications in five Processing Centres were found to be incomplete as income/resident/caste certificates/certificates of essential educational qualification were not attached. The Department had paid scholarship of ₹78.91 lakh to these students. The Principals of Processing Centres, Jhajjar, Narnaul, Sirsa and Sonapat stated (March-August 2019) that efforts would be made to recover the amount from students. However, recovery had not been made (September 2020).

## **The department in its written reply stated as under:**

### **Technical Education Department**

In regard to 55 SC applicants of eight institutes claimed scholarship on the basis of bogus income/resident/caste certificates in five Processing Centres (payment of 24.91 lakh in these cases was suspected to be fraudulent), it is intimated that out of 55 SC students, the recovery from 12 SC students has been made of amount Rs. 3.30 lakh out of total 24.91 lakh.

However, 02 SC students cases were of single beneficiary (amount Rs. 0.83 lakh) which is a PMS renewable cases whose income affidavit were attached with the form of session 2014-15. (as per letter no. PMS-35/1170-1678/SC Scholarship dated 31.07.2014 directions income proof is to be taken only in 1st year only once)(Annexure R/2) .

Further Principal GP Jhajjar vide their memo no.194 dated 10.01.2022 has intimated that out of 55 SC students, 39 students were belongs to GP Jhajjar processing centre. Now out of their 39 students, the documents proof of 14 students have been submitted by the concerned institutions. The recovery for 25 students amounting to Rs.12.70 lakhs is yet to be made out of the total amount of Rs.19.81 lakh.

Hence, out of 55 SC students cases, 28 SC students cases have been settled (amount Rs. 11.24 lakh out of total 24.91 lakh) and for remaining 27 SC students (amount Rs. 13.67 lakh), the processing centre directed to recover the said amount and take necessary action as per law against the students/concerned concerned institutions vide memos letter dated 19.07.2021 (Annexure R/3, R/4, R/5 R/5, R/6).

Further vide E-mail dated 11.01.2022 the Principal GP Jhajjar (Processing Centre) and Principal GP Narnaul (Processing Centre) have been requested to make the balance recovery of an amount of rupees 13.67 lakhs within a period of 15 days otherwise may initiate legal proceedings by way of filing DDR or FIR against the concerned institute/students/officials.

Out of 35 SC students cases, 28 SC students cases have been settled (amount Rs. 3.86 lakh out of total 7.42 lakh) by Processing centre GPW Faridabad and for remaining 07 SC students (amount Rs. 3.56 lakh), the processing centre GP Jhajjar directed to recover the said amount and take necessary action as per law against the students/ concerned institutions (Annexure R/7 & R/3).

Out of 142 SC students cases, 85 SC students cases income certificate, have been verified by concerned Processing Centres and for 19 SC students, the income certificates issued by the Tehsildar/ Sub Divisional Magistrate were not required as per instructions implemented at that time.(Annexure R/8 & R/9) and for 01 SC student, no PMS Scholarship was paid to him and 01 SC student named Gurbachan S/o Mahender Singh student of Jat college of polytechnic kaithal refunded PMS amount Rs.56000/-.

Therefore, out 142 SC students cases, 106 cases of SC students have been settled and for remaining 36 SC students, the processing centres directed to recover the said amount and take necessary action as per law against the students/ concerned institutions (Annexure R/3, R/4, R/5, R/6).

Out of total 27 SC students cases, 10 SC students have provided latest income certificate as required and 05 SC students, have refunded the PMS scholarship of amount Rs. 2, 82, 800/-.

Therefore, out total 27 SC students cases, 15 cases of SC students have been settled and for remaining 12 SC students, the processing centres directed to recover the said amount and take necessary action as per law against the students/ concerned institutions (Annexure R/3, R/4, R/5, R/6).

In this regard it is intimated that out of total 08 SC students, 05 students have refunded the PMS Scholarship of amount Rs. 3, 50, 900/- and remaining 03 SC students submitted relevant documents i.e. income statement as desired.

Out of total 211 SC students cases, 82 SC students have provided latest income certificate/other documents as required and 02 SC students, have refunded the PMS scholarship of amount Rs.27, 000/-.

Therefore, out total 211 SC students cases, 84 cases of SC students have been settled and for remaining 127 SC students, the processing centres directed to recover the said amount and take necessary action as per law against the students/ concerned institutions (Annexure R/3, R/4, R/5, R/6).

In view the above reports/recovery, the Principal(s) of the Processing Centre(s) namely GP Jhajjar, GP Sirsa and GP Narnaul where the recovery is still pending well once again requested to complete the recovery process, failing which the action will be initiated against concerned students and concerned institutions (where students studied) as per law after obtaining the legal opinion in this matter.

### **Observations and Recommendations of the Committee as under:**

During oral examination the department stated that recovery process was under process and assured the Committee that fixation of responsibility and action taken would be completed expeditiously.

**The Committee, therefore recommended that process of fixation of responsibility and taking of appropriate action be completed at the earliest under intimation of the Committee.**

### **[ 14] 2.1.8.7 Suspected fraudulent payment to students studying outside the State**

As per instruction issued (July 2015) by Welfare of SC and BC Department, the payment of scholarship was to be disbursed by DWOs to students studying outside the State only after verification of affiliation of the institutes. In case of any doubt regarding institutes or where more than 20 student of the Out-of-State were involved, the DWOs were required to enquire personally and verify the facts.

Directorate and DWOs, Rohtak and Fatehabad disbursed an amount of ₹2.76 crore to 349 SC students pursuing various courses during 2014-19 from private Universities outside the State (Appendix 2.5). On being verified by Audit from these universities/institutes, it was found that these students were not enrolled in the Universities. Neither the DWOs nor the Welfare of SC and BC Department verified the facts of genuineness of claims from the

Universities resulting in suspected fraudulent payment of ₹2.76 crore. The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that the matter was under investigation of State Vigilance Bureau.

Similarly, in DWO, Fatehabad and Rohtak an amount of ₹1.98 crore was disbursed to 212 students during 2014-15 pursuing various courses from study centres stated to be affiliated with Karnataka State Open University, Mysore. Audit obtained the list of study centres affiliated with the University but names of these study centres were not appearing in the list. Thus, the payment of scholarship was made without verification of facts of genuineness of study centres from the University and the payment of ₹1.98 crore (Appendix 2.5) made to these students was suspected to be fraudulent. DWO Fatehabad stated (June 2020) that matter would be investigated. Further developments were awaited (September 2020).

**Recommendation:** The Department may examine all the cases to detect such fraudulent payments. Further, action may be taken against District Welfare Officers for not verifying the facts of genuineness of claims from the Universities.

**The department in its written reply stated as under:**

Matter is under investigation of State Vigilance Bureau (SVB) from financial year 2012-13 to 2018-19. Four enquiry reports of 13 districts have been received from SVB. On the basis of these reports, five FIR have been lodged. Five Officers have been issued charge-sheet and two delinquent officers have already expired. SVB, Haryana have been requested to expedite the inquiry.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that enquiry is pending/under process and action is being taken as per State Vigilance Reports.

**The Committee, therefore directed that matter be taken up/pursued personally by the Head of Department with State Vigilance department for sorting out the matter expeditiously under intimation to the Committee.**

**[15] 2.1.8.8 Scholarship paid for same stage of education**

Guidelines issued (December 2010) by GoI provide that candidates who after passing one stage of education take admission in same stage of education in different subjects, were not eligible for scholarship i.e. a student after passing BA, studying in B.Com was not eligible for scholarship.

Scrutiny of response files of scholarship of Skill Development and Industrial Training Department for the period 2015-19 showed that 658 (one per cent) out of 78, 795 SC students took admission in different courses in different Private and Government ITIs repeatedly two or more times and the Department had paid scholarship of ₹64.74 lakh for subsequent courses of same stage to these students. Similarly, 142 out of 37, 006 students took admission in different courses in same Private ITIs repeatedly two or more times after completion of one course and scholarship of ₹21.12 lakh was paid to these students. This resulted in excess payment of scholarship of ₹85.86 lakh.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that the case had been referred (December 2019) to GoI for providing relaxation in the matter.

**The department in its written reply stated as under:**

**Skill Development & Industrial Training Department** has submitted that as per PMS guidelines issued by Government of India vide letter No. 11014/31/2017-BC dated 18.09.2018 it is mentioned that candidates after passing the stage of education are study in the same stage of education in different subject e.g. L.Sc after LA or B.Com after B.A. in other subject will not be eligible. In these instructions academic qualification has been mentioned but no clarification in respect to the certificate courses/technical courses has been provided. Therefore, these situations create ambiguity whether PMS stipend is to be distributed or not to the students who enrolled himself in another courses.

It is also submitted that being initial stage of this scheme the readmitted students could not be identified due to non availability of check/provision, but as and when the matter came into the notice check has been introduced on portal.

Moreover the beneficiaries/students (similar stage) to whom PMS has been distributed has passed the certificate course and dues/certificates has been issued. Now it is not feasible for this department to recover the distributed amount.

In addition to above, it is also submitted that in Industrial Training Institutes there is a settled practice; students take admission in different trades after completion of one course to enhance their skill which led to the disbursement of excess scholarship amount. Keeping in view the above position Worthy Director, Skill Development and Industrial Training Department vide his D.O. No. 20422 dated 14/10/2019 had requested to you as a nodal department to take up this issue with GOI for exemption ITI trainees from this condition of same stage education. Accordingly, the Principal Secretary Government of Haryana, Welfare of SC and BC Department vide D.O. No. 23 dated 03/01/2020 requested to Sh. R. Subrahmanyam, IAS, Secretary to GOI, Department of Social Justice and Empowerment to consider the matter sympathetically and provide relaxation in provisions of Post Matric Scholarship Scheme for trainees of ITI. Till, such condition is relaxed by GOI, a check on department scholarship ERP portal has been inserted/enabled to stop such type of repletion in disbursement of Post Martic Scholarship.

As per direction issued by PAC in the meeting held on 19.10.2021, letter is issued to Government of India again on dated 15.11.2021 and 06.01.2022 for relaxation.

**Observations and Recommendations of the Committee as under:**

During oral examination the department stated that a reference was made to Government of India (03.01.2020) for seeking ammendments in guideline in the scheme but their response is stil awaited.

**The Committee therefore, recommended that final response/report in the matter be submitted to the committee for its considresion .**

### [ 16] 2.1.8.9 Doubtful payment of scholarship

Om Prakash Joginder Singh (OPJS) University, Churu requested (October 2013) Welfare of SC and BC Department for re-imbursement of scholarship to 71 SC students pursuing various courses in their institute but their claim was rejected by DWO, Sirsa, as it was submitted late. The WSCBC Department directed (March 2014) DWO, Sirsa to personally verify these claims so that delay could be condoned. The DWO, Sirsa in its report submitted (May 2014) that out of 71 applications of Multi-Purpose Health Worker (MPHW) course, 55 were not found in order and hence, payment was not made. Audit, however, observed that claims of ₹4.48 crore of the same Institute were entertained by other DWOs and WSCBC Department (October 2019) as per details given in Table 2.5.

Table 2.5: Statement showing doubtful payment of scholarship

| District     | Disbursing Authority | No of Students | Amount (₹in crore) |
|--------------|----------------------|----------------|--------------------|
| Rohtak       | DWO Rohtak           | 280            | 2.06               |
| Jhajjar      | WSCBC                | 15             | 0.08               |
| Yamunanagar  | WSCBC                | 41             | 0.25               |
| Fatehabad    | DWO Fatehabad        | 117            | 0.97               |
| Rohtak       | WSCBC                | 172            | 1.12               |
| <b>Total</b> |                      | <b>625</b>     | <b>4.48</b>        |

(Source: Information compiled from departmental records)

- Audit observed that bank accounts of students were opened only in a few banks irrespective of their residential addresses. In Rohtak district, out of 172 students, same mobile number 'X' was used in case of 54 students (31 per cent) and another mobile number 'Y' was used by 31 students (18 per cent). Opening of bank accounts by students in only few banks irrespective of their residential addresses and using of same mobile numbers by so many students could be indicative of malafide drawal and disbursement of scholarship.
- Scholarship of ₹0.83 lakh was disbursed (March 2014) by DWO Rohtak to a scholar who was shown to have been pursuing MPHW course from OPJS University but at the same time he was pursuing Diploma in Computer Science course in Swami Vivekanand University and scholarship of ₹0.44 lakh was disbursed (January 2016). Similarly, another scholar shown as enrolled in the course of MPHW from OPJS University in the academic year 2014-15 was also shown in the same academic year in different course of M.A (Psychology) to whom scholarship of ₹0.46 lakh was disbursed in September 2014 and July 2015.



- A student shown as enrolled in Polytechnic in Civil Engineering course in academic year 2014-15 to whom scholarship of amount ₹50, 460 was disbursed by DWO, Rohtak in July 2015 was also shown as enrolled in Polytechnic in the course of Electrical Engineering in the academic year 2016-17 and scholarship of ₹40, 500 was disbursed to him by Welfare of SC and BC Department in March 2018.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that these issues were under investigation of State Vigilance Bureau.

**The department in its written reply stated as under:**

**Welfare of SC/BC**

Matter is under investigation of State Vigilance Bureau (SVB) from financial year 2012-13 to 2018-19. Four enquiry reports of 13 districts have been received from SVB. On the basis of these reports, five FIR have been lodged. Five Officers have been issued charge-sheet and two delinquent officers have already expired. SVB, Haryana have been requested to expedite the inquiry.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that matter was under enquiry with State Vigilance.

**The Committee, therefore directed that all the reports received from State Vigilance Department be shared with the Committee for its consideration.**

**[17 ] 2.1.8.10 Payment made to students who were not residents of Haryana**

Guidelines issued (December 2010) by GoI stipulate that scholarship should be awarded by the State Government to which the applicant actually belongs.

Processing Centre, Jhajjar disbursed scholarship of ₹1.52 lakh during 2014-19 to three SC applicants of BLS Institute of Management Studies, Jakhoda (Jhajjar) who were not residents of Haryana. The Principal of Processing Centre Jhajjar stated (March 2019) that efforts would be made to recover the scholarship amount from students. However, recovery had not been made (September 2020).

**The department in its written reply stated as under:**

**Technical Education Department**

Vide memo no. PMS/49/86 dated 23.06.2021, a show cause notice has been issued to the Principal of GP Jhajjar (Processing centre) to take necessary action to recover the said excess payment in this matter. If the concerned student/ institute, may not refund the excess payment, the process of logging FIR against them may be initiated (Annexure R/7 & R/3).

Now, vide memo No.4837 dated 08.11.2021, the Principal GP Jhajjar has intimated that the BLSITM Jakhoda has deposited the recovery amount 4.06 lakhs (1.52 lakhs paid to students belong to outside Haryana and 2.54 lakhs for more than two years) and same has deposited through E-Challan dated 21.11.2021).

In view of above recovery, it is requested that the said para No.2.1.8.10 may kindly be dropped.

### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that show cause notice had been issued to the concerned Principal and report was awaited.

**Committee, therefore recommended that appropriate final action be taken against concerned under intimation to the Committee.**

#### **[18] 2.1.8.11 Excess payment of Scholarship**

Duration of Post Graduate Diploma in Management Studies (PGDM) course was two years and thus, students were to claim maximum four half yearly instalments of scholarship. It was observed that 10 out of 186 SC students of PGDM courses in BLS Institute of Management Studies, Jakhoda claimed scholarship for two years and six months (2014-15, 2015-16 and 2016-17) at ₹50, 800 for each year per student instead of two years resulting in excess payment of scholarship of ₹2.54 lakh (10 x ₹25, 400). The Nodal Disbursing Office stated (June 2019) that matter would be got investigated. Further developments were awaited (September 2020).

### **The department in its written reply stated as under:**

#### **Technical Education Department**

Vide memo no. PMS/49/86 dated 23.06.2021, a show cause notice has been issued to the Principal of GP Jhajjar (Processing centre) to take necessary action to recover the said excess payment in this matter. If the concerned student/ institute, may not refund the excess payment, the process of lodging FIR against them may be initiated.

### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that issue in the para was similar to that in para 2.1.8.10.

**The Committee therefore recommended that an updated/latest action taken report in the similar cases be submitted to the Committee within two months.**

#### **[19] 2.1.8.12 Payment to overage students**

Maximum age for entering into Haryana Government service is 47 years. As per instructions issued by Welfare of SC and BC Department in July 2015, sanctioning authority was required to check that applicant on completion of the course had minimum three years left (43 years for one year course) for applying to Government services.

Analysis of portal data for the year 2015-19 revealed that in 78 SC cases, age of the applicants was more than 43 years at the time of registration. They were not eligible for scholarship as per these instructions. In test checked districts, three cases among these 78 cases came under scrutiny. Scholarship of ₹1.30 lakh was disbursed to these students. The Department should verify all the remaining cases to ascertain as to whether payment of scholarship to ineligible students was made or not.

**The department in its written reply stated as under:**

**Welfare of SC/BC**

As the matter is under the investigation of State Vigilance Bureau from financial year 2012-13 to 2018-19. On receipt of the report from State Vigilance Bureau, the action will be taken accordingly. SVB, Haryana have been requested to expedite the inquiry.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that matter was under enquiry with State Vigilance department.

**The Committee, therefore desired that final action taken report in the matter be submitted to the Committee . .**

**[20 ] 2.1.9 Monitoring and evaluation**

**2.1.9.1 Monitoring**

**(i) Returns to assess the progress of students not prescribed**

Paragraph X (i) of guidelines of the scheme provides financial assistance to SC/OBC students studying at post-matriculation level to enable them to complete their education. The guidelines further provide that the scholarship is based on the satisfactory progress and conduct of the scholar. If it is reported by head of an institution at any time that a scholar has, by reasons of his/her own act of default, failed to make satisfactory progress or has been guilty of misconduct such as resorting to or participating in strikes, irregularity in attendance without the permission of the authorities concerned, etc; the authority sanctioning the scholarship may either cancel the scholarship or stop or withhold further payment for such period as it may think fit.

No such returns had, however, been prescribed by the State Government for the institutes. Thus, monitoring mechanism prescribed to assess the progress and conduct of scholars was not followed and as such action against defaulting beneficiaries could not be taken and scholarships were being disbursed in routine.

The Principal Secretary, Welfare of SC and BC Department stated (May 2020) that instructions had been issued to scheme implementing departments to comply with scheme guidelines.

**(ii) Annual inspection of educational institutions**

The Ministry of Social Justice and Empowerment, GoI had asked (June 2016) the State Governments to ensure annual inspection of educational institutions by a State Government Officer not below the level of a Group 'A' officer and intimate the number of institutes cancelled after verification.

It was noticed in Audit that inspection of institutes was not carried out during 2014-19 as no data of field inspections was maintained at Directorate or district level. Audit conducted survey and contacted 616 students of 58 institutes, the result of which are enumerated below:

- 40 students of eight institutes stated that satisfactory infrastructure was not available in their institutes.
- 165 students of 20 institutes stated that book bank facility was not available in their institutes.
- 51 students of nine institutes stated that only one teacher was available in their institutes and all the subjects were being taught by him.

Had the system of annual inspection been in place, these issues could have been addressed.

The Director, Welfare of SC and BC Department stated (May 2019) that annual inspection of all institutions was not carried out by the Department. However, inspection of institutes was being carried out by the orders of Directorate from time to time. Thus, the mechanism to have a control over institutes regarding quality of education though prescribed in the guidelines was not put in place.

(iii) **Grievances Redressal Mechanism at State and District level**

The Guidelines of the scheme (December 2010) provide that State will designate Grievance Redressal Officers at the State and District levels to ensure expeditious redressal of grievances of SC/OBC students. Grievances redressal mechanism for the scheme neither existed at District level nor at State level.

A field survey of 616 students of 58 institutes in audit brought out that:

- 82 students of 10 institutions stated that institutes had taken blank cheques from them.
- 31 students of six institutions had informed that their accounts were being operated by the concerned institutions.
- 87 students of 15 institutions informed that their Automated Teller Machine cards (8 students), Cheque Books (19 students) and Pass Books (60 students) were in the custody of the concerned institutions and were being operated by them.
- 200 students informed that they had paid an additional amount ranging between ₹500 and ₹1, 03, 500 in addition to scholarship.
- 109 students stated that institutions took entire amount of scholarship including maintenance allowance as fee.
- 202 students stated that they had not received maintenance allowance.

Had grievances redressal mechanism been in place, these irregular practices could have been addressed at appropriate level.

The Deputy Director, Welfare of SC and BC Department admitted (May 2019) that there was no grievances redressal mechanism in the Department.

## **The department in its written reply stated as under:**

### **Welfare of SC/BC**

As per observation of Performance Audit, necessary Instructions have been issued by Welfare of SC/BC department vide letter no. 9270-75 dated 20.05.2020 to all the implementing departments for strict compliance.

### **Technical Education Department**

As regard to Point No. (ii) i.e. Annual inspection of the institutions done by this Department:-

The Department disburses the scholarship to SC & BC students under PMS using a mechanism of physical verification of documents of students. All processing centres constitutes committee of officers, which visits the respective institutes for physical verification of students. After the physical verification report of the committee each processing centre recommend and forward the scholarship applications of their processing centre to the Principal, Govt. Polytechnic, Nilokheri (Disbursement Centre for PMS scholarship scheme) for disbursement of scholarships. Thus, inspection mechanism is already in built in the system. This is a routine process of all processing centre(s) for disbursement of PMS scholarship.

Further, the officers deputed by this department, also visits the institutes for inspection of academic/infrastructure facilities. These are need based inspections.

The committees are constituted by GBN Govt. Polytechnic, Nilokheri, Processing Centre for inspection/verification of students documents. Similarly, the committees are also constituted by the other Processing Centre(s)

### **Skill Development & Industrial Training Department**

Annual inspections of the institutes are being done by Nodal Officer at District level.

### **Animal Husbandry Department**

All the institutions are affiliated with the Government University i.e LUVAS, Hisar and routine inspection is done by the university.

### **Medical Education & Research Department**

The Standard Operating Procedure (S.O.P) for the same is under process.

### **Higher Education Department**

For this, Principals of Govt. Colleges situated at District Head quarters are nominated as District Higher Education Officer who, along with a committee of following members, will inspect all institutions of Higher Education in the concerned District regarding documents/details related to PMS scheme for SC/OBC:-

2 Associate Professors

1 Assistant Professor.

### **Technical Department**

As regard to Point No.(ii) i.e. Grievance Redressal System developed by this department:-

The grievances of students related to PMS scheme are addressed & resolved in a time bound manner by this Department. In order to address the grievances, State Govt. of Haryana has developed portal namely CM Window – CM Grievances Redressal and Monitoring System. General public as well as students can file their grievances on this portal. The details of the grievances related to PMS Scheme, resolved through various online portal by this Department is given as under:

CM Window portal (Grievances related to PMS)

In year 2020 & 2021, approx.103 numbers of grievances of the students on CM Window portal were resolved.

Social Media Grievance Tracker Mechanism (SMGT) Portal (Twitter):

In year 2020& 2021 approx. 56 numbers of grievances of the students on SMGT portal were resolved.

Centralized Public Grievance Redressal and Monitoring System (CPGRAMS) Portal:

In year 2020&2021 approx. 44 numbers of grievances of the students on CP GRAM Portal were resolved.

Through E-mail.

Further, the grievances related to Post Matric Scholarship received through E-mail are also resolved in consultation with the Principal GP Nilokheri (Disbursement Centre for PMS Scheme) and Processing Centres. Accordingly, the students are also informed through email.

In view of the availability of the above different online grievances portals, the department is actively using and resolving the grievances through these online platforms.

### **Skill Development & Industrial Training Department**

At present all grievances regarding PMS scholarship is being solved at directorates level.

Now, department is planning to declare Nodal Officer at institute level which will look after proper implementation of PMS scholarship as well as grievance at institute level. In addition to above, Nodal Officer will ensure that no eligible trainee left without scholarship and eligible trainees has applied for scholarship.

### **Animal Husbandry Department**

Grievances are received through department e-mail, 9-10 through twitter and 50 through phone calls that are resolved under the guidance of the Nodal Officer(PMS).

### **Medical Education & Research Department**

In this regard, a special e-mail is created for accepting Grievances.

### **Higher Education Department**

Grievance redressal system regarding PMS to SC and OBC is at place to expedite redressal of grievances of SC/OBC students.

Deputy Director Scholarship is Grievance redressal Officer at the state level. A dedicated help-line number (0172-2565530) is also made available to the students for redressal of their Grievances, if any.

### **Observations and Recommendations of the Committee as under:**

During oral examination the Committee observed that students complained for non availability of infrastructure in institutes.

### **The Committee, therefore recommended that**

- (i) availability of proper infrastructure in institutes be ensured ;
- (ii) matter regarding misuse of funds be got investigated in detail; and
- (iii) annual inspection of institutes be conducted and in all cases where written complaints received from students, FIRs, if required, be got registered.

### **[21] 2.1.9.2 Evaluation of the scheme**

The Committee on restructuring of Centrally Sponsored Schemes (CSS) by Planning Commission emphasised (September 2011) the need for independent evaluation of all CSS on regular basis as it had observed that no comprehensive evaluation of the schemes was being carried out to assess the outcome or impact of these schemes. Audit observed that evaluation of the scheme had not been carried out by the Department during the period of Performance Audit. No specific outcome indicators were fixed by Gol or the State Government for measuring the impact of the scheme. As a result, effectiveness/outcome of the scheme could not be assessed. The Government should fix measureable outcome indicators such as completion of studies by students, getting employment/engaged in self-employment for earning livelihood, etc. and conduct the evaluation to assess the outcome of the scheme.

The Principal Secretary, Welfare of SC and BC Department, stated (May 2020) that the matter regarding evaluation of the scheme was under consideration with the Department.

### **The department in its written reply stated as under:**

#### **Welfare of SC & BC Department**

Advertisement was published in the leading newspapers and also notice has been placed on the website. There is continues rise in the Gross Enrolment Ration under

PMS SC. In the year 2017-18 total number of Enrolments was 51050. Similarly total number of enrolled students was 55857 in 2018-19. In the year 2019-20, total number of enrolled students was 60121. Similarly in the year 2020-21, number of enrolled students was 68183.

### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that all instructions of Government of India regarding evaluation of scheme would be followed.

**The Committee, therefore recommended that apart from execution/compliance of instructions of Government of India, coverage of maximum number of eligible students under the scheme be ensured.**

#### **[22 ] 2.1.11 Recommendations**

##### **2.1.11.1 The Government may consider the following:**

- (a) preparation of database of all eligible students to make Annual Action Plan for their coverage in a time bound manner;
- (b) taking up the matter with Gol to abolish the system of committed liability and pursue the Gol to provide assistance on sharing basis like other Centrally Sponsored Schemes;
- (c) evolving proper systems for authentication of Aadhaar numbers of applicants and checking of payment made to students by banks with reference to sanctions;
- (d) putting in place a mechanism for verification of details of all students shown to have studied in institutions with the Universities/ Boards registration data;
- (e) taking action against District Welfare Officers for not verifying the facts of genuineness of claims from the out of State Universities;
- (f) putting in place an end to end online system right from uploading the applications to credit of scholarship directly in the beneficiaries accounts instead of routing the funds through intermediate bank accounts; and
- (g) evolving monitoring mechanism in the form of submission of returns by institutes, make a time frame for inspections of educational institutions, and putting in place a grievance redressal mechanism.

### **The department in its written reply stated as under:**

#### **Welfare of SC/BC**

Higher Education Department is nominated as nodal implementing Department dated 04.03.2020 from Academic year 2019-20. At present, a centralized portal is developed by Higher Education department and database of all admitted SC/BC students compiled by (Statistics Cell) Higher Education department to assess the number of eligible beneficiaries from the centralized admission of all Govt./ Non. Govt. aided/self finance colleges in the state.

Matter is under investigation of State Vigilance Bureau (SVB) from financial year 2012-13 to 2018-19. Four enquiry reports of 13 districts have been received from



SVB. On the basis of these reports, five FIR have been lodged. Five Officers have been issued charge-sheet and two delinquent officers have already expired. SVB, Haryana have been requested to expedite the inquiry.

### **Observations and Recommendations of the Committee as under:**

During oral examination the Committee observed that this para involves huge financial and social impact on State and misutilisation of crores of rupees of Government funds resulted into non fulfilment of objectives of scheme. Thus this is a matter of very serious concern not only for the Committee but for Government also and the Committee, therefore recommends that

- i) issues which have already been referred to the State Vigilance be pursued further and in cases not referred to the Vigilance an assessment for initiation of exemplary/strict departmental /criminal action against defaulting officers/official be made.
- ii) Database of all eligible students under the scheme be prepared/ maintained and an Annual Action Plan for better implementation of scheme be prepared in a time bound manner;
- iii) Effective systems for authentication of Aadhaar numbers of applicants to ensure that payment be made to actual beneficiary students be devised/evolved;
- iv) An end to end online system right from uploading the applications to credit of scholarship directly in the beneficiaries accounts instead of routing the funds through intermediate bank accounts be devised and implemented.
- v) An effective monitoring mechanism, a time frame for inspections of educational institutions and a grievance redressal mechanism also be put in place in the system.
- vi) a complete detail of progress of enquiry in all issues referred to State Vigilance and in other pending issues be shared with the Committee.
- vii) a Complete detail regarding identification of Officers responsible for lapse/defaults be submitted to the Committee.
- viii) All factual and well documented information/detail regarding above recommendations of the Committee, complet report of punitive action and other corrective actions taken in the matter be submitted to the Committee within two months.



## **ANIMAL HUSBANDRY & DAIRYING DEPARTMENT**

### **[23 ] 3.1 Suspected embezzlement**

**Suspected embezzlement of ₹1.54 lakh occurred in the Sub Division Office, Kaithal due to short accountal and non-accountal of Government receipts in the Cash Book.**

- (i) Rule 2.1(b) of Punjab Financial Rules Volume-I (applicable to Haryana State) provides that every Government employee is personally responsible for the money which passes through his hands and for the prompt record of receipts and payments in the relevant account as well as for the correctness of the account in every respect. Rule 2.2 (iii) provides that the Cash Book should be closed regularly and completely checked. The head of the office should verify the totalling of the Cash Book or have this done by some responsible subordinate other than the writer of the Cash Book and initial it as correct. Further, Rule 2.33 states that every Government employee should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government employee to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

The office of Sub Divisional Officer, Animal Husbandry and Dairying Department, Kaithal (SDO) was assigned with the responsibility of collecting Artificial Insemination (AI) fee received by 36 Veterinary Hospitals in its jurisdiction. The collected receipts were subsequently deposited with the Semen Bank Officer, Haryana Live Stock Board after closing of month.

During audit (May 2018) of Cash Book maintained in the SDO office, it was noticed that for nine months between the period September 2014 and March 2018 the total of receipts were understated at the closing of month and hence the receipts were short accounted for ₹99, 914 as detailed in Table 3.1.

**Table 3.1: Detail of short accountal of receipts in Cash Book**

(Amount in ₹)

| Month          | Totals as per CashBook | ActualTotals worked out | Amount of Short accountal/Suspected embezzlement |
|----------------|------------------------|-------------------------|--------------------------------------------------|
| September 2014 | 2, 63, 816             | 2, 78, 816              | 15, 000                                          |
| January 2017   | 2, 61, 262             | 2, 72, 422              | 11,160                                           |
| February 2017  | 2, 65, 740             | 2, 75, 930              | 10,190                                           |
| March 2017     | 3, 53, 268             | 3, 65, 328              | 12,060                                           |

|               |                    |                    |         |
|---------------|--------------------|--------------------|---------|
| August 2017   | 2, 80, 966         | 2, 90, 986         | 10,020  |
| November 2017 | 3, 59, 530         | 3, 71, 044         | 11, 514 |
| December 2017 | 4, 25, 498         | 4, 40, 048         | 14, 550 |
| January 2018  | 3, 83, 552         | 3, 95, 732         | 12, 180 |
| March 2018    | 4, 84, 304         | 4, 87, 544         | 3, 240  |
| <b>Total</b>  | <b>30, 77, 936</b> | <b>31, 77, 850</b> | 99, 914 |

**(Source: Information compiled from Cash Book and Receipt Book)**

This amount was never deposited with the Semen Bank Officer and suspectedly embezzled. It was also found that ₹54, 460 received from two veterinary hospitals in February and March 2018 were not entered in the Cash Book and further not deposited with Semen Bank Officer. Thus, total suspected embezzlement of ₹1, 54, 374 had occurred.

Audit observed that the suspected embezzlement occurred due to intentional reduction in the monthly totals which ultimately led to short accounting of monthly receipts and by not making entry of receipts in the Cash Book. It is also observed that the Drawing and Disbursing Officer (DDO) cannot be spared of the responsibility as the monthly closure certificates of Cash Book were signed by the DDO.

In reply to the audit observations, the SDO intimated (April 2019) that ₹1.54 lakh have been deposited with the Semen Bank Officer in July 2018. The reply was incomplete as to the officers/officials responsible for the embezzlement have not been identified and investigation has not been conducted regarding loopholes in the system for facilitating misappropriation of Government receipts of ₹1.54 lakh.

The matter was referred (April 2019) to the Additional Chief Secretary, Animal Husbandry and Dairying Department, Haryana and subsequent reminders were issued in May 2019 and May 2020; their reply was awaited (September 2020).

Recommendation: The State Government may consider conducting thorough investigation in this case and fix responsibility of the delinquent officers/officials.

### **The department in its written reply stated as under:**

Shri Sanjay Kumar, Assistant official was charge sheeted vide memo no. 8686 Admn-3 dated 11.11.2020 by department under rule 7 of Haryana Civil Service (Punishment & Ravinder Kumar Hooda was appointed enquiry Officer vide this office membo no. 638 dated 29-02-2020 and enquiry officer has submitted his enquiry report vide his memo no. 982 dated 10.08.2021 enquiry officer has declared guilty to Mr. Sh. Sanjay Kumar, Assistant. Now penalty is to be imposed upon official after following due procedure.

Further it is stated that, as far action taken against DDO is concerned, it is informed that matter is under active consideration of competent authority.

**Observations and Recommendations of the Committee as under:**

During oral examination the Committee observed that inspite of lapse of three years the department has neither shown required seriousness in taking action nor any exercise to rule out occurrence of similar lapses elsewhere in the State was undertaken.

The Committee, therefore recommends that an exercise to rule out/avoid occurrence of such serious lapses in other offices of the department in future be undertaken and enquiry proceeding already instituted against defaulting officers/officials and DDOs be completed expeditiously and a report of final outcome in the case be submitted to the Committee within two months.



## **REVENUE AND DISASTER MANAGEMENT DEPARTMENT**

### **[24] 3.1 Suspected embezzlement**

**Suspected embezzlement of ₹1.02 lakh occurred in the office of Deputy Commissioner, Bhiwani (Nazir Branch) by increasing the amount of vouchers in the abstracts, fraudulently and drawing the contingent bills with increased amount.**

- (ii) Rule 2.31 of the Punjab Financial Rules, as applicable to Haryana, provides that the drawer of bill for contingent expenses will be held responsible for any overcharges, frauds and misappropriations. Therefore, he should exercise various financial checks to detect immediately any attempt of defalcation and should pay special care to those points in financial processing at which leakage may occur. Rule 8.26 further provides that the controlling officer is required to see that items of expenditure included in a contingent bill are of obvious necessity and are at fair and reasonable rates; that the requisite vouchers are in order; and that the calculations are correct.

During test check of records (February 2019) in the office of the Deputy Commissioner (DC), Bhiwani, it was noticed that while drawing seven contingent bills between the period September 2016 and March 2017, the amount was overcharged by ₹1.02 lakh by fraudulently increasing amounts in respect of 20 vouchers in abstracts attached with the contingent bills. Against the actual amount of ₹16, 624/-, payable for tea and snacks served in various meetings, ₹1, 18, 804/- were drawn by the District Revenue Officer, Bhiwani in the name of the then clerk of Nazir Branch. Hence, an amount of ₹1, 02, 180/- was over charged. All these contingent bills and abstracts of vouchers were signed by the City Magistrate, Bhiwani.

Thus, the drawing and controlling officers in the office of Deputy Commissioner, Bhiwani failed to apply requisite financial checks in drawing contingent bills which resulted in suspected embezzlement of ₹1.02 lakh.

The Additional Chief Secretary, Revenue and Disaster Management replied (June 2020) that the amount of ₹1.24 lakh including interest has been recovered from the concerned official and the official has been chargesheeted under Rule 7 of Haryana Civil Services (Punishment and Appeal) Rules, 2016.

The reply is not convincing as action has not been taken against the drawing officer. Further, investigation has not been conducted for strengthening internal control system to ensure that no such irregularity occur in future. Final action against the delinquent official is awaited.

**Recommendation:** The State Government may consider fixing responsibility on drawing officer for not applying checks while drawing contingent bills resulting in overcharging and misappropriation of Government funds. The matter requires thorough investigation for strengthening the internal control mechanism.

### **The department in its written reply stated as under:**

During audit and inspection of the records of DC office Bhiwani by Accountant General of Haryana, an embezzlement of Rs. 1, 02, 180/- was noticed in Nazir Branch Bhiwani. Sh. Anil kumar, Clerk posted in Nazir Branch Bhiwani was found responsible for the said embezzlement. An amount of Rs. 1, 24000/- (Principal

amount + Interest) was deposited by Sh. Anil Kumar in Govt. receipt head 2053-093-0070-01-800-98-51 vide GRN No. 56930638 dated-03.09.2019. The disciplinary proceeding under Rule -7 against Sh. Anil Kumar, Clerk is under process separately.

Sh. Mahesh Kumar, HCS (the then City Magistrate Bhiwani) now, CEO Zila Parishad, Rohtak and Sh. Ram Singh, the then DRO (now retired) were remained D.D.O. during the period of embezzlement. Both the officers were failed to fulfill their responsibilities in exercising financial check before the payment of Contingent bills. Now, ADC Bhiwani has been appointed as Inquiry Officer by DC Bhiwani vide letter No. 5442/EB dated-22.10.2021 and he has been directed to submit his report within two days. As such, the proceeding for action against the then DDO is under process. In this regard PAC/ Pr.AG. Haryana will be informed after getting further information against the clerk /DDO. Necessary follow up is also being done regularly.

### **Observations and Recommendations of the Committee as under:**

During oral examination the Committee observed that enquiry has not been completed in a time bound manner and department assured to complete the same within three months .

**The Committee, therefore recommends that enquiry be completed and action taken report be submitted within three months. The Committee further recommends that internal control mechanism be strengthened and an exercise be undertaken in each of the districts so as to avoid re -occurrence of misutilisation of Government funds in future.**



## **AYUSH DEPARTMENT**

### **[25] 3.2 Loss of revenue**

**Shri Krishna Government Ayurvedic College, Kurukshetra did not comply with instructions of the State Government for charging fee for Panchkarma therapies which resulted into loss of revenue of ₹82.48 lakh.**

Shri Krishna Government Ayurvedic College, Kurukshetra is being run under the aegis of AYUSH Department, Haryana. The college provides panchkarma Therapies and Procedures to the patients.

The Director General, AYUSH (DG) Haryana issued instructions on 4th November 2015 to the Principal of the college that Government has taken a decision to make available panchkarma therapies to the patients as well as to common people who want to avail these facilities and to charge fee on prescribed rates for eight therapies (Appendix 3.1) with effect from 9<sup>th</sup> November 2015.

The DG, AYUSH, on 26th November 2015, invited suggestions and comments from the college regarding charging rates for the panchkarma therapies as some District Ayurveda Officers gave a feedback that the rates fixed were quite high and there was resentment amongst people. The college intimated (December 2015) that performing the panchkarma therapies is essential for practical teaching of the students and rates for the therapies were quite high. Hence, it was requested by the college to withdraw prescribed charges. However, the DG did not withdraw the prescribed charges and instructed (May 2016) to ensure compliance of the instructions for charging fee.

During the scrutiny of records (June 2019) of Shri Krishna Government Ayurvedic College, Kurukshetra, it was observed that in contravention of departmental instructions, the college continued to provide the therapies without charging any fee. As per information made available by the College, during April 2016 to May 2019 the college performed 36, 431 panchkarma therapies on OPD and IPD patients without charging any fee, which resulted into loss of revenue to the extent of ₹82.48 lakh to the State exchequer.

On being pointed out by Audit, Principal of the college stated (June 2019) that proposal was sent (December 2015) to the DG, AYUSH for not charging the fee for panchkarma therapies but no instructions were received regarding the same. As a result, fee could not be charged. It was further contested that during 2015-17 the college did not perform one of the therapies (Sarwang Swedan).

The reply was factually incorrect as the DG, AYUSH had issued instructions in May 2016 for compliance of orders of charging the prescribed fee for various therapies. Further, the statement that no therapy for Sarwang Swedan was provided in the college during 2015-17 was not maintainable as the audit observation is based on the information supplied by the college itself. DG, AYUSH in its reply (September 2019) had also acknowledged that no instructions were issued for not charging fee and non-compliance was at the level of college. Further, the college has started charging the prescribed fee since August 2019.

The matter was referred to the State Government in October 2019 and subsequent reminders were issued in December 2019 and May 2020; their reply was awaited (September 2020).

**Recommendation:** The State Government may consider fixing responsibility on the Principal, Shri Krishna Government Ayurvedic College, Kurukshetra for non-compliance of departmental instructions and incurring a revenue loss of ₹82.48 lakh.

**The department in its written reply stated as under:**

|                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. Recovery/pendency, if any, with complete details thereof.                                                                                                                                      | The record was thoroughly checked by committee constituted to enquire the matter and found that the amount of Rs. 82.48 lakhs were calculated for 35358 Swedan, 782 Nasya and 2913 Shirodhara procedures by audit party but in 35358 Swedan procedures, 34476 cases of EkangaSwedan were also included which were not chargeable. Therefore, as per table above amount which was to be charged comes out to be Rs. 13, 52, 000/-(13.52 lakhs) instead of 82, 47, 550/- (82.48 lakhs). The recovery is to be made as per further Govt. instruction/direction and will be informed later on. |
| ii. Fixation of responsibility<br><br>a. Officer(s) responsible for irregularities: Details of inquiry and disciplinary action taken, if any<br><br>b. Officer (s) responsible for taking action. | The process of fixing the responsibility in this matter is under consideration and will be informed later on.                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| iii. Improvement in system and procedure to stop future occurrences of similar nature?                                                                                                            | the fees fixed for panchkarma procedures is being charged w.e.f. 23-08-2019 which are being deposited in Govt. Receipt Head 0210.                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| iv. Whether review of similar cases done in view of the sample check, performed by CAG's Audit Team?                                                                                              | -NA-                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| v. Any other relevant information.                                                                                                                                                                | It is stated that as per the order no. SSD/AYU/HR/Panchkula/2015/14274-295 dated 04.11.2015 the department of AYUSH has fixed the fees for Panchkarma procedure.                                                                                                                                                                                                                                                                                                                                                                                                                           |

In the compliance of above instruction this office had issued an office order no.2015/4223-25 dated 06.11.2015 to the Panchkarma department and directed to charge the fees of Panchkarma procedures from the patients as decided by the Department/Government.

The Panchkarma Department had also started to charge the fees from the patients of Panchkarma procedure since 18-11-2015 which was deposited in the Govt. Receipt Head vide receipt no. 87/72 dated 30.11.2015 and 90/72 dated 18.12.2015.

The department of AYUSH had asked to all the DAO's of Haryana as well as this office and directed to submit the feedback and suggestions regarding the charges of Panchkarma procedures vide letter no. NHM/Hr/Ay/A-19/2015/15945-15966 dated 26-11-2015.

As per the suggestions given by the HODs of Panchkarma and Shalya-Shalakya department, this office had requested to the department to withdraw the implemented rates of Pachkarma procedure. But it is not ascertained as per available record found in this office that at what level or in compliance of which directions the fees of Panchkarma Procedure was stopped. The Principal Dr. V.V.Chikkara who was working at that time retired on dated 31.01.2016. Further direction from Head Quarter to charge fees vide letter dated 10-03-2016, which seems to be not implemented and the fee was not charged at that time. There is no any intention of any officer/official in this matter. A committee was constituted to enquire the matter. Name of the Principal and HOD Panchkarma posted during Dec 2015 to May 2019 are as under:-

| Sr. No. | Period               | Name of Principal | Name of HOD Pachkarma |
|---------|----------------------|-------------------|-----------------------|
| 1       | Dec 2015 to Jan 2016 | Dr V VChhikara    | Dr Ashish Mehta       |
| 2       | Feb 2016 to May 2019 | Dr.UshaDutt       | Dr. Ashish Mehta      |

As per audit para during April 2016 to May 2019 the college performed 36, 431 panchkarma therapies on OPD and IPD patients without charging any fee, which resulted into loss of revenue to the extent of Rs. 82.48 lakh to the State exchequer but as per table below total therapies and their charges worked out to be as under:-

| Karmas | Total OPD | OPD charges | Total Chargeable amount | Procedures chargeable | Amount not charged | Procedures not chargeable | Amount not chargeable |
|--------|-----------|-------------|-------------------------|-----------------------|--------------------|---------------------------|-----------------------|
| Swedan | 35358     | 200         | 7071600                 | 882                   | 176400             | 34476                     | 6895200               |
| Nasya  | 782       | 200         | 156400                  | 782                   | 156400             | 0                         | 0                     |

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|              |              |     |                |             |                |              |                |
|--------------|--------------|-----|----------------|-------------|----------------|--------------|----------------|
| Shirodhara   | 2913         | 350 | 1019550        | 2913        | 1019550        | 0            | 0              |
| <b>Total</b> | <b>39053</b> |     | <b>8247550</b> | <b>4577</b> | <b>1352350</b> | <b>34476</b> | <b>6895200</b> |

It is submitted that therapies pointed out in the audit para were 36431 and amount chargeable was Rs. 82.48 Lakhs but this amount chargeable is worked out to be 39053 in respect of above mentioned three therapies performed during the period mentioned in audit para.

It is submitted that as per the statement of HOD Pachkarma submitted to the inquiry committee, the committee has pointed out an important fact that total Swedan Procedures were calculated as 35358, which are both EKanga and Sarvanga. Out of those only SarvangaSwedan (882cases) were chargeable as per letter of Directorate dated 04-11-2015 and remaining 34476 cases of EkangaSwedan which were not chargeable.

**The Committee checked the record thoroughly and found that the amount of Rs. 82.48 lakhs were calculated for 35358 Swedan, 782 Nasya and 2913 Shirodhara procedures by audit party but in 35358 Swedan procedures, 34476 cases of EkangaSwedan were also included which were not chargeable. Therefore, as per table above amount which was to be charged comes out to be Rs. 13, 52, 000/-(13.52 lakhs) instead of 82, 47, 550/- (82.48 lakhs).**

It is further submitted that the fees fixed for panchkarma procedures is being charged w.e.f. 23-08-2019 which are being deposited in Govt. Receipt Head 0210. The process of fixing the responsibility in this matter is under consideration and recovery may be made as per further Govt. instruction/direction and will be informed later on. So it is humbly requested that The amount of audit para may be rectified and this audit para may be dropped from PAC.

### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that matter would be decided on receipt of report of enquiry the Committee in the matter.

**However, the Committee was not satisfied with the reply of department and recommends that responsibility of defaulting officers/officials be fixed and action taken report be submitted to the Committee.**

## **SCHOOL EDUCATION DEPARTMENT**

### **[26] 3.3 Double disbursement of scholarships**

**Non observance of the codal provisions and inadequate internal control in Directorates of Elementary Education and Secondary Education led to double disbursement of ₹30.76 crore to the beneficiaries. The Directorates had also kept the unutilised funds blocked in current account resulting into avoidable loss of interest.**

Rule 2.2 of the Punjab Financial Rules, as applicable to the Haryana Government, provides that all the monetary transactions are entered in the Cash Book as soon as they occur and attested by the head of office in token of this check. The Cash Book should be reconciled on a monthly basis and closed regularly. Further, Rule 2.10 provides that no money should be withdrawn from the treasury unless it is required for immediate disbursement. As per RBI instructions, Government Departments/bodies are allowed to open savings account with an authorisation from the respective Departments/bodies.

(i) During Audit (January 2019) in the office of the Director, Elementary Education, Haryana, Panchkula (DEE), it was noticed that an amount of ₹66.31 crore was drawn (February 2017) by the DEE from the treasury for disbursement of cash award to 6.41 lakh students belonging to Scheduled Castes (SC). The amount was deposited in current account maintained with the State Bank of India (the bank). The DEE issued (March 2017) authority letters to the bank for disbursement of ₹65.02 crore to 5.27 lakh beneficiary SC students alongwith list and Aadhaar linked bank account numbers of the beneficiaries. Out of this, an authority letter was for disbursing ₹10.21 crore as cash award to one lakh students. The bank debited ₹10.21 crore in March 2017. During audit it came to notice that the account was again debited in April 2017 with the same amount of ₹10.21 crore. Hence, the amount was withdrawn twice. However, the Direct Benefit Transaction (DBT) valuing ₹2.02 crore in respect of 20, 455 beneficiaries failed due to mismatch in data and ₹8.19 crore were paid twice to the beneficiaries.

Audit noticed that the Department had neither maintained the Cash Book nor obtained monthly bank statements for reconciliation, which was in gross contravention of the codal provisions. After being pointed out by Audit, the Department requested (February 2019) the bank to provide the bank account statement, details of disbursement of amount for the year 2016-17 and refund the amount along with penal interest which is indicative of failure of internal control in the Department. Thus, due to not complying with codal provisions and failure of internal control, double payment of ₹8.19 crore as scholarship occurred and remained unnoticed for more than 22 months. The bank credited ₹8.19 crore in July 2019 i.e. after 27 months.

On being pointed out by Audit, the DEE confirmed (February 2019) that second disbursement of ₹10.21 crore was made by the bank without any authority letter and bank account could not be reconciled as bank statements were not obtained from the bank. The DEE further intimated (August 2019) that the amount of ₹8.19 crore had been deposited in Government receipt head.

The reply itself points out that the DEE had not maintained proper Cash Book and had not carried out monthly reconciliation with the bank statement which was violation of the

applicable financial rules. Interest amount for the period of 27 months had also not been recovered from the bank. Further, the amount received as refund should be booked as decrease in expenditure head instead of depositing as revenue receipts of the department.

(ii) It was seen during Audit (January-February 2019) in the office of the Director, Secondary Education (DSE), Haryana that a current account was opened (December 2016) with State Bank of India (the bank) and an amount of ₹154.27 crore was transferred in the account during the period between December 2016 and March 2017 for disbursement of scholarships to students of classes 9th to 12th. DSE issued (March 2017) an authority letter to the bank for disbursal of ₹28.45 crore of monthly stipend to 1.08 lakh students belonging to SC and Below Poverty Line (BPL) categories which was debited by the bank in March 2017. However, the bank again debited the same amount in March 2017 itself without any authority letter.

Audit observed the same irregularity of not maintaining the Cash Book and not obtaining bank statements for reconciliation led to double disbursal. The DSE lodged an FIR only in September 2018 against the bank for not providing the bank statements. The bank provided the bank statements in October 2018 wherein it was found that the DBT for ₹28.45 crore (₹27.26 crore + ₹1.19 crore) had been debited twice resulting into double payment of ₹22.57 crore as DBT valuing ₹5.88 crore to 22, 200 beneficiaries failed due to mismatch in data. The bank refunded the excess paid amount to the DSE in January 2019 i.e. after more than 21 months with a request to refund the excess amount from the future scholarships of students who have been given double credit. Had the DSE maintained proper Cash Book and carried out monthly reconciliation with the bank statement as required under the financial rules, the double disbursal could have been avoided.

The DSE replied (August 2020) that they lodged an FIR in September 2018 against the bank for not providing the bank statements. The bank provided the bank statements in October 2018 wherein the double disbursal of ₹22.57 crore was noticed. The bank refunded the excess paid amount to the DSE in January 2019 i.e. after more than 21 months.

The reply itself points out that the DSE had not maintained proper Cash Book and had not carried out monthly reconciliation with the bank statement which was violation of financial rules. Interest amount for the period of 21 months had also not been recovered from the bank.

Thus, non-observance of the codal provisions and inadequate internal control in Directorates of Elementary Education and Secondary Education resulted in double payment of ₹30.76 crore to the beneficiaries by the bank leading to blockade of Government funds for more than 20 months. Further, the wrongly disbursed Government funds should have been recovered from the bank along with interest at the rate not less than the State Government paid on borrowings i.e. 8.1 per cent per annum. Thus, ₹4.69 crore<sup>4</sup> were recoverable from the bank as interest.

Audit further noticed that the funds were kept parked in current account instead of refunding the unutilised funds to the State Exchequer or keeping the funds into saving bank accounts resulting into avoidable loss of interest.

The matter was referred to the State Government in May 2019 and subsequent reminders were issued in July 2019 and May 2020; their reply was awaited (September 2020).

Recommendation: The State Government may consider fixing responsibility of officers concerned for not complying with codal provisions and for failure of internal control which led to double disbursement of ₹30.76 crore and for parking of funds in current account which resulted in avoidable loss of interest.

**The department in its written reply stated as under:**

It is expressed in the case that after inspecting the bank report received from State Bank of India, Sector-8, Panchkula for the year 2016-17, it was found that Cash Award scheme to the Scheduled Caste students of class I to VIII (One Time) an amount of Rs.10, 21, 12, 930/- was shown as debited on 18-03-2017 and the amount of failed Scheduled Caste students whose accounts were not linked with Aadhaar on 22-03-2017 against the same response file an amount of Rs.2, 20, 50, 620/- was credited to the account. In this way 10, 21, 12, 930-2, 20, 50, 620 = Rs. 8, 00, 62, 310/- incentive amount was paid to the Scheduled Caste Students. But on 13-04-2017 an amount of Rs. 10, 21, 12, 930/- was again debited from the account and on 17-04-2017 an amount of Rs. 2, 01, 83, 140/- was credited against the same file. In this way, the total incentive amount of Rs. 8, 19, 29, 790/- (10, 21, 12, 930-2, 01, 83, 140) was double paid by the bank to the Scheduled Caste students. Whereas the directorate had sent only one communication to the bank for making payment through e-mail to be deposited in the accounts of the students.

In this way, a letter was written to the bank manager on 13-02-2019 and reminder letter dated 20-02-2019, 07-03-2019, 01-05-2019, 18-06-2019 and 01-07-2019 regarding double payment of incentive amount by the bank to Scheduled Caste students, an amount of Rs. 8, 19, 29, 790/- to deposit an amount of Rs. 8, 19, 29, 790/- in the bank account of the department. In this regard, meetings of the officers of the department with the bank manager were also held from time to time and on 08-07-2019, an amount of Rs.8, 19, 29, 790/- was credited in the bank account of the department by the bank, which was deposited by the department on 23-07-19 in the receipt head (0202-01-101-95-51) of the department vide GRN No. 0054598794. Thus there was no lapse at the department level.

Apart from this, it is also expressed that from the financial year 2017-18, the eligible students are being given the benefit of incentive amount directly in the Aadhar link account of the children through PFMS. There is no scope for any financial irregularity in this process. The cash book has been maintained by the department and reconciliation is also being done with the monthly bank statement.

As far as bank interest on government money is concerned, the department wrote to the bank to deposit the interest amount of Rs. 1.49 crore in the bank account of the department, but it has been informed by the bank "Double credit was given to the students as Scholarship inadvertently by debit to the Current Account No. 65277719786 and latter on when the same was verified by the Bank the amount was credited to this Current Account and Bank beard this loss. Education Department had not to bear any loss as the amount was debited form the Current Account on which no interest was payable. Bank has not used any of the amounts but was remitted to students. As on date an amount of Rs. 6.36 crore is still to be recovered and this amount is loss in the Books of the Bank as we have already paid the full amount to you" (Copy attached).

In response to the Accountant General office letter no. Report Civil / DP-06/2019-20/64 dated 16-05-2019, information was sent by the department vide their letter no. 3/1-2019 Scholarship (1) dated 09-08-2019. After that, the Accountant General office letter no. report Civil / DP-06 and reminder letter/2020-21/34 dated 22-05-2020, which was received in the department on 19-06-2020 and the information was again sent to the Accountant General office vide this department letter no 3/1-2019 Scholarship (1) dated 01-07-2020. Similarly, in the context of another letter no. Social Sector / DP-06 / 2018-19/ 2020-21/ 8 dated 04-06-2020 of the Accountant General office, the department has sent information to the Office of the Accountant General on dated 01-07-2020. (Copies attached).

As far as fixing the responsibility of the concerned officers is concerned, it has to be said that the double payment was made by the bank to the students in the form of scholarship, and the double payment amount was deposited by the bank in the current account of the department and the bank has suffered the loss. The Education Department did not suffer any loss as the amount was debited from the current account on which no interest was payable. The bank's recovery of Rs 6.36 crore is still pending from the students till date. The double amount has been paid to the students at the bank level, no negligence has been done by the department in this regard.

### **Observations and Recommendations of the Committee as under:**

**During oral examination, the Committee observed that the department failed to notice the withdrawal of Government funds of Rs 30 lakh for 18 months which was indicative of system failure and thus matter was viewed very seriously by the Committee.**

**The Committee further desired to know detail of action taken in respect of negligence in the matter and identification of occurrence of such lapses in other districts of state, if any.**

**The Committee further recommends that matter be got investigated at personal level by Additional Chief Secretary of the department**

- (i) to find out at what level of the department such negligence/default occurred and whether it was inadvertent or intentional one and**
- (ii) for fixation of responsibility of negligent /erring officials/officers within a period of two months and an action taken report be submitted to the Committee**

### **[27 ] 3.6 Misappropriations, losses, defalcations, etc. (S.F.)**

Rule 2.33 of the Punjab Financial Rules, as applicable to Haryana, stipulates that every Government employee would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or any loss arising from fraud or negligence on the part of any other Government employee to the extent that he contributed to the loss by his own action or negligence. Further, as per rule 2.34 *ibid*, the cases of defalcations and losses are required to be reported to the Accountant General (A&E).



State Government reported 75 cases of misappropriation and defalcation involving Government money amounting to ₹1.28 crore on which final action was pending as of June 2019. All the 75 cases were reported by departments concerned to police through first information reports (FIRs). The department- wise break up of pending cases and age-wise analysis is given in Appendix 3.5 and nature of these cases are given in Appendix 3.6. The age-profile of the pending cases and the number of cases pending in each category-theft and misappropriation/loss as emerged from these appendices is summarised in Table 3.4.

Table 3.4: Profile of misappropriations, losses, defalcations, etc.

(₹in lakh)

| Age-profile of the pending cases |                 |                 | Nature of the pending cases                  |                 |                 |
|----------------------------------|-----------------|-----------------|----------------------------------------------|-----------------|-----------------|
| Range in years                   | Number of cases | Amount involved |                                              | Number of cases | Amount involved |
| 0 - 5                            | 35              | 95.37           | Theft Cases                                  | 60              | 110.75          |
| 5-10                             | 4               | 1.61            |                                              |                 |                 |
| 10-15                            | 10              | 16.00           | Misappropriation/loss of Government material | 15              | 16.98           |
| 15 - 20                          | 7               | 10.80           |                                              |                 |                 |
| 20 - 25                          | 3               | 0.24            |                                              |                 |                 |
| 25 and above                     | 16              | 3.71            |                                              |                 |                 |
| <b>Total</b>                     | <b>75</b>       | <b>127.73</b>   | <b>Total pending cases as of June 2019</b>   | <b>75</b>       | <b>127.73</b>   |

Reasons for pendency of cases are listed in Table 3.5.

Table 3.5: Reasons for outstanding cases of misappropriations, losses, defalcations, etc.

| Reasons for the delay/outstanding pending cases |                                                                                                  | Number of cases | Amount (₹in lakh) |
|-------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------|-------------------|
| i)                                              | Departmental action initiated but not finalised                                                  | 57              | 108.93            |
| ii)                                             | Criminal proceedings finalised but execution of criminal case for the recovery of amount pending | 3               | 1.09              |

|              |                                           |           |               |
|--------------|-------------------------------------------|-----------|---------------|
| iii)         | Awaiting orders for recovery or write off | 9         | 3.88          |
| iv)          | Pending in the courts of law              | 6         | 13.83         |
| <b>Total</b> |                                           | <b>75</b> | <b>127.73</b> |

Out of the total loss cases, 80 per cent cases related to theft of Government money/store. Further, in respect of 76 per cent cases of losses, departmental action had not been finalized while 12 per cent cases were outstanding for want of orders of the competent authority for recovery or write off of losses. It was further noticed that out of 75 cases of losses due to theft/misappropriation, 40 cases were more than five years old, including 19 cases which were more than 20 years old. The lackadaisical approach of departments in finalisation of these cases had not only caused loss to the State exchequer but also led to non- accountability of the officers/officials.

The Government may consider preparing a time bound framework for taking prompt action in cases of theft, misappropriation, etc.

### Appendix 3.5

(Refer Paragraph 3.6; Page: 70)

**Department wise/duration wise break-up of the cases of isappropriation, defalcation, etc., where Final action was pending as on 30 June 2019**

(Figures in bracket indicate ₹in lakh)

| Sl. No. | Name of the Department                          | Up to 5 years | 5 to 10 years | 10 to 15 years | 15 to 20 years | 20 to 25 years | 25 years to More | Total No. of Cases |
|---------|-------------------------------------------------|---------------|---------------|----------------|----------------|----------------|------------------|--------------------|
| 1       | Development of Panchayat                        | 0             | 0             | 1<br>(6.50)    | 0              | 0              | 0                | 1<br>(6.50)        |
| 2       | Animal Husbandry and Dairying                   | 1<br>(0.08)   | -             | -              | -              | -              | -                | 1<br>(0.08)        |
| 3       | Economic & Statistical                          | 2<br>(0.03)   | -             | -              | -              | -              | -                | 2<br>(0.03)        |
| 4       | Education                                       | 15<br>(34.72) | -             | 1<br>(0.09)    | 3<br>(1.11)    | -              | 3<br>(2.04)      | 22<br>(37.96)      |
| 5       | Forest Department                               | 1<br>(0.25)   | -             | -              | -              | -              | -                | 1<br>(0.25)        |
| 6       | Haryana Skill Development & Industries Training | 2<br>(0.87)   | -             | -              | -              | -              | -                | 2<br>(0.87)        |

|    |                                      |                       |                     |                       |                      |                     |                      |                        |
|----|--------------------------------------|-----------------------|---------------------|-----------------------|----------------------|---------------------|----------------------|------------------------|
| 7  | Labour & Employment                  | 2<br>(0.15)           | -                   | -                     | -                    | -                   | -                    | 2<br>(0.15)            |
| 8  | Medical                              | 2<br>(0) <sup>3</sup> | -                   | -                     | -                    | -                   | -                    | 2<br>(0)               |
| 9  | Medical Education & Research         | 1<br>(3.00)           | -                   | -                     | -                    | -                   | -                    | 1<br>(3.00)            |
| 10 | Police                               | -                     | -                   | 1<br>(3.79)           | -                    | -                   | -                    | 1<br>(3.79)            |
| 11 | Social Justice and Empowerment       | 3<br>(8.63)           | -                   | -                     | -                    | -                   | -                    | 3<br>(8.63)            |
| 12 | Sports & Youth Welfare               | 1<br>(39.58)          | -                   | -                     | -                    | -                   | -                    | 1<br>(39.58)           |
| 13 | Technical Education                  | -                     | -                   | -                     | 1<br>(6.52)          | -                   | -                    | 1<br>(6.52)            |
| 14 | Town & Country Planning              | 1<br>(1.44)           | -                   | -                     | -                    | -                   | -                    | 1<br>(1.44)            |
| 15 | Transport                            | -                     | -                   | -                     | 1<br>(3.17)          | -                   | 1<br>(0.60)          | 2<br>(3.77)            |
| 16 | Treasury & Accounts                  | 1<br>(6.27)           | -                   | -                     | -                    | -                   | -                    | 1<br>(6.27)            |
| 17 | Women and Child Development          | 1<br>(0) <sup>1</sup> | -                   | -                     | -                    | -                   | -                    | 1<br>(0)               |
| 18 | Irrigation                           | 0                     | 3<br>(0.00)         | 7<br>(5.62)           | 2<br>(0.00)          | 3<br>(0.24)         | 12<br>(1.07)         | 27<br>(6.93)           |
| 19 | Public Health Engineering Department | 1<br>(0.35)           | 1<br>(1.61)         | -                     | -                    | -                   | -                    | 2<br>(1.96)            |
| 20 | Buildings and Roads                  | 1<br>(0.00)           | -                   | -                     | -                    | -                   | -                    | 1<br>(0.00)            |
|    | <b>Total</b>                         | <b>35<br/>(95.37)</b> | <b>4<br/>(1.61)</b> | <b>10<br/>(16.00)</b> | <b>7<br/>(10.80)</b> | <b>3<br/>(0.24)</b> | <b>16<br/>(3.71)</b> | <b>75<br/>(127.73)</b> |

### Appendix 3.6

(Refer Paragraph 3.6; Page: 70)

**Department/category wise detail in respect of cases of loss to Government due to theft, misappropriation/loss of Government material**

| Name of Department                              | Theft Cases     |            | Misappropriation / Loss of Government Material |            | Total           |            |
|-------------------------------------------------|-----------------|------------|------------------------------------------------|------------|-----------------|------------|
|                                                 | Number of Cases | Amount     | Number of Cases                                | Amount     | Number of Cases | Amount     |
|                                                 |                 | (₹in lakh) |                                                | (₹in lakh) |                 | (₹in lakh) |
| Development of Panchayat                        | 1               | 6.50       | -                                              | -          | 1               | 6.50       |
| Animal Husbandry and Dairying                   | 1               | 0.08       | -                                              | -          | 1               | 0.08       |
| Economic & Statistical                          | 1               | 0.03       | 1                                              | 0.00       | 2               | 0.03       |
| Education                                       | 19              | 36.57      | 3                                              | 1.39       | 22              | 37.96      |
| Forest Department                               | 1               | 0.25       | -                                              | -          | 1               | 0.25       |
| Haryana Skill Development & Industries Training | 2               | 0.87       | -                                              | -          | 2               | 0.87       |
| Labour & Employment                             | 2               | 0.15       | -                                              | -          | 2               | 0.15       |
| Medical                                         | 2               | 0.00       | -                                              | -          | 2               | 0.00       |
| Medical Education & Research                    | 1               | 3.00       | -                                              | -          | 1               | 3.00       |
| Police                                          | -               | -          | 1                                              | 3.79       | 1               | 3.79       |
| Social Justice and Empowerment                  | 3               | 8.63       | -                                              | -          | 3               | 8.63       |
| Sports & Youth Welfare                          | 1               | 39.58      | -                                              | -          | 1               | 39.58      |
| Technical Education                             | 1               | 6.52       | -                                              | -          | 1               | 6.52       |
| Town & Country Planning                         | -               | -          | 1                                              | 1.44       | 1               | 1.44       |
| Transport                                       | -               | -          | 2                                              | 3.77       | 2               | 3.77       |
| Treasury & Accounts                             | -               | -          | 1                                              | 6.27       | 1               | 6.27       |
| Women and Child Development                     | 1               | 0.00       | -                                              | -          | 1               | 0.00       |
| Irrigation                                      | 22              | 6.61       | 5                                              | 0.32       | 27              | 6.93       |

|                                      |           |               |           |              |           |               |
|--------------------------------------|-----------|---------------|-----------|--------------|-----------|---------------|
| Public Health Engineering Department | 2         | 1.96          | -         | -            | 2         | 1.96          |
| Buildings and Roads                  | -         | -             | 1         | 0.00         | 1         | 0.00          |
| <b>Total</b>                         | <b>60</b> | <b>110.75</b> | <b>15</b> | <b>16.98</b> | <b>75</b> | <b>127.73</b> |

**The department in its written reply stated as under:**

In this regard it is submitted that total 22 cases of misappropriations, losses and defalcations pertaining to Education Department, involving an amount of Rs 37.96 lakhs, were pointed out in CAG report on State Finance for the year end 31st March, 2019. Out of these 22 cases 1 case has been closed in the PAG books after having being dropped by the Public Accounts Committee and 9 cases are related to other departments (Elementary Education, Higher Education and SSA) Detail of total 22 cases alongwith latest position of 12 number of pending cases is placed as annexure A-I'.

**Observations and Recommendations of the Committee as under:**

**The Committee has desired that all outstanding case(s) be got settled in a time bound manner and reconciled with the Office of Principal Accountant General (Audit), Haryana under intimation to the Committee.**



## **FOOD, CIVIL SUPPLIES AND CONSUMER AFFAIRS DEPARTMENT**

### **[28] 3.5 Misappropriation of paddy due to violation of laid down norms by the Department.**

**Allotment of paddy to an unregistered miller in excess of permissible limit resulted in loss of ₹2.99 crore as the miller misappropriated the paddy.**

As per State Government guidelines, for custom milling of paddy, the District Food Civil Supplies and Consumer Affairs Controllers (DFSCs) were authorised to issue registration certificates to rice millers after assessing financial and technical capability of the miller on the basis of income tax returns, connected electric load, per hour milling capacity of the mill, documents with regard to ownership or lease, etc. The registration certificate is issued for three years, but required to be reviewed every year by the district milling committee before allotment of paddy. A security of ₹10 lakh for first tonne capacity and ₹five lakh for every additional one tonne in the shape of fixed deposit receipt (FDR) was to be obtained from the miller. Additional guarantee in shape of signed MICR cheque in favour of the DFSC of ₹50 lakh for each tonne milling capacity was to be obtained from the miller. Further, mills on lease could be allotted paddy upto 4, 000 metric tonne (MT) for custom milling.

During scrutiny of records (July 2018 and August 2019) of DFSC, Kurukshetra, it was noticed that DFSC, Kurukshetra had issued a registration certificate to a partnership firm M/s Veer Agro Foods for custom milling of paddy as the owner of a rice mill, while in actual the firm had taken a rice mill on lease for Kharif Marketing Season (KMS) 2016-17. For the KMS 2017-18, the composition and address of partnership firm changed as the firm took different rice mill on lease. Instead of registering the firm as new miller, after assessing the financial and technical capacity, the DFSC, Kurukshetra included the firm as registered miller with the earlier registration number. The miller deposited four signed cheques of ₹50 lakh each as guarantee and FDR of ₹10 lakh as security against the requisite FDR of ₹25 lakh. The firm had not submitted any application for getting the new firm registered for KMS 2017-18.

Against the maximum permissible limit of 4, 000 MT paddy, the Department released 10, 483.80 MT paddy to the miller directly. The miller was to supply 7, 024.15 MT Custom Milled Rice (CMR) by the end of March 2018. The DFSC Kurukshetra conducted a physical verification of the mill in June 2018 and found a shortage of 1, 138.10 MT CMR. However, upto August 2018, the firm delivered 6, 171.42 MT CMR and balance 852.73 MT of CMR costing ₹3.09 crore remained undelivered. After encashing fixed deposit receipt of ₹10 lakh, the department suffered a loss of ₹2.99 crore. Four cheques of ₹two crore were not encashed by the bank due to insufficient balance.

The DFSC lodged FIR on 06 September 2018 against the partners of the firm. But no disciplinary action had been initiated against the defaulting officers/ officials who facilitated the allotment of paddy to an unregistered miller.

The Director General, Food, Civil Supplies and Consumer Affairs, Haryana admitted (November 2019) that 10, 484 MT paddy was allotted to the miller against the permissible limit of 4, 000 MT. It was also intimated that a court case for cheque bounce was pending in the District Court, Kurukshetra. Further, departmental orders were issued to take disciplinary action against the defaulting officials/officers. The reply is not convincing as there was lack of

in-built mechanism to check the entry of unregistered millers in list of registered millers, to verify the actual milling capacity of mill, to verify the ownership/leasehold status of mill and to monitor the release of paddy to each miller. Moreover, final action against the defaulting officers/officials was still awaited (August 2020). Thus, allotment of paddy to an unregistered miller in excess of permissible limit resulted in loss of ₹2.99 crore.

The matter was referred (February 2020) to the State Government and subsequent reminder was issued in May 2020; their reply was awaited (September 2020).

Recommendation: The State Government may consider evolving proper mechanism to verify the physical and financial capacity of the millers before allotment of paddy. Responsibility may be fixed for allotting excess paddy to an unregistered miller and causing a loss of ₹2.99 crore to the State exchequer.

### **The department in its written reply stated as under:**

This para relates to KMS 2017-18.

During the Kharif Marketing Season 2016-17 M/s Veer Agro Foods Kurukshetra had taken Garg Rice and General Mill on rent for CMR and registration was done for CMR work in the district office on 29-09-2016 for the 3 years. But during the Kharif Marketing season 2017-18 M/s Veer Agro Foods, Kurukshetra had taken M/s M. D Modern rice mill on rent and done the CMR work in the name of Veer Agro Food. During the KMS 2016 the partnership deed of M/s Veer Agro Foods Kurukshetra is between Sh Anil Jhangra and ManikGoel. In the KMS 2017-18 the partnership deed was between Mr. Anil Jhangra and SmtPriyaAhlawat. In this way SmtPriyaAhlawat is made partner instead of ManikGoel.

During KMS 2017-18a maximum quantity of 4000 MT was to be allotted to Veer Agro Foods being a lease mill whereas the field officials allotted 10484 MT paddy to this mill. During the year the capacity of Veer Agro Foods, Kurukshetra was shown 4MT whereas the actual milling capacity was 1.5 MT. According to the norms for this capacity an FDR of Rs. 25 lakh was to be taken but the FDR of Rs. 10 lakh only was taken. During the year 2017-18 a quantity of 7024.15 MT Custom Milled Rice was due to be delivered to Food Corporation of India by Veer Agro Foods, Kurukshetra but up to August 2018 Veer Agro Foods had delivered only 6171.42 MT Custom Milled Rice to Food Corporation of India (FCI).

A quantity of 1138.10 MT was found short during the departmental physical verification held during June 2018. Upto 31.08.2018 Veer Agro Foods delivered 61714.20 quintal rice to FCI and 852.73 quintal rice remained undelivered. The four cheques of 50 lakh each given by Veer Agro Foods, Kurukshetra deposited in the bank for encashment but the same were bounced. Thereafter, the department has filed a case against the partner in the Hon'ble District Court under Negotiable Instrument Act.

An FIR No 893 dated 06-09-2018 has also been lodged against the said miller, but the miller had filed an arbitration case no ARB No 324 of 2018 in the Hon'ble Punjab and Haryana High Court for the appointment of Arbitrator. The reply of the case has been filed in the Hon'ble Punjab and Haryana High court. In this case the Hon'ble Punjab and Haryana High Court has fixed the next date of hearing on 26-05-2022.

For extra allotment of paddy to the said mill concerned staff i.e. Assistant Food and



Supplies Officer, Inspector Food and Supplies and Sub Inspector Food and Supplies has been charge-sheeted under rule 7 of Punishment and Appeal Rules.

The department has taken many remedial steps to prevent such type of irregularities. No paddy is allotted to the defaulter rice millers in the coming Kharif Season.

In view of the position explained, the para may be dropped.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee viewed seriously the loss of Rs 3.09 crore to State exchequer and frequent occurrence of such loss cases in the department and desired to know remedial action being taken to avoid such losses in future.**

**The Committee further would like to know as to why officer/officials of department were not held responsible for connivance in such lapses and FIRs etc. were lodged against miller /firm only .**

**Committee therefore recommends that**

- i) Strict action be taken against concerned officers/officials.**
- ii) Complete detail regarding defaulting firms, amount defaulted, and net loss to State exchequer during last three years in respect of Karnal, Kurukshetra and Kaithal districts be submitted to the Committee.**
- iii) Complete detail of action taken/initiated in all these cases be also submitted to the Committee.**
- iv) Detail of defaulting firm/miller to whom work was allotted again be also submitted to the Committee.**

### **[29] 3.6 Extra burden of interest due to delay in claiming driage charges.**

**Five District Food, Civil Supplies and Consumer Affairs Controllers had not claimed paddy driage charges of ₹101.59 crore from FCI in regular bills at the time of supply of custom milled rice resulting in delayed receipt between 22 and 1, 577 days which caused an interest burden amounting to ₹13.45 crore.**

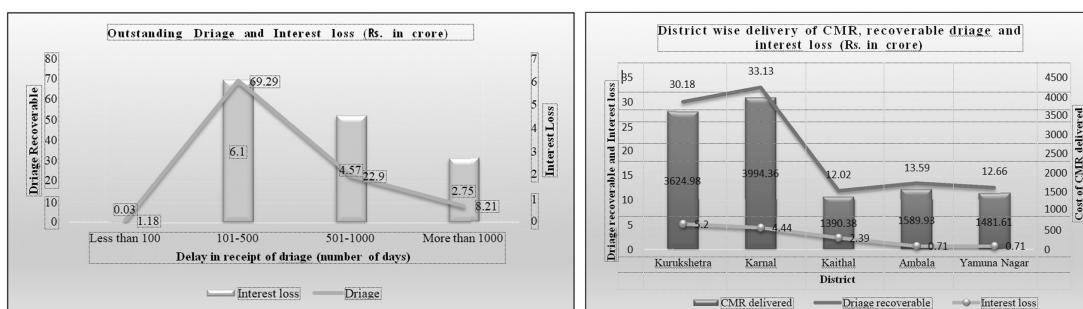
The Food, Civil Supplies and Consumer Affairs Department, Haryana procures paddy for the Central pool on behalf of the Food Corporation of India (FCI) and delivers the Custom Milled Rice (CMR) to FCI. The rates of CMR are fixed by Government of India (GoI), Department of Food and Public Distribution which include minimum support price (MSP) of paddy payable to farmers, statutory charges, interest charges for two months, milling charges, driage charges at the rate of one per cent of MSP and other incidental charges for each kharif marketing season (KMS).

The Department procures paddy by availing Cash Credit Limit (CCL) from State Bank of India. The District Food, Civil Supplies and Consumer Affairs Controllers (DFSCs) raise bills on FCI as per rates fixed by GoI at the time of delivery of CMR to central pool and generally receive payments from the FCI within a week. The FCI allows interest for limited period of two months for delivering CMR and no interest is allowed on any supplementary bills. To minimise the interest burden on withdrawal from CCL, the State Government has stressed

on delivery of CMR within prescribed time schedule.

During audit of five DFSCs, it was found that 45.83 lakh metric tonne CMR costing ₹12, 081 crore for KMS 2014-15 to 2017-18 was supplied between October 2014 and October 2018 to the FCI. Against this quantity, ₹101.59 crore were receivable as drriage charges from FCI. It was seen that the DFSCs did not claim the drriage charges at the time of delivery of CMR instead these were claimed through supplementary bills between July 2015 and March 2019 which resulted in delayed/non realisation of drriage charges. We observed that there were delays ranging between 22 and 1, 577 days in receipt of drriage charges from the FCI. As such, as on 31 March 2019, against the total receivable drriage charges of ₹101.59 crore, ₹93.58 crore had been received and ₹8.01 crore was pending realisation.

Due to delayed receipt of drriage charges, such amount remained withdrawn from CCL for extended period resulting in extra interest burden of ₹13.45 crore on the State exchequer. As the FCI does not allow interest on supplementary bills, therefore, it was financially imprudent to delay the claim for the State. Age-wise and district-wise analysis of interest burden on State Exchequer due to delay in receipt of drriage charges from the FCI has been presented in the Charts below.



As evident from above, out of the five test-checked districts, the loss of interest was alarming in three districts viz. Kurukshetra (₹5.20 crore), Karnal (₹4.44 crore) and Kaithal (₹2.39 crore).

In reply to audit observation, the Director, Food, Civil Supplies and Consumer Affairs Department stated (August 2018) that directions had been issued for claiming drriage charges from FCI in timely manner in future. The reply was not complete as reasons for not claiming the drriage charges at the time of supplying CMR to FCI were not specified. Despite the fact that FCI does not allow interest on supplementary bills, the drriage charges were claimed through supplementary bills resulting in receipt after a delay upto 1, 577 days. Further, outcome of the directions was awaited (April 2019).

Thus, due to non-claiming of paddy drriage charges of ₹101.59 crore through regular bills at the time of supply of CMR but at a later date through supplementary bills, drriage charges were received after a delay upto 1, 577 days and consequently an extra burden of ₹13.45 crore (upto 31 March 2019) on account of interest was paid on cash credit limit.

The matter was referred (May 2019) to the Additional Chief Secretary, Food, Civil Supplies and Consumer Affairs Department, Haryana and subsequent reminders were issued in May 2019 and May 2020; their reply was awaited (September 2020).

**Recommendation:** The State Government may consider fixing responsibility on District Food,

Civil Supplies and Consumer Affairs Controllers for not claiming driage charges from Food Corporation of India in regular bills at the time of supply of custom milled rice. Instructions may also be issued for compliance in future to avoid extra burden of interest.

**The department in its written reply stated as under:**

This para relates to non claiming of driage charges with regular CMR bills and DFSC Ambala, Kaithal, Karnal, Kurukshetra and Y.Nagar explain their position as under:-

**Ambala**

DFSC, Ambala has informed they have already issued instructions to their field staff they also inform that: "1. It should be claimed along with running bills of CMR delivered to FCI as practiced in surrounding State of Punjab". & 2. Claims of driage charges of CMR delivered should be raised immediately and in future driagecharges may be claimed in regular bills of CMR to avoid loss of interest on it." Accordingly office has raised their bills No. 764 dated 30.06.2020 for the payment to FCI Ambala Cantt. As the payment received from FCI the same will be informed. FCI has also been requested to clarify why the interest charges &Driage charges are not paid with CMR bill.

**Kaithal**

DFSC, Kaithal has informed in that Circle office Kaithal had payment to the Miller regarding driage charges every year after completion of milling work April to September every year their own resources. The claim of driage charges for KMS 2014-15, 2015-16, 2016-17, 2018-19 and 2019-20 in February 2021. This time the office received only KMS 2017-18 claim amount. The audit has also raised the objection during KMS 2016-18 and 2018-19.but office sent the bill during February 2021. The driage charges was submitted in Provisional cost sheet during KMS 2014-15 to 2019-20. The Bill of driage charges regarding KMS 2014-15, 2015-16, 2016-17, 2017-18 and 2019-20 claimed well before the time, but FCI has not payment to the office. The circle office has contact the payment office FCI they said that they have check the figures after that they have pass the claim of driage charges. As the FCI office pass the claim and the payment received from FCI the same will be informed. In view of position explained the para may be dropped.

**Karnal**

DFSC karnal has informed that during KMS 2018-19 circle office claimed the amount of Driage charges From FCI alongwith sale bill of CMR. On which FCI returned the bills raising the objection that amount of driage charges will be reimbursed after depositing the supporting documents. The documents which shows the driage charges paid to the rice millers and with the certificate of DFSC that he has paid the driage charges to the millers. In this way the claim of driage charges could be submitted to FCI after making payment of milling charges to the millers.

Thereafter, claim of driage charges of 98 Rice Mills was submitted to FCI alongwith supporting documents and certificate of DFSC vide bill no 2804 dated 20-08-2019 but this bill was also retuned by FCI saying that final and complete bill of driare charges be submitted. but FCI has returned the bill after raised objection that sent final bill of driage charges. In view of this a meeting was called in FCI office and as per decision in the meeting FCI made in interim payment of driage charges and after

making payment of driagecharges to all the rice millers by circle office FCI made full and final payment of driage charges. Similarly during KMS 2019-20 FCI made payment of driage charge to all the millers after submission the supporting document and certificate of DFSC.

During the kharif year 2020-21 the circle office submitted the sale bill of CMR adding driage charges to FCI but FCI refused to make the payment of driage charges. During KMS 2016-17 circle office claimed 4.66 crore of driage charges and balance amount of Rs. 68841509/- from FCI vide cheque no. 241716 dated 09-03-2021 and this amount has been deposited in departmental account with GRNo. 74466416 dated 12-03-2021.

Therefore there is no fault in claiming the driage charges. The delay is mainly due to FCI and its policy and there is no fault of departmental officials.

#### **Kurukshetra**

DFSC Kurukshetra informed that during KMS 2014-15 to 2017-18 the claim bill of driage charges submitted to FCI for payment vide Challan No 9376541 dated 11.04.2018 amounting 29926634/- Challan No. 54467115 dated 30-03-2019, amounting 10714379/-, year 2015-16 challan no. 93844685 dated 11.04.2018 amounting 66331181/- year 2017-18 challan no. 11914689 dated 20.02.2019 amounting 94969251/- year 2015-16 challan no. 079366209 dated 21.06.2018 amounting 16580609/- year 2016-17 challan no. 66132129 dated 17.05.2018 amounting 83281882/- year 2016-17 challan no. 59085384 dated 22.06.2018 amounting 16024385/- year 2017-18 challan no. 54551033 dated 29.03.2019 amounting 17943898/- and this amount has been received and deposited in the departmental account. Where as the question of claiming interest amount along with regular CMR bills, it is submitted that officials of FCI do not accept the interest bill with regular bill. Therefore, it is the priority to claim the regular bill form FCI.

#### **Yamuna Nagar**

DFSC Yamuna Nagar has informed that In the State FCI pay office do not pay driage charges and interest charges along with CMR bills, whereas as per clause 5(l)(12) of the agreement executed with the Rice Millers, 1% of the MSP of paddy has to be paid to the millers, but FCI do not pay driage charges and interest charges on time and return the bill with the objection that first give certificate of payment to the millers. Therefore payment of driage charge and interest charges to the millers is only possible when the payment of driage charges and interest charges is received by the office from FCI. The circle office sent to the daily CMR bills alongwith interest charges for payment to FCI office ambala but FCI did not pay interest charges alongwith CMR bills. It is clear that due to nonpayment of both the charges of FCI, there is financial loss to the State. Therefore no officer/officials is responsible for the loss suffered due to non claimingdriage charges with the regular CMR bill.

#### **Observations and Recommendations of the Committee as under:**

During oral examination the Committee observed that department could not convincingly clarify reasons for non submission of claims of driage charges alongwith original bill and reasons for not entertaining claim by FCI sent alongwith supplementary bills.

The Committee, therefore recommends that pragmatic efforts be made to sort out the issue to avoid loss of interest to State exchequer in future and, if needed, process of bringing necessary changes in the system be also initiated under intimation to the Committee.

### [30] 3.2 Delay in furnishing utilisation certificate (S.F.)

Rule 8.14 of the Punjab Financial Rules, as applicable to Haryana, provides that utilisation certificates (UCs) for the grants provided for specific purposes, should be obtained by departmental officers from the grantees. After verification, these should be forwarded to the Accountant General (A&E) within a reasonable time, unless a specific time limit is fixed by the sanctioning authority. However, of the 25, 792 UCs due for submission in respect of grants and loans aggregating ₹31, 175.20 crore, 1, 732 UCs for an aggregate amount of ₹8, 469.49 crore were in arrears. The department-wise break-up of UCs due, received and outstanding as on 31 March 2019 is given in Appendix 3.1. The year-wise delays in submission of UCs is summarised in Table 3.2.

Table 3.2: Year-wise arrears of Utilisation Certificates

(₹in crore)

| Year         | Total grants paid |                   | Utilisation certificates due |                   | Utilisation certificates received |                  | Utilisation certificates outstanding |                  |
|--------------|-------------------|-------------------|------------------------------|-------------------|-----------------------------------|------------------|--------------------------------------|------------------|
|              | Items             | Amount            | Items                        | Amount            | Items                             | Amount           | Items                                | Amount           |
| Upto 2013-14 | 1, 022            | 5, 897.44         | 279                          | 1, 707.65         | 69                                | 243.88           | 210                                  | 1, 463.77        |
| 2014-15      | 4, 907            | 4, 068.87         | 166                          | 1, 107.81         | 65                                | 678.07           | 101                                  | 429.74           |
| 2015-16      | 5, 810            | 5, 086.97         | 454                          | 1, 483.64         | 181                               | 665.78           | 273                                  | 817.86           |
| 2016-17      | 6, 381            | 8, 014.08         | 616                          | 3, 290.12         | 217                               | 1, 229.31        | 399                                  | 2, 060.81        |
| 2017-18      | 7, 672            | 8, 107.84         | 7, 672                       | 8, 107.84         | 6, 923                            | 4, 410.53        | 749                                  | 3, 697.31        |
| <b>Total</b> | <b>25, 792</b>    | <b>31, 175.20</b> | <b>9, 187</b>                | <b>15, 697.06</b> | <b>7, 455</b>                     | <b>7, 227.57</b> | <b>1, 732</b>                        | <b>8, 469.49</b> |

During the year 2018-19, 749 Utilisation Certificates (UCs) amounting to ₹3, 697.31 crore, which had become due, were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 25 departments. In addition to this, 983 UCs amounting to ₹4, 772.18 crore due for submission up to 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 1, 732 UCs amounting to ₹8, 469.49 crore were due for submission as of 31 March 2019. Therefore, there is no assurance that the amount of ₹8, 469.49 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

## Appendix 3.1

(Reference: Paragraph 3.2; Page 68)

## Detail of Utilisation Certificates due, received and outstanding as on 31 March 2019

(₹in crore)

| Sr. No. | Name of the Head                             | Year    | Total grants paid |           | Utilisation certificates due |           | Utilisation certificates received |           | Utilisation certificates outstanding |           |
|---------|----------------------------------------------|---------|-------------------|-----------|------------------------------|-----------|-----------------------------------|-----------|--------------------------------------|-----------|
|         |                                              |         | Items             | Amount    | Items                        | Amount    | Items                             | Amount    | Items                                | Amount    |
| 1       | Police (2055)                                | 2017-18 | 3                 | 71.22     | 3                            | 71.22     | 1                                 | 18.15     | 2                                    | 53.07     |
| 2       | General Education (2202)                     | 2014-15 | 739               | 1, 382.54 | 8                            | 1.02      | -                                 | -         | 8                                    | 1.02      |
|         |                                              | 2015-16 | 1, 063            | 1, 542.62 | 37                           | 93.15     | 4                                 | 15.92     | 33                                   | 77.23     |
|         |                                              | 2016-17 | 1, 332            | 1, 618.88 | 67                           | 195.12    | 41                                | 146.83    | 26                                   | 48.29     |
|         |                                              | 2017-18 | 1, 385            | 1, 656.36 | 1385                         | 1, 656.36 | 1, 363                            | 1, 579.16 | 22                                   | 77.19     |
| 3       | Technical Education (2203)                   | 2016-17 | 102               | 227.06    | 10                           | 43.47     | 7                                 | 26.97     | 3                                    | 16.50     |
|         |                                              | 2017-18 | 90                | 218.18    | 90                           | 218.18    | 81                                | 181.38    | 9                                    | 36.80     |
| 4       | Sports and Youth Services (2204)             | 2015-16 | 130               | 124.02    | 69                           | 32.78     | 44                                | 27.47     | 25                                   | 5.31      |
|         |                                              | 2016-17 | 56                | 90.69     | 51                           | 82.66     | 30                                | 74.39     | 21                                   | 8.27      |
|         |                                              | 2017-18 | 229               | 73.14     | 229                          | 73.14     | 212                               | 58.80     | 17                                   | 14.34     |
| 5       | Art and Culture (2205)                       | 2015-16 | 7                 | 3.51      | 4                            | 3.31      | 3                                 | 3.01      | 1                                    | 0.30      |
|         |                                              | 2016-17 | 4                 | 10.00     | 4                            | 10.00     | 2                                 | 4.50      | 2                                    | 5.50      |
|         |                                              | 2017-18 | 5                 | 4.95      | 5                            | 4.95      | 2                                 | 0.40      | 3                                    | 4.55      |
| 6       | Medical (2210)                               | 2016-17 | 78                | 935.68    | 2                            | 1.11      | 1                                 | 0.36      | 1                                    | 0.75      |
|         |                                              | 2017-18 | 82                | 1, 031.67 | 82                           | 1, 031.67 | 56                                | 694.22    | 26                                   | 337.45    |
| 7       | Family Welfare (2211)                        | 2017-18 | 1                 | 0.03      | 1                            | 0.03      | -                                 | -         | 1                                    | 0.03      |
| 8       | Urban Development (2217)                     | 2012-13 | 96                | 1, 274.01 | 27                           | 363.13    | 3                                 | 22.48     | 24                                   | 340.65    |
|         |                                              | 2013-14 | 73                | 1, 120.80 | 24                           | 436.30    | 4                                 | 62.41     | 20                                   | 373.89    |
|         |                                              | 2014-15 | 87                | 1, 115.43 | 46                           | 458.31    | 18                                | 273.11    | 28                                   | 185.20    |
|         |                                              | 2015-16 | 122               | 1, 478.70 | 76                           | 614.93    | 15                                | 192.62    | 61                                   | 422.31    |
|         |                                              | 2016-17 | 219               | 2, 227.25 | 177                          | 1, 494.29 | 21                                | 161.76    | 156                                  | 1, 332.54 |
|         |                                              | 2017-18 | 395               | 2, 781.01 | 395                          | 2, 781.01 | 54                                | 1, 017.42 | 341                                  | 1, 763.59 |
| 9       | Information and Publicity (2220)             | 2017-18 | 70                | 16.25     | 70                           | 16.25     | 11                                | 0.55      | 59                                   | 15.70     |
| 10      | Welfare of SC, ST, OBC and Minorities (2225) | 2017-18 | 1, 272            | 107.66    | 1272                         | 107.66    | 1271                              | 107.64    | 1                                    | 0.02      |

|    |                                                |         |        |           |        |           |        |        |     |        |
|----|------------------------------------------------|---------|--------|-----------|--------|-----------|--------|--------|-----|--------|
| 11 | Labour and Employment (2230)                   | 2017-18 | 4      | 23.07     | 4      | 23.07     | 2      | 16.35  | 2   | 6.72   |
| 12 | Social Security and Welfare (2235)             | 2014-15 | 33     | 43.71     | 4      | 12.28     | 2      | 0.75   | 2   | 11.53  |
|    |                                                | 2015-16 | 355    | 50.55     | 8      | 4.77      | 2      | 1.42   | 6   | 3.35   |
|    |                                                | 2016-17 | 137    | 4.84      | 2      | 0.12      | -      | -      | 2   | 0.12   |
|    |                                                | 2017-18 | 38     | 34.20     | 38     | 34.20     | 19     | 19.52  | 19  | 14.68  |
| 13 | Crop Husbandry (2401)                          | 2017-18 | 16     | 153.98    | 16     | 153.98    | -      | -      | 16  | 153.98 |
| 14 | Soil and Water Conservation (2402)             | 2016-17 | 2      | 0.59      | 2      | 0.59      | -      | -      | 2   | 0.59   |
|    |                                                | 2017-18 | 84     | 1.20      | 84     | 1.20      | 73     | 1.00   | 11  | 0.20   |
| 15 | Animal Husbandry (2403)                        | 2016-17 | 74     | 88.02     | 33     | 1.16      | 29     | 0.96   | 4   | 0.20   |
|    |                                                | 2017-18 | 86     | 74.08     | 86     | 74.08     | 72     | 50.30  | 14  | 23.78  |
| 16 | Fisheries (2405)                               | 2017-18 | 21     | 1.42      | 21     | 1.42      | 17     | 1.28   | 4   | 0.14   |
| 17 | Forestry and Wildlife (2406)                   | 2017-18 | 3      | 10.71     | 3      | 10.71     | -      | -      | 3   | 10.71  |
| 18 | Co-operation (2425)                            | 2017-18 | 5      | 155.80    | 5      | 155.80    | -      | -      | 5   | 155.80 |
| 19 | Special Programme and Rural Development (2501) | 2015-16 | 103    | 64.19     | 26     | 8.17      | 22     | 7.07   | 4   | 1.10   |
|    |                                                | 2016-17 | 87     | 69.16     | 51     | 58.22     | 31     | 11.13  | 20  | 47.09  |
|    |                                                | 2017-18 | 112    | 135.06    | 112    | 135.06    | 57     | 29.23  | 55  | 105.83 |
| 20 | Rural Employment (2505)                        | 2014-15 | 165    | 333.36    | 3      | 1.47      | -      | -      | 3   | 1.47   |
|    |                                                | 2015-16 | 48     | 285.52    | 22     | 110.68    | 11     | 19.88  | 11  | 90.80  |
|    |                                                | 2016-17 | 7      | 218.78    | 2      | 119.22    | -      | -      | 2   | 119.22 |
|    |                                                | 2017-18 | 15     | 211.07    | 15     | 211.07    | -      | -      | 15  | 211.07 |
| 21 | Other Rural Development Programmes (2515)      | 2009-10 | 68     | 366.26    | 1      | 10.85     | -      | -      | 1   | 10.85  |
|    |                                                | 2010-11 | 48     | 267.83    | 9      | 42.83     | -      | -      | 9   | 42.83  |
|    |                                                | 2011-12 | 222    | 722.40    | 62     | 182.72    | 21     | 45.72  | 41  | 137.00 |
|    |                                                | 2012-13 | 266    | 882.65    | 63     | 172.06    | 24     | 84.04  | 39  | 88.02  |
|    |                                                | 2013-14 | 249    | 1, 263.49 | 93     | 499.76    | 17     | 29.24  | 76  | 470.52 |
|    |                                                | 2014-15 | 3, 871 | 1, 191.66 | 104    | 634.63    | 45     | 404.22 | 59  | 230.40 |
|    |                                                | 2015-16 | 3, 845 | 1, 261.94 | 169    | 583.90    | 67     | 376.10 | 102 | 207.80 |
|    |                                                | 2016-17 | 4, 166 | 2, 262.96 | 187    | 1, 238.33 | 45     | 781.49 | 142 | 456.84 |
|    |                                                | 2017-18 | 3, 652 | 1, 127.58 | 3, 652 | 1, 127.58 | 3, 550 | 501.83 | 102 | 625.75 |
| 22 | Command Area Development (2705)                | 2015-16 | 21     | 212.59    | 2      | 1.57      | -      | -      | 2   | 1.57   |
|    |                                                | 2016-17 | 20     | 154.10    | 3      | 2.33      | -      | -      | 3   | 2.33   |
|    |                                                | 2017-18 | 19     | 75.45     | 19     | 75.45     | 18     | 67.95  | 1   | 7.50   |

|       |                                           |         |         |            |        |            |        |           |        |           |
|-------|-------------------------------------------|---------|---------|------------|--------|------------|--------|-----------|--------|-----------|
| 23    | Village and Small Scale Industries (2851) | 2016-17 | 20      | 29.70      | 3      | 6.17       | 1      | 0.50      | 2      | 5.67      |
| 24    | Industries (2852)                         | 2015-16 | 28      | 31.02      | 6      | 22.30      | 5      | 18.61     | 1      | 3.69      |
|       |                                           | 2016-17 | 36      | 61.70      | 16     | 34.88      | 6      | 18.88     | 10     | 16.00     |
|       |                                           | 2017-18 | 23      | 126.50     | 23     | 126.50     | 17     | 54.61     | 6      | 71.89     |
| 25    | Non-Conventional Source of Energy (2810)  | 2017-18 | 12      | 0.71       | 12     | 0.71       | 11     | 0.70      | 1      | 0.01      |
| 26    | Civil Aviation (3053)                     | 2017-18 | 2       | 1.00       | 2      | 1.00       | 1      | 0.30      | 1      | 0.70      |
| 27    | Other Scientific Research (3425)          | 2015-16 | 52      | 21.94      | 5      | 4.65       | 1      | 0.51      | 4      | 4.14      |
|       |                                           | 2016-17 | 37      | 13.05      | 2      | 0.83       | 1      | 0.52      | 1      | 0.31      |
|       |                                           | 2017-18 | 31      | 14.13      | 31     | 14.13      | 22     | 9.71      | 9      | 4.42      |
| 28    | Ecology and Environment (3435)            | 2014-15 | 12      | 2.17       | 1      | 0.10       | -      | -         | 1      | 0.10      |
|       |                                           | 2015-16 | 8       | 2.15       | 4      | 0.35       | 2      | 0.15      | 2      | 0.20      |
|       |                                           | 2016-17 | 4       | 1.62       | 4      | 1.62       | 2      | 1.02      | 2      | 0.60      |
|       |                                           | 2017-18 | 3       | 1.37       | 3      | 1.37       | -      | -         | 3      | 1.37      |
| 29    | Civil Supplies (3456)                     | 2015-16 | 28      | 8.22       | 26     | 3.08       | 5      | 3.02      | 21     | 0.06      |
|       |                                           | 2017-18 | 14      | 0.04       | 14     | 0.04       | 13     | 0.03      | 1      | 0.01      |
| Total |                                           |         | 25, 792 | 31, 175.20 | 9, 187 | 15, 697.06 | 7, 455 | 7, 227.57 | 1, 732 | 8, 469.49 |

### The departments in its written reply stated as under:

It is submitted that only a sum of Rs. 1, 41, 71, 000/- was sanctioned during the financial year 2017-18 by the office of Addl. Chief Secretary to Government Haryana, Food Civil Supplies & Consumer Affairs Department vide Memo No. 14/28/2007-3FS, dated 24.11.2017 for construction of building of the District Consumer Disputes Redresal Forum (now Commission), Rohtak.

Out of which a sum of Rs. 1, 41, 19, 811.56 was utilized, the utilization certificate was issued by the Haryana jPolice Houseing Corporation vide its letter No. HPHC/RTK/20/3723, dated 28.10.2020 (Copy enclosed). The UC of remaining amount of Rs 51, 189/- will be wnt as and when it was received from the Haryana Police Housing Corporation.

It is further submitted that the sanction of Rs 197, 53, 000/- was issued by the office of Addl. Chief Secretary to Govt. Haryan, Food Civil Supplies & Consumer Affairs Department vide Memo No. 13/34/2014-3FS, 13.09.2018 for construction of building of the district Consumer Disputes Redressal Forum with the Haryana Police Housing Corporation. But the UC was not received till date due non construction of building. Now the drawing was modified and accordingly the estimate was revised to Rs. 267.19 vide Endst. No. 886 dated 03.07.2020.



**Observations and Recommendations of the Committee as under:**

The Committee has desired that the outstanding Utilization Certificates (UCs) be obtained and submitted at the earliest and the same be got reconciled in the office of Principal Accountant General (A&E), Haryana under intimation of the Committee.



## **FOREST DEPARTMENT**

### **3.7 Use of forest land for non-forest purposes in Aravalli and Shivalik Hill areas.**

Audit noticed encroachments on forest land at six sites, due to weaknesses in exercising controls by the Forest Department. Possession of 170.74 acre land was not taken at three sites for compensatory afforestation. Compensatory afforestation was carried out only on 39.07 ha. against the availability of 122.18 ha. land. Inadequate watch and ward controls of the department led to illegal mining in forest areas. Delay in taking action against the offenders of forest rules resulted in loss of ₹2.74 crore. Further, the expenditure of ₹2.90 crore on salary of Protection Watchers was not incurred in a transparent manner.

#### **[31] 3.7.2 Encroachment of forest land**

The Additional Chief Secretary, Government of Haryana, Forest Department desired (October 2016) to identify blank and encroached areas using Geographical Information System (GIS). In compliance, the GIS Cell identified (February 2017) that a total of 454.88 acre area (except Pinjore) under encroachment in seven test checked divisions. The Principal Chief Conservator of Forests ordered (March 2017) the Divisional Forest Officers (T) concerned to do field verification of the said encroached areas. A report regarding status of encroachment of forest land and its eviction was sent to Government in September 2018. Scrutiny of this data revealed that there was a significant difference in data of encroachment on forest land as per divisional records (185.528 ha) and GIS Survey (1, 125.01 ha). The area freed from encroachment was only 25.28 ha as against the encroachment of 1, 125.01 ha. The division-wise detail of area under encroachment as per GIS survey, divisional records and area freed from encroachment is given in Appendix 3.2.

Thus, the divisional officers were oblivious of the actual forest land under encroachment, which clearly indicates lack of proper watch and ward by the Forest Department to protect/maintain the forest land.

Though field verification of encroachment with reference to data of GIS survey was stated to have been carried out by the divisions but no documentary evidence in support of having field verification done, was available with the divisions. As there was a significant difference of 939.482 ha in encroached area as per GIS survey and divisional records, a joint physical verification of five sites in five districts was conducted (November 2018 to April 2019) in audit to verify the actual encroachment.

Chapter 5 of the Forest (Conservation) Rules and guidelines (2003) envisage that whenever clearances are accorded for diversion/de-reservation of forest land under the provisions of the Forest (Conservation) Act, 1980, certain conditions are imposed by the Ministry to minimise impact on forest land. Any violation of these conditions would lead to cancellation of sanction for non-forestry use and lease agreement would be revoked and the forest land would be restored to the Forest Department for further management as forest. Section 3B of the Act further provides that where any offence is committed by any Department of Government, the Head of Department or by any authority, every person who, at the time of offence was committed, was directly incharge of and was responsible to the authority for the conduct of business of the authority as well as the authority shall be deemed to be guilty of

the offence and shall be liable to be proceeded against and punished accordingly.

The cases of encroachment of forest land and violation of rules and regulations detected during audit are discussed below:

- (i) Forest land in Industrial Estate, Bawal (Rewari), Mustil No. 26, Khasra/ Kila no. 2 and part of Kila no. 1 of Village Suthani was under encroachment and large factories were built on this land. Audit observed (April 2019) that the above cited area was transferred (2009) to the Forest Department by Haryana State Industrial and Infrastructure Development Corporation (HSIIDC) for developing forest in the area in lieu of forest land taken for Kundli-Manesar- Palwal Expressway. There was no encroachment on the land at the time of transfer of land to Forest Department. Thus, the Forest Department failed to protect the forest area from encroachment (construction of factories).



- (ii) The land measuring 2.42 acre of Rao-Majra village of Hamidpur beat (Naraingarh block of Ambala district) which was recorded as protected forest but was being used by farmers for agriculture purpose. This was tantamount to encroachment of forest land.



- (iii) In Narnaul range (Mahendragarh), pakka structures were constructed in Mukundpura village and adjoining dhanis (Chirag and Dhun) at six sites. According to Revenue records, these sites were part of reserve forest and were, thus, tantamount to encroachment of forest land.

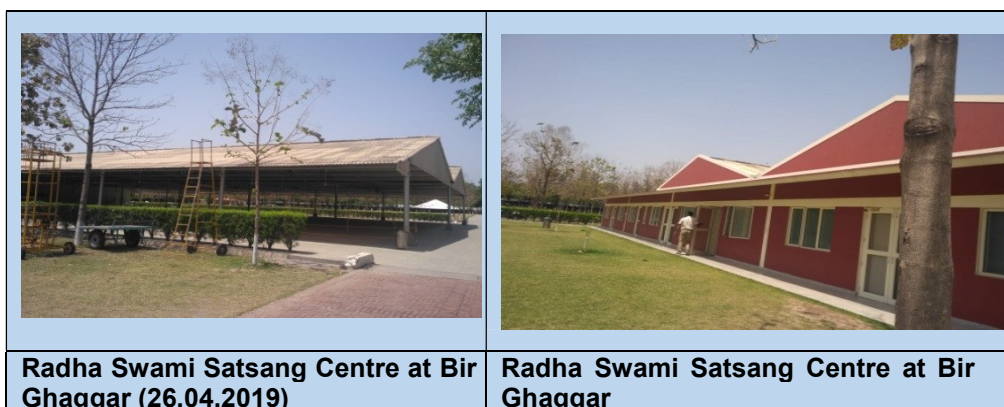
|                                                                                   |                                                                                   |                                                                                    |
|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
|  |  |  |
| <b>Dhani Chirag (08.02.2019)</b>                                                  | <b>Mukundpura (08.02.2019)</b>                                                    | <b>Dhani Dhun (08.02.2019)</b>                                                     |

- (iv) DROPED/Satllled on 19.11.2021

- (v) Radha Swami Satsang (Beas) requested (April 1992) the Forest Department to divert 100 acres (40.34 ha) of protected forest land for setting up a Satsang Centre at Bir Ghaggar. The permission was granted for diversion of land for setting up Satsang Centre in January 1998 subject to the conditions that legal status of forest land shall remain unchanged and the forest land diverted would be utilised only for plantation of trees and no construction would be undertaken in the area.

Due to encroachment on 35 acre land, the Forest Department and Radha Swami Satsang (Beas) executed a lease agreement for 28 years for 65 acre of land in November 2009. Subsequently, possession of additional 19.50 acre (Total 84.50 acre) land was also given by April 2011 after getting the land freed from encroachment.

Construction activities were carried out by the Radha Swami Satsang Society on the said forest land in violation of the terms and conditions of lease agreement. As per Forest (Conservation) Rules and guidelines, the lease was to be terminated and sanction was to be cancelled and possession of the land was to be taken by the Forest Department. According to Google imagery (coordinates were between 30°43'57.23"N and 76°53'48.26"E, ), the buildings were constructed between January 2006 and April 2009.



Thus, the Department failed to protect the forest area from non-forest activities.

(vi) DROPED/Satllled on 19.11.2021

**The department in its written reply stated as under:**

- (i) DFO Rewari has reported that Manager, HSIIDC Bawal vide letter No. 7/415 dated 01.05.2007 has transferred 65.78 Acre land to Forest Department but out of which 64 Acre, 5 Kanal, 2 Marla was transferred to Forest Department in 2009. Range Officer Bawal vide letter No. 15 dated 12.04.2019 has informed that in khasra No. 26//2 of village Suthani a company has already built structures. DFO Rewari vide letter No. 2147 dated 23.12.2019 has written to HSIIDC Bawal this erroneous allotment of same land to Forest Department and a company. HSIIDC Bawal vide letter No. 1728 dated 18.3.2021 has assured that they will soon transfer land to Forest Deptt. at other place in lieu of land transferred to company.
- (ii) DCF, Ambala has informed that the area of protected forest in village Rao-Majra is 209 acre out of which 15 acre area is under encroachment. After removal of encroachment, plantation has been carried out there under the CAMPA scheme.
- (iii) DFO Mahendergarh has reported that an area of about 527.00 acre in village Mukandpura was notified by State Government as Reserve Forest vide notification No. GSR 60/C.A. 16/27/S.20/98 dated 11th June, 1998 under the provisions of the India Forest Act, 1927. The ownership of the land prior to the notification was with the Central Government and now it lies with the State Government. DFO, Mahendergarh is in the process of getting the land demarcated and has demanded budget from higher authorities for demarcation.
- (v) DFO, Morni-Pinjore has informed that 40.34 ha protected forest land in village Bir Ghaggar was given to Radha Soami Satsang (Beas) for Satsang Center. The land was given Satsang Center with conditions that legal status of forest land shall remain unchanged and the forest land diverted would be utilized only for plantation of trees. As far as Audit report is concerned, DFO, Morni-Pinjore has informed that a shed of 120 x 80 ft has been constructed

in the land for Satsang. A guard hut measuring 13 x 25 ft and a bathroom of 15 x 63 ft have also been constructed. Besides, RSSB has planted large number of trees of Aonla, Mango, Citrus, Daink and other species.

**Observations and Recommendations of the Committee as under:**

- Part (i)** During oral examination the Committee observed that department failed to complete required action. The Committee therefore, recommends that responsibility of concerned erring officers/officials be fixed.
- Part (ii)** During oral examination the Committee was not satisfied with the reply of department regarding significant difference in the figures of area of forest land as per GIS survey and that as per manual survey. The Committee therefore, recommends that an enquiry be got conducted regarding submission of factually incorrect reply, explanation of concerned be called for and a complete action taken report be submitted at the earliest.
- Part (iii)** During oral examination the Committee has directed that an inspection be got conducted in respect status of population and plantations of trees in area of Mukundpur village, process of demarcation be expedited and an action report be submitted to the Committee.
- Part (v)** During oral examination the Committee recommends that appropriate action as per rule be initiated for removal of temporary building structures under intimation to the Committee.

**[32 ] 3.7.3 Failure to increase forest cover due to non-receipt of possession of non-forest land and delay in plantation**

Paragraph 4.5.1 of the Haryana Forest Policy-2006 provides that Forest land should not be treated merely as a source readily available to be utilised for various projects and programmes, but as a national asset, which requires to be properly safeguarded for providing sustained benefits to the entire community. Further, paragraph 3.4(i) of the guidelines issued under Forest Conservation Act, 1980 states that equivalent non-forest land identified for the purpose of compensatory afforestation was to be transferred to the Forest Department and the transfer must take place prior to the commencement of project. Scrutiny of records revealed that the department diverted forest land for non-forest purposes but failed to get possession of the non-forest land in lieu of that as discussed below:

- (i) Haryana Urban Development Authority (HUDA) utilised 12.79 ha. (31.59 acre) forest land for development works from time to time. In lieu of this, HUDA agreed (May 1997) to transfer 31.38 acre land to Forest Department along Gurgaon Water Supply (GWS) Channel but later on, in October 1998, HUDA agreed to transfer 24.24 acre of land to Forest Department at different locations in the State. No reasons for change of locations and decrease in area from 31.38 acre to 24.24 acre were on record. The land (24.24 acre) was mutated between June 2006 and October 2010 in favour of Forest Department but the possession could not be taken due to encroachments. As the transfer of non-forest land to Forest Department was to be taken prior

to the commencement of the projects, granting permission for diverting forest land to HUDA without possession was not appropriate. This resulted in decrease in forest area.

- (ii) Drpped/Settled on 19.11.2021
- (iii) The HSIIDC had applied (November 2006) for diversion of 89 acre of forest land for construction of Kundli-Manesar-Palwal expressway. In lieu of this, 111.78 acre land (Industrial Estate; Bahadurgarh: 46 acre and Growth center Bawal: 65.78 acre) was to be transferred to Forest Department for compensatory afforestation by HSIIDC. Scrutiny of records revealed that the land transferred to Forest Department in Growth Center, Bawal was already a green belt which was mandatory to be developed for maintaining ecological balance as per Environmental rules while developing an industrial estate. Thus, HSIIDC had transferred green belt land to Forest Department instead of non-forest land for developing forest. The then Range Officer had objected (January 2008) the transferring of green belt and had asked HSIIDC to transfer some other land to Forest Department in lieu of green belt area. Further action taken in this matter was not on record of the Forest Department and no land had been transferred to the Forest Department in lieu of green belt area (May 2019).
- (iv) While according approval, the Gol directed that compensatory afforestation should be done within one year of issue of approval order of diversion of land. Forest Department diverted 44.65 ha. of land in 75 cases in Rewari division and approval for diversion was received in these cases during 2015-18. The Department had carried out compensatory afforestation only on 23.37 ha. of the diverted land while no compensatory afforestation had been carried out on the remaining 21.28 ha diverted land. Similarly, Divisional Forest Office (T), Gurugram, diverted 77.53 ha. of land in 74 cases during this period. However, compensatory afforestation was carried out on merely 15.70 ha land. Thus, the Forest Department was slow in carrying out compensatory afforestation, resulting in decrease in forest area.

**The department in its written reply stated as under:**

- (i) DFO Gurugram has reported that correspondence have been made with HUDA from time to time but no action has been taken by HUDA Department. Range Officer, Gurugram has also directed to compare the khasra numbers with revenue record and submit report. The said land can be declared Protected Forest after verification from Revenue records and taking physical possession of land.
- (iii) DFO Rewari has reported that HSIIDC has transferred 65 acre non-forest land to Forest Department for compensatory afforestation. HSIIDC is a Haryana Govt. Department to develop industrial infrastructure in Haryana and provide land for industries. HSIIDC has transferred the land to Forest Department as per Haryana Govt. rules and after permission from higher authorities. Compensatory afforestation is carried out by Forest Department on the land which was given by user agency. HSIIDC had transferred green belt land to Forest Department instead of equivalent



non-forest land for developing forest.

DFO Jhajjar has reported that HSIIDC has transferred 45 Acre, 7 Kanal, 17 Marla non-forest land to Forest Department for compensatory afforestation.

- (iv) DFO, Rewari has reported that till now CEO CAMPA has allotted physical targets of 60 cases out of 75. Remaining 15 cases plantation will be done during next year after allotment from HQ.

DCF, Gurugram has reported that during the year 2015-16 to 2018-19 approximately 110.98 ha. was diverted and accordingly compensatory afforestation was to be done on similar land. But as per targets allotted by GOI, total 5 ha. 101.6 RKM target has been achieved during 2015-18 and remaining the pending cases plantation will be done during next year after allotment from HQ.

### **Observations and Recommendations of the Committee as under:**

- (i) **During oral examination department stated that final action for taking possession of land was under process. The Committee, therefore recommends that required action be expedited.**
- (iii) & (iv) **During oral examination department stated that backlog in compensatory forestation would be completed next year i.e 2022-23. The Committee, therefore recommends that work be completed expeditiously under intimation to the Committee.**

### **[33] 3.7.4 Poor/inadequate control Failur.**

- (i) **Dropped/Settled on 19.11.2021**
- (ii) **Loss of revenue due to time barred cases of illegal mining, construction and encroachment**

Paragraph 17.79 of the Haryana Forest Manual 2015 inter-alia stipulates that prosecution cases should be finalised within two months of the issue of the damage report.

During test check of records of Divisional Forest Officer (T), Faridabad, it was observed that 46 cases of illegal felling of trees, illegal mining and illegal encroachment, on which penalty of ₹2.18 crore was leviable, were not filed in the Environment Courts, within the stipulated period of two months and had become time barred. DFO Faridabad recommended (June 2018) to Conservator of Forest, South circle, Gurugram that action against the then Forest Range Officer, Faridabad must be taken as he was responsible for failure of filing the cases in Environment Courts, with a copy to Chief Conservator of Forest (Protection-II) Gurugram. No action has been taken against the defaulting officer. However, during exit meeting held in July 2018, the Divisional Office stated that the matter was under investigation.

Similarly, 176 cases of time barred damage reports (2015-19) involving damage charges of ₹55.63 lakh were also noticed in four divisions.

Thus, due to not taking action within stipulated period of two months, 222 damage reports had become time barred. This resulted in loss to the State Exchequer of ₹2.74 crore due to non-recovery of damage charges. It is recommended that the department may initiate disciplinary action against the defaulting officers for the loss of revenue due to failure in filing the cases in the Environment Courts within the stipulated time period.

**The department in its written reply stated as under:**

- (i) DFO Nuh reported that if any illegal mining found in forest area, tractor & trolley have been seized and imposed penalties as per departmental rules.
- DFO Nuh reported that if any illegal mining found in forest area, tractor & trolley have been seized and imposed penalties as per departmental rules.
- DFO Mahendergarh has reported that in Khudana village two Forest Offence Reports have been issued. FOR No. 001/0596 dated 18.6.2016 was decided in favour of department. FOR No. 018/2019 dated 25.5.2019 has been filed as prosecution case in Special Environment Court, Faridabad which is pending.
- (ii) DFO Faridabad has reported that show cause notices have been issued to concerned employees who were responsible for failure of filing the prosecution cases in Environment Court against 46 cases of illegal felling of trees, illegal mining and illegal encroachments. For enquiry of these 46 FOR's, higher authorities have been requested to depute enquiry officer. After receipt of enquiry report disciplinary action will be taken against the culprits.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that disciplinary action against culprits would be completed in 6 months. The Committee, therefore recommends that complete action taken report be submitted to the Committee.

**[34] 3.2 Delay in furnishing utilisation certificates (SF)**

Rule 8.14 of the Punjab Financial Rules, as applicable to Haryana, provides that utilisation certificates (UCs) for the grants provided for specific purposes, should be obtained by departmental officers from the grantees. After verification, these should be forwarded to the Accountant General (A&E) within a reasonable time, unless a specific time limit is fixed by the sanctioning authority. However, of the 25, 792 UCs due for submission in respect of grants and loans aggregating ₹31, 175.20 crore, 1, 732 UCs for an aggregate amount of ₹8, 469.49 crore were in arrears. The department-wise break-up of UCs due, received and outstanding as on 31 March 2019 is given in Appendix 3.1. The year-wise delays in submission of UCs is summarised in Table 3.2.

Table 3.2: Year-wise arrears of Utilisation Certificates

(₹in crore)

| Year         | Total grants paid |                   | Utilisation certificates due |                   | Utilisation certificates received |                  | Utilisation certificates outstanding |                  |
|--------------|-------------------|-------------------|------------------------------|-------------------|-----------------------------------|------------------|--------------------------------------|------------------|
|              | Items             | Amount            | Items                        | Amount            | Items                             | Amount           | Items                                | Amount           |
| Upto 2013-14 | 1, 022            | 5, 897.44         | 279                          | 1, 707.65         | 69                                | 243.88           | 210                                  | 1, 463.77        |
| 2014-15      | 4, 907            | 4, 068.87         | 166                          | 1, 107.81         | 65                                | 678.07           | 101                                  | 429.74           |
| 2015-16      | 5, 810            | 5, 086.97         | 454                          | 1, 483.64         | 181                               | 665.78           | 273                                  | 817.86           |
| 2016-17      | 6, 381            | 8, 014.08         | 616                          | 3, 290.12         | 217                               | 1, 229.31        | 399                                  | 2, 060.81        |
| 2017-18      | 7, 672            | 8, 107.84         | 7, 672                       | 8, 107.84         | 6, 923                            | 4, 410.53        | 749                                  | 3, 697.31        |
| <b>Total</b> | <b>25, 792</b>    | <b>31, 175.20</b> | <b>9, 187</b>                | <b>15, 697.06</b> | <b>7, 455</b>                     | <b>7, 227.57</b> | <b>1, 732</b>                        | <b>8, 469.49</b> |

During the year 2018-19, 749 Utilisation Certificates (UCs) amounting to ₹3, 697.31 crore, which had become due, were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 25 departments. In addition to this, 983 UCs amounting to ₹4, 772.18 crore due for submission up to 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 1, 732 UCs amounting to ₹8, 469.49 crore were due for submission as of 31 March 2019. Therefore, there is no assurance that the amount of ₹8, 469.49 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

### Appendix 3.1

(Reference: Paragraph 3.2; Page 68)

### Detail of Utilisation Certificates due, received and outstanding as on 31 March 2019

(₹in crore)

| Sr. No. | Name of the Head                 | Year    | Total grants paid |           | Utilisation certificates due |           | Utilisation certificates received |           | Utilisation certificates outstanding |        |
|---------|----------------------------------|---------|-------------------|-----------|------------------------------|-----------|-----------------------------------|-----------|--------------------------------------|--------|
|         |                                  |         | Items             | Amount    | Items                        | Amount    | Items                             | Amount    | Items                                | Amount |
| 1       | Police (2055)                    | 2017-18 | 3                 | 71.22     | 3                            | 71.22     | 1                                 | 18.15     | 2                                    | 53.07  |
| 2       | General Education (2202)         | 2014-15 | 739               | 1, 382.54 | 8                            | 1.02      | -                                 | -         | 8                                    | 1.02   |
|         |                                  | 2015-16 | 1, 063            | 1, 542.62 | 37                           | 93.15     | 4                                 | 15.92     | 33                                   | 77.23  |
|         |                                  | 2016-17 | 1, 332            | 1, 618.88 | 67                           | 195.12    | 41                                | 146.83    | 26                                   | 48.29  |
|         |                                  | 2017-18 | 1, 385            | 1, 656.36 | 1385                         | 1, 656.36 | 1, 363                            | 1, 579.16 | 22                                   | 77.19  |
| 3       | Technical Education (2203)       | 2016-17 | 102               | 227.06    | 10                           | 43.47     | 7                                 | 26.97     | 3                                    | 16.50  |
|         |                                  | 2017-18 | 90                | 218.18    | 90                           | 218.18    | 81                                | 181.38    | 9                                    | 36.80  |
| 4       | Sports and Youth Services (2204) | 2015-16 | 130               | 124.02    | 69                           | 32.78     | 44                                | 27.47     | 25                                   | 5.31   |
|         |                                  | 2016-17 | 56                | 90.69     | 51                           | 82.66     | 30                                | 74.39     | 21                                   | 8.27   |
|         |                                  | 2017-18 | 229               | 73.14     | 229                          | 73.14     | 212                               | 58.80     | 17                                   | 14.34  |
| 5       | Art and Culture (2205)           | 2015-16 | 7                 | 3.51      | 4                            | 3.31      | 3                                 | 3.01      | 1                                    | 0.30   |
|         |                                  | 2016-17 | 4                 | 10.00     | 4                            | 10.00     | 2                                 | 4.50      | 2                                    | 5.50   |
|         |                                  | 2017-18 | 5                 | 4.95      | 5                            | 4.95      | 2                                 | 0.40      | 3                                    | 4.55   |
| 6       | Medical (2210)                   | 2016-17 | 78                | 935.68    | 2                            | 1.11      | 1                                 | 0.36      | 1                                    | 0.75   |
|         |                                  | 2017-18 | 82                | 1, 031.67 | 82                           | 1, 031.67 | 56                                | 694.22    | 26                                   | 337.45 |
| 7       | Family Welfare (2211)            | 2017-18 | 1                 | 0.03      | 1                            | 0.03      | -                                 | -         | 1                                    | 0.03   |
| 8       | Urban Development (2217)         | 2012-13 | 96                | 1, 274.01 | 27                           | 363.13    | 3                                 | 22.48     | 24                                   | 340.65 |
|         |                                  | 2013-14 | 73                | 1, 120.80 | 24                           | 436.30    | 4                                 | 62.41     | 20                                   | 373.89 |
|         |                                  | 2014-15 | 87                | 1, 115.43 | 46                           | 458.31    | 18                                | 273.11    | 28                                   | 185.20 |
|         |                                  | 2015-16 | 122               | 1, 478.70 | 76                           | 614.93    | 15                                | 192.62    | 61                                   | 422.31 |

|    |                                                |         |        |           |      |           |      |           |     |           |
|----|------------------------------------------------|---------|--------|-----------|------|-----------|------|-----------|-----|-----------|
|    |                                                | 2016-17 | 219    | 2, 227.25 | 177  | 1, 494.29 | 21   | 161.76    | 156 | 1, 332.54 |
|    |                                                | 2017-18 | 395    | 2, 781.01 | 395  | 2, 781.01 | 54   | 1, 017.42 | 341 | 1, 763.59 |
| 9  | Information and Publicity (2220)               | 2017-18 | 70     | 16.25     | 70   | 16.25     | 11   | 0.55      | 59  | 15.70     |
| 10 | Welfare of SC, ST, OBC and Minorities (2225)   | 2017-18 | 1, 272 | 107.66    | 1272 | 107.66    | 1271 | 107.64    | 1   | 0.02      |
| 11 | Labour and Employment (2230)                   | 2017-18 | 4      | 23.07     | 4    | 23.07     | 2    | 16.35     | 2   | 6.72      |
| 12 | Social Security and Welfare (2235)             | 2014-15 | 33     | 43.71     | 4    | 12.28     | 2    | 0.75      | 2   | 11.53     |
|    |                                                | 2015-16 | 355    | 50.55     | 8    | 4.77      | 2    | 1.42      | 6   | 3.35      |
|    |                                                | 2016-17 | 137    | 4.84      | 2    | 0.12      | -    | -         | 2   | 0.12      |
|    |                                                | 2017-18 | 38     | 34.20     | 38   | 34.20     | 19   | 19.52     | 19  | 14.68     |
| 13 | Crop Husbandry (2401)                          | 2017-18 | 16     | 153.98    | 16   | 153.98    | -    | -         | 16  | 153.98    |
| 14 | Soil and Water Conservation (2402)             | 2016-17 | 2      | 0.59      | 2    | 0.59      | -    | -         | 2   | 0.59      |
|    |                                                | 2017-18 | 84     | 1.20      | 84   | 1.20      | 73   | 1.00      | 11  | 0.20      |
| 15 | Animal Husbandry (2403)                        | 2016-17 | 74     | 88.02     | 33   | 1.16      | 29   | 0.96      | 4   | 0.20      |
|    |                                                | 2017-18 | 86     | 74.08     | 86   | 74.08     | 72   | 50.30     | 14  | 23.78     |
| 16 | Fisheries (2405)                               | 2017-18 | 21     | 1.42      | 21   | 1.42      | 17   | 1.28      | 4   | 0.14      |
| 17 | Forestry and Wildlife (2406)                   | 2017-18 | 3      | 10.71     | 3    | 10.71     | -    | -         | 3   | 10.71     |
| 18 | Co-operation (2425)                            | 2017-18 | 5      | 155.80    | 5    | 155.80    | -    | -         | 5   | 155.80    |
| 19 | Special Programme and Rural Development (2501) | 2015-16 | 103    | 64.19     | 26   | 8.17      | 22   | 7.07      | 4   | 1.10      |
|    |                                                | 2016-17 | 87     | 69.16     | 51   | 58.22     | 31   | 11.13     | 20  | 47.09     |
|    |                                                | 2017-18 | 112    | 135.06    | 112  | 135.06    | 57   | 29.23     | 55  | 105.83    |
| 20 | Rural Employment (2505)                        | 2014-15 | 165    | 333.36    | 3    | 1.47      | -    | -         | 3   | 1.47      |
|    |                                                | 2015-16 | 48     | 285.52    | 22   | 110.68    | 11   | 19.88     | 11  | 90.80     |
|    |                                                | 2016-17 | 7      | 218.78    | 2    | 119.22    | -    | -         | 2   | 119.22    |
|    |                                                | 2017-18 | 15     | 211.07    | 15   | 211.07    | -    | -         | 15  | 211.07    |
| 21 | Other Rural Development Programmes (2515)      | 2009-10 | 68     | 366.26    | 1    | 10.85     | -    | -         | 1   | 10.85     |
|    |                                                | 2010-11 | 48     | 267.83    | 9    | 42.83     | -    | -         | 9   | 42.83     |
|    |                                                | 2011-12 | 222    | 722.40    | 62   | 182.72    | 21   | 45.72     | 41  | 137.00    |
|    |                                                | 2012-13 | 266    | 882.65    | 63   | 172.06    | 24   | 84.04     | 39  | 88.02     |
|    |                                                | 2013-14 | 249    | 1, 263.49 | 93   | 499.76    | 17   | 29.24     | 76  | 470.52    |
|    |                                                | 2014-15 | 3, 871 | 1, 191.66 | 104  | 634.63    | 45   | 404.22    | 59  | 230.40    |
|    |                                                | 2015-16 | 3, 845 | 1, 261.94 | 169  | 583.90    | 67   | 376.10    | 102 | 207.80    |
|    |                                                | 2016-17 | 4, 166 | 2, 262.96 | 187  | 1, 238.33 | 45   | 781.49    | 142 | 456.84    |

|              |                                           |         |               |                  |              |                  |              |                 |              |                 |
|--------------|-------------------------------------------|---------|---------------|------------------|--------------|------------------|--------------|-----------------|--------------|-----------------|
|              |                                           | 2017-18 | 3,652         | 1,127.58         | 3,652        | 1,127.58         | 3,550        | 501.83          | 102          | 625.75          |
| 22           | Command Area Development (2705)           | 2015-16 | 21            | 212.59           | 2            | 1.57             | -            | -               | 2            | 1.57            |
|              |                                           | 2016-17 | 20            | 154.10           | 3            | 2.33             | -            | -               | 3            | 2.33            |
|              |                                           | 2017-18 | 19            | 75.45            | 19           | 75.45            | 18           | 67.95           | 1            | 7.50            |
| 23           | Village and Small Scale Industries (2851) | 2016-17 | 20            | 29.70            | 3            | 6.17             | 1            | 0.50            | 2            | 5.67            |
| 24           | Industries (2852)                         | 2015-16 | 28            | 31.02            | 6            | 22.30            | 5            | 18.61           | 1            | 3.69            |
|              |                                           | 2016-17 | 36            | 61.70            | 16           | 34.88            | 6            | 18.88           | 10           | 16.00           |
|              |                                           | 2017-18 | 23            | 126.50           | 23           | 126.50           | 17           | 54.61           | 6            | 71.89           |
| 25           | Non-Conventional Source of Energy (2810)  | 2017-18 | 12            | 0.71             | 12           | 0.71             | 11           | 0.70            | 1            | 0.01            |
| 26           | Civil Aviation (3053)                     | 2017-18 | 2             | 1.00             | 2            | 1.00             | 1            | 0.30            | 1            | 0.70            |
| 27           | Other Scientific Research (3425)          | 2015-16 | 52            | 21.94            | 5            | 4.65             | 1            | 0.51            | 4            | 4.14            |
|              |                                           | 2016-17 | 37            | 13.05            | 2            | 0.83             | 1            | 0.52            | 1            | 0.31            |
|              |                                           | 2017-18 | 31            | 14.13            | 31           | 14.13            | 22           | 9.71            | 9            | 4.42            |
| 28           | Ecology and Environment (3435)            | 2014-15 | 12            | 2.17             | 1            | 0.10             | -            | -               | 1            | 0.10            |
|              |                                           | 2015-16 | 8             | 2.15             | 4            | 0.35             | 2            | 0.15            | 2            | 0.20            |
|              |                                           | 2016-17 | 4             | 1.62             | 4            | 1.62             | 2            | 1.02            | 2            | 0.60            |
|              |                                           | 2017-18 | 3             | 1.37             | 3            | 1.37             | -            | -               | 3            | 1.37            |
| 29           | Civil Supplies (3456)                     | 2015-16 | 28            | 8.22             | 26           | 3.08             | 5            | 3.02            | 21           | 0.06            |
|              |                                           | 2017-18 | 14            | 0.04             | 14           | 0.04             | 13           | 0.03            | 1            | 0.01            |
| <b>Total</b> |                                           |         | <b>25,792</b> | <b>31,175.20</b> | <b>9,187</b> | <b>15,697.06</b> | <b>7,455</b> | <b>7,227.57</b> | <b>1,732</b> | <b>8,469.49</b> |

**The departments in its written reply stated as under:**

1. At Serial No. 17 of Appendix 3.1 it is stated that 3 utilization certificates of total amount 10.71 crores Forestry and Wildlife (2406) were pending during the year 2017-18. The allocation during the period was Rs. 10.70 Crore and expenditure was of Rs. 3.85 Crore.
2. The utilization certificates for the expenditure of Rs. 3.85 Crore were sent vide PCCF letter File No. 3/2020-21/SFDA/8 dated 20.05.2020 (Annexure-1). The said letter and corresponding utilization certificates on prescribed proforma for the periods 01.04.2017 to 31.03.2018, 01.04.2018 to 31.03.2019 and 01.04.2019 to 31.03.2020 of amount Rs 363.11 lakh; Rs. 8.35 lakh and Rs.13.59 lakh respectively are placed as annexure 2, 3 and 4 respectively.

**Observations and Recommendations of the Committee as under:**

The Committee would like to know that the outstanding Utilization Certificates (UCs) be obtained and submitted at the earliest and the same be got reconciled in the office of Principal Accountant General (A&E), Haryana under intimation of the Committee.

## **HOME DEPARTMENT**

### **[35] 3.8 Unauthorised use of golf course on Government land.**

**The golf course developed on Government land with Government resources at 3rd Battalion, Haryana Armed Police, Hisar was allowed for use by private persons unauthorisedly for more than five years. Revenue amounting to ₹80.87 lakh generated by its Management Committee was kept outside the Government account.**

Section 3(a) of the Public Premises and Land (Eviction and Rent Recovery) Act, 1972 states that a person shall be deemed to be in unauthorised occupation of any public premises if he enters into possession thereof otherwise than under and in pursuance of any allotment, lease or grant. Further, Section 3(c)(i) of the Public Premises and Land (Eviction and Rent Recovery) Act, 1972 and Rule 3.29 of Punjab Police Rules, Volume I (PPR) specifically prohibit the use/lease of public premises without the permission of the State Government. Further, Rule 4.1 of the Punjab Financial Rules (PFR) provides that the departmental controlling officers should see that all sums due to Government are regularly and promptly assessed, realised and duly credited into the treasury.

The 3rd Battalion, Haryana Armed Police (HAP), Hisar occupies approximately 83 acres of land. It imparts training to the newly recruited constables of the Haryana Police. Out of total area of 83 acres, the Commandant, 3rd Battalion developed a golf course in 55 acres with the approval of Director General of Police, Haryana (DGP) and formally started the golf course in October 2010 under the name of Haryana Armed Police Green Golf Course, Hisar. In November 2013, the golf course was opened to private persons by allowing membership. Private persons were made members to make the golf course self sustainable and for generating funds for its upkeep and maintenance. A Managing Committee under the chairmanship of Inspector General of Police, Hisar Range was also set up for managing the affairs of the golf course like a private enterprise. The Managing Committee generated and retained the revenue of ₹80.87 lakh upto December 2018 as membership and maintenance fee whereas Government resources were used on payment of electricity and water charges and deployment of manpower for operation and maintenance of the golf course.

Managing the affairs of the golf course through a Managing Committee and allowing membership to private persons in the golf course was tantamount to leasing it out to a private body as permission/sanction of the Government was not obtained for constructing the golf course on the Government land and funds generated by the body were being kept outside the Government account and were spent by the body without following the Government rules and regulations.

The Director General of Police, Haryana replied (April 2019) that membership fee and maintenance charges were being deposited in a separate bank account and were managed by a Committee headed by Inspector General, Hisar Range. The operation of this account was done as per procedure prescribed in the constitution of the club. All expenditures were incurred strictly as per constitution of the club.

The reply was not tenable as funds generated by way of membership and maintenance fee were kept out of Consolidated Fund of the State without specific authorisation. Further, Government resources were being used for operation and maintenance of golf course as

payments of electricity and water charges were made from the government funds and police manpower was deployed for development of the golf course.

Thus, the golf course was leased out to a private body without specific approval of the Government by violating the provisions of Section 3(a) and 3(c)(i) of the Haryana Public Premises and Land (Eviction and Rent Recovery) Act, 1972 and was under unauthorised use of a private body for more than five years. Audit further observed that more than 2/3rd of the area allotted for the battalion by the Government was utilised for the golf course, without payment of any lease money to the Government. The action of the Police Department was in violation of extant Government rules and regulations.

The matter was referred to the State Government in March 2019, subsequent reminders were issued in June 2019 and May 2020; their reply was awaited (September 2020).

Recommendation: The State Government may consider fixing responsibility for violating the provisions of Sections 3(a) and 3(c)(i) of the Haryana Public Premises and Land (Eviction and Rent Recovery) Act, 1972 and allowing unauthorised use Government land by a private body for golf course.

### **The department in its written reply stated as under:**

It is submitted at the outset that we need to first appreciate the rationale behind the creation and maintenance of a Golf Course on the Police Campus of 3rd Battalion, HAP, Hisar with public participation. It is submitted that at the time of acquisition of land for establishing the Battalion Headquarter of the 3rd Battalion of Haryana Armed Police at Hisar the present and future requirements for land and building were kept in mind. 84 acres 1 marla of land was acquired in the year 1996 for setting up of 3rd Bn. HAP Headquarters that included the office establishment of Commandant 3rd Bn. and barracks for housing of the different ranks. Area was earmarked for purpose of parade and training. Some areas were maintained as greens for providing a healthy ambience to the Battalion Headquarters. Subsequently a Recruit Training Centre was established on 02.03.2008 within the same campus for supplementing the training facilities available with Haryana Police for conducting basic training of recruits and for conducting in-service promotion courses etc. The aforesaid land use, however, still left unutilized a considerable piece of land that had been acquired in anticipation of future land needs for training and housing of Haryana Police Force. This land was generally overrun with weeds and presented an unkempt look to the Police Campus. Furthermore the lack of maintenance of this open space created the problem of rodents and snakes for the police buildings located in the vicinity of this area. It was in this context that the idea for creating a 9 holes golf course for beautification and temporary use of the open waste land was mooted. The following were the benefits envisaged by this project:-

1. To provide a large well maintained green area for improving the working and training environment in the entire campus. The police officials and recruits based at 3rd Bn, Hqrs/RTC Hisar would have access to walking and running tracks that would weave around the well maintained golf greens.
2. The area proposed to be converted into a golf ground was an arid waste land



with saline ground water. Similar land in the vicinity was covered with weeds and thorny kikkar shrubs. A massive tree plantation drive was planned to reintroduce the indigenous trees to this waste land for creation of an ecologically rich habitat that would attract birds, butterflies etc.

3. Large ponds were to be dug up for harnessing of rain water and storage of canal water to improve the quality of ground water in the police campus.
4. Maintenance of golf course was planned with private partnership by associating citizens as members who would contribute towards the expenses of maintaining the golf grounds and the surrounding green areas. The idea of private participation and involvement of the larger community in the maintenance and improvement of police infrastructure is in the spirit of the present day concept of Corporate Social Responsibility where large corporates/companies contribute resources for maintenance of public assets for common use. The enrolment of members was planned to be done with care to ensure that important opinion builders in the society got associated with this project. This would help build bridges with the larger society and help create a positive image for the police Department.
5. It has been the policy of the Haryana Government to involve the Police Department in encouraging the youth to engage in sports and other healthy recreational activities in order to wear them away from crime, drugs etc. The State Government provides funds for organizing periodic recreational activities like Rahgiri and for Sports activities like Marathon Runs to the Police Department as a matter of conscious policy. The setting up of a golf course at Hisar would introduce the residents of this 'mofussil district' of Haryana to a global sport that is played in all developed countries of the world.
6. It is a tradition with all uniformed forces to maintain beautified green spaces in the shape of golfing greens as a hallmark of their high professional standards. Such golfing greens are a matter of prestige for the entire organization. The Armed Forces and Para Military Forces are maintaining similar golf grounds all over the country where private citizens are allowed to play on payment of maintenance charges. The Air Force Golf Club at New Delhi, the Army Golf Course at Jammu, the BSF Golf Club at Jammu, the ARTRAC Golf Club (of the Army) at Shimla, the Gorkha Golf Club of the Army at Shillong, the Ranjitgarh Golf Course of Punjab Police at Phillaur, the Army Golf Course at Merrut Cantonment, the Defence Services Golf Course Club at Kanpur Cantonment, the Army Golf Course at Lucknow Cantonment, the Army Golf Course at Sikandrabad, the Golkinda Golf Course of Army at Hyderabad, the Army Golf Course at Bangalore, the Army Golf Club at Belgam Cantonment and the Rhino Golf Club (of Army) at Guwahati are only some of the examples of similar golf grounds being managed by the uniformed forces in the country. Even the Raj Bhawan at Nainital operates a similar golf Club that allows private membership.

In pursuance of the aforesaid objectives 55 acres of the unutilized wasted land falling in the Police Campus of 3rd Bn. HAP were converted into golf grounds in the year 2014 with an extensive network of walking and running tracks. The golf grounds were created through free

voluntary labour (Shramdaan) by police officials. Water recharging ponds were created. Major tree plantation drives were organized and in the span of last 5 years this arid piece of neglected land has been converted into a beautiful eco-park that is full of colourful birds. As per the tree census report dated 22.03.2018 of the Haryana Forest Department 1401 trees were counted on the golf grounds with a tree canopy area of 334.05 square metres. The saplings and smaller trees were not included in this census and the tree canopy area has increased substantially in the past one year. A play area has been created for small children of the police officials residing in the Government quarters in the vicinity of the Battalion Headquarters. 263 members were enrolled over the years of which 23 surrendered their membership. The members are required to pay membership charges and a refundable security deposit at the time of admission as members. Monthly maintenance charges are payable by each member for the upkeep of the Golf grounds. These funds are deposited in a separate account maintained with HDFC Bank and are managed by a Committee headed by IG, Hisar Range as Chairman. Commandant 3rd Bn. and SP, Hisar function as Vice Chairmen. The Committee comprises 3 DSP's and an Executive Engineer, HPHC as its members. The operation of this account is done as per procedure prescribed in the Constitution of the Club as approved by DGP, Haryana on 28.11.2013. All expenditures incurred for the maintenance of the golf grounds are made strictly as per the Constitution of the Club.

The Golf Club enjoys a membership of 240 that includes 120 private citizens, 49 Government Employees, 17 Senior Citizens and 53 Haryana Police Employees. Some of the most notable citizens of Hisar City including doctors, Professors/Scientists from Haryana Agricultural University and Guru Jambheshwar University, Journalists and other professionals have been enrolled as members over the years and they function as a bridge with the larger community. These members serve as ambassadors for the Police Department creating a positive social image which is a vital social capital of immeasurable value in maintaining efficient law and order in the area. The Golf Grounds are also used for hosting Police-Public programmers. In the year 2016, the village Sarpanches of the entire Hisar Range were invited in batches to the Golf Club for introduction to the game and for interacting with Senior Police officers on the issue of crime in their area, drug addiction problems etc. under the 'Golf with Sarpanches Programme.

It is also mentioned here that a part of this land is being given on lease for agriculture. Year wise revenue generated by way of giving land on lease is as under and amount received from lease deposited in Govt. Treasury under head 0055.

| <b>Year</b> | <b>Installment</b>          | <b>Amount</b> | <b>Chalan No.</b> | <b>Date</b> |
|-------------|-----------------------------|---------------|-------------------|-------------|
| 2007-08     | 1 <sup>st</sup> Six Monthly | 136125/-      | 27                | 29.07.2007  |
|             | 2 <sup>nd</sup> Six Monthly | 136125/-      | 64                | 01.01.2008  |
| 2008-09     | 1 <sup>st</sup> Six Monthly | 105000/-      | T.R.N-12          | 08.05.2008  |
|             | 2 <sup>nd</sup> Six Monthly | 105000/-      | T.R.N-74          | 20.01.2009  |
| 2009-10     | 1 <sup>st</sup> Six Monthly | 105000/-      | T.R.N-52          | 16.04.2009  |

During the financial year 2010-11 to 2013-14 the above land remained empty.

|         |         |                        |            |
|---------|---------|------------------------|------------|
| 2014-15 | 14850/- | Vide GRN No. 006764769 | 15.03.2014 |
| 2015-16 | 51500/- | Vide GRN No.9789047    | 07.05.2015 |
| 2016-17 | 25000/- | Vide GRN No.0025007828 | 28.02.2017 |
| 2017-18 | 50800/- | Vide GRN No.0029955243 | 18.08.2017 |
| 2019-20 | 26000/- | Vide GRN No.0059486455 | 31.10.2019 |

In the membership fee Rs. 3105420.00 is deposited in bank as FD and Rs. 288878.00 are deposited in saving account in bank till date. Above amounts is being spent on maintenance to Golf Ground.

The Electricity and Water charges bills are being paid from Govt. Head because Admn. Offices, Barrack, Kot, Recruit Training Centre, other building and various play grounds are constructed on this land and training of newly recruited constables has also been undergoing from time to time.

It is pertained to mention here that this land has been transferred from 3rd Battalion, HAP, Hisar to Civil Aviation Department for establishment of Air Port, Hisar. Now Golf Course has been closed due to transfer of this land to Civil Aviation Department.

In this case, as per Commandant 3<sup>rd</sup> Battalion. HAP, Hisar letter No. 10729/AC-1 dated 09.10.2021, Vigilance enquiry No. 2 dated 27.05.2021 is pending in State Vigilance Bureau, Hisar Range, Hisar (Copy enclosed).

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that case is under Vigilance enquiry and therefore, recommends that complete detail of final outcome of Vigilance enquiry and action taken report be submitted to the Committee.**



**HOUSING DEPARTMENT**  
**(HOUSING BOARD HARYANA)**

**[36 ] 3.9 Avoidable payment of income tax and non-realisation of interest.**

**By not reducing the unrealisable amount of surrendered properties from the income, in the subsequent year, avoidable payment of income tax to the extent ₹1.45 crore was made. Further, excess refund of ₹0.41 crore was made in seven cases due to ignoring of the interest on outstanding amount till the date of surrender.**

The Housing Board, Haryana (HBH) was established in May 1971 under the Haryana Housing Board Act, 1971. The HBH decided (June 2013) to dispose off built up houses/flats, shops and commercial sites through auction. The successful bidder had to deposit 25 per cent of auction amount on the spot and 15 per cent within 30 days from the date of acceptance of the bid. Remaining 60 per cent of auction amount was to be deposited through monthly/half yearly equal instalments which included interest at the rate of 10 per cent per annum on the outstanding amount. As per policy (May 1985), the HBH allows surrender of properties after forfeiting 10 per cent of the total bid amount and charging interest on overdue instalments.

During test check of records (March 2017) in the office of Chief Administrator, HBH, it came to notice that in the financial year 2013-14, the HBH sold 25 properties by auction for ₹11.35 crore against the book value of ₹1.65 crore. The HBH earned income of ₹9.70 crore from these properties which was accounted as income from auctioned properties in the financial statements for the year 2013-14. These 25 properties also include four shop cum offices (SCOs) situated at Dadri Gate, Bhiwani which were auctioned for ₹5.04 crore against the book value of ₹0.85 crore and earned income was ₹4.19 crore.

The buyers of these four SCOs surrendered the properties in May 2015 and July 2015. During audit, the following irregularities were noticed in the accounting treatment of surrendered properties and charging of forfeited amount as well as interest on overdue amount:-

- The income earned from auction of four SCOs i.e. ₹4.19 crore was taken as accrued income from auction of properties in the financial statements for the year 2013-14. However, at the event of surrender and refund of deposited amount, the income for the year 2015-16 was not reduced and adjustment of income tax to the extent of ₹1.45 crore was not claimed in the financial statements of 2015-16.

On being pointed out, the Chief Accounts Officer, HBH (CAO) stated (October 2019) that in accordance with accounting policy of the HBH the book value of surrendered properties has been revised to equal to the bid amount and the forfeited amount has been reduced from the revised book value of the properties concerned. The accrued income of surrendered property cannot be reversed by adjustment and the final adjustment would be made at the time of re-auction of surrendered property.

The reply was not acceptable as income tax to the extent of ₹1.45 crore could have been saved by reducing the income from auctioned properties in the year 2015-16 as ₹4.19 crore would never be realised as the properties had been surrendered. Further, in contravention to the accounting policy, the HBH had taken the stock of surrendered properties on market value instead of original cost of property.

- As per 1985 policy in respect of surrendering the property, the bidder was liable to pay 10 per cent of bid value and interest on overdue instalments. During scrutiny of calculation sheets of refund in the above four surrendered properties it was found that except one property (SCO No. 5) the interest was ignored which resulted in excess refund of ₹0.29 crore in three properties. The same irregularity was also noticed in other four properties wherein excess refund of ₹0.12 crore was made. Thus, in seven cases excess refund ₹0.41 crore was made by not taking into account the interest on outstanding amount.

The CAO stated (October 2017) that in case of SCO No. 5, the interest was deducted on overdue instalments as per policy. In other cases, the instalments were received on due dates, therefore, interest was not realisable.

The reply was not acceptable as the ten half yearly equal instalments of the 60 per cent bid amount include principal as well as interest on outstanding amount till the due date of instalment. The HBH considered the whole instalment as principal amount and refunded the whole amount after deducting only 10 per cent of bid value. By ignoring interest component of the paid instalments a loss of ₹0.41 crore was caused to the HBH.

Thus, by not reducing the unrealisable amount of surrendered properties from the income of the HBH in the subsequent year, avoidable payment of income tax to the extent ₹1.45 crore was made and loss of ₹0.41 crore caused to the HBH by not recovering interest on outstanding amounts till the date of surrender of seven properties.

The matter has been referred (January 2020) to the State Government and subsequent reminder was issued in May 2020; their reply was awaited (September 2020).

Recommendation: The State Government may consider fixing responsibility on officers for not complying with the accounting policy and not reducing the unrealisable amount of surrendered properties from the income, in the subsequent year which resulted in avoidable payment of income tax and for excess refund by ignoring the interest on outstanding amount.

### **The department in its written reply stated as under:**

It is informed that as per the accounting policy procedure of the Board, the amount forfeited on sale has been deducted from the sale as income tax has been paid, hence the cost of surrendered house shall be treated as sale price less the amount forfeited. It cannot be changed on the advice of the audit. The audit accounting policy cannot force the process to change. There is a possibility of litigation with the Income Tax Department. If the board changes the process of accounting policy, then there will be 100 percent chances of litigation with the Income Tax Department and the board will have to bear a lot of cost for this. Whenever the property of the Board is auctioned/sold in the near future, the income tax will be paid/adjusted after

adjusting the profit and loss on the sale. In Housing Board Haryana, the profit of surrendered property is not reversed and profit and loss on sale is adjusted at the time of auction of the property in the last stage, thus no excess payment of income tax has been made. The above adjustment procedure has been done as per the advice given by the Chartered Accountant of the Board on 21.04.2003, copy of which is enclosed at Annexure-A.

It is also informed that the audit observation is worth considering but not binding on Housing Board Haryana. Moreover, the audit party has not provided any credible rules/laws to be considered.

In this connection, it is submitted that Sh. S.D. Singla, Estate Manager (Retd.) was charge sheeted under Rule-7 vide Memo No. HBH/ADMN./5/2016/925-927 dated 02.02.2016 (copy enclosed). The matter was finally decided by the then Competent Authority vide orders dated 26.08.2019 issued vide Endst No. 6694-98 dated 30.08.2019 (copy enclosed) that after going through the charge sheet, defence reply, enquiry report, facts and circumstances of the case, the charges leveled against Sh. S.D. Singla, Estate Manager were dropped. Sh. S.D. Singla, Estate Manager was cautioned to remain careful in future as un-necessarily this creates harassment of allottees and the un-necessary litigation in court by the Board.

It is also pertinent to mentioned here that Sh. Krishan Kumar allottees of SCO No. 6, HBC, Dadri Gate, Bhiwani has also filed CWP No. 16696 of 2015 in the Hon'ble Punjab & Haryana High Court titled as Krishan Kumar Vs. State of Haryana and others.

The above said CWP was decided vide orders dated 05.04.2016 (copy enclosed) and accordingly the writ petition was allowed and the respondents were directed to refund a sum of Rs. 1, 60, 000/- with interest @ 10% per annum w.e.f 01.05.2015 till its realization and to also pay interest, at the same rate, on Rs. 62, 48, 000/-, from 01.05.2015 to 06.08.2015.

The Charge Sheet served upon Sh. S.D.Singla as referred in the above office note was regarding surrendered cases of SCO No. 6 & 7/GF+FF, HBC, Dadri Gate, Bhiwani and the above charge sheet was dropped by the then Competent Authority. Since the charges were not proved in the Court of Law and the Board went to recover due to misconceived interest calculation. The instructions were also issued to all the Estate Managers to exercise due diligence while calculating the dues of allottees. It puts the Board & allottees to unnecessary inconvenience.

From the perusal of the above submissions, it seems that the refund were correctly made to all the allottees as per decision dated 05.04.2016 of the Hon'ble Punjab & Haryana High Court in CWP No. 16696 of 2015 as well as per policy (May 1985).

So there is no loss to the board. Keeping in view the above situation, the audit para may kindly be dropped.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee would like to know complete detail of steps/action taken by the department for recovery of amount shown pending as per audit para and further recommends that final action in the process be completed expeditiously under intimation to the Committee.**





## **PUBLIC HEALTH ENGINEERING DEPARTMENT**

### **[37] 3.11 Unfruitful expenditure on incomplete work.**

**The water supply scheme for village Bhurawas, district Jhajjar remained incomplete even after seven years from the targeted date of completion due to starting the work without assessing the site conditions, which resulted in unfruitful expenditure of ₹1.29 crore, besides potable water could not be provided to villagers.**

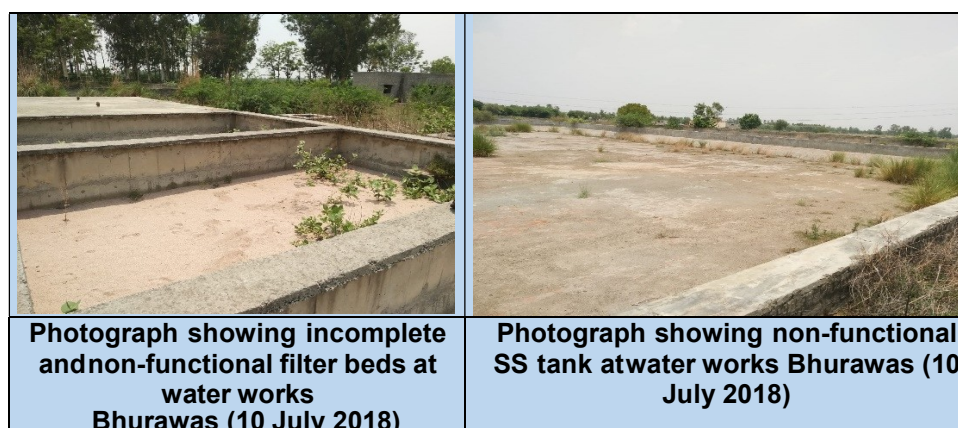
Paragraph 10.1.3 of the Haryana PWD Code provides that while preparing the estimate of any project the site shall be inspected to ascertain field conditions and the fact of visit should be clearly brought in the estimate. Paragraph 16.37.1 observes that time overruns are likely to result in higher project cost, contractual claims and delay in the use of facility. The measures to mitigate time overrun include effective enforcement of contractual clauses. As per paragraph 6.5.1 of the Code, the Divisional Officer is responsible for the execution and management of all works within his division. He is responsible for administration of contracts, quality of works and their timely completion.

With the objective to provide potable drinking water to population of 4, 000 inhabitants of village Bhurawas, district Jhajjar, an estimate of ₹1.32 crore was prepared in May 2011 for which administrative approval of ₹1.22 crore was accorded in February 2012. The work was awarded (August 2011) to a contractor for ₹1.25 crore with a completion time limit of 12 months i.e. upto August 2012.

During scrutiny of records (July 2018) relating to the work in the office of Executive Engineer, Public Health Engineering Division No. 1, Jhajjar (EE), it was noticed that the contractor intimated in October 2012 and January 2013 i.e. after targeted date of completion that the work of Storage and Sedimentation Tank (SS Tank) could not be completed due to rise in sub-soil water level at the site. The contractor was granted (July 2013) time extension upto March 2014 to complete the work. As per 4th running bill paid in June 2014, the contractor had executed the work to the tune of ₹0.83 crore and had constructed almost 90 per cent of the civil structures. Thereafter, no work was executed and the site left abandoned since June 2014. The EE imposed (December 2015) penalty of ₹0.12 crore on the agency as per clause-2 of the contract agreement for delaying the completion of work and instructed the contractor to execute the balance work at the earliest.

In the meanwhile, the estimate of the work was revised (February 2017) to ₹2.12 crore due to change in site condition and change in policy to use Ductile Iron (DI) pipes instead of Asbestos Cement (AC) pipes and revised administrative approval was granted for ₹2.12 crore in April 2017. However, effective monitoring and follow up was not done by the department to get the work completed. After almost six years from the actual due date of completion, the EE rescinded (May 2018) the agreement under clause 3C of the agreement for getting the work completed at the risk and cost of the contractor. An expenditure of ₹1.29 crore has been incurred on the work till date (July 2019) which include contractor payment and cost of pipes issued on work.

During joint physical verification of the site (July 2018), it was observed that the works viz. inlet channel for raw water, SS tank, suction and scouring well, filter beds, pump chamber, etc. were lying incomplete as depicted in the photographs:



Thus, the detailed estimate was prepared and work was awarded to the contractor without assessing the site conditions which resulted in non-completion of project and the expenditure of ₹1.29 crore incurred on the work rendered unfruitful and exposed to degeneration with the passage of time. Besides, objective of the scheme of providing potable water to the inhabitants of village Bhurawas could not be achieved. As such, due to non-execution of 10 *per cent* work, 90 *per cent* expenditure of ₹1.29 crore on incomplete project was lying unfruitful since June 2014 i.e. for six years.

The Additional Chief Secretary, Public Health Engineering Department endorsed (June 2020) the reply of Engineer-in-Chief (January 2020) which stated that the work could not be completed within time limit (i.e. up to 20 August 2012) due to the rise in sub-soil water level at the site and electric line and poles were passing over the land given by the Panchayat. The balance work has been taken up and targeted to be completed by 31 March 2020.

The reply was not maintainable as the department prepared estimate and started the work without assessing site conditions such as higher level of sub-soil water which resulted in inordinate delay in execution of work and still after eight years of targeted date of completion, 90 per cent investment of ₹1.29 crore was lying unfruitful due to non-execution of only 10 per cent work.

**Recommendation:** The State Government may consider fixing responsibility on officers for not assessing the site conditions while preparing detailed estimate and before starting the work resulting in incomplete water supply scheme even after eight years of targeted date of completion.

### **The department in its written reply stated as under:**

It is intimated that the work of providing independent water works Bhurawas was allotted to M/s Balaji Builders C/o Anil Kumar, Deshwal, H. No. 175/8, Model Town, Sonipat vide Executive Engineer letter No. 5666-70 dated 12.08.2011 with a time limit for completion of work within 12 months from the date of commencement reckoned w.e.f. 20.08.2011 with the date of completion 19.08.2012 amounting Rs. 1.25 crore against the estimate cost of Rs. 1.22 crore was made (upto June 2014) to

the executing agency, against which total expenditure of Rs. 1.29 crore was incurred on the project. The time extension was granted to the contractor for completion of work upto March, 2014 but the work was not completed by the agency. Executive Engineer No. 1 Jhajjar has imposed Clause-II on the contractor vide Memo No. 9860-64 dated 11.12.2015 and the same was confirmed by Superintending Engineer, PHE Circle, Jhajjar and penalty amounting Rs. 0.12 crore has been imposed on the agency for non completion of work and Clause-III (C) had been imposed against the agency vide Executive Engineer No. 1 Jhajjar letter No. 3937-42 dated 09.05.2018 and the balance work was withdrawn from the agency. The mirror work which was left over for commissioning of water works has been completed by other contractor and now water works is running smoothly.

The para may kindly be dropped please.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that project remained incomplete even after lapse of 11 years since allotment of work .**

**The Committee viewed very seriously the faulty planning and undue delay in completion of work and therefore recommends that responsibility of concerned officers/officers be fixed and appropriate action be taken under intimation to the Committee.**

### **[38] 3.6 Misappropriations, losses, defalcations, etc. (S.F.)**

Rule 2.33 of the Punjab Financial Rules, as applicable to Haryana, stipulates that every Government employee would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or any loss arising from fraud or negligence on the part of any other Government employee to the extent that he contributed to the loss by his own action or negligence. Further, as per rule 2.34 ibid, the cases of defalcations and losses are required to be reported to the Accountant General (A&E).

State Government reported 75 cases of misappropriation and defalcation involving Government money amounting to ₹1.28 crore on which final action was pending as of June 2019. All the 75 cases were reported by departments concerned to police through first information reports (FIRs). The department- wise break up of pending cases and age-wise analysis is given in Appendix 3.5 and nature of these cases are given in Appendix 3.6. The age-profile of the pending cases and the number of cases pending in each category-theft and misappropriation/loss as emerged from these appendices is summarised in Table 3.4.

Table 3.4: Profile of misappropriations, losses, defalcations, etc.

| Age-profile of the pending cases |                 |                 | Nature of the pending cases |                 |                 |
|----------------------------------|-----------------|-----------------|-----------------------------|-----------------|-----------------|
| Range in years                   | Number of cases | Amount involved |                             | Number of cases | Amount involved |
| 0 - 5                            | 35              | 95.37           | Theft Cases                 | 60              | 110.75          |
| 5-10                             | 4               | 1.61            |                             |                 |                 |

(₹in lakh)

|                 |           |               |                                                     |           |               |
|-----------------|-----------|---------------|-----------------------------------------------------|-----------|---------------|
| 10-15           | 10        | 16.00         | Misappropriation/<br>loss of Government<br>material | 15        | 16.98         |
| 15 - 20         | 7         | 10.80         |                                                     |           |               |
| 20 - 25         | 3         | 0.24          |                                                     |           |               |
| 25 and<br>above | 16        | 3.71          |                                                     |           |               |
| <b>Total</b>    | <b>75</b> | <b>127.73</b> | <b>Total pending cases<br/>as of June 2019</b>      | <b>75</b> | <b>127.73</b> |

Reasons for pendency of cases are listed in Table 3.5.

Table 3.5 Reasons for outstanding cases of misappropriations, losses, defalcations, etc.

| Reasons for the delay/outstanding pending cases |                                                                                                  | Number of cases | Amount (₹in lakh) |
|-------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------|-------------------|
| i)                                              | Departmental action initiated but not finalized                                                  | 57              | 108.93            |
| ii)                                             | Criminal proceedings finalised but execution of criminal case for the recovery of amount pending | 3               | 1.09              |
| iii)                                            | Awaiting orders for recovery or write off                                                        | 9               | 3.88              |
| iv)                                             | Pending in the courts of law                                                                     | 6               | 13.83             |
| <b>Total</b>                                    |                                                                                                  | <b>75</b>       | <b>127.73</b>     |

Out of the total loss cases, 80 per cent cases related to theft of Government money/store. Further, in respect of 76 per cent cases of losses, departmental action had not been finalized while 12 per cent cases were outstanding for want of orders of the competent authority for recovery or write off of losses. It was further noticed that out of 75 cases of losses due to theft/misappropriation, 40 cases were more than five years old, including 19 cases which were more than 20 years old. The lackadaisical approach of departments in finalisation of these cases had not only caused loss to the State exchequer but also led to non- accountability of the officers/officials.

The Government may consider preparing a time bound framework for taking prompt action in cases of theft, misappropriation, etc.

#### Appendix 3.5

(Refer Paragraph 3.6; Page: 70)

**Department wise/duration wise break-up of the cases of misappropriation, defalcation, etc., where Final action was pending as on 30 June 2019**

(Figures in bracket indicate ₹in lakh)

| Sl. No. | Name of the Department   | Up to 5 years | 5 to 10 years | 10 to 15 years | 15 to 20 years | 20 to 25 years | 25 years to More | Total No. of Cases |
|---------|--------------------------|---------------|---------------|----------------|----------------|----------------|------------------|--------------------|
| 1       | Development of Panchayat | 0             | 0             | 1<br>(6.50)    | 0              | 0              | 0                | 1<br>(6.50)        |

|    |                                                 |                       |             |             |             |             |              |               |
|----|-------------------------------------------------|-----------------------|-------------|-------------|-------------|-------------|--------------|---------------|
| 2  | Animal Husbandry and Dairying                   | 1<br>(0.08)           | -           | -           | -           | -           | -            | 1<br>(0.08)   |
| 3  | Economic & Statistical                          | 2<br>(0.03)           | -           | -           | -           | -           | -            | 2<br>(0.03)   |
| 4  | Education                                       | 15<br>(34.72)         | -           | 1<br>(0.09) | 3<br>(1.11) | -           | 3<br>(2.04)  | 22<br>(37.96) |
| 5  | Forest Department                               | 1<br>(0.25)           | -           | -           | -           | -           | -            | 1<br>(0.25)   |
| 6  | Haryana Skill Development & Industries Training | 2<br>(0.87)           | -           | -           | -           | -           | -            | 2<br>(0.87)   |
| 7  | Labour & Employment                             | 2<br>(0.15)           | -           | -           | -           | -           | -            | 2<br>(0.15)   |
| 8  | Medical                                         | 2<br>(0) <sup>3</sup> | -           | -           | -           | -           | -            | 2<br>(0)      |
| 9  | Medical Education & Research                    | 1<br>(3.00)           | -           | -           | -           | -           | -            | 1<br>(3.00)   |
| 10 | Police                                          | -                     | -           | 1<br>(3.79) | -           | -           | -            | 1<br>(3.79)   |
| 11 | Social Justice and Empowerment                  | 3<br>(8.63)           | -           | -           | -           | -           | -            | 3<br>(8.63)   |
| 12 | Sports & Youth Welfare                          | 1<br>(39.58)          | -           | -           | -           | -           | -            | 1<br>(39.58)  |
| 13 | Technical Education                             | -                     | -           | -           | 1<br>(6.52) | -           | -            | 1<br>(6.52)   |
| 14 | Town & Country Planning                         | 1<br>(1.44)           | -           | -           | -           | -           | -            | 1<br>(1.44)   |
| 15 | Transport                                       | -                     | -           | -           | 1<br>(3.17) | -           | 1<br>(0.60)  | 2<br>(3.77)   |
| 16 | Treasury & Accounts                             | 1<br>(6.27)           | -           | -           | -           | -           | -            | 1<br>(6.27)   |
| 17 | Women and Child Development                     | 1<br>(0) <sup>1</sup> | -           | -           | -           | -           | -            | 1<br>(0)      |
| 18 | Irrigation                                      | 0                     | 3<br>(0.00) | 7<br>(5.62) | 2<br>(0.00) | 3<br>(0.24) | 12<br>(1.07) | 27<br>(6.93)  |

|    |                                      |                       |                     |                       |                      |                     |                      |                        |
|----|--------------------------------------|-----------------------|---------------------|-----------------------|----------------------|---------------------|----------------------|------------------------|
| 19 | Public Health Engineering Department | 1<br>(0.35)           | 1<br>(1.61)         | -                     | -                    | -                   | -                    | 2<br>(1.96)            |
| 20 | Buildings and Roads                  | 1<br>(0.00)           | -                   | -                     | -                    | -                   | -                    | 1<br>(0.00)            |
|    | <b>Total</b>                         | <b>35<br/>(95.37)</b> | <b>4<br/>(1.61)</b> | <b>10<br/>(16.00)</b> | <b>7<br/>(10.80)</b> | <b>3<br/>(0.24)</b> | <b>16<br/>(3.71)</b> | <b>75<br/>(127.73)</b> |

### Appendix 3.6

(Refer Paragraph 3.6; Page: 70)

**Department/category wise detail in respect of cases of loss to Government due to theft, misappropriation/loss of Government material**

| Name of Department                                 | Theft Cases           |                         | Misappropriation/<br>Loss of<br>Government<br>Material |                      | Total              |                         |
|----------------------------------------------------|-----------------------|-------------------------|--------------------------------------------------------|----------------------|--------------------|-------------------------|
|                                                    | Number<br>of<br>Cases | Amount<br>(₹in<br>lakh) | Number<br>of<br>Cases                                  | Amount<br>(₹in lakh) | Number of<br>Cases | Amount<br>(₹in<br>lakh) |
| Development of Panchayat                           | 1                     | 6.50                    | -                                                      | -                    | 1                  | 6.50                    |
| Animal Husbandry and Dairying                      | 1                     | 0.08                    | -                                                      | -                    | 1                  | 0.08                    |
| Economic & Statistical                             | 1                     | 0.03                    | 1                                                      | 0.00                 | 2                  | 0.03                    |
| Education                                          | 19                    | 36.57                   | 3                                                      | 1.39                 | 22                 | 37.96                   |
| Forest Department                                  | 1                     | 0.25                    | -                                                      | -                    | 1                  | 0.25                    |
| Haryana Skill Development<br>& Industries Training | 2                     | 0.87                    | -                                                      | -                    | 2                  | 0.87                    |
| Labour & Employment                                | 2                     | 0.15                    | -                                                      | -                    | 2                  | 0.15                    |
| Medical                                            | 2                     | 0.00                    | -                                                      | -                    | 2                  | 0.00                    |
| Medical Education & Research                       | 1                     | 3.00                    | -                                                      | -                    | 1                  | 3.00                    |
| Police                                             | -                     | -                       | 1                                                      | 3.79                 | 1                  | 3.79                    |
| Social Justice and<br>Empowerment                  | 3                     | 8.63                    | -                                                      | -                    | 3                  | 8.63                    |
| Sports & Youth Welfare                             | 1                     | 39.58                   | -                                                      | -                    | 1                  | 39.58                   |
| Technical Education                                | 1                     | 6.52                    | -                                                      | -                    | 1                  | 6.52                    |
| Town & Country Planning                            | -                     | -                       | 1                                                      | 1.44                 | 1                  | 1.44                    |
| Transport                                          | -                     | -                       | 2                                                      | 3.77                 | 2                  | 3.77                    |
| Treasury & Accounts                                | -                     | -                       | 1                                                      | 6.27                 | 1                  | 6.27                    |
| Women and Child Development                        | 1                     | 0.00                    | -                                                      | -                    | 1                  | 0.00                    |
| Irrigation                                         | 22                    | 6.61                    | 5                                                      | 0.32                 | 27                 | 6.93                    |
| Public Health Engineering<br>Department            | 2                     | 1.96                    | -                                                      | -                    | 2                  | 1.96                    |
| Buildings and Roads                                | -                     | -                       | 1                                                      | 0.00                 | 1                  | 0.00                    |
| <b>Total</b>                                       | <b>60</b>             | <b>110.75</b>           | <b>15</b>                                              | <b>16.98</b>         | <b>75</b>          | <b>127.73</b>           |

**The department in its written reply stated as under:**

| Sr. No. | Name of Division | Period  | Amount (lac) | Briefing                          | Action reply                                                                                                                                                                                                                              |
|---------|------------------|---------|--------------|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | PHED No. Sirsa   | 2019-20 | 0.35         | Theft of Engine Pump Set and pipe | It is intimated that the FIR regarding theft of Engine pump set & pipe for cleaning sewer disposal at near baba dera Sultanpuria Road Rania has been lodged in rania Police station vide No. 326 report (Aadampatta) on dated 06.10.2018. |

**Observations and Recommendations of the Committee as under:**

The Committee has desired that all outstanding case(s) be got settled in a time bound manner and reconciled with the Office of Principal Accountant General (Audit), Haryana under intimation of the Commtee.





## **PUBLIC WORKS DEPARTMENT**

### **(BUILDINGS AND ROADS)**

#### **[39 ] 3.12 Unfruitful expenditure on widening and strengthening of link road.**

**Despite knowing the fact that the land for construction of 3.430 km road belonged to private persons, the department incurred ₹6.30 crore on construction of 10.57 km road (km zero to km 7.370 and km 10.800 to km 14.000). Resultantly, the expenditure remained unfruitful as both ends remained separate and the road could not be utilised by the commuters.**

Para 15.1.4(a) of the State PWD Code stipulates that before commencement of a work, it should be seen that the land/site on which construction is to take place is in the possession of the department (preferably without encumbrances).

The Public Works Department (Buildings and Roads) had constructed a 14 kilometer (km) long link road from Sadhaura to village Mugalwali via villages Rattuwalla and Safilpur in Yamuna Nagar district in 1992. The road from km 7.370 to 10.800 (3.430 km) was constructed on private land without acquiring it and paying compensation to land owners. A landowner filed a civil suit in the Court in November 2010 for getting the land vacated. The Court decided (January 2014) the case in favour of plaintiff and directed the department to handover the vacant possession of land to the plaintiff.

The department filed an appeal, against the above decision, in the District Court, which was dismissed in March 2017, and further appeal filed by the department in the High Court of Punjab and Haryana was also dismissed in September 2017.

In the meanwhile, the department prepared an estimate for widening and strengthening of total 14 km length of the link road which was administratively approved by the State Government in May 2016 for ₹8.55 crore.

During audit of records (February 2019) in the office of the Executive Engineer, Provincial Division, PWD (B&R) Naraingarh (EE), it was noticed that the above cited work was awarded (November 2016) to a contractor at an agreement amount of ₹8.32 crore with a time limit of nine months. The contractor started the work in March 2017 and executed the work upto km 7.370 and from km 10.800 to km 14.000 by December 2017. But no work could be executed between km 7.370 and km 10.800 due to non-availability of land as it belonged to private persons. The department finalised the agreement in December 2017 and made (January 2019) a final payment of ₹6.25 crore to the contractor for the work done by him in kms zero to 7.370 and 10.800



Photograph showing non-existent Sadhaura – Mugalwaliroad via Rattuwalla and Safilpur as on 14

to 14.000. A total expenditure of ₹6.30 crore had been incurred on the project so far (July 2019). The road between km 7.370 and 10.800 remained unrepaired and was found almost in non-existent condition. During physical verification (February 2019) alongwith departmental officers it was observed that the road was not through as both the ends remained separate due to non-existence of road.

Thus, due to commencement of work despite knowing the fact that encumbrance free land was not in possession of the department and the land belonged to private persons, the expenditure of ₹6.30 crore incurred on partially constructed road remained unfruitful as the commuters were unable to utilise the road for going from Sadhaura to Mugalwali via Rattuwalla and Safilpur.

On being pointed out by Audit (February 2019), the EE replied (February 2020) that only one landowner had approached the Court before the preparation of estimate. Though the stretch between km 7.370 to km 10.800 remained unconstructed, commuters of five villages were using the constructed road i.e. from km zero to km 7.370 and km 10.800 to km 14.000. Further, there was a proposal to complete the work by realigning the road through available consolidated path parallel to the existing metalled road. But the work could not be started due to encroachments on this consolidated path.

The reply was not tenable, as the Court had directed (January 2014) to hand over the vacant possession of the land in question to the landowners. In the absence of availability of encumbrance free land, the expenditure of ₹6.30 crore incurred on constructed road, without joining both the ends, remained unfruitful. The department had incurred the expenditure even after knowing the fact that the through road from km zero to km 14.000 was not feasible due to non-availability of land with the department. The proposal regarding realignment of road through consolidated path has also not been finalised so far (February 2020) due to encroachment.

The matter was referred (December 2019) to Additional Chief Secretary, Public Works Department (Buildings and Roads) and subsequent reminders were issued in January 2020 and May 2020; their reply was awaited (September 2020).

Recommendation: The State Government may consider fixing responsibility for incurring expenditure on construction of road without ensuring availability of land for joining both ends of the road.

### **The department in its written reply stated as under:**

It is submitted that the total length of link road from Sadhaura to Mugalwali via Rattuwalla Safilpur in 14 km. This road serves the population of villages Naushera, Fazilpur, Tunde Ki Taparian, Safilpur and Mugalwali from Sadhaura. Further the same stretch of road has connectivity with the Kapal Mochan Dhanaura Road.

It is submitted that the road was initially constructed in 1992, with a metalled width of 3.66 m and was previously treated in the year 06/2009, and no litigation came up during that time, Further due to restarting of quarries in the region the condition of the road deteriorated badly, and required treatment, furthermore due to heavy rains in the region the road crust was damaged. Taking into consideration the same the estimate was submitted in the work programme of 2016-17 and the same was

approved by the Additional Chief Secretary to Govt. Haryana, Public Works (B&R) Department vide letter No. 9/159/2016-3B&R (w) dated 16.05.2016 for the year 2016-17 for Rs. 855.00 lacs, copy attached as Annexure-I. Herein widening from 3.66 to 5.50 m and strengthening with 150 mm WBM + Raising + Retaining Wall + Culvert & Side drain were to be made.

It is pertinent to mention here that Civil Suit No. 850 of 2010 was filed by Smt. Jaiwanti Devi claiming that PWD road is existing in her private land measuring 3 Kanal 8 Marlas. The Ld. Civil Court of Sh.Sunil kumar, Additional Civil Judge, Bilaspur vide orders dated 30.01.2014 decided the case in favour of plaintiff and directed that land be handed over to Smt. Jaiwanti. Agsint the orders dated 30.01.2014 department filed Civil Appeal No. 472 of 2014 in the Court of Additional District Judge Jagadhari and same was dismissed on dated 10.03.2017. Further RSA No. 4144 of 2017 was filed by the department against the orders dated 30.01.2014 and 10.03.2017 in Hon'ble Punjab & Haryana High Court, Chandigarh which was also dismissed vide order dated 01.09.2017. As per the decision of Hon'ble Punjab & Haryana High Court, Chandigarh dated 01.09.2017, the land was handed over to Smt. Jaiwanti Devi and it was decided that the road be realign & constructed in consolidated path existing parallel to road. Mean while another 4 No. individuals filed court case for ownership of land and on assurance had withdrawn their cases Copy of same attached as Annexure-II.

It is further submitted that the consolidated path is not in the name of PWD department and ownership of same lies with the Panchayat/ Revenue Department. Accordingly, the construction of road from RD 7.370 km to 10.800 km is pending and needful shall be done only after handing over of the consolidated path to PWD department. The concerned Panchayat had taken the a case under PVCL Act, 1961 under Section 7(2) in the court of Additional Collector-cum-DRO, as about 8-10 house existed in the consolidate path and the case stands decided on 05.03.2020, Copy of same attached as Annexure-III. The Sarpanch of Village Safilpur have been directed to approach revenue authorities to remove the encroachment after making collaboration with B.D.P.O. Bilaspur. Further the matter was put in the Hon'ble District Collector Yamuna Nagar on dated 17.12.2020, who has further stayed the order of Lower Court dated 05.03.2020 (Copy of same attached as Annexure-IV) and the next dated of hearing has been fixed for 16.09.2021 as informed by the Sarpanch Gram Panchayat Safilpur.

As soon as the consolidated path is handed over the needful shall be done by the department.

Remedial action taken:

- |     |                                                           |     |                               |
|-----|-----------------------------------------------------------|-----|-------------------------------|
| i.  | Recovery/Pendency, if any, with complete details thereof. | i.  | No Recovery pending.          |
| ii. | Fixation of Responsibility                                | ii. | No Officer/ official of fault |
|     | a. Officer(s) responsible for                             |     |                               |

irregularities: Details of  
Inquiry and Disciplinary  
Action Taken, if any

b. Officer(s) responsible for  
taking action.

- |      |                                                                                                   |      |                                      |
|------|---------------------------------------------------------------------------------------------------|------|--------------------------------------|
| iii. | Improvement in system and procedure to stop future occurrences of similar nature?                 | iii. | There is no deficiency in the system |
| iv.  | Whether review of similar cases done in view of the sample check, performed by CAG's Audit Team?. | iv.  | N/A                                  |
| v.   | Any other Relevant Information.                                                                   | v.   | N/A                                  |

### **Observations and Recommendations of the Committee as under:**

During oral examination the Committee viewed it very seriously that despite the admitted fact regarding department not being owner of interconnecting land yet huge amount was incurred on the project which was indicative of departmental laxity, concealment of facts and negligence.

The Committee, therefore recommends that a detailed enquiry be conducted in the matter and appropriate action be taken accordingly, complete detail of all other roads in the state involving similar issues be submitted and all out efforts be made to sort out all these issues expeditiously under intimation to the Committee.

## **TOWN AND COUNTRY PLANNING DEPARTMENT**

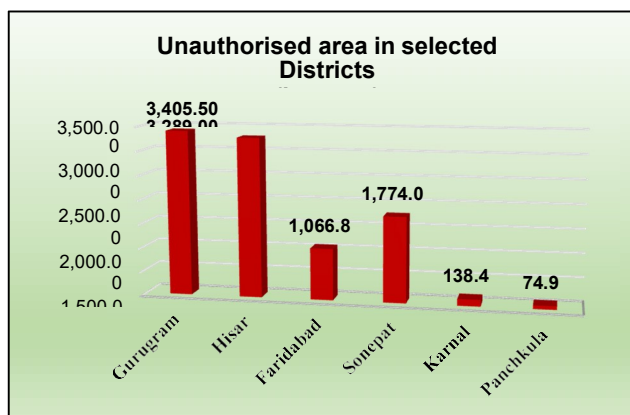
### **3.14 Enforcement of Land Use Regulations in Urban and Controlled Areas**

Unauthorised colonies grew in the State due to non-compliance to the extant provisions in the Acts and Rules. There were instances of granting of licences in excess of permissible area, delay in initiation of action for cancellation of licences, etc. Further, construction of buildings without approval of building plans, issuance of part occupation certificate without recovering External Development Charges, non-development of colonies of cancelled licences, non-recovery of revised licence fee, non-obtaining/ revalidation of bank guarantees, etc. were also observed. Change of Land Use permissions were granted in violation of rules. Besides compliance issues, total financial implication of this audit is ₹91.19 crore. Apart from these issues, an amount of ₹15, 216.61 crore was outstanding against the colonisers on account of pending External Development Charges/ Infrastructure Development Charges for 1 to 16 years.

#### **[40] 3.14.2 Growth of unauthorised colonies**

Under Section 3 and Section 7 of the HDRUA Act, grant of licence by the TCPD is mandatory for developing a colony, transfer or agree to transfer plots in a colony/ make an advertisement or receive any amount in respect thereof and erect or re-erect any building in any colony. Further, 'No Objection Certificate' (NOC) issued by the TCPD is required for registering a sale or lease deed in respect of any agricultural land having an area of less than two kanals in an urban area or as may be notified specifically by the Government under Section 4(1) of PSRCARUD Act.

Scrutiny of records of selected districts showed that 5, 144 unauthorised colonies with an area measuring 9, 748.777 acres (39.45 sq. km.) as of March 2019 (Appendix 3.4) had grown in the controlled areas. Audit observed that neither any licence as required under Section 3 nor any exemption under Section 9 of the HDRUA Act was obtained. The unauthorised area comprises 0.83 per cent of the total Controlled Area (4, 758.99 sq. km.) under the selected districts.



Out of these, 892 colonies had developed during last five years i.e. 2014-19. Growth of unauthorised colonies was alarming in Gurugram, Hisar, Faridabad and Sonapat districts.

Audit carried a detailed scrutiny of one case of development of unauthorised colony in Karnal, and observed that the level of compliance with Acts and Rules by the concerned authorities was poor and the department failed to control the development of unauthorised

colonies, as discussed below:

- i. The department detected (2012) an unauthorised colony spread over an area about 5.5 acres in village Mangalpur, Karnal, while Part II of the colony was detected in adjoining areas in 2017. However, no licence as required under Section 3 or exemption if any under Section 9 of the HDRUA Act was obtained.
- ii. DTP, Karnal issued (June 2012) show cause notices to colonisers of the area and passed restoration order under Section 10 (2) of the Act. However, no concrete action was taken against the colonisers between June 2012 and January 2018, when the restoration orders were passed again. As such, department lost the crucial time to stop the activities of the colonisers before it gained ground.
- iii. A joint demolition operations was undertaken only in March, June and September 2018, with the help of District Administration, in which road network, under construction houses/Damp-Proof Course (DPC) level structure were demolished. However, by that time, some houses were constructed and occupied at the site, which could not be demolished due to resistance from the public. The coloniser again constructed roads to develop unauthorised colony.
- iv. Office of the Deputy Commissioner (DC), Karnal had instructed (June 2012) all the Tehsildars/Naib Tehsildars under District Karnal not to register bainama entry without obtaining NOC from DTP in unauthorised colonies. DTP, Karnal also issued similar instructions (June 2012 and February 2018) to Tehsildar, Karnal. In violation of these instructions, 34 sale deeds were executed by Tehsildar in the colony without obtaining NOC. Audit observed that no action was initiated by the DC Karnal against the Tehsildar for this act of violation of instructions.

Thus, the department proved ineffective in restoration of the area and initiating prosecution proceedings against the colonisers from the initial stage. Timely and appropriate action would have ensured that the coloniser obtained a licence, proper development took place, besides the department would have earned revenue on account of licence fees, External Development Charges (EDC), Infrastructure Development Charges (IDC), etc.

Recommendation: The Government may consider evolving proper monitoring mechanism to control the growth of unauthorised colonies, and initiate action against defaulting Tehsildars for registering sale documents pertaining to the unauthorised colonies in violation of orders of the competent authority.

The Director General, TCPD stated (October 2020) that DTPs concerned were taking action such as issue of show cause notices, passing of restoration orders, demolishing of unauthorised construction, lodging of First Information Reports, etc regularly against the unauthorised colonisers. The reply is not convincing as efforts of the Department are not effective as growth of unauthorised colonies was showing increasing trend. As regards unauthorised colonies spread over in Karnal district, it was stated that Additional Deputy Commissioner was asked (June 2018) to conduct an inquiry into the matter but their report was awaited (October 2020). It was also added that Additional Chief Secretary, Revenue had been requested for taking disciplinary action against the Tehsildar for execution of sale deeds despite the communication made by DTP Karnal not to register sale deeds in the unauthorised colony. Thus, effective action had not yet been taken in the matter.

**The department in its written reply stated as under:**

The Town and Country Planning Department, Haryana has made all-out efforts not only in the 6 Districts as mentioned in the figure but throughout the State to curb the menace of unauthorized colonies.

It is submitted that in every district, concerted efforts are being made towards demolition of unauthorized colonies, so that an effective message is conveyed to the unscrupulous elements.

The powers of Section-10 of Act of 1975 have been delegated to the District Town Planners of the district offices for taking the effective action against the unauthorized colonization in urban areas. Delegation of powers has been done to de-centralize the actions to be taken against unauthorized colonies/ constructions at their nascent stage on a prompt basis and in an effective manner.

Therefore, to implement the provisions of notified development plans in the Urban Areas of the State, the concerned District Town Planner of respective District enforces the provisions of Act no. 8 of 1975 and takes action against those who are involved in unauthorized colonization without obtaining a licence under section 3 of the Act of 1975.

The following actions are taken by the Department against unauthorized colonization:-

- i. Issuance of show causes notice/ grant of hearing/ restoration order etc.
- ii. Demolition of unauthorized construction / colonies in case of non- restoration by the violator.
- iii. Lodging of FIR against such violators leading to filing of challan in the Court and pursuance of such case in the Court to ensure conviction in such matters.
- iv. Recovery of the cost incurred in undertaking demolition operation from the concerned violators.

In the State, as on 09.07.2021, 6, 833 show cause notices have been issued to the violators involved in unauthorized colonization without obtaining a licence under section 3 of the Act of 1975.

Further, 5, 954 restoration orders have been issued in case of non- restoration of the land to its original position by the violators. It is submitted that DTPs have executed 3, 341 demolition programme against the said colonization and further 3, 820 FIRs have also been lodged against the violators for violating the provisions of the Urban Areas Act, 1975 which are at various stages including filing of challan in the Court to ensure conviction in these matters. (Annexure I)

The directions issued via Hon'ble High Court Order dated 28.04.2021 in PIL No. 77 of 2021 (applicability of which was further extended till 31.08.2021 as per the Order dated 30.06.2021) restrained to carry out eviction and demolition. Relevant para of the said Order is reproduced as under:-

That the State Governments, Union Territory, Chandigarh, or any of its Departments or any Municipal Corporation / Council / Board or any Gram Panchayat or any other local body or any other agency and instrumentality of the State shall not take any action for eviction and demolition in respect of any property, over which any citizen or person or party or any Body Corporate, has physical or symbolic possession as on today till 30th June, 2021;”.

In spite of that, the field officers have been undertaking the action against the unauthorized colonies keeping the actions within the purview of law. In the quarter from 15.04.2021 to 09.07.2021, area on which the demolition has been undertaken against the unauthorized colonies and the unauthorized colonies detected in the State of Haryana are 390.8 & 430.7 acres respectively. Hence, vigorous actions have been taken by the department against the growing unauthorized colonies in the state by early detection and demolition therein, where ever required.(Annexure II)

Further, in order to enhance the transparency in the system and to ensure regular monitoring of the enforcement activities being undertaken by the Department, an online portal has been made functional. The field officials upload the detections of unauthorized colonies/ constructions and the actions taken against them as per the provisions of the Act 8 of 1975 and Act 41 of 1963. Simultaneously, the prior records are also being digitized for having a comprehensive database regarding the detection of unauthorized colonies/ constructions and the action taken against the same by the field Officers. The digitization status and the information provided by the field offices is being reviewed on regular basis in the departmental review meetings held under the chairmanship of DTCP.

Public Awareness and Coordination with various agencies:

In addition to the penal actions as indicated above, the Department is also pro-active in spreading public awareness, so that general public does not get duped into investing its hard earned money in such unauthorized colonies. The details of action taken in this regard may be summarized as follows:

- i. Installation of Warning Boards in all such Unauthorized Colonies, warning the general public not to buy plots / property in such colonies.
- ii. Hoardings in public offices, viz., Deputy Commissioner, ADC, SDM, Sub-Registrars, BDPO, Saral Kendras, Bus Stands etc. showing the details of Khasra No., Revenue Estate and the locations of such Unauthorized Colonies, so as to warn the violators of the Act/Rules and to spread awareness among the general public not to invest in such unauthorized colonies.
- iii. Spreading Awareness through Campaign and Local Cable TV Advertisements.
- iv. References / DO letters by DTCP Haryana to all Deputy Commissioners, sensitizing them of the need regarding obtaining the NOC from the concerned District Town Planner while executing the sale deeds in the Urban Area notified under Section-7A of Act of 1975, without obtaining the NOC from the concerned District Town Planner.



- v. References by DTCP Haryana to Revenue Department, with a request to initiate disciplinary action against the concerned Tehsildar/Sub-Registrar for violating the provisions of Section-7A of Act of 1975 with respect to execution of sale deeds in the Urban Areas notified under Section-7A of Act of 1975.
- vi. Undertaking demolition activities in coordination with other agencies responsible for enforcement, viz., Urban Local Bodies, HSVP, GMDA etc.
- vii. Creation of Task Force at District Level: for the better implementation of the provisions of the above mentioned Act, and better coordination with the District Administration, a Task Force at District level has been constituted under the Chairmanship of District Magistrate consisting S.P., DTP, SDM, XEN PWD (B&R) as members. The functions of the Task Force is to prepare the schedule of carrying out the demolition drives etc, and to designate the Duty Magistrate and required police force to maintain law and order during sealing drives and demolition operations to implement restoration orders passed in pursuance of the provisions of the Acts referred to above.
- viii. Apart from the above, regular review meetings are being taken by the Director, Town and Country Planning with field/ circle offices to check the progress of action against the unauthorized colonization / constructions undertaken.

The Department is taking prompt actions against the violators promoting the haphazard growth in the state and keen to implement the provisions of the Act of 1975 through issuance Notices, massive demolition drives and lodging FIRs. In addition the Department has also introduced following policies where the area requirement for obtaining license under the provisions of Act of 1975 is low (as low as 5 acres in some cases), with higher population density, making it easier to obtain licenses and provide plots / flats /dwelling units at affordable rates to the general public:

- i. Deen Dayal Jan Awas Yojana.
- ii. Affordable Group Housing Colony.
- iii. New Integrated Licensing Policy.

Regarding the coordination with the Revenue department to control the illegal subdivision of land.

As per the provisions of the Act 8 of 1975, urban areas are being declared under the section 7A to curb the growth of illegal colonies by means of subdivision of land in small portions. In the areas declared under section 7A of Act 8 of 1975, a person has to mandatorily obtain the “No Objection Certificate” from the TCP department before the execution of the sale deed for a vacant land less than 1 acre.

In this regard, as soon as the Urban area is being declared under section 7A, the Revenue Department is being intimated regarding the same with a copy of the notified area and the land schedule for them to integrate the information in the HALRIS and to not execute the sale deeds where the transfer of vacant land below

1 acre is to be done. In total 34 Urban Areas U/s 7A of Act 8 of 1975 have been notified in the State of Haryana to curb the carving out of unauthorized colonies through illegal sub division of land.(Annexure III)

Also, the same information is being simultaneously uploaded on the departmental website for easy access to the general public as well as the relevant departments.

The concerned DC and Tehsildars are being informed and requested to not register the transaction of land in case any unauthorized subdivision is being detected by the concerned DTP field. The details of the land records where such activities are being undertaken are also sent along the said request.

Hence, Department has been making sincere & consistent efforts to ensure inter departmental coordination to make collective efforts to curb the growth of unauthorized colonies in the State.

In view of above, it is requested that Para may kindly be dropped.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that there was lack of co-ordination among Urban local bodies, Town and Country Planning and Revenue departments which resulted in to registration of immoveable property without obtaining NOC.**

**The Committee recommends that a detailed enquiry regarding Registration of immoveable property without NOC by Revenue authorities be got conducted and appropriate disciplinary action be taken accordingly and a complete action taken report be submitted to the Committee.**

#### **[41 ] 3.14.3.1 Licences granted in excess of permissible area.**

To regulate the development of urbanised sector in harmonious manner, Government framed (December 2006) a policy for grant of licences and permission for change of land use (CLU). Paragraph 3 of the policy provides that the area under Residential Group Housing (RGH) should not exceed 20 percent of the net planned area of the Sector. Issue of licence in excess of norms would hamper the development of areas in harmonious manner. Further, there was no relaxation in the policy.

The net planned area of Sector 37D, Gurugram was 533.22 acres. Therefore, licences for RGH were to be granted upto an area of 106.64 acres i.e. 20 per cent of net planned area. The Department had issued licences for RGH for an area of 115.512 acre upto 2009 which was already in excess of the permissible limits. Further, another licence number 94 of 2011 for land area measuring

19.74 acre was granted. Audit observed that the department had obtained the approval of the Government in November 2010 on the plea that the applicant was senior to the applicants to whom the licences had already been granted and the applicant in question was not at fault. This violated the provisions of the policy for granting licence as there was no relaxation envisaged in the policy.

DG, TCPD stated (October 2020) that a conscious decision was taken to grant license on 19.744 acres of land as the application was received in 2007 and the same was existing in

the seniority. It was also added that the relaxation was given as a special case. The reply is not tenable as there was no provision for relaxation in the policy of 2006.

**The department in its written reply stated as under:**

The Net Planned Area of sector 37-D was reported as 900 acres. As per policy 2006 reservation of area for group housing in a particular sector should not exceed 20% of the sector area. Therefore area for grant the licenses for group housing purpose as per this sector are comes out to be 180 acres. The present application LC-1674 (M/s Countrywide Promoters Pvt. Ltd.) was received on 20.09.2007 after present application two more applications were received i.e LC-1936 SA Infratech measuring area 13.43 acres on dated 22.02.2008 & LC-2064 SA Infratech measuring area 18.03 acres on dated 25.07.2008 and same were considered for grant of license as there was sufficient area available for grant of license in the Sector-37-D, Gurugram. As per revised sector plan dated 22.01.2010 is the total area of the Sector-37 D is 533.22 acres and 20% for grant of license under Group Housing, component works out to 106.644 acres. Whereas, licenses have already been granted for area measuring 115.785 acres of which the NPA is 112.3715 acres. The net planned area of the sector is 533.22 acres and detailed of Group Housing in Sector-37D are as under:-

Total area of the Sector-37D = 533.22 acres

20% of the total Sector area = 106.644 acres

| Sr. No. | LC. No.  | Name of applicant               | Date of application     | Area (in acres) | Area falling under the sector road and green belt | Balance area | 50% of the area falling under the sector road and green belt | Net planned area | Licence No. and date        |
|---------|----------|---------------------------------|-------------------------|-----------------|---------------------------------------------------|--------------|--------------------------------------------------------------|------------------|-----------------------------|
| 1       | LC-1277A | Countrywide Promoters Pvt. Ltd. | 1.2.2007                | 23.814          | 1.017                                             | 22.797       | 0.5085                                                       | 23.3055          | 83 of 2008 dated 05.04.2008 |
| 2       | LC-1608A | SA Infratech                    | 20.08.2007 & 15.10.2007 | 60.511          | 2.596                                             | 57.915       | 1.298                                                        | 59.213           | 33 of 2008 dated 19.02.2008 |
| 3       | LC-1674A | Countrywide Promoters Pvt. Ltd. | 20.09.2007              | 19.744          | 0.00                                              | 19.744       | 0.00                                                         | 19.744           | 94 of 2011 dated 24.10.11   |
| 4       | LC-1936A | SA Infratech                    | 22.02.2008              | 13.156          | 0.00                                              | 13.156       | 0.00                                                         | 13.153           | 12 of 2009 dated 21.05.09   |

|   |          |              |            |        |       |        |       |        |                             |
|---|----------|--------------|------------|--------|-------|--------|-------|--------|-----------------------------|
| 5 | LC-2064A | SA Infratech | 25.07.2008 | 18.031 | 2.668 | 15.363 | 1.334 | 16.697 | 11 of 2009 dated 21.05.2009 |
|   |          |              |            |        |       |        |       | Total  | 132.1155                    |
|   |          |              |            |        |       |        |       | Excess | 25.4715                     |

The license no. 11 & 12 of 2009 to M/s SA Infratech Pvt. Ltd. whose applications have been received after the present application LC-1674 (M/s Countrywide Promoters Pvt. Ltd.) were issued on the basis of total sector area as 900 acres and permissible area for grant the licenses for group housing purpose was 180 acres. This matter was submitted to the Government, wherein it was deliberated that earlier licenses granted cannot be cancelled due to creation of 3rd party rights. Therefore, a conscious decision was taken that since the application in case of LC-1674 (M/s Countrywide Promoters Pvt. Ltd.) on the additional land area measuring 19.744 acres in Sector-37D was received in 20.09.2007 and the license no. 11 & 12 of 2009 to M/s SA Infratech Pvt. Ltd. whose applications have been received after the present application on dated 22.02.2008 and 25.07.2008. The application was received in 20.09.2007 by M/s Countrywide Promoters Pvt. Ltd and the same was existed in the seniority list. Hence, it was considered as special case to grant of license. However, as approval by the Government by giving relaxation in the present case on 16.11.2010 (Annexure IV). The LOI has been issued to M/s Countrywide Promoters Pvt. Ltd. on 01.12.2010.

In view of the above, it is informed that that matter has is already closed as per the approval of Hon'ble CM Haryana. Therefore, the audit para may kindly be dropped.

#### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee was not satisfied with the reply of the department and therefore, recommends that responsibility of erring officers/officials in the matter be fixed and an action taken report be submitted to Committee within a month.**

#### **[42] 3.14.3.2 Delay in initiation of action for cancellation of licence.**

Rule 13 of the HDRUA Rules provides for renewal of licence in cases where the coloniser fails to complete the development work in the colonies within a period of two years. The Licensees are required to get the licences renewed by submitting the applications along with renewal fee at prescribed rates. The licence is liable to be cancelled in case of non-renewal after giving proper notices.

Licence number 1 of 2002 over an area of 5.61 acres was granted (December 2002) for setting up a commercial colony in the revenue estate of village Patti Mehar, Ambala City. The validity period of the licence was two years i.e. up to December 2004. Audit observed (September 2018) that neither did the licensee apply for renewal of licence nor did the department take cognisance of the matter till October 2013 when a show cause notice was issued i.e after the lapse of nine years of licence period. Thereafter, the licence was cancelled in July 2015. It was seen that the licensee had sold land measuring 2, 368 square

yard through sale deed although the layout plan was not approved which was the basic requirement for registration of sale deeds under the provisions of Section 7A of the HDRUA Act.

After cancellation of the licence (July 2015), licensed colony was taken over by the TCPD under its jurisdiction. A Public Notice was embedded at site advising the general public not to indulge in sale/purchase transactions with the licensees in respect of the said colony. The Department instructed (November 2017 and June 2018) the Tehsildar, Ambala and Deputy Commissioner-cum-Registrar Revenue not to register sale deed in the colony. Despite this, 16 sale deeds (12.89 Marla) were executed during the period from February 2016 to May 2018 by Tehsildar after cancellation of licence. No action was taken against the Tehsildar for non-compliance of instructions of the department.

Thus, the Department failed to initiate action against the licensee for non-renewal of licence and sale of land without approval of layout plan of the colony. Further, execution of sale deeds of a cancelled colony was illegitimate and against the extant rules. The department may evolve proper mechanism for monitoring the renewal of licences and action against defaulting developers. Responsibility needs to be fixed for the registration of sale deeds in cancelled colonies despite the instructions of the department. There was also lack of co-ordination between TCPD and Registration Authorities.

DG, TCPD stated (October 2020) that necessary action was initiated against the coloniser in April 2014 and the licence was cancelled in July 2015. It was also added that action in the matter regarding non-compliance of public notice has now been initiated by the revenue authorities. The reply indicates that there was abnormal delay in initiating action against the coloniser as well as Registration Authorities.

### **The department in its written reply stated as under:**

It is submitted that the Licenses are cancelled as per provisions of Section 8 of Haryana Development and Regulation of Urban Areas Act, 1975 by following the procedure in accordance with Rule 18 of Haryana Development and Regulation of Urban Area Rules, 1976 and the detail of action taken is as below:

Licence no. 1 of 2002 was granted to M/s Ramesh Kumar & Others, H.No. 588, Sector – 7, Ambala City for setting up of commercial colony in the revenue estate of Village Patti Mehar, Ambala City by Director, Urban Local Bodies, Haryana vide Endst no. CTP/11-A/2002/60883 dated 13.12.2002. Therefore, the necessary action in the matter regarding the discrepancies i.e. outstanding dues of EDC, Revalidation of Bank Guarantees etc. was to be initiated by the Department of Urban Development. Show cause notice was also issued by the Department of Urban Local Bodies in the year 2003 & 2004.

The entire record of licence no. 01 of 2002 was transferred to the department of Town and Country Planning in the year 2013 for taking further necessary action.

The necessary action was initiated after taking due cognizance of the matter and notice under Rule 18(1) and (2) were issued vide this office memo dated 11.04.2014 and 05.11.2014 on account of various deficiencies such as non renewal of licence, outstanding EDC and expired Bank guarantees etc.

Consequent to the above further necessary action Licence was cancelled under rule 18(3) vide memo no.12982 dated 20.07.2015 (Annexure V) and notice under Rule 19 was initiated. After the cancellation of licence in the year 2015, committee to carry out the development works was constituted vide letter dated 13.08.2015 and Public Notice regarding restraining any further sale in the licence was issued vide letter dated 13.08.2015. The unauthorized construction raised in the form of 9 structures was demolished by DTP, Ambala on 18.05.2018.

Further, Deputy Commissioner-cum-Registrar, Ambala was also requested vide memo No. 15329 dated 21.05.2018 with the request to issue necessary instructions to Sub registrar concerned for not executing the sale deeds of the land in question bearing Khasra No. 924, 925, 926, 927, 928 of Village Patti Mehar and also requested to intimate the details of sale deeds executed w.r.t said land after cancellation of licence i.e. 20.07.2015. Now, the Revenue Authorities at Ambala have stopped the sale and purchase of land in the said khasra nos. by making an entry to this effect in the Jamabandi on 15.05.2018 and 06.11.2020. In view of the above, the Department has taken all the necessary action as per prevalent Act/Rules. Therefore, it is requested that Para may kindly be dropped.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that there was inordinate delay in initiation of action against concerned erring Revenue Authorities. The Committee, therefore recommends that responsibility of erring officers be fixed and a complete action taken report be submitted to the Committee .**

#### **[43] 3.14.3.3 Lack of action against defaulting developer**

License number 30 of 2009 was granted (July 2009) for setting up of a Group Housing Colony at village Nangal Moginand in Sector 30, Panchkula. The Developer had committed the following violations:

- (i) Construction of four blocks (31, 882.036 sqm) without approval of building plans in contravention of Section 3 B of the HDRUA Act.
- (ii) The Developer had not submitted the documents in compliance with HDRUA Rules 26, 27 and 28 relating to accounting of sale proceeds for plots sold and bank account details of the developer.
- (iii) An amount of ₹31.89 crore was due for recovery on account of External Development Charges (EDC) as of March 2019 which was not paid as of September 2019.

No action was taken against the developer by the Department for these violations, although the Government was empowered to cancel the licence under Section 8 of the HDRUA Act, 1975 for contravening any of the conditions of licence or the provisions of the Act or Rules made thereunder. Thus, the Department had not been enforcing the rules and regulations to protect the interests of purchasers of land in the licensed colonies and was extending undue favour to the licensee. Non-enforcement of recovery of EDC would also affect the external development in the area as these works were to be executed out of these charges.

DG, TCPD stated (October 2020) that it was a serious lapse on the part of the coloniser and after giving a final opportunity to deposit the dues, completion of formalities for approval of building plan and renewal of licence, action regarding cancellation of licence would be taken as per Act/Rules.

**The department in its written reply stated as under:**

- i) As per point no. 1 of composition policy dated 08.08.2001, erection of building in a licenced colony without approval of building plans is a compoundable offence and the same can be compounded at the time of grant of occupation certificate which is yet to be applied in the matter.
- ii) The colonizer has submitted compliances under rule 26 & 27 of rules, 1976 upto 2016-17. The compliance report up to the FY 2016-17 has been issued on the basis of the information provided by the colonizer under the Rules 1976. However, onward the licensee has failed to submit the documents for the compliance report, as such, the each/every licensee has to submit the required documents for the compliance report on or before the 30th June of the every financial year. The department has also made provision of submission of compliance under rule 24, 26, 27 and 28 through e-compliance portal. The licensee has not submitted the online compliances and late submission of compliances is compoundable. License will be renewed only after submission of compliances.

It is submitted that notice for cancellation of license under rule 18(1) and 18(2) was issued to the licensee. Before passing final orders, personal hearing was granted to the licensee. During the hearing the licensee has submitted that there company wants to avail EDC re-schedulement Policy dated 21.09.2018 but due to current recession in the market, the company's position is under stress and they are in process of procuring loan from another investors i.e. Eventus Infra-ventures (P) Limited & Refulgent Energy (P) Limited. In addition, the matter is also being pursued in HRERA, Panchkula for recovery of the outstanding yet to be received from the allottees. The Licensee has further submitted that the payment received from these sources will deposited towards down payment for availing EDC re-schedulement policy. Finally the personal hearing was fixed for the 01.04.2020, which could not be held. Thereafter, a last and final opportunity was given to the applicant vide memo dated 14.07.2020 to deposit the dues and complete the formality with respect to approval of building plans and renewal of license and District Town Planner, Panchkula was directed to seal the premises of the project. The colonizer has not deposited the outstanding EDC dues. The applicant has not got the license renewed and not got approved the building plans. District Town Planner, Panchkula has sealed the premises of the project on 17.09.2020, so that the colonizer may not carry out unauthorized construction at site. Further, action for cancellation of license is in process. As such, the department is performing the best efforts to recover the outstanding dues, so, it is not fact that the department not enforcing the rules & regulations to protect the interests of the 3rd party rights. Hence, it is requested to kindly drop the Para.

### **Observations and Recommendations of the Committee as under:**

During oral examination the Committee would like to know latest position of recovery of EDC from defaulting developer and recommends that necessary action as per rule for violation of provisions be taken against the developer under intimation to the Committee.

#### **[44] 3.14.3.4 Part occupation certificate issued without recovering EDC**

As per instruction issued (April 2013) by the Government, for grant of Occupation Certificate or Completion/ Part Completion Certificate, balance EDC is required to be paid in full by the developer.

Part Occupation Certificate (POC) was granted in July 2018 to Ultratech Township Developers Private Limited, Karnal bearing licence number 46 of 2011 without recovering EDC of ₹3.20 crore including interest. The outstanding amount of EDC had accumulated to ₹7.13 crore as of June 2020. This tantamounts to extending undue favour to the developer. Responsibility needs to be fixed for issuance of POC without recovering EDC.

DG, TCPD stated (October 2020) that the licensee had adopted EDC relief policy (April 2016), according to which third instalment of EDC was not due before grant of POC. The reply is not convincing as the coloniser had not even deposited earliest instalments which were overdue.

### **The department in its written reply stated as under:**

In this regard, it submitted that the licensee has adopted the EDC Relief Policy dated 12.04.2016 and as per office record on date 17.07.2018, nothing was due against the licensee on the date of grant of occupation certificate although the 3rd installment against EDC relief policy was due on 22.07.2018. As no EDC was outstanding on 17.07.2018 the Occupation Certificate was granted on that date. Hence, it is therefore requested to kindly drop the Para.

### **Observations and Recommendations of the Committee as under:**

During oral examination the Committee observed that payment of due amount of EDC before grant of part occupancy certificate (POC) was not ensured as there was no mention of detail of payment of earlier due instalments of EDC by the developer. The Committee, therefore, recommends that a detailed note regarding payment of EDC be submitted to the Committee for further examination.

#### **[45] 3.14.3.5 Non-development of colonies of cancelled licences**

As per provisions of Section 8 (1) of HDRUA Act, 1975 a licence is liable to be cancelled by the Department if the coloniser contravenes any of the conditions of the licence or the provisions of the Act or the Rules made thereunder. After the cancellation, as per Section 8 (2) of the Act, the Department may carry development works in the colony and recover the charges incurred on the said development works from the coloniser and the plot-holders.

The Department had cancelled four licences in test checked districts between July 2015 and



July 2018 having an area of 26.12 acres and taken over the colonies under its jurisdiction. Committees under the Chairmanship of the Administrators, Haryana Urban Development Authority (HUDA) of the concerned areas were also constituted to make an assessment of the amount which was to be incurred on deficient development works in the licensed colonies. Audit observed that after taking possession of the colonies, the ibid committees had neither assessed the amount required for carrying out development works nor were development works carried out. Thus, the Department was not discharging its duty of completing cancelled licensed colonies.

DG, TCPD stated (October 2020) that out of four cases, in one case the coloniser had appealed to Principal Secretary, TCPD against cancellation of licence and in other two cases appropriate action would be taken as per rules. However, no reply was furnished in respect of remaining one case. Thus, appropriate action for development of cancelled colonies was lacking on the part of the department.

**The department in its written reply stated as under:**

Licence no. 1 of 2002 was granted to M/s Ramesh Kumar & Others, H.No. 588, Sector – 7, Ambala City for setting up of commercial colony in the revenue estate of Village Patti Mehar, Ambala City by Director, Urban Local Bodies, Haryana vide Endst no. CTP/11-A/2002/60883 dated 13.12.2002. Therefore, the necessary action in the matter regarding the discrepancies i.e. outstanding dues of EDC, Revalidation of Bank Gurantees etc. was to be initiated by the Department of Urban Development. Show cause notice was also issued by the Department of Urban Local Bodies in the year 2003 & 2004.

The entire record of licence no. 01 of 2002 was transferred to the department of Town and Country Planning in the year 2013 for taking further necessary action.

The necessary action was initiated after taking due cognizance of the matter and notice under Rule 18(1) and (2) were issued vide this office memo dated 11.04.2014 and 05.11.2014 on account of various deficiencies such as non renewal of licence, outstanding EDC and expired Bank guarantees etc.

Consequent to the above further necessary action Licence was cancelled under rule 18(3) vide memo no.12982 dated 20.07.2015 (Annexure V) and notice under Rule 19 was initiated. After the cancellation of licence in the year 2015, all the fees and charges deposited by the applicant such as license fees amounting Rs. 28,05,000/-, scrutiny fees amounting Rs. 2, 28, 000/-, service charges amounting Rs. 57,000/- & EDC amounting Rs. 20, 43, 600/- at the time of grant of licence stand forfeited A committee to carry out the development works was constituted vide letter dated 13.08.2015 and Public Notice regarding restraining any further sale in the licence was issued vide letter dated 13.08.2015.

Deputy Commissioner-cum-Registrar, Ambala was also requested vide memo No. 15329 dated 21.05.2018 with the request to issue necessary instructions to Sub registrar concerned for not executing the sale deeds of the land in question bearing Khasra No. 924, 925, 926, 927, 928 of Village Patti Mehar and also requested to intimate the details of sale deeds executed w.r.t said land after cancellation of

licence i.e. 20.07.2015. Now, the Revenue Authorities at Ambala have stopped the sale and purchase of land in the said khasra nos. by making an entry to this effect in the Jamabandi. Further, STP, Panchkula has informed that a Meeting of the Committee was held on 09.11.2021 at 11:00 AM under the Chairmanship of Administrator HSVP, Panchkula, Haryana and XEN HSVP Ambala has prepared estimates for remaining work and the estimates for the electrical work are under preparation. Hence, Committee is taking action as per the provisions of Rule 19 of Rules 1976.

The license no. 10 of 2010 was granted in favour of Universal Buildcon Pvt. Ltd. in collaboration with Landmark Apartment Pvt. Ltd. for development of Group Housing Colony over an area measuring 10.931 acres in Sector 85-88 Faridabad.

“The licence no. 10 of 2010 cancelled vide order dated 25.07.2018 but the cancellation order has been kept in abeyance by the Hon'ble Court vide order dated 17.07.2018 passed in CWP no. 24568 of 2018. The Department has also filed an SLP no. 21573 of 2019 against the Hon'ble High Court order dated 17.07.2018 which is still pending. Hence no action can be taken for development of this cancelled licenced colony till the pendency of the court cases.”

Licence No. 54 of 2009 granted to Aerens Goldsouk Hisar is under sub-judice before Principal Secretary Town and Country Planning under Appeal No. 40 of 2016 before Principal Secretary Town and Country Planning, Haryana. Further action in the matter shall be initiated upon final decision in the matter.

The licence no. 169 of 2008 was granted on 15.09.2008 for setting up of a commercial colony over an area measuring 3.50 acres in the revenue estate of village Nangla Kalan Sector 81 District Sonapat in favour of Sh. Karam Singh & Others C/o Gruda Realtors Pvt. Ltd. The licence was cancelled vide order dated 03.11.2015. The review application filed before DTCP was also rejected on 19.05.2016, whereas appeal filed before PSTCP against the order was also dismissed on 16.05.2019. After dismissal of the appeal, action in accordance with provisions of Rule 19 of Rules 1976 as amended on 05.02.2020, has been initiated and the committee constituted under the chairmanship of STP, Rohtak has taken further action as per provisions of the Rule 19 of Rules 1976.

In view of these facts, it is clear that action as per the Act/Rules is being taken. Therefore, it is requested that the para may kindly be dropped.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that no assessment of work to be done and expenditure to be incurred pertaining to developer's cases pending in courts was made despite constitution of a committee for the purpose.**

**The Committee, therefore, recommends that a district-wise detail pertaining to pending court cases of developers alongwith detailed planning for resolving these cases and time to be taken for completion of this process be submitted to the Committee.**

**[46] 3.14.3.6 Short-transfer of Economically Weaker Sections plots/flats**

Government formulated (July 2013) a policy regarding allotment/transfer of Economically Weaker Sections (EWS) plots/flats in the licensed colonies. The licensees were to transfer all the EWS category plots to Housing Board Haryana (HBH) within six months after approval of zoning plan. Regarding allotment of EWS flats, complete scheme was to be floated by the licensees within four months from issuance of occupation/part-occupation certificate (POC) of EWS flats. For delay in allotment of EWS plots/flats, the colonisers were liable to be penalised with composition charges as per policy of the Government declared in August 2013.

Scrutiny of records of selected districts revealed that 56 developers/licensees had transferred 11, 531 EWS plots as against the total 17, 960 EWS plots and 6, 429 were not transferred to HBH. Similarly, 48 developers/licensees had allotted/transferred 4, 988 flats as against the total 7, 915 EWS flats and 2, 927 flats were not transferred to HBH/allotted to eligible candidates (Appendix 3.5). No monitoring mechanism had been evolved to ensure allotment of plots/flats to EWS categories. The department had not initiated any action against defaulter developers/licensees. The composition charges were not recovered as provided in the policy. Thus, the Department was not protecting the interests of EWSs as per policy of the Government. Responsibility needs to be fixed for not initiating action against defaulters.

DG, TCPD stated (October 2020) that the Housing Board Haryana (HBH) had not even allotted the transferred plots/flats to the beneficiaries. It was also added that as and when HBH demand for further plots/flats, the department would direct the colonisers to transfer the required plots/flats to HBH. The reply is not convincing as plots/flats were required to be transferred to HBH as per policy of July 2013.

**The department in its written reply stated as under:**

The para was regarding delay in allotment/transfer of EWS plots/flats provided in various licenced colonies of the State. In this regard, it is submitted that the Department has already decided to transfer all plots/flats of EWS category to the Housing Board, Haryana, therefore the interest of EWS category are being protected. As per the status of transfer of EWS plots in licenced colony as on 30.09.2021, it is submitted that out of total 33138 EWS plots approved in the demarcation of the colony, 10598 plots were allotted by the colonizer as per earlier policy. Further, 14930 plots have been transferred by the colonizer to Housing Board. Only 7610 plots are yet to be transferred to the Housing Board, Haryana. The details are at (Annexure VI). Hence, action is being taken as per policy. Therefore, it is requested that the para may kindly be dropped.

**Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that process of allotment of EWS plots/flats was not up to the expectation.**

**The Committee therefore recommends that a detailed report on process of allotment of EWS plots/flats be submitted and responsibility of concerned officers/officials be also fixed in the matter and, if required matter would be discussed in a joint oral examination meeting of Housing Board and HSVP.**

### **[47] 3.14.3.7 Non-recovery of External Development Charges/ Infrastructure Development Charges**

As per Section 3(3) of HDRUA Act and Rule 11 (C) of Rules made thereunder, the applicant should undertake to pay proportionate EDC. The charges should be paid within 30 days from the date of grant of licence or in eight equal quarterly installments along with interest. Section 3A of the Act further provides that any coloniser to whom a licence has been given shall deposit Infrastructure Development Charges (IDC) in two equal installments. Further, as per agreement entered by coloniser with the Department, if coloniser breaches any of the terms and conditions of the agreement or violate any provisions of Act and Rules, the Director is empowered to cancel the licence.

Scrutiny of records in the office of the Director, TCPD revealed that in 601 cases, an amount of ₹15, 216.61 crore on account of EDC (₹14, 383 crore) and IDC (₹833.61 crore) was pending for recovery against the colonisers for one to 16 years as per detail given in Table 3.2.

Table 3.2 : Detail of recoverable EDC/IDC from colonizers

| <b>Period</b>                                      | <b>Total Number of Licences</b> | <b>Amount of EDC recoverable</b> | <b>Amount of IDC recoverable</b> | <b>Total recoverable EDC and IDC</b> |
|----------------------------------------------------|---------------------------------|----------------------------------|----------------------------------|--------------------------------------|
| Licences issued upto 2009                          | 154                             | 2, 881.48                        | 128.57                           | 3, 010.05                            |
| Licences issued from January 2010 to December 2014 | 361                             | 10, 947.97                       | 548.84                           | 11, 496.81                           |
| Licences issued from January 2015 to March 2019    | 86                              | 553.55                           | 156.20                           | 709.75                               |
| <b>Grand Total</b>                                 | <b>601</b>                      | <b>14, 383.00</b>                | <b>833.61</b>                    | <b>15, 216.61</b>                    |

Audit observed that the Department had not taken adequate action against the defaulters, although the amount of ₹3, 010.05 crore was outstanding for more than 10 years in respect of 154 cases. Director was empowered to cancel the licences of the colonisers but the licences were not cancelled.

As the outstanding amount is huge, the recovery of EDC and IDC needs to be monitored at the Government level. Further, the Government should consider initiating action, as per rules, to cancel the licences and take possession of plots of the defaulter colonisers while

ensuring the protection of interests of genuine end buyers of plots/apartments.

DG, TCPD stated (October 2020) that due to proper internal checks and balances, no major default risk was faced by the Department despite certain delays in recovery of EDC. The reply is not convincing as huge amount was outstanding against the colonisers for the last one to 16 years, appropriate action such as cancellation of licences was required to be taken to recover the outstanding amount.

**The department in its written reply stated as under:**

It is submitted that the Government is conscious of the delay in payment of EDC/ IDC by various colonisers. However, there are systems in place to discourage any such delay/ default in payment of EDC/ IDC and to effect regular recovery of the same. It is also asserted that the measures adopted during the last five years period have resulted in unprecedented recovery of EDC/ IDC and the situation is completely under control. No renewal of license or approval of building plans apart from several other approvals/permissions granted by this office from time to time are allowed unless the entire IDC dues in the said license are paid and commitment to pay EDC in time bound manner including submission of BG is done as per Govt. policy.

In order to recover the outstanding amount of external development charges and also to facilitate the licenses to pay these charges, the Government has formulated various relief policies. Under the EDC relief policy dated 12.04.2012 Department has received EDC amount of Rs 1991.12 Crore and amount of Rs. 431.56 crore have been received under policy dated 12.04.2016. EDC/IDC Relief policy dated 12.04.2016 was valid upto 22.04.2018.

Thereafter, On the representation received from CREDAI and increase the recovery of EDC and SIDC Govt. has formulated EDC Re-schedulement Policy on 21.09.2018, which has been further amended vide letter dated 26.12.2019. EDC Re-schedulement policy dated 21.09.2018 has been adopted by 175 licencees and the Department has recovered Rs. 1167.65 Crore on account of EDC.

Further, a new Scheme "Samadhan Se Vikas" dated 10.08.2020 has been introduced by the Govt. to enable recovery of long pending EDC dues which was further extended upto 30.09.2021 vide memo dated 22.06.2021.

With reference to progress under this scheme, it is submitted that till date (i.e. 30.09.2021) an amount of Rs. 1130.13 Crore approx has been deposited by the colonizers for adopting One-Time Settlement Policy "Samadhan Se Vikas. However, there is a drawback in recovery of the Enhanced EDC dues on account of the stay orders of Hon'ble High Court dated 19.03.2013 in CWP No. 5835 of 2013: Balwan Singh & Others Vs. State of Haryana. The Department is strongly contesting the stay orders in the Hon'ble High Court and is hopeful of early resolution of the issue in favour of the Government.

Further, department has initiated action against the defaulters to recover the EDC dues by revoking bank guarantees submitted by them against EDC. Approx Rs. 100.00 Crores has been recovered till date i.e. on 08.09.2021.

It may however, be noticed that any delay in payment also results in recovery of penal interest at the rate of 15% per annum (against 12% per annum recovered on payments as per prefixed installment) leading to additional recovery from the colonizers which also acts as a disincentive against any delayed payment. The internal checks and balances ensure that in spite of certain delays in payment of EDC dues by the colonizers, there is no major default risk faced by department and the Department received EDC amount to Rs. 22818.49 Crore from all outstanding dues of EDC/IDC from the licensee as on 31.10.2021.

Moreover, department has initiated the action against the defaulter by issuing notice from time to time and also cancelled the license of the defaulting licensee. Hence, it is therefore requested that the para may kindly be dropped.

### **Observations and Recommendations of the Committee as under:**

**The Committee recommends that all cases pending for recovery of EDC specially for last 10 to 15 years be examined to assess possibility of recovery and to ensure recovery of EDC, further pragmatic efforts with effective planning be made for recovery of EDC under intimation to the Committee.**

#### **[48 ] 3.14.3.8 Non-recovery of revised licence fee**

State Government revised (August 2013) licence fee and the revised rates were effective from 1 June 2012. Rate of licence fee was further revised in February 2015 and the revised rates were effective from 4 April 2014.

Scrutiny of records revealed that licence fee was charged at the pre-revised rates from eight developers in four selected districts during the period from July 2012 to June 2014 resulting in loss of revenue to ₹13.14 crore. On being pointed out by audit, demand notices for ₹9.05 crore (including interest) were issued against four licensees by the Department but the recovery had not been made (June 2020).

The Department may re-check all the cases of licence fees to ensure recovery of licence fee at the revised rates to avoid loss of revenue to the Government. Responsibility needs to be fixed for non-recovery of licence fee at the revised rates.

DG, TCPD stated (October 2020) that the Department had identified and demanded difference of licence fee in a few cases. Audit is of the opinion that the Department should re-check all the cases to ensure recovery of licence fee at revised rates.

### **The department in its written reply stated as under:**

The licence fees was revised vide notification dated 06.08.2013 w.e.f. 01.06.2012. In reference to said notification, the cases where LOI was granted between the period 01.06.2012 to 06.08.2013 and in cases where revised license fee was not demanded earlier, were submitted for demanding the differential amount of licence fee.

As per the record, total no. of 59 cases were found, where differential license fee was to be recovered. Out of these 59 cases, license fee has been recovered in 31 cases and further reminder to notice to recover the differential license fee has been issued (Annexure VII) in 26 cases and 2 license cases have migrated/surrendered.

In these 26 cases, no approval of any kind shall be granted without recovery of differential licence fee. Hence, recovery of differential licence fee in these 26 cases shall also be ensured. Hence, it is therefore requested that the para may kindly be dropped.

### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that recovery of Rs 17.82 crore in 26 cases was pending.

**The Committee, therefore recommends that pragmatic efforts for recovery of pending amount on account of revised licence fee be made in a time bound manner under intimation to the Committee.**

#### **[49] 3.14.3.9 Bank-guarantees not obtained from colonisers**

According to clause 7 of Affordable Housing Policy 2013 (August 2013), as a matter of security against any possible delinquencies in completion of the project, the colonisers were required to furnish bank guarantee against the total realisation from the project at the rate of 10/15 per cent according to the location of the project within 90 days of the date of commencement of the project. A total of 73 licences were granted to the developers/colonisers under the policy during the period from 2014 to 2019.

Audit observed that no bank guarantees were being taken from the colonisers against the total realisation from the project as envisaged in policy. The Chief Town Planner also directed (July 2018) all DTPs to issue notices to the colonisers for submission of bank guarantees within 15 days but the bank guarantees were not submitted (September 2019).

Further, a licence bearing number 70 of 2014 granted to SRS Real Estates Limited, Palwal was cancelled in August 2018 due to non-completion of project within stipulated period of four years. However, as no bank guarantee was taken against the total realisation from the allottees, no amount could be realised to carry out development works.

The Department stated (July 2019 and October 2020) that the clause 7.1 of the notification had been omitted in July 2019. The reply is not tenable as the condition of the policy was omitted in July 2019 whereas bank guarantees were required to be taken on the projects approved prior to July 2019.

### **The department in its written reply stated as under:**

In this regard, It is mentioned here that after enactment of the RERA Act, 2016, 70% of the total funds collected from allottees needs to be kept in a RERA designated bank account by the colonizer/licencee and this amount can only be withdrawn in accordance with RERA and that too depending upon the stage of completion. Further, when the Affordable Policy was drafted in the year 2013, there was no RERA Act or its Rules and only in order to safeguard interest of the allottees the provision for bank guarantee was made in the Affordable Group Housing Policy. Now, to provide 15 percent of the overall realization will put the licensee under additional financial obligation and constraint in view of the above background. Therefore, the Clause 7(i) of the AGH Policy dated 19.08.2013 has been omitted while issuing the amended notification in the said policy vide notification no. PF-27/15922 dated 05.07.2019 (Annexure-VIII).

In view of above provisions, there is no need to seek bank guarantee from retrospective effect. Hence, it is requested that the para may kindly be dropped.

### Observations and Recommendations of the Committee as under:

During oral examination the Committee was not satisfied with the reply of department and viewed it seriously. The Committee, therefore recommends that responsibility for negligence in the matter be fixed and after taking in to account legality of cases a detailed revised reply/action taken report be submitted to the Committee.

#### [50] 3.14.3.10 Non-revalidation of bank guarantees

As per provision of Rule 11 of HDRUA Rules, colonisers were required to furnish bank guarantee equivalent to 25 per cent of the estimated cost of development works. In the event of breach of any clause of agreement by the colonisers, the Department was entitled to cancel the licence granted and the bank guarantee in that event was required to be encashed.

Audit observed that the validity period of 18 bank guarantees in seven cases involving ₹26.13 crore (Appendix 3.6) though expired between November 2003 and March 2019, were not got revalidated by the colonisers even though the works were not completed. Thus, the Department was not enforcing the provisions of HDRUA Rules to protect the interests of buyers of plots in licensed colonies. The matter needs to be examined in detail to fix the responsibility.

DG, TCPD stated (October 2020) that one bank guarantee (out of 18) for ₹11.98 lakh had been encashed. For rest of the cases, it was stated that licences had been cancelled, cases were pending in courts, letters issued to banks for revalidation/revocation of bank guarantees, etc. The fact remains that the department was not prompt for revalidation/revocation of bank guarantees to protect the interest of buyers of plots/flats holders as per HDRUA Rules.

#### The department in its written reply stated as under:

In this regard, it is submitted that timely action has been taken by the Department for revalidation/revocation of bank guarantees. The licensee/banks were asked from time to time to revalidate the bank guarantee. Some cases are pending in the Hon'ble Court and final decision/action on the bank guarantee will be taken after the final outcome of the court case. Hence bank guarantees wise reply to the audit para is as under:-

| District    | License No./year | Name of Bank         | Number of bank guarantee (BG) | Validity date/time of BG | Amount of BG in Lakh | Reply                                                                                                                                                                                                            |
|-------------|------------------|----------------------|-------------------------------|--------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DTP Sonipat | 169/2008         | United Bank of India | 172011ILPER0026               | 30.03.2018               | 11.98                | It is submitted that well before the expiry of the bank guarantee the Bank was requested for renewal/encashment of the bank guarantee vide letter dated 12.02.2018 with a copy to the licensee. Consequently the |



|  |          |                  |                                      |                          |                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--|----------|------------------|--------------------------------------|--------------------------|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |          |                  |                                      |                          |                 | Bank Guarantee was finally encashed by the bank on 23/05/2019 and deposited in the receipt head of the department.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|  |          | Syndicate Bank   | 070BGP102610002<br>070BGP102610001   | 17.09.2018<br>17.09.2018 | 119.58<br>21.88 | Before the expiry of the bank guarantees the Bank was requested for renewal / encashment of the said bank guarantees vide letter dated 24.08.2018<br><b>(Annexure IX)</b> with a copy to the licensee. However the same was not encashed and on the expiry of the bank guarantees the same were sent to the bank for their revocation vide letter dated 15/05/2019<br><b>(Annexure X)</b> . Consequent upon the inaction on the part of the bank further notice was also issued to the bank for a needful action vide letter dated 11/09/2021. However it is assured that all possible efforts are being made at an appropriate level to safeguard the interest of the department. |
|  | 49/2013  | Yes Bank Limited | 003GM01130710001<br>003GM01130710002 | 11.06.2017<br>11.06.2017 | 332.33<br>99.14 | It is submitted that bank guarantees have been released due to migration of the license to the license No.110 of 2019 (LC-3790A) granted on 11.09.2019 as per migration policy dated 18.02.2016 as the licensee has deposited the outstanding dues before the migration.                                                                                                                                                                                                                                                                                                                                                                                                           |
|  | 282/2007 | Punjab National  | 21/2006<br>40/2007                   | 14.11.2011<br>22.10.2012 | 86.25<br>341.86 | It is submitted that the license has been                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

|                  |                |                           |                           |            |        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------|----------------|---------------------------|---------------------------|------------|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  |                | Bank                      |                           |            |        | cancelled due to refusal of renewal of the same vide order No.LC-974/2013/59535, dated 04.12.2013. After cancellation of licence the further action as per Rule 19 is being undertaken. Hence, revalidation of bank guarantee is not required. It is therefore, requested that the para may kindly be dropped.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| DTP<br>Faridabad | 37-<br>39/2007 | Bank of Rajasthan         | 2/2006-07                 | 26.05.2009 | 39.75  | It is submitted that proportionate amount of Rs.121.04 lacs has been released out of the bank guarantee amounting to Rs. 680.46 lacs vide order No. 5DP(II)-2008/5863, dated 16.07.2008. However, the remaining bank guarantee of Rs. 559.42 lacs is still lying with the department. As regard the bank guarantees amounting to Rs.39.75 lacs, Rs.260.41 lacs, Rs.40.25 lacs, & Rs.42.97 lacs, the same are also lying with the department yet reason being the Hon'ble Delhi High Court has appointed the Official Liquidator vide its order dated 22.03.2012 in Contempt Petition No. 39 of 2009 <b>(Annexure XI)</b> . The official liquidator has intimated vide letter dated 07.12.2018 & 11.07.2019 that the matter is still pending before the Hon'ble Delhi High Court for adjudication and the |
|                  |                | Oriental Bank of Commerce | GU/Triveni/021700419606/9 | 26.11.2009 | 260.41 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|                  |                | Bank of India             | 6703/FSSI/06-07/9/33      | 17.05.2009 | 40.25  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|                  |                | Bank of Rajasthan         | 3/2006-07                 | 26.05.2009 | 42.97  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|                  |                | Oriental Bank of Commerce | GU/Triveni/021700/9506/P  | 26.11.2009 | 680.46 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

|  |         |                         |                |            |        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--|---------|-------------------------|----------------|------------|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |         |                         |                |            |        | next date for re-notification fixed on 21.01.2022. Therefore, no action in this matter can be taken without the orders of the Hon'ble Delhi High Court.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|  | 10/2010 | The Karnataka Bank Ltd. | 13261BG000058  | 26.11.2017 | 43.90  | It is submitted that the Bank was requested for renewal / encashment of these bank guarantees vide letter No. DTCP/AO-III/2017/936, dated 13.10.2017 <b>(Annexure XII)</b> with a copy to the licensee. Meanwhile the license was cancelled vide order dated 17.07.2018. Consequently the original bank guarantee was submitted to the bank for revocation of the same vide letter dated 22.05.2019. But the licensee challenged the cancellation of the license in the court of law vide CWP No.24568 of 2018. As a result orders of the cancellation of the license and revocation of the bank guarantee were kept in abeyance by the Hon'ble High Court. However the matter is still pending in the Hon'ble court and final decision is still awaited. |
|  |         | The Karnataka Bank Ltd. | 13261BG000057  | 26.11.2017 | 345.34 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|  |         | IndusInd Bank           | 0022F109011138 | 31.03.2019 | 29.24  | It is submitted that the bank guarantee has been revalidated for the period upto 30.06.2023<br><br><b>(Annexure XIII)</b> , which is available                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

|              |         |                          |                  |            |       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------|---------|--------------------------|------------------|------------|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DTP<br>Hisar | 54/2009 | State Bank<br>of India   | 3027609BG2100063 | 25.11.2017 | 37.97 | with the Department.<br>It is submitted that as per order of the Hon'ble Supreme Court passed in SLP No.6037 of 2016 tag with SLP 5459 of 2016 <b>(Annexure-XIV)</b> , invocation of bank guarantee has been stayed and no further date of hearing has been fixed by the Hon'ble Court as yet. Hence without the decision of the Hon'ble Supreme Court no action can be taken by the department.                                                                                                                                                                                                                                                                                                                                                 |
| Ambala       | 01/2002 | Central Bank<br>of India | BG No.12/4       | 17.11.2003 | 35.07 | It is submitted that the license no. 01 of 2002 was granted by Director, Urban Local Bodies, Haryana vide endst no. CTP/11-A/2002/60883 dated 13.12.2002.<br>Therefore, the necessary action in the matter regarding the discrepancies i.e. outstanding dues of EDC, Revalidation of Bank Gurantees etc. was to be initiated by the Department of Urban Development. Show cause notice was also issued by the Department of Urban Local Bodies in the year 2003 & 2004.<br>The entire record of licence no. 01 of 2002 was transferred to the department of Town and Country Planning in the year 2013 for taking further necessary action.<br>The proceeding under Rule 18 before a cancellation of licence was initiated by this Department in |
|              |         | Central Bank<br>of India | BG No. 12/3      | 17.11.2004 | 44.87 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

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|--|--|--|--|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  |  |  |  |  | <p>the year 2014 on the ground of outstanding dues of EDC &amp; non renewal of licence. The licence no. 01 of 2002 was cancelled under Rule 18(3) of Rules 1976 vide memo dated 20.07.2015. After cancellation of licence the proceedings under Rule 19 were initiated and the public notice was also issued in the leading newspapers. No revalidation of bank guarantee is required and further action in the licensed colony is to be taken in accordance with Rule 19 of the Rules 1976 which includes settling of claims and completion of project.</p> |
|--|--|--|--|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

It is submitted that the Department has made all the earnest efforts to revalidate/revocation of the Bank Guarantees prior to its expiry on the basis of condition specifically mentioned in all the bank guarantees "that the bank is liable to pay the guarantee or any part thereof under the bank guarantee only and only, if the Department serve upon a written claim or demand before the expiry of the bank guarantee. Accordingly, the notices were issued to the bank for revalidation/revocation of the bank guarantee well before the expiry date. It is clearly mentioned in the said notice that the notice may be treated as written confirmation for revocation of bank guarantee, if the same is not renewed well before its expiry date and not to discharge the licensee from its financial commitments covered under the said bank guarantees". The Department has also issued reminders to the concerned banks from time to time to revalidate/encash the bank guarantees immediately, otherwise matter will be brought to the notice to RBI for necessary action. Hence, keeping in view of the position explained above, it is requested that audit Para may please be dropped.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee would like to know whether any responsibility was ever fixed in the matter and recommends that appropriate final action be taken /completed under intimation to the Committee.**

**[51] 3.14.3.11 Non-recovery of demolition charges**

Section 12(3) of PSRCARUD Act and Section 10(3) of HDRUA Act, 1975 provide that recovery of expenditure incurred on giving effect to restoration orders passed under Section 12(2) of Act, 1963 and section 10(2) of Act, 1975 should be made from the offenders as arrears of land revenue. An expenditure of ₹1.14 crore was incurred during April 2008 to March 2019 on demolition of unauthorised construction/structures in selected districts against which only ₹0.18 crore was recovered by the DTPs (Appendix 3.7). Efforts for recovery such as recovery orders as arrears of land revenue as per provision in the Acts were not made by the Department.

DG, TCPD stated (October 2020) that a reference had been made to the concerned Deputy Commissioners for recovery of demolition charges as arrear of land revenue.

**The department in its written reply stated as under:**

The Department has made sincere effort for recovery of demolition charges. It is further submitted Rs. 3, 05, 001/- has been recovered during 15.04.2021 to 09.07.2021 and total amount of Rs. 1, 00, 50, 010/- have been recovered till 09.07.2021. Director, Town and Country Planning regularly reviews the efforts taken by field officers for recovery of demolition charges in the Departmental review meetings.

It is further informed that various letters/reminders have been forwarded to Deputy Commissioners for recovery of demolition charges as arrears of land revenue. During 2008 to 09.07.2021, 2413 letters have been forwarded to Deputy Commissioner to recover the demolition charges as arrears of land revenue. So in view of above, Department is making vigorous and sincere efforts for recovery of demolition charges on unauthorized colonies. Therefore, it is requested that para may kindly be dropped.

**Observations and Recommendations of the Committee as under:**

**During oral examination the Committee recommends that pragmatic efforts for recovery of balance amount of demolition charges be made expeditiously under intimation to the Committee.**

**[52] 3.14.4.1 Grant of CLU permissions in violation of rules and regulations**

- (i) Government of India (GoI) vide notification (May 1994) imposed restrictions on the use and enjoyment of land lying in the vicinity of distance of approximately 914.40 meters (1, 000 yards) from the crest of the outer parapet of Terminal Ballistics Research Laboratory (TBRL), Range Ramgarh.

The Executive Officer, Municipal Corporation, Panchkula was requested (December 2017) to grant of land use permission for setting up of an Educational Institute (Bhartiya Bhavan Vidyalaya) in Municipal area falling in the revenue estate of village Moginand, Sector-30, Panchkula. DTP, Panchkula sent (January 2018) a report stating that requirement of NOC from defence authorities was not applicable for the site. Accordingly, CLU was granted by Urban Local Bodies (ULB) Department.

Audit observed that the site of Educational Institute falls within the vicinity of 1, 000 yards of TBRL and DTP, Panchkula sent the report without proper verification and taking into consideration the notification of Gol issued in May 1994.

DTP (Enforcement) Panchkula admitted the facts and stated (May 2019) that distance of the site in question falls within the restricted belt of TBRL, Range Ramgarh. No action was taken by the Department to fix responsibility.

DG, TCPD stated (October 2020) that CLU permission was granted by Urban Local Bodies Department. Therefore, any query in the matter may be sought from that department. The reply is not tenable as CLU was granted by ULB Department on the basis of report of DTP, Panchkula. Therefore, responsibility needs to be fixed for submission of incorrect report on the basis of which CLU was granted.

- (ii) In view of the volume of traffic movement originating and destined to industrial units falling in industrial/agriculture zone and warehouses in the industrial zone, the Government revised (November 2011) policy regarding minimum width of approach/revenue rasta for grant of CLU permission. Condition number (iv) of the policy stipulates that the applications for sites having approach from existing rasta not less than 33 feet can be considered for CLU permission.

The department granted CLU permission in January 2015 for setting up of an Industrial Unit in village Garnala, District Ambala. Building plan for construction of Industrial Unit was approved in June 2015. Audit scrutiny revealed that on the basis of shazra plan submitted (September 2010) with application for grant of CLU permission, the width of the approach road from which site was approachable was indicated as 38.5 feet (7 Karam). On the basis of a complaint against the CLU applicant, the matter regarding width of approach road was examined by DTP Ambala and it was found that width of the approach road was 22 ft (4 Karam) for which a revised shazra plan was also placed on record (April 2018). The Senior Town Planner, Panchkula also stated in July 2018 that the width of approach road in front of the site in question is 22 feet. Thus, CLU permission was granted to the applicant on the basis of incorrect shazra plan. Audit observed that the incorrect report regarding width of approach road, on the basis of which CLU permission granted, was prepared by the Patwari and Junior Engineer of DTP office and submitted to DTP. No action was taken by the Department to fix the responsibility for submitting incorrect shazra plan.

Thus, the CLU was granted in violation of policy of the Government regarding minimum width of revenue rasta for industrial units falling in industrial/agriculture zone and warehouses in the industrial zone which may hamper smooth flow of traffic.

DG, TCPD stated (October 2020) that the matter was again inquired by STP Panchkula who reported that 30 feet metalled road was at site. It was further added that PWD B&R, Ambala has also informed that the width of the road from Garnala to Barnala was 30 feet. The reply is not convincing as PWD B&R Ambala informed that width of the road was ranging between 25 and 33 feet and as per Shazra plan width of the road was 22 feet. The reply furnished by the department is contradictory; therefore, the matter needs to be properly investigated.

- (iii) DTP (Enforcement), Gurugram granted a CLU in June 2016 to a company for setting up Asian Tennis Centre for Excellence in village Jhund Sarai Veeran, Sector 97, Gurugram. The land falls in Controlled area declared in January 1994. As per proposal of published Draft Development Plan of Gurugram-Manesar Urban-Complex (GMUC)-2031 AD, entire area of the site falls in Transport and Communication Zone. Use of land for sports purpose did not fall in the permissible activity in the area. This was tantamount to extending undue favour to the applicant in disregard of rules and regulations.

**Recommendation:** Department may examine all similar cases of irregular grant of CLU and take corrective action.

**The department in its written reply stated as under:**

- i) In this regard it is submitted that a request of grant of land use permission for setting up an Educational institute (Bhartiya Bhavan Vidyalya) falling in the Revenue Estate of Village Moginand, Sector-30, Panchkula. Was received though Executive Officer Municipal Corporation, Panchkula. The case was examined and report was sent to Urban Local Bodies vide this office Memo No.28 dated 11.01.2018. Further, a request for approved of Building Plans of Bhartiya Bhavan Vidyalya was received through Director Urban Local Bodies. The Building Plans were examined and it was observed that the site of Bhartiya Bhavan Vidyalya falls within the Terminal Ballistics Research Laboratory (TBRL) Range Ramgarh Limit. Accordingly, the report was sent to DULB vide this office Memo No.616 dated 06.05.2019. No action is required to be taken by the department of Town & Country Planning.
- ii) In the instant case, change of land use permission was granted vide letter dated 16.01.2015 which was valid upto 15.01.2017 on the basis of the Shazra plan issued by the revenue authorities. Wherein the width of the approach road is shown as 7 karam which comes out to be 38.5 feet. While examining the case for second extension, the matter was examined in lieu of a complaint from Sh. Rajinder Singh S/o Sh. Kulwant Singh and Sh. Ashok Kumar. The matter was enquired by Senior Town Planner, Panchkula and as reported vide their letter dated 23.08.2018, it was informed that a metalled road has been laid at site with the width of 30 ft.approx. Further, XEN PWD (B&R) also vide letter dated 08.08.2018 informed that the width of road from Garnala to Barnala is 33 ft. Accordingly, since the site derives approach from 33 ft. wide PWD road, the case fulfills the minimum requirement of approach for consideration of change of land use permission. Thereupon, the case of further extension of change of land use permission was considered at the level of Government upon proper examination of the aforementioned complaint regarding the approach. Since, the site fulfills minimum approach norms.
- iii) M/s RLF Ltd. and others applied for change of land use permission and composition of unauthorised construction of play field and tennis court over an area measuring 39987.67 sqm in the revenue estate of village Jhundsarai Viran Distt. Gurugram. The matter was examined as per field reports and it was observed that in tennis academy most of the area will be open/ green



areas and play ground. Accordingly, Applicant Company was asked to submit land utilization plan. The applicant company submitted the land utilization plan and observed that very small area i.e. 802 sqm (NP/17 of the copy of noting) is proposed for construction of reception, players draw room, change rooms and toilets etc. The case was submitted to Govt. for relaxation as establishment of academy for tennis will result in promotion of sports. The change of land use permission had been granted after granting relaxation by the Govt. as per section 7A of the Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 (NP/28 of copy of noting). The section 7A is reproduced as under:-

7A- Power of relaxation:- The Government may in public interest relax any restriction or conditions in so far as they relates to land use prescribed with the controlled area in exceptional circumstances. Hence, it is submitted that CLU permission has been granted as per the provisions of Act of 1963.

Since, CLU permission has been granted as per the provisions of Act of 1963.

### **Observations and Recommendations of the Committee as under:**

- Part (i) During oral examination the Committee was not satisfied with reply of department and observed that NOC was issued by ULB department on the basis of report issued by Town and Country Planning Department, therefore the Committee recommends for fixation of responsibility of concerned for incorrect reporting.**
- Part (ii) The Committee observed that there were different contradictory reports for grant of CLU, therefore, recommends that matter be got investigated and a detailed action taken report be submitted to the Committee within a month.**
- Part (iii) The Committee desired that a detailed report regarding status of present use of Tennis Court be submitted to the Committee within a month.**

### **[53 ] 3.14.4.2 Violations of conditions of CLU permission**

The applicants desiring to seek permission for CLU for any purpose are required to submit their applications in prescribed form to Director, under PSRCARUD Rules. After fulfilling the conditions laid down in Rules, the Director shall grant the permission to the applicants.

According to terms and conditions of the Building Plan, the CLU holders are required to get the Occupation Certificate (OC) from the competent authority before occupying the building or part thereof. The building plan is approved with the condition that the OC will stand automatically cancelled if the permitted use of the building or part thereof is changed or any additional construction in the said building is raised without approval of the competent authority.

A joint physical verification of 25 CLU sites carried out with departmental officials brought out the violations detailed in Table 3.3.

Table 3.3: Detail of violations in selected CLU cases

| Type of violations                                                                        | Number of cases in selected District |           |          |       |           |         |       |
|-------------------------------------------------------------------------------------------|--------------------------------------|-----------|----------|-------|-----------|---------|-------|
|                                                                                           | Karnal                               | Panchkula | Gurugram | Hisar | Faridabad | Sonepat | Total |
| Unauthorised construction in CLU area                                                     | 4                                    | 1         | 2        | 3     | 2         | 8       | 20    |
| Construction of gate post/boundary wall/parking area in green belts                       | 4                                    | 1         | 3        | 1     | 0         | 8       | 17    |
| Covering of additional land adjoining CLU area and carrying out unauthorised construction | 4                                    | 0         | 3        | 2     | 2         | 2       | 13    |
| Utilisation of land for the purpose other than that mentioned in the CLU permission       | 4                                    | 0         | 0        | 0     | 1         | 0       | 5     |
| Utilisation of buildings without obtaining OC                                             | 2                                    | 1         | 1        | 0     | 1         | 2       | 7     |

**(Source: Cases of violation noticed during joint physical verification)**

Audit observed that the department had not initiated any action against the CLU applicants for violation of the terms and conditions. DTPs were responsible to check these violations. However, they had not discharged their duties. Further, proper mechanism to monitor these violations had not been evolved at the directorate level.

Five DTPs concerned accepted the violations in respect of nine cases and stated that appropriate action has been initiated against the defaulters while DTPs Karnal and Sonepat stated (March-July 2019) that since the area falls in the jurisdiction of respective Municipal Corporations, appropriate action was required to be taken by them. However, the fact remains that action had neither been taken by the Department nor by Municipal Corporations against the defaulting CLU holders. Proper co-ordination should be evolved with Municipal Corporations for taking action where CLU was issued by TCPD.

DG, TCPD stated (October 2020) that in 15 out of 25 cases appropriate action was required to be taken by the concerned Municipal Corporation, and in one case by Gurugram Metropolitan Development Authority (GMDA) since the areas fall in their respective jurisdiction. It was also added that appropriate action had been initiated in respect of eight cases. However, no reply was furnished in remaining one case. The fact remains that action had neither been taken by the Department nor by Municipal Corporations/GMDA against the

16 defaulting CLU holders. Proper co-ordination should be evolved with Municipal Corporations/GMDA for taking action where CLU was issued by TCPD.

**The department in its written reply stated as under:**

In the above said para the audit observed that Department has not initiated any action against CLU applicants for violation of terms and conditions. DTP's were responsible to check these violations. However, they had not discharged their duties. Further, proper mechanism to monitor these violations has not evolved at the directorate level.

Further, as mentioned in the aforesaid para that as per table 3.3, five DTPs has accepted the violation in respect of 9 cases and stated that appropriate action have been initiated against the defaulter. Out of these 9 cases, the 2 number of cases relates to Distt. Faridabad.

**Faridabad**

In this regard, vide email dated 15.07.2021 w.r.t. CLU cases fall under Faridabad District, DTP (E) Faridabad was requested to send the reply. The same stands received from DTP (E) Faridabad vide his memo dated 17.07.2021 in continuation of his earlier memo dated 15.07.2020, wherein it has been informed that they had initiated the action against the two cases which were listed by the audit team in June, 2019, where temporary construction had been found raised in setback of the two cases and after issuance of show cause notice, both the applicant of CLU cases have removed the structures at their own level.

In view of above, since the construction noticed by the audit team during their visit was in the setback area and same stands removed by the applicant/owner of the site, there is no financial loss to the State Exchequer.

**Karnal and Panchkula**

As per the detail of CLU cases involved in violation in District Karnal and Panchkula is as under:-

1. Smt. Meenakshi w/o Yoginder, Smt. Meena Devi W/o Ravinder (KL-854).
2. Manbeer Chaudhary (K-737)
3. M/s Jewel Classic Hotel Pvt. Ltd. (K-738)
4. Manoj Gupta (K-732)
5. Mahinder Kaur W/o Kuldeep Singh (K-697)
6. M/s Jewel Classic Hotel Pvt. Ltd. (K-669)
7. Sh. Ram Ji Das S/o Barkat Ram and Others (PR-287)

Further, it is apprised that the applied site mentioned at Sr. No. 2 to 6 falls within the limit of Municipal Corporation Karnal and a request was also forwarded to

Commissioner Municipal Corporation Karnal to take necessary action as per their Rules/Act.

As far as concern of case as mentioned at Sr. no. 1 (KL-854), show cause notice and restoration order stand issued by DTP Karnal dated 07.06.2019 and 28.06.2019 respectively and further action will be taken as per due course.

Similarly, the case mentioned at Sr. No. 7 also falls within the limit of Municipal Corporation Panchkula and there is no Jurisdiction of the Department to regulate and enforce the Act No. 41 of 1963 in the Municipal Areas.

### **Sonipat**

As per report of DTP Sonipat dated 07.12.2021, the following is submitted:-

- Out of total 11 no's of site, 8 sites are now forming part of MC, Sonipat and further action against the unauthorized construction on the CLU granted sites is to be taken by concerned Municipal Corporation/Council.
- Regarding, the balance three no. of sites, following action stands taken by DTP Sonipat:-

| <b>Sr. No.</b> | <b>File No.</b>                            | <b>Action taken by DTP Sonipat</b>                                                                            |
|----------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| 1.             | ST-2323- Sumit Kumar S/o Sh. Ramesh Kumar  | Unauthorized construction stands compounded at the time of occupation certificate on 27.01.2021.              |
| 2.             | ST-2005- Jassons Motel & Resorts Pvt. Ltd. | The temporary unauthorized construction detected during the site visit has been sealed by DTP Sonipat.        |
| 3.             | VGA Impex Pvt. Ltd. (Kanak Garden)         | DTP Sonipat lodged FIR against the unauthorized construction raised at site and now the matter is sub-judice. |

### **Hisar**

Similarly, with reference to District Hisar, 6 no. of CLU sites were visited by Audit team out of which 4 no. of CLU sites are forming part of MC, Hisar. Further, regarding balance 2 no. of sites, the following has been informed by DTP Hisar.

| <b>Sr. No.</b> | <b>File No.</b>        | <b>Action taken by DTP Sonipat</b>                                       |
|----------------|------------------------|--------------------------------------------------------------------------|
| 1.             | HR-875<br>Green Valley | The unauthorized construction stands demolished / removed from the site. |

- |    |                                                                        |                                                                                                                                                                                              |
|----|------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2. | HR-835<br><br>SD Education Society<br>(Ayurvedic & Nursing<br>College) | DTP Hisar has taken necessary action and forwarded the complaint to Police Department for lodging of FIR against the unauthorized construction raised at site. The matter is now sub-judice. |
|----|------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

In view of above, since, necessary action on the sites, already stands taken by concerned DTPs. Hence, it is therefore requested that the para may kindly be dropped.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee recommends that a detailed report regarding current status of the cases and action taken from time to time in all these violation cases be submitted to the Committee within a month.**

#### **[54] 3.14.4.3 Non-recovery of External Development Charges**

External Development Charges in case of change of land use was fixed by HUDA in July 2002. EDC was not chargeable in the cases of CLU allowed in the agriculture zone. In other cases, 10 per cent EDC was to be recovered at the time of grant of permission and the balance 90 per cent in installments i.e. 40 per cent at the time of acquisition of land for the Sector by HUDA in which the said area falls and balance 50 per cent amount in four equal annual installments along with interest at the rate of 15 per cent per annum.

Scrutiny of records of test checked cases revealed that the Department recovered only 10 per cent amount of the EDC in four cases and 50 per cent amount in two cases of Sector 32, Karnal. As the area of Sector 32, Karnal was notified in December 2002 and Sector 88, Faridabad in August 2008 under Section 6 of the Land Acquisition Act, 1894 by HUDA, full amount of EDC was recoverable from CLU applicants. Audit, however, observed that the Department neither demanded EDC of ₹11.22 crore from applicants nor these applicants deposited the amount (Appendix 3.8). Audit further observed that Department had not initiated any action to recover the balance amount of EDC.

Recommendation: The Department may examine all similar CLU cases of non-recovery of EDC and take corrective action.

DG, TCPD stated (October 2020) that three cases were being transferred to Urban Local Bodies Department for recovery of EDC as these cases fall in the jurisdiction of Municipal Corporation, Karnal. It was also assured that the Department would take coercive action for recovery of EDC in other CLU cases.

### **The department in its written reply stated as under:**

The office has examined the matter and observed that as per policy dated 08.07.2002 (Annexure XV) issued by HUDA (now HSVP) with regard to fixation of EDC charges, 10% of EDC will be recovered at the time of grant of CLU permission. Balance 90% in phase wise installments i.e. 40% when Sector is acquired by HUDA in which the CLU permission was granted and 50% will be recovered in 4 equal installments.

In this regard, the office has examined the matter w.r.t appendix 3.8 as mentioned in audit para wherein 3 cases of CLU permissions pertain to Faridabad circle and fall in sector-88, Faridabad. In these cases, the department has recovered the EDC amount equal to 10% of total EDC and as per condition of CLU permission, balance amount is to be recovered after acquisition of sector area as per policy.

It is pertinent to mention here that only the sector dividing roads of sector-75-89 Faridabad have been acquired and Sector land is not yet acquired. Hence the balance amount against 90% EDC cannot be demanded / recovered at this stage.

Further, as per latest correspondence received from the Director, Urban Local Bodies on 09.10.2019, the cases identified for Karnal (Appendix No. V) falls under the jurisdiction of Director, Urban Local Bodies, Haryana. Hence, the following change of land use permission cases:-

1. K-737 M/s Jewel Classic Hotels Pvt. Ltd, Karnal,
2. K-738 M/s Jewel Classic Hotels Pvt. Ltd, Karnal
3. K-669 Sh. Manbir Chaudhary M/s Jewel Classic Hotels Pvt. Ltd, Karnal falling in Sector-32, Karnal have been transferred to Directorate of Urban Local Bodies vide Directorate office memo dated 05.03.2021.

Therefore, any further action in the matter shall be taken by the DULB Department. It is also assured that the department will take coercive action for recovery of EDC in similar CLU cases. Since no action is pending at the level of TCP Department. Therefore, it is requested that para may kindly be dropped.

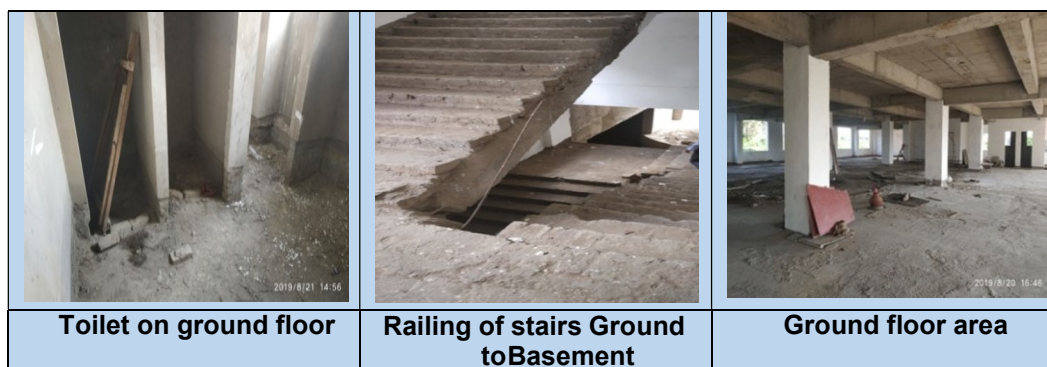
#### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee recommends that EDC cases pertaining to Karnal be transferred to ULB department for further recovery and final status report of recovery of EDC in respect of Faridabad cases be submitted to the Committee at the earliest.**

#### **[ 55] 3.14.4.4 Grant of Occupation Certificate to incomplete building**

The Department granted CLU permission in December 2011 (valid upto November 2013) to applicants for setting up of a dispensary. Occupation Certificate was issued (January 2015) by the STP Gurugram for Basement-1 (1547.88 sqm), Basement-2 (1437.05 sqm) and Ground Floor (957.99 sqm).

Joint physical verification of the site along with staff of the DTP in August 2019 revealed that doors and windows were not fixed; toilets, railing of stairs, plaster of buildings, pucca approach road, etc were also not complete as shown in photographs below:



Occupation Certificate was granted to the applicants although the building was incomplete which was against the norms. The department had extended undue benefit to the applicant.

DG, TCPD stated (October 2020) that the complete status report of the case was awaited from DTP (Enforcement) Gurugram and final report would be sent after receipt of the same.

**The department in its written reply stated as under:**

- a) The CLU permission has been granted as per the provisions of Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 and Rules 1965. The area norms were examined during the examination of the matter wherein it was mentioned that as per the norms of area for dispensary is not prescribed, however as per memo dated 06.02.2008 issued by Health Department, Dispensary may be counted equal Primary Health Centre, which may be setup over an area 1.5 acres to 2 acres, whereas proposed site having an area more than 1 acres (beyond road widening and green belt), hence fulfills the minimum area requirement. Therefore, the area norms were considered and thereafter the CLU permission was granted to the applicant.
- b) Regarding grant of occupation certificate, it is informed that as per reports of field offices it is found that the applicant has applied for grant of occupation certificate of part of the building (Basement-1 & II and Ground Floor) and the applicant proposed to make the wood/ aluminum fabrication. The part occupation certificate for Basement-1, Basement-II and Ground Floor was granted by STP, Gurugram on 12.01.2015 after receipt of the composition fees of Rs. 91659. It is has been reported by STP, Gurugram that the occupation certificate was granted only for the Ground Floor with Basements.

In this regard, it is submitted that the observations of Audit party regarding grant of occupation certificate for incomplete building is correct as evident from the photographs given in the said para. Therefore, occupation certificate has been granted on the basis of mis-reporting by field staff. The department has taken it very seriously and disciplinary action is being initiated by the department against the erring officers/officials. STP, Gurugram is also being directed to withdraw the occupation certificate. Necessary action as

per the observations in the para has already been initiated. Therefore, it is requested that para may kindly be dropped.

### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that disciplinary action has been initiated against the concerned.

**The Committee, therefore recommends that action taken process be completed in a time bound manner and final outcome be intimated to the Committee at the earliest.**

#### **[56] 3.14.4.5 Irregular utilisation of agriculture warehouse**

The Department granted CLU permission (March 2012) for setting up of an agriculture warehouse in 78, 255.43 sqm area in village Dukheri, Ambala. Rate of conversion charges was ₹50 per sqm in respect of agriculture warehouse. If the godown is found to be used for storage of non-agriculture produce (for which conversion charges are higher i.e. ₹75 per sqm), an amount equivalent to double the difference of conversion charges would be recovered along with interest at 12 per cent per annum from the date of grant of change of land use permission.

The POC of two Sheds (2 and 3) was granted by the Department (August 2014). As per report of the DTP Ambala, six godowns/shed occupied at site were being used for logistic purpose i.e. storage of medicines, cosmetic goods, paint material, etc. instead of agriculture godown purpose.

The Department issued (October 2016) show cause notice to the applicants as to why not the application for grant of OC be rejected and action taken for violation of terms and conditions of permission of CLU. The Department did not take any further action for recovery of difference of conversion charges resulting in loss of revenue of ₹0.72 crore.

DG, TCPD stated (October 2020) that further action in the matter would be taken as per Act/Rules on receipt of the action taken report from DTP Ambala.

### **The department in its written reply stated as under:**

The change of land use permission issued in March, 2012 stands expired as on date on account of non approval of building plans within the prescribed time frame. Accordingly, the applicant has erected unauthorized construction as on site without approval of building plans, therefore DTP, Ambala has been directed vide this office letter dated 01.06.2020 to send action taken report and if no penal action has been taken till date, then directions have been issued to undertake ceiling of the premises of the change of land use permission granted site. Accordingly, further action in the matter shall be taken upon receipt of the action taken report in the matter as per Act/Rules.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that show causes notice to Warehouse Owners were issued in 2016 with no further results/progress.**



**The Committee, therefore recommends that all such cases of irregularity be got checked and appropriate action be taken under intimation to the Committee.**

**[57] 3.15 Excess payment to contractor (HSVP)**

**The Executive Engineer, HSVP, Sonapat violated the provisions of contract document and made excess payment of more than ₹5.61 crore to the contractor by not recovering the amount of decrease in cost of bitumen/emulsion.**

The award letter and additional conditions for bitumen rates of the contract entered into for construction of twelve sector dividing master roads in Urban Estate, Sonapat provided that the rate of bitumen/emulsion at the refinery on the date of receipt of tender to be considered as base rate. If during execution of works, the rate of bitumen/emulsion increases or decreases at refinery the difference in cost shall be paid/recovered from the contractor, subject to the condition that no increase in prices of bitumen/emulsion was to be reimbursed to the contractor beyond the original time period allowed for contractor as per contract agreement irrespective of extension in time limit granted to the agency for any reason whatsoever.

The Chief Engineer, Haryana Shehri Vikas Pradhikaran (HSVP), Panchkula approved (March 2014) a Detailed Notice Inviting Tender (DNIT) for ₹82.74 crore for construction of 12 sector dividing master roads in Urban Estate, Sonapat. Tenders for the work were opened in June 2014 wherein three contractors participated. The Executive Engineer (EE), HSVP Sonapat awarded the work (August 2014) to L1 for ₹70.08 crore (15.30 per cent below the DNIT amount), with a time limit of nine months i.e. upto May 2015. The agreement was eventually enhanced (February 2017) under Clause 41 of the contract by the Chief Engineer, HSVP upto ₹90.88 crore and the time limit was extended under Clause 5 of the contract upto September 2017. The contractor completed the entire work by September 2017 and was paid total ₹90.31 crore upto May 2019.

Scrutiny of records (January 2018) relating to the work in the office of the EE, HSVP, Sonapat revealed that during the period between June 2014 and September 2017 (the period of execution of the work), the prices of bitumen/emulsion decreased considerably. But the EE violated the conditions laid in contract document and did not make any recovery on this account from the bills of the contractor.

It was observed that payment for total 4, 862.72 MT bitumen/emulsion was made for executing various bituminous items of the work (Appendix 3.9). But the EE had not maintained proper record for receipt and consumption of bitumen on work and could produce invoices for only 3, 326.54 MT bitumen/emulsion consumed on the work. Bill wise comparison of base rate and actual rate for 3, 326.54 MT quantity showed that ₹5.61 crore were recoverable from the contractor (Appendices 3.10 A and 3.10 B). For balance quantity of 1, 536.18 MT the recoverable amount could not be calculated due to non-availability of invoices or bitumen register.

On being pointed out by Audit, the Chief Engineer-I, HSVP, Panchkula intimated (July 2020) that the amount of ₹5.65 crore has been recovered from the contractor from final bill of the work, security deposits of contractor for this work and by another division in Panchkula. The reply was not correct as the amount was only withheld as deposits of the contractor from the payable amounts and not yet booked as reduction in expenditure of the work. Further, amount recoverable for balance quantity of 1, 536.18 MT bitumen has not been worked out.

The matter was referred (December 2019) to the State Government and subsequent reminders were issued in March 2020 and May 2020; their reply was awaited (September 2020).

Recommendation: Department may consider fixing responsibility on officers concerned for not implementing clauses of agreement which led to excess payment of more than ₹5.61 crore. Recovery may be made from the contractor for entire quantity of bitumen consumed in the work. Further, suitable instructions may be issued to all the field offices for compliance of clauses of contract.

**The department in its written reply stated as under:**

In this connection, it is intimated that the work for construction of 65 mtr, 60 mtr & 45 mtr. wide master road between Sector-30/37, 31/37, 32/36, 33/35, 34/35, 35/36, 32/33, 4/32, 26/26A, 26A/34, 34/33, 27/33 & 26/33, U/E, Sonipat. A/c Rs. 8274.36 lacs was allotted to M/s KCC Buildcon (P) Ltd, Gurugram vide this office memo No. 9068 dated 28.08.2014 with the stipulated completion period of 09 months i.e. upto 27.05.2015. It is intimated here that as per the additional conditions of agreement the difference in the rates of bitumen bill is recoverable/ payable only if the work is executed within the stipulated completion period but not in the extended completion period. In terms of item no. 1 of "Additional Conditions of bitumen rates" stipulates for the payment/ recovery due to increase/decrease of rates of bitumen/ emulsion. However, in para 1.2 of "Additional conditions for bitumen rates" provides that no extra payment due to increase in rates of bitumen/ emulsion shall be reimbursed to the contractor beyond the original time period allowed for contractor as per contract agreement irrespective of time limit granted to the contractor for any reasons whatsoever thus, if no extra payment during extended period to the contractor is to be made then similarly no such recovery is also to be made from the contractor. Accordingly, the final bill has been prepared by this office and audited by the audit party. During audit of this office, the Audit Party has made the recovery amounting to Rs. 1.89 crores and then after 2.04 crore and same was intimated to this office. After deducting the recovery amounting to Rs. 2.04 crore as conveyed by Audit Party then the final bill payment was released to the contractual agency.

Moreover, the payments of R/A bills and final bill was released to the contractual agency after the checking/ pre-auditing of R/A bills & final bill by the Divisional Accountant of HSVP Division Sonipat and Sr. Accounts Officer office of Administrator, HSVP, Rohtak. However, in compliance of observations raised by the Audit Party or AG (Audit) Haryana, Chandigarh, a total amount of Rs. 5,65,76,719/- has been recovered/ with held against the recovery of 5.61 crore as intimated in the audit para. The breakup of the recovered amount of Rs.5,65,76,719/- is as under:-

- (i) Amount with held in F/A Bill by this office  
(15711912+4688087) Rs. 2,04,00,000/-
- (iv) Amount with held on account of security  
deduction by this office Rs. 2,51,76,719/-

Amount with held by

- (iii) E.E. HSVP Divn.-II, Panchkula Rs. 1,10,00,000/-

Total Amount recovered Rs. 5,65,76,719/-

- (iv) The amount of Rs. 1, 10, 00, 000/- has now been transferred from HSVP, Division -2, Panchkula vide Journal voucher No. DV002/JURNL/2021Aug/9 Dated 06.08.2021 to HSVP Division Sonipat.

Hence, full recovery made and requested to drop the para.

### **Observations and Recommendations of the Committee as under:**

During oral examination the Committee was not satisfied with the reply of department and observed that recoverable excess amount of Rs 5.61 crore pertaining to 3326 MT out of total 4862 MT of bitumen was already worked out by audit but recoverable excess amount pertaining to balance 1536 MT of bitumen was not worked out by the department which shows that required exercise as pointed out by audit was not undertaken by department.

The Committee therefore, recommends that detailed enquiry for fixation of responsibility of concerned erring officers/officials for serious lapse in the case be conducted and required appropriate action be taken within a month under intimation to the Committee.

#### **[58] 3.16 Execution of works irregularly and without calling tenders (HSVP)**

The HSVP got executed four works valuing ₹16.11 crore irregularly without obtaining administrative approval and technical sanction from the competent authorities. These works were awarded to a contractor on nomination basis without inviting competitive tenders, disguising these as enhancements of an agreement of ₹0.19 crore to ₹16.30 crore. Further, in contravention of codal provisions, Government interest was not protected as performance guarantee of ₹0.81 crore was not obtained.

Paragraphs 9.1.1 of the Haryana PWD Code provides that for every work proposed to be carried out, administrative approval from competent authority and technical sanction from the competent engineering officer in respect of specifications and soundness of the proposal are mandatory. The instructions issued (June 2017) by Haryana Shehri Vikas Pradhikaran (HSVP) stipulate that Chairman, HSVP is authorised to accord administrative approval for works between ₹10 crore and ₹20 crore and the estimates of these works are required to be got scrutinised from Engineer-in-Chief, Public Works Department (Buildings and Roads) or Public Health Engineering Department, as the case may be.

As per paragraph 13.7.2 of the PWD code and Government instructions, tenders for works should invariably be invited in the most transparent manner and every work above ₹one lakh can be awarded only through e-tendering process.

Executive Engineer, Haryana Shehri Vikas Pradhikaran (HSVP) Division No. III, Gurugram (EE) had got executed a work of installation of water supply motor worth ₹0.19 crore from M/s Grover Appliances, (the contractor) in June 2013. After more than three years of completion of this work, four new works valuing ₹16.11 crore were awarded to the same contractor on nomination basis between February 2017 and August 2018 by disguising them as enhancements to the earlier agreement of June 2013. The works were carried out from savings of earlier administrative approval of ₹498.05 crore dated January 2012. Payment of ₹12.94 crore had been made to the contractor (March 2018). Further, payment was held up as the enhancement case upto ₹16.30 crore was submitted (August 2018) for ex-post facto approval and the same has not been sanctioned by the competent authority so far (May 2019). Details of works awarded to the contractor are given in Table 3.4.

Table 3.4: Details of works awarded to M/s Grover Appliances

| Table C.1: Details of works awarded to WTS Overlap Appiances |                                                                                                                                                                            |                              |                          |                         |                                                                                 |                                                                                                                                             |
|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|--------------------------|-------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Sl. No.                                                      | Description of work                                                                                                                                                        | Date of enhancement          | Cost of new work awarded | Agreement enhanced upto | Agreement enhanced by                                                           | Reasons given for awarding new works                                                                                                        |
|                                                              |                                                                                                                                                                            |                              | (₹in crore)              |                         |                                                                                 |                                                                                                                                             |
| 1.                                                           | Additional work at intermediate boosting station at Sector-51, Gurugram                                                                                                    | 23 February 2017             | 1.95                     | 0.19 to 2.14            | Additional Chief Engineer, HSVP, Gurugram                                       | To maintain proper water supply before summer season                                                                                        |
| 2.                                                           | Additional work at intermediate boosting station at Sector-16, Gurugram                                                                                                    | 23 August 2017               | 4.04                     | 2.14 to 6.18            | Chief Engineer, HSVP, Panchkula                                                 | For bifurcation of common header for independent functioning of line from WTP Basai to Dundhahera.                                          |
| 3.                                                           | Upgradation of the Water Treatment Plant (WTP), Basai and work of common header of WTP Chandu Budhera, Gurugram and online booster station at Sector 5, Gurugram (Phase-I) | 6 December 2017              | 6.78                     | 6.18 to 12.96           | Chief Engineer, HSVP, Panchkula                                                 | Upgradation of machinery and increasing the capacity of WTP, Basai                                                                          |
| 4.                                                           | Upgradation of the WTP, Basai and work of common header of WTP Chandu Budhera, Gurugram and online booster station at Sector-05, Gurugram (Phase-II)                       | Concurrence 19 November 2018 | 3.34                     | 16.30                   | Chief Engineer, Infra-II, Gurugram Metropolitan Development Authority, Gurugram | Additional works carried out by the contractor such as replacement of machinery, installation of water flow meters, submersible pumps, etc. |
| Total                                                        |                                                                                                                                                                            |                              | 16.11                    | 0.19 to 16.30           |                                                                                 |                                                                                                                                             |

Source: Information compiled from HSVP record.

As depicted from the table above, four new works costing ₹16.11 crore were awarded to the contractor on nomination basis under the camouflage of enhancements of an agreement of ₹0.19 crore upto ₹16.30 crore which was irregular in the absence of administrative approval from the Chairman, HSVP and technical sanction from the competent authority. Further, the works were awarded after more than three years of completion of initial work.

Following irregularities were noticed:

- Awarding of four new works worth ₹16.11 crore disguising them as enhancements was irregular in absence of administrative approval from the Chairman, HSVP.
- Detail estimate for obtaining technical sanction for ensuring soundness and necessity of proposal was not prepared. The economy factor also cannot be assessed in absence of the detailed estimate.
- The work was awarded to the contractor without calling for tenders which exterminated the principle of competitiveness in awarding and execution of works. Awarding four new works under the camouflage of enhancement of an agreement from ₹0.19 crore upto ₹16.30 crore after more than three years of completion of original work tantamount to undue benefit to the contractor and goes against the spirit of fair and competitive bidding.
- Performance security of ₹0.81 crore (five per cent of contract price of ₹16.11 crore) was required to be obtained from the contractor as per paragraph 13.12.1 of the PWD code for keeping the same as surety for ensuring the satisfactory completion of work by the contractor and for protecting Government interest. However, it was not obtained.

On being pointed out by audit, the EE, Division No.-IV, Gurugram stated (January 2020) that works were awarded to the contractor through enhancement due to urgency for proper maintenance of water supply and major repair. The enhancement of works were approved by the competent authority.

The reply of the department was not tenable as each work was a new work and before incurring any expenditure on a new work, administrative approval and technical sanction from the competent authorities are mandatory. Further, these works were awarded to the contractor on a nomination basis disguising them as enhancements in original agreement and codal provision was violated which stipulates that work can be awarded only after inviting tenders in the most transparent manner. Thus, awarding new works by enhancing the original contract of ₹0.19 crore upto ₹16.30 crore after more than three years of completion of original work was arbitrary and irregular. The argument of urgency is not acceptable as these works were awarded over a long period of time between February 2017 and November 2018. Moreover, Government interest remained unprotected as performance guarantee of ₹0.81 crore was not obtained from the contractor.

The matter was referred to the State Government in October 2019 and subsequent reminders were issued in December 2019 and May 2020; their reply was awaited (September 2020).

Recommendation: The State Government may consider fixing responsibility on officers of HSVP for violating the codal provisions and Government instructions for extending undue benefit to a contractor against the spirit of fair and competitive bidding by awarding new works of such magnitude without calling tenders.

**The department in its written reply stated as under:**

The work of Rs.19.00 Lacs was allotted to the agency and the same was enhanced three times in view of the essential service of water supply of the cyber city, Gurugram. Moreover, the matter was also raised in meeting of District Grievance Committee, Gurugram in October-2017 chaired by Hon'ble Chief Minister, Haryana and Chairman directed to assess the whole water supply system of Gurugram as per the requirement of city. In view this Commissioner MCG, Gurugram appraised the Chairman that MCG & HSVP officers would have a joint inspection of the WTP, Basai/ Chandu Budhera and would submit their report, so that the action plan could be prepared accordingly.

The site was inspected jointly by MCG & HSVP Officers namely Mr. Vashist, SE – MCG, Mr. Vikas Malik, XEN - MCG, Sh. Naresh Kumar, SE - HSVP and Sh. Bhoop Singh, XEN - HSVP on 12.10.2017. The committee of officers recommended that additional 2 nos. pumps of 500 HP along with accessories should be installed along with upgradation of existing pumping machinery to increase the efficiency of WTP Basai to meet out the daily requirement of water supply for Zone-1 & Gurugram city for summer season of 2018 and coming years.

Further WTP, Basai with capacity of 60MGD was not sufficient to meet up the requirement of city and an additional supply was required from WTP Chandu Budhera.

In order to supply water from WTP Chandu Budhera, an already laid line of 1600mm diameter (Standby line) was to be made functional.

There were 3 No. units of 22 MGD capacity each were there at WTP Chandu Budhera out of which only 1 No. unit was functional, in order to meet up the high demand of potable water other units were to be made functional accordingly a proposal was prepared to make remaining units of Chandu Budhera functional and their water to be supplied through city using the 1600mm (Standby line) and separate header line connections. This proposal was prepared in consultation with a water supply line expert M/s Comprehensive Envirotech Pvt. Ltd. This proposal was discussed and finalized in a meeting held on 25-10-2017 under chairmanship of W/CEO GMDA and proposal was approved.

Considering the urgency of work enhancement case from Rs.6, 20, 34, 900/- to Rs. 12.96 Crore case was prepared by the Executive Engineer, HSVP Division No-III, Gurugram. The same was forwarded to the Superintending Engineer, HSVP Circle No-I vide this office memo number 160270 dated 02.11.2017.

The 5% security is being deducted from the running bills of the agency as per the content of the agreement.

Hence it is pertinent to mention here that the enhanced scope of work was of an urgent nature and was required to be executed with a specific time frame to meet the

water demand of Gurugram city for summer season ahead and hence work was got executed from an existing agency by enhancing their scope of work at around 05 years older rates in interest of public.

The original work was allotted after following the proper procedure i.e Administrative Approval/ Approval of DNIT, inviting the tenders through e-Tendering and allotment of the work.

The enhancement from Rs. 19.05 Lacs to Rs. 12.96 crore is chargeable to the Administratively approved Estimate for Providing master water supply scheme (Distribution main) for new sectors-58 to 115 (for zone-IV to VIII) U/E Gurugram" which stands approved for Rs., 495.05 Crore vide Chief Administrator HSVP Panchkula memo no. 2655 dated 19.01.2012.

Enhancement from Rs. 12.96 Crore to Rs. 16.29 Crore is yet to be approved and the work is got executed under the jurisdiction of GMDA.

It is submitted that the tender of original agreement was called transparently as per standard procedure. Further, the work was enhanced keeping in view the essential services (Water Supply Services of Whole Gurugram City) in public interest and after the approval competent authority.

If fresh tenders were called, it would have been time consuming and there were chances of higher rates. Keeping in view the water supply as essential services and in view of coming summer season, the tender procedure was avoided and the enhancement case was recommended and got approved from the competent authority.

It is pertinent to mention here that the price index in India has increased during the period 2013 to 2018 and the market rate of all items has been increased. The approval of enhanced scope of work were granted at the rates of items prevailing in 2013 and there is saving of the money due to the difference of rates of material in 2013 & 2018.

The work was enhanced keeping in view the essential services of (Water Supply Services of Whole Gurugram City) basic amenities and in public interest.

The enhanced scope of work was charged to other already approved estimates for the works of similar nature.

The enhancement from Rs. 19.05 Lacs to Rs. 12.96 crore was charged to the Administratively approved Estimate for Providing master water supply scheme (Distribution main) for new sectors-58 to 115 (for zone-IV to VIII) U/E Gurugram" which stands approved for Rs. 495.05 Crore vide Chief Administrator HSVP Panchkula memo no. 2655 dated 19.01.2012.

Enhancement from Rs. 12.96 Crore to Rs. 16.29 Crore is yet to be approved and the work is got executed under the jurisdiction of GMDA.

The work has not been finalized till date and the detail estimate will be prepared as per actual execution of the work on ground and will be submitted for technical sanction in due course of time for the work above the costing of 12.96 crore. The detailed estimate has been prepared by GMDA and will be submitted for technical sanction in due course of time.

It is submitted that the tender of original agreement was called transparently as per standard procedure. Further, the work was enhanced keeping in view the urgency to meet up the risen water supply demand of whole Gurugram City in the interest of public & to comply with the direction of Hon'ble Chief Minister, Haryana issued in District Grievance meeting.

The approval of enhanced scope of work were granted at the rates of items prevailing in 2013 and there is saving of the money due to the difference of rates of material in 2013 & 2018.

Hence no undue benefit has been given to the contractor and the work has been executed in the interest of public at 05 years older rates.

The 5% security has been deducted from all the running bills of the agency as per the conditions of the agreement. The work has yet not been finalized till date and if any recovery comes out the same will be recovered from their running bill.

The Gurugram is city of international importance and there are corporate offices of various multinational companies and there are various commercial activities of NCR Region are being organized in Gurugram & it is the responsibility of the local authorities to provide all basic amenities such as Road, Sewer & Water Supply etc. in very good and updated position. In view of that such work of water supply system to the city was upgraded in time frame manner. Therefore, work executing officers did their best to tackle situation of water crises and whole work was executed in the interest of public with no financial loss hence this para may be dropped there is no such responsibility of the Executing Officers in enhancing the work of water supply as essential services.

Hence, it is clear that the work has been executed in public interest.

Keeping in view the facts as explained above, the audit para may be dropped.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that reply of the department was not factually correct and the Committee was not satisfied with the justification given by the department for enhancement of scope of work and viewed it very seriously as scope of work was already enhanced irregularly twice much before the Hon'ble Chief Minister announced the execution of the work.**

**The Committee therefore, recommends that a detailed enquiry covering all aspects of case be got conducted from a committee comprising of Engineer –In–Chief or Chief Engineer level Officer and monitored by Administrative Secretary of the department. Besides appropriate strict action be taken against those found responsible for this serious lapse and other similar lapses be also got identified and a detailed action taken report in the matter be submitted to the Committee.**



## **TRANSPORT DEPARTMENT**

### **[59] 3.17 Excess expenditure due to award of work at higher rates**

**The General Manager, Gurugram Depot of Haryana Roadways awarded the cleaning work of bus stands, workshop and buses to L5 bidder arbitrarily and extended the agreement upto 52 months. This resulted in excess expenditure of ₹1.03 crore.**

The State Government issued a policy in February 2009 for outsourcing and contractual engagement. The policy provides that the services such as cleaning of premises, horticultural work, housekeeping, etc. can be outsourced as and when required. It provides that the nature of service required to be outsourced should be specified and clearly defined in the tender notice as well as contract document instead of only mentioning the number of personnel required to perform the services. The tender form and the contract document shall be finalised with the approval of the head of the department, depending upon the existing delegation of powers in the department. Open tenders can then be invited and decided in a transparent manner through a competitive bidding process. As per policy guidelines issued (May 2010) by the State Government, Department of Industries and Commerce, the negotiation can be held only with the L1 bidder and on failure of negotiation, fresh tenders will be invited.

The General Manager, Haryana Roadways, Gurugram Depot (GM) invited (June 2014) tenders for cleaning activity which included cleaning of three bus stands, workshop, office building and ordinary as well as Volvo buses for a period of six months. The conditions of the tender document, inter alia, provided that the bidders were to submit the technical bid along with supporting financial, tax, technical and experience documents. The financial bids of only technically qualified bidders were to be opened. In response, seven parties submitted their bids. All the bidders were found technically qualified, resultantly financial bids of all the seven bidders were opened (June 2014). The rates quoted by L1 (Firm A3) were ₹3.25 lakh per month.

Audit observed the following deviations in the matter:

1. Rates of L1 were ignored on the pretext of offering opportunity to bidders with good track record. This was done despite the L1 bidder clearing the technical bid with due experience and track record documents supporting the same.
2. Negotiations were held with L5 (Firm B) and L7 (Firm C) bidders and work was allotted (July 2014) to L5 at a negotiated rate of ₹4.70 lakh per month, initially for six months. However, this was extended multiple times, upto October 2018, for a total of 46 months. On account of difference in rates between L1 and L5 (₹3.25 lakh per month and ₹4.70 lakh per month), department incurred extra expenditure of ₹1.03 crore.
3. As per tender document and award letter, ₹29 per bus per day was payable to the contractor for complete washing and cleaning of ordinary buses. However, from the first month i.e. July 2014 instead of composite work of washing and cleaning of buses, only cleaning work was got executed from the contractor and a payment at the rate of ₹26 per bus per day was made. It was found that during July 2014 to October 2018 composite washing and cleaning of 68, 816

buses was executed and payment of ₹19.96 lakh were made while cleaning (without washing) of 2, 26, 324 buses was got done during the same period and payment of ₹58.84 lakh was made for it. The execution of cleaning work only was irregular and the basis for arriving at the rate of ₹26 per bus per day for only cleaning work was not available on record.

Thus, due to not considering the financial bid of L1 and awarding the outsourcing work to L5 bidder arbitrarily, excess expenditure of ₹1.03 crore was incurred. This irregularity was pointed out earlier in December 2016 by Audit, but the department extended the Firm B's contract upto October 2018.

The Director, State Transport stated (June 2020) that the rates quoted by L1 were not viable and to maintain cleanliness at depots, buses, etc. contract was awarded to L5. The reply was not tenable as all the firms were technically qualifying but the Tender Evaluation Committee ignored first four bidders and picked up L5 bidder directly for negotiation and disrupted the transparent and competitive bidding process. No justifiable reasons were recorded in the minutes for ignoring the L1 bidder, despite the fact that L1 bidder was more experienced and financially sound than the L5 bidder (Appendix 3.11). The undue favour to the L5 bidder resulted in excess expenditure of ₹1.03 crore.

The matter was referred (April 2019) to Additional Chief Secretary, Transport Department and subsequent reminders were issued in June 2019 and May 2020; their reply was awaited (September 2020).

Recommendation: The Government may consider fixing responsibility on officials/officers concerned for vitiating the transparent and competitive bidding process and extending undue benefit to a contractor by awarding work at higher rates.

#### **The department in its written reply stated as under:**

On the recommendation of the comptroller and Auditor General the department has decided(5.10.2021) to fix responsibility of the following officers/ Officials for not considering the financial bid of Lowest-1 bidder and awarding the outsourcing work to lowest-5 bidders due to the reasons excess expenditure was incurred by the depot on account of award of work at higher rates:-

1. Smt. Anju Chaudhary, HCS, the then General Manager, Haryana Roadways, Gurgaon.
2. Sh. Rohit Yadav, HCS, the then General Manager, Haryana Roadways, Gurgaon.
3. Sh. Ved Singh Jakhar, the then Work shop Manager, Haryana Roadways Gurgaon
4. Sh. Pardeep Kumar, the then Store Purchase Officer, General Manager, Haryana Roadways, Gurugram.
5. Sh. R.K. Sharma, the then Accounts Officer, Haryana Roadways, Gurugram
6. Sh. Gulshan Kumar, the then Section Officer, General Manager, Haryana Roadways, Gurugram

7. Sh. Pardeep Kumar, the then Building Clerk, Haryana Roadways, Gurugram.

To seek explanation from the officers names given at Sr. No. 1 and 2 a request has been sent to Chief Secretary, Haryana (being competent authority) by Administrative department (Approval date 22.10.2021) vide their letter No.1/29/2021-5T (II) dated 28.10.21 (CP-5) and reminder dated 08.12.2021(CP-6). In response to Administrative Department letter dated 28.10.2021 Chief Secretary to Govt. Haryana has sought supporting documents of explanation in respect of Smt. Anju Chaudhary and ShriRohitYadav, HCS vide their letter dated 21.12.2021(CP- 6A) .The matter is in process..

To seek explanation from the employee of Transport Department namely Sh. Ved Singh Jakhar and Sh. Pardeep Kumar at Sr. No. 3 & 4a show cause notice was earlier sent vide letter No. 7376, 7377/EA-3/E-I Dated 6.10.21(CP-7& 8) to both the officer/official, but the same was not delivered to the concerned so show cause notice reissued on 27.12.2021(CP-9 &10) to both. For lapse in serving of notice for delay of two months ShriVinod, Clerk of Establishment -1, Branch of the office of Director State Transport Haryana a show cause notice has been issued vide letter dated 27.12.2021(CP-11) .

The officers/officials names given at Sr. No. 5 & 6 i.e Sh. R.K. Sharma and Sh. Gulshan Kumar a request has been sent to Treasury and Accounts Department, Haryana( being competent authority) for seeking explanation in respect of the then Accounts officer and Section officer vide letter No. 7426/EA-3/E-I dated 8.10.21(CP-12) and reminder dated 27-12-2021(CP-13) and in response to the department letter office of Director Treasuries and Accounts Haryana seek information vide their letter dated 28.12.2021(CP-14) regarding action initiated against other officers/officials of the committee and the reply has been sent vide this office letter dated 10.01.2022(CP-15&16). The matter is in process.

Further the official name given at Sr. No. 7, i.e Sh. ShriPardeep Kumara show cause notice has been sent to the concerned vide letter No. 7378/EA-3/E-1 dated 6.10.21(CP-17), but the same was not delivered to him. Now Transport Commissioner office has been requested to seek explanation of the official vide letter No. 8897/EA-3/E-1 dated 27.12.2021(CP-18). For lapse in serving of notice for delay of two months ShriVinod, Clerk of Establishment-1, Branch of the office of Director State Transport Haryana a show cause notice has been issued vide letter dated 27.12.2021.

### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that allotment of tender to L-5 bidder was a serious lapse.**

**The Committee therefore, recommends that a detailed enquiry for fixation of responsibility in instant case be conducted, strict disciplinary action against erring officers/officials be taken and a complete action taken report be submitted to the Committee.**

**The Committee further desired that an exercise to identify other similar irregular tender cases in other districts be also undertaken and complete detail be submitted to the Committee.**



## **CIVIL AVIATION DEPARTMENT**

### **[60] 3.2 Delay in furnishing utilisation certificates (S.F.)**

Rule 8.14 of the Punjab Financial Rules, as applicable to Haryana, provides that utilisation certificates (UCs) for the grants provided for specific purposes, should be obtained by departmental officers from the grantees. After verification, these should be forwarded to the Accountant General (A&E) within a reasonable time, unless a specific time limit is fixed by the sanctioning authority. However, of the 25, 792 UCs due for submission in respect of grants and loans aggregating ₹31, 175.20 crore, 1, 732 UCs for an aggregate amount of ₹8, 469.49 crore were in arrears. The department-wise break-up of UCs due, received and outstanding as on 31 March 2019 is given in Appendix 3.1. The year-wise delays in submission of UCs is summarised in Table 3.2.

Table 3.2: Year-wise arrears of Utilisation Certificates

(₹ in crore)

| Year         | Total grants paid |                   | Utilisation certificates due |                   | Utilisation certificates received |                  | Utilisation certificates outstanding |                  |
|--------------|-------------------|-------------------|------------------------------|-------------------|-----------------------------------|------------------|--------------------------------------|------------------|
|              | Items             | Amount            | Items                        | Amount            | Items                             | Amount           | Items                                | Amount           |
| Upto 2013-14 | 1, 022            | 5, 897.44         | 279                          | 1, 707.65         | 69                                | 243.88           | 210                                  | 1, 463.77        |
| 2014-15      | 4, 907            | 4, 068.87         | 166                          | 1, 107.81         | 65                                | 678.07           | 101                                  | 429.74           |
| 2015-16      | 5, 810            | 5, 086.97         | 454                          | 1, 483.64         | 181                               | 665.78           | 273                                  | 817.86           |
| 2016-17      | 6, 381            | 8, 014.08         | 616                          | 3, 290.12         | 217                               | 1, 229.31        | 399                                  | 2, 060.81        |
| 2017-18      | 7, 672            | 8, 107.84         | 7, 672                       | 8, 107.84         | 6, 923                            | 4, 410.53        | 749                                  | 3, 697.31        |
| <b>Total</b> | <b>25, 792</b>    | <b>31, 175.20</b> | <b>9, 187</b>                | <b>15, 697.06</b> | <b>7, 455</b>                     | <b>7, 227.57</b> | <b>1, 732</b>                        | <b>8, 469.49</b> |

During the year 2018-19, 749 Utilisation Certificates (UCs) amounting to ₹3, 697.31 crore, which had become due, were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 25 departments. In addition to this, 983 UCs amounting to ₹4, 772.18 crore due for submission up to 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 1,732 UCs amounting to ₹8, 469.49 crore were due for submission as of 31 March 2019. Therefore, there is no assurance that the amount of ₹8, 469.49 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

## Appendix 3.1

(Reference: Paragraph 3.2; Page 68)

## Detail of Utilisation Certificates due, received and outstanding as on 31 March 2019

(₹in crore)

| Sr. No. | Name of the Head                 | Year    | Total grants paid |          | Utilisation certificates due |          | Utilisation certificates received |          | Utilisation certificates outstanding |          |
|---------|----------------------------------|---------|-------------------|----------|------------------------------|----------|-----------------------------------|----------|--------------------------------------|----------|
|         |                                  |         | Items             | Amount   | Items                        | Amount   | Items                             | Amount   | Items                                | Amount   |
| 1       | Police (2055)                    | 2017-18 | 3                 | 71.22    | 3                            | 71.22    | 1                                 | 18.15    | 2                                    | 53.07    |
| 2       | General Education (2202)         | 2014-15 | 739               | 1,382.54 | 8                            | 1.02     | -                                 | -        | 8                                    | 1.02     |
|         |                                  | 2015-16 | 1,063             | 1,542.62 | 37                           | 93.15    | 4                                 | 15.92    | 33                                   | 77.23    |
|         |                                  | 2016-17 | 1,332             | 1,618.88 | 67                           | 195.12   | 41                                | 146.83   | 26                                   | 48.29    |
|         |                                  | 2017-18 | 1,385             | 1,656.36 | 1385                         | 1,656.36 | 1,363                             | 1,579.16 | 22                                   | 77.19    |
| 3       | Technical Education (2203)       | 2016-17 | 102               | 227.06   | 10                           | 43.47    | 7                                 | 26.97    | 3                                    | 16.50    |
|         |                                  | 2017-18 | 90                | 218.18   | 90                           | 218.18   | 81                                | 181.38   | 9                                    | 36.80    |
| 4       | Sports and Youth Services (2204) | 2015-16 | 130               | 124.02   | 69                           | 32.78    | 44                                | 27.47    | 25                                   | 5.31     |
|         |                                  | 2016-17 | 56                | 90.69    | 51                           | 82.66    | 30                                | 74.39    | 21                                   | 8.27     |
|         |                                  | 2017-18 | 229               | 73.14    | 229                          | 73.14    | 212                               | 58.80    | 17                                   | 14.34    |
| 5       | Art and Culture (2205)           | 2015-16 | 7                 | 3.51     | 4                            | 3.31     | 3                                 | 3.01     | 1                                    | 0.30     |
|         |                                  | 2016-17 | 4                 | 10.00    | 4                            | 10.00    | 2                                 | 4.50     | 2                                    | 5.50     |
|         |                                  | 2017-18 | 5                 | 4.95     | 5                            | 4.95     | 2                                 | 0.40     | 3                                    | 4.55     |
| 6       | Medical (2210)                   | 2016-17 | 78                | 935.68   | 2                            | 1.11     | 1                                 | 0.36     | 1                                    | 0.75     |
|         |                                  | 2017-18 | 82                | 1,031.67 | 82                           | 1,031.67 | 56                                | 694.22   | 26                                   | 337.45   |
| 7       | Family Welfare (2211)            | 2017-18 | 1                 | 0.03     | 1                            | 0.03     | -                                 | -        | 1                                    | 0.03     |
| 8       | Urban Development (2217)         | 2012-13 | 96                | 1,274.01 | 27                           | 363.13   | 3                                 | 22.48    | 24                                   | 340.65   |
|         |                                  | 2013-14 | 73                | 1,120.80 | 24                           | 436.30   | 4                                 | 62.41    | 20                                   | 373.89   |
|         |                                  | 2014-15 | 87                | 1,115.43 | 46                           | 458.31   | 18                                | 273.11   | 28                                   | 185.20   |
|         |                                  | 2015-16 | 122               | 1,478.70 | 76                           | 614.93   | 15                                | 192.62   | 61                                   | 422.31   |
|         |                                  | 2016-17 | 219               | 2,227.25 | 177                          | 1,494.29 | 21                                | 161.76   | 156                                  | 1,332.54 |
|         |                                  | 2017-18 | 395               | 2,781.01 | 395                          | 2,781.01 | 54                                | 1,017.42 | 341                                  | 1,763.59 |
| 9       | Information and Publicity (2220) | 2017-18 | 70                | 16.25    | 70                           | 16.25    | 11                                | 0.55     | 59                                   | 15.70    |

|    |                                                |         |        |           |      |           |      |        |     |        |
|----|------------------------------------------------|---------|--------|-----------|------|-----------|------|--------|-----|--------|
| 10 | Welfare of SC, ST, OBC and Minorities (2225)   | 2017-18 | 1, 272 | 107.66    | 1272 | 107.66    | 1271 | 107.64 | 1   | 0.02   |
| 11 | Labour and Employment (2230)                   | 2017-18 | 4      | 23.07     | 4    | 23.07     | 2    | 16.35  | 2   | 6.72   |
| 12 | Social Security and Welfare (2235)             | 2014-15 | 33     | 43.71     | 4    | 12.28     | 2    | 0.75   | 2   | 11.53  |
|    |                                                | 2015-16 | 355    | 50.55     | 8    | 4.77      | 2    | 1.42   | 6   | 3.35   |
|    |                                                | 2016-17 | 137    | 4.84      | 2    | 0.12      | -    | -      | 2   | 0.12   |
|    |                                                | 2017-18 | 38     | 34.20     | 38   | 34.20     | 19   | 19.52  | 19  | 14.68  |
| 13 | Crop Husbandry (2401)                          | 2017-18 | 16     | 153.98    | 16   | 153.98    | -    | -      | 16  | 153.98 |
| 14 | Soil and Water Conservation (2402)             | 2016-17 | 2      | 0.59      | 2    | 0.59      | -    | -      | 2   | 0.59   |
|    |                                                | 2017-18 | 84     | 1.20      | 84   | 1.20      | 73   | 1.00   | 11  | 0.20   |
| 15 | Animal Husbandry (2403)                        | 2016-17 | 74     | 88.02     | 33   | 1.16      | 29   | 0.96   | 4   | 0.20   |
|    |                                                | 2017-18 | 86     | 74.08     | 86   | 74.08     | 72   | 50.30  | 14  | 23.78  |
| 16 | Fisheries (2405)                               | 2017-18 | 21     | 1.42      | 21   | 1.42      | 17   | 1.28   | 4   | 0.14   |
| 17 | Forestry and Wildlife (2406)                   | 2017-18 | 3      | 10.71     | 3    | 10.71     | -    | -      | 3   | 10.71  |
| 18 | Co-operation (2425)                            | 2017-18 | 5      | 155.80    | 5    | 155.80    | -    | -      | 5   | 155.80 |
| 19 | Special Programme and Rural Development (2501) | 2015-16 | 103    | 64.19     | 26   | 8.17      | 22   | 7.07   | 4   | 1.10   |
|    |                                                | 2016-17 | 87     | 69.16     | 51   | 58.22     | 31   | 11.13  | 20  | 47.09  |
|    |                                                | 2017-18 | 112    | 135.06    | 112  | 135.06    | 57   | 29.23  | 55  | 105.83 |
| 20 | Rural Employment (2505)                        | 2014-15 | 165    | 333.36    | 3    | 1.47      | -    | -      | 3   | 1.47   |
|    |                                                | 2015-16 | 48     | 285.52    | 22   | 110.68    | 11   | 19.88  | 11  | 90.80  |
|    |                                                | 2016-17 | 7      | 218.78    | 2    | 119.22    | -    | -      | 2   | 119.22 |
|    |                                                | 2017-18 | 15     | 211.07    | 15   | 211.07    | -    | -      | 15  | 211.07 |
| 21 | Other Rural Development Programmes (2515)      | 2009-10 | 68     | 366.26    | 1    | 10.85     | -    | -      | 1   | 10.85  |
|    |                                                | 2010-11 | 48     | 267.83    | 9    | 42.83     | -    | -      | 9   | 42.83  |
|    |                                                | 2011-12 | 222    | 722.40    | 62   | 182.72    | 21   | 45.72  | 41  | 137.00 |
|    |                                                | 2012-13 | 266    | 882.65    | 63   | 172.06    | 24   | 84.04  | 39  | 88.02  |
|    |                                                | 2013-14 | 249    | 1, 263.49 | 93   | 499.76    | 17   | 29.24  | 76  | 470.52 |
|    |                                                | 2014-15 | 3, 871 | 1, 191.66 | 104  | 634.63    | 45   | 404.22 | 59  | 230.40 |
|    |                                                | 2015-16 | 3, 845 | 1, 261.94 | 169  | 583.90    | 67   | 376.10 | 102 | 207.80 |
|    |                                                | 2016-17 | 4, 166 | 2, 262.96 | 187  | 1, 238.33 | 45   | 781.49 | 142 | 456.84 |

|       |                                           |         |         |           |        |            |        |           |        |           |
|-------|-------------------------------------------|---------|---------|-----------|--------|------------|--------|-----------|--------|-----------|
|       |                                           | 2017-18 | 3, 652  | 1, 127.58 | 3, 652 | 1, 127.58  | 3, 550 | 501.83    | 102    | 625.75    |
| 22    | Command Area Development (2705)           | 2015-16 | 21      | 212.59    | 2      | 1.57       | -      | -         | 2      | 1.57      |
|       |                                           | 2016-17 | 20      | 154.10    | 3      | 2.33       | -      | -         | 3      | 2.33      |
|       |                                           | 2017-18 | 19      | 75.45     | 19     | 75.45      | 18     | 67.95     | 1      | 7.50      |
| 23    | Village and Small Scale Industries (2851) | 2016-17 | 20      | 29.70     | 3      | 6.17       | 1      | 0.50      | 2      | 5.67      |
| 24    | Industries (2852)                         | 2015-16 | 28      | 31.02     | 6      | 22.30      | 5      | 18.61     | 1      | 3.69      |
|       |                                           | 2016-17 | 36      | 61.70     | 16     | 34.88      | 6      | 18.88     | 10     | 16.00     |
|       |                                           | 2017-18 | 23      | 126.50    | 23     | 126.50     | 17     | 54.61     | 6      | 71.89     |
| 25    | Non-Conventional Source of Energy (2810)  | 2017-18 | 12      | 0.71      | 12     | 0.71       | 11     | 0.70      | 1      | 0.01      |
| 26    | Civil Aviation (3053)                     | 2017-18 | 2       | 1.00      | 2      | 1.00       | 1      | 0.30      | 1      | 0.70      |
| 27    | Other Scientific Research (3425)          | 2015-16 | 52      | 21.94     | 5      | 4.65       | 1      | 0.51      | 4      | 4.14      |
|       |                                           | 2016-17 | 37      | 13.05     | 2      | 0.83       | 1      | 0.52      | 1      | 0.31      |
|       |                                           | 2017-18 | 31      | 14.13     | 31     | 14.13      | 22     | 9.71      | 9      | 4.42      |
| 28    | Ecology and Environment (3435)            | 2014-15 | 12      | 2.17      | 1      | 0.10       | -      | -         | 1      | 0.10      |
|       |                                           | 2015-16 | 8       | 2.15      | 4      | 0.35       | 2      | 0.15      | 2      | 0.20      |
|       |                                           | 2016-17 | 4       | 1.62      | 4      | 1.62       | 2      | 1.02      | 2      | 0.60      |
|       |                                           | 2017-18 | 3       | 1.37      | 3      | 1.37       | -      | -         | 3      | 1.37      |
| 29    | Civil Supplies (3456)                     | 2015-16 | 28      | 8.22      | 26     | 3.08       | 5      | 3.02      | 21     | 0.06      |
|       |                                           | 2017-18 | 14      | 0.04      | 14     | 0.04       | 13     | 0.03      | 1      | 0.01      |
| Total |                                           |         | 25, 792 | 31175.20  | 9, 187 | 15, 697.06 | 7, 455 | 7, 227.57 | 1, 732 | 8, 469.49 |

**The department in its written reply stated as under:**

Utilization Certificates of Rs. 70.00 lacs had already been sent by this office to office of Additional Chief Secretary to Govt. Haryana Finance Department and office of the Principal Accountant General (A& E) Haryana, Lekha Bhawan Sec-33B, Chandigarh vide Memo No. 4/27/17/1AE/CA/2359 dated 17.07.2019 respectively.

**Observations and Recommendations of the Committee as under:**

**The Committee has desired that all outstanding cases be settled immediately and also reconciled with the Office of Principal Accountant General (A&E), Haryana under intimation of the Committee.**



## **DEVELOPMENT & PANCHAYATS DEPARTMENT**

### **[61] 3.2 Delay in furnishing utilisation certificates (S.F.)**

Rule 8.14 of the Punjab Financial Rules, as applicable to Haryana, provides that utilisation certificates (UCs) for the grants provided for specific purposes, should be obtained by departmental officers from the grantees. After verification, these should be forwarded to the Accountant General (A&E) within a reasonable time, unless a specific time limit is fixed by the sanctioning authority. However, of the 25, 792 UCs due for submission in respect of grants and loans aggregating ₹31, 175.20 crore, 1, 732 UCs for an aggregate amount of ₹8, 469.49 crore were in arrears. The department-wise break-up of UCs due, received and outstanding as on 31 March 2019 is given in Appendix 3.1. The year-wise delays in submission of UCs is summarised in Table 3.2.

Table 3.2: Year-wise arrears of Utilisation Certificates

(₹in crore)

| Year         | Total grants paid |                   | Utilisation certificates due |                   | Utilisation certificates received |                  | Utilisation certificates outstanding |                  |
|--------------|-------------------|-------------------|------------------------------|-------------------|-----------------------------------|------------------|--------------------------------------|------------------|
|              | Items             | Amount            | Items                        | Amount            | Items                             | Amount           | Items                                | Amount           |
| Upto 2013-14 | 1, 022            | 5, 897.44         | 279                          | 1, 707.65         | 69                                | 243.88           | 210                                  | 1, 463.77        |
| 2014-15      | 4, 907            | 4, 068.87         | 166                          | 1, 107.81         | 65                                | 678.07           | 101                                  | 429.74           |
| 2015-16      | 5, 810            | 5, 086.97         | 454                          | 1, 483.64         | 181                               | 665.78           | 273                                  | 817.86           |
| 2016-17      | 6, 381            | 8, 014.08         | 616                          | 3, 290.12         | 217                               | 1, 229.31        | 399                                  | 2, 060.81        |
| 2017-18      | 7, 672            | 8, 107.84         | 7, 672                       | 8, 107.84         | 6, 923                            | 4, 410.53        | 749                                  | 3, 697.31        |
| <b>Total</b> | <b>25, 792</b>    | <b>31, 175.20</b> | <b>9, 187</b>                | <b>15, 697.06</b> | <b>7, 455</b>                     | <b>7, 227.57</b> | <b>1, 732</b>                        | <b>8, 469.49</b> |

During the year 2018-19, 749 Utilisation Certificates (UCs) amounting to ₹3, 697.31 crore, which had become due, were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 25 departments. In addition to this, 983 UCs amounting to ₹4, 772.18 crore due for submission up to 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 1, 732 UCs amounting to ₹8, 469.49 crore were due for submission as of 31 March 2019. Therefore, there is no assurance that the amount of ₹8, 469.49 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

## Appendix 3.1

(Reference: Paragraph 3.2; Page 68)

**Detail of Utilisation Certificates due, received and outstanding as on 31 March 2019****(₹in crore)**

| Sr. No. | Name of the Head                 | Year    | Total grants paid |           | Utilisation certificates due |           | Utilisation certificates received |           | Utilisation certificates outstanding |        |
|---------|----------------------------------|---------|-------------------|-----------|------------------------------|-----------|-----------------------------------|-----------|--------------------------------------|--------|
|         |                                  |         | Items             | Amount    | Items                        | Amount    | Items                             | Amount    | Items                                | Amount |
| 1       | Police (2055)                    | 2017-18 | 3                 | 71.22     | 3                            | 71.22     | 1                                 | 18.15     | 2                                    | 53.07  |
| 2       | General Education (2202)         | 2014-15 | 739               | 1, 382.54 | 8                            | 1.02      | -                                 | -         | 8                                    | 1.02   |
|         |                                  | 2015-16 | 1, 063            | 1, 542.62 | 37                           | 93.15     | 4                                 | 15.92     | 33                                   | 77.23  |
|         |                                  | 2016-17 | 1, 332            | 1, 618.88 | 67                           | 195.12    | 41                                | 146.83    | 26                                   | 48.29  |
|         |                                  | 2017-18 | 1, 385            | 1, 656.36 | 1385                         | 1, 656.36 | 1, 363                            | 1, 579.16 | 22                                   | 77.19  |
| 3       | Technical Education (2203)       | 2016-17 | 102               | 227.06    | 10                           | 43.47     | 7                                 | 26.97     | 3                                    | 16.50  |
|         |                                  | 2017-18 | 90                | 218.18    | 90                           | 218.18    | 81                                | 181.38    | 9                                    | 36.80  |
| 4       | Sports and Youth Services (2204) | 2015-16 | 130               | 124.02    | 69                           | 32.78     | 44                                | 27.47     | 25                                   | 5.31   |
|         |                                  | 2016-17 | 56                | 90.69     | 51                           | 82.66     | 30                                | 74.39     | 21                                   | 8.27   |
|         |                                  | 2017-18 | 229               | 73.14     | 229                          | 73.14     | 212                               | 58.80     | 17                                   | 14.34  |
| 5       | Art and Culture (2205)           | 2015-16 | 7                 | 3.51      | 4                            | 3.31      | 3                                 | 3.01      | 1                                    | 0.30   |
|         |                                  | 2016-17 | 4                 | 10.00     | 4                            | 10.00     | 2                                 | 4.50      | 2                                    | 5.50   |
|         |                                  | 2017-18 | 5                 | 4.95      | 5                            | 4.95      | 2                                 | 0.40      | 3                                    | 4.55   |
| 6       | Medical (2210)                   | 2016-17 | 78                | 935.68    | 2                            | 1.11      | 1                                 | 0.36      | 1                                    | 0.75   |
|         |                                  | 2017-18 | 82                | 1, 031.67 | 82                           | 1, 031.67 | 56                                | 694.22    | 26                                   | 337.45 |
| 7       | Family Welfare (2211)            | 2017-18 | 1                 | 0.03      | 1                            | 0.03      | -                                 | -         | 1                                    | 0.03   |
| 8       | Urban Development (2217)         | 2012-13 | 96                | 1, 274.01 | 27                           | 363.13    | 3                                 | 22.48     | 24                                   | 340.65 |

|    |                                                |         |        |           |      |           |      |           |     |           |
|----|------------------------------------------------|---------|--------|-----------|------|-----------|------|-----------|-----|-----------|
|    |                                                | 2013-14 | 73     | 1, 120.80 | 24   | 436.30    | 4    | 62.41     | 20  | 373.89    |
|    |                                                | 2014-15 | 87     | 1, 115.43 | 46   | 458.31    | 18   | 273.11    | 28  | 185.20    |
|    |                                                | 2015-16 | 122    | 1, 478.70 | 76   | 614.93    | 15   | 192.62    | 61  | 422.31    |
|    |                                                | 2016-17 | 219    | 2, 227.25 | 177  | 1, 494.29 | 21   | 161.76    | 156 | 1, 332.54 |
|    |                                                | 2017-18 | 395    | 2, 781.01 | 395  | 2, 781.01 | 54   | 1, 017.42 | 341 | 1, 763.59 |
| 9  | Information and Publicity (2220)               | 2017-18 | 70     | 16.25     | 70   | 16.25     | 11   | 0.55      | 59  | 15.70     |
| 10 | Welfare of SC, ST, OBC and Minorities (2225)   | 2017-18 | 1, 272 | 107.66    | 1272 | 107.66    | 1271 | 107.64    | 1   | 0.02      |
| 11 | Labour and Employment (2230)                   | 2017-18 | 4      | 23.07     | 4    | 23.07     | 2    | 16.35     | 2   | 6.72      |
| 12 | Social Security and Welfare (2235)             | 2014-15 | 33     | 43.71     | 4    | 12.28     | 2    | 0.75      | 2   | 11.53     |
|    |                                                | 2015-16 | 355    | 50.55     | 8    | 4.77      | 2    | 1.42      | 6   | 3.35      |
|    |                                                | 2016-17 | 137    | 4.84      | 2    | 0.12      | -    | -         | 2   | 0.12      |
|    |                                                | 2017-18 | 38     | 34.20     | 38   | 34.20     | 19   | 19.52     | 19  | 14.68     |
| 13 | Crop Husbandry (2401)                          | 2017-18 | 16     | 153.98    | 16   | 153.98    | -    | -         | 16  | 153.98    |
| 14 | Soil and Water Conservation (2402)             | 2016-17 | 2      | 0.59      | 2    | 0.59      | -    | -         | 2   | 0.59      |
|    |                                                | 2017-18 | 84     | 1.20      | 84   | 1.20      | 73   | 1.00      | 11  | 0.20      |
| 15 | Animal Husbandry (2403)                        | 2016-17 | 74     | 88.02     | 33   | 1.16      | 29   | 0.96      | 4   | 0.20      |
|    |                                                | 2017-18 | 86     | 74.08     | 86   | 74.08     | 72   | 50.30     | 14  | 23.78     |
| 16 | Fisheries (2405)                               | 2017-18 | 21     | 1.42      | 21   | 1.42      | 17   | 1.28      | 4   | 0.14      |
| 17 | Forestry and Wildlife (2406)                   | 2017-18 | 3      | 10.71     | 3    | 10.71     | -    | -         | 3   | 10.71     |
| 18 | Co-operation (2425)                            | 2017-18 | 5      | 155.80    | 5    | 155.80    | -    | -         | 5   | 155.80    |
| 19 | Special Programme and Rural Development (2501) | 2015-16 | 103    | 64.19     | 26   | 8.17      | 22   | 7.07      | 4   | 1.10      |
|    |                                                | 2016-17 | 87     | 69.16     | 51   | 58.22     | 31   | 11.13     | 20  | 47.09     |

|    |                                           |         |        |           |        |           |        |        |     |        |
|----|-------------------------------------------|---------|--------|-----------|--------|-----------|--------|--------|-----|--------|
|    |                                           | 2017-18 | 112    | 135.06    | 112    | 135.06    | 57     | 29.23  | 55  | 105.83 |
| 20 | Rural Employment (2505)                   | 2014-15 | 165    | 333.36    | 3      | 1.47      | -      | -      | 3   | 1.47   |
|    |                                           | 2015-16 | 48     | 285.52    | 22     | 110.68    | 11     | 19.88  | 11  | 90.80  |
|    |                                           | 2016-17 | 7      | 218.78    | 2      | 119.22    | -      | -      | 2   | 119.22 |
|    |                                           | 2017-18 | 15     | 211.07    | 15     | 211.07    | -      | -      | 15  | 211.07 |
| 21 | Other Rural Development Programmes (2515) | 2009-10 | 68     | 366.26    | 1      | 10.85     | -      | -      | 1   | 10.85  |
|    |                                           | 2010-11 | 48     | 267.83    | 9      | 42.83     | -      | -      | 9   | 42.83  |
|    |                                           | 2011-12 | 222    | 722.40    | 62     | 182.72    | 21     | 45.72  | 41  | 137.00 |
|    |                                           | 2012-13 | 266    | 882.65    | 63     | 172.06    | 24     | 84.04  | 39  | 88.02  |
|    |                                           | 2013-14 | 249    | 1, 263.49 | 93     | 499.76    | 17     | 29.24  | 76  | 470.52 |
|    |                                           | 2014-15 | 3, 871 | 1, 191.66 | 104    | 634.63    | 45     | 404.22 | 59  | 230.40 |
|    |                                           | 2015-16 | 3, 845 | 1, 261.94 | 169    | 583.90    | 67     | 376.10 | 102 | 207.80 |
|    |                                           | 2016-17 | 4, 166 | 2, 262.96 | 187    | 1, 238.33 | 45     | 781.49 | 142 | 456.84 |
|    |                                           | 2017-18 | 3, 652 | 1, 127.58 | 3, 652 | 1, 127.58 | 3, 550 | 501.83 | 102 | 625.75 |
| 22 | Command Area Development (2705)           | 2015-16 | 21     | 212.59    | 2      | 1.57      | -      | -      | 2   | 1.57   |
|    |                                           | 2016-17 | 20     | 154.10    | 3      | 2.33      | -      | -      | 3   | 2.33   |
|    |                                           | 2017-18 | 19     | 75.45     | 19     | 75.45     | 18     | 67.95  | 1   | 7.50   |
| 23 | Village and Small Scale Industries (2851) | 2016-17 | 20     | 29.70     | 3      | 6.17      | 1      | 0.50   | 2   | 5.67   |
| 24 | Industries (2852)                         | 2015-16 | 28     | 31.02     | 6      | 22.30     | 5      | 18.61  | 1   | 3.69   |
|    |                                           | 2016-17 | 36     | 61.70     | 16     | 34.88     | 6      | 18.88  | 10  | 16.00  |
|    |                                           | 2017-18 | 23     | 126.50    | 23     | 126.50    | 17     | 54.61  | 6   | 71.89  |
| 25 | Non-Conventional Source of Energy (2810)  | 2017-18 | 12     | 0.71      | 12     | 0.71      | 11     | 0.70   | 1   | 0.01   |

|       |                                  |         |         |           |        |           |        |           |       |           |
|-------|----------------------------------|---------|---------|-----------|--------|-----------|--------|-----------|-------|-----------|
| 26    | Civil Aviation (3053)            | 2017-18 | 2       | 1.00      | 2      | 1.00      | 1      | 0.30      | 1     | 0.70      |
| 27    | Other Scientific Research (3425) | 2015-16 | 52      | 21.94     | 5      | 4.65      | 1      | 0.51      | 4     | 4.14      |
|       |                                  | 2016-17 | 37      | 13.05     | 2      | 0.83      | 1      | 0.52      | 1     | 0.31      |
|       |                                  | 2017-18 | 31      | 14.13     | 31     | 14.13     | 22     | 9.71      | 9     | 4.42      |
| 28    | Ecology and Environment (3435)   | 2014-15 | 12      | 2.17      | 1      | 0.10      | -      | -         | 1     | 0.10      |
|       |                                  | 2015-16 | 8       | 2.15      | 4      | 0.35      | 2      | 0.15      | 2     | 0.20      |
|       |                                  | 2016-17 | 4       | 1.62      | 4      | 1.62      | 2      | 1.02      | 2     | 0.60      |
|       |                                  | 2017-18 | 3       | 1.37      | 3      | 1.37      | -      | -         | 3     | 1.37      |
| 29    | Civil Supplies (3456)            | 2015-16 | 28      | 8.22      | 26     | 3.08      | 5      | 3.02      | 21    | 0.06      |
|       |                                  | 2017-18 | 14      | 0.04      | 14     | 0.04      | 13     | 0.03      | 1     | 0.01      |
| Total |                                  |         | 25, 792 | 31,175.20 | 9, 187 | 15,697.06 | 7, 455 | 7, 227.57 | 1,732 | 8, 469.49 |

**The department in its written reply stated as under:**

In reply to para 3.2 it is submitted that out of outstanding UCs of Rs. 2270.01 Crore for FY 2009-10 to 2017-18 the outstanding UCs of Rs. Crore under different schemes i.e. SFC Rs.123.38 Crore, CFC Rs. 678.95 Crore, HGVY Rs. 84.23 Crore, NBY Rs. 13.89 Crore VAT Rs.91.30 Crore, SDW Rs. 33.40 Crore, Matching Grant Rs. 0.03 Crore, have been sent to Principal Accountant General(A&E) from 01.04.2019 to 13.09.2021. Balance pending UCs will be sent to Principal Accountant General (A&E) as soon as possible. The Detail of UCs sent to PAG, Haryana from. 01.04.2019 to 13.09.2021 is given below:-

(In Crore)

| Sr. No. | Year     | UCs Outstanding |         | UC send to AG | Balance |
|---------|----------|-----------------|---------|---------------|---------|
|         |          | Item            | Amount  |               |         |
| 1       | 2009- 10 | 1               | 10.85   | 0.46          | 10.39   |
| 2       | 2010- 11 | 9               | 42.83   | 19.41         | 23.42   |
| 3       | 2011- 12 | 41              | 137.0 0 | 13.93         | 123.07  |

|   |          |     |          |         |         |
|---|----------|-----|----------|---------|---------|
| 4 | 2012- 13 | 39  | 88.0     | 247.87  | 40.15   |
| 5 | 2013- 14 | 76  | 470.5 2  | 34.99   | 435.53  |
| 6 | 2014- 15 | 59  | 230.4 0  | 74.96   | 155.44  |
| 7 | 2015- 16 | 102 | 207.8 0  | 139.00  | 68.8    |
| 8 | 2016- 17 | 142 | 456.8 4  | 342.55  | 114.29  |
| 9 | 2017- 18 | 102 | 625.7 5  | 352.00  | 273.75  |
|   | Total    |     | 2270. 01 | 1025.17 | 1244.84 |

Strict disciplinary action will be taken against the defaulting officials/officers responsible for not sending pending UCs.

### **Observations and Recommendations of the Committee as under:**

**The Committee has desired that the outstanding Utilization Certificates (UCs) be obtained and submitted at the earliest and the same be got reconciled in the office of Principal Accountant General (A&E), Haryana under intimation to the Committee.**

### **[62] 3.6 Misappropriations, losses, defalcations, etc. (S.F.)**

Rule 2.33 of the Punjab Financial Rules, as applicable to Haryana, stipulates that every Government employee would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or any loss arising from fraud or negligence on the part of any other Government employee to the extent that he contributed to the loss by his own action or negligence. Further, as per rule 2.34 *ibid*, the cases of defalcations and losses are required to be reported to the Accountant General (A&E).

State Government reported 75 cases of misappropriation and defalcation involving Government money amounting to ₹1.28 crore on which final action was pending as of June 2019. All the 75 cases were reported by departments concerned to police through first information reports (FIRs). The department- wise break up of pending cases and age-wise analysis is given in Appendix 3.5 and nature of these cases are given in Appendix 3.6. The age-profile of the pending cases and the number of cases pending in each category-theft and misappropriation/loss as emerged from these appendices is summarised in Table 3.4.

Table 3.4: Profile of misappropriations, losses, defalcations, etc.

| Age-profile of the pending cases |                 |                 | Nature of the pending cases         |                 |                 |
|----------------------------------|-----------------|-----------------|-------------------------------------|-----------------|-----------------|
| Range in years                   | Number of cases | Amount involved |                                     | Number of cases | Amount involved |
| 0 - 5                            | 35              | 95.37           | Theft Cases                         | 60              | 110.75          |
| 5-10                             | 4               | 1.61            |                                     |                 |                 |
| 10-15                            | 10              | 16.00           | Misappropriation/loss of Government | 15              | 16.98           |
| 15 - 20                          | 7               | 10.80           |                                     |                 |                 |

(₹in lakh)

|              |           |               |                                            |           |               |
|--------------|-----------|---------------|--------------------------------------------|-----------|---------------|
| 20 - 25      | 3         | 0.24          | material                                   |           |               |
| 25 and above | 16        | 3.71          |                                            |           |               |
| <b>Total</b> | <b>75</b> | <b>127.73</b> | <b>Total pending cases as of June 2019</b> | <b>75</b> | <b>127.73</b> |

Reasons for pendency of cases are listed in Table 3.5.

Table 3.5: Reasons for outstanding cases of misappropriations, losses, defalcations, etc.

| Reasons for the delay/outstanding pending cases |                                                                                                  | Number of cases | Amount (₹in lakh) |
|-------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------|-------------------|
| i)                                              | Departmental action initiated but not finalised                                                  | 57              | 108.93            |
| ii)                                             | Criminal proceedings finalised but execution of criminal case for the recovery of amount pending | 3               | 1.09              |
| iii)                                            | Awaiting orders for recovery or write off                                                        | 9               | 3.88              |
| iv)                                             | Pending in the courts of law                                                                     | 6               | 13.83             |
| <b>Total</b>                                    |                                                                                                  | <b>75</b>       | <b>127.73</b>     |

Out of the total loss cases, 80 per cent cases related to theft of Government money/store. Further, in respect of 76 per cent cases of losses, departmental action had not been finalized while 12 per cent cases were outstanding for want of orders of the competent authority for recovery or write off of losses. It was further noticed that out of 75 cases of losses due to theft/misappropriation, 40 cases were more than five years old, including 19 cases which were more than 20 years old. The lackadaisical approach of departments in finalisation of these cases had not only caused loss to the State exchequer but also led to non-accountability of the officers/officials.

The Government may consider preparing a time bound framework for taking prompt action in cases of theft, misappropriation, etc.

### Appendix 3.5

(Refer Paragraph 3.6; Page: 70)

**Department wise/duration wise break-up of the cases of misappropriation, defalcation, etc., where Final action was pending as on 30 June 2019**

(Figures in bracket indicate ₹in lakh)

| Sl. No. | Name of the Department        | Up to 5 years | 5 to 10 years | 10 to 15 years | 15 to 20 years | 20 to 25 years | 25 years to More | Total No. of Cases |
|---------|-------------------------------|---------------|---------------|----------------|----------------|----------------|------------------|--------------------|
| 1       | Development of Panchayat      | 0             | 0             | 1<br>(6.50)    | 0              | 0              | 0                | 1<br>(6.50)        |
| 2       | Animal Husbandry and Dairying | 1<br>(0.08)   | -             | -              | -              | -              | -                | 1<br>(0.08)        |

|    |                                                 |                       |                     |                       |                      |                     |                      |                        |
|----|-------------------------------------------------|-----------------------|---------------------|-----------------------|----------------------|---------------------|----------------------|------------------------|
| 3  | Economic & Statistical                          | 2<br>(0.03)           | -                   | -                     | -                    | -                   | -                    | 2<br>(0.03)            |
| 4  | Education                                       | 15<br>(34.72)         | -                   | 1<br>(0.09)           | 3<br>(1.11)          | -                   | 3<br>(2.04)          | 22<br>(37.96)          |
| 5  | Forest Department                               | 1<br>(0.25)           | -                   | -                     | -                    | -                   | -                    | 1<br>(0.25)            |
| 6  | Haryana Skill Development & Industries Training | 2<br>(0.87)           | -                   | -                     | -                    | -                   | -                    | 2<br>(0.87)            |
| 7  | Labour & Employment                             | 2<br>(0.15)           | -                   | -                     | -                    | -                   | -                    | 2<br>(0.15)            |
| 8  | Medical                                         | 2<br>(0) <sup>3</sup> | -                   | -                     | -                    | -                   | -                    | 2<br>(0)               |
| 9  | Medical Education & Research                    | 1<br>(3.00)           | -                   | -                     | -                    | -                   | -                    | 1<br>(3.00)            |
| 10 | Police                                          | -                     | -                   | 1<br>(3.79)           | -                    | -                   | -                    | 1<br>(3.79)            |
| 11 | Social Justice and Empowerment                  | 3<br>(8.63)           | -                   | -                     | -                    | -                   | -                    | 3<br>(8.63)            |
| 12 | Sports & Youth Welfare                          | 1<br>(39.58)          | -                   | -                     | -                    | -                   | -                    | 1<br>(39.58)           |
| 13 | Technical Education                             | -                     | -                   | -                     | 1<br>(6.52)          | -                   | -                    | 1<br>(6.52)            |
| 14 | Town & Country Planning                         | 1<br>(1.44)           | -                   | -                     | -                    | -                   | -                    | 1<br>(1.44)            |
| 15 | Transport                                       | -                     | -                   | -                     | 1<br>(3.17)          | -                   | 1<br>(0.60)          | 2<br>(3.77)            |
| 16 | Treasury & Accounts                             | 1<br>(6.27)           | -                   | -                     | -                    | -                   | -                    | 1<br>(6.27)            |
| 17 | Women and Child Development                     | 1<br>(0) <sup>1</sup> | -                   | -                     | -                    | -                   | -                    | 1<br>(0)               |
| 18 | Irrigation                                      | 0                     | 3<br>(0.00)         | 7<br>(5.62)           | 2<br>(0.00)          | 3<br>(0.24)         | 12<br>(1.07)         | 27<br>(6.93)           |
| 19 | Public Health Engineering Department            | 1<br>(0.35)           | 1<br>(1.61)         | -                     | -                    | -                   | -                    | 2<br>(1.96)            |
| 20 | Buildings and Roads                             | 1<br>(0.00)           | -                   | -                     | -                    | -                   | -                    | 1<br>(0.00)            |
|    | <b>Total</b>                                    | <b>35<br/>(95.37)</b> | <b>4<br/>(1.61)</b> | <b>10<br/>(16.00)</b> | <b>7<br/>(10.80)</b> | <b>3<br/>(0.24)</b> | <b>16<br/>(3.71)</b> | <b>75<br/>(127.73)</b> |



### Appendix 3.6

(Refer Paragraph 3.6; Page: 70)

#### Department/category wise detail in respect of cases of loss to Government due to theft, misappropriation/loss of Government material

| Name of Department                              | Theft Cases     |               | Misappropriation/ Loss of Government Material |              | Total           |               |
|-------------------------------------------------|-----------------|---------------|-----------------------------------------------|--------------|-----------------|---------------|
|                                                 | Number of Cases | Amount        | Number of Cases                               | Amount       | Number of Cases | Amount        |
|                                                 |                 | (₹in lakh)    |                                               | (₹in lakh)   |                 | (₹in lakh)    |
| Development of Panchayat                        | 1               | 6.50          | -                                             | -            | 1               | 6.50          |
| Animal Husbandry and Dairying                   | 1               | 0.08          | -                                             | -            | 1               | 0.08          |
| Economic & Statistical                          | 1               | 0.03          | 1                                             | 0.00         | 2               | 0.03          |
| Education                                       | 19              | 36.57         | 3                                             | 1.39         | 22              | 37.96         |
| Forest Department                               | 1               | 0.25          | -                                             | -            | 1               | 0.25          |
| Haryana Skill Development & Industries Training | 2               | 0.87          | -                                             | -            | 2               | 0.87          |
| Labour & Employment                             | 2               | 0.15          | -                                             | -            | 2               | 0.15          |
| Medical                                         | 2               | 0.00          | -                                             | -            | 2               | 0.00          |
| Medical Education & Research                    | 1               | 3.00          | -                                             | -            | 1               | 3.00          |
| Police                                          | -               | -             | 1                                             | 3.79         | 1               | 3.79          |
| Social Justice and Empowerment                  | 3               | 8.63          | -                                             | -            | 3               | 8.63          |
| Sports & Youth Welfare                          | 1               | 39.58         | -                                             | -            | 1               | 39.58         |
| Technical Education                             | 1               | 6.52          | -                                             | -            | 1               | 6.52          |
| Town & Country Planning                         | -               | -             | 1                                             | 1.44         | 1               | 1.44          |
| Transport                                       | -               | -             | 2                                             | 3.77         | 2               | 3.77          |
| Treasury & Accounts                             | -               | -             | 1                                             | 6.27         | 1               | 6.27          |
| Women and Child Development                     | 1               | 0.00          | -                                             | -            | 1               | 0.00          |
| Irrigation                                      | 22              | 6.61          | 5                                             | 0.32         | 27              | 6.93          |
| Public Health Engineering Department            | 2               | 1.96          | -                                             | -            | 2               | 1.96          |
| Buildings and Roads                             | -               | -             | 1                                             | 0.00         | 1               | 0.00          |
| <b>Total</b>                                    | <b>60</b>       | <b>110.75</b> | <b>15</b>                                     | <b>16.98</b> | <b>75</b>       | <b>127.73</b> |

**The department in its written reply stated as under:**

This department has sought the information from district Development & Panchayat Officer Rohtak and Block Development & Panchayat Officer Rohtak vide letter No. GA-2018/30571-72 dated 15.05.2020., whether they registered F.I.R. to Police Department regarding robbery of Rs. 6.50 lakh occurred from Cattle Fair employees on dated 03.10.1997 and what was the action taken by police Department and what action was taken to recover the financial loss?

In this regard it is intimated that & Panchayat Officer, Rohtak has submitted his report vide letter dated 31.05.2018 (Flag A) vide which it is stated that he has registered an FIR 539 dated 04.10.1997 in Bahadurgarh Police Station and Police Department has closed that case with statement that robbers are untraceable, At that time Sh. B.R. Sood was cattle Fair Office, in this case a warning issued to him and case has been filed. This submitted for your information and necessary action.

**Government Recommendation**

The government may consider preparing a time bound framework for taking prompt action in cases of theft, misappropriation, etc.

**Action taken by the Department**

The Director General, & Panchayat Haryana vide his letter No. AIR-2021/94543-904 dated 08.09.2021 (Flag-B) has directed to all the field offices to dispose of all outstanding issues related to misappropriation, losses, defalcations etc. in a time bound manner and take-up the matter with Accountant General, **(Audit) Haryana under intimation with the Committee of Haryana Vidan Sabha.**

**Observations and Recommendations of the Committee as under:**

**The Committee has desired that all outstanding case(s) be got settled in a time bound manner and reconciled with the Office of Principal Accountant General (Audit), Haryana under intimation of the Committee.**

## **IRRIGATION AND WATER RESOURCES DEPARTMENT**

### **[63] 3.6 Misappropriations, losses, defalcations, etc. (S.F.)**

Rule 2.33 of the Punjab Financial Rules, as applicable to Haryana, stipulates that every Government employee would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or any loss arising from fraud or negligence on the part of any other Government employee to the extent that he contributed to the loss by his own action or negligence. Further, as per rule 2.34 *ibid*, the cases of defalcations and losses are required to be reported to the Accountant General (A&E).

State Government reported 75 cases of misappropriation and defalcation involving Government money amounting to ₹1.28 crore on which final action was pending as of June 2019. All the 75 cases were reported by departments concerned to police through first information reports (FIRs). The department- wise break up of pending cases and age-wise analysis is given in Appendix 3.5 and nature of these cases are given in Appendix 3.6. The age-profile of the pending cases and the number of cases pending in each category-theft and misappropriation/loss as emerged from these appendices is summarised in Table 3.4.

Table 3.4: Profile of misappropriations, losses, defalcations, etc.

| <b>Age-profile of the pending cases</b> |                        |                        | <b>Nature of the pending cases</b>           |                        |                        |
|-----------------------------------------|------------------------|------------------------|----------------------------------------------|------------------------|------------------------|
| <b>Range in years</b>                   | <b>Number of cases</b> | <b>Amount involved</b> |                                              | <b>Number of cases</b> | <b>Amount involved</b> |
| 0 - 5                                   | 35                     | 95.37                  | Theft Cases                                  | 60                     | 110.75                 |
| 5-10                                    | 4                      | 1.61                   |                                              |                        |                        |
| 10-15                                   | 10                     | 16.00                  | Misappropriation/loss of Government material | 15                     | 16.98                  |
| 15 - 20                                 | 7                      | 10.80                  |                                              |                        |                        |
| 20 - 25                                 | 3                      | 0.24                   |                                              |                        |                        |
| 25 and above                            | 16                     | 3.71                   |                                              |                        |                        |
| <b>Total</b>                            | <b>75</b>              | <b>127.73</b>          | <b>Total pending cases as of June 2019</b>   | <b>75</b>              | <b>127.73</b>          |

(₹in lakh)

Reasons for pendency of cases are listed in Table 3.5.

Table 3.5: Reasons for outstanding cases of misappropriations, losses, defalcations, etc.

| <b>Reasons for the delay/outstanding pending cases</b> |                                                                                                  | <b>Number of cases</b> | <b>Amount (₹in lakh)</b> |
|--------------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------|--------------------------|
| i)                                                     | Departmental action initiated but not finalised                                                  | 57                     | 108.93                   |
| ii)                                                    | Criminal proceedings finalised but execution of criminal case for the recovery of amount pending | 3                      | 1.09                     |
| iii)                                                   | Awaiting orders for recovery or write off                                                        | 9                      | 3.88                     |
| iv)                                                    | Pending in the courts of law                                                                     | 6                      | 13.83                    |
| <b>Total</b>                                           |                                                                                                  | <b>75</b>              | <b>127.73</b>            |

Out of the total loss cases, 80 per cent cases related to theft of Government money/store. Further, in respect of 76 per cent cases of losses, departmental action had not been finalized while 12 per cent cases were outstanding for want of orders of the competent authority for recovery or write off of losses. It was further noticed that out of 75 cases of losses due to theft/misappropriation, 40 cases were more than five years old, including 19 cases which were more than 20 years old. The lackadaisical approach of departments in finalisation of these cases had not only caused loss to the State exchequer but also led to non- accountability of the officers/officials.

The Government may consider preparing a time bound framework for taking prompt action in cases of theft, misappropriation, etc.

### Appendix 3.5

(Refer Paragraph 3.6; Page: 70)

**Department wise/duration wise break-up of the cases of misappropriation, defalcation, etc., where Final action was pending as on 30 June 2019**

(Figures in bracket indicate ₹in lakh)

| Sl. No. | Name of the Department                          | Up to 5 years         | 5 to 10 years | 10 to 15 years | 15 to 20 years | 20 to 25 years | 25 years to More | Total No. of Cases |
|---------|-------------------------------------------------|-----------------------|---------------|----------------|----------------|----------------|------------------|--------------------|
| 1       | Development of Panchayat                        | 0                     | 0             | 1<br>(6.50)    | 0              | 0              | 0                | 1<br>(6.50)        |
| 2       | Animal Husbandry and Dairying                   | 1<br>(0.08)           | -             | -              | -              | -              | -                | 1<br>(0.08)        |
| 3       | Economic & Statistical                          | 2<br>(0.03)           | -             | -              | -              | -              | -                | 2<br>(0.03)        |
| 4       | Education                                       | 15<br>(34.72)         | -             | 1<br>(0.09)    | 3<br>(1.11)    | -              | 3<br>(2.04)      | 22<br>(37.96)      |
| 5       | Forest Department                               | 1<br>(0.25)           | -             | -              | -              | -              | -                | 1<br>(0.25)        |
| 6       | Haryana Skill Development & Industries Training | 2<br>(0.87)           | -             | -              | -              | -              | -                | 2<br>(0.87)        |
| 7       | Labour & Employment                             | 2<br>(0.15)           | -             | -              | -              | -              | -                | 2<br>(0.15)        |
| 8       | Medical                                         | 2<br>(0) <sup>3</sup> | -             | -              | -              | -              | -                | 2<br>(0)           |

|    |                                      |                       |                     |                       |                      |                     |                      |                        |
|----|--------------------------------------|-----------------------|---------------------|-----------------------|----------------------|---------------------|----------------------|------------------------|
| 9  | Medical Education & Research         | 1<br>(3.00)           | -                   | -                     | -                    | -                   | -                    | 1<br>(3.00)            |
| 10 | Police                               | -                     | -                   | 1<br>(3.79)           | -                    | -                   | -                    | 1<br>(3.79)            |
| 11 | Social Justice and Empowerment       | 3<br>(8.63)           | -                   | -                     | -                    | -                   | -                    | 3<br>(8.63)            |
| 12 | Sports & Youth Welfare               | 1<br>(39.58)          | -                   | -                     | -                    | -                   | -                    | 1<br>(39.58)           |
| 13 | Technical Education                  | -                     | -                   | -                     | 1<br>(6.52)          | -                   | -                    | 1<br>(6.52)            |
| 14 | Town & Country Planning              | 1<br>(1.44)           | -                   | -                     | -                    | -                   | -                    | 1<br>(1.44)            |
| 15 | Transport                            | -                     | -                   | -                     | 1<br>(3.17)          | -                   | 1<br>(0.60)          | 2<br>(3.77)            |
| 16 | Treasury & Accounts                  | 1<br>(6.27)           | -                   | -                     | -                    | -                   | -                    | 1<br>(6.27)            |
| 17 | Women and Child Development          | 1<br>(0) <sup>1</sup> | -                   | -                     | -                    | -                   | -                    | 1<br>(0)               |
| 18 | Irrigation                           | 0                     | 3<br>(0.00)         | 7<br>(5.62)           | 2<br>(0.00)          | 3<br>(0.24)         | 12<br>(1.07)         | 27<br>(6.93)           |
| 19 | Public Health Engineering Department | 1<br>(0.35)           | 1<br>(1.61)         | -                     | -                    | -                   | -                    | 2<br>(1.96)            |
| 20 | Buildings and Roads                  | 1<br>(0.00)           | -                   | -                     | -                    | -                   | -                    | 1<br>(0.00)            |
|    | <b>Total</b>                         | <b>35<br/>(95.37)</b> | <b>4<br/>(1.61)</b> | <b>10<br/>(16.00)</b> | <b>7<br/>(10.80)</b> | <b>3<br/>(0.24)</b> | <b>16<br/>(3.71)</b> | <b>75<br/>(127.73)</b> |

## Appendix 3.6

(Refer Paragraph 3.6; Page: 70)

**Department/category wise detail in respect of cases of loss to Government due to theft, misappropriation/loss of Government material**

| Name of Department                              | Theft Cases           |                         | Misappropriation/<br>Loss of<br>Government<br>Material |                      | Total              |                         |
|-------------------------------------------------|-----------------------|-------------------------|--------------------------------------------------------|----------------------|--------------------|-------------------------|
|                                                 | Number<br>of<br>Cases | Amount<br>(₹in<br>lakh) | Number<br>of<br>Cases                                  | Amount<br>(₹in lakh) | Number<br>of Cases | Amount<br>(₹in<br>lakh) |
| Development of Panchayat                        | 1                     | 6.50                    | -                                                      | -                    | 1                  | 6.50                    |
| Animal Husbandry and Dairying                   | 1                     | 0.08                    | -                                                      | -                    | 1                  | 0.08                    |
| Economic & Statistical                          | 1                     | 0.03                    | 1                                                      | 0.00                 | 2                  | 0.03                    |
| Education                                       | 19                    | 36.57                   | 3                                                      | 1.39                 | 22                 | 37.96                   |
| Forest Department                               | 1                     | 0.25                    | -                                                      | -                    | 1                  | 0.25                    |
| Haryana Skill Development & Industries Training | 2                     | 0.87                    | -                                                      | -                    | 2                  | 0.87                    |
| Labour & Employment                             | 2                     | 0.15                    | -                                                      | -                    | 2                  | 0.15                    |
| Medical                                         | 2                     | 0.00                    | -                                                      | -                    | 2                  | 0.00                    |
| Medical Education & Research                    | 1                     | 3.00                    | -                                                      | -                    | 1                  | 3.00                    |
| Police                                          | -                     | -                       | 1                                                      | 3.79                 | 1                  | 3.79                    |
| Social Justice and Empowerment                  | 3                     | 8.63                    | -                                                      | -                    | 3                  | 8.63                    |
| Sports & Youth Welfare                          | 1                     | 39.58                   | -                                                      | -                    | 1                  | 39.58                   |
| Technical Education                             | 1                     | 6.52                    | -                                                      | -                    | 1                  | 6.52                    |
| Town & Country Planning                         | -                     | -                       | 1                                                      | 1.44                 | 1                  | 1.44                    |
| Transport                                       | -                     | -                       | 2                                                      | 3.77                 | 2                  | 3.77                    |
| Treasury & Accounts                             | -                     | -                       | 1                                                      | 6.27                 | 1                  | 6.27                    |
| Women and Child Development                     | 1                     | 0.00                    | -                                                      | -                    | 1                  | 0.00                    |
| Irrigation                                      | 22                    | 6.61                    | 5                                                      | 0.32                 | 27                 | 6.93                    |
| Public Health Engineering Department            | 2                     | 1.96                    | -                                                      | -                    | 2                  | 1.96                    |
| Buildings and Roads                             | -                     | -                       | 1                                                      | 0.00                 | 1                  | 0.00                    |
| <b>Total</b>                                    | <b>60</b>             | <b>110.75</b>           | <b>15</b>                                              | <b>16.98</b>         | <b>75</b>          | <b>127.73</b>           |

**The department in its written reply stated as under:**

As per appendix 3.5 only 27 No. pending cases amounting to Rs 6.93 lacs (correct amount Rs. 6.97 lacs) regarding Misappropriation & defalcations relates to irrigation Deptt., out of these department has taken final action on 14(4 Loss & 10 No. Theft cases) cases amounting to Rs. 5.88 lacs which has been verified/recommended for settlement from the PAC by Principal Accountant General (Audit), Haryana, Chandigarh vide his DO No. ES-II/WM/Loss & Theft/2020-21/579 dated 2.2.2021 and NO. AMG-II/WM/Loss & Theft/2021-22 dated 24.5.2021 tabulated as under:

| Total Cases    |                      | No. of cases in which recovery made (losses) |                      | No. of cases in which sanction write-off has been issued (Theft) |                      | Total Settled cases and amount |                      | Outstanding cases and amount |                      |
|----------------|----------------------|----------------------------------------------|----------------------|------------------------------------------------------------------|----------------------|--------------------------------|----------------------|------------------------------|----------------------|
| Case (5 L+22T) | Amount (In Lacs) Rs. | Out of 05 No                                 | Amount (In Lacs) Rs. | Out of 22 No. Case                                               | Amount (In Lacs) Rs. | Case out of 27 Nos.            | Amount (In Lacs) Rs. | Case 13 Nos. (L&T)           | Amount (In Lacs) Rs. |
| 27             | 6.97                 | 4                                            | 0.32                 | 10                                                               | 5.56                 | 14                             | 5.88                 | (1+12)                       | 1.09                 |

Efforts are being made to settle the remaining 13 Nos. cases amounting to Rs. 1.09 lacs at the earliest from the Principal Accountant General (Audit), Haryana, Chandigarh at personal level by making visit.

**Observations and Recommendations of the Committee as under:**

**The Committee has desired that all outstanding case(s) be got settled in a time bound manner and reconciled with the Office of Principal Accountant General (A&E), Haryana under intimation of the Commtee.**





### **LABOUR DEPARTMENT (ESI)**

#### **[64] 3.6 Misappropriations, losses, defalcations, etc. (S.F.)**

Rule 2.33 of the Punjab Financial Rules, as applicable to Haryana, stipulates that every Government employee would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or any loss arising from fraud or negligence on the part of any other Government employee to the extent that he contributed to the loss by his own action or negligence. Further, as per rule 2.34 *ibid*, the cases of defalcations and losses are required to be reported to the Accountant General (A&E).

State Government reported 75 cases of misappropriation and defalcation involving Government money amounting to ₹1.28 crore on which final action was pending as of June 2019. All the 75 cases were reported by departments concerned to police through first information reports (FIRs). The department-wise break up of pending cases and age-wise analysis is given in Appendix 3.5 and nature of these cases are given in Appendix 3.6. The age-profile of the pending cases and the number of cases pending in each category-theft and misappropriation/loss as emerged from these appendices is summarised in Table 3.4.

Table 3.4: Profile of misappropriations, losses, defalcations, etc.

(₹in lakh)

| Age-profile of the pending cases |                 |                 | Nature of the pending cases                  |                 |                 |
|----------------------------------|-----------------|-----------------|----------------------------------------------|-----------------|-----------------|
| Range in years                   | Number of cases | Amount involved |                                              | Number of cases | Amount involved |
| 0 - 5                            | 35              | 95.37           | Theft Cases                                  | 60              | 110.75          |
| 5-10                             | 4               | 1.61            |                                              |                 |                 |
| 10-15                            | 10              | 16.00           | Misappropriation/loss of Government material | 15              | 16.98           |
| 15 - 20                          | 7               | 10.80           |                                              |                 |                 |
| 20 - 25                          | 3               | 0.24            |                                              |                 |                 |
| 25 and above                     | 16              | 3.71            |                                              |                 |                 |
| <b>Total</b>                     | <b>75</b>       | <b>127.73</b>   | <b>Total pending cases as of June 2019</b>   | <b>75</b>       | <b>127.73</b>   |

Reasons for pendency of cases are listed in Table 3.5.

Table 3.5: Reasons for outstanding cases of misappropriations, losses, defalcations, etc.

| Reasons for the delay/outstanding pending cases |                                                                                                  | Number of cases | Amount (₹ in lakh) |
|-------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------|--------------------|
| i)                                              | Departmental action initiated but not finalised                                                  | 57              | 108.93             |
| ii)                                             | Criminal proceedings finalised but execution of criminal case for the recovery of amount pending | 3               | 1.09               |
| iii)                                            | Awaiting orders for recovery or write off                                                        | 9               | 3.88               |
| iv)                                             | Pending in the courts of law                                                                     | 6               | 13.83              |
| <b>Total</b>                                    |                                                                                                  | <b>75</b>       | <b>127.73</b>      |

Out of the total loss cases, 80 per cent cases related to theft of Government money/store. Further, in respect of 76 per cent cases of losses, departmental action had not been finalized while 12 per cent cases were outstanding for want of orders of the competent authority for recovery or write off of losses. It was further noticed that out of 75 cases of losses due to theft/misappropriation, 40 cases were more than five years old, including 19 cases which were more than 20 years old. The lackadaisical approach of departments in finalisation of these cases had not only caused loss to the State exchequer but also led to non-accountability of the officers/officials.

The Government may consider preparing a time bound framework for taking prompt action in cases of theft, misappropriation, etc.

### Appendix 3.5

(Refer Paragraph 3.6; Page: 70)

**Department wise/duration wise break-up of the cases of misappropriation, defalcation, etc., where Final action was pending as on 30 June 2019**

(Figures in bracket indicate ₹ in lakh)

| Sl. No. | Name of the Department   | Up to 5 years | 5 to 10 years | 10 to 15 years | 15 to 20 years | 20 to 25 years | 25 years to More | Total No. of Cases |
|---------|--------------------------|---------------|---------------|----------------|----------------|----------------|------------------|--------------------|
| 1       | Development of Panchayat | 0             | 0             | 1<br>(6.50)    | 0              | 0              | 0                | 1<br>(6.50)        |

|    |                                                 |                       |   |             |             |   |             |               |
|----|-------------------------------------------------|-----------------------|---|-------------|-------------|---|-------------|---------------|
| 2  | Animal Husbandry and Dairying                   | 1<br>(0.08)           | - | -           | -           | - | -           | 1<br>(0.08)   |
| 3  | Economic & Statistical                          | 2<br>(0.03)           | - | -           | -           | - | -           | 2<br>(0.03)   |
| 4  | Education                                       | 15<br>(34.72)         | - | 1<br>(0.09) | 3<br>(1.11) | - | 3<br>(2.04) | 22<br>(37.96) |
| 5  | Forest Department                               | 1<br>(0.25)           | - | -           | -           | - | -           | 1<br>(0.25)   |
| 6  | Haryana Skill Development & Industries Training | 2<br>(0.87)           | - | -           | -           | - | -           | 2<br>(0.87)   |
| 7  | Labour & Employment                             | 2<br>(0.15)           | - | -           | -           | - | -           | 2<br>(0.15)   |
| 8  | Medical                                         | 2<br>(0) <sup>3</sup> | - | -           | -           | - | -           | 2<br>(0)      |
| 9  | Medical Education & Research                    | 1<br>(3.00)           | - | -           | -           | - | -           | 1<br>(3.00)   |
| 10 | Police                                          | -                     | - | 1<br>(3.79) | -           | - | -           | 1<br>(3.79)   |
| 11 | Social Justice and Empowerment                  | 3<br>(8.63)           | - | -           | -           | - | -           | 3<br>(8.63)   |
| 12 | Sports & Youth Welfare                          | 1<br>(39.58)          | - | -           | -           | - | -           | 1<br>(39.58)  |
| 13 | Technical Education                             | -                     | - | -           | 1<br>(6.52) | - | -           | 1<br>(6.52)   |
| 14 | Town & Country Planning                         | 1<br>(1.44)           | - | -           | -           | - | -           | 1<br>(1.44)   |
| 15 | Transport                                       | -                     | - | -           | 1<br>(3.17) | - | 1<br>(0.60) | 2<br>(3.77)   |
| 16 | Treasury & Accounts                             | 1<br>(6.27)           | - | -           | -           | - | -           | 1<br>(6.27)   |

|    |                                      |                       |                     |                       |                      |                     |                      |                        |
|----|--------------------------------------|-----------------------|---------------------|-----------------------|----------------------|---------------------|----------------------|------------------------|
| 17 | Women and Child Development          | 1<br>(0) <sup>1</sup> | -                   | -                     | -                    | -                   | -                    | 1<br>(0)               |
| 18 | Irrigation                           | 0                     | 3<br>(0.00)         | 7<br>(5.62)           | 2<br>(0.00)          | 3<br>(0.24)         | 12<br>(1.07)         | 27<br>(6.93)           |
| 19 | Public Health Engineering Department | 1<br>(0.35)           | 1<br>(1.61)         | -                     | -                    | -                   | -                    | 2<br>(1.96)            |
| 20 | Buildings and Roads                  | 1<br>(0.00)           | -                   | -                     | -                    | -                   | -                    | 1<br>(0.00)            |
|    | <b>Total</b>                         | <b>35<br/>(95.37)</b> | <b>4<br/>(1.61)</b> | <b>10<br/>(16.00)</b> | <b>7<br/>(10.80)</b> | <b>3<br/>(0.24)</b> | <b>16<br/>(3.71)</b> | <b>75<br/>(127.73)</b> |

### Appendix 3.6

(Refer Paragraph 3.6; Page: 70)

**Department/category wise detail in respect of cases of loss to Government due to theft, misappropriation/loss of Government material**

| Name of Department                              | Theft Cases        |            | Misappropriation/<br>Loss of Government<br>Material |            | Total              |            |
|-------------------------------------------------|--------------------|------------|-----------------------------------------------------|------------|--------------------|------------|
|                                                 | Number<br>of Cases | Amount     | Number<br>of Cases                                  | Amount     | Number of<br>Cases | Amount     |
|                                                 |                    | (₹in lakh) |                                                     | (₹in lakh) |                    | (₹in lakh) |
| Development of Panchayat                        | 1                  | 6.50       | -                                                   | -          | 1                  | 6.50       |
| Animal Husbandry and Dairying                   | 1                  | 0.08       | -                                                   | -          | 1                  | 0.08       |
| Economic & Statistical                          | 1                  | 0.03       | 1                                                   | 0.00       | 2                  | 0.03       |
| Education                                       | 19                 | 36.57      | 3                                                   | 1.39       | 22                 | 37.96      |
| Forest Department                               | 1                  | 0.25       | -                                                   | -          | 1                  | 0.25       |
| Haryana Skill Development & Industries Training | 2                  | 0.87       | -                                                   | -          | 2                  | 0.87       |
| Labour & Employment                             | 2                  | 0.15       | -                                                   | -          | 2                  | 0.15       |
| Medical                                         | 2                  | 0.00       | -                                                   | -          | 2                  | 0.00       |
| Medical Education & Research                    | 1                  | 3.00       | -                                                   | -          | 1                  | 3.00       |
| Police                                          | -                  | -          | 1                                                   | 3.79       | 1                  | 3.79       |

|                                      |           |               |           |              |           |               |
|--------------------------------------|-----------|---------------|-----------|--------------|-----------|---------------|
| Social Justice and Empowerment       | 3         | 8.63          | -         | -            | 3         | 8.63          |
| Sports & Youth Welfare               | 1         | 39.58         | -         | -            | 1         | 39.58         |
| Technical Education                  | 1         | 6.52          | -         | -            | 1         | 6.52          |
| Town & Country Planning              | -         | -             | 1         | 1.44         | 1         | 1.44          |
| Transport                            | -         | -             | 2         | 3.77         | 2         | 3.77          |
| Treasury & Accounts                  | -         | -             | 1         | 6.27         | 1         | 6.27          |
| Women and Child Development          | 1         | 0.00          | -         | -            | 1         | 0.00          |
| Irrigation                           | 22        | 6.61          | 5         | 0.32         | 27        | 6.93          |
| Public Health Engineering Department | 2         | 1.96          | -         | -            | 2         | 1.96          |
| Buildings and Roads                  | -         | -             | 1         | 0.00         | 1         | 0.00          |
| <b>Total</b>                         | <b>60</b> | <b>110.75</b> | <b>15</b> | <b>16.98</b> | <b>75</b> | <b>127.73</b> |

**The department in its written reply stated as under:**

1. Loss of Rs. 15000/- due to theft of LCD in the Office of Medical officer, ESI disp. No. 2 Udyog vihar, Gurugram.

In this regard, it is submitted that the LCD which was installed in the office of Medical officer, ESI disp. No. 2 Udyog vihar, Gurugram in the year 2012-13 was stolen by thieves between 7.00 p.m (31.12.2012) to 7.00 a.m (01.01.2013). There was no chowkidar posted in the dispensary. When the staff arrived in the dispensary at 7.00 a.m, the lock of dispensary was found broken. An FIR no. 0001 dated 02.01.2013 u/s 380, 457 IPC was registered by the Medical Officer in the Police Station, Udyog vihar, Gurugram (copy enclosed).

The Police Station, Udyog Vihar, Gurugram has submitted untraceable report on dated 09.03.2013 (copy enclosed) that no clue regarding the stolen material has been found inspite of best efforts made by the police. But the Police has assured that if any clue came to the notice, case file will be re-investigated in future.

The Sr. Medical Officer vide their Memo no. 964 dated 26.8.2020 again requested to Police Station, Udyog Vihar, Gurugram to intimate the latest status of theft case so that the Govt. could be conveyed accordingly.

In response, the Police Station, Udyog Vihar, Gurugram has intimated on dated 27.8.2020 that they did not found any clue or evidence regarding this case and they have already submitted the untraceable report on 09.03.2013.

It is worthwhile to mention here that this para has been printed in the report of Comptroller and Auditor General Of India on state finances for the year ended 31.03.2018, 31.03.2019 for which detailed reply has already been submitted to the Haryana Vidhan Sabha Secretariat vide no. PAC-ESI-Audit2020/1172 dated 23.10.2020 . In response to the reply of the department, the Accountant General (Audit) Haryana vide their Memo no. 825 dated 18.11.2020 (copy enclosed) advised that if there is no possibility of recovery of amount of Loss/Theft in this case, Government may be requested for write off this non recoverable amount. Accordingly this office has requested to Government vide no. SA/120-ESI-Audit-2021-22/4104 dated 06.10.2021 that the loss amount may kindly be written off.

Now, the Govt. has intimated vide letter no. 2/13/2021-2 labour/10667 dated 19.10.2021 (copy enclosed) that the proposal of non recoverable amount/loss may be submitted for writing off after the para is settled /dropped by the PAC.

Keeping in view the facts and circumstances and advice of AG (Audit) Haryana, PAC is humbly requested to drop the para so that the same may be sent to Govt. for write off the loss please.

1. Loss due to theft in ESI Dispensary Bahadurgarh:

It is submitted that some useful items of the office i.e. Mouse, Computer, Printer, RO etc. were stolen from the SMO Office ESI Dispensary Bahadurgarh on dated 26.11.2015. The SMO has registered an F.I.R No. 0779 on dated 26.11.2015 in the City Police Station Bahadurgarh (Copy enclosed).

An untraceable report has been submitted by the Police on dated 13.03.2016 stating that if any clue or evidence regarding stolen items, came to notice the case file will be reinvestigated.

It is worthwhile to mention here that this para has been printed in the report of Comptroller and Auditor General Of India on state finances for the year ended 31.03.2018, 31.03.2019 for which detailed reply has already been submitted to the Haryana Vidhan Sabha Secretariat vide no. PAC-ESI-Audit2020/1172 dated 23.10.2020 . In response to the reply of the department, the Accountant General (Audit) Haryana vide their Memo no. 825 dated 18.11.2020 (copy enclosed) advised that if there is no possibility of recovery of amount of Loss/Theft in this case, Government may be requested for write off this non recoverable amount. Accordingly this office has requested to Government vide no. SA/120-ESI-Audit-2021-22/4104 dated 06.10.2021 that the loss amount may kindly be written off.

Now, the Govt. has intimated vide letter no. 2/13/2021-2 labour/10667 dated 19.10.2021 (copy enclosed) that the proposal of non recoverable amount/loss may be submitted for writing off after the para is settled /dropped by the PAC.

Keeping in view the facts and circumstances and advice of AG (Audit) Haryana, PAC is humbly requested to drop the para so that the same may be sent to Govt. for write off the loss please.

**Observations and Recommendations of the Committee as under:**

**The Committee has desired that all outstanding case(s) be got settled in a time bound manner and reconciled with the Office of Principal Accountant General (Audit), Haryana under intimation of the Committee.**





## **RURAL DEVELOPMENT DEPARTMENT**

### **[65] 3.2 Delay in furnishing utilisation certificates (S.F.)**

Rule 8.14 of the Punjab Financial Rules, as applicable to Haryana, provides that utilisation certificates (UCs) for the grants provided for specific purposes, should be obtained by departmental officers from the grantees. After verification, these should be forwarded to the Accountant General (A&E) within a reasonable time, unless a specific time limit is fixed by the sanctioning authority. However, of the 25, 792 UCs due for submission in respect of grants and loans aggregating ₹31, 175.20 crore, 1, 732 UCs for an aggregate amount of ₹8, 469.49 crore were in arrears. The department-wise break-up of UCs due, received and outstanding as on 31 March 2019 is given in Appendix 3.1. The year-wise delays in submission of UCs is summarised in Table 3.2.

Table 3.2: Year-wise arrears of Utilisation Certificates

(₹in crore)

| Year         | Total grants paid |                   | Utilisation certificates due |                   | Utilisation certificates received |                  | Utilisation certificates outstanding |                  |
|--------------|-------------------|-------------------|------------------------------|-------------------|-----------------------------------|------------------|--------------------------------------|------------------|
|              | Items             | Amount            | Items                        | Amount            | Items                             | Amount           | Items                                | Amount           |
| Upto 2013-14 | 1, 022            | 5, 897.44         | 279                          | 1, 707.65         | 69                                | 243.88           | 210                                  | 1, 463.77        |
| 2014-15      | 4, 907            | 4, 068.87         | 166                          | 1, 107.81         | 65                                | 678.07           | 101                                  | 429.74           |
| 2015-16      | 5, 810            | 5, 086.97         | 454                          | 1, 483.64         | 181                               | 665.78           | 273                                  | 817.86           |
| 2016-17      | 6, 381            | 8, 014.08         | 616                          | 3, 290.12         | 217                               | 1, 229.31        | 399                                  | 2, 060.81        |
| 2017-18      | 7, 672            | 8, 107.84         | 7, 672                       | 8, 107.84         | 6, 923                            | 4, 410.53        | 749                                  | 3, 697.31        |
| <b>Total</b> | <b>25, 792</b>    | <b>31, 175.20</b> | <b>9, 187</b>                | <b>15, 697.06</b> | <b>7, 455</b>                     | <b>7, 227.57</b> | <b>1, 732</b>                        | <b>8, 469.49</b> |

During the year 2018-19, 749 Utilisation Certificates (UCs) amounting to ₹3, 697.31 crore, which had become due, were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 25 departments. In addition to this, 983 UCs amounting to ₹4, 772.18 crore due for submission up to 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 1, 732 UCs amounting to ₹8, 469.49 crore were due for submission as of 31 March 2019. Therefore, there is no assurance that the amount of ₹8, 469.49 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

## Appendix 3.1

(Reference: Paragraph 3.2; Page 68)

## Detail of Utilisation Certificates due, received and outstanding as on 31 March 2019

(₹in crore)

| Sr. No. | Name of the Head                             | Year    | Total grants paid |           | Utilisation certificates due |           | Utilisation certificates received |           | Utilisation certificates outstanding |           |
|---------|----------------------------------------------|---------|-------------------|-----------|------------------------------|-----------|-----------------------------------|-----------|--------------------------------------|-----------|
|         |                                              |         | Items             | Amount    | Items                        | Amount    | Items                             | Amount    | Items                                | Amount    |
| 1       | Police (2055)                                | 2017-18 | 3                 | 71.22     | 3                            | 71.22     | 1                                 | 18.15     | 2                                    | 53.07     |
| 2       | General Education (2202)                     | 2014-15 | 739               | 1, 382.54 | 8                            | 1.02      | -                                 | -         | 8                                    | 1.02      |
|         |                                              | 2015-16 | 1, 063            | 1, 542.62 | 37                           | 93.15     | 4                                 | 15.92     | 33                                   | 77.23     |
|         |                                              | 2016-17 | 1, 332            | 1, 618.88 | 67                           | 195.12    | 41                                | 146.83    | 26                                   | 48.29     |
|         |                                              | 2017-18 | 1, 385            | 1, 656.36 | 1385                         | 1, 656.36 | 1, 363                            | 1, 579.16 | 22                                   | 77.19     |
| 3       | Technical Education (2203)                   | 2016-17 | 102               | 227.06    | 10                           | 43.47     | 7                                 | 26.97     | 3                                    | 16.50     |
|         |                                              | 2017-18 | 90                | 218.18    | 90                           | 218.18    | 81                                | 181.38    | 9                                    | 36.80     |
| 4       | Sports and Youth Services (2204)             | 2015-16 | 130               | 124.02    | 69                           | 32.78     | 44                                | 27.47     | 25                                   | 5.31      |
|         |                                              | 2016-17 | 56                | 90.69     | 51                           | 82.66     | 30                                | 74.39     | 21                                   | 8.27      |
|         |                                              | 2017-18 | 229               | 73.14     | 229                          | 73.14     | 212                               | 58.80     | 17                                   | 14.34     |
| 5       | Art and Culture (2205)                       | 2015-16 | 7                 | 3.51      | 4                            | 3.31      | 3                                 | 3.01      | 1                                    | 0.30      |
|         |                                              | 2016-17 | 4                 | 10.00     | 4                            | 10.00     | 2                                 | 4.50      | 2                                    | 5.50      |
|         |                                              | 2017-18 | 5                 | 4.95      | 5                            | 4.95      | 2                                 | 0.40      | 3                                    | 4.55      |
| 6       | Medical (2210)                               | 2016-17 | 78                | 935.68    | 2                            | 1.11      | 1                                 | 0.36      | 1                                    | 0.75      |
|         |                                              | 2017-18 | 82                | 1, 031.67 | 82                           | 1, 031.67 | 56                                | 694.22    | 26                                   | 337.45    |
| 7       | Family Welfare (2211)                        | 2017-18 | 1                 | 0.03      | 1                            | 0.03      | -                                 | -         | 1                                    | 0.03      |
| 8       | Urban Development (2217)                     | 2012-13 | 96                | 1, 274.01 | 27                           | 363.13    | 3                                 | 22.48     | 24                                   | 340.65    |
|         |                                              | 2013-14 | 73                | 1, 120.80 | 24                           | 436.30    | 4                                 | 62.41     | 20                                   | 373.89    |
|         |                                              | 2014-15 | 87                | 1, 115.43 | 46                           | 458.31    | 18                                | 273.11    | 28                                   | 185.20    |
|         |                                              | 2015-16 | 122               | 1, 478.70 | 76                           | 614.93    | 15                                | 192.62    | 61                                   | 422.31    |
|         |                                              | 2016-17 | 219               | 2, 227.25 | 177                          | 1, 494.29 | 21                                | 161.76    | 156                                  | 1, 332.54 |
|         |                                              | 2017-18 | 395               | 2, 781.01 | 395                          | 2, 781.01 | 54                                | 1, 017.42 | 341                                  | 1, 763.59 |
| 9       | Information and Publicity (2220)             | 2017-18 | 70                | 16.25     | 70                           | 16.25     | 11                                | 0.55      | 59                                   | 15.70     |
| 10      | Welfare of SC, ST, OBC and Minorities (2225) | 2017-18 | 1, 272            | 107.66    | 1272                         | 107.66    | 1271                              | 107.64    | 1                                    | 0.02      |

|    |                                                |         |        |           |        |           |        |        |     |        |
|----|------------------------------------------------|---------|--------|-----------|--------|-----------|--------|--------|-----|--------|
| 11 | Labour and Employment (2230)                   | 2017-18 | 4      | 23.07     | 4      | 23.07     | 2      | 16.35  | 2   | 6.72   |
| 12 | Social Security and Welfare (2235)             | 2014-15 | 33     | 43.71     | 4      | 12.28     | 2      | 0.75   | 2   | 11.53  |
|    |                                                | 2015-16 | 355    | 50.55     | 8      | 4.77      | 2      | 1.42   | 6   | 3.35   |
|    |                                                | 2016-17 | 137    | 4.84      | 2      | 0.12      | -      | -      | 2   | 0.12   |
|    |                                                | 2017-18 | 38     | 34.20     | 38     | 34.20     | 19     | 19.52  | 19  | 14.68  |
| 13 | Crop Husbandry (2401)                          | 2017-18 | 16     | 153.98    | 16     | 153.98    | -      | -      | 16  | 153.98 |
| 14 | Soil and Water Conservation (2402)             | 2016-17 | 2      | 0.59      | 2      | 0.59      | -      | -      | 2   | 0.59   |
|    |                                                | 2017-18 | 84     | 1.20      | 84     | 1.20      | 73     | 1.00   | 11  | 0.20   |
| 15 | Animal Husbandry (2403)                        | 2016-17 | 74     | 88.02     | 33     | 1.16      | 29     | 0.96   | 4   | 0.20   |
|    |                                                | 2017-18 | 86     | 74.08     | 86     | 74.08     | 72     | 50.30  | 14  | 23.78  |
| 16 | Fisheries (2405)                               | 2017-18 | 21     | 1.42      | 21     | 1.42      | 17     | 1.28   | 4   | 0.14   |
| 17 | Forestry and Wildlife (2406)                   | 2017-18 | 3      | 10.71     | 3      | 10.71     | -      | -      | 3   | 10.71  |
| 18 | Co-operation (2425)                            | 2017-18 | 5      | 155.80    | 5      | 155.80    | -      | -      | 5   | 155.80 |
| 19 | Special Programme and Rural Development (2501) | 2015-16 | 103    | 64.19     | 26     | 8.17      | 22     | 7.07   | 4   | 1.10   |
|    |                                                | 2016-17 | 87     | 69.16     | 51     | 58.22     | 31     | 11.13  | 20  | 47.09  |
|    |                                                | 2017-18 | 112    | 135.06    | 112    | 135.06    | 57     | 29.23  | 55  | 105.83 |
| 20 | Rural Employment (2505)                        | 2014-15 | 165    | 333.36    | 3      | 1.47      | -      | -      | 3   | 1.47   |
|    |                                                | 2015-16 | 48     | 285.52    | 22     | 110.68    | 11     | 19.88  | 11  | 90.80  |
|    |                                                | 2016-17 | 7      | 218.78    | 2      | 119.22    | -      | -      | 2   | 119.22 |
|    |                                                | 2017-18 | 15     | 211.07    | 15     | 211.07    | -      | -      | 15  | 211.07 |
| 21 | Other Rural Development Programmes (2515)      | 2009-10 | 68     | 366.26    | 1      | 10.85     | -      | -      | 1   | 10.85  |
|    |                                                | 2010-11 | 48     | 267.83    | 9      | 42.83     | -      | -      | 9   | 42.83  |
|    |                                                | 2011-12 | 222    | 722.40    | 62     | 182.72    | 21     | 45.72  | 41  | 137.00 |
|    |                                                | 2012-13 | 266    | 882.65    | 63     | 172.06    | 24     | 84.04  | 39  | 88.02  |
|    |                                                | 2013-14 | 249    | 1, 263.49 | 93     | 499.76    | 17     | 29.24  | 76  | 470.52 |
|    |                                                | 2014-15 | 3, 871 | 1, 191.66 | 104    | 634.63    | 45     | 404.22 | 59  | 230.40 |
|    |                                                | 2015-16 | 3, 845 | 1, 261.94 | 169    | 583.90    | 67     | 376.10 | 102 | 207.80 |
|    |                                                | 2016-17 | 4, 166 | 2, 262.96 | 187    | 1, 238.33 | 45     | 781.49 | 142 | 456.84 |
|    |                                                | 2017-18 | 3, 652 | 1, 127.58 | 3, 652 | 1, 127.58 | 3, 550 | 501.83 | 102 | 625.75 |
| 22 | Command Area Development (2705)                | 2015-16 | 21     | 212.59    | 2      | 1.57      | -      | -      | 2   | 1.57   |
|    |                                                | 2016-17 | 20     | 154.10    | 3      | 2.33      | -      | -      | 3   | 2.33   |

|       |                                           |         |         |           |       |           |        |           |        |           |
|-------|-------------------------------------------|---------|---------|-----------|-------|-----------|--------|-----------|--------|-----------|
|       |                                           | 2017-18 | 19      | 75.45     | 19    | 75.45     | 18     | 67.95     | 1      | 7.50      |
| 23    | Village and Small Scale Industries (2851) | 2016-17 | 20      | 29.70     | 3     | 6.17      | 1      | 0.50      | 2      | 5.67      |
| 24    | Industries (2852)                         | 2015-16 | 28      | 31.02     | 6     | 22.30     | 5      | 18.61     | 1      | 3.69      |
|       |                                           | 2016-17 | 36      | 61.70     | 16    | 34.88     | 6      | 18.88     | 10     | 16.00     |
|       |                                           | 2017-18 | 23      | 126.50    | 23    | 126.50    | 17     | 54.61     | 6      | 71.89     |
| 25    | Non-Conventional Source of Energy (2810)  | 2017-18 | 12      | 0.71      | 12    | 0.71      | 11     | 0.70      | 1      | 0.01      |
| 26    | Civil Aviation (3053)                     | 2017-18 | 2       | 1.00      | 2     | 1.00      | 1      | 0.30      | 1      | 0.70      |
| 27    | Other Scientific Research (3425)          | 2015-16 | 52      | 21.94     | 5     | 4.65      | 1      | 0.51      | 4      | 4.14      |
|       |                                           | 2016-17 | 37      | 13.05     | 2     | 0.83      | 1      | 0.52      | 1      | 0.31      |
|       |                                           | 2017-18 | 31      | 14.13     | 31    | 14.13     | 22     | 9.71      | 9      | 4.42      |
| 28    | Ecology and Environment (3435)            | 2014-15 | 12      | 2.17      | 1     | 0.10      | -      | -         | 1      | 0.10      |
|       |                                           | 2015-16 | 8       | 2.15      | 4     | 0.35      | 2      | 0.15      | 2      | 0.20      |
|       |                                           | 2016-17 | 4       | 1.62      | 4     | 1.62      | 2      | 1.02      | 2      | 0.60      |
|       |                                           | 2017-18 | 3       | 1.37      | 3     | 1.37      | -      | -         | 3      | 1.37      |
| 29    | Civil Supplies (3456)                     | 2015-16 | 28      | 8.22      | 26    | 3.08      | 5      | 3.02      | 21     | 0.06      |
|       |                                           | 2017-18 | 14      | 0.04      | 14    | 0.04      | 13     | 0.03      | 1      | 0.01      |
| Total |                                           |         | 25, 792 | 31,175.20 | 9,187 | 15,697.06 | 7, 455 | 7, 227.57 | 1, 732 | 8, 469.49 |

**The department in its written reply stated as under:**

In respect to the para, it is stated that from 01.04.2018 to 06.09.2021, out of the pendency of certificates from 2009-10 to 2016-17, utilization certificates of Rs.3596.45 crore were pending, out of which Utilization certificates worth of 714.21crores have been sent to the Accountant General (Audit), Haryana till date. And after receipt of pending utilization certificate the same will be sent to Accountant General (Audit) Haryana.

**Observations and Recommendations of the Committee as under:**

The Committee has desired that the outstanding Utilization Certificates (UCs) be obtained and submitted at the earliest and the same be got reconciled with the office of Principal Accountant General (A&E), Haryana under intimation of the Committee.

## **SKILL DEVELOPMENT & INDUSTRIAL TRAINING DEPARTMENT**

### **[66] 3.2 Delay in furnishing utilisation certificates (S.F.)**

Rule 8.14 of the Punjab Financial Rules, as applicable to Haryana, provides that utilisation certificates (UCs) for the grants provided for specific purposes, should be obtained by departmental officers from the grantees. After verification, these should be forwarded to the Accountant General (A&E) within a reasonable time, unless a specific time limit is fixed by the sanctioning authority. However, of the 25, 792 UCs due for submission in respect of grants and loans aggregating ₹31, 175.20 crore, 1, 732 UCs for an aggregate amount of ₹8, 469.49 crore were in arrears. The department-wise break-up of UCs due, received and outstanding as on 31 March 2019 is given in Appendix 3.1. The year-wise delays in submission of UCs is summarised in Table 3.2.

Table 3.2: Year-wise arrears of Utilisation Certificates

(₹in crore)

| Year         | Total grants paid |                   | Utilisation certificates due |                   | Utilisation certificates received |                  | Utilisation certificates outstanding |                  |
|--------------|-------------------|-------------------|------------------------------|-------------------|-----------------------------------|------------------|--------------------------------------|------------------|
|              | Items             | Amount            | Items                        | Amount            | Items                             | Amount           | Items                                | Amount           |
| Upto 2013-14 | 1, 022            | 5, 897.44         | 279                          | 1, 707.65         | 69                                | 243.88           | 210                                  | 1, 463.77        |
| 2014-15      | 4, 907            | 4, 068.87         | 166                          | 1, 107.81         | 65                                | 678.07           | 101                                  | 429.74           |
| 2015-16      | 5, 810            | 5, 086.97         | 454                          | 1, 483.64         | 181                               | 665.78           | 273                                  | 817.86           |
| 2016-17      | 6, 381            | 8, 014.08         | 616                          | 3, 290.12         | 217                               | 1, 229.31        | 399                                  | 2, 060.81        |
| 2017-18      | 7, 672            | 8, 107.84         | 7, 672                       | 8, 107.84         | 6, 923                            | 4, 410.53        | 749                                  | 3, 697.31        |
| <b>Total</b> | <b>25, 792</b>    | <b>31, 175.20</b> | <b>9, 187</b>                | <b>15, 697.06</b> | <b>7, 455</b>                     | <b>7, 227.57</b> | <b>1, 732</b>                        | <b>8, 469.49</b> |

During the year 2018-19, 749 Utilisation Certificates (UCs) amounting to ₹3, 697.31 crore, which had become due, were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 25 departments. In addition to this, 983 UCs amounting to ₹4, 772.18 crore due for submission up to 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 1, 732 UCs amounting to ₹8, 469.49 crore were due for submission as of 31 March 2019. Therefore, there is no assurance that the amount of ₹8, 469.49 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

## Appendix 3.1

(Reference: Paragraph 3.2; Page 68)

**Detail of Utilisation Certificates due, received and outstanding as on 31 March 2019****(₹in crore)**

| Sr. No. | Name of the Head                 | Year    | Total grants paid |           | Utilisation certificates due |           | Utilisation certificates received |           | Utilisation certificates outstanding |        |
|---------|----------------------------------|---------|-------------------|-----------|------------------------------|-----------|-----------------------------------|-----------|--------------------------------------|--------|
|         |                                  |         | Items             | Amount    | Items                        | Amount    | Items                             | Amount    | Items                                | Amount |
| 1       | Police (2055)                    | 2017-18 | 3                 | 71.22     | 3                            | 71.22     | 1                                 | 18.15     | 2                                    | 53.07  |
| 2       | General Education (2202)         | 2014-15 | 739               | 1, 382.54 | 8                            | 1.02      | -                                 | -         | 8                                    | 1.02   |
|         |                                  | 2015-16 | 1, 063            | 1, 542.62 | 37                           | 93.15     | 4                                 | 15.92     | 33                                   | 77.23  |
|         |                                  | 2016-17 | 1, 332            | 1, 618.88 | 67                           | 195.12    | 41                                | 146.83    | 26                                   | 48.29  |
|         |                                  | 2017-18 | 1, 385            | 1, 656.36 | 1385                         | 1, 656.36 | 1, 363                            | 1, 579.16 | 22                                   | 77.19  |
| 3       | Technical Education (2203)       | 2016-17 | 102               | 227.06    | 10                           | 43.47     | 7                                 | 26.97     | 3                                    | 16.50  |
|         |                                  | 2017-18 | 90                | 218.18    | 90                           | 218.18    | 81                                | 181.38    | 9                                    | 36.80  |
| 4       | Sports and Youth Services (2204) | 2015-16 | 130               | 124.02    | 69                           | 32.78     | 44                                | 27.47     | 25                                   | 5.31   |
|         |                                  | 2016-17 | 56                | 90.69     | 51                           | 82.66     | 30                                | 74.39     | 21                                   | 8.27   |
|         |                                  | 2017-18 | 229               | 73.14     | 229                          | 73.14     | 212                               | 58.80     | 17                                   | 14.34  |
| 5       | Art and Culture (2205)           | 2015-16 | 7                 | 3.51      | 4                            | 3.31      | 3                                 | 3.01      | 1                                    | 0.30   |
|         |                                  | 2016-17 | 4                 | 10.00     | 4                            | 10.00     | 2                                 | 4.50      | 2                                    | 5.50   |
|         |                                  | 2017-18 | 5                 | 4.95      | 5                            | 4.95      | 2                                 | 0.40      | 3                                    | 4.55   |
| 6       | Medical (2210)                   | 2016-17 | 78                | 935.68    | 2                            | 1.11      | 1                                 | 0.36      | 1                                    | 0.75   |
|         |                                  | 2017-18 | 82                | 1, 031.67 | 82                           | 1, 031.67 | 56                                | 694.22    | 26                                   | 337.45 |
| 7       | Family Welfare (2211)            | 2017-18 | 1                 | 0.03      | 1                            | 0.03      | -                                 | -         | 1                                    | 0.03   |
| 8       | Urban Development (2217)         | 2012-13 | 96                | 1, 274.01 | 27                           | 363.13    | 3                                 | 22.48     | 24                                   | 340.65 |
|         |                                  | 2013-14 | 73                | 1, 120.80 | 24                           | 436.30    | 4                                 | 62.41     | 20                                   | 373.89 |

|    |                                                |         |        |           |      |           |      |           |     |           |
|----|------------------------------------------------|---------|--------|-----------|------|-----------|------|-----------|-----|-----------|
|    |                                                | 2014-15 | 87     | 1, 115.43 | 46   | 458.31    | 18   | 273.11    | 28  | 185.20    |
|    |                                                | 2015-16 | 122    | 1, 478.70 | 76   | 614.93    | 15   | 192.62    | 61  | 422.31    |
|    |                                                | 2016-17 | 219    | 2, 227.25 | 177  | 1, 494.29 | 21   | 161.76    | 156 | 1, 332.54 |
|    |                                                | 2017-18 | 395    | 2, 781.01 | 395  | 2, 781.01 | 54   | 1, 017.42 | 341 | 1, 763.59 |
| 9  | Information and Publicity (2220)               | 2017-18 | 70     | 16.25     | 70   | 16.25     | 11   | 0.55      | 59  | 15.70     |
| 10 | Welfare of SC, ST, OBC and Minorities (2225)   | 2017-18 | 1, 272 | 107.66    | 1272 | 107.66    | 1271 | 107.64    | 1   | 0.02      |
| 11 | Labour and Employment (2230)                   | 2017-18 | 4      | 23.07     | 4    | 23.07     | 2    | 16.35     | 2   | 6.72      |
| 12 | Social Security and Welfare (2235)             | 2014-15 | 33     | 43.71     | 4    | 12.28     | 2    | 0.75      | 2   | 11.53     |
|    |                                                | 2015-16 | 355    | 50.55     | 8    | 4.77      | 2    | 1.42      | 6   | 3.35      |
|    |                                                | 2016-17 | 137    | 4.84      | 2    | 0.12      | -    | -         | 2   | 0.12      |
|    |                                                | 2017-18 | 38     | 34.20     | 38   | 34.20     | 19   | 19.52     | 19  | 14.68     |
| 13 | Crop Husbandry (2401)                          | 2017-18 | 16     | 153.98    | 16   | 153.98    | -    | -         | 16  | 153.98    |
| 14 | Soil and Water Conservation (2402)             | 2016-17 | 2      | 0.59      | 2    | 0.59      | -    | -         | 2   | 0.59      |
|    |                                                | 2017-18 | 84     | 1.20      | 84   | 1.20      | 73   | 1.00      | 11  | 0.20      |
| 15 | Animal Husbandry (2403)                        | 2016-17 | 74     | 88.02     | 33   | 1.16      | 29   | 0.96      | 4   | 0.20      |
|    |                                                | 2017-18 | 86     | 74.08     | 86   | 74.08     | 72   | 50.30     | 14  | 23.78     |
| 16 | Fisheries (2405)                               | 2017-18 | 21     | 1.42      | 21   | 1.42      | 17   | 1.28      | 4   | 0.14      |
| 17 | Forestry and Wildlife (2406)                   | 2017-18 | 3      | 10.71     | 3    | 10.71     | -    | -         | 3   | 10.71     |
| 18 | Co-operation (2425)                            | 2017-18 | 5      | 155.80    | 5    | 155.80    | -    | -         | 5   | 155.80    |
| 19 | Special Programme and Rural Development (2501) | 2015-16 | 103    | 64.19     | 26   | 8.17      | 22   | 7.07      | 4   | 1.10      |
|    |                                                | 2016-17 | 87     | 69.16     | 51   | 58.22     | 31   | 11.13     | 20  | 47.09     |
|    |                                                | 2017-18 | 112    | 135.06    | 112  | 135.06    | 57   | 29.23     | 55  | 105.83    |

|    |                                           |         |        |           |        |           |        |        |     |        |
|----|-------------------------------------------|---------|--------|-----------|--------|-----------|--------|--------|-----|--------|
| 20 | Rural Employment (2505)                   | 2014-15 | 165    | 333.36    | 3      | 1.47      | -      | -      | 3   | 1.47   |
|    |                                           | 2015-16 | 48     | 285.52    | 22     | 110.68    | 11     | 19.88  | 11  | 90.80  |
|    |                                           | 2016-17 | 7      | 218.78    | 2      | 119.22    | -      | -      | 2   | 119.22 |
|    |                                           | 2017-18 | 15     | 211.07    | 15     | 211.07    | -      | -      | 15  | 211.07 |
| 21 | Other Rural Development Programmes (2515) | 2009-10 | 68     | 366.26    | 1      | 10.85     | -      | -      | 1   | 10.85  |
|    |                                           | 2010-11 | 48     | 267.83    | 9      | 42.83     | -      | -      | 9   | 42.83  |
|    |                                           | 2011-12 | 222    | 722.40    | 62     | 182.72    | 21     | 45.72  | 41  | 137.00 |
|    |                                           | 2012-13 | 266    | 882.65    | 63     | 172.06    | 24     | 84.04  | 39  | 88.02  |
|    |                                           | 2013-14 | 249    | 1, 263.49 | 93     | 499.76    | 17     | 29.24  | 76  | 470.52 |
|    |                                           | 2014-15 | 3, 871 | 1, 191.66 | 104    | 634.63    | 45     | 404.22 | 59  | 230.40 |
|    |                                           | 2015-16 | 3, 845 | 1, 261.94 | 169    | 583.90    | 67     | 376.10 | 102 | 207.80 |
|    |                                           | 2016-17 | 4, 166 | 2, 262.96 | 187    | 1, 238.33 | 45     | 781.49 | 142 | 456.84 |
|    |                                           | 2017-18 | 3, 652 | 1, 127.58 | 3, 652 | 1, 127.58 | 3, 550 | 501.83 | 102 | 625.75 |
| 22 | Command Area Development (2705)           | 2015-16 | 21     | 212.59    | 2      | 1.57      | -      | -      | 2   | 1.57   |
|    |                                           | 2016-17 | 20     | 154.10    | 3      | 2.33      | -      | -      | 3   | 2.33   |
|    |                                           | 2017-18 | 19     | 75.45     | 19     | 75.45     | 18     | 67.95  | 1   | 7.50   |
| 23 | Village and Small Scale Industries (2851) | 2016-17 | 20     | 29.70     | 3      | 6.17      | 1      | 0.50   | 2   | 5.67   |
| 24 | Industries (2852)                         | 2015-16 | 28     | 31.02     | 6      | 22.30     | 5      | 18.61  | 1   | 3.69   |
|    |                                           | 2016-17 | 36     | 61.70     | 16     | 34.88     | 6      | 18.88  | 10  | 16.00  |
|    |                                           | 2017-18 | 23     | 126.50    | 23     | 126.50    | 17     | 54.61  | 6   | 71.89  |
| 25 | Non-Conventional Source of Energy (2810)  | 2017-18 | 12     | 0.71      | 12     | 0.71      | 11     | 0.70   | 1   | 0.01   |
| 26 | Civil Aviation (3053)                     | 2017-18 | 2      | 1.00      | 2      | 1.00      | 1      | 0.30   | 1   | 0.70   |
| 27 | Other Scientific Research                 | 2015-16 | 52     | 21.94     | 5      | 4.65      | 1      | 0.51   | 4   | 4.14   |



|       |                                |         |        |           |       |           |       |          |       |          |
|-------|--------------------------------|---------|--------|-----------|-------|-----------|-------|----------|-------|----------|
|       | (3425)                         | 2016-17 | 37     | 13.05     | 2     | 0.83      | 1     | 0.52     | 1     | 0.31     |
|       |                                | 2017-18 | 31     | 14.13     | 31    | 14.13     | 22    | 9.71     | 9     | 4.42     |
| 28    | Ecology and Environment (3435) | 2014-15 | 12     | 2.17      | 1     | 0.10      | -     | -        | 1     | 0.10     |
|       |                                | 2015-16 | 8      | 2.15      | 4     | 0.35      | 2     | 0.15     | 2     | 0.20     |
|       |                                | 2016-17 | 4      | 1.62      | 4     | 1.62      | 2     | 1.02     | 2     | 0.60     |
|       |                                | 2017-18 | 3      | 1.37      | 3     | 1.37      | -     | -        | 3     | 1.37     |
| 29    | Civil Supplies (3456)          | 2015-16 | 28     | 8.22      | 26    | 3.08      | 5     | 3.02     | 21    | 0.06     |
|       |                                | 2017-18 | 14     | 0.04      | 14    | 0.04      | 13    | 0.03     | 1     | 0.01     |
| Total |                                |         | 25,792 | 31,175.20 | 9,187 | 15,697.06 | 7,455 | 7,227.57 | 1,732 | 8,469.49 |

**The department in its written reply stated as under:**

| Sr. No. & Category | Fund Allotted (Rs. in Cr.) | Amount of UCs submitted to A.G. Haryana (Rs. in Cr.) | Amount pending UCs yet to be submitted to A.G. Haryana (Rs. in Cr.) | Remarks                                                                                                                                                          |
|--------------------|----------------------------|------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1                  | 23.07                      | 22.01                                                | 1.06                                                                | Now UC of 1.06 Cr. Only is pending. In this regard, HSDM ha apprised that the balance funds will be utilized by 15.02.2022 and UC will be submitted accordingly. |

**Observations and Recommendations of the Committee as under:**

The Committee has desired that the outstanding Utilization Certificates (UCs) be obtained and submitted at the earliest and the same be got reconciled with the office of Principal Accountant General (A&E), Haryana under intimation of the Committee.



## **SOCIAL JUSTICE & EMPOWERMENT DEPARTMENT**

### **[67] 3.2 Delay in furnishing utilisation certificates (S.F.)**

Rule 8.14 of the Punjab Financial Rules, as applicable to Haryana, provides that utilisation certificates (UCs) for the grants provided for specific purposes, should be obtained by departmental officers from the grantees. After verification, these should be forwarded to the Accountant General (A&E) within a reasonable time, unless a specific time limit is fixed by the sanctioning authority. However, of the 25, 792 UCs due for submission in respect of grants and loans aggregating ₹31, 175.20 crore, 1, 732 UCs for an aggregate amount of ₹8, 469.49 crore were in arrears. The department-wise break-up of UCs due, received and outstanding as on 31 March 2019 is given in Appendix 3.1. The year-wise delays in submission of UCs is summarised in Table 3.2.

Table 3.2: Year-wise arrears of Utilisation Certificates

(₹in crore)

| Year         | Total grants paid |                   | Utilisation certificates due |                   | Utilisation certificates received |                  | Utilisation certificates outstanding |                  |
|--------------|-------------------|-------------------|------------------------------|-------------------|-----------------------------------|------------------|--------------------------------------|------------------|
|              | Items             | Amount            | Items                        | Amount            | Items                             | Amount           | Items                                | Amount           |
| Upto 2013-14 | 1, 022            | 5, 897.44         | 279                          | 1, 707.65         | 69                                | 243.88           | 210                                  | 1, 463.77        |
| 2014-15      | 4, 907            | 4, 068.87         | 166                          | 1, 107.81         | 65                                | 678.07           | 101                                  | 429.74           |
| 2015-16      | 5, 810            | 5, 086.97         | 454                          | 1, 483.64         | 181                               | 665.78           | 273                                  | 817.86           |
| 2016-17      | 6, 381            | 8, 014.08         | 616                          | 3, 290.12         | 217                               | 1, 229.31        | 399                                  | 2, 060.81        |
| 2017-18      | 7, 672            | 8, 107.84         | 7, 672                       | 8, 107.84         | 6, 923                            | 4, 410.53        | 749                                  | 3, 697.31        |
| <b>Total</b> | <b>25, 792</b>    | <b>31, 175.20</b> | <b>9, 187</b>                | <b>15, 697.06</b> | <b>7, 455</b>                     | <b>7, 227.57</b> | <b>1, 732</b>                        | <b>8, 469.49</b> |

During the year 2018-19, 749 Utilisation Certificates (UCs) amounting to ₹3, 697.31 crore, which had become due, were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 25 departments. In addition to this, 983 UCs amounting to ₹4, 772.18 crore due for submission up to 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 1, 732 UCs amounting to ₹8, 469.49 crore were due for submission as of 31 March 2019. Therefore, there is no assurance that the amount of ₹8, 469.49 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

## Appendix 3.1

(Reference: Paragraph 3.2; Page 68)

**Detail of Utilisation Certificates due, received and outstanding as on 31 March 2019****(₹in crore)**

| Sr. No. | Name of the Head                             | Year    | Total grants paid |           | Utilisation certificates due |           | Utilisation certificates received |           | Utilisation certificates outstanding |           |
|---------|----------------------------------------------|---------|-------------------|-----------|------------------------------|-----------|-----------------------------------|-----------|--------------------------------------|-----------|
|         |                                              |         | Items             | Amount    | Items                        | Amount    | Items                             | Amount    | Items                                | Amount    |
| 1       | Police (2055)                                | 2017-18 | 3                 | 71.22     | 3                            | 71.22     | 1                                 | 18.15     | 2                                    | 53.07     |
| 2       | General Education (2202)                     | 2014-15 | 739               | 1, 382.54 | 8                            | 1.02      | -                                 | -         | 8                                    | 1.02      |
|         |                                              | 2015-16 | 1, 063            | 1, 542.62 | 37                           | 93.15     | 4                                 | 15.92     | 33                                   | 77.23     |
|         |                                              | 2016-17 | 1, 332            | 1, 618.88 | 67                           | 195.12    | 41                                | 146.83    | 26                                   | 48.29     |
|         |                                              | 2017-18 | 1, 385            | 1, 656.36 | 1385                         | 1, 656.36 | 1, 363                            | 1, 579.16 | 22                                   | 77.19     |
| 3       | Technical Education (2203)                   | 2016-17 | 102               | 227.06    | 10                           | 43.47     | 7                                 | 26.97     | 3                                    | 16.50     |
|         |                                              | 2017-18 | 90                | 218.18    | 90                           | 218.18    | 81                                | 181.38    | 9                                    | 36.80     |
| 4       | Sports and Youth Services (2204)             | 2015-16 | 130               | 124.02    | 69                           | 32.78     | 44                                | 27.47     | 25                                   | 5.31      |
|         |                                              | 2016-17 | 56                | 90.69     | 51                           | 82.66     | 30                                | 74.39     | 21                                   | 8.27      |
|         |                                              | 2017-18 | 229               | 73.14     | 229                          | 73.14     | 212                               | 58.80     | 17                                   | 14.34     |
| 5       | Art and Culture (2205)                       | 2015-16 | 7                 | 3.51      | 4                            | 3.31      | 3                                 | 3.01      | 1                                    | 0.30      |
|         |                                              | 2016-17 | 4                 | 10.00     | 4                            | 10.00     | 2                                 | 4.50      | 2                                    | 5.50      |
|         |                                              | 2017-18 | 5                 | 4.95      | 5                            | 4.95      | 2                                 | 0.40      | 3                                    | 4.55      |
| 6       | Medical (2210)                               | 2016-17 | 78                | 935.68    | 2                            | 1.11      | 1                                 | 0.36      | 1                                    | 0.75      |
|         |                                              | 2017-18 | 82                | 1, 031.67 | 82                           | 1, 031.67 | 56                                | 694.22    | 26                                   | 337.45    |
| 7       | Family Welfare (2211)                        | 2017-18 | 1                 | 0.03      | 1                            | 0.03      | -                                 | -         | 1                                    | 0.03      |
| 8       | Urban Development (2217)                     | 2012-13 | 96                | 1, 274.01 | 27                           | 363.13    | 3                                 | 22.48     | 24                                   | 340.65    |
|         |                                              | 2013-14 | 73                | 1, 120.80 | 24                           | 436.30    | 4                                 | 62.41     | 20                                   | 373.89    |
|         |                                              | 2014-15 | 87                | 1, 115.43 | 46                           | 458.31    | 18                                | 273.11    | 28                                   | 185.20    |
|         |                                              | 2015-16 | 122               | 1, 478.70 | 76                           | 614.93    | 15                                | 192.62    | 61                                   | 422.31    |
|         |                                              | 2016-17 | 219               | 2, 227.25 | 177                          | 1, 494.29 | 21                                | 161.76    | 156                                  | 1, 332.54 |
|         |                                              | 2017-18 | 395               | 2, 781.01 | 395                          | 2, 781.01 | 54                                | 1, 017.42 | 341                                  | 1, 763.59 |
| 9       | Information and Publicity (2220)             | 2017-18 | 70                | 16.25     | 70                           | 16.25     | 11                                | 0.55      | 59                                   | 15.70     |
| 10      | Welfare of SC, ST, OBC and Minorities (2225) | 2017-18 | 1, 272            | 107.66    | 1272                         | 107.66    | 1271                              | 107.64    | 1                                    | 0.02      |

|    |                                                |         |        |           |        |           |        |        |     |        |
|----|------------------------------------------------|---------|--------|-----------|--------|-----------|--------|--------|-----|--------|
| 11 | Labour and Employment (2230)                   | 2017-18 | 4      | 23.07     | 4      | 23.07     | 2      | 16.35  | 2   | 6.72   |
| 12 | Social Security and Welfare (2235)             | 2014-15 | 33     | 43.71     | 4      | 12.28     | 2      | 0.75   | 2   | 11.53  |
|    |                                                | 2015-16 | 355    | 50.55     | 8      | 4.77      | 2      | 1.42   | 6   | 3.35   |
|    |                                                | 2016-17 | 137    | 4.84      | 2      | 0.12      | -      | -      | 2   | 0.12   |
|    |                                                | 2017-18 | 38     | 34.20     | 38     | 34.20     | 19     | 19.52  | 19  | 14.68  |
| 13 | Crop Husbandry (2401)                          | 2017-18 | 16     | 153.98    | 16     | 153.98    | -      | -      | 16  | 153.98 |
| 14 | Soil and Water Conservation (2402)             | 2016-17 | 2      | 0.59      | 2      | 0.59      | -      | -      | 2   | 0.59   |
|    |                                                | 2017-18 | 84     | 1.20      | 84     | 1.20      | 73     | 1.00   | 11  | 0.20   |
| 15 | Animal Husbandry (2403)                        | 2016-17 | 74     | 88.02     | 33     | 1.16      | 29     | 0.96   | 4   | 0.20   |
|    |                                                | 2017-18 | 86     | 74.08     | 86     | 74.08     | 72     | 50.30  | 14  | 23.78  |
| 16 | Fisheries (2405)                               | 2017-18 | 21     | 1.42      | 21     | 1.42      | 17     | 1.28   | 4   | 0.14   |
| 17 | Forestry and Wildlife (2406)                   | 2017-18 | 3      | 10.71     | 3      | 10.71     | -      | -      | 3   | 10.71  |
| 18 | Co-operation (2425)                            | 2017-18 | 5      | 155.80    | 5      | 155.80    | -      | -      | 5   | 155.80 |
| 19 | Special Programme and Rural Development (2501) | 2015-16 | 103    | 64.19     | 26     | 8.17      | 22     | 7.07   | 4   | 1.10   |
|    |                                                | 2016-17 | 87     | 69.16     | 51     | 58.22     | 31     | 11.13  | 20  | 47.09  |
|    |                                                | 2017-18 | 112    | 135.06    | 112    | 135.06    | 57     | 29.23  | 55  | 105.83 |
| 20 | Rural Employment (2505)                        | 2014-15 | 165    | 333.36    | 3      | 1.47      | -      | -      | 3   | 1.47   |
|    |                                                | 2015-16 | 48     | 285.52    | 22     | 110.68    | 11     | 19.88  | 11  | 90.80  |
|    |                                                | 2016-17 | 7      | 218.78    | 2      | 119.22    | -      | -      | 2   | 119.22 |
|    |                                                | 2017-18 | 15     | 211.07    | 15     | 211.07    | -      | -      | 15  | 211.07 |
| 21 | Other Rural Development Programmes (2515)      | 2009-10 | 68     | 366.26    | 1      | 10.85     | -      | -      | 1   | 10.85  |
|    |                                                | 2010-11 | 48     | 267.83    | 9      | 42.83     | -      | -      | 9   | 42.83  |
|    |                                                | 2011-12 | 222    | 722.40    | 62     | 182.72    | 21     | 45.72  | 41  | 137.00 |
|    |                                                | 2012-13 | 266    | 882.65    | 63     | 172.06    | 24     | 84.04  | 39  | 88.02  |
|    |                                                | 2013-14 | 249    | 1, 263.49 | 93     | 499.76    | 17     | 29.24  | 76  | 470.52 |
|    |                                                | 2014-15 | 3, 871 | 1, 191.66 | 104    | 634.63    | 45     | 404.22 | 59  | 230.40 |
|    |                                                | 2015-16 | 3, 845 | 1, 261.94 | 169    | 583.90    | 67     | 376.10 | 102 | 207.80 |
|    |                                                | 2016-17 | 4, 166 | 2, 262.96 | 187    | 1, 238.33 | 45     | 781.49 | 142 | 456.84 |
|    |                                                | 2017-18 | 3, 652 | 1, 127.58 | 3, 652 | 1, 127.58 | 3, 550 | 501.83 | 102 | 625.75 |
| 22 | Command Area Development (2705)                | 2015-16 | 21     | 212.59    | 2      | 1.57      | -      | -      | 2   | 1.57   |
|    |                                                | 2016-17 | 20     | 154.10    | 3      | 2.33      | -      | -      | 3   | 2.33   |
|    |                                                | 2017-18 | 19     | 75.45     | 19     | 75.45     | 18     | 67.95  | 1   | 7.50   |

|       |                                           |         |         |            |        |            |        |           |        |           |
|-------|-------------------------------------------|---------|---------|------------|--------|------------|--------|-----------|--------|-----------|
| 23    | Village and Small Scale Industries (2851) | 2016-17 | 20      | 29.70      | 3      | 6.17       | 1      | 0.50      | 2      | 5.67      |
| 24    | Industries (2852)                         | 2015-16 | 28      | 31.02      | 6      | 22.30      | 5      | 18.61     | 1      | 3.69      |
|       |                                           | 2016-17 | 36      | 61.70      | 16     | 34.88      | 6      | 18.88     | 10     | 16.00     |
|       |                                           | 2017-18 | 23      | 126.50     | 23     | 126.50     | 17     | 54.61     | 6      | 71.89     |
| 25    | Non-Conventional Source of Energy (2810)  | 2017-18 | 12      | 0.71       | 12     | 0.71       | 11     | 0.70      | 1      | 0.01      |
| 26    | Civil Aviation (3053)                     | 2017-18 | 2       | 1.00       | 2      | 1.00       | 1      | 0.30      | 1      | 0.70      |
| 27    | Other Scientific Research (3425)          | 2015-16 | 52      | 21.94      | 5      | 4.65       | 1      | 0.51      | 4      | 4.14      |
|       |                                           | 2016-17 | 37      | 13.05      | 2      | 0.83       | 1      | 0.52      | 1      | 0.31      |
|       |                                           | 2017-18 | 31      | 14.13      | 31     | 14.13      | 22     | 9.71      | 9      | 4.42      |
| 28    | Ecology and Environment (3435)            | 2014-15 | 12      | 2.17       | 1      | 0.10       | -      | -         | 1      | 0.10      |
|       |                                           | 2015-16 | 8       | 2.15       | 4      | 0.35       | 2      | 0.15      | 2      | 0.20      |
|       |                                           | 2016-17 | 4       | 1.62       | 4      | 1.62       | 2      | 1.02      | 2      | 0.60      |
|       |                                           | 2017-18 | 3       | 1.37       | 3      | 1.37       | -      | -         | 3      | 1.37      |
| 29    | Civil Supplies (3456)                     | 2015-16 | 28      | 8.22       | 26     | 3.08       | 5      | 3.02      | 21     | 0.06      |
|       |                                           | 2017-18 | 14      | 0.04       | 14     | 0.04       | 13     | 0.03      | 1      | 0.01      |
| Total |                                           |         | 25, 792 | 31, 175.20 | 9, 187 | 15, 697.06 | 7, 455 | 7, 227.57 | 1, 732 | 8, 469.49 |

**The department in its written reply stated as under:**

The department released Rs. 8964750/- and Rs. 45660250/- to DC Yamunanagar vide this office letter no. 23/SW(4)2015 dated 14.01.2015 and No. 30323/SW(4)/2015 dated 25.03.2015 respectively. Rs. 60664000/- were released to DC Nuh vide letter no. 30323/SW(4)/2015 dated 25.03.2015 out of which UCs to the tune of Rs. 384.31 lacs have already been forwarded to the Ministry of Minority Affairs, New Delhi. Now this Scheme alongwith all the relevant records stands transferred to the Directorate of Rural Development Department vide Govt. letter no. 593-SW(4)2020 dated 28.07.2020. Hence the UCs are to be collected/received by the ibid department.

It is also Pertinent to mention her that as the Scheme has been transferred to the Rural Development Department so the Audit Paras Pertaining to this scheme have also been transferred to the ibid department vide this office letter no. 1859 dated 12.02.2021 and the replies to these Paras are required to be tendered by the Rural Development Department, Haryana.

**Observations and Recommendations of the Committee as under:**

The Committee has desired that the outstanding Utilization Certificates (UCs) be obtained and submitted at the earliest and the same be got reconciled with the office of Principal Accountant General (A&E), Haryana under intimation of the Committee.

**[68] 3.6 Misappropriations, losses, defalcations, etc. (S.F.)**

Rule 2.33 of the Punjab Financial Rules, as applicable to Haryana, stipulates that every Government employee would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or any loss arising from fraud or negligence on the part of any other Government employee to the extent that he contributed to the loss by his own action or negligence. Further, as per rule 2.34 *ibid*, the cases of defalcations and losses are required to be reported to the Accountant General (A&E).

State Government reported 75 cases of misappropriation and defalcation involving Government money amounting to ₹1.28 crore on which final action was pending as of June 2019. All the 75 cases were reported by departments concerned to police through first information reports (FIRs). The department- wise break up of pending cases and age-wise analysis is given in Appendix 3.5 and nature of these cases are given in Appendix 3.6. The age-profile of the pending cases and the number of cases pending in each category-theft and misappropriation/loss as emerged from these appendices is summarised in Table 3.4.

Table 3.4: Profile of misappropriations, losses, defalcations, etc.

(₹in lakh)

| Age-profile of the pending cases |                 |                 | Nature of the pending cases                  |                 |                 |
|----------------------------------|-----------------|-----------------|----------------------------------------------|-----------------|-----------------|
| Range in years                   | Number of cases | Amount involved |                                              | Number of cases | Amount involved |
| 0 - 5                            | 35              | 95.37           | Theft Cases                                  | 60              | 110.75          |
| 5-10                             | 4               | 1.61            |                                              |                 |                 |
| 10-15                            | 10              | 16.00           | Misappropriation/loss of Government material | 15              | 16.98           |
| 15 - 20                          | 7               | 10.80           |                                              |                 |                 |
| 20 - 25                          | 3               | 0.24            |                                              |                 |                 |
| 25 and above                     | 16              | 3.71            |                                              |                 |                 |
| <b>Total</b>                     | <b>75</b>       | <b>127.73</b>   | <b>Total pending cases as of June 2019</b>   | <b>75</b>       | <b>127.73</b>   |

Reasons for pendency of cases are listed in Table 3.5.

Table 3.5: Reasons for outstanding cases of misappropriations, losses, defalcations, etc.

| Reasons for the delay/outstanding pending cases |                                                                                                  | Number of cases | Amount (₹in lakh) |
|-------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------|-------------------|
| i)                                              | Departmental action initiated but not finalised                                                  | 57              | 108.93            |
| ii)                                             | Criminal proceedings finalised but execution of criminal case for the recovery of amount pending | 3               | 1.09              |
| iii)                                            | Awaiting orders for recovery or write off                                                        | 9               | 3.88              |
| iv)                                             | Pending in the courts of law                                                                     | 6               | 13.83             |
| <b>Total</b>                                    |                                                                                                  | <b>75</b>       | <b>127.73</b>     |

Out of the total loss cases, 80 per cent cases related to theft of Government money/store. Further, in respect of 76 per cent cases of losses, departmental action had not been finalized while 12 per cent cases were outstanding for want of orders of the competent authority for recovery or write off of losses. It was further noticed that out of 75 cases of losses due to theft/misappropriation, 40 cases were more than five years old, including 19 cases which were more than 20 years old. The lackadaisical approach of departments in finalisation of these cases had not only caused loss to the State exchequer but also led to non-accountability of the officers/officials.

The Government may consider preparing a time bound framework for taking prompt action in cases of theft, misappropriation, etc.

### Appendix 3.5

(Refer Paragraph 3.6; Page: 70)

**Department wise/duration wise break-up of the cases of misappropriation, defalcation, etc., where Final action was pending as on 30 June 2019**

(Figures in bracket indicate ₹in lakh)

| Sl. No. | Name of the Department        | Up to 5 years | 5 to 10 years | 10 to 15 years | 15 to 20 years | 20 to 25 years | 25 years to More | Total No. of Cases |
|---------|-------------------------------|---------------|---------------|----------------|----------------|----------------|------------------|--------------------|
| 1       | Development of Panchayat      | 0             | 0             | 1<br>(6.50)    | 0              | 0              | 0                | 1<br>(6.50)        |
| 2       | Animal Husbandry and Dairying | 1<br>(0.08)   | -             | -              | -              | -              | -                | 1<br>(0.08)        |



|    |                                                 |                       |             |             |             |             |              |               |
|----|-------------------------------------------------|-----------------------|-------------|-------------|-------------|-------------|--------------|---------------|
| 3  | Economic & Statistical                          | 2<br>(0.03)           | -           | -           | -           | -           | -            | 2<br>(0.03)   |
| 4  | Education                                       | 15<br>(34.72)         | -           | 1<br>(0.09) | 3<br>(1.11) | -           | 3<br>(2.04)  | 22<br>(37.96) |
| 5  | Forest Department                               | 1<br>(0.25)           | -           | -           | -           | -           | -            | 1<br>(0.25)   |
| 6  | Haryana Skill Development & Industries Training | 2<br>(0.87)           | -           | -           | -           | -           | -            | 2<br>(0.87)   |
| 7  | Labour & Employment                             | 2<br>(0.15)           | -           | -           | -           | -           | -            | 2<br>(0.15)   |
| 8  | Medical                                         | 2<br>(0) <sup>3</sup> | -           | -           | -           | -           | -            | 2<br>(0)      |
| 9  | Medical Education & Research                    | 1<br>(3.00)           | -           | -           | -           | -           | -            | 1<br>(3.00)   |
| 10 | Police                                          | -                     | -           | 1<br>(3.79) | -           | -           | -            | 1<br>(3.79)   |
| 11 | Social Justice and Empowerment                  | 3<br>(8.63)           | -           | -           | -           | -           | -            | 3<br>(8.63)   |
| 12 | Sports & Youth Welfare                          | 1<br>(39.58)          | -           | -           | -           | -           | -            | 1<br>(39.58)  |
| 13 | Technical Education                             | -                     | -           | -           | 1<br>(6.52) | -           | -            | 1<br>(6.52)   |
| 14 | Town & Country Planning                         | 1<br>(1.44)           | -           | -           | -           | -           | -            | 1<br>(1.44)   |
| 15 | Transport                                       | -                     | -           | -           | 1<br>(3.17) | -           | 1<br>(0.60)  | 2<br>(3.77)   |
| 16 | Treasury & Accounts                             | 1<br>(6.27)           | -           | -           | -           | -           | -            | 1<br>(6.27)   |
| 17 | Women and Child Development                     | 1<br>(0) <sup>1</sup> | -           | -           | -           | -           | -            | 1<br>(0)      |
| 18 | Irrigation                                      | 0                     | 3<br>(0.00) | 7<br>(5.62) | 2<br>(0.00) | 3<br>(0.24) | 12<br>(1.07) | 27<br>(6.93)  |

|    |                                      |                       |                     |                       |                      |                     |                      |                        |
|----|--------------------------------------|-----------------------|---------------------|-----------------------|----------------------|---------------------|----------------------|------------------------|
| 19 | Public Health Engineering Department | 1<br>(0.35)           | 1<br>(1.61)         | -                     | -                    | -                   | -                    | 2<br>(1.96)            |
| 20 | Buildings and Roads                  | 1<br>(0.00)           | -                   | -                     | -                    | -                   | -                    | 1<br>(0.00)            |
|    | <b>Total</b>                         | <b>35<br/>(95.37)</b> | <b>4<br/>(1.61)</b> | <b>10<br/>(16.00)</b> | <b>7<br/>(10.80)</b> | <b>3<br/>(0.24)</b> | <b>16<br/>(3.71)</b> | <b>75<br/>(127.73)</b> |

### Appendix 3.6

(Refer Paragraph 3.6; Page: 70)

**Department/category wise detail in respect of cases of loss to Government due to theft, misappropriation/loss of Government material**

| Name of Department                              | Theft Cases           |               | Misappropriation/<br>Loss of<br>Government<br>Material |            | Total              |               |
|-------------------------------------------------|-----------------------|---------------|--------------------------------------------------------|------------|--------------------|---------------|
|                                                 | Number<br>of<br>Cases | Amount        | Number<br>of<br>Cases                                  | Amount     | Number<br>of Cases | Amount        |
|                                                 |                       | (₹in<br>lakh) |                                                        | (₹in lakh) |                    | (₹in<br>lakh) |
| Development of Panchayat                        | 1                     | 6.50          | -                                                      | -          | 1                  | 6.50          |
| Animal Husbandry and Dairying                   | 1                     | 0.08          | -                                                      | -          | 1                  | 0.08          |
| Economic & Statistical                          | 1                     | 0.03          | 1                                                      | 0.00       | 2                  | 0.03          |
| Education                                       | 19                    | 36.57         | 3                                                      | 1.39       | 22                 | 37.96         |
| Forest Department                               | 1                     | 0.25          | -                                                      | -          | 1                  | 0.25          |
| Haryana Skill Development & Industries Training | 2                     | 0.87          | -                                                      | -          | 2                  | 0.87          |
| Labour & Employment                             | 2                     | 0.15          | -                                                      | -          | 2                  | 0.15          |
| Medical                                         | 2                     | 0.00          | -                                                      | -          | 2                  | 0.00          |
| Medical Education & Research                    | 1                     | 3.00          | -                                                      | -          | 1                  | 3.00          |
| Police                                          | -                     | -             | 1                                                      | 3.79       | 1                  | 3.79          |
| Social Justice and Empowerment                  | 3                     | 8.63          | -                                                      | -          | 3                  | 8.63          |
| Sports & Youth Welfare                          | 1                     | 39.58         | -                                                      | -          | 1                  | 39.58         |
| Technical Education                             | 1                     | 6.52          | -                                                      | -          | 1                  | 6.52          |

|                                      |           |               |           |              |           |               |
|--------------------------------------|-----------|---------------|-----------|--------------|-----------|---------------|
| Town & Country Planning              | -         | -             | 1         | 1.44         | 1         | 1.44          |
| Transport                            | -         | -             | 2         | 3.77         | 2         | 3.77          |
| Treasury & Accounts                  | -         | -             | 1         | 6.27         | 1         | 6.27          |
| Women and Child Development          | 1         | 0.00          | -         | -            | 1         | 0.00          |
| Irrigation                           | 22        | 6.61          | 5         | 0.32         | 27        | 6.93          |
| Public Health Engineering Department | 2         | 1.96          | -         | -            | 2         | 1.96          |
| Buildings and Roads                  | -         | -             | 1         | 0.00         | 1         | 0.00          |
| <b>Total</b>                         | <b>60</b> | <b>110.75</b> | <b>15</b> | <b>16.98</b> | <b>75</b> | <b>127.73</b> |

**The department in its written reply stated as under:**

3.6. (a) It is informed that an amount of Rs. 2.70/- lac (of Pension) was stolen from Municipal Council, Rewari. The pointwise information sought by audit is given as under:-

1. Amount of Old age/Widow pension was withdrawn by MC Rewari as per requirement.
2. All safety measures were adopted for the withdrawal of amount.
3. A Theft took place during night and the Chowkidar was on duty in the O/o Municipal Corporation Rewari. Office has chargesheeted the official U/R-7. After inquiry, the official Sh. Ram Ratan, Clerk, Municipal Corporation Rewari was awarded punishment of warning to be careful in future vide orders no. 2058-59 dated 29.08.2017 by DC, Rewari.
4. Information of theft was given in Police Post Bhadwas Gate on 06.10.2013 (FIR No. 399, copy attached).
5. After registering FIR No. 399 dated 06.10.2013, the offenders were caught by police. Hon'ble Court acquitted them vide orders dated 10.08.2017 by giving benefit of doubt (copy of court order attached).
6. The matter was brought into the notice of Head office vide letter no. 1836 dated 11.10.2013 by sending copy of FIR.
7. Regarding Writeoff of the amount of Rs. 2.70 lac District Social Welfare Officer, Rewari wrote to Higher authorities vide letter no. 8381 dated 13.11.2018. The process of Writeoff is going on.

Old age/Destitute/Widow Pension is being distributed in the bank accounts of the beneficiaries which was earlier disbursed

in cash. Now the cases of theft/snatching have been stopped. AG is therefore requested to drop the Paras.

- (b) Loss of Govt. money amounting to Rs. 2, 80, 000/- lac belonging to the office of District Social Welfare Officer, Kurukshetra consists of Rs. 1, 55, 000/- of village-Hansala, Block-Thanesar, Rs. 1, 25, 600/- of village-Chibba. Out of Total Rs. 2, 80, 000/-, Rs. 1, 55, 000/- lac of village- Hansala (Block-Thanesar) was disbursed by village Sarpanch. The APR thereof is attached. Hence para may be settled. In the such case of village Chibba:-
1. Sarpanch of village Chibba lodged FIR No. 900 dated 15.11.2013.
  2. Untraceable report of lost amount of village Chibba has been received.
  3. Head Office was informed vide letter no. 2811 dated 11.11.2013.
  4. Police Department was issued Reminder vide no. 1165 dated 10.05.2016.
  5. The untraceable report regarding theft amount from the Police authorities has been received which is enclosed herewith.
  6. No employee of this department is responsible for this loss because as per instructions pension was disbursed by Sarpanch.
  7. The Process to write off the amount of Rs. 125600/- is going on with Finance Department.
  8. Audit party was informed accordingly during audit. Hence keeping in view the position, explained above the para may be settled.
- (c) Regarding theft of office vehicle Jeep No. HR-70-T0-0086 (Bolero Model 2010).
1. District Social Welfare Officer, vide letter No. 9325 dated 12.12.2013, had written to Police Station Incharge Nuh about filing FIR giving the information of theft (copy enclosed).
  2. The information regarding theft of the vehicle was reported to Manager, Oriental Insurance Co. Ltd., Payal Cinema Complex. Delhi Road, Gurgaon vide letter no. 9328 dated 13.12.2013 and subsequent reminder numbers 9359 and 9360 dated 30.12.2013, letter number 154 dated 08.05.2014, 324 dated 05.06.2014, 568 dated 18.07.2014, 2923 dated 19.01.2017.
  3. Investigator of M/s Om Associates was appointed by the insurance company to investigate the case The office, vide letter no. 41 dated 07.04.2014, informed the Manager, Oriental Insurance Co. Ltd. Service Centre (DRO-1) Hansiyala Buld. 15 BarahaKhamba Road New Delhi that all documents sought by the surveyor appointed by the insurance company, such as claim form, company statement,

copy of RC of the vehicle, 173 final report, double key, copy of FIR and original insurance certificate etc. have been handed over to him and requested the Insurance Company to pay the claim as soon as possible. A copy of this was sent to the Accountant General (Audit) Haryana Chandigarh and Director, Social Justice and Empowerment Department, Haryana, Chandigarh for information and further action vide Endst no. 42-43 dated 07.04.2014. After this, subsequent reminder No. 2967 dated 02.02.2017, 3030 dated 14.02.2017, 3106 dated 27.02.2017, 3361 dated 21.03.2017 and 7005-07 dated 02.11.2018 were written to the officers of Insurance Company New Delhi. (Copy enclosed).

In view of the above facts, it is clarified that: -

- A) An FIR was registered by the office on 12.12.2013 immediately after the theft of vehicle.
- B) The information of vehicle theft was given to the insurance company at the right time along with all the documents.

The DSWO Nuh vide letter no. 971 dated 22.12.2021 has informed the Head office that he has already written a letter no. 166 dated 27.09.2020 to the company besides personal meeting with the higher authorities of the company to re-open and settle the case. (Copy enclosed)

#### **Observations and Recommendations of the Committee as under:**

**The Committee has desired that all outstanding case(s) be got settled in a time bound manner and reconciled with the Office of Principal Accountant General (Audit), Haryana under intimation to the Commtee.**



## **SPORTS AND YOUTHS AFFAIRS DEPARTMENT**

### **[69] 3.2 Delay in furnishing utilisation certificates (S.F.)**

Rule 8.14 of the Punjab Financial Rules, as applicable to Haryana, provides that utilisation certificates (UCs) for the grants provided for specific purposes, should be obtained by departmental officers from the grantees. After verification, these should be forwarded to the Accountant General (A&E) within a reasonable time, unless a specific time limit is fixed by the sanctioning authority. However, of the 25, 792 UCs due for submission in respect of grants and loans aggregating ₹31, 175.20 crore, 1, 732 UCs for an aggregate amount of ₹8, 469.49 crore were in arrears. The department-wise break-up of UCs due, received and outstanding as on 31 March 2019 is given in Appendix 3.1. The year-wise delays in submission of UCs is summarised in Table 3.2.

Table 3.2: Year-wise arrears of Utilisation Certificates

(₹in crore)

| Year         | Total grants paid |                   | Utilisation certificates due |                   | Utilisation certificates received |                  | Utilisation certificates outstanding |                  |
|--------------|-------------------|-------------------|------------------------------|-------------------|-----------------------------------|------------------|--------------------------------------|------------------|
|              | Items             | Amount            | Items                        | Amount            | Items                             | Amount           | Items                                | Amount           |
| Upto 2013-14 | 1, 022            | 5, 897.44         | 279                          | 1, 707.65         | 69                                | 243.88           | 210                                  | 1, 463.77        |
| 2014-15      | 4, 907            | 4, 068.87         | 166                          | 1, 107.81         | 65                                | 678.07           | 101                                  | 429.74           |
| 2015-16      | 5, 810            | 5, 086.97         | 454                          | 1, 483.64         | 181                               | 665.78           | 273                                  | 817.86           |
| 2016-17      | 6, 381            | 8, 014.08         | 616                          | 3, 290.12         | 217                               | 1, 229.31        | 399                                  | 2, 060.81        |
| 2017-18      | 7, 672            | 8, 107.84         | 7, 672                       | 8, 107.84         | 6, 923                            | 4, 410.53        | 749                                  | 3, 697.31        |
| <b>Total</b> | <b>25, 792</b>    | <b>31, 175.20</b> | <b>9, 187</b>                | <b>15, 697.06</b> | <b>7, 455</b>                     | <b>7, 227.57</b> | <b>1, 732</b>                        | <b>8, 469.49</b> |

During the year 2018-19, 749 Utilisation Certificates (UCs) amounting to ₹3, 697.31 crore, which had become due, were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 25 departments. In addition to this, 983 UCs amounting to ₹4, 772.18 crore due for submission up to 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 1, 732 UCs amounting to ₹8, 469.49 crore were due for submission as of 31 March 2019. Therefore, there is no assurance that the amount of ₹8, 469.49 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

## Appendix 3.1

(Reference: Paragraph 3.2; Page 68)

## Detail of Utilisation Certificates due, received and outstanding as on 31 March 2019

(₹in crore)

| Sr. No. | Name of the Head                             | Year    | Total grants paid |          | Utilisation certificates due |          | Utilisation certificates received |          | Utilisation certificates outstanding |          |
|---------|----------------------------------------------|---------|-------------------|----------|------------------------------|----------|-----------------------------------|----------|--------------------------------------|----------|
|         |                                              |         | Items             | Amount   | Items                        | Amount   | Items                             | Amount   | Items                                | Amount   |
| 1       | Police (2055)                                | 2017-18 | 3                 | 71.22    | 3                            | 71.22    | 1                                 | 18.15    | 2                                    | 53.07    |
| 2       | General Education (2202)                     | 2014-15 | 739               | 1,382.54 | 8                            | 1.02     | -                                 | -        | 8                                    | 1.02     |
|         |                                              | 2015-16 | 1,063             | 1,542.62 | 37                           | 93.15    | 4                                 | 15.92    | 33                                   | 77.23    |
|         |                                              | 2016-17 | 1,332             | 1,618.88 | 67                           | 195.12   | 41                                | 146.83   | 26                                   | 48.29    |
|         |                                              | 2017-18 | 1,385             | 1,656.36 | 1385                         | 1,656.36 | 1,363                             | 1,579.16 | 22                                   | 77.19    |
| 3       | Technical Education (2203)                   | 2016-17 | 102               | 227.06   | 10                           | 43.47    | 7                                 | 26.97    | 3                                    | 16.50    |
|         |                                              | 2017-18 | 90                | 218.18   | 90                           | 218.18   | 81                                | 181.38   | 9                                    | 36.80    |
| 4       | Sports and Youth Services (2204)             | 2015-16 | 130               | 124.02   | 69                           | 32.78    | 44                                | 27.47    | 25                                   | 5.31     |
|         |                                              | 2016-17 | 56                | 90.69    | 51                           | 82.66    | 30                                | 74.39    | 21                                   | 8.27     |
|         |                                              | 2017-18 | 229               | 73.14    | 229                          | 73.14    | 212                               | 58.80    | 17                                   | 14.34    |
| 5       | Art and Culture (2205)                       | 2015-16 | 7                 | 3.51     | 4                            | 3.31     | 3                                 | 3.01     | 1                                    | 0.30     |
|         |                                              | 2016-17 | 4                 | 10.00    | 4                            | 10.00    | 2                                 | 4.50     | 2                                    | 5.50     |
|         |                                              | 2017-18 | 5                 | 4.95     | 5                            | 4.95     | 2                                 | 0.40     | 3                                    | 4.55     |
| 6       | Medical (2210)                               | 2016-17 | 78                | 935.68   | 2                            | 1.11     | 1                                 | 0.36     | 1                                    | 0.75     |
|         |                                              | 2017-18 | 82                | 1,031.67 | 82                           | 1,031.67 | 56                                | 694.22   | 26                                   | 337.45   |
| 7       | Family Welfare (2211)                        | 2017-18 | 1                 | 0.03     | 1                            | 0.03     | -                                 | -        | 1                                    | 0.03     |
| 8       | Urban Development (2217)                     | 2012-13 | 96                | 1,274.01 | 27                           | 363.13   | 3                                 | 22.48    | 24                                   | 340.65   |
|         |                                              | 2013-14 | 73                | 1,120.80 | 24                           | 436.30   | 4                                 | 62.41    | 20                                   | 373.89   |
|         |                                              | 2014-15 | 87                | 1,115.43 | 46                           | 458.31   | 18                                | 273.11   | 28                                   | 185.20   |
|         |                                              | 2015-16 | 122               | 1,478.70 | 76                           | 614.93   | 15                                | 192.62   | 61                                   | 422.31   |
|         |                                              | 2016-17 | 219               | 2,227.25 | 177                          | 1,494.29 | 21                                | 161.76   | 156                                  | 1,332.54 |
|         |                                              | 2017-18 | 395               | 2,781.01 | 395                          | 2,781.01 | 54                                | 1,017.42 | 341                                  | 1,763.59 |
| 9       | Information and Publicity (2220)             | 2017-18 | 70                | 16.25    | 70                           | 16.25    | 11                                | 0.55     | 59                                   | 15.70    |
| 10      | Welfare of SC, ST, OBC and Minorities (2225) | 2017-18 | 1,272             | 107.66   | 1272                         | 107.66   | 1271                              | 107.64   | 1                                    | 0.02     |
| 11      | Labour and Employment (2230)                 | 2017-18 | 4                 | 23.07    | 4                            | 23.07    | 2                                 | 16.35    | 2                                    | 6.72     |
| 12      | Social Security and Welfare (2235)           | 2014-15 | 33                | 43.71    | 4                            | 12.28    | 2                                 | 0.75     | 2                                    | 11.53    |
|         |                                              | 2015-16 | 355               | 50.55    | 8                            | 4.77     | 2                                 | 1.42     | 6                                    | 3.35     |
|         |                                              | 2016-17 | 137               | 4.84     | 2                            | 0.12     | -                                 | -        | 2                                    | 0.12     |



|    |                                                |         |        |           |        |           |        |        |     |        |
|----|------------------------------------------------|---------|--------|-----------|--------|-----------|--------|--------|-----|--------|
|    |                                                | 2017-18 | 38     | 34.20     | 38     | 34.20     | 19     | 19.52  | 19  | 14.68  |
| 13 | Crop Husbandry (2401)                          | 2017-18 | 16     | 153.98    | 16     | 153.98    | -      | -      | 16  | 153.98 |
| 14 | Soil and Water Conservation (2402)             | 2016-17 | 2      | 0.59      | 2      | 0.59      | -      | -      | 2   | 0.59   |
|    |                                                | 2017-18 | 84     | 1.20      | 84     | 1.20      | 73     | 1.00   | 11  | 0.20   |
| 15 | Animal Husbandry (2403)                        | 2016-17 | 74     | 88.02     | 33     | 1.16      | 29     | 0.96   | 4   | 0.20   |
|    |                                                | 2017-18 | 86     | 74.08     | 86     | 74.08     | 72     | 50.30  | 14  | 23.78  |
| 16 | Fisheries (2405)                               | 2017-18 | 21     | 1.42      | 21     | 1.42      | 17     | 1.28   | 4   | 0.14   |
| 17 | Forestry and Wildlife (2406)                   | 2017-18 | 3      | 10.71     | 3      | 10.71     | -      | -      | 3   | 10.71  |
| 18 | Co-operation (2425)                            | 2017-18 | 5      | 155.80    | 5      | 155.80    | -      | -      | 5   | 155.80 |
| 19 | Special Programme and Rural Development (2501) | 2015-16 | 103    | 64.19     | 26     | 8.17      | 22     | 7.07   | 4   | 1.10   |
|    |                                                | 2016-17 | 87     | 69.16     | 51     | 58.22     | 31     | 11.13  | 20  | 47.09  |
|    |                                                | 2017-18 | 112    | 135.06    | 112    | 135.06    | 57     | 29.23  | 55  | 105.83 |
| 20 | Rural Employment (2505)                        | 2014-15 | 165    | 333.36    | 3      | 1.47      | -      | -      | 3   | 1.47   |
|    |                                                | 2015-16 | 48     | 285.52    | 22     | 110.68    | 11     | 19.88  | 11  | 90.80  |
|    |                                                | 2016-17 | 7      | 218.78    | 2      | 119.22    | -      | -      | 2   | 119.22 |
|    |                                                | 2017-18 | 15     | 211.07    | 15     | 211.07    | -      | -      | 15  | 211.07 |
| 21 | Other Rural Development Programmes (2515)      | 2009-10 | 68     | 366.26    | 1      | 10.85     | -      | -      | 1   | 10.85  |
|    |                                                | 2010-11 | 48     | 267.83    | 9      | 42.83     | -      | -      | 9   | 42.83  |
|    |                                                | 2011-12 | 222    | 722.40    | 62     | 182.72    | 21     | 45.72  | 41  | 137.00 |
|    |                                                | 2012-13 | 266    | 882.65    | 63     | 172.06    | 24     | 84.04  | 39  | 88.02  |
|    |                                                | 2013-14 | 249    | 1, 263.49 | 93     | 499.76    | 17     | 29.24  | 76  | 470.52 |
|    |                                                | 2014-15 | 3, 871 | 1, 191.66 | 104    | 634.63    | 45     | 404.22 | 59  | 230.40 |
|    |                                                | 2015-16 | 3, 845 | 1, 261.94 | 169    | 583.90    | 67     | 376.10 | 102 | 207.80 |
|    |                                                | 2016-17 | 4, 166 | 2, 262.96 | 187    | 1, 238.33 | 45     | 781.49 | 142 | 456.84 |
|    |                                                | 2017-18 | 3, 652 | 1, 127.58 | 3, 652 | 1, 127.58 | 3, 550 | 501.83 | 102 | 625.75 |
| 22 | Command Area Development (2705)                | 2015-16 | 21     | 212.59    | 2      | 1.57      | -      | -      | 2   | 1.57   |
|    |                                                | 2016-17 | 20     | 154.10    | 3      | 2.33      | -      | -      | 3   | 2.33   |
|    |                                                | 2017-18 | 19     | 75.45     | 19     | 75.45     | 18     | 67.95  | 1   | 7.50   |
| 23 | Village and Small Scale Industries (2851)      | 2016-17 | 20     | 29.70     | 3      | 6.17      | 1      | 0.50   | 2   | 5.67   |
| 24 | Industries (2852)                              | 2015-16 | 28     | 31.02     | 6      | 22.30     | 5      | 18.61  | 1   | 3.69   |
|    |                                                | 2016-17 | 36     | 61.70     | 16     | 34.88     | 6      | 18.88  | 10  | 16.00  |
|    |                                                | 2017-18 | 23     | 126.50    | 23     | 126.50    | 17     | 54.61  | 6   | 71.89  |
| 25 | Non-Conventional Source of Energy (2810)       | 2017-18 | 12     | 0.71      | 12     | 0.71      | 11     | 0.70   | 1   | 0.01   |
| 26 | Civil Aviation (3053)                          | 2017-18 | 2      | 1.00      | 2      | 1.00      | 1      | 0.30   | 1   | 0.70   |
| 27 | Other Scientific Research (3425)               | 2015-16 | 52     | 21.94     | 5      | 4.65      | 1      | 0.51   | 4   | 4.14   |
|    |                                                | 2016-17 | 37     | 13.05     | 2      | 0.83      | 1      | 0.52   | 1   | 0.31   |
|    |                                                | 2017-18 | 31     | 14.13     | 31     | 14.13     | 22     | 9.71   | 9   | 4.42   |
| 28 | Ecology and                                    | 2014-15 | 12     | 2.17      | 1      | 0.10      | -      | -      | 1   | 0.10   |

|       |                       |         |         |            |        |           |        |           |        |           |
|-------|-----------------------|---------|---------|------------|--------|-----------|--------|-----------|--------|-----------|
|       | Environment (3435)    | 2015-16 | 8       | 2.15       | 4      | 0.35      | 2      | 0.15      | 2      | 0.20      |
|       |                       | 2016-17 | 4       | 1.62       | 4      | 1.62      | 2      | 1.02      | 2      | 0.60      |
|       |                       | 2017-18 | 3       | 1.37       | 3      | 1.37      | -      | -         | 3      | 1.37      |
| 29    | Civil Supplies (3456) | 2015-16 | 28      | 8.22       | 26     | 3.08      | 5      | 3.02      | 21     | 0.06      |
|       |                       | 2017-18 | 14      | 0.04       | 14     | 0.04      | 13     | 0.03      | 1      | 0.01      |
| Total |                       |         | 25, 792 | 31, 175.20 | 9, 187 | 15,697.06 | 7, 455 | 7, 227.57 | 1, 732 | 8, 469.49 |

**The department in its written reply stated as under:**

The position regarding outstanding utilization certificates as shown in CAG Audit Report (State Finances) 2018-19 was reconciled with AG(A&E) Haryana and AG(A&E) vide letter No. CST-3/2021-22/uc/2204/680, dated 15.11.2021 has intimated that following UCs are pending as detailed below :-

**(Rs. in crore)**

| Year    | Outstanding as on 31.3.2019 |        | Outstanding as on 15.11.2021 |        |
|---------|-----------------------------|--------|------------------------------|--------|
|         | Items                       | Amount | Items                        | Amount |
| 2015-16 | 25                          | 5.31   | 0                            | 0      |
| 2016-17 | 21                          | 8.27   | 1                            | 3.86   |
| 2017-18 | 17                          | 14.34  | 2                            | 0.64   |

There are no pending items relating to year 2015-16.

Utilization certificate would be submitted as soon as funds are utilized.

**Therefore, in view of the above, it is requested that the above said para may kindly be dropped.**

**Observations and Recommendations of the Committee as under:**

**The Committee has desired that the outstanding Utilization Certificates (UCs) be obtained and submitted at the earliest and the same be got reconciled with the office of Principal Accountant General (A&E), Haryana under intimation to the Committee.**

**[70] 3.6 Misappropriations, losses, defalcations, etc. (S.F.)**

Rule 2.33 of the Punjab Financial Rules, as applicable to Haryana, stipulates that every Government employee would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or any loss arising from fraud or negligence on the part of any other Government employee to the extent that he contributed to the loss by his own action or negligence. Further, as per rule 2.34 *ibid*, the cases of defalcations and losses are required to be reported to the Accountant General (A&E).

State Government reported 75 cases of misappropriation and defalcation involving Government money amounting to ₹1.28 crore on which final action was pending as of June 2019. All the 75 cases were reported by departments concerned to police through first information reports (FIRs). The department- wise break up of pending cases and age-wise analysis is given in Appendix 3.5 and nature of these cases are given in Appendix 3.6. The age-profile of the pending cases and the number of cases pending in each category-theft and misappropriation/loss as emerged from these appendices is summarised in Table 3.4.

Table 3.4: Profile of misappropriations, losses, defalcations, etc.

(₹in lakh)

| Age-profile of the pending cases |                 |                 | Nature of the pending cases                  |                 |                 |
|----------------------------------|-----------------|-----------------|----------------------------------------------|-----------------|-----------------|
| Range in years                   | Number of cases | Amount involved |                                              | Number of cases | Amount involved |
| 0 - 5                            | 35              | 95.37           | Theft Cases                                  | 60              | 110.75          |
| 5-10                             | 4               | 1.61            |                                              |                 |                 |
| 10-15                            | 10              | 16.00           | Misappropriation/loss of Government material | 15              | 16.98           |
| 15 - 20                          | 7               | 10.80           |                                              |                 |                 |
| 20 - 25                          | 3               | 0.24            |                                              |                 |                 |
| 25 and above                     | 16              | 3.71            |                                              |                 |                 |
| <b>Total</b>                     | <b>75</b>       | <b>127.73</b>   | <b>Total pending cases as of June 2019</b>   | <b>75</b>       | <b>127.73</b>   |

Reasons for pendency of cases are listed in Table 3.5.

Table 3.5: Reasons for outstanding cases of misappropriations, losses, defalcations, etc.

| Reasons for the delay/outstanding pending cases |                                                                                                  | Number of cases | Amount (₹in lakh) |
|-------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------|-------------------|
| i)                                              | Departmental action initiated but not finalised                                                  | 57              | 108.93            |
| ii)                                             | Criminal proceedings finalised but execution of criminal case for the recovery of amount pending | 3               | 1.09              |
| iii)                                            | Awaiting orders for recovery or write off                                                        | 9               | 3.88              |
| iv)                                             | Pending in the courts of law                                                                     | 6               | 13.83             |
| <b>Total</b>                                    |                                                                                                  | <b>75</b>       | <b>127.73</b>     |

Out of the total loss cases, 80 per cent cases related to theft of Government money/store. Further, in respect of 76 per cent cases of losses, departmental action had not been finalized while 12 per cent cases were outstanding for want of orders of the competent authority for recovery or write off of losses. It was further noticed that out of 75 cases of losses due to theft/misappropriation, 40 cases were more than five years old, including 19 cases which were more than 20 years old. The lackadaisical approach of departments in finalisation of these cases had not only caused loss to the State exchequer but also led to non-accountability of the officers/officials.

The Government may consider preparing a time bound framework for taking prompt action in cases of theft, misappropriation, etc.

### Appendix 3.5

(Refer Paragraph 3.6; Page: 70)

**Department wise/duration wise break-up of the cases of misappropriation, defalcation, etc., where Final action was pending as on 30 June 2019**

(Figures in bracket indicate ₹in lakh)

| Sl. No. | Name of the Department                          | Up to 5 years | 5 to 10 years | 10 to 15 years | 15 to 20 years | 20 to 25 years | 25 years to More | Total No. of Cases |
|---------|-------------------------------------------------|---------------|---------------|----------------|----------------|----------------|------------------|--------------------|
| 1       | Development of Panchayat                        | 0             | 0             | 1<br>(6.50)    | 0              | 0              | 0                | 1<br>(6.50)        |
| 2       | Animal Husbandry and Dairying                   | 1<br>(0.08)   | -             | -              | -              | -              | -                | 1<br>(0.08)        |
| 3       | Economic & Statistical                          | 2<br>(0.03)   | -             | -              | -              | -              | -                | 2<br>(0.03)        |
| 4       | Education                                       | 15<br>(34.72) | -             | 1<br>(0.09)    | 3<br>(1.11)    | -              | 3<br>(2.04)      | 22<br>(37.96)      |
| 5       | Forest Department                               | 1<br>(0.25)   | -             | -              | -              | -              | -                | 1<br>(0.25)        |
| 6       | Haryana Skill Development & Industries Training | 2<br>(0.87)   | -             | -              | -              | -              | -                | 2<br>(0.87)        |
| 7       | Labour & Employment                             | 2<br>(0.15)   | -             | -              | -              | -              | -                | 2<br>(0.15)        |

|    |                                      |                       |                     |                       |                      |                     |                      |                        |
|----|--------------------------------------|-----------------------|---------------------|-----------------------|----------------------|---------------------|----------------------|------------------------|
| 8  | Medical                              | 2<br>(0) <sup>3</sup> | -                   | -                     | -                    | -                   | -                    | 2<br>(0)               |
| 9  | Medical Education & Research         | 1<br>(3.00)           | -                   | -                     | -                    | -                   | -                    | 1<br>(3.00)            |
| 10 | Police                               | -                     | -                   | 1<br>(3.79)           | -                    | -                   | -                    | 1<br>(3.79)            |
| 11 | Social Justice and Empowerment       | 3<br>(8.63)           | -                   | -                     | -                    | -                   | -                    | 3<br>(8.63)            |
| 12 | Sports & Youth Welfare               | 1<br>(39.58)          | -                   | -                     | -                    | -                   | -                    | 1<br>(39.58)           |
| 13 | Technical Education                  | -                     | -                   | -                     | 1<br>(6.52)          | -                   | -                    | 1<br>(6.52)            |
| 14 | Town & Country Planning              | 1<br>(1.44)           | -                   | -                     | -                    | -                   | -                    | 1<br>(1.44)            |
| 15 | Transport                            | -                     | -                   | -                     | 1<br>(3.17)          | -                   | 1<br>(0.60)          | 2<br>(3.77)            |
| 16 | Treasury & Accounts                  | 1<br>(6.27)           | -                   | -                     | -                    | -                   | -                    | 1<br>(6.27)            |
| 17 | Women and Child Development          | 1<br>(0) <sup>1</sup> | -                   | -                     | -                    | -                   | -                    | 1<br>(0)               |
| 18 | Irrigation                           | 0                     | 3<br>(0.00)         | 7<br>(5.62)           | 2<br>(0.00)          | 3<br>(0.24)         | 12<br>(1.07)         | 27<br>(6.93)           |
| 19 | Public Health Engineering Department | 1<br>(0.35)           | 1<br>(1.61)         | -                     | -                    | -                   | -                    | 2<br>(1.96)            |
| 20 | Buildings and Roads                  | 1<br>(0.00)           | -                   | -                     | -                    | -                   | -                    | 1<br>(0.00)            |
|    | <b>Total</b>                         | <b>35<br/>(95.37)</b> | <b>4<br/>(1.61)</b> | <b>10<br/>(16.00)</b> | <b>7<br/>(10.80)</b> | <b>3<br/>(0.24)</b> | <b>16<br/>(3.71)</b> | <b>75<br/>(127.73)</b> |

### Appendix 3.6

(Refer Paragraph 3.6; Page: 70)

**Department/category wise detail in respect of cases of loss to Government due to theft, misappropriation/loss of Government material**

| Name of Department                              | Theft Cases        |               | Misappropriation/<br>Loss of Government<br>Material |            | Total              |               |
|-------------------------------------------------|--------------------|---------------|-----------------------------------------------------|------------|--------------------|---------------|
|                                                 | Number<br>of Cases | Amount        | Number<br>of Cases                                  | Amount     | Number of<br>Cases | Amount        |
|                                                 |                    | (₹in<br>lakh) |                                                     | (₹in lakh) |                    | (₹in<br>lakh) |
| Development of Panchayat                        | 1                  | 6.50          | -                                                   | -          | 1                  | 6.50          |
| Animal Husbandry and Dairying                   | 1                  | 0.08          | -                                                   | -          | 1                  | 0.08          |
| Economic & Statistical                          | 1                  | 0.03          | 1                                                   | 0.00       | 2                  | 0.03          |
| Education                                       | 19                 | 36.57         | 3                                                   | 1.39       | 22                 | 37.96         |
| Forest Department                               | 1                  | 0.25          | -                                                   | -          | 1                  | 0.25          |
| Haryana Skill Development & Industries Training | 2                  | 0.87          | -                                                   | -          | 2                  | 0.87          |
| Labour & Employment                             | 2                  | 0.15          | -                                                   | -          | 2                  | 0.15          |
| Medical                                         | 2                  | 0.00          | -                                                   | -          | 2                  | 0.00          |
| Medical Education & Research                    | 1                  | 3.00          | -                                                   | -          | 1                  | 3.00          |
| Police                                          | -                  | -             | 1                                                   | 3.79       | 1                  | 3.79          |
| Social Justice and Empowerment                  | 3                  | 8.63          | -                                                   | -          | 3                  | 8.63          |
| Sports & Youth Welfare                          | 1                  | 39.58         | -                                                   | -          | 1                  | 39.58         |
| Technical Education                             | 1                  | 6.52          | -                                                   | -          | 1                  | 6.52          |
| Town & Country Planning                         | -                  | -             | 1                                                   | 1.44       | 1                  | 1.44          |
| Transport                                       | -                  | -             | 2                                                   | 3.77       | 2                  | 3.77          |
| Treasury & Accounts                             | -                  | -             | 1                                                   | 6.27       | 1                  | 6.27          |
| Women and Child Development                     | 1                  | 0.00          | -                                                   | -          | 1                  | 0.00          |

|                                      |           |               |           |              |           |               |
|--------------------------------------|-----------|---------------|-----------|--------------|-----------|---------------|
| Irrigation                           | 22        | 6.61          | 5         | 0.32         | 27        | 6.93          |
| Public Health Engineering Department | 2         | 1.96          | -         | -            | 2         | 1.96          |
| Buildings and Roads                  | -         | -             | 1         | 0.00         | 1         | 0.00          |
| <b>Total</b>                         | <b>60</b> | <b>110.75</b> | <b>15</b> | <b>16.98</b> | <b>75</b> | <b>127.73</b> |

**The department in its written reply stated as under:**

In this regard, it is stated that the para relates to write off the sports equipment of the value of Rs 39.58 lakhs destroyed in fire violence during Jat reservation movement at Jhajjar. Departmental committee, after the physical verification fixed the cost of 46 unserviceable articles Rs. 14, 57, 530/- and assessed the reserve price of these 46 items Rs. 6018/-. The matter was submitted to FD for condemnation of destroyed items. Finance Department vide UO No. 40/2/2019-4FGF-II/16756, dated 29.9.2020 (copy enclosed) granted approval for condemnation of 46 types of items valuing Rs. 14, 57, 530/- destroyed during Jat agitation on condition that the amount receipt after auction of destroyed items be deposited in receipt head. After auction Rs. 6060/- was deposited in receipt head vide E-challan (GRN No. 0068278598, dated 13.10.2020 (copy enclosed). Further action is being taken for writing off the loss of Rs. 14, 51, 470/-(14, 57, 530-6060) and after approval from FD matter would be reconciled in the office of AG(A&E), Haryana

**Observations and Recommendations of the Committee as under:**

The Committee has desired that all outstanding case(s) be got settled in a time bound manner and reconciled with the Office of Principal Accountant General (Audit), Haryana under intimation to the Committee.





## **TECHNICAL EDUCATION DEPARTMENT**

### **[71] 3.2 Delay in furnishing utilisation certificates (S.F.)**

Rule 8.14 of the Punjab Financial Rules, as applicable to Haryana, provides that utilisation certificates (UCs) for the grants provided for specific purposes, should be obtained by departmental officers from the grantees. After verification, these should be forwarded to the Accountant General (A&E) within a reasonable time, unless a specific time limit is fixed by the sanctioning authority. However, of the 25, 792 UCs due for submission in respect of grants and loans aggregating ₹31, 175.20 crore, 1, 732 UCs for an aggregate amount of ₹8, 469.49 crore were in arrears. The department-wise break-up of UCs due, received and outstanding as on 31 March 2019 is given in Appendix 3.1. The year-wise delays in submission of UCs is summarised in Table 3.2.

Table 3.2: Year-wise arrears of Utilisation Certificates

(₹in crore)

| Year         | Total grants paid |                   | Utilisation certificates due |                   | Utilisation certificates received |                  | Utilisation certificates outstanding |                  |
|--------------|-------------------|-------------------|------------------------------|-------------------|-----------------------------------|------------------|--------------------------------------|------------------|
|              | Items             | Amount            | Items                        | Amount            | Items                             | Amount           | Items                                | Amount           |
| Upto 2013-14 | 1, 022            | 5, 897.44         | 279                          | 1, 707.65         | 69                                | 243.88           | 210                                  | 1, 463.77        |
| 2014-15      | 4, 907            | 4, 068.87         | 166                          | 1, 107.81         | 65                                | 678.07           | 101                                  | 429.74           |
| 2015-16      | 5, 810            | 5, 086.97         | 454                          | 1, 483.64         | 181                               | 665.78           | 273                                  | 817.86           |
| 2016-17      | 6, 381            | 8, 014.08         | 616                          | 3, 290.12         | 217                               | 1, 229.31        | 399                                  | 2, 060.81        |
| 2017-18      | 7, 672            | 8, 107.84         | 7, 672                       | 8, 107.84         | 6, 923                            | 4, 410.53        | 749                                  | 3, 697.31        |
| <b>Total</b> | <b>25, 792</b>    | <b>31, 175.20</b> | <b>9, 187</b>                | <b>15, 697.06</b> | <b>7,455</b>                      | <b>7, 227.57</b> | <b>1,732</b>                         | <b>8, 469.49</b> |

During the year 2018-19, 749 Utilisation Certificates (UCs) amounting to ₹3, 697.31 crore, which had become due, were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 25 departments. In addition to this, 983 UCs amounting to ₹4, 772.18 crore due for submission up to 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 1, 732 UCs amounting to ₹8, 469.49 crore were due for submission as of 31 March 2019. Therefore, there is no assurance that the amount of ₹8, 469.49 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

## Appendix 3.1

(Reference: Paragraph 3.2; Page 68)

**Detail of Utilisation Certificates due, received and outstanding as on 31 March 2019****(₹in crore)**

| Sr. No. | Name of the Head                             | Year    | Total grants paid |          | Utilisation certificates due |          | Utilisation certificates received |          | Utilisation certificates outstanding |          |
|---------|----------------------------------------------|---------|-------------------|----------|------------------------------|----------|-----------------------------------|----------|--------------------------------------|----------|
|         |                                              |         | Items             | Amount   | Items                        | Amount   | Items                             | Amount   | Items                                | Amount   |
| 1       | Police (2055)                                | 2017-18 | 3                 | 71.22    | 3                            | 71.22    | 1                                 | 18.15    | 2                                    | 53.07    |
| 2       | General Education (2202)                     | 2014-15 | 739               | 1,382.54 | 8                            | 1.02     | -                                 | -        | 8                                    | 1.02     |
|         |                                              | 2015-16 | 1,063             | 1,542.62 | 37                           | 93.15    | 4                                 | 15.92    | 33                                   | 77.23    |
|         |                                              | 2016-17 | 1,332             | 1,618.88 | 67                           | 195.12   | 41                                | 146.83   | 26                                   | 48.29    |
|         |                                              | 2017-18 | 1,385             | 1,656.36 | 1385                         | 1,656.36 | 1,363                             | 1,579.16 | 22                                   | 77.19    |
| 3       | Technical Education (2203)                   | 2016-17 | 102               | 227.06   | 10                           | 43.47    | 7                                 | 26.97    | 3                                    | 16.50    |
|         |                                              | 2017-18 | 90                | 218.18   | 90                           | 218.18   | 81                                | 181.38   | 9                                    | 36.80    |
| 4       | Sports and Youth Services (2204)             | 2015-16 | 130               | 124.02   | 69                           | 32.78    | 44                                | 27.47    | 25                                   | 5.31     |
|         |                                              | 2016-17 | 56                | 90.69    | 51                           | 82.66    | 30                                | 74.39    | 21                                   | 8.27     |
|         |                                              | 2017-18 | 229               | 73.14    | 229                          | 73.14    | 212                               | 58.80    | 17                                   | 14.34    |
| 5       | Art and Culture (2205)                       | 2015-16 | 7                 | 3.51     | 4                            | 3.31     | 3                                 | 3.01     | 1                                    | 0.30     |
|         |                                              | 2016-17 | 4                 | 10.00    | 4                            | 10.00    | 2                                 | 4.50     | 2                                    | 5.50     |
|         |                                              | 2017-18 | 5                 | 4.95     | 5                            | 4.95     | 2                                 | 0.40     | 3                                    | 4.55     |
| 6       | Medical (2210)                               | 2016-17 | 78                | 935.68   | 2                            | 1.11     | 1                                 | 0.36     | 1                                    | 0.75     |
|         |                                              | 2017-18 | 82                | 1,031.67 | 82                           | 1,031.67 | 56                                | 694.22   | 26                                   | 337.45   |
| 7       | Family Welfare (2211)                        | 2017-18 | 1                 | 0.03     | 1                            | 0.03     | -                                 | -        | 1                                    | 0.03     |
| 8       | Urban Development (2217)                     | 2012-13 | 96                | 1,274.01 | 27                           | 363.13   | 3                                 | 22.48    | 24                                   | 340.65   |
|         |                                              | 2013-14 | 73                | 1,120.80 | 24                           | 436.30   | 4                                 | 62.41    | 20                                   | 373.89   |
|         |                                              | 2014-15 | 87                | 1,115.43 | 46                           | 458.31   | 18                                | 273.11   | 28                                   | 185.20   |
|         |                                              | 2015-16 | 122               | 1,478.70 | 76                           | 614.93   | 15                                | 192.62   | 61                                   | 422.31   |
|         |                                              | 2016-17 | 219               | 2,227.25 | 177                          | 1,494.29 | 21                                | 161.76   | 156                                  | 1,332.54 |
|         |                                              | 2017-18 | 395               | 2,781.01 | 395                          | 2,781.01 | 54                                | 1,017.42 | 341                                  | 1,763.59 |
| 9       | Information and Publicity (2220)             | 2017-18 | 70                | 16.25    | 70                           | 16.25    | 11                                | 0.55     | 59                                   | 15.70    |
| 10      | Welfare of SC, ST, OBC and Minorities (2225) | 2017-18 | 1,272             | 107.66   | 1272                         | 107.66   | 1271                              | 107.64   | 1                                    | 0.02     |

|    |                                                |         |        |           |        |           |        |        |     |        |
|----|------------------------------------------------|---------|--------|-----------|--------|-----------|--------|--------|-----|--------|
| 11 | Labour and Employment (2230)                   | 2017-18 | 4      | 23.07     | 4      | 23.07     | 2      | 16.35  | 2   | 6.72   |
| 12 | Social Security and Welfare (2235)             | 2014-15 | 33     | 43.71     | 4      | 12.28     | 2      | 0.75   | 2   | 11.53  |
|    |                                                | 2015-16 | 355    | 50.55     | 8      | 4.77      | 2      | 1.42   | 6   | 3.35   |
|    |                                                | 2016-17 | 137    | 4.84      | 2      | 0.12      | -      | -      | 2   | 0.12   |
|    |                                                | 2017-18 | 38     | 34.20     | 38     | 34.20     | 19     | 19.52  | 19  | 14.68  |
| 13 | Crop Husbandry (2401)                          | 2017-18 | 16     | 153.98    | 16     | 153.98    | -      | -      | 16  | 153.98 |
| 14 | Soil and Water Conservation (2402)             | 2016-17 | 2      | 0.59      | 2      | 0.59      | -      | -      | 2   | 0.59   |
|    |                                                | 2017-18 | 84     | 1.20      | 84     | 1.20      | 73     | 1.00   | 11  | 0.20   |
| 15 | Animal Husbandry (2403)                        | 2016-17 | 74     | 88.02     | 33     | 1.16      | 29     | 0.96   | 4   | 0.20   |
|    |                                                | 2017-18 | 86     | 74.08     | 86     | 74.08     | 72     | 50.30  | 14  | 23.78  |
| 16 | Fisheries (2405)                               | 2017-18 | 21     | 1.42      | 21     | 1.42      | 17     | 1.28   | 4   | 0.14   |
| 17 | Forestry and Wildlife (2406)                   | 2017-18 | 3      | 10.71     | 3      | 10.71     | -      | -      | 3   | 10.71  |
| 18 | Co-operation (2425)                            | 2017-18 | 5      | 155.80    | 5      | 155.80    | -      | -      | 5   | 155.80 |
| 19 | Special Programme and Rural Development (2501) | 2015-16 | 103    | 64.19     | 26     | 8.17      | 22     | 7.07   | 4   | 1.10   |
|    |                                                | 2016-17 | 87     | 69.16     | 51     | 58.22     | 31     | 11.13  | 20  | 47.09  |
|    |                                                | 2017-18 | 112    | 135.06    | 112    | 135.06    | 57     | 29.23  | 55  | 105.83 |
| 20 | Rural Employment (2505)                        | 2014-15 | 165    | 333.36    | 3      | 1.47      | -      | -      | 3   | 1.47   |
|    |                                                | 2015-16 | 48     | 285.52    | 22     | 110.68    | 11     | 19.88  | 11  | 90.80  |
|    |                                                | 2016-17 | 7      | 218.78    | 2      | 119.22    | -      | -      | 2   | 119.22 |
|    |                                                | 2017-18 | 15     | 211.07    | 15     | 211.07    | -      | -      | 15  | 211.07 |
| 21 | Other Rural Development Programmes (2515)      | 2009-10 | 68     | 366.26    | 1      | 10.85     | -      | -      | 1   | 10.85  |
|    |                                                | 2010-11 | 48     | 267.83    | 9      | 42.83     | -      | -      | 9   | 42.83  |
|    |                                                | 2011-12 | 222    | 722.40    | 62     | 182.72    | 21     | 45.72  | 41  | 137.00 |
|    |                                                | 2012-13 | 266    | 882.65    | 63     | 172.06    | 24     | 84.04  | 39  | 88.02  |
|    |                                                | 2013-14 | 249    | 1, 263.49 | 93     | 499.76    | 17     | 29.24  | 76  | 470.52 |
|    |                                                | 2014-15 | 3, 871 | 1, 191.66 | 104    | 634.63    | 45     | 404.22 | 59  | 230.40 |
|    |                                                | 2015-16 | 3, 845 | 1, 261.94 | 169    | 583.90    | 67     | 376.10 | 102 | 207.80 |
|    |                                                | 2016-17 | 4, 166 | 2, 262.96 | 187    | 1, 238.33 | 45     | 781.49 | 142 | 456.84 |
|    |                                                | 2017-18 | 3, 652 | 1, 127.58 | 3, 652 | 1, 127.58 | 3, 550 | 501.83 | 102 | 625.75 |
| 22 | Command Area Development (2705)                | 2015-16 | 21     | 212.59    | 2      | 1.57      | -      | -      | 2   | 1.57   |
|    |                                                | 2016-17 | 20     | 154.10    | 3      | 2.33      | -      | -      | 3   | 2.33   |

|       |                                           |         |         |           |        |           |        |           |        |           |
|-------|-------------------------------------------|---------|---------|-----------|--------|-----------|--------|-----------|--------|-----------|
|       |                                           | 2017-18 | 19      | 75.45     | 19     | 75.45     | 18     | 67.95     | 1      | 7.50      |
| 23    | Village and Small Scale Industries (2851) | 2016-17 | 20      | 29.70     | 3      | 6.17      | 1      | 0.50      | 2      | 5.67      |
| 24    | Industries (2852)                         | 2015-16 | 28      | 31.02     | 6      | 22.30     | 5      | 18.61     | 1      | 3.69      |
|       |                                           | 2016-17 | 36      | 61.70     | 16     | 34.88     | 6      | 18.88     | 10     | 16.00     |
|       |                                           | 2017-18 | 23      | 126.50    | 23     | 126.50    | 17     | 54.61     | 6      | 71.89     |
| 25    | Non-Conventional Source of Energy (2810)  | 2017-18 | 12      | 0.71      | 12     | 0.71      | 11     | 0.70      | 1      | 0.01      |
| 26    | Civil Aviation (3053)                     | 2017-18 | 2       | 1.00      | 2      | 1.00      | 1      | 0.30      | 1      | 0.70      |
| 27    | Other Scientific Research (3425)          | 2015-16 | 52      | 21.94     | 5      | 4.65      | 1      | 0.51      | 4      | 4.14      |
|       |                                           | 2016-17 | 37      | 13.05     | 2      | 0.83      | 1      | 0.52      | 1      | 0.31      |
|       |                                           | 2017-18 | 31      | 14.13     | 31     | 14.13     | 22     | 9.71      | 9      | 4.42      |
| 28    | Ecology and Environment (3435)            | 2014-15 | 12      | 2.17      | 1      | 0.10      | -      | -         | 1      | 0.10      |
|       |                                           | 2015-16 | 8       | 2.15      | 4      | 0.35      | 2      | 0.15      | 2      | 0.20      |
|       |                                           | 2016-17 | 4       | 1.62      | 4      | 1.62      | 2      | 1.02      | 2      | 0.60      |
|       |                                           | 2017-18 | 3       | 1.37      | 3      | 1.37      | -      | -         | 3      | 1.37      |
| 29    | Civil Supplies (3456)                     | 2015-16 | 28      | 8.22      | 26     | 3.08      | 5      | 3.02      | 21     | 0.06      |
|       |                                           | 2017-18 | 14      | 0.04      | 14     | 0.04      | 13     | 0.03      | 1      | 0.01      |
| Total |                                           |         | 25, 792 | 31,175.20 | 9, 187 | 15,697.06 | 7, 455 | 7, 227.57 | 1, 732 | 8, 469.49 |

### The department in its written reply stated as under:

It is intimated that 12 numbers UCs were pending shown in the para of the department. It is submitted that out of 12 numbers of UCs, 3UCs are related to other department i.e. Secondary Education and Sports Department and 9 number UCs are related to Technical Education Department (Annexure-A). Out of 9UCs, 4 number UCs has already been sent to AG Haryana vide this office Membo No. 279/Budget dated 20.09.2019, No.490/Budget 02.06.2020 and No. 495/Budget dated 08.06.2020 (Annexure-B) C& D). 3 number UCs pertaining to ITI mission and Haryana Vishwakarma Skill University, Palwal were transferred to ITI Department on 01.04.2017 along with budget provision and the funds were also drawn by the ITI Department. Further these UCs have been sent to AG, Haryana Office vide Skill Development and Industrial Training Directorate, Haryana Memo No. Tp/3/HSDM/HVSU/Plg-2018-19/8048, dated 09.04.2019 (Annexure-E &F).

Now only 2 number UCs are pending in this department as also intimated by the AG, Haryana vide their letter No. CST-1/20-21/157 dated 05.11.2020 (Annexure-G) for which PWD B&R and concerned Institute were requested to provide the UCs

immediately. Out of above 2 UCs one is received from PWD (B&R), Chandigarh and sent to the PAG (Audit), vide Memo No. SPL-01 dated 22.09.2021 (Annexure-H).

**Observations and Recommendations of the Committee as under:**

**The Committee has desired that the outstanding Utilization Certificates (UCs) be obtained and submitted at the earliest and the same be got reconciled with the office of Principal Accountant General (A&E), Haryana under intimation of the Committee.**



## **URBAN LOCAL BODIES DEPARTMENT**

### **[72] 3.2 Delay in furnishing utilisation certificates (S.F.)**

Rule 8.14 of the Punjab Financial Rules, as applicable to Haryana, provides that utilisation certificates (UCs) for the grants provided for specific purposes, should be obtained by departmental officers from the grantees. After verification, these should be forwarded to the Accountant General (A&E) within a reasonable time, unless a specific time limit is fixed by the sanctioning authority. However, of the 25, 792 UCs due for submission in respect of grants and loans aggregating ₹31, 175.20 crore, 1, 732 UCs for an aggregate amount of ₹8, 469.49 crore were in arrears. The department-wise break-up of UCs due, received and outstanding as on 31 March 2019 is given in Appendix 3.1. The year-wise delays in submission of UCs is summarised in Table 3.2.

Table 3.2: Year-wise arrears of Utilisation Certificates

(₹in crore)

| Year         | Total grants paid |                   | Utilisation certificates due |                   | Utilisation certificates received |                  | Utilisation certificates outstanding |                  |
|--------------|-------------------|-------------------|------------------------------|-------------------|-----------------------------------|------------------|--------------------------------------|------------------|
|              | Items             | Amount            | Items                        | Amount            | Items                             | Amount           | Items                                | Amount           |
| Upto 2013-14 | 1, 022            | 5, 897.44         | 279                          | 1, 707.65         | 69                                | 243.88           | 210                                  | 1, 463.77        |
| 2014-15      | 4, 907            | 4, 068.87         | 166                          | 1, 107.81         | 65                                | 678.07           | 101                                  | 429.74           |
| 2015-16      | 5, 810            | 5, 086.97         | 454                          | 1, 483.64         | 181                               | 665.78           | 273                                  | 817.86           |
| 2016-17      | 6, 381            | 8, 014.08         | 616                          | 3, 290.12         | 217                               | 1, 229.31        | 399                                  | 2, 060.81        |
| 2017-18      | 7, 672            | 8, 107.84         | 7, 672                       | 8, 107.84         | 6, 923                            | 4, 410.53        | 749                                  | 3, 697.31        |
| <b>Total</b> | <b>25, 792</b>    | <b>31, 175.20</b> | <b>9, 187</b>                | <b>15, 697.06</b> | <b>7, 455</b>                     | <b>7, 227.57</b> | <b>1, 732</b>                        | <b>8, 469.49</b> |

During the year 2018-19, 749 Utilisation Certificates (UCs) amounting to ₹3, 697.31 crore, which had become due, were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 25 departments. In addition to this, 983 UCs amounting to ₹4, 772.18 crore due for submission up to 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 1, 732 UCs amounting to ₹8, 469.49 crore were due for submission as of 31 March 2019. Therefore, there is no assurance that the amount of ₹8, 469.49 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

## Appendix 3.1

(Reference: Paragraph 3.2; Page 68)

## Detail of Utilisation Certificates due, received and outstanding as on 31 March 2019

(₹in crore)

| Sr. No. | Name of the Head                             | Year    | Total grants paid |          | Utilisation certificates due |          | Utilisation certificates received |          | Utilisation certificates outstanding |          |
|---------|----------------------------------------------|---------|-------------------|----------|------------------------------|----------|-----------------------------------|----------|--------------------------------------|----------|
|         |                                              |         | Items             | Amount   | Items                        | Amount   | Items                             | Amount   | Items                                | Amount   |
| 1       | Police (2055)                                | 2017-18 | 3                 | 71.22    | 3                            | 71.22    | 1                                 | 18.15    | 2                                    | 53.07    |
| 2       | General Education (2202)                     | 2014-15 | 739               | 1,382.54 | 8                            | 1.02     | -                                 | -        | 8                                    | 1.02     |
|         |                                              | 2015-16 | 1,063             | 1,542.62 | 37                           | 93.15    | 4                                 | 15.92    | 33                                   | 77.23    |
|         |                                              | 2016-17 | 1,332             | 1,618.88 | 67                           | 195.12   | 41                                | 146.83   | 26                                   | 48.29    |
|         |                                              | 2017-18 | 1,385             | 1,656.36 | 1385                         | 1,656.36 | 1,363                             | 1,579.16 | 22                                   | 77.19    |
| 3       | Technical Education (2203)                   | 2016-17 | 102               | 227.06   | 10                           | 43.47    | 7                                 | 26.97    | 3                                    | 16.50    |
|         |                                              | 2017-18 | 90                | 218.18   | 90                           | 218.18   | 81                                | 181.38   | 9                                    | 36.80    |
| 4       | Sports and Youth Services (2204)             | 2015-16 | 130               | 124.02   | 69                           | 32.78    | 44                                | 27.47    | 25                                   | 5.31     |
|         |                                              | 2016-17 | 56                | 90.69    | 51                           | 82.66    | 30                                | 74.39    | 21                                   | 8.27     |
|         |                                              | 2017-18 | 229               | 73.14    | 229                          | 73.14    | 212                               | 58.80    | 17                                   | 14.34    |
| 5       | Art and Culture (2205)                       | 2015-16 | 7                 | 3.51     | 4                            | 3.31     | 3                                 | 3.01     | 1                                    | 0.30     |
|         |                                              | 2016-17 | 4                 | 10.00    | 4                            | 10.00    | 2                                 | 4.50     | 2                                    | 5.50     |
|         |                                              | 2017-18 | 5                 | 4.95     | 5                            | 4.95     | 2                                 | 0.40     | 3                                    | 4.55     |
| 6       | Medical (2210)                               | 2016-17 | 78                | 935.68   | 2                            | 1.11     | 1                                 | 0.36     | 1                                    | 0.75     |
|         |                                              | 2017-18 | 82                | 1,031.67 | 82                           | 1,031.67 | 56                                | 694.22   | 26                                   | 337.45   |
| 7       | Family Welfare (2211)                        | 2017-18 | 1                 | 0.03     | 1                            | 0.03     | -                                 | -        | 1                                    | 0.03     |
| 8       | Urban Development (2217)                     | 2012-13 | 96                | 1,274.01 | 27                           | 363.13   | 3                                 | 22.48    | 24                                   | 340.65   |
|         |                                              | 2013-14 | 73                | 1,120.80 | 24                           | 436.30   | 4                                 | 62.41    | 20                                   | 373.89   |
|         |                                              | 2014-15 | 87                | 1,115.43 | 46                           | 458.31   | 18                                | 273.11   | 28                                   | 185.20   |
|         |                                              | 2015-16 | 122               | 1,478.70 | 76                           | 614.93   | 15                                | 192.62   | 61                                   | 422.31   |
|         |                                              | 2016-17 | 219               | 2,227.25 | 177                          | 1,494.29 | 21                                | 161.76   | 156                                  | 1,332.54 |
|         |                                              | 2017-18 | 395               | 2,781.01 | 395                          | 2,781.01 | 54                                | 1,017.42 | 341                                  | 1,763.59 |
| 9       | Information and Publicity (2220)             | 2017-18 | 70                | 16.25    | 70                           | 16.25    | 11                                | 0.55     | 59                                   | 15.70    |
| 10      | Welfare of SC, ST, OBC and Minorities (2225) | 2017-18 | 1,272             | 107.66   | 1272                         | 107.66   | 1271                              | 107.64   | 1                                    | 0.02     |
| 11      | Labour and Employment (2230)                 | 2017-18 | 4                 | 23.07    | 4                            | 23.07    | 2                                 | 16.35    | 2                                    | 6.72     |
| 12      | Social Security and Welfare (2235)           | 2014-15 | 33                | 43.71    | 4                            | 12.28    | 2                                 | 0.75     | 2                                    | 11.53    |
|         |                                              | 2015-16 | 355               | 50.55    | 8                            | 4.77     | 2                                 | 1.42     | 6                                    | 3.35     |



|    |                                                |         |        |           |        |           |        |        |     |        |
|----|------------------------------------------------|---------|--------|-----------|--------|-----------|--------|--------|-----|--------|
|    |                                                | 2016-17 | 137    | 4.84      | 2      | 0.12      | -      | -      | 2   | 0.12   |
|    |                                                | 2017-18 | 38     | 34.20     | 38     | 34.20     | 19     | 19.52  | 19  | 14.68  |
| 13 | Crop Husbandry (2401)                          | 2017-18 | 16     | 153.98    | 16     | 153.98    | -      | -      | 16  | 153.98 |
| 14 | Soil and Water Conservation (2402)             | 2016-17 | 2      | 0.59      | 2      | 0.59      | -      | -      | 2   | 0.59   |
|    |                                                | 2017-18 | 84     | 1.20      | 84     | 1.20      | 73     | 1.00   | 11  | 0.20   |
| 15 | Animal Husbandry (2403)                        | 2016-17 | 74     | 88.02     | 33     | 1.16      | 29     | 0.96   | 4   | 0.20   |
|    |                                                | 2017-18 | 86     | 74.08     | 86     | 74.08     | 72     | 50.30  | 14  | 23.78  |
| 16 | Fisheries (2405)                               | 2017-18 | 21     | 1.42      | 21     | 1.42      | 17     | 1.28   | 4   | 0.14   |
| 17 | Forestry and Wildlife (2406)                   | 2017-18 | 3      | 10.71     | 3      | 10.71     | -      | -      | 3   | 10.71  |
| 18 | Co-operation (2425)                            | 2017-18 | 5      | 155.80    | 5      | 155.80    | -      | -      | 5   | 155.80 |
| 19 | Special Programme and Rural Development (2501) | 2015-16 | 103    | 64.19     | 26     | 8.17      | 22     | 7.07   | 4   | 1.10   |
|    |                                                | 2016-17 | 87     | 69.16     | 51     | 58.22     | 31     | 11.13  | 20  | 47.09  |
|    |                                                | 2017-18 | 112    | 135.06    | 112    | 135.06    | 57     | 29.23  | 55  | 105.83 |
| 20 | Rural Employment (2505)                        | 2014-15 | 165    | 333.36    | 3      | 1.47      | -      | -      | 3   | 1.47   |
|    |                                                | 2015-16 | 48     | 285.52    | 22     | 110.68    | 11     | 19.88  | 11  | 90.80  |
|    |                                                | 2016-17 | 7      | 218.78    | 2      | 119.22    | -      | -      | 2   | 119.22 |
|    |                                                | 2017-18 | 15     | 211.07    | 15     | 211.07    | -      | -      | 15  | 211.07 |
| 21 | Other Rural Development Programmes (2515)      | 2009-10 | 68     | 366.26    | 1      | 10.85     | -      | -      | 1   | 10.85  |
|    |                                                | 2010-11 | 48     | 267.83    | 9      | 42.83     | -      | -      | 9   | 42.83  |
|    |                                                | 2011-12 | 222    | 722.40    | 62     | 182.72    | 21     | 45.72  | 41  | 137.00 |
|    |                                                | 2012-13 | 266    | 882.65    | 63     | 172.06    | 24     | 84.04  | 39  | 88.02  |
|    |                                                | 2013-14 | 249    | 1, 263.49 | 93     | 499.76    | 17     | 29.24  | 76  | 470.52 |
|    |                                                | 2014-15 | 3, 871 | 1, 191.66 | 104    | 634.63    | 45     | 404.22 | 59  | 230.40 |
|    |                                                | 2015-16 | 3, 845 | 1, 261.94 | 169    | 583.90    | 67     | 376.10 | 102 | 207.80 |
|    |                                                | 2016-17 | 4, 166 | 2, 262.96 | 187    | 1, 238.33 | 45     | 781.49 | 142 | 456.84 |
|    |                                                | 2017-18 | 3, 652 | 1, 127.58 | 3, 652 | 1, 127.58 | 3, 550 | 501.83 | 102 | 625.75 |
| 22 | Command Area Development (2705)                | 2015-16 | 21     | 212.59    | 2      | 1.57      | -      | -      | 2   | 1.57   |
|    |                                                | 2016-17 | 20     | 154.10    | 3      | 2.33      | -      | -      | 3   | 2.33   |
|    |                                                | 2017-18 | 19     | 75.45     | 19     | 75.45     | 18     | 67.95  | 1   | 7.50   |
| 23 | Village and Small Scale Industries (2851)      | 2016-17 | 20     | 29.70     | 3      | 6.17      | 1      | 0.50   | 2   | 5.67   |
| 24 | Industries (2852)                              | 2015-16 | 28     | 31.02     | 6      | 22.30     | 5      | 18.61  | 1   | 3.69   |
|    |                                                | 2016-17 | 36     | 61.70     | 16     | 34.88     | 6      | 18.88  | 10  | 16.00  |
|    |                                                | 2017-18 | 23     | 126.50    | 23     | 126.50    | 17     | 54.61  | 6   | 71.89  |
| 25 | Non-Conventional Source of Energy (2810)       | 2017-18 | 12     | 0.71      | 12     | 0.71      | 11     | 0.70   | 1   | 0.01   |

|       |                                  |         |        |           |       |           |       |          |       |          |
|-------|----------------------------------|---------|--------|-----------|-------|-----------|-------|----------|-------|----------|
| 26    | Civil Aviation (3053)            | 2017-18 | 2      | 1.00      | 2     | 1.00      | 1     | 0.30     | 1     | 0.70     |
| 27    | Other Scientific Research (3425) | 2015-16 | 52     | 21.94     | 5     | 4.65      | 1     | 0.51     | 4     | 4.14     |
|       |                                  | 2016-17 | 37     | 13.05     | 2     | 0.83      | 1     | 0.52     | 1     | 0.31     |
|       |                                  | 2017-18 | 31     | 14.13     | 31    | 14.13     | 22    | 9.71     | 9     | 4.42     |
| 28    | Ecology and Environment (3435)   | 2014-15 | 12     | 2.17      | 1     | 0.10      | -     | -        | 1     | 0.10     |
|       |                                  | 2015-16 | 8      | 2.15      | 4     | 0.35      | 2     | 0.15     | 2     | 0.20     |
|       |                                  | 2016-17 | 4      | 1.62      | 4     | 1.62      | 2     | 1.02     | 2     | 0.60     |
|       |                                  | 2017-18 | 3      | 1.37      | 3     | 1.37      | -     | -        | 3     | 1.37     |
| 29    | Civil Supplies (3456)            | 2015-16 | 28     | 8.22      | 26    | 3.08      | 5     | 3.02     | 21    | 0.06     |
|       |                                  | 2017-18 | 14     | 0.04      | 14    | 0.04      | 13    | 0.03     | 1     | 0.01     |
| Total |                                  |         | 25,792 | 31,175.20 | 9,187 | 15,697.06 | 7,455 | 7,227.57 | 1,732 | 8,469.49 |

**The department in its written reply stated as under:**

All the MCs have been directed to submit the pending Utilization Certificates of the grants issued by the Govt. time to time. Most of the Utilization Certificates has been received from the MCs and the same is being sent to the O/o Accountant General, Haryana. Status of Utilization Certificates is as below:-

| <b>(Rs. in Crore)</b> |                                |                                     |                |
|-----------------------|--------------------------------|-------------------------------------|----------------|
| <b>Year</b>           | <b>UC's Outstanding Amount</b> | <b>UCs submitted to AG, Haryana</b> | <b>Balance</b> |
| 2012-13               | 363.13                         | 335.29                              | 27.84          |
| 2013-14               | 436.30                         | 201.39                              | 234.91         |
| 2014-15               | 458.31                         | 370.20                              | 88.11          |
| 2015-16               | 614.93                         | 467.61                              | 147.32         |
| 2016-17               | 1494.29                        | 492.90                              | 1001.39        |
| 2017-18               | 2781.01                        | 1275.54                             | 1505.47        |
| <b>Total</b>          | <b>6147.97</b>                 | <b>3142.93</b>                      | <b>3005.04</b> |

**Observations and Recommendations of the Committee as under:**

The Committee has desired that the outstanding Utilization Certificates (UCs) be obtained and submitted at the earliest and the same be got reconciled with the office of Principal Accountt General (A&E), Haryana under intimation of the Committee.

**PART III**  
**REVENUE SECTOR**  
**for the year ended 31<sup>st</sup> March, 2016**



### **EXCISE AND TAXATION DEPARTMENT**

**[73] 1.6.3 Non production of records to audit for scrutiny**

During the year 2015-16, as many as 204 assessment files and other relevant records involving tax effect of ₹939.85 crore were not made available to audit. District-wise detail of cases is given in Table 1.6.3 below.

Table 1.6.3: Details of non-production of records

| Name of the Office/<br>Department | Year in which it was to be<br>audited | Number of cases not<br>audited | Tax amount/refunds<br>(₹ in crore) |
|-----------------------------------|---------------------------------------|--------------------------------|------------------------------------|
| <b>Assessment cases</b>           |                                       |                                |                                    |
| <b>DETC (ST) Faridabad (East)</b> | 2015-16                               | 106                            | 497.87                             |
| <b>DETC (ST) Jagadhri</b>         | 2015-16                               | 98                             | 441.98                             |
|                                   | <b>Total</b>                          | <b>204</b>                     | <b>939.85</b>                      |

**The department in its written reply stated as under:**

The following files have been produced to the Audit Team of PAG office and the balance has also been traced out, same will be produced very soon.

| Name of district  | No. of files | No. of files Produced<br>(As per Field Office) | Pending   | Remarks                                                                                                                                                              |
|-------------------|--------------|------------------------------------------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Faridabad (North) | 26           | 0                                              | 26        | All the 26 assessment files pertaining to Faridabad (North) have been traced out and handed over to Audit Clerk of the district on 23.09.2021.                       |
| Faridabad (West)  | 36           | 17                                             | 19        | Efforts are being made for traceout the balance 19 cases for Ward=3, Faridabad (West). The report will be submitted at the earliest after traceout the balance file. |
| Faridabad (South) | 44           | 23                                             | 21        | Among the 44 files 23 are already submitted, 11 files have been traced and are ready for submission. Efforts being made to trace out rest 10 files.                  |
| Jagadhri          | 98           | 87                                             | 12        |                                                                                                                                                                      |
| <b>Total</b>      | <b>204</b>   | <b>127</b>                                     | <b>78</b> |                                                                                                                                                                      |

Both the districts have been directed to produce the pending files before the O/o Principal Accountant General(Audit), Haryana, Chandigarh .

**Observations and Recommendations of the Committee as under:**

During oral examination the Committee viewed the non production of record for audit scrutiny very seriously and, therefore recommends that some files out of record produced now be checked by audit and in case non production of record found to be intentional than responsibility of concerned be also fixed under intimation to the Committee.

**[74] 2.2.4 Non-disposal of attached property**

Section 67 of the PLR Act provides for disposal of attached property of the defaulters.

Audit scrutiny of records of seven offices in three Departments revealed that arrears of ₹ 207.26 crore were due for recovery up to March 2015 in 31 cases. After issuing notices, the arrears were declared recoverable as 'arrears of land revenue' between July 1992 and August 2015 and the property of the defaulters in 29 cases was attached between July 1992 and June 2015. In four cases, the dealer went into liquidation after attachment of property while in six cases physical possession of the property was with Punjab National Bank. Permission was being taken from ETC office for auction in four cases while

no action was taken by the AAs in the remaining cases. In two cases, property of defaulters was not attached as the said property had already been attached by another financial institution. Thus, delay in auctioning the attached property ranging between one year and 24 years and not taking timely action to attach/auction the attached properties resulted in accumulation of arrears of ₹207.26 crore.

On this being pointed out, DETC (Excise) Rohtak stated (June 2016) that permission was being taken to auction the attached property from Excise and Taxation Commissioner, Haryana. MO, Sonapat stated (March 2016) that efforts would be made to auction the attached property. No reply was received from the remaining offices (October 2016).

**The department in its written reply stated as under:**

It has been alluded in the para that there was a delay in auctioning the attached property. The delay ranged from one year to 24 years. This delay resulted in accumulation of arrears of Rs.207.26 Cr.

There were 31 cases in this para originally out of which 9 cases have been dropped. The dropped cases were listed at serial number 1, 2, 12, 13, 19 to 23.

The remaining cases are related to 7 dealers of three districts. The detailed reply in respect of these cases is as under:-

Serial No.3 to 7 are related to M/s Modern Machine Tools, Faridabad (North) for the F.Y. 2006-2007, 2007-08, 2008-09 and 2010-11.

1. **M/s Jamuna Fibers (P) Ltd., Bhiwani TIN A.Y. 1993-94 to 2000-01.**  
**Para dropped in scrutiny meeting held on 17.05.2020**
2. **M/s Modern Machine Tools, Faridabad (North) TIN 1112 A.Y. 2005-06.**  
**Para dropped in scrutiny meeting held on 17.05.2020**
3. **M/s Modern Machine Tools, Faridabad (N) TIN 1112 A.Y. 2006-07**
4. **M/s Modern Machine Tools, Faridabad (N) TIN 1112 A.Y. 2007-08**
5. **M/s Modern Machine Tools, Faridabad (N) TIN 1112 A.Y. 2008-09**
6. **M/s Modern Machine Tools, Faridabad (N) TIN 1112 A.Y. 2009-10**
7. **M/s Modern Machine Tools, Faridabad (N) TIN 1112 A.Y. 2010-11**

**(Reply from Sr. No. 3 to 7)**

In reply to the audit para, it is submitted that the dealer was a manufacturer of Auto and Tractor Parts and Engineering Goods since 05.07.1978 and last returns filed by the dealer were for year 2012-13. The dealer had outstanding demand pending for various years from A.Y. 2005-06 to A.Y. 2010-11 of Rs. 9087357/- the details of which are as follows.

| A.Y     | Assessment order date | Demand Raised | Recovery effected  |        | Balance due |
|---------|-----------------------|---------------|--------------------|--------|-------------|
| 2005-06 | 31.08.2012            | 99352/-       | GRN No             | Amount | NIL         |
|         |                       |               | 38633776           | 15000  |             |
|         |                       |               | 39760055           | 48511  |             |
|         |                       |               | 3863353            | 35841  |             |
|         |                       |               | Total              | 99352  |             |
| 2006-07 | 22.03.2010            | 695098/-      | Draft no. and Date | Amount | 645098/-    |
|         |                       |               | 04632,30.01.2014   | 50000  |             |
| 2007-08 | 30.03.2011            | 1533418/-     | Draft no. and Date | Amount | 1033418/-   |
|         |                       |               | 28.03.2013         | 150000 |             |
|         |                       |               | 002217, 23.03.2012 | 50000  |             |
|         |                       |               | 002232, 23.03.2012 | 100000 |             |
|         |                       |               | 005129, 23.03.2012 | 100000 |             |
|         |                       |               | 005937, 23.03.2012 | 100000 |             |
|         |                       |               | Total              | 500000 |             |
| 2008-09 | 06.03.2012            | 5468253/-     | GRN No             | Amount | 5368253/-   |
|         |                       |               | 23447720           | 100000 |             |
| 2009-10 | 25.03.2013            | 780152/-      | DCR Date           | Amount | 680152/-    |
|         |                       |               | 28.02.2014         | 100000 |             |
| 2010-11 | 11.10.2012            | 511086/-      | DCR Date           | Amount | 411086/-    |
|         |                       |               | 17.06.2013         | 100000 |             |
| Total   |                       | 90,87,359/-   | 9,49,352/-         |        | 81,38,007/- |

**Declaration of arrears as arrears under Punjab Land Revenue Act, 1887 on 27.06.2014:-** When recovery could not be effected despite several notices, the assessing authority declared the arrears as arrears under Punjab Land Revenue Act, 1887 on 27.06.2014 for Assessment Years 2005-06 to 2010-11.

**Attachment of Property under Punjab Land Revenue Act, 1887 on 25.08.2014:-** The Assessing Authority recommended for attachment of **H.No. 10, Sector-14, Faridabad** owned by M/s Modern Machine Tools & its Prop. Sh. Manmohan Singh to be attached U/s 72 of Punjab Land Revenue Act, 1887 through Collector cum D.E.T.C, Faridabad (West) on 11.08.2014 and a warrant for attachment of an estate of holding under section 72 of the Punjab Land Revenue Act, 1887 was issued on **25.08.2014** by the D.E.T.C, Faridabad (West) to Estate Officer, HUDA with clear instruction to make entry in their records not to allow transfer / Sale- purchase of this property without the NOC from D.E.T.C (West).

**Encumbrance on the Property:** - The Punjab National Bank had financed a sum of Rs. 8.00 crores to M/s Modern Machine Tools (Prop. Sh. Manmohan Singh) on 14.10.2011 and plot No. 10, Sector – 14, Faridabad along with other properties was mortgaged to secure the said loan. The account became NPA 10.07.2013 and bank-initiated action under the SARFEASI Act 2002. The bank took physical possession of the said property and it was sold off by the bank on 19.12.2014 for Rs. 2.6 crores. The firm still owed Rs. 4.62 crore to the bank for which the bank filed recovery suit against M/s Modern Machine Tools. The assessing authority had also written to the Punjab National Bank on 14.08.2014 about recovery of tax dues against M/s Modern Machine Tools.

It is evident that as the property was already mortgaged to the bank before attachment by the department and the bank sold it to recover its dues. Therefore, all efforts were made to recover the dues.

The dealer had further paid some amount against arrears of the department and now the recovery pending for various years is Rs. 8138007.

Current status is that there are no other known assets of the firm's M/s Modern Machine Tools and its proprietor Mr. Manmohan Singh.

Thus, all efforts were made by the department to recover the dues however the dealer had taken a loan against the property H.No. 10, Sector-14, Faridabad and it was already mortgaged to the bank before attachment which had preferential right as a financial creditor.

The demands against the tax dealer were raised from 22.03.2010 to 25.03.2013. The outstanding amount was declared as arrears under the Punjab Land Revenue Act on 27.06.2014. The attachment of the property was carried out on 25.08.2014. However, the property was already mortgaged to the bank before attachment. Therefore, the non-recovery cannot be attributed to the delay on the part of the authorities for declaring the arrears under the Land Revenue Act and subsequent disposal of the attached property.

You are therefore requested to please drop the audit para.



**Observations and Recommendations of the Committee as under:**

The Committee would like to know detail of efforts made for recovery during last 6 years and recommends that complete & detailed action taken report for recovery of revenue in cases ( at Sr No 3 -7) be submitted to the Committee expeditiously.

(Reply from Sr. No. 8 to 11)

8. M/s Envinix Accessories Ltd, Faridabad (N) TIN 16762 A.Y. 2007-08

9. M/s Envinix Accessories Ltd, Faridabad (N) TIN 16762 A.Y. 2008-09

10. M/s Envinix Accessories Ltd, Faridabad (N) TIN 16762 A.Y. 2009-10

11. M/s Envinix Accessories Ltd, Faridabad (North) TIN 16762 A.Y. 2010-11.

In reply to audit para it is submitted that the dealer was a manufacturer of Readymade Garments and Hosiery Goods since 03.09.1998 and discontinued business after A.Y 2010-11 and has an outstanding demand of Rs. 16,88,73,313/- for A.Y2007-08 to 2010-11 as follows: -

| Sr. No. | A.Y.     | Date of Order | HVAT      | CST        | Total       | Recovery/ Deletion                                                | Balance due |
|---------|----------|---------------|-----------|------------|-------------|-------------------------------------------------------------------|-------------|
| 1       | 2007-08  | 17.09.2010    | 0         | 643091/-   | 643091/-    | Deletion of Rs. 1,17,700/- after rectification and payment of Rs. | 125391/-    |
|         |          |               |           |            |             | DD no./ Date                                                      | Amount      |
|         |          |               |           |            |             | 480988/ 24.05.2011                                                | 100000      |
|         |          |               |           |            |             | 486006/ 15.07.2011                                                | 100000      |
|         |          |               |           |            |             | 256661/28.11.2011                                                 | 200000      |
|         |          |               |           |            |             | Total payment                                                     | 400000      |
|         |          |               |           |            |             | Rectification                                                     | 117700      |
|         |          |               |           |            |             | Total Recovery                                                    | 517700/-    |
| 2       | 2008-09  | 13.03.2012    | 2797306/- | 16130569   | 18927875/-  |                                                                   | 18927875/-  |
| 3       | 2009-10  | 29.03.2013    | 528837/-  | 31694630/- | 32223467/-  |                                                                   | 32223467/-  |
| 4       | 2010-11  | 20.02.2014    | 1387213/- | 66159773/- | 67546986/-  |                                                                   | 67546986/-  |
|         | Interest |               |           |            | 50049594/-  |                                                                   | 50049594/-  |
|         | Total    |               |           |            | 168873313/- |                                                                   | 168873313/- |

The Assessing Authority regularly pursued the recovery proceedings against the dealer but to no avail and declared the arrears as arrears under Punjab Land Revenue Act, 1857.

**Declaration of arrears as arrears under Punjab Land Revenue Act, 1887 on 01.01.2013 (for years 2007-08 and 2008-09) and 18.06.2014 (for year remaining two years i.e. 2009-10 and 2010-11):-** The arrears for A.Y 2007-08 and 2008-09 were declared as arrears of Land Revenue on 01.01.2013 and summons were issued to the dealer.

Further arrears from A.Y 2007-08 to 2010-11 were declared as arrears of land revenue on 18.06.2013 and information was sought on 27.06.2013 to Commissioner of MCF and Tehsildar of Faridabad for Verification of immovable property- Khasra No. 43 sector 45 Mewla Maharajpur, Faridabad.

**Action against Sureties:** - Letters were also written to sureties of M/s Evinix Industries, (1) Sh. Vijay Dua Partner of M/s Coaters (TIN 136762) Plot no. 2 oppsite Escorts Mujessar, Faridabad (2) Sh. Vinod Kumar prop. of M/s Master Care (TIN 1314295) and M/s Krishana Murari Lal Gupta R/o N-57 Greater Kailash Part 1, 3<sup>rd</sup> floor, New Delhi who stood as personal surety of the dealer.

**Recovery certificate under section 3 of Revenue Recovery Act 1890** against Mr. Krishan Murari Lal Gupta was sent to The Collector/SDM (Houz khas) South District Old Tehsil Building, Mehrauli New Delhi-110030 on 30.09.2013.

**Attachment of Property under Punjab Land Revenue Act, 1887 on 13.01.2014 :-** Finally warrant of attachment u/s 72 of Punjab Land Revenue Act regarding **Plot at khasra No. 43, sector 45, Mewla Maharajpur, Faridabad** for recovery and for execution was sent to The Tehsildar Faridabad on 13.01.2014 by Collector-cum D.E.T.C (ST)(West) Faridabad.

**Winding up of the company (04.04.2014):** - However, liquidation proceedings against the dealer M/s Evinix Accessories Ltd. with registered office situated at Faridabad were already under way in Hon'ble High Court of Haryana and Punjab at Chandigarh in C.P 15 of 2014. It was ordered to be provisionally wound up by Hon'ble court on 04.04.2014 and a Provisional Liquidator was appointed.

**Filing of claim before the liquidator (on 26.09.2014):** - The Assessing Authority filed statement of proof of debt (lodged claim) before Assistant official Liquidator of Rs. 11.88 crore on 26.09.2014. Further additional claim of Rs. 5 Crore against interest liability was lodged on 31.03.2016 before official Liquidator.

**Current position is that** recovery officer has been appointed and an intimation has been sent by the Assessing Authority to Sh. Awinash Chandra, office of Recovery officer-II, Debts Recovery Tribunal-II Delhi, 4<sup>th</sup> floor, Jeevan Tara Building, Parliament street New Delhi-110001 on 01.07.2019 about the claim of Rs. 16.88 crore which is owed by the dealer to the exchequer.

It is clear from the above reply that the Assessing Authority made all efforts for recovery of the arrears but the company was wound up by Hon'ble High Court and proceedings before Recovery Officer of Debt Recovery Tribunal Delhi are ongoing and whenever any amount is apportioned towards the arrears, the same will be intimated to your office.

The outstanding amount against the dealer was declared as arrears on 1.01.2013 and 18.06.2014 .The attachment was carried out on 13.01.2014. The demands against the dealers were raised in a period from 17.09.2010 to 20.02.2014. However, the company was under proceedings of winding up before Hon'ble Punjab & Haryana High Court which was provisionally wound up on 04.04.2014. The Company is under liquidation and the claim for recovery has been lodged with the liquidator. Therefore, the amount would be recovered in accordance with the orders of liquidator. So, it cannot be considered that the amount could not be recovered due to delay attachment proceedings.

Therefore, you are requested to please drop the para in light of the above facts.

**Observations and Recommendations of the Committee as under:**

The Committee observed that tax collection has considerably decreased during last two months and therefore recommends that necessary appropriate action for recovery be taken expeditiously by the department and complete detail of efforts made/to be made for recovery be submitted to the Committee at the earliest.

12. M/s Sidhi Vinayak Rice Tarori, Karnal TIN 6472233946, A.Y. 2011-12.

Para dropped in scrutiny meeting held on 17.05.2020

13. M/s Mahavir Foods Tarori, Karnal TIN 28451, A.Y. 2011-12.

Para dropped in scrutiny meeting held on 17.05.2020

14. M/s Haryana Telecom Ltd, Rohtak TIN 18169, A.Y. 2007-2008.

The dealer company M/s. Haryana Telecom Ltd. Rohtak was engaged in the business of manufacturing of Polythene Insulated Jelly Filled Telephone Cable (PIJF cable) and was registered under the HVAT Act, 2003 and CST Act, 1956 and now, the firm stands closed.

2 The Company was granted deferment of tax under the Industrialization Scheme of the Govt. of Haryana and was issued Eligibility Certificate by the Industries Deptt. of the Haryana, on the basis of which the Excise & Taxation Department granted an Entitlement Certificate.

3 The Company got itself registered with Hon'ble BIFR as Sick Industrial Unit on 18.02.1999 and it was declared a Sick unit by BIFR vide order dt. 28.06.1999 and the BIFR Scheme was approved on 09.08.2001 for rehabilitation of the Sick Unit.

4 The Assessing Authority Rohtak created demand of Rs. 29647299/- under the HVAT Act and of Rs. 67622523/- under the CST Act Total of Rs. 97269822/- on account of levy of interest under Section 23(1) of the HVAT Act, 2003 read with Section 9(2) of the CST Act, 1956 for the Assessment year 1999 -2000 to 2007-08, on the additional demand created in the original order and additional demand created by the Revisional Authority. Year wise detail of arrear is as under:

| Sr. No. | AY                                                  | Date of Order         | Principal Amount | Interest already levied in Assessment order | Total        | Interest now calculated                | Grand Total |
|---------|-----------------------------------------------------|-----------------------|------------------|---------------------------------------------|--------------|----------------------------------------|-------------|
| 1       | 1999-2000 to 2000-2001 (Balance of deferred amount) |                       | 14265000         |                                             | 14265000     | 14265000                               | 28530000    |
| 2       | 2001-2002                                           | 4.11.11 (remand Case) | 10092249 (CST)   | 17255818                                    | 27148067     | N.A. being already more than principal | 27148067    |
| 3       | 2002-2003                                           | 4.11.11 (remand Case) | 43591 (HGST)     | 157719 (HGST)                               | 201310 HGST  | N.A. being already more than principal | 201310      |
|         |                                                     |                       | 4847841 CST      | 7412110 CST                                 | 12259951 CST |                                        | 12259951    |
| 4       | 2003-2004                                           | 20.3.2007             | 3327725 CST      | -                                           | 3327725      | 3327725                                | 6655450     |

| Sr. No. | AY                         | Date of Order | Principal Amount | Interest already levied in Assessment order | Total        | Interest now calculated | Grand Total |
|---------|----------------------------|---------------|------------------|---------------------------------------------|--------------|-------------------------|-------------|
| 5       | 2004-2005                  | 3.3.2008      | 10569347 CST     | -                                           | 10569347 CST | 10569347                | 21138694    |
| 6       | 2005-2006                  | 3.3.2009      | 322103 CST       | 112691                                      | 434794       | 209412                  | 644206      |
| 7       | 2006-2007                  | 17.2.2009     | 343348 CST       | 69062                                       | 412410       | 274286                  | 686696      |
| 8       | 2007-2008                  | 29.2.2009     | 2724 HVAT        | 1195                                        | 3919         | 1529                    | 5448        |
|         | Total                      |               |                  |                                             |              |                         | 97269822    |
|         | Date of Arrear Declaration | 10.09.2013    |                  |                                             |              |                         |             |

Further, it is intimated that an amount of Rs. 10 lacs has been recovered from the Sureties. Five lacs from M/s. J.B. Industries Jhajjar Road, Rohtak (dated 26-05-2014) and Five lacs from M/s. Sunrise Chemical IDC, Hissar Road Rohtak (26-05-2014). Now, the balance out-standing arrear against the errant dealer is Rs. 96269822/-.

5 Further, it is intimated that the outstanding arrears against M/s Haryana Telecom has been declared under the Punjab Land Revenue Act, 1887 and accordingly, **Land measuring 146 Kanal 38 Marla situated at Village Kheri Sadh and Garhi Bohar, Distt. Rohtak & Building and Shed of the defaulter company have been attached by way of warrant of attachment under Section 72 of the Punjab Land Revenue Act, 1887 on 29.05.2014.**

6 Further, it is intimated that valuation of land of M/s Haryana Telecom has been made by Tehsildar Sampla and Tehsildar Rohtak. The value of land is Rs. 65290000/-.

7 Further, vide letter No. 1589/ETO/W-6 dt. 18.07.2019, XEN, Prov. Divn 2, PWD (B&R) Rohtak has been requested for valuation of building and machinery and also vide letter No. 1588/ETO/W-6 dt. 18.07.2019, worthy Deputy Commissioner Rohtak has also been requested for valuation of machinery from the District Condemnation Board.

8 The valuation of the attached land as calculated by Tehsildar Sampla and Tehsildar Rohtak. The value of land is Rs. 65290000/- and valuation of building and structure as calculated by XEN Prov. Divn 2, PWD (B&R) Rohtak of Rs. 66504000/-. In this way total land & building value comes to Rs. 131794000/-.

9 Further, vide DETC Rothak letter No. 4916/TI (W-6) dt. 17.12.2019 along with the required in Paragraph 30 of S.O. 29 having complete detail of Land and Property, Worthy ETC Haryana has been requested to grant permission for possession and auction for the said immovable property.

10 Further it is intimated that Worthy ETC Haryana vide letter No.630/ST-6/Panchkula, dated the 08.5.2020 has granted permission for auction of attached property of M/s. Haryana Telecom Ltd., Delhi Road, Rohtak TIN – 06222818169. It is important to mention here that the firm M/s. Haryana Telecom Ltd., Delhi Road, Rohtak TIN – 06222818169 is now under National Company Law Tribunal, Chandigarh since 07.2.2020 and Sh.Sanyam Goel has been appointed as Interim Resolution Professional (IRP) under the provision of Insolvency and Bankruptcy Code, 2016 for the purpose of insolvency proceedings vide

CP(IB) No.515/Chd/Chd/2019. And this office has also lodged its claim of Rs.96269822/- before the IRP on 16.3.2020 which has been duly acknowledged by the IRP through e-mail dated 16.3.2020. And this office vide letter No. 337/ETO/DSM(Ward-6) Rohtak dated 17.06.2020 has requested to issue necessary directions regarding auction of the attached property the firm M/s. Haryana Telecom Ltd., Delhi Road, Rohtak TIN – 06222818169 keeping in view of the provisions of Section 14 of the Insolvency and Bankruptcy Code, 2016 regarding moratorium for prohibiting the authority to recover the arrears or any interest by disposing of the property of the corporate debtor.

The demands against this dealer were raised in a period starting from March, 2007 to 04.11.2011. The outstanding demands were declared as arrears under the Punjab Land Revenue Act on 10.09.2013. The property was attached on 19.05.2014. The Company is under National Company Law Tribunal (NCLT) and the claim has been lodged before the IRP (Interim Resolution Professional). Since, the Company is under NCLT, non-recovery of arrears cannot be attributed to delay in attachment proceedings.

In view of this para may kindly be dropped.

**Observations and Recommendations of the Committee as under:**

**During oral examination Committee observed that there was inordinate delay in initiation of required action in the instant case (at Sr No 14 ) by the department, therefore Committee recommends that required action for recovery be completed and a complete report be submitted to the Committee within two months.**

**15. M/s Allied Perfumers P. Ltd., Rohtak TIN 6592821991, A.Y. 2008-09.**

1. The dealer was registered under the HVAT Act, 2003/ CST Act, 1956 holding TIN 06592821991 and was engaged in the business of extracting perfumes from Sandal wood and now, the firm stand closed.

2. It is intimated that during the assessment year 2008-09 to 2014-15, the Assessing Authority created an additional demand of Rs. 184.18 Cr. on account of levy of interest under Section 14(6) and Section 23 of the HVAT Act and non submission of C & F Forms under the CST Act.

| Year    | Date of Order                  | VAT        | CST       |
|---------|--------------------------------|------------|-----------|
| 2008-09 | No.810/12.01.2012              | 5457941    | 16560     |
| 2009-10 | No.89/14.03.2013               | 0          | 130848    |
| 2010-11 | No.73/31.03.2014               | 231608593  | 120500004 |
| 2010-11 | No.13/11.02.2020/JETC (R)      | 979468390  | 0         |
| 2010-11 | 12.06.2020-Levy of Interest    | 391787356  | 0         |
| 2011-12 | No.478/31.03.2015              | 1079083634 | 144707665 |
| 2012-13 | No.502/30.03.2016              | 32222934   | 28217090  |
| 2013-14 | No.400/06.03.2017              | 0          | 44452267  |
| 2014-15 | No. 2/2.5.2017                 | 0          | 13839557  |
|         | <b>Total</b>                   | 2719628848 | 351863991 |
|         | <b>Grand Total= 3071492839</b> |            |           |

3. The outstanding arrears against the defaulter dealer has been declared as arrears recoverable under the Punjab Land Revenue Act, 1887 on 21.05.2015 and accordingly, Land measuring 58 Kanal, 3 Marla situated at Village Naya Bans, Sampla, Distt. Rohtak and Building of the defaulter have been attached by way of warrant of attachment under Section 72 of the Punjab Land Revenue Act, 1887 on 03.06.2015.

4. Further, it is intimated that vide letter No. 83/TI (W-6)/Rohtak dt. 13.04.2018, No. 979/TI (W-6)/Rohtak dt. 06.08.2018 and No. 3517/TI (W-6) dt. 27.02.2019 and finally vide letter No. 602/TI (W-6) dt. 10.05.2019, Tehsildar Sampla was requested for valuation of land of M/s Allied Perfumers (P) Ltd. Accordingly, Tehsildar Sampla vide his report dt. 19.06.2019 assessed the value of the land as Rs. 1.82 Cr.

5. Further, vide letter No. 530/TI/W-6 dt. 08.05.2019, XEN, Prov. Divn 2, PWD (B&R) Rohtak has been requested for valuation of building and machinery and the same is still under process. Further, District Town Planner Rohtak was also requested vide letter No. 1174/TI (W-6) dt. 20.06.2019 for providing copy of building plan but that office replied their inability to provide the building plan for valuation purposes.

6. Further, XEN, PWD (B&R) Rohtak has again been requested vide letter No. SPL-1/ETO (W-6) dt. 19.07.2019 and Memo No. 5529 dt. 29.01.2020 for valuation of the attached building and structure. Further, XEN, PWD (B&R) Rohtak has again been requested for evaluation of the attached property. As soon as the valuation of building and machinery is received from the competent authority, the proforma S.O. 29 will be sent to ETC, Haryana for granting permission for taking possession of the attached property and auction of the immovable property of the defaulter company and accordingly proceeding of the auction of the attached land will be started for recovery of outstanding arrears due against the defaulter.

7. The demands were raised in a period starting from 12.01.2012 to 02.05.2017. The outstanding amount was declared as arrear under Punjab Land Revenue Act on 21.05.2015 and the property was attached on 03.06.2015. The process of evaluation is still not complete and is pending with XEN, PWD (B&R).

In view of the above, para may kindly be dropped.

**16. M/s Allied Perfumers P. Ltd., Rohtak TIN 6592821991, A.Y. 2010-11.**

Para not admitted.

1. The dealer was registered under the HVAT Act, 2003/ CST Act, 1956 holding TIN 06592821991 and was engaged in the business of extracting perfumes from Sandal wood and now, the firm stand closed.

2. It is intimated that during the assessment year 2008-09 to 2014-15, the Assessing Authority created an additional demand of Rs. 184.18 Cr. on account of levy of interest under Section 14(6) and Section 23 of the HVAT Act and non submission of C & F Forms under the CST Act.

| Date of Order                                  | Year    | VAT        | CST       |
|------------------------------------------------|---------|------------|-----------|
| No.810/12.01.2012                              | 2008-09 | 5457941    | 16560     |
| No.89/14.03.2013                               | 2009-10 | 0          | 130848    |
| No.73/31.03.2014                               | 2010-11 | 231608593  | 120500004 |
| No.13/11.02.2020/JETC (R)                      | 2010-11 | 979468390  | 0         |
| 12.06.2020-Levy of Interest                    | 2010-11 | 391787356  | 0         |
| No.478/31.03.2015                              | 2011-12 | 1079083634 | 144707665 |
| No.502/30.03.2016                              | 2012-13 | 32222934   | 28217090  |
| No.400/06.03.2017                              | 2013-14 | 0          | 44452267  |
| No. 2/2.5.2017                                 | 2014-15 | 0          | 13839557  |
| <b>Total</b><br><b>Grand Total= 3071492839</b> |         | 2719628848 | 351863991 |

3. The outstanding arrears against the defaulter dealer has been declared as arrears recoverable under the Punjab Land Revenue Act, 1887 on 21.05.2015 and accordingly, Land measuring 58 Kanal, 3 Marla situated at Village Naya Bans, Sampla, Distt. Rohtak and Building of the defaulter have been attached by way of warrant of attachment under Section 72 of the Punjab Land Revenue Act, 1887 on 03.06.2015.

4. Further, it is intimated that vide letter No. 83/TI (W-6)/Rohtak dt. 13.04.2018, No. 979/TI (W-6)/Rohtak dt. 06.08.2018 and No. 3517/TI (W-6) dt. 27.02.2019 and finally vide letter No. 602/TI (W-6) dt. 10.05.2019, Tehsildar Sampla was requested for valuation of land of M/s Allied Perfumers (P) Ltd. Accordingly, Tehsildar Sampla vide his report dt. 19.06.2019 assessed the value of the land as Rs. 1.82 Cr.

5. Further, vide letter No. 530/TI/W-6 dt. 08.05.2019, XEN, Prov. Divn 2, PWD (B&R) Rohtak has been requested for valuation of building and machinery and the same is still under process. Further, District Town Planner Rohtak was also requested vide letter No. 1174/TI (W-6) dt. 20.06.2019 for providing copy of building plan but that office replied their inability to provide the building plan for valuation purposes.

6. Further, XEN, PWD (B&R) Rohtak has again been requested vide letter No. SPL-1/ETO (W-6) dt. 19.07.2019 and Memo No. 5529 dt. 29.01.2020 for valuation of the attached building and structure. Further, XEN, PWD (B&R) Rohtak has again been requested for evaluation of the attached property. As soon As the valuation of building and machinery is received from the competent authority, the proforma S.O. 29 will be sent to ETC, Haryana for granting permission for taking possession of the attached property and auction of the immovable property of the defaulter company and accordingly proceeding of the auction of the attached land will be started for recovery of outstanding arrears due against the defaulter.

7. The demands were raised in a period starting from 12.01.2012 to 02.05.2017. The outstanding amount was declared as arrear under Punjab Land Revenue Act on 21.05.2015

and the property was attached on 03.06.2015. The process of evaluation is still not complete and is pending with XEN, PWD (B&R).

In view of the above, para may kindly be dropped.

**17. M/s Allied Perfumers P. Ltd., Rohtak TIN 6592821991, A.Y. 2011-12**

Para not admitted.

1. The dealer was registered under the HVAT Act, 2003/ CST Act, 1956 holding TIN 06592821991 and was engaged in the business of extracting perfumes from Sandal wood and now, the firm stand closed.

2. It is intimated that during the assessment year 2008-09 to 2014-15, the Assessing Authority created an additional demand of Rs. 184.18 Cr. on account of levy of interest under Section 14(6) and Section 23 of the HVAT Act and non submission of C & F Forms under the CST Act.

| Year    | Date of Order                  | VAT        | CST       |
|---------|--------------------------------|------------|-----------|
| 2008-09 | No.810/12.01.2012              | 5457941    | 16560     |
| 2009-10 | No.89/14.03.2013               | 0          | 130848    |
| 2010-11 | No.73/31.03.2014               | 231608593  | 120500004 |
| 2010-11 | No.13/11.02.2020/JETC (R)      | 979468390  | 0         |
| 2010-11 | 12.06.2020-Levy of Interest    | 391787356  | 0         |
| 2011-12 | No.478/31.03.2015              | 1079083634 | 144707665 |
| 2012-13 | No.502/30.03.2016              | 32222934   | 28217090  |
| 2013-14 | No.400/06.03.2017              | 0          | 44452267  |
| 2014-15 | No. 2/2.5.2017                 | 0          | 13839557  |
|         | <b>Total</b>                   | 2719628848 | 351863991 |
|         | <b>Grand Total= 3071492839</b> |            |           |

3. The outstanding arrears against the defaulter dealer has been declared as arrears recoverable under the Punjab Land Revenue Act, 1887 on 21.05.2015 and accordingly, Land measuring 58 Kanal, 3 Marla situated at Village Naya Bans, Sampla, Distt. Rohtak and Building of the defaulter have been attached by way of warrant of attachment under Section 72 of the Punjab Land Revenue Act, 1887 on 03.06.2015.

4. Further, it is intimated that vide letter No. 83/TI (W-6)/Rohtak dt. 13.04.2018, No. 979/TI (W-6)/Rohtak dt. 06.08.2018 and No. 3517/TI (W-6) dt. 27.02.2019 and finally vide letter No. 602/TI (W-6) dt. 10.05.2019, Tehsildar Sampla was requested for valuation of land of M/s Allied Perfumers (P) Ltd. Accordingly, Tehsildar Sampla vide his report dt. 19.06.2019 assessed the value of the land as Rs. 1.82 Cr.

5. Further, vide letter No. 530/TI/W-6 dt. 08.05.2019, XEN, Prov. Divn 2, PWD (B&R) Rohtak has been requested for valuation of building and machinery and the same is still under process. Further, District Town Planner Rohtak was also requested vide letter



No. 1174/TI (W-6) dt. 20.06.2019 for providing copy of building plan but that office replied their inability to provide the building plan for valuation purposes.

6. Further, XEN, PWD (B&R) Rohtak has again been requested vide letter No. SPL-1/ETO (W-6) dt. 19.07.2019 and Memo No. 5529 dt. 29.01.2020 for valuation of the attached building and structure. Further, XEN, PWD (B&R) Rohtak has again been requested for evaluation of the attached property. As soon As the valuation of building and machinery is received from the competent authority, the proforma S.O. 29 will be sent to ETC, Haryana for granting permission for taking possession of the attached property and auction of the immovable property of the defaulter company and accordingly proceeding of the auction of the attached land will be started for recovery of outstanding arrears due against the defaulter.

7. The demands were raised in a period starting from 12.01.2012 to 02.05.2017. The outstanding amount was declared as arrear under Punjab Land Revenue Act on 21.05.2015 and the property was attached on 03.06.2015. The process of evaluation is still not complete and is pending with XEN, PWD (B&R).

In view of the above, para may kindly be dropped.

**Observations and Recommendations of the Committee as under: (sr no 15 to 17)**

**During oral examination Committee observed that there was delay in initiation/completion of required action in the case(s) and therefore recommends that complete & detailed report be submitted to Committee and responsibility of concerned officers, if warranted, be also fixed under intimation to Committee.**

**18. M/s Gaurav Pharma Ltd., Rohtak TIN 06692821063, A.Y. 2009-10**

1. The dealer M/s Gaurav Pharma Ltd., Rohtak TIN-06692821063 was registered under the HVAT Act, 2003/the CST Act, 1956 and was engaged in the business of manufacturing of pharmaceutical preparations and now the firm stands closed.

2. During the year 2009-10 to 2011-12, it is intimated that the additional demand of Rs 32483915/- was created against the dealer and the outstanding arrears has been declared under the Punjab Land Revenue Act, 1887 and accordingly, Land measuring 3 Kanal, 7 Marla situated at Mauza Garhi Sampla, Distt. Rohtak and Building of the defaulter have been attached by way of warrant of attachment under Section 72 of the Punjab Land Revenue Act, 1887 on 20.11.2013.

| Year    | Date of Order    | Date of Arrear Declaration | VAT             | CST      |
|---------|------------------|----------------------------|-----------------|----------|
| 2009-10 | No.30/12-11-2012 | 10.09.2013                 | 0               | 4605826  |
| 2010-11 | No.48/03-12-2012 |                            | 14000000        | 6950221  |
| 2011-12 | No.79/10-01-2013 |                            | 0               | 19527868 |
|         |                  | Total                      | 1400000         | 31083915 |
|         |                  | <b>Grand Total</b>         | <b>32483915</b> |          |

3. Further, it is intimated that vide letter No. 66/TI (W-6)/Rohtak dt. 04.04.2019, Tehsildar Sampla was requested for valuation of land of M/s Gaurav Pharma Ltd. and the same is still pending. Further, vide letter No. 198/TI (w-6) dt. 04.05.2016, No. 1529/ETO/W-6 dt. 19.06.2016, No. 3574/TI (W-6)/Rohtak dt. 28.02.2019, XEN, Prov. Divn 2, PWD (B&R) Rohtak has been requested for valuation of building and the same is still under process. Further, XEN, PWD (B&R) Rohtak vide his letter No. 1282 dt. 03.04.2019 intimated that the building at this stage cannot be evaluated as this property is under lock and seal of the Punjab and Sindh Bank.

4. Further, this office vide letter No. 4289/ETO (W-6) dt. 28.03.2019, has directed the General Manager/Authorized officer, Punjab & Sindh Bank, (A Government of India Undertaking), BO, H-Block, Cannaught Place, Delhi-110001 for handing over the possession of the property of the defaulting company to the Excise & Taxation Deptt. so that auction of the attached property may be initiated.

5. The Assessing Authority is in touch with the Tehsildar Sampla and XEN, PWD for valuation of Land and Building of the defaulter. As soon as, the valuation of Land and Building of the defaulter is received from the Competent Authority, the proforma S.O. 29 will be sent to ETC, Haryana for granting permission for auction of the immovable property of the defaulter company and accordingly proceeding of the auction of the attached land will be started for recovery of outstanding arrears due against the defaulter.

6. The demand against the dealers was raised in a period from 12.11.2012 to 10.01.2013. The outstanding amount was declared as arrears on 10.09.2013. The property was attached on 20.11.20213. The process of evaluation of the property is under progress. Therefore, there is no undue delay on the part of the authorities so the para may be dropped.

In view of the above, para may kindly be dropped.

**Observations and Recommendations of the Committee as under:**

**During oral examination Committee observed that request for valuation of property was sent to revenue authorities with inordinate of delay 6 years from declaration as arrear recoverable PLR Act and therefore the Committee recommends that responsibility of concerned be fixed for lapse and strict action be taken in a time bound manner under intimation to the Committee.**

**(Reply From Sr. No. 24 to 27)**

**19. M/s Haryana Telecom Ltd, Rohtak TIN 18169, A.Y. 2007-2008 (Reaped).  
Para dropped in scrutiny meeting held on 07.01.2020.**

**20. M/s Allied Perfumers P. Ltd., Rohtak TIN 6592821991, A.Y. 2008-09  
(Reaped).  
Para dropped in scrutiny meeting held on 07.01.2020.**

**21. M/s Allied Perfumers P. Ltd., Rohtak TIN 6592821991, A.Y. 2010-11  
(Reaped).  
Para dropped in scrutiny meeting held on 07.01.2020.**

22. **M/s Allied Perfumers P. Ltd., Rohtak TIN 6592821991, A.Y. 2011-12 (Reaped)**  
**Para dropped in scrutiny meeting held on 07.01.2020.**
23. **M/s Gaurav Pharma Ltd., Rohtak TIN 6592821991, A.Y. 2011-12.**  
**Para dropped in scrutiny meeting held on 07.01.2020.**
24. **M/s Temptation Foods, Ltd. Sonapat TIN 14363, A.Y. 2007-08.**
25. **M/s Temptation Foods, Ltd. Sonapat TIN 14363, A.Y. 2008-09.**
26. **M/s Temptation Foods, Ltd. Sonapat TIN 14363, A.Y. 2009-10.**
27. **M/s Temptation Foods, Ltd. Sonapat TIN 14363, A.Y. 2010-11.**

In reply to audit para it is submitted that the firm was engaged in manufacturing of Marine Foods and Recipe Food. It was functional from 13.11.2007 & stand cancelled w.e.f. 02.05.2014 vide AA's order dated 15.07.2015. An additional demand was created because cases were decided ex-parte as the dealer failed to respond the notices of this office. The details of additional demand created are as under:-

| <b>A. Year</b> | <b>Date of order</b> | <b>Additional demand in Rs.</b> | <b>Date of arrear declared under PLRA</b> | <b>Arrear recovered in Rs.</b> |
|----------------|----------------------|---------------------------------|-------------------------------------------|--------------------------------|
| 2007-08        | 11.03.2011           | 85933                           | 12.12.2012                                | 0                              |
| 2008-09        | 29.03.2012           | 42764700                        | 12.12.2012                                | 0                              |
| 2009-10        | 15.03.2013           | 10335466                        | 17.06.2013                                | 0                              |
| 2010-2011      | 19.11.2013           | 2589459                         | 03.02.2014                                | 0                              |
| <b>Total</b>   |                      | <b>55775558</b>                 |                                           | <b>0</b>                       |

It is submitted that the arrear has already been declared as arrear of Punjab Land Revenue Act as per aforementioned dates. The firm property located at Vill. Rathdhana, Sonapat was attached u/s 72 of Punjab Land Revenue on 18.09.2013. Subsequently the valuation of land of M/s Temptation Foods Ltd. Sonapat has been done by the Tehsildar, Sonapat. The Land of M/s Temptation Foods Ltd Sonapat is valued of Rs.5,05,98,750/-.

The United Bank of India vide their letter No. HOT/ADV/TFL/IT/80/2013 dated 02.12.2013 informed that assets of above company are charged to their Bank alongwith Export-Import Bank of India and SBI Global Factors Limited by way of pari-passu first charge. In addition it was conveyed that Bank has initiated recovery measures under the provision of SARFEASI Act, 2002 and the assets of the company are in physical possession of authorised officer.

Subsequently in response of attachment made by this office, the Bank vide their letter ARMB(Mumbai) /PFL/234/14-15 dated 24.07.2014 conveyed that the property which have been attached are collateral securities of the Bank and charge of Bank has been registered with ROC in respect of property as such the said order of attachment should be withdrawn.

Presently the land and building of the firm is in possession of United Bank of India. A letter has been written to bank vide memo no- 7939/ TI (W-2) dated 25.01.2019 to send the demand draft of outstanding dues of Rs.5,57,75,558/- against the firm after completion of auction process. In response, Bank vide their letter 1071/ SAMB/Temptation/2018-19 dated 31.01.2019 intimated that they have not yet auctioned the land and building.

Further written request has been sent to bank vide memo no 786/ TI (W-2) dated 15.05.2019 to expedite the process of auction so that outstanding amount against can be recovered. In response, Bank vide their letter SAMB/Temptation/158/2019-20 dated 11.06.2019 intimated that auction of said land and building is under process and they will intimate as soon as process of auction will be materialized and would remit the surplus money if any to this office after realising their dues.

To expedite the process a reminder vide this office memo No. 8126/TI (W-2) dated 05.02.2020 has been written to the Bank regarding present status of the auction process. In this regard the Bank has intimated vide his office letter No. 648/19-20 dated 12.02.2020 that after completion of auction process, surplus amount if any will be remitted to this office after realisation of lender's dues.

The outstanding amounts against the dealer were raised from 11.03.2011 to 15.03.2013. The outstanding amounts were declared as arrears on different dates in a period from 12.12.2012 to 03.02.2014. The property was attached on 18.09.2013. The property is already under the possession of United Bank of India. The claim has been lodged. Therefore, it cannot be attributed that the delay in attachment proceedings led to the non-recovery of the arrears. Para may be dropped.

**Observations and Recommendations of the Committee on (Sr No 24 to 27) as under**

**During oral examination Committee desired to know detail of balance amount to be payable to bank by the firm and department agreed to submit the same . Committee therefore, recommends that complete detail of efforts made for recovery be submitted to the Committee at the earliest.**

- 28. M/s Victoria Manufacturing and Packing P. Ltd., Sonapat TIN 11951, A.Y. 2005-06.**
- 29. M/s Victoria Manufacturing and Packing P. Ltd., Sonapat TIN 11951, A.Y. 2006-07.**
- 30. M/s Victoria Manufacturing and Packing P. Ltd., Sonapat TIN 11951, A.Y. 2007-08.**
- 31. M/s Victoria Manufacturing and Packing P. Ltd., Sonapat TIN 11951, A.Y. 2008-09.**

**(Reply from Sr. No. 28 to 31)**

In reply to audit para it is submitted that the firm was engaged in manufacturing of Food and Beverage, Pickles, Jams. The firm functional from 17.08.2004 & stand cancelled w.e.f. 01.04.2010 vide order dated 21.03.2016. An additional demand was created because cases were decided ex-parte in view that the assessment of relevant year was approaching to time barring and the dealer failed to respond the notices of this office. The detail of additional demand created are as under:-

| Assessment Year | Date of order | Additional demand in Rs. | Date of arrear declared under PLRA | Arrear recovered in Rs. |
|-----------------|---------------|--------------------------|------------------------------------|-------------------------|
| 2005-06         | 06.03.2009    | 49480                    | 17.09.2012                         | 0                       |
| 2006-07         | 10.03.2010    | 2112084                  | 17.09.2012                         | 0                       |
| 2007-08         | 25.03.2011    | 3155295                  | 17.09.2012                         | 0                       |
| 2008-09         | 09.03.2012    | 3237340                  | 17.09.2012                         | 0                       |
| <b>Total</b>    |               | <b>8534236</b>           |                                    | <b>0</b>                |

It is submitted that the arrear has already been declared as arrear of Punjab Land Revenue Act as per aforementioned date. The firm property located at plot no 341, Sector 53, EPIP, HSIDC Kundli Sonapat was attached u/s 72 of Punjab Land Revenue on 17.09.2012.

The IDBI Bank vide their letter No. IDBI/NMG/960/VMPPL/16-17 dated 22.02.2017 informed that the property at Plot NO. 341, Sector 53, EPIP, HSIDC Kundli Sonapat was mortgaged by Smt. Sheela Devi on 27.08.2008 by deposit of original title deed in respect of the said property with IDBI Bank towards the loan facility of Rs. 890 lacs sanctioned by IDBI Bank. Further, As per Section 26 E of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act), the secured creditors now have the priority over all other debts and all revenues, taxes, and other rates payable to the Government or local authorities.

Further IDBI Bank vide their letter IDBI/NMG/VMPPL/17-18 dated 29.12.2017 received in this office on 09.02.2018 has intimated that they would remit the surplus money if any to this office after completion of auction process. A reminder vide this office memo No. 9511/TI (W-1) dated 01.07.2020 has been written to the concerned Bank regarding present status of the case.

The demand against the dealer was raised in the period from 6.3.2009 to 9.03.2012. The arrears were declared under Punjab Land Revenue Act on 17.09.2012. The property was attached on 17.09.2012. The property stands mortgaged to IDBI Bank. The claim before the bank has been lodged. Therefore, there was no significant delay and being non-recovery cannot be attributed to the delay in the attachment proceedings..

#### **Observations and Recommendations of the Committee as under ( Sr. No .28 to 31)**

**During oral examination Committee observed that in most of the cases property of defaulting firm(s) was already mortgaged with the bank. Committee, therefore recommends that complete detail of cost of property of firms mortgaged by bank , amount payable to bank and arrear to be recovered from firm(s) etc. be submitted and process of recovery be expedited under intimation to Committee.**

**[75] 2.2.5 Deletion of demand against false forms**

As per instructions issued by Government of Haryana on 14 March 2006 and 16 July 2013, intra-State or inter-State transactions of more than Rupees one lakh were to be verified before allowing the benefit of tax/concession to the dealer. Further Sections 5(3), 6A and 8 (4) of the Central Sales Tax Act, 1956 (CST Act), provide for levy of nil/concessional rate of tax on sales made against declaration forms H, F, E-1 and C respectively. Under Section 38 of HVAT Act, penalty is leviable for submitting wrong accounts/information/ documents to evade payment of tax. Benefit of concession against declaration forms is allowable only against original copy of forms.

Audit scrutiny of records of four offices of Sales Tax revealed that the AAs finalised the assessments (rectification) of 10 dealers between November 2013 and March 2015 for the assessment years 2010-11 and 2012-13 and allowed benefit of consignment sale/inter-State sale at concessional rate of tax against forms "F" and "C" respectively worth ₹23.93 crore and deleted the arrears of ₹1.86 crore. On verification by audit from the Tax Information Exchange System (TINXSYS)/ concerned Authorities, the said forms were found to be not genuine. Allowing benefit of consignment sale/concessional rate of tax against such false declarations resulted in erroneous deletion of arrears of ₹1.86 crore. In addition, penalty of ₹5.57 crore under section 38 of HVAT Act was also leviable.

**The department in its written reply stated as under:**

**Observations of the Department**

Audit has pointed out that the Assessing Authorities in respect of Districts Bhiwani, Faridabad(W), Gurugram(E) and Rohtak have allowed benefit of consignment sale/Inter-State sale at concessional rate of tax against Form 'F' and 'C' respectively worth Rs. 23.93 Crore and deleted arrears of Rs. 1.86 Crore in case of 10 dealers for the years 2010-11 & 2012-13 in addition to penalty of Rs. 5.57 Crore u/s 38 of the HVAT Act, 2003. On verification by the audit from TINXSYS/concerned authorities, the said forms were not found genuine. Audit further pointed out that allowing benefit of consignment sale/concessional rate of tax against false declaration resulted in erroneous deletion of arrears of Rs. 1.86 Crore in addition to penalty of Rs. 5.57 Crore u/s 38 of the HVAT Act, 2003.

**The observation of the audit are admitted in case of 9 dealers.**

It is mentioned that the provisions of Section 5 (3), 6 (A) and 8 (4) of the Central Sales Tax Act provide for levy of NIL/concessional rate of tax made against declaration forms i.e. 'F', 'C' etc. If on verification, these declaration forms are found ingenuine/fake, penalty is leviable u/s 38 of the HVAT Act, 2003.

Audit has pointed out discrepancies in case of 4 districts but on examination of audit para, discrepancies are noticed in case of below 6 districts.

The summary of the audit paras are given as under:-

| Sr. No.      | Name of Districts | No. of dealers alongwith detail of Forms at different Sr. Nos. | Demand created     | Demand recovered   | Balance arrear     |
|--------------|-------------------|----------------------------------------------------------------|--------------------|--------------------|--------------------|
| 1            | 2                 | 3                                                              | 4                  | 5                  | 6                  |
| 1            | Bhiwani           | 1 (Sr. No. 1)                                                  | 4,90,887           | -                  | 4,90,887           |
| 2            | Faridabad(W)      | 4 (Sr. No. 1-14)                                               | 2,49,54,984        | 1,15,12,358        | 1,34,42,626        |
| 3            | Gurugram (E)      | 3 (Sr. No. 18-24 & 26)                                         | 2,13,38,763        | -                  | 2,13,38,763        |
| 4            | Gurugram (S)      | 1 (Sr. No. 25)                                                 | -                  | -                  | Genuine 'C' Form   |
| 5            | Rohtak            | 1 (Sr. No. 27)                                                 | 29,86,762          | 29,86,762          | -                  |
| 6            | Sonepat           | 11 (Sr. No. 28-38)                                             | 6,09,400           | -                  | 6,09,400           |
| <b>Total</b> |                   |                                                                | <b>5,03,80,796</b> | <b>1,44,99,120</b> | <b>3,58,81,676</b> |

Acting upon the observations of audit, the following facts have emerged:-

- (i) Out of 10 dealers, the observations of the audit are admitted in case of 9 dealers (except at Sr. No. 25).
- (ii) The re-assessment has been framed in case of 7 dealers and a demand of Rs. 5,03,80,796/- has been created including tax and penalty.
- (iii) An amount of Rs. 1,44,99,120/- has been recovered out of the demand created in these cases.
- (iv) In case of one dealer of Sonepat i.e M/s O.S. Foods Pvt. Ltd., Sonepat, there is involvement of 11 F Forms. Eight Forms pertain to assessment year 2011-12 and 3 Forms pertain to assessment year 2012-13. Re-assessment has been framed for the assessment year 2011-12. In the absence of report of verification the action is pending in case of 3 Forms of assessment year 2012-13.
- (v) In case of one dealer of Faridabad (West) M/s Jotindra Steel & Tubes Ltd. The dealer has submitted a valid F Form duly verified in lieu of earlier submitted Form. He has also deposited the amount of tax involved in the transaction which comes to Rs. 74,506/-.
- (vi) Verification report in case of one dealer i.e M/s Samridhi Techno Product, Faridabad (West) in which the verification report from Rajasthan is pending. In this regard, the concerned State Authority has informed that due to shifting of office, record is not available and the information would be sent as and when the record is available.

As regards recovery of balance arrears, it is mentioned that recovery/collection of taxes is ongoing process of the department which will be recovered in due course.

**For the recovery of balance arrear, the department has initiated the following steps:-**

1. The detailed "procedure; for the recovery of arrears under HVAT Act, Revenue Act and Punjab Land Revenue Act has been circulated vide Head office Endst. No. 2423/ST-6, dated 09.10.2015 and again circulated on 28.05.2019 for the convenience of officers.
2. The details of arrears above Rs. 5 Lacs was got prepared in the Head office by the field officers and for the purpose of monitoring of arrears, Database has been maintained in the Head office. The details of 7807 such dealers have been prepared. Out of these 7807 dealers, the details of 4713 dealers were passed on to the field officers for taking action for recovery of arrears outstanding against such dealers because these dealers have migrated to GST and are live dealers. The details of Bank accounts of such dealers have also been provided to the field officers.
3. Head office has also sent teams of officers to the other States for the verification of pending declarations forms i.e. 'C', 'F' etc. under the CST Act. The verification received from the other States has been passed on to the concerned Districts for rectification and deletion of outstanding arrears under the CST Act.
4. ETC, Haryana has deputed Range-wise Administrative Heads to Additional ETC's for the purpose of reviewing the status of recovery of old arrears in particular.
5. In the monthly review meeting, W/ACSE&T and ETC also reviewed Range-wise Status of arrears and also checked the maintenance of recovery files particularly of arrears more than Rs. 5 Lacs.
6. For the purpose of monitoring and supervising of recovery of arrears, Recovery Cell has been constituted at the level of Head office, Range and districts which suggest officers the legal procedure for the recovery of arrears.

**The firm wise detailed replies are given as under:-**

**1. M/s Shree Giri Raj Exim, Bhiwani TIN 6961110465, A.Y. 2010-11.**

Audit has pointed out that Assessing Authority has allowed concessional rate of tax against 'C' Form amounting to Rs. 11,55,031/- during the assessment year 2010-11 against ingenuine 'C' Forms resulting into non levy of tax of Rs. 1,31,067/- in addition to penalty of Rs. 3,93,201/-.

It is mentioned that the original assessment in this case was framed on 27.03.2014. After pointing out the issue by the audit, the department got verified 'C' Form no. 15P 720320 from the concerned authority of the other State i.e. Delhi. After receipt of adverse verification from the concerned State, the re-assessment proceedings were initiated and finalized on 28.09.2018 creating a demand of Rs. 4,90,887/-. Tax Demand Notice along with the assessment order has been served upon the dealer via substitute service on



23.07.2019. The notice to one of the sureties i.e. M/s. Bhagirath Mal Pawan Kumar, Bhiwani TIN No. 06261100956 has been issued for 25.07.2019. The registration certificate of the another surety i.e. M/s. Garg Trading Co. holding TIN No. 06691103096 has been cancelled on 16.06.2014 w.e.f. 25.03.2014. The business premises of the dealers were on rent. The recovery notice has been issued to the dealer on 03.10.2019 and arrears have been declared to be recoverable under Punjab Revenue Land Act, 1887. The summons were last issued on 05.11.2019 for 20.11.2019 to the dealer. The letters were also sent to Tehsildar, E.O., Municipal Committee and Estate Officer, HUDA, Bhiwani on 29.01.2020 to provide details of properties of the dealer. Vide letter No. 613/FKGO dated 12.03.2020 Tehsildar, Bhiwani has replied that no property is traceable in the name of Sh. Anand Aggarwal S/o Sh. Shyam Lal Aggarwal R/o Bhiwani. The dealer is not traceable. The proceeding for recovery of arrear from the sureties is on and the final status would be intimated to the audit after recovery. The para may please be dropped in the light of above submissions.

#### **Observations and Recommendations of the Committee as under**

During oral examination department stated that notice has been served to one of the sureties and recovery is under process.

**Committee, therefore recommends that recovery be effected expeditiously under intimation to Committee.**

2. M/s JSC Ispat Faridabad (W) TIN 06401306131, 2012-13 'F/C' form No. PB/A.A./C 1999961.
3. M/s JSC Ispat Faridabad (W) TIN 06401306131, 2012-13 F/C' form No. PB/A.A./C 1999962.
4. M/s JSC Ispat Faridabad (W) TIN 06401306131, 2012-13 F/C' form No. PB/A.A./C 1999963.
5. M/s JSC Ispat Faridabad (W) TIN 06401306131, 2012-13 F/C' form No. PB/A.A./C 1999964.
6. M/s JSC Ispat Faridabad (W) TIN 06401306131, 2012-13 F/C' form No. PB/A.A./C 1999965.
7. M/s JSC Ispat Faridabad (W) TIN 06401306131, 2012-13 F/C' form No. PB/08F 6811376.
8. M/s JSC Ispat Faridabad (W) TIN 06401306131, 2012-13 F/C' form No. PB/A.A./C 1458712.
9. M/s JSC Ispat Faridabad (W) TIN 06401306131, 2012-13 F/C' form No. PB/A.A./C 0789806.
10. M/s JSC Ispat Faridabad (W) TIN 06401306131, 2012-13 F/C' form No. PB/A.A./C 0789805.

#### **(Reply from Sr. No. 2 to 10)**

The brief facts of this case are that the audit party raised doubt regarding genuineness of F-forms worth Rs.1,35,17,132/- submitted by the dealer for concessional rate of tax.

In reply to audit memo, it is mentioned that the verification of the statutory declarations i.e. Form 'F' has been received from the concerned department. The

declarations Forms in question are not issued by the concerned office. On the basis of aforesaid report, the re-assessment order was passed on dated 25.10.2017 and served upon the dealer on 15.11.2017. In the re-assessment order, tax of (Rs.3379283/-) and penalty (Rs.10137849/-) under CST Act is assessed. Thereafter, the dealer preferred an appeal before the First Appellate Authority but due to non compliance of Section 33 (5) of HVAT Act, 2003, the appeal was rejected. Later on, the dealer preferred an appeal before HTT. HTT remanded the case back to the First Appellate Authority, Faridabad vide its order dated 26.02.2019 in STA 388/2018-19 for allowing the dealer to submit fresh surety bonds in compliance of Section 33 (5) of HVAT Act. The date of hearing before 1<sup>st</sup> Appellate Authority was 22.07.2019 and **now the case is fixed for 04.02.2020 before Jt. Excise & Taxation Commissioner (Appeal), Faridabad.**

**Observations and Recommendations of the The committe as under ( Sr no 2 to 10)**

**During oral examination department agreed that firm in the instant case was bogus one and assured to issue show cause notice to negligent officers in this case. The committe ,therefore recommends that strict action be taken against negligent officers under intimation to the committe.**

- 11. M/s Jotindra Steel & Steel & Tubes Ltd, Faridabad (W) TIN 06551305903, A.Y. 2011-12 F/C' form No. PB/A.A./C 234522.**

**The observation of the audit are admitted.**

The original assessment in this case was framed on 31.03.2015. The audit pointed out that two 'F' Forms amounting to Rs. 25769657/- were ingenuine. On being confronted the facts to the dealer, he submitted another 'F' Form bearing no. 13344675540316 for equal amount in lieu of the earlier form submitted at the time of original assessment.

The new 'F' Form has been issued online and also verified by the concerned deptt. Regarding other 'F' Form bearing No. PB/AA/C 234522 issued by M/s Aggarwal Ispat Udyog Ludhiana TIN 03252034733, letter for verification has been sent but reply is still awaited. **However, the dealer has deposited the amount of tax involved in the transaction which comes to Rs. 74,506/- vide GRN No. 52374300 dated 05.07.2019.**

In view of the above, the audit para may be dropped.

**Observations and Recommendations of the The committe as under ( Sr no 11)**

**During oral examination The committe recommends that required appropriate action in the case be taken expeditiously and a status report be submitted to the committe from time to time .**

- 12. M/s Exxon Mobile & Lubricant P. Ltd., Faridabad (W) TIN 06041313507, A.Y. 2010-11 F/C' form No. PB/A.A./C 7318941.**

**Para dropped in scrutiny meeting held on 17.05.2020.**

- 13. M/s Samridhi Techno Product Faridabad (W) TIN 06201328260, A.Y. 2012-13 F/C' form No. R/C/2009 3019827.**
- 14. M/s Samridhi Techno Product Faridabad (W) TIN 06201328260, A.Y. 2012-13 F/C' form No. R/C/2009 5236741.**

**(Reply of Sr. No. 13 & 14)**

The original assessment in this case was framed on 14.11.2013. Audit pointed out that the above 'C' Form is genuine. On receipt of observations of the audit, the letters on dated 23.08.2016, 18.02.2019 & 04.06.2019 were issued. Finally, to get the verification at the earliest from the O/o ACTO Bhiwadi (Rajasthan), Sh. Subhash Mehta, T.I. on dated 23.07.2019 was deputed to collect the verification report. In response to this, ACTO vide his letter No. Spl-1, dated 23.07.2019 informed that due to shifting of office record is not available so as and when record is available information will be sent in due course. **As and when the verification report is received from the concerned authority, the process for re-assessment will be initiated in case of any adverse report.**

**Observations and Recommendations of the The committee as under ( Sr. no. 13 to 14)**

**During oral examination The committee directed that reassessment of the case be got done and further recommends that required appropriate action in the case be taken expeditiously and a status report of progress made be submitted to the committee from time to time .**

15. **M/s Sandy Machinery and Tools Co. P. Ltd., Gurgaon (East) TIN 6481828238, 2011-12 'C' form No. R/C/2011 4555252.**
16. **M/s Sandy Machinery and Tools Co. P. Ltd., Gurgaon (East) TIN 6481828238, 2011-12 'C' form No. R/C/2011 4555251**
17. **M/s Sandy Machinery and Tools Co. P. Ltd., Gurgaon (East) TIN 6481828238, 2011-12 'C' form No. R/C/2011 3666583.**

**(Reply from Sr. No. 15 to 17)**

The audit party, raised an objection that the dealer was allowed benefit of concessional rate of tax against 'C' forms under CST Act, 1956. From the scrutiny of 'C' forms, it was revealed that 'C' forms worth Rs.4,67,86,510/- were not genuine as these differed in printing, colour & quality of paper, water mark and stamp of issuing office from original forms. On verification on TINXSYS, these forms were found issued by the concerned Departments in favour of other dealers. This resulted in tax effect of Rs.60,82,245/- (Tax – Rs.15,20,561 i.e. 3.25% (5.250-2) of Rs.4,67,86,510 + penalty – Rs.45,61,684).

It is mentioned that the original assessment in this case was framed on 04.08.2014 creating a demand of Rs. 2,07,052/- and Rs. 56,28,617/- under HVAT and CST respectively. Later on, assessing authority rectified the order on submission of 'C' Forms of Rs. 17,18,24,943/-. During the audit, it was pointed out that 'C' Forms of Rs. 4,67,86,510/- out of above 'C' forms were not genuine. On the basis of this information re-assessment proceedings was initiated and re-assessment was framed vide order dated 27.12.2016 wherein additional demand of Rs. 85,56,071/- was created. Besides this, an FIR was also been lodged against the dealer u/s 10A of the CST Act, 1956 at Udyog Vihar, Police Station, Gurugram and charge sheet in the present case has been submitted by the investigating agency which is pending at district court, Gurugram.

In view of the above, audit para may kindly be dropped.

**Observations and Recommendations of the The committe as under ( Sr no 15 to17)**

During oral examination department stated that neither dealer nor surety in the case was traceable so it has been decided that a FIR be lodge .

**The committe ,therefore recommends that required appropriate action in the case be taken expeditiously and a status report of progress made be submitted to the the committe from time to time.**

18. M/s B.R. Kaushik Sales P. Ltd., Gurgaon (East) TIN, 2012-13 'C' form No. EE No. 053615.
19. M/s B.R. Kaushik Sales P. Ltd., Gurgaon (East) TIN 2012-13 'C' form No. EE No. 053616.
20. M/s B.R. Kaushik Sales P. Ltd., Gurgaon (East) TIN 2012-13 'C' form No. EE No. 053617.
21. M/s B.R. Kaushik Sales P. Ltd., Gurgaon (East) TIN 2012-13 'C' form No. EE No. 053618.
22. M/s B.R. Kaushik Sales P. Ltd., Gurgaon (East) TIN 2012-13 'C' form No. EE No. 053619.
23. M/s B.R. Kaushik Sales P. Ltd., Gurgaon (East) TIN 2012-13 'C' form No. EE No. 053620.
24. M/s B.R. Kaushik Sales P. Ltd., Gurgaon (East) TIN 2012-13 'C' form No. EE No. 053621.

**(Reply from Sr. No. 18 to 24)**

In reply to the audit para, it is intimated that during audit of the assessment year 2012-13 of the above firm, audit party pointed out that additional demand of Rs.31,95,673/- was created by the Assessing Authority vide order dated 25.11.2014. However, while making rectification in February 2016, this demand was deleted by the Assessing Authority against production of 'F' Form by the dealer. The audit party made verification from Superintendent of Tax and Excise, West Siang District, Aallo, Arunachal Pardesh, who reported that M/s Purvanchal Trading Agency (Issuing dealer of 'F' form) was not registered in that office. After receiving the verification report regarding genuineness of 'F' forms through letter no. WS/VAT-01/13-14 (Vol-II) /1257 dated 9/02/2016 from the Superintendent of Tax and Excise, West Siang District, Aalo, Arunachal Pardesh it got revealed that M/s Purvanchal Trading Agency was not registered in that office. On suspicion, notice dated 23/05/2019 u/s 9(2) of the CST Act r/w Section 17 of the HVAT Act for re-assessment along with penalty notice u/s 9(2) of the CST Act r/w Section 38 of the HVAT Act was served upon the dealer, for appearance on 04/06/2019. In the absence of any documents and reply from the dealer, the case was ex-parte decided on 04/06/2019 and tax of Rs.31,95,673/- alongwith penalty of Rs.95,87,019/- was imposed on the dealer. Copy of the order alongwith TDN of Rs.1,27,82,692/- was issued and served upon the dealer through E-mail on 26.07.2019. The firm stands closed since long and the Registration Certificate of the firm was cancelled on 31.12.2015. The re-assessment order and TDN has also been sent to the last known address of the firm, through the registered post on 29.06.2020. Letters dated 06.02.2020 and 07.02.2020 have also been sent to The Commissioner Income Tax Department, Gurugram and The Commissioner Income Tax Department, Delhi to locate the

bank accounts of the firm though PAN of the firm. Efforts are being made to trace out the dealer so that recovery of arrear can be effected. In view of the above, the para may please be dropped.

**Observations and Recommendations of the The committe as under ( Sr no 18-24)**

During oral examination department stated that neither dealer in the case was not traceable so a FIR has been lodge and chrgsheet filed in District court Gurugram

**The committe ,therefore recommends that required appropriate action in the case be further taken expeditiously and a status report regarding progress made be submitted to the the committe from time to time .**

**25. M/s Skoda Auto India P. Ltd., Gurgaon (South) TIN 6481828238, 2011-12 'C' form No. HP/A2B 2833203.**

It is submitted that the notice for reassessment u/s 17 of HVAT Act r.w. Section 9 (2) of CST Act 1956 was issued to the dealer for dated 02.08.2019, in response to which the dealer submitted verification report of Shri Dharam Singh, ETO, Mandi (HP). **In the report, it was certified that 'C' Form Nos. HP/A2/B2833203 & HP/A2/B2833204 are genuine** and it was also clarified that the above said 'C' forms were issued to M/s Dev Bhoomi Motors Pvt Ltd. In view of above facts, the audit para may kindly be dropped.

**Observations and Recommendations of the The committe as under ( Sr no 25)**

**The committe , recommends that required appropriate action in the case be initiated expeditiously and a completion report be submitted to the the committe .**

**26. M/s B.R. Kaushik Sales P. Ltd., Gurgaon (East) TIN 2012-13 'C' form No. HP/A2B.**

**(CASE DROPPED IN MEETING DATED 08.07.2020 )**

**27. M/s Aggarwal Electrical, Rohtak (F form no. R/C2009 2321404) TIN 6692817668, A.Y. 2012-13**

Audit pointed out that assessing authority levied concessional rate of tax on sale against noted suspicious Form 'C' amounting to Rs. 2,27,56,280/- and deleted demand of Rs. 25,31,636/-. On verification of this 'C' Forms from TINXSYS, it revealed that declaration submitted by the dealer is suspicious. Audit has pointed out that it involves tax effect of Rs. 25,31,636/- in addition to penalty of Rs. 75,94,908/-

In view of the audit para, it is intimated that the dealer is registered under the HVAT Act, 2003 and CST Act, 1956 holding TIN 06692817668. Original assessment for the year 2012-13 was framed vide order dt. 03.11.2014 created additional demand of Rs. 2531636/- under the CST Act on account of non production of 'C' Form and dealer was allowed 60 days time to submit declaration Form 'C'. Later, the dealer submitted 'C' Form R/c 20092321404 worth Rs. 22756280/- issued by M/s Yadav overseas Alwar Rajasthan TIN-08280607958 in favour of M/s Aggarwal Electrical Trs, Rohtak TIN 06692817668. Then Assessing Authority rectified the order vide order dt. 03.07.2015 and demand reduced to NIL.

Further, it is intimated that the office of DETC (ST) Rohtak vide letter No. 884/ETO(W-3) dt. 24.07.2017 sought genuineness of above mention 'C' Form from Rajasthan Tax Authority by deputing Taxation Inspector of this office. In reference to this office letter, the Rajasthan Tax Authority vide letter No. 1187 dt. 27.07.2017 informed this that the 'C' Form No. R/c 20092321404 worth Rs. 22756280/- has not been issued in favour of M/s Yadav overseas Alwar Rajasthan TIN- 08280607958. Accordingly, on the basis of this definite information of in-genuineness of the said 'C' Form, the Assessing Authority Rohtak initiated re-assessment proceedings u/s 9(2) of the CST Act read with Section 17 of the HVAT Act, 2003 and claim against 'C' Form was rejected and **demand of Rs. 2986762/- was created vide assessing authority order dated 28.08.2017 on account of rejection of 'C' form which was adjusted from excess Input Tax Credit of Rs. 3830371/- available under the HVAT Act in the original order**

In view of above facts, para may kindly be dropped.

**Observations and Recommendations of the committee on (Sr no 27) as under:--**

**During oral examination the committee was not satisfied with the reply of department, therefore recommends that case be got re-examined and a complete detail of results of examination be submitted to the committee within a week .**

28. M/s O.S. Food P. Ltd., Sonapat TIN 12837, A.Y. 2011-12 Form No. J.G/F 0689243.
29. M/s O.S. Food P. Ltd., Sonapat TIN 12837, A.Y. 2011-12 Form No. J.G/F 0689244.
30. M/s O.S. Food P. Ltd., Sonapat TIN 12837, A.Y. 2011-12 Form No. J.G/F 0689245.
31. M/s O.S. Food P. Ltd., Sonapat TIN 12837, A.Y. 2011-12 Form No. J.G/F 0689246.
32. M/s O.S. Food P. Ltd., Sonapat TIN 12837, A.Y. 2011-12 Form No. J.G/F 0689247.
33. M/s O.S. Food P. Ltd., Sonapat TIN 12837, A.Y. 2011-12 Form No. J.G/F 0689248.
34. M/s O.S. Food P. Ltd., Sonapat TIN 12837, A.Y. 2011-12 Form No. J.G/F 0640153.
35. M/s O.S. Food P. Ltd., Sonapat TIN 12837, A.Y. 2011-12 Form No. J.G/F 0385218.
36. M/s O.S. Food P. Ltd., Sonapat TIN 12837, A.Y. 2011-12 Form No. J.G/F 0514362.
37. M/s O.S. Food P. Ltd., Sonapat TIN 12837, A.Y. 2011-12 Form No. PC/L 0053487.
38. M/s O.S. Food P. Ltd., Sonapat TIN 12837, A.Y. 2011-12 Form No. PC/L 0053488

**(Reply from Sr. No. 28 to 38)**

The audit has raised an objection that 11 F Forms for the assessment year 2011-12 have been found apparently in genuine due to different paper, typing mistake, Font and No water mark and on TINXSYS no matching record found of declaration forms, genuineness of these forms to be got verified from the concerned authority.

The dealer is a manufacturer of spices. In reply to the audit para, it is submitted that on the perusal of assessment file, it is observed that out of 11 Forms, only 8 Forms pertain to the assessment year 2011-12 and 3 F Forms pertain to assessment year 2012-13, as per

details below :-

| Particulars                 | F forms (2011-12)                | F forms (2012-13)  |
|-----------------------------|----------------------------------|--------------------|
| As per audit objection      | 11                               | 0                  |
| After perusal of case files | 8<br>(Jharkhand-6)<br>(Odisha-2) | 3<br>(Jharkhand-3) |

Out of 11 Forms 9 F Forms pertain to Jharkhand State bearing F Forms No. J.G./F 0689243 to JG/F 0689248 of A. Year 2011-12 and F Form No. JGF 0640153, JGF 0385218 and JGF 0514362 of assessment year 2012-13 also 2 Forms pertain Odisha State bearing F Forms No. PC/L 0053487 and PC/L 0053488 of assessment year 2011-12. Letters for verification of F Forms to Jharkhand State have been issued vide this office memo No. Spl/12/TI(W-2) dated 16.05.2017. Likewise, another letter of verification is sent to the Commissioner, Commissionerate of CT & GST, Govt. of Odisha vide memo. No. 3930/TI (W-2) dated 23.07.2019 for assessment year 2011-12

The State Commissioner Ranchi (Jharkhand) intimated vide letter no. 175 dated 24.06.2020 that the F Forms bearing Sr. No. 0689243 to 0689248 forms have not been issued by the Ranchi (Jharkhand) State, Simultaneously the state of Orissa has also sent negative report regarding issuance of F Forms vide their letter no. 2990 dated 27.02.2020. So, a notice has been issued to the dealer for re-assessment u/s 9(2) of CST Act, 1956 for the year 2011-12 and served upon the dealer. Re-assessment has been made on dated 30.06.2020 and created an additional demand of Rs. 1,52,350/- besides 3 times penalty worth Rs.4,57,050/- under section 38 of HVAT Act and the dealer has directed to deposit the said amount of Rs. 6,09,400/-.

However the verification of 3 F Forms bearing No. JGF 0640153, JGF 0385218 and JGF 0514362 of assessment year **2012-13** pertain to Ranchi, Jharkhand is still pending. Correspondence has been made to the State Tax Commissioner regarding verification of the said firm. Last reminder issued on dated 01.07.2020.

**Observations and Recommendations of the committee on (sr no. 28 to 38) as under**

**During oral examination the committee observed that there was inordinate delay in initiation of required action for recovery in the instance case and the committee, therefore recommends that responsibility of concerned officers who remained connected with case during last two years be fixed for delayed action, under intimation to the committee.**

**[76] 2.2.6 Irregular deletion/concealment of arrears**

The amount of arrears is reduced as and when any recovery is affected. Further, if any demand is reduced due to submission of requisite declaration forms etc., the additional demand due is deleted to that extent.

Audit scrutiny of records of the offices of DETC (ST), Sonapat and Gurgaon (East) revealed that in 125 cases, AAs finalised the assessments between August 2012 and March 2015 for the years 2007-08 and 2013-14 and raised additional demand of Rs.

174.88 crore and subsequently deleted the said demand from the list of arrears without recording any reasons for deletion of arrears.

Neither the demand of arrears was shown recovered/transferred to other wards nor the demand reflected in the list of recovery. This resulted in irregular deletion/concealment of arrears of Rs. 174.88 crore.

On this being pointed out, no reply was received (October 2016).

**The department in its written reply stated as under:**

The audit under para 2.2.6 has observed that there are certain cases wherein the demand was raised between August, 2012 to March, 2015 amounting to Rs.174.88 Crore. This demand was subsequently deleted from the list of arrears without recording any reason for deletion.

There were a total of 125 such cases in the districts of Gurugram (East), (North), (South) & (West) and Sonapat.

38 (12+22+4) cases out of 125 have already been settled. These are listed at serial No. 3, 4, 5, 8, 9, 16, 18, 30, 31, 33, 38, 39, 46, 55, 58, 62, 66, 67, 78, 79, 86, 88, 89, 100, 103, 104 to 107, 113, 116 and 119 to 125. Peru sal of all these cases further revealed that due recovery has been made in 65 cases out of 87 remaining cases. In these cases, the full amount of demand has been recovered or orders raising the demand were rectified and thereafter full recovery has been made of the reduced demand.

In some cases, upon rectification demand was reduced to nil and, in some cases there was even an excess carry forward. In few cases, the dealer went in appeal before appellate authority and Hon'ble High Court resultantly the cases were remanded which leads to setting aside the demand. In some cases dealer opted Amnesty Scheme whereas in some cases the due amount has been fully recovered.

However, it is admitted that the reasons for deletion of the demand should have been recorded with date in the list of arrears. The Department may issue guidelines to this effect to all the field formations for strict compliance of the directions to invariably record in the reasons for deletion of demand in the list of arrears.

These 68 cases may also be dropped as full amount of recoveries have been effected. These cases are listed at serial number as follows:-

1, 6, 7, 12, 14, 20, 21, 22, 23, 24, 25, 27, 28, 29, 32, 34, 35, 36, 37, 42, 43, 44, 45, 47, 48, 49, 50, 51, 52, 56, 57, 61, 63, 64, 65, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 80, 81, 82, 83, 84, 87, 90, 91, 92, 93, 94, 95, 96, 97, 99, 101, 102, 109, 110, 111, 112, 114 and 118

There were 9 cases of developers wherein demand was raised. 7 out of these 9 dealers went in appeal and the cases were remanded in the light of judgement of the Hon'ble High Court in the case of CHD developers. All 9 of these taxpayers subsequently opted for alternative tax scheme 2016 and discharge their tax liabilities in full in accordance with the alternative tax scheme. These cases are listed at serial number 7, 18, 119 to 125. Except serial No.7 remaining paras have already been settled. Therefore, case at serial no. 7 may also be dropped as full amount of recoveries have been effected.



There are 19 cases wherein the arrears have been reflected in the arrear list and the proceedings of recoveries have been initiated but the full amount of arrears have not been cleared so far. The Department would monitor the recovery proceedings and progress in each and every case. So the para may be dropped. These cases are listed at serial number 2, 10, 11, 13, 15, 17, 19, 26, 40, 41, 53, 54, 59, 60, 85, 98, 108, 115 and 117.

It is further submitted that in interest u/s 23 has been levied and recovered in Sr. No. 25, 32, 35, 44, 48, 50, 57, 64, 74, 76, 77, 80, 82, 91, 92, 95, 96, 97, 99, 102, 109, 112 and 114. Interest u/s 23 has been levied but pending in the cases at Sr. No. 1, 12, 15, 29, 42, 43, 60, 75 and 83.

It was an important observation made by the audit. Department may issue further guidelines for meticulously maintaining the list of arrears and recording the recoveries, deletion against each entry in the list. However, keeping in view the compliance of the observation of the audit, the para may be dropped.

#### **1. M/s TRW Sun Steeling Wheels, Gurgaon (North) TIN 6261818271, A.Y. 2009-10**

In reply to the Audit Objection, it is submitted that the dealer is engaged in the business of Manufacturing of Motor Vehicle parts and its accessories. The original assessment was framed under Section 15(3) under HVAT Act, 2003 by then Assessing Authority on dated 01-03-2013 vide Disposal No.103/2009-10 and created an additional demand of Rs.10,72,428/- (Tax – 5,98,676, Interest – 4,73,752) under the HVAT Act and Rs.66,881/- (Tax – 62,738, Interest – 4,143/-) under CST Act. The order was duly served upon the dealer.

The demand of Rs.10,72,428/- due under HVAT Act and Rs.66,881/- was deposited vide **DD No.701064 TR No.4640 dated 10.10.2013** and **DD No.701063 TR No.6702 dated 10.10.2013** respectively.

Interest U/s 23(1) was leviable on the due tax amount of Rs.5,98,676/- for delay in payment by 280 days. This interest of Rs.1,67,629/- has been levied vide Disposal No.2-C dated 18-08-2020. And accordingly interest u/s 23(1) of Rs.14708/- under CST Act is levied for late deposit of additional demand of Rs.62738/-. The amount of Rs.14708/- has been recovered vide **GRN 81955707 dated 10.09.2021**. Notice issued to the dealer to deposit the amount of interest of Rs. 167629/- and the dealer has filed an appeal against the Assessment Interest Order.

The Audit Objection was raised on 13-05-2016 whereas the recovery was made on 23-10-2013. Therefore, the said arrear was rightly not been shown in the arrear list at the time of Audit.

in reply to Audit objection regarding irregular deletion/concealment of arrears, the Para is not admitted as all the entries were duly entered in the disposal register of the ward. Thus, there was no irregularity in deletion/concealment of arrears have been made.

Hence, the para may be dropped.

**2. M/s Dhir Global Ind., Gurgaon (North) TIN 6721820831, A.Y. 2009-10**

In reply to the Audit Objection, it is submitted that the dealer is engaged in the business of Manufacturing of Leather Garments and ZIP. The original assessment in case of M/s Dhir Global Industries, Gurgaon for the year 2009-10 was framed under Section 15(3) of the HVAT Act, 2003 on dated 22.03.13 vide Disposal No.145 and created an additional demand of Rs.5165758/- under HVAT Act 2003 (Tax -2831069/-, Interest – 2334689/-) &Rs.1689699/- under CST Act 1956 (Tax – 926031, Interest – 763668/-) respectively. The copy of assessment order along with TDN was served upon the dealer.

Recovery proceedings initiated and notices issued to the dealer to deposit the outstanding amount. The firm is closed and the arrear was declared arrear recoverable under Land Revenue Act 1887 on 27.03.19. Accordingly summons issued to the dealer. Letters also sent to HUDA/HSIIDC/MCG to know about the property details of the dealer. Letter also sent to GM, HSIIDC, Udyog Vihar, Gurugram not to transfer/mortgage the property without obtaining the NOC in respect of industrial plot which is found in the name of the firm.

In the meanwhile, the dealer went in NCLT and the Claim of **Rs.2,69,98,323/-** has been filed vide this office Memo No.1005-1006/20.07.2021 before the IRP. No reply received from IRP. Hence, reminder again sent to IRP to accept the claim vide this office Memo No.2216 dated 07.09.2021 and 3447 dated 25.10.2021. Letter also sent to the O/o Excise & Taxation Commissioner, Haryana, Panchkula vide this office Memo No.3448 dated 26.10.2021 to assign the Advocate for filling of Appeal before NCLAT. Sincere efforts are being made to recover the outstanding amount. No irregular deletion /concealment is made as all the entries has been duly reflected in the disposal register and also shown in the arrear list of ward No.1 at Sr. No.161.

Hence the Para may please be dropped.

**3. M/s Bas Engg Pt. Ltd. Gurgaon (North) TIN 6291824026 A.Y. 2010-11  
(PARA DROPPED IN PAC MEETING DATED 22.07.2020.)**

**4. M/s Valueline interior, Gurgaon (East) TIN 6301821741 A.Y. 2010-11  
(PARA DROPPED IN PAC MEETING DATED 22.07.2020.)**

**5. M/s Ericsson India A.Y., Gurgaon (East) TIN 6911822715 A.Y. 2007-08  
(PARA DROPPED IN PAC MEETING DATED 22.07.2020.)**

**6. M/s Bosh Chasis System India, Gurgaon A.Y.) TIN 6561817427 A.Y. 2010-11.**

In reply to the audit objection, it is submitted that the original assessment in the case was framed vide disposal No. 118 dated. 21.03.2014 and an additional demand of Rs.1,25,91,003/- (Interest=12,979/-, Penalty =700/-, Total Tax=1,25,77,324) under HVAT Act and Rs.1,20,41,873/- (Tax) under CST Act. Assessment order was served to the dealer vide Regd. post No.207 dt.15-05-2014. While finalizing assessment of the dealer firm, time was allowed to produce the balance declaration forms under the CST Act. Later on, the dealer firm produce the 'C' form (online verified) for Rs.9,19,53,815/- and 'F' form for Rs.1,22,13,977/- (online verified) and requested for rectification of the order. The original assessment order was rectified vide orders dated. 18.08.2019 and the additional demand so created under the CST Act was reduced to Rs. 4,17,854/-.The balance demand of Rs.4,17,854/- recovered vide GRN No. 43998728 dated 20.02.2019.

The said demand was duly reflected in the arrear list of Ward No.1 at Sr. No.186. Recovery notices were issued to the dealer and subsequently the arrear were declared under land revenue Act on 12-03-2020 and in continuation of the recovery proceedings, summons were issued on 05-08-2020 and in response to the summons the dealer deposited an amount of Rs.1,00,43,700/- (cash) vide GRN No.0066550131 dated.10-08-2020 under protest as their appeal is pending before the appellate authority and further requested to adjust the balance amount from Excess C/F of A/Y 2016-17. In view of the above facts and request made by the dealer, the balance demand of 25,47,303/- for the year 2010-11 is being adjusted from the excess C/f of Rs. 32,01,283/- for the year 2016-17 and an excess C/F of Rs. 6,53,980/- is being allowed for the year 2016-17 after adjustment of remaining demand of 2010-11.

In view of the above, there is no concealment of arrears or irregular deletion in the above case. Hence, on the basis of above the audit para deserve to be dropped.

7. **M/s BPTP Ltd, Gurgaon (East) TIN 6411826191 A.Y. 2009-10  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
8. **M/s Fashion Life, Gurgaon (East) TIN 6441827096 A.Y. 2009-10  
(CASE DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**
9. **M/s Ambience Projects, Gurgaon (East) TIN 6511821383 A.Y. 2009-10  
(PARA DROPPED IN PAC MEETING DATED 22.07.2020.)**
10. **M/s Siemens Building Tech, Gurgaon (North) A.Y.) TIN 62418281786A.Y. 2009-10**

In reply to the audit objection it is submitted that the assessment case was framed vide disposal No. 608 dated-01.03.2013 and an additional demand of Rs. 2756241/- under HVAT Act (Tax= Rs. 2752311/- Intt. Rs. 3903/-) and Rs. 163463/- under CST Act (Tax=Rs. 163231/- Intt.Rs. 232/-) was created. The additional demand created under both the Acts was being duly reflected at Sr. No. 197 under Old arrear Head at the time of audit. The copy of order and TDN was served upon the dealer on 13.6.2013. During recovery proceedings summon was issued to dealer on 25.7.2017. Being aggrieved against the assessment order, the dealer firm preferred first appeal before the Jt. ETC-Cum-Appellate Authority, Faridabad who vide its order dated. 15.01.2018 rejected the same. Being aggrieved against the appeal rejection order the dealer preferred second appeal before the Haryana Tax Tribunal, Chandigarh. The Haryana Tax Tribunal Vide its order dated. 14.12.2018. remanded the case back to the first Appellate Authority, Faridabad. The remand case of the dealer was decided by JETC (Appeals) Faridabad on 18.12.2020. The case was remanded to Assessing Authority for allowance of claims made by dealer after due verification. The remand order has been received in Ward of undersigned on 17.8.2020 and memo notice has already been issued to dealer to appear on or before 15.9.2021 with documents in support of his claims. Once the remand case is decided, the same will be intimated and fresh reply shall be submitted.

In view of the above there is no deletion, concealment of arrear and the audit para deserves to be dropped.

**11. M/s Rockman Breweries, Gurgaon (East) TIN 06711829130 A.Y. 2009-10**

In reply to the audit para it is intimated that assessment for the year 2009-10 was framed vide disposal No **655/2009-10** dated **21.03.2013** and the additional demand of Rs **27924062/-** (Tax amount **13668531/-** Interest – **13668531/-**, Penalty – **587000/-**) was created. Interest under **23(1)** of Rs **31777582/-** under HVAT Act 2003 has been imposed upon the dealer vide order 17.02.2020. The firm stands closed since December 2013. The arrear was shown in the arrear list of ward no 17 at Serial no 91 in the monthly statement of Nov 2014. Further the claim was lodged before the official liquidator on 03.05.2016 & the audit party has mentioned the same in audit note on dated 05.05.2016. (Copy attached)

The company went into liquidation and letter has been sent for claim of Rs 41814890/- before the official liquidator Sh Sanjay Verma, A-2, W-2, Curzon Road Barrack, KG Marg, New Delhi vide this office memo no **348** dated **03.05.2016**.

Revised claim of Rs 85470122/- was sent to official liquidator vide this office letter No **4917/E-3/** dated **20.02.2020** and reminder vide letter no **1349** dated **17.08.2021**. Claims in prescribed proforma in **Form 66** of Rs **85470122/-** has been lodged with the liquidator on dated **28.10.2021** to safeguard the Govt revenue. The liquidator has informed this office that no claims has been invited in this matter as and when claims will be invited after permission/ directions of the Hon'ble Delhi high Court, adjudication of your claim submitted to this office by your office will made accordingly.

In view of the above the audit para may please be dropped.

**12. M/s Merry Impex A.Y. Gurgaon (East) TIN 29222 A.Y. 2009-10**

It is submitted that the assessment of the case for the year 2009-10 was framed vide disposal No 567 dated 21.03.2013 and the additional demand of Rs 61630/- under HVAT Act (Tax 56830/- Intt – Nil Pen – 4800) and Rs 871412/- (Tax 871412 Intt – Nil, Pen - Nil) under CST Act was created by the Assessing Authority. Order alongwith TDN issued and served upon the dealer on dated 14.03.2019. As per the Order the dealer paid the dues amount as per details appended below :-

| Sr. No. | GRN        | DD No        | Amount          | Date of Deposit |
|---------|------------|--------------|-----------------|-----------------|
| 01      | 0045253062 | 040479       | 61630/-         | 20.03.19        |
| 02      | 0045253127 | 040493       | 871412/-        | 20.03.19        |
|         |            | <b>Total</b> | <b>933042/-</b> |                 |

Now the firm approached to Appellate Authority for allowing benefits of stock transfer and filed appeal before Jt Excise & Taxation Commissioner (Appeals) on 19.08.2021 decision of appellate authority pending. After finalization of appeal decision further action on imposition of Interest under section 23(1) and recovery proceeding will be initiated accordingly.

In view of the above the audit Para may please be dropped.

**13. M/s D.S Construction, Gurgaon (East) TIN 6221823046 A.Y. 2009-10**

In reply to the audit objection, it is submitted that the assessment case was framed vide disposal No. 660 dt.25-03-2013 and created an additional demand of Rs.2,13,49,927/- under HVAT Act (Tax=1,52,14,021/- Intt:=Rs.61,35,906/-) and Rs.25,976/- under CST Act (Tax= Rs.12,988/-, Intt:=12,988 Being aggrieved against the order, the dealer preferred first appeal before the Jt.ETC-Cum-Appellate Authority, Faridabad who vide its order dated. 22.05.2015 rejected the same. Thereafter, the dealer firm preferred second appeal before the Haryana Tax Tribunal which is pending. The matter was last fixed for 17-10-2019. Steps for recovery of the tax due were taken and recovery notice issued to the dealer for dated. 22-08-2019, 16-09-2019 and 23-10-2019. The firm stands closed. Details of sureties are being traced out and action as per law will be taken for recovery of arrear from the sureties. Arrears declared under Land Revenue Act on 10-01-2020. Further summon issued on 13-01-2020 and again issued on dated 27-08-2021. The demand so created is duly reflected in arrear list of Ward No. 1 at Sr. No.52 and there is no deletion/concealment of arrear. A fresh notice for recovery has been issued on 18.08.2021 and notice regarding where about of property owned sent to The HSIDC office Gurugram and to The Tehsildar Gurugram, and to the HSVP Gurugram on dated 09.09.2021. Thereafter, a letter was sent to Bank Manager Vijaya Bank for the attachment iof Bank A/c No. 600400301000370 of M/s. D.S. Construction vide Memo No. 1846/AA/W-1, GGN Dated 21.09.2021 under Section 70 of the Punjab Land Revenue Act, 1887.

Hence, on the basis of above submissions the audit para may be dropped.

**14. M/s Neolite Lighting, Gurgaon (East) TIN 15478 A.Y. 2010-11**

In reply to the audit objection, it is submitted that the original assessment in the case was framed vide disposal No. 932 dated. 24.03.2014 and an additional demand of Rs.46,66,712/-(Tax) was created on account of non- submission of 'C' forms. In the assessment order time was allowed to the dealer for producing balance declaration forms. Later on the dealer firm has submitted pending 'C' forms worth Rs.4,21,93,675/- and the order was rectified vide orders dated. 17.12.2014. In view of the rectification order, the addl. demand created in the original order was deleted and an amount of Rs.27,335/- carried forward to the next financial year. The 'C' forms amounting to Rs.89,23,056/- produced by the dealer at this stage stands verified and efforts are being made to trace out the original case file as well as the efforts are being made to obtain the duplicate file from the dealer. The said arrear not reflected in the arrear list of the concerned ward as the rectification was made before audit. Hence, there is no pending arrear against the dealer during the year.

In view of the above, audit para may kindly be dropped.

**15. M/s Sanah Food(p), Gurgaon (East) TIN 29880 A.Y. 2010-11.**

In reply to the audit para, it is intimated that the Assessment of M/s Sanah Food Pvt Ltd, TIN 06141829880 for the year 2010-11 assessed vide D. No 938 dated 25.03.2014. As per the order additional demand of Rs 3467049/- (Tax 1872394/- Interest 1594655/-) was created by the Assessing Authority under the HVAT Act 2003. Now the arrear of Rs 3467049/- exists in Old Arrear list at Serial No 673. Recovery proceedings has been initiated and the following actions has been initiated by the department so far :-

- (a) Notice for recovery of arrears issued on dated 11.02.2019.
- (b) The arrear declared under Punjab Land Revenue Act on dated 06.03.2019. .
- (c) Letters for property details written to Tehsildar, Commissioner MGC, Estate Officer HUDA Gurugram vide this office memo No 473,474, 477 dated 28.07.2020. Reminder letter to Tehsildar vide letter No 1329 on dated 16.08.2021, and Reminder letters vide this office letter No 1329, 1334, 1335 dated 16.08.2021.
- (d) A letter for bank Guarantee attachment has been written to Bank vide this office letter No 594 dated 06.08.2020.
- (e) A letter for asking PAN based bank Account details of the firm has been written to Income Tax Officer vide this office Memo No 593 Dated 06.08.2020.

It is also intimated that as the dealer has not deposited the additional demand till date hence Interest u/s **23(1)** HVAT Act of Rs.**1872394/-** has been levied upon the firm. Therefore there is no irregular deletion / concealment of arrear.

In view of the above the audit para may please be dropped.

**16. M/s ALP Plastic, Gurgaon (N) TIN 24944 A.Y. 2010-11  
(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**

**17. M/s Auto Décor, Gurgaon (East) TIN 15539 A.Y. 2010-11**

In reply to the audit para, it is submitted that the assessment case was framed vide disposal No.945 dated 26.03.2014 and an additional demand of Rs.14,16,053/- (Tax = Rs.7,69,278/- Intt:=Rs.646775/-) under HVAT Act and Rs.5,95,078/- (Tax =Rs.5,94,572/- and Intt:=Rs.506/-) under CST Act was created. Thereafter, the dealer has produced DD/TR of Rs.5,00,000/- (GRN No.7305493 dt.28-07-2014, Voucher No.28605.) on dated. 27.11.2014 and additional demand reduced to Rs.9,16,053/- under HVAT Act. Further, during the course of finalization of assessment, time was allowed to the dealer to submit the balance declaration forms. Later on, the dealer has submitted the balance declaration forms and requested for rectification of the assessment order. The assessment order under CST Act was rectified vide orders dated. 27.11.2014 and demand reduced to Rs.1,69,062/-.The arrear has already been reflected at Sr. No. 28 of arrear list of Ward No.1. Firm stands closed and has been cancelled w.e.f. from 14-08-2015. Details of sureties are being traced out and action as per law will be taken for recovery of arrear from the sureties. Further, letter has also been issued to HSIIDC for knowing whereabouts the property of tax defaulter vide this office memo No. 1370 dated. 11.07.2016. The company is now under liquidation and the claim has been lodged before the Liquidator vide this office letter No. 3536 dated: 19.12.2019. Reminder to Liquidator vide Memo No. 1883 dated 20.09.2021 has been sent.

In view of the above, there is no deletion/concealment of arrear and the para needs to be dropped.

**18. M/s Tata Housing Develop, Gurgaon (South) TIN 31240 A.Y. 2010-11  
(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**

**19. M/s DSC Ltd, Gurgaon (East) TIN 1823046 A.Y. 2010-11**

In reply to the audit objection, it is submitted that the assessment case was framed vide disposal No. 953 dated.28.03.2014 and an additional demand of Rs.4,89,62,665/- (Tax = Rs.2,67,75,063/- Interest = Rs.2,21,87,602/-) under HVAT Act was created. Being aggrieved against the order, the dealer preferred first appeal before the Jt.ETC-Cum-Appellate Authority, Faridabad who vide its order dated.26.04.2018 rejected the same. Thereafter, the dealer firm preferred second appeal before the Haryana Tax Tribunal which is pending. The matter was last fixed for 26-02-2019. Steps for recovery of the tax due was taken and recovery notice issued to the dealer for dated. 22-08-2019, 16-09-2019 and 23-10-2019. The firm stands closed. Details of sureties are being traced out and action as per law will be taken for recovery of arrear from the sureties. Arrears declared under Land Revenue Act on 10-01-2020. The additional demand is duly reflected in the arrear list of Ward No. 1 at Sr. No. 55 and there is no concealment/deletion of arrear. Further summon issued on 13-01-2020 and again issued on dated 27-08-2021. The demand so created is duly reflected in arrear list of Ward No. 1 at Sr. No.52 and there is no deletion/concealment of arrear. A fresh notice for recovery has been issued on 18.08.2021 and notice regarding ownership sent to the HSIDC office Gurugram and to The Tehsildar Gurugram, and to the HSVP Gurugram on dated 09.09.2021. Thereafter, a letter was sent to Bank Manager Vijaya Bank for the attachment of Bank A/c No. 600400301000370 of M/s. D.S. Construction vide Memo No. 1846/AA/W-1, GGN Dated 21.09.2021 under Section 70 of the Punjab Land Revenue Act, 1887.

Hence, on the basis of above submissions the audit para may be dropped.

**20. M/s SPA Lifestyle, Gurgaon (East) TIN 27850 A.Y. 2009-10.  
(CASE DROPPED IN MEETING DATED 02.12.2021)****21. M/s SPA Lifestyle, Gurgaon (East) TIN 27850 A.Y. 2010-11  
(CASE DROPPED IN MEETING DATED 02.12.2021)****22. M/s IBM India, Gurgaon (East) TIN 23690 A.Y. 2010-11  
(CASE DROPPED IN MEETING DATED 02.12.2021)****23. M/s Bath Selection, Gurgaon (East) TIN 20387 A.Y. 2009-10  
(CASE DROPPED IN MEETING DATED 02.12.2021)****24. M/s Victor Projects, Gurgaon (East) TIN 28745 A.Y. 2009-10  
(CASE DROPPED IN MEETING DATED 02.12.2021)****25. M/s NagarJuna Construe, Gurgaon (East) TIN 177148 A.Y. 2007-08.****26. M/s Moods Hospitality, Gurgaon (East) TIN 23423 A.Y. 2011-12**

In reply to the audit para it is submitted that the assessment of the dealer was framed vide disposal no 809 dated : 21.11.2013 creating demand of interest of Rs 989578 / - The order and TDN service on dated 19-12-2013. The arrear has already been reflected at Sr. No. 648 of arrear list of Ward No. 4. The arrears was declared recoverable under Land

Revenue Act, 1887 on dated 7-10-2019 The dealer moved into National Company Law Tribunal on 30-08-2018 . As the dealer has moved to the National Company Law Tribunal, the arrear cannot be recovered under the Land Revenue Act, 1887. The claim of arrear of Rs. 989578/- has been lodged in the National Company Law Tribunal on dated 25-10-2019. As the demand is on account of interest only and interest cannot be levied on interest as per Section 23 (1) of the HVAT Act, 2003. So, no action under Section 23 (1) is applicable on the dealer.

As the arrear is pending in the arrear list of ward 4, there is no irregular concealment of the arrear. Therefore , the para may please be dropped

**27. M/s Anu Industries, Gurgaon (N) TIN 06241827594 A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**

**28. M/s Alcatel Network, Gurgaon (East) TIN 30142, A.Y. 2010-11.  
( Trasfer from Gurgaon to Ambala)  
(CASE DROPPED IN MEETING DATED 02.12.2021)**

**29. M/s Bistro Hospitality, Gurgaon (East) TIN 24018, A.Y. 2011-12.**

In reply to the audit para it is hereby informed that tax of the case has been assessed by Sh. Roshan Lal, E.T.O. vide order no. 1014 / 26.11.2013 & demand of Rs. 757493/- (Tax-577762/- Intt-179731/-) was created under HVAT Act. Order served upon the dealer on dt.28.12.2013. The demand of Rs. 757493/- has been deposited by the dealer as per details below:-

| Sr. No. | TSN    | Amount | Dated      |
|---------|--------|--------|------------|
| 1       | 000731 | 757493 | 22.07.2014 |

The arrear did not appear in the arrear list of ward-10 as the arrear was recovered before the audit. Therefore, there is no deletion and concealment of arrear.

It is also intimated that as the dealer has deposited the additional demand late of 175 days (28.01.2014 -22.07.2014). Hence, interest under Section 23 (1) HVAT, Act of Rs. 101108/- has been levied upon the firm. Therefore, there is no irregular deletion /concealment of arrear. Recovery notice has been sent to the dealer on dated 31.08.2021. Reminder sent to the dealer on 08.09.2021. Since the firm not paid additional demand of Rs. 101108/-, ITC of Rs. 101108/- has been blocked under HGST Act, 2017. Notice for provisional attachment of Bank Account has been sent to CITY Bank, New Delhi on 22-09-21. In view of the above the audit Para may please be dropped.

**30. M/s Vector Projects, Gurgaon (East) TIN 28745, A.Y. 2011-12.  
(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**

**31. M/s D.S. Gupta, Gurgaon (East) TIN 18013, A.Y. 2011-12.  
Para dropped in scrutiny meeting held on 14.01.2020.**



32. **M/s IFB Automaticce, Gurgaon (N) TIN 20462, A.Y. 2011-12.**  
(CASE DROPPED IN MEETING DATED 02.12.2021)
33. **M/s Maeda Corporation, Gurgaon (East) TIN 06451826072, A.Y. 2011-12.**  
Para dropped in scrutiny meeting held on 14.01.2020.
34. **M/s Delta Energy System, Gurgaon (North) TIN 20792, A.Y. 2007-08.**  
(CASE DROPPED IN MEETING DATED 02.12.2021)
35. **M/s Sun Alphatec Mould, Gurgaon (North) TIN 27594, A.Y. 2009-10.**  
(CASE DROPPED IN MEETING DATED 02.12.2021)
36. **M/s JDSU India, Gurgaon (East) TIN 29329, A.Y. 2009-10.**  
(CASE DROPPED IN MEETING DATED 02.12.2021)
37. **M/s Volks Wagen, Gurgaon (West) TIN 33619, A.Y. 2007-08.**  
(CASE DROPPED IN MEETING DATED 02.12.2021)
38. **M/s Suraj Precision Engg., Gurgaon (North) TIN 26217, A.Y. 2011-12.**  
Para dropped in scrutiny meeting held on 14.01.2020.
39. **M/s JSR Construction, Gurgaon (East) TIN 3162, A.Y. 2011-12.**  
Para dropped in scrutiny meeting held on 14.01.2020.
40. **M/s Shree Narmada, Gurgaon (East) TIN 22202, A.Y. 2011-12.**

In reply to the audit objection, it is submitted that the assessment case was framed vide disposal No. 564 dt. 28.11.2013 an additional demand of Rs.24,51,649/- was created on account of non- submission/verification of TDS Certificates. The demand so created has been reflected in the arrear list of ward No.02. Recovery notices have been issued to the dealer on 08.04.2020. As reported by the Taxation Inspector recovery is not possible through the normal course of action. Therefore, the arrear was declared recoverable under the Punjab Land Revenue Act, 1887 on dated 30.04.2020. The proceeding for the recovery has been initiated. Summons has been issued to the dealer on dated 11.06.2020. The firm is under liquidation and the proof of claim in respect of the liquidation has been sent on 01.12.2020.

In view of the above, audit para may kindly be dropped.

**41. M/s Ergo Creative solution, Gurgaon (East) TIN 32830, A.Y. 2010-11**

In reply to the audit para, it is submitted that the demand of Rs. 3545892/- (Tax- Rs.886473/- + Penalty – Rs. 2659419/-) was created on account of disposal of inspection case vide order disposal No. 606 dated: 31.12.2013. The arrear is reflecting in the arrears list of ward-12 at Sr. No. 133. Recovery notice has been issued by the department on dated 30.03.2015, but the firm stands closed hence recovery of arrear not possible under normal course of action. The arrear declared under land revenue act 1887 on dated 19.08.2015.

Following actions have been initiated for recovery of arrears :-

1. Letter written to Deputy Commissioner-cum-Collector, Bangalore vide letter no. 1631 on dated 20.8.2015 and issue reminder no 1 vide this office memo No 680 dated 21.05.2019 reminder no 2 vide memo No 565 dated 05.08.2020 and reminder no 3 vide memo no 1154 dated 05.08.2021.

2. Letters for recovery through sureties have been written vide Memo No 589/590 on dated 05.08.2020 and issue reminder No 1 vide this office memo No. 1322/1323 dated 05.08.2021.

1. Sh. Ravinder Chug, Proprietor M/s Shri Sai Tarders, New Railway Rd, Gururgram  
TIN 06531923222 Amount-50000/-

2. Sh. Manoj Ahuja, Proprietor M/s Sai Chem pharmaceutical, Jacobpura, Gururgram  
TIN 06531914675 Amount-50000/-

Recovered Rs. 50000/- vide GRN no 0081811548 dated 07-09-2021 from one surety M/s Sai Chem pharmaceutical.

Recovered Rs. 50000/- vide GRN no 0083429134 dated 22.10.2021 and GRN 83135750 dated 12.10.2021 for Rs. 25000/- each from one surety M/s Sai Traders.

Hence efforts are being made to recover the above said amount. So there is no irregular deletion/concealment of arrears. In view of the above facts the above para may please be dropped.

**42. M/s Regent Auto, Gurgaon (North) TIN 24506, A.Y. 2010-11.**

In reply to the Audit Objection, it is submitted that the firm is doing the business of Trading of Motor Vehicle Parts. The Original Assessment was framed by then Assessing Authority on 27-03-2014 vide Disposal No.868/2010-11 and created an additional demand of Rs.2066306/- (Tax – 530605/-, Interest – 1535701/-) under the HVAT Act and Rs. Nil under the CST Act. The Assessment Order have been duly served upon the dealer.

The demand of Rs.20,66,306/- has been recovered vide **GRN 66588138 Bank CIN No.090722159 dated 11-08-2020.**

Interest U/s 23(1) was leviable on the due tax amount of Rs.5,30,605/- for delay in payment by 2280 days. This interest of Rs.5,30,605/- has been levied vide Disposal No. 2-A dated 18-08-2020. Recovery proceedings initiated and recovery notice issued to the dealer to deposit the outstanding amount. The dealer has filed an appeal before the JETC (A), Faridabad against the order u/s 23(1) of the HVAT Act.

In reply of Audit Para regarding irregular deletion /concealment of arrear is made. It is submitted that the Audit Para is not admitted as the said demand has been duly shown in arrear list of ward. Hence, no irregular deletion/concealment of arrear has been made.

Hence, the para may please be dropped.

**43. M/s Bagai Construction, Gurgaon (North) TIN 06791820841, A.Y. 2012-13.**

In reply to the audit objection, it is submitted that the dealer is engaged in the business of contract relating site works and opted for lump-sum tax. The original assessment was framed under section 15(3) of the HVAT Act,2003 on dated 11.06.2014 by then assessing authority created an additional demand of Rs.2,67,033-00 (Interest-70380, Penalty-800, Tax-195853) under HVAT Act. The order was duly served upon the dealer.

The dealer has deposited the above said demand of Rs.267033/- vide **GRN No.8388424 Dated 01.12.2014.**

After deposit the payment on 12.12.2014 the interest u/s 23(1) under the HVAT Act, 2003 imposed on late payment of additional demand for the Assessment year 2012-13 vide D. No. 5A/2012-13 dated 08.09.2021 by creating interest of Rs. 35253/- . Copy of order served upon to the dealer through Email as the firm stands closed. Recovery proceedings have been initiated and notice issued to the dealer to recover the interest amount.

So the Para may please be dropped.

44. **M/s JPM Tools, Gurgaon (North) TIN 20571, A.Y. 2012-13.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
45. **M/s Allied Medical, Gurgaon (North) TIN 24142, A.Y. 2012-13  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
46. **M/s Sun Aplhatec, Gurgaon (North) TIN 27594, A.Y. 2012-13  
(CASE DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**
47. **M/s B. S Mehra, Gurgaon (North) TIN 06371824564 , A.Y. 2012-13.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
48. **M/s Dynamic Industries, Gurgaon (N) TIN 14799, A.Y. 2012-13.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
49. **M/s Ramal Craft, Gurgaon (North) TIN 25417, A.Y. 2012-13.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
50. **M/s N.S Concrete, Gurgaon (South) TIN 06661824550, A.Y. 2012-13.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
51. **M/s Vimal Moulder, Gurgaon (North) TIN 20199, A.Y. 2012-13  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
52. **M/s Auto Kit, Gurgaon (N) TIN 30833, A.Y. 2012-13  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
53. **M/s Lumax Automotive, Gurgaon (North) TIN 18530, A.Y. 2012-13.**

In reply to the Audit Para, it is submitted that the dealer was engaged in the business of Manufacturing of Auto Parts. The original assessment in case of M/s Lumax Automotive Systems Ltd holding TIN 06231818530 for the year 2012-13 was framed under Section 15(1) of the HVAT Act, 2003 on dated 17.11.2014 vide Disposal No.513/2012-13 and created an additional demand of Rs.1,61,770/- (Tax -1,61,770/-) under the HVAT Act & Rs.39,550 (Tax – 37143, Interest – 2,407/-) under CST Act 1956. The order was duly served upon the dealer.

Recovery proceedings initiated and Recovery Notices issued to the dealer. After that the arrear was declared recoverable under Land Revenue Act, 1887 and accordingly summons issued to the dealer. The firm is closed. Local enquiry has been conducted which reveals that the firm was having industrial Plot which was attached by the O/o DETC, Gurugram (West) for non-payment of their dues.

The firm went in NCLT and now liquidation process has been started. The claim of Rs. 48,75,837/- is now filed before the Official Liquidator vide this office Memo No. 2579 & 2580 dated 20.09.2021. Also The Audit Para in respect of irregular deletion/concealment of

the arrear is not admitted as the said demand has been duly shown in arrear list of ward No.1 at Sr. No.342. Notices issued to both the sureties to deposit the amount and the amount of **Rs.1,00,000/-** is recovered from both the Sureties.

Hence, there is no irregular deletion/concealment of arrear.

Hence, the Para may please be dropped.

**54. M/s DSR Steel, Gurgaon (North) TIN 23065, A.Y. 2012-13.**

In reply to the Audit Objection, it is submitted that the firm is engaged in the business of Trading of Iron and Steel Merchant. The original assessment was framed under section 15(1) of the HAVT Act, 2003 by then Assessing Authority vide disposal No.524/2012-13 on 18-11-2014 and created an additional demand of Rs.75,88,760/- (Tax - 0, Interest 7560160/-, Penalty – 28,600/-) under the HVAT Act. The Assessment Order was duly served upon the dealer.

The additional demand amounting to **Rs.50,51,152/-** has been recovered vide **GRN 9647938 Bank CIN No.001330562 dated 30-04-2015 & GRN 9793936 Bank CIN No.002137022 dated 14-05-2015**. The balance amount of Rs.2537608/- has been shown as demand under HVAT Act. This demand of Rs.2537608/- has been duly shown in the arrear list of Ward No.2, Gurugram (North) at Sr. No. 205 and efforts are being made to recover this amount. Notices issued to the dealer and both the sureties to deposit the outstanding amount. Summon has also been issued to the dealer. Sincere efforts are being made to recover the amount. Now the arrear has been transferred to DETC(ST) Gurugram (South) vide this office Memo No. 3010/11.10.2021 as the area pertains to O/o DETC(ST) Gurugram (South).

Thus, there is no irregularity in deletion/concealment of arrears have been made as all the entries are duly reflected in the disposal register.

Hence, the Para may please be dropped.

**55. M/s Inslation Electrical, Gurgaon (N) TIN 19896, A.Y. 2012-13.  
(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**

**56. M/s Sansera Engineering, Gurgaon (North) TIN 23449, A.Y. 2012-13.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**

**57. M/s Divya Enterprises, Gurgaon (East) TIN 28706, A.Y. 2010-11.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**

**58. M/s Space Build Tech, Gurgaon (East) TIN 25728, A.Y. 2009-10.  
(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**

**59. M/s Lalitas Bage, Gurgaon (East) TIN 6831829549, A.Y. 2009-10.**

In reply to the audit para it is hereby informed that the case was assessed by, vide order no. 774 dated 25.03.2013 creating a demand of Rs. 483813/-. (Tax-483813) The registration is cancelled with effect from 27.02.2016. As the recovery is not possible through the normal course of action. So the arrear is declared as arrear of Punjab Land Revenue Act, 1887 from dt. 17.07.2020. Recovery proceeding have been also initiated against the dealer. Two FDR worth Rs. 100000/- have been found and Letter for recovery form

FDR/Account has been sent to the bank and reminder regarding same has been sent to the manager of the bank on dt. 26.08.2020 and the letter has been sent to the Tehsildar regarding detail of property on dt. 23.07.2019 and reminder regarding same has been sent to Tehsildar on dt. 26.08.2020. Summon to the firm has been issued on dt. 20.08.2020. Reminder-2 has been sent to Tehsildar on dt. 10.08.2021. Recovered of Rs. 65959/- vide GRN 83807031 dated 03.11.21 and Rs. 65959/- vide GRN 83807058 dated 03.11.21 made through bank guarantee. Hence audit para may be dropped.

**60. M/s Vaishno Electricals, Gurgaon (East) TIN 21021, A.Y. 2009-10.**

In Reply to the audit memo, it is submitted that an additional demand of Rs. 2062500/- (Tax only) was created under HVAT Act vide order No. 794/2009-10 dated 26.03.2013. The arrear has been reflected in the arrear list at Sr. No. 709 of ward 9. Hence there is no irregular deletion/concealment of arrears. The recovery is not possible in normal course of action. Hence, the arrear has been declared to be recoverable under the Punjab Land Revenue Act, 1887 vide order dated 02.04.2019. Recovery notice has been issued to the dealer. The dealer has furnished surety bonds at the time of registration as detailed given below:

| Sr. No. | Name of the Firm with TIN                     | Prop./Partner   | Surety Amount | Name of Act | Status of Firm |
|---------|-----------------------------------------------|-----------------|---------------|-------------|----------------|
| 1       | M/s Shri Electric & Hardware, TIN-06441822246 | Sh. Vivek Gupta | 50000         | VAT         | Active         |
| 2       | M/s Bath Arcade, TIN-06221821591              | Sh. Ashok Gupta | 50000         | CST         | Active         |

Recovery from sureties has yet to be made, however notices for recovery of arrears from the sureties have been issued on dt: 14/08/2020. Again a reminder issued to the surety dealers on 10.09.2021. A letters has been written to the Tehsildar, Gurugram vide Memo No 1608 dt: 19-07-2019 and Memo No.313 dt: 08.07.2020 regarding details of properties owned by the dealer/proprietor. Again a reminder has been issued to Tehsildar on 10.09.2021. In addition to this, an interest of amount 2062500/- levied upon the dealer under Section 23 (1) of HVAT, Act, 2003 which makes the total demand amounting to Rs.2062500+2062400=4125000. A summon is issued under the Punjab Land Revenue Act, 1887, to the dealer on 17.08.2021. Recovery process to recover the same has already been initiated as submitted above. In view of the above submissions audit para may kindly be dropped.

**61. M/s Previews Hospitality, Gurgaon (East) TIN 24908, A.Y. 2009-10.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**

**62. M/s Jaishree Industries, Gurgaon (East) TIN 24779, A.Y. 2011-12.  
(CASE DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**

**63. M/s Life N Style, Gurgaon (East) TIN 31649, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**

**64. M/s Ebony Homes, Gurgaon (East) TIN 6821828827, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**

65. M/s Juna Retails, Gurgaon (East) TIN 30111, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)
66. M/s Rod Retail P. Ltd., Gurgaon (East) TIN 29396, A.Y. 2011-12.  
(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)
67. M/s Shreem Swarham, Gurgaon (East) TIN 31565, A.Y. 2011-12.  
(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)
68. M/s Infra Corp Construction, Gurgaon (East) TIN 06871831176, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)
69. M/s Raag Construction, Gurgaon (East) TIN 31175, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)
70. M/s Floor Furnishing, Gurgaon (East) TIN 06861819493, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)
71. M/s Innovation India, Gurgaon (East) TIN 25074, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)
72. M/s Refcon Airconditing, Gurgaon (East) TIN 25863, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)
73. M/s EEL India P. Ltd., Gurgaon (East) TIN 14865, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)
74. M/s Aircon Engg., Gurgaon (East) TIN 22356, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)
75. M/s Kidar Real Developer, Gurgaon (East) TIN 25071, A.Y. 2010-11.

In reply to the audit para, it is submitted that assessment was framed vide order No. 893 dated 09.01.2014 wherein the demand of Rs 326523/- (tax Rs 228872 + interest 97651 + 0 penalty) was created under HVAT Act. The order was served upon the dealer on 09.01.2014. The demand has already been recovered, Details of payment is as under:-

| Sr. No. | GRN No. | Amount   | Date of deposit |
|---------|---------|----------|-----------------|
| 1.      | 9169080 | 326523/- | 25.03.2015      |

The said arrear was not reflected in arrear list of the concerned ward as the said arrear recovered before audit. Therefore there is no irregular deletion/concealment of arrear.

The dealer has not deposited the demand in time so the interest u/s 23(1) under HVAT Act has been computed as Rs 93609/-. Order after computing interest u/s 23(1) has been served upon the dealer on 05.08.2020 and recovery proceedings for recovery of Rs 93609/- has been initiated. In view of above the para may please be dropped.

76. M/s Macro Nirman, Gurgaon (East) TIN 23041, A.Y. 2010-11.  
(CASE DROPPED IN MEETING DATED 02.12.2021)
77. M/s Femilla Fashion, Gurgaon (East) TIN 28388, A.Y. 2012-13.  
(CASE DROPPED IN MEETING DATED 02.12.2021)

78. **M/s Dhingra constt. Gurgaon (East) TIN 21318, A.Y. 2011-12.**  
**Para dropped in scrutiny meeting held on 15.01.2020.**
79. **M/s Rod Ratail P. Ltd., Gurgaon (East) TIN 29369, A.Y. 2010-11.**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**
80. **M/s Hi Tech Comp., Gurgaon (East) TIN 28122, A.Y. 2011-12.**  
**(CASE DROPPED IN MEETING DATED 02.12.2021)**
81. **M/s Videocon Telecommunication, Gurgaon A.Y.) TIN 28391, A.Y. 2010-11.**  
**(CASE DROPPED IN MEETING DATED 02.12.2021)**
82. **M/s Jindal Paints & Hardware Gurgaon (East) TIN 22168, A.Y. 2010-11.**  
**(CASE DROPPED IN MEETING DATED 02.12.2021)**
83. **M/s Rippel Engg., Gurgaon (East) TIN 20804, A.Y. 2010-11.**

In Reply to the audit memo, it is submitted that an additional demand of Rs.137429/- (99485/- Tax+1544/- Interest+36400/- Penalty) was created under HVAT Act, 2003 vide order No. 1056/ 2010-11 dated 27.03.2014. In addition to this, an amount of interest 135855/- levied under section 23(1) HVAT, Act, 2003 (Rs.135885/- interest + Rs.137429/- original demand =273314/-). The dealer has deposited Rs.137429/- (**Rs.100000 vide GRN No.66971042 dated 26.08.2020 and Rs.37429 vide GRN No. 81814116 dated 07.09.2021**). The arrear has been reflected in the arrear list at Sr. No. 494 of ward 9. Hence there is no irregular deletion/concealment of arrears. The firm was stand cancelled w.e.f. 31.03.2016. Since the firm was cancelled since long, the recovery is not possible in the normal course of action. Hence, the arrear has been declared to be recoverable under the Punjab land Revenue Act, 1887 vide order dated 15.04.2019. Recovery notices to the dealer has been issued. A letters have been written regarding details of properties owned by the dealer/proprietor to revenue authorities i.e Tehsilder, Gurugram vide memo No.1609 dated 19.07.2019 and Memo No.314 dated 8.07.2020. Income Tax Department has been requested to supply details of bank accounts of dealer/firm. A summon is issued under the Punjab land Revenue Act, 1887, to the dealer on 17.08.2021. A letter has been written to Bank for attachment of Bank Account of the firm vide memo No. 1870/E-9 dated 21.09.2021. Efforts are being made to the and efforts are being made to recover the balance arrears of Rs.135885/- i.e. interest u/s 23(1) of HVAT Act, 2003. An amount of Rs. 60000/- has been recovered vide GRN 82654173/ 28-09-21 and efforts are being made to recover the balance amount of Rs. 75885/-. In view of above submissions audit para may kindly be dropped.

84. **M/s Bhardwaj Builders, Gurgaon (East) TIN 21493, A.Y. 2011-12.**  
**(CASE DROPPED IN MEETING DATED 02.12.2021)**
85. **M/s Steeling & Wilson, Gurgaon (East) TIN 19503, A.Y. 2011-12.**

In reply to the audit para, it is intimated that the dealer is a work contractor and assessment of the dealer for the year 2011-12 was framed vide disposal No. 619 dated: 26.11.2013 wherein demand of Rs. 3045392/-(tax only) was created under the HVAT Act, 2003. This demand is pending at serial no 154 in the arrear list of Ward- 11. Therefore there is no irregular deletion/concealment of arrears.

The dealer had submitted very nominal TDS proof for rectification. After verification of genuineness of TDS proof submitted by the dealer, benefit of TDS/WCT worth 389807/- is allowed and order is rectified wherein additional demand for Rs 5311170/-(Tax 2655585+ Interest 2655585) was created under HVAT Act, 2003. Additional interest for Rs. 2655585/- was imposed vide order dated 07.08.2020. Order along with TDN is served to the dealer on 10.08.2020. Reminder of Recovery notice has been served to the dealer on dated 16.08.2021. Therefore there is no irregular deletion/concealment of arrears. In view of the above the audit para may please be dropped.

86. **M/s Rakesh Brother, Gurgaon (East) TIN 21634, A.Y. 2010-11.  
Para dropped in scrutiny meeting held on 15.01.2020.**
87. **M/s Jumbo Marketing, Gurgaon (East) TIN 25330, A.Y. 2010-11.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
88. **M/s Kaff Appliance, Gurgaon (South) TIN 28277, A.Y. 2012-13.  
(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**
89. **M/s Krishna Incorporation, Gurgaon (East) TIN 28878, A.Y. 2010-11.  
(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**
90. **M/s Mehcon Enterprises, Gurgaon (East) TIN 20249, A.Y. 2010-11.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
91. **M/s Maa Ganga Builders, Gurgaon (South) TIN 22366, A.Y. 2010-11.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
92. **M/s LG Life Service. Gurgaon (East) TIN 29994, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
93. **M/s Greenland Hospitality, Gurgaon (East) TIN 29943, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
94. **M/s Shapoorji Palloji, Gurgaon (East) TIN 21929, A.Y. 2010-11.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
95. **M/s Bhasin Associate, Gurgaon (South) TIN 1831989, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
96. **M/s Rout Sanitations. Gurgaon (South) TIN 1830898, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
97. **M/s HP Hira Fuels, Gurgaon (East) TIN 29126, A.Y. 2010-11.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
98. **M/s Bawarchi Resturant, Gurgaon (East) TIN 29387, A.Y. 2011-12.**

In reply to the audit para , it is submitted assessment of the dealer was framed vide Disposal No. 489 dated 25.11.2013 wherein the demand of Rs 2115197/- was created under HVAT Act, 2003. The firm stands cancelled w.e.f 20.11.2017. This arrear is pending in the arrear list of Ward-08 at Sr No 70. As per computerized DCR record the following payments were found deposited by the dealer firm.



| Sr. No. | GRN No.  | Amount           | Date of deposit |
|---------|----------|------------------|-----------------|
| 1.      | 8033322  | 304478/-         | 25.10.2014      |
| 2.      | 8213728  | 406217/-         | 14.11.2014      |
| 3.      | 8461001  | 340000/-         | 16.12.2014      |
| 4.      | 10815309 | <u>150000</u> /- | 12.08.2015      |
|         |          | 1200965          |                 |

Balance arrear is not recoverable under normal course so the arrear has been declared recoverable under the Punjab land revenue Act, 1887 on 28.02.2019. **Letter** has been written to the bank to encash the Bank Guarantee No 1310100000931 submitted by the dealer at the time of registration in favour of department vide letter dated 18.08.2020. Letter has been written to the Tehsildar to provide the details of property in the name of the firm vide letter dated 28.07.2020. Reminder letter have been sent to Income Tax Department, Gurugram to locate the bank account of the firm through PAN of the firm on 16.08.2021. Efforts are being made to recover the remaining amount. Therefore there is no irregular deletion/concealment of arrears. In view of above the para may please be dropped.

99. **M/s Adit Construction, Gurgaon (East) TIN 20080, A.Y. 2010-11.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
100. **M/s Navrang Construction, Gurgaon (East) TIN 06631830920, A.Y. 2012-13.  
(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**
101. **M/s Logical Ladders, Gurgaon (South) TIN 31973, A.Y. 2012-13.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
102. **M/s Firoj Traders, Gurgaon (South) TIN 31230, A.Y. 2012-13.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
103. **M/s HP Hira Fuel Gurgaon (East) TIN 6101829126, A.Y. 2010-11.  
(PARA DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)**
104. **M/s Manoj Eng. Works, Gurgaon (South) TIN 29087, A.Y. 2012-13.  
Para dropped in scrutiny meeting held on 15.01.2020.**
105. **M/s Manoj Eng. Works, Gurgaon (South) TIN 29087, A.Y. 29087, A.Y. 2010-11.  
Para dropped in scrutiny meeting held on 15.01.2020.**
106. **M/s Konzept Retail, Gurgaon (East) TIN 30653, A.Y. 2011-12.  
Para dropped in scrutiny meeting held on 15.01.2020.**
107. **M/s Tekcordia Tesh India, Gurgaon (East) TIN 29016, A.Y. 2011-12.  
Para dropped in scrutiny meeting held on 15.01.2020.**
108. **M/s Kedan Furniture and, Gurgaon East TIN 6571831147, A.Y. 2011-12.**

In reply to the audit para it is hereby informed that the assessment of the dealer was framed vide disposal No. 334 dated: 20.3.2015 and demand of Rs. 634125/-

(Tax- Rs.467125/- + Interest-Nil + Penalty -Rs. 167000/-) was created under the HVAT Act, 2003. Arrear was pending in the arrear list of ward 7 at Sr. No. 238. So there is no irregular deletion/concealment of the arrear. Recovery notice dated: 01.05.2019 issued to the dealer but the firm found closed. The dealer has preferred appeal before the Jt. ETC Appeals and the case is yet to be decided. The recovery is not possible through the normal course of action as reported by TI, so the arrear has been declared as an arrear recoverable under the Land Revenue Act, 1887 on 3.6.2019. The proceedings for recovery has been initiated. Letters dated: 18.05.2020 and reminders dated: 7.8.2020 have been written to Estate Officer, HUDA, and Tehsildar, Gurugram to locate the property of the partners of the said firm. Reminder to the Tehsildar Gurgaon, Estate Officer Huda has sent on dated 17-09-2021. A reminder is also sent to Bank Manager for the encashment of Bank Guarantee. In view of above, the audit para may please be dropped.

- 109. M/s B.T. India, Gurgaon (East) TIN 6581827116, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
- 110. M/s Divin Spirit Gurgaon (East) TIN 6251831808, A.Y. 2012-13.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
- 111. M/s Trak Services, Gurgaon (East) TIN 29339, A.Y. 2012-13.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
- 112. M/s Tenjiku Food, Gurgaon (East) TIN 28760, A.Y. 2011-12  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
- 113. M/s Plazzio Hotels, Gurgaon (East) TIN, A.Y. 2012-13.  
Para dropped in scrutiny meeting held on 15.01.2020.**
- 114. M/s Lovely Obsession, Gurgaon (East) TIN 25952, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)**
- 115. M/s Kays Hospitality, Gurgaon (East) TIN 28495, A.Y. 2011-12.**

In reply to the audit para it is submitted that the case has been assessed ex-parte by Sh. VikasPrashar, E.T.O. vide order no. 331 dated 26.03.2015 creating additional demand of Rs. 568747/-(Tax-232876, intt.-167671, Penalty-168200) under VAT Act. Order served upon the dealer on dt. 27.05.2015. At the time of original assessment benefit of voluntary payment was allowed for Rs.443199/-, though the dealer paid voluntary Rs.656084/- which stands verified from office DCR. Accordingly the order was rectified on dated 26.02.2021 creating additional demand of Rs.208182/-.The registration of the dealer stands cancelled with effect from 10.03.2015. As the recovery is not possible through the Normal Course of action. Recovery proceeding have been also initiated against the dealer. Arrear has been declared as arrear under the Punjab Land Revenue Act,1887 on dt 22.07.2019. Reminder has been sent to Tehsildar (Gurugram) on dated 31.08.2021.

In view of the above the audit Para may please be dropped.

- 116. M/s Royal Retreat, Gurgaon (East) TIN , A.Y. 2013-14.  
Para dropped in scrutiny meeting held on 15.01.2020**

**117. M/s Yunjum Hotels, Gurgaon (East) TIN 26764, A.Y. 2011-12.**

In reply to the audit para, it is intimated that the arrears of Rs. 1692530/-(Tax Rs 984029/- + interest 708501/-) was created vide D. No 355 dated 30.03.2015. This arrear is pending in the arrears list of Ward-8 at Sr. No. 122. The firm stands cancelled w.e.f 14.08.2015. The arrear is not recoverable under normal course so the arrear has been declared arrear recoverable under the Punjab land revenue Act, 1887 on 28.02.2019. Letter have been sent to Income Tax Department, Gurugram to locate the bank account of the firm through PAN of the firm on 05.08.2020 and reminder letter for the same has been sent on 16.08.2021. Letter has been written to the bank to encash the Bank Guarantee No 003GTO2063520003 & 003GTO2063520002 submitted by the dealer at the time of registration in favour of department vide letter dated 05.08.2020 and the reminder letter for the same has been written on 16.08.2021. Therefore there is no irregular deletion/concealment of arrears. In view of above audit para may be dropped.

**118. M/s Majo DLF City, Gurgaon (East) TIN 32756, A.Y. 2011-12.  
(CASE DROPPED IN MEETING DATED 02.12.2021)****119. M/s Parker Builder P. Ltd., Sonapat TIN 6783014577, A.Y. 2010-11.****120. M/s Parker Estate Developer Sonapat TIN 6073013561, A.Y. 2010-11.****121. M/s Mapsko Builders P. Ltd., Sonapat TIN 6353014668, A.Y. 2010-11.****122. M/s Narang Construction, Sonapat TIN 6103013496, A.Y. 2010-11.****123. M/s J.B.B. Everest Buildtech, Sonapat TIN 6943015362, A.Y. 2010-11.****124. M/s Vardhman Developer, Sonapat TIN 6023014995, A.Y. 2010-11.****125. M/s Narang construction & Finance, Sonapat TIN 6103013496, A.Y. 2011-12**

(Reply from Sr. No. 119 to 125)

(Cases DROPPED IN SCRUTINY MEETING DATED 14.07.2020.)

**Observations and Recommendations of the committee as under:**

During oral examination department stated that required action was complete in all cases of the para and except in 28 cases **where action for recovery was under process.**

**The committee, therefore recommends that 28 cases be reconciled with office of PrAG(Audit) Haryana and complete detailed report of action taken in ten cases detailed at sr no. 02,11,14,15,19,40,42,59,60 and 85 of departmental reply submitted for oral meeting dated 02.12.2021 be submitted to the committee within one month and recovery process in all pending 28 cases be completed expeditiously in a time bound manner under intimation to the committee.**

**[77] 2.2.7 Failure to initiate follow up action**

The amount of tax, interest and penalty remaining unpaid by the dealer after due date is to be declared recoverable as arrears of land revenue under PLR Act and recovered in accordance with the provisions of the RR Act, 1890 by issuing RRC. DETCs have the powers of collector under sections 68, 69 and 70 of the PLR Act, 1887 for recovery of arrears of the department. When the AA is unable to recover the dues from the defaulter due to closure of his business and transfer to other place within or outside the State, the DETC (Collector) is required to send the RRC to the DETC-cum-Collector/revenue authority {(Deputy Commissioner (DC))} of the district concerned within or outside the State respectively for recovery of dues as arrears of land revenue.

Audit scrutiny of records of 21 offices in four Departments revealed that the AAs/MOs declared arrears of Rs. 72.33 crore (Rs. 62.07 crore inter-State arrears and Rs. 10.26 crore inter District arrears) recoverable as arrears of land revenue and issued RRC between December 2007 and March 2016. AAs/MOs were required to vigorously pursue the RC with the concerned Revenue Authorities. However, no follow up action was taken to recover the arrears.

Further in 20 offices of three departments, the arrears recoverable as arrears of land revenue of Rs. 94.23 crore were outstanding within the same district. Out of this, Rs. 84.28 crore relates to Excise and Taxation department. No action had been initiated by the DETC for recovery of the dues.

On this being pointed out, DETCs (ST/Excise/PGT) and MOs intimated between January and May 2016 that efforts would be made to recover the Government dues. No reply was received from remaining six offices.

**The department in its written reply stated as under (VAT):**

In reply to the audit, it is submitted that as per the provisions contained in Section 26 of the Haryana Value Added Tax Act, 2003, if any amount due under the VAT/CST Act remains unpaid after the last date specified for the payment is recoverable as the arrears of the Land Revenue Act. All the Excise & Taxation Officers and Assistant Excise & Taxation Officers have been vested with the powers of the Assistant Collector 1st Grade and DETCs have been conferred the powers of Collector under Section 68, 69 and 70 of the Land Revenue Act, 1887 for the recovery of arrears in respect of the Acts administered by this Department. Exercising the above powers, the ETOs have declared these arrears as arrears under the Land Revenue Act. Admittedly, the purpose of providing the powers to the officers of the Department under the Land Revenue Act is to ensure speedy recoveries of the tax. There is no denial to the fact that in some cases the follow up action after declaring the arrear as arrears under the Land Revenue Act has not been taken up vigorously owing to the shortage of the Taxation Inspectors in the districts. Besides the above, it is also noted here that the demands were created in the cases pointed out by the audit due to non-submission of C & F Forms, wrong application of rate of tax, Ex-parte decisions of closed firms etc. Generally, where the demand is on account of non-submission of declarations and it is likely that the declaration would be submitted by the assessee subsequently in such cases proceedings under the Land Revenue Act is not vigorously pursued as the assessee

can submit such declarations for deletion of the additional demand. In cases where the assessee prefers appeal against order creating additional demand and the order is either remanded or set aside, in such cases the additional demand in the original order is deleted.

It is also worth to mention here that the recovery of arrears is the core activity of the Department and it is also a continuous process and as a result thereof the arrears are recovered or deleted. Out of 252 Paras the Hon'ble PAC has dropped below mentioned 87 paras being the arrear in these paras were reduced to Nil:-

**2,6,7,8,10,11,12,14,16,17,18,22,28,85,87,88,89,90,95,97,108,111,112,121,125,132,133,134, 136,142,144,155,156,157,166,167,168,179 and 1,4,5,9,13,15,27,29,30,32,55,56,57, 58,59, 60,61,62,77,78,84,92,102,103,106,113,114,122,123,124,126,127,128,141,153,154,158,163, 176,177,181,186,187,188,190,222,228,229,230**

However, the summary of district wise total paras, dropped paras, pending paras is tabulated as under for ready reference:-

| A       | B                    | C                                  | D                    | E                    | F                                               | G                                                                 | H                                                   | I                                              | J                                           |
|---------|----------------------|------------------------------------|----------------------|----------------------|-------------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------|---------------------------------------------|
| Sr. No. | Name of the District | Total No. of Paras in the begining | No. of Paras Dropped | No. of Paras Pending | Amount Involved in Para Mentioned in Column 'C' | Amount Recovered deleted in Dropped Paras mentioned in column 'D' | Amount in outstanding Paras mentioned in Column 'E' | Amount recovered / Deleted from Column No. 'H' | Balance Outstanding Amount of Pending Paras |
| 1       | AMB                  | 9                                  | 8                    | 1                    | 12813324                                        | 12605438                                                          | 207886                                              | 0                                              | 207886                                      |
| 2       | BHW                  | 73                                 | 25                   | 48                   | 24384872                                        | 6293711                                                           | 18091161                                            | 1873353                                        | 16217808                                    |
| 3       | FBD (N)              | 25                                 | 13                   | 12                   | 58520144                                        | 23664975                                                          | 34855169                                            | 4881051                                        | 29974118                                    |
| 4       | FBD (S)              | 8                                  | 2                    | 6                    | 28634988                                        | 102213                                                            | 28532775                                            | 430986                                         | 28101789                                    |
| 5       | FBD (W)              | 4                                  | 2                    | 2                    | 5372024                                         | 2318822                                                           | 3053202                                             | 160000                                         | 2893202                                     |
| 6       | GRG (E)              | 60                                 | 8                    | 52                   | 335044143                                       | 153740707                                                         | 181303436                                           | 26927249                                       | 154376187                                   |
| 7       | GRG (N)              | 7                                  | 0                    | 7                    | 3244422                                         | 0                                                                 | 3244422                                             | 10000                                          | 3234422                                     |
| 8       | KNL                  | 25                                 | 15                   | 10                   | 88222994                                        | 17226507                                                          | 70996487                                            | 2324586                                        | 68671901                                    |
| 9       | RTK                  | 19                                 | 7                    | 12                   | 23039137                                        | 7835939                                                           | 15203198                                            | 0                                              | 15203198                                    |
| 10      | SNP                  | 22                                 | 7                    | 15                   | 36077842                                        | 4478872                                                           | 31598970                                            | 1993125                                        | 29605845                                    |
|         | <b>TOTAL</b>         | <b>252</b>                         | <b>87</b>            | <b>165</b>           | <b>615353890</b>                                | <b>228267184</b>                                                  | <b>387086706</b>                                    | <b>38600350</b>                                | <b>348486356</b>                            |

Out of outstanding 165 Paras, in 10 cases mentioned at Sr. No. 33,34,76, 120, 215, 221, 227, 234. 238 and 246 the demand has been reduced to Nil either due to deletion of demand or due to recovery. Two Paras bearing Sr. No. 213 and 214 which are included in 165 Paras, the additional demands pointed out by the audit has either been recovered or deleted and fresh demands on account of interest under section 23 of the VAT Act have been raised. Summary of the paras where the demand is recovered or deleted is given below.

| A       | B                                                     | C                  | D                                                | E                                                               | F                    | G                                                                                                                                                                                 |
|---------|-------------------------------------------------------|--------------------|--------------------------------------------------|-----------------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sr. No. | Description                                           | Total No. of Paras | Amount involved in Paras mentioned in column 'C' | Amount Recovered/ Deleted out of amount mentioned in column 'D' | Balance Amount (D-E) | Sr. No. of the Para in which the amount is recovered Out of column 'C'                                                                                                            |
| 1       | Outstanding Paras                                     | 165                | 387086706                                        | 38600350                                                        | 348486356            | 31,33,34,43,47,52,67,68,76,86,93,94, 107,110,115,116,117,120,129,131, 137,138,139,165,169,172,173,178, 180,183,191,192,202,207,211,212, 213,214, 215, 221, 227, 234, 238, 246,252 |
| 2       | Paras where demand is reduced to nil                  | 12                 | 13960890                                         | 13960890                                                        | 0                    | 33,34,76,120,213,214, 215, 221, 227, 234, 238, 246                                                                                                                                |
| 3       | Paras where the demand is recovered or deleted partly | 33                 | 132830094                                        | 24639460                                                        | 108190634            | 31,43,47,52,67,68,86,93,94,107,110, 115,116,117,129,131,137,138,139, 165,169,172,173,178,180,183,191, 192,202,207,211,212,252                                                     |

It is not out of context to mention here that the progress of the recovery of the old and current arrears which includes the arrears under these paras, is regularly monitored and reviewed by the Head office. In the stated circumstances, particularly when the arrears are duly monitored and reviewed by the Department at the apex level, it is requested that the paras may please be dropped.

However, the detailed para-wise replies are as under:-

- M/s Samriti Products, Ambala TIN 29087, A.Y. 2012-13.  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**
- M/s Mass International Ambala TIN 33631 A.Y. 2012- 13.  
(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**
- M/s K.K Enterprises Ambala TIN 45905 A.Y. 2010-11.**

**Para not admitted**

In reply to the audit para, it is submitted that case of M/s K.K Enterprises, Ambala holding TIN 06091045905 was assessed for the assessment year 2010-11 vide Demand No.1545 dated 26.03.2014 and additional demand of tax of Rs. 207886/- was created by the Assessing Authority under HVAT Act 2003 by framing Ex-parte assessment. TDN was issued and served upon the dealer on 21.07.2014.

The dealer has closed down its business on 26.3.2014. Notices for recovery have been issued to the sureties M/s Ahuja Taps & Tiles holding Tin-06621045468 and M/s Mobile.com holding Tin-06351044307 and the same stands served upon both the sureties M/s Ahuja Taps & Tiles on dated 25.07.2019 and M/s Mobile.com on dated 22.07.2019. Reminder notices to the sureties have been sent on 11.06.2021. Being aggrieved from the order, one of the sureties has preferred appeal on behalf of the dealer before JETC (Appeal) Ambala and has furnished surety bond of Rs. 207866/- u/s 33 of HVAT Act 2003. Appeal has not been decided yet. The outcome of the same shall be

communicated as soon as any order in the same is pronounced. In light of the above, para may kindly be dropped.

4. **M/s Healing Touch Pharna, Ambala TIN 23692 A.Y. 2011-12.**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**

5. **M/s Jindal Metal Industries, Ambala TIN 27736 A.Y. 2012-13.**

**Para not admitted**

**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

6. **M/s Punjab Industries & Export Corp, Ambala TIN 31659 A.Y. 2012-13.**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**

7. **M/s Rapsons Laboratory Services, Ambala TIN 34084 A.Y. 2012-13.**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**

8. **M/s Mass Engineering Concept, Ambala TIN 38203 A.Y. 2011-12.**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**

9. **M/s Ambala Electronic Industries, Ambala TIN 44200 A.Y. 2012-13.**

**Para not admitted**

**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

10. **M/s Trimurti Brick Kiln co. Bhiwani TIN 6111109720 A.Y. 2010-11**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

11. **M/s Trimurti Brick Kiln co. Bhiwani TIN 6111109720 A.Y. 2011-12**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

12. **M/s Trimurti Brick Kiln co. Bhiwani TIN 6111109720 A.Y. 2012-13**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

13. **M/s Om Brick Kiln co. Bhiwani TIN 6171112694 A.Y. 2012-13.**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**

14. **M/s Hari BKO Bhiwani TIN 6781107266 A.Y. 2009-10**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

15. **M/s Hari BKO Bhiwani TIN 6781107266 A.Y. 2010-11**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

16. **M/s Hari BKO Bhiwani TIN 6781107266 A.Y. 2011-12**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

17. **M/s Hari BKO Bhiwani TIN 6781107266 A.Y. 2012-13**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

18. **M/s Parmar BKO Bhiwani TIN 6891106381 A.Y. 2010-11**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

**19. M/s Jugal Kishore & co. Bhiwani TIN 6591110523 A.Y. 2010-11**

The case was decided by then Assessing Authority for the year 2010-11 vide disposal no. 1664 on dated 27.03.2014. A demand of Rs. 118215/- was created under HVAT Act, 2003 consisting tax amount Rs. 64685/-, Interest Rs. 53530/-. N-4 notice along with assessment order was served upon the dealer on dated 27.03.2014. The firm is closed. The dealer is not traceable. Therefore the arrear was declared recoverable under Punjab Land Revenue Act on 10.08.2018. Summon was issued to the dealer on dated 15.01.2020 through substitute service by pasting on last known place of business and a letter was issued to Tehsildar, vide memo No, 3088 dated 15.01.2019 to provide the details of properties of proprietor. The reply dated 05.02.2019 has been received from Tehsildar that there is no property registered in the name of proprietor. One of the Surety M/s PK Trading Co., Bhiwani has been cancelled and is not traceable. Another surety firm namely M/s Gupta Barrel Supply Co., Bhiwani is active. The surety amount of Rs. 100000/- has been recovered from M/s Gupta Barrel Supply Co., Bhiwani Vide GR No. 67899093 dated 14.10.2020. For the pending amount of Rs. 18215/-, last Reminder to the other surety for Recovery has been issued on dated 16.08.2021. Audit would be informed after the recovery.

**20. M/s Jugal Kishore & co. Bhiwani TIN 6591110523 A.Y. 2011-12**

The case was decided by then Assessing authority for the year 2011-12 vide disposal no. 1031 on dated 11.12.2013. A demand of Rs. 324986/- was created under HVAT Act, 2003 consisting tax amount Rs. 215250/-, Interest Rs.109736/- N-4 notice along with assessment order was served upon the dealer on dated 27.03.2014. The Firm is closed. The dealer is not traceable. Therefore the arrear was declared recoverable under Punjab Land Revenue Act on 10.08.2018. Summon were issued to the dealer on dated 15.01.2020 through substitute service by pasting on last known place of business and a letter was issued to Tehsildar, vide memo No, 3088 dated 15.01.2019 to provide the details of properties of proprietor. The reply dated 05.02.2019 has been received from Tehsildar that there is no property registered in the name of proprietor. One of the Surety M/s PK Trading Co., Bhiwani has been cancelled and is not traceable. The other surety firm i.e. M/s Gupta Barrel Supply Co., Bhiwani is active, but has already deposited the surety amount against the additional demand for the year 2010-11 of this dealer. Efforts are on to recover the arrear. Last Reminder to the other surety for Recovery has been issued on dated 16.08.2021. Audit would be informed after the recovery.

**21. M/s Jugal Kishore & co. Bhiwani TIN6591110523 A.Y. 2012-13**

The case was decided by then Assessing authority for the year 2012-13 vide disposal no. 981 on dated 17.11.2014. A demand of Rs. 387801/- was created under HVAT Act, 2003 consisting tax amount Rs. 253576/-, Interest Rs.134225/-. N-4 notice along with assessment order was served upon the dealer on dated 27.03.2014. The firm is closed. The dealer is not traceable. Therefore the arrear was declared recoverable under Punjab Land Revenue Act on 10.08.2018. Summon were issued to the dealer on dated 15.01.2020 through substitute service by pasting on last known place of business and a letter was issued to Tehsildar, vide memo No, 3088 dated 15.01.2019 to provide the details of properties of proprietor. The reply dated 05.02.2019 has been received from Tehsildar that there is no property registered in the name of proprietor. One of the Surety M/s PK Trading Co., Bhiwani has been cancelled and is not traceable. The other surety firm i.e. M/s Gupta



Barrel Supply Co., Bhiwani is active, but has already deposited the surety amount against the additional demand for the year 2010-11 of this dealer. Efforts are on to recover the arrear. Last Reminder to the other surety for Recovery has been issued on dated 16.08.2021. Audit would be informed after the recovery.

**22. M/s Balasar Brick Kiln Bhiwani TIN 6231105310 A.Y. 2010-11**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

**23. M/s Shree Ram Bhatta Co. Bhiwani TIN 6371111420 A.Y. 2011-12**

The case was decided by then Assessing authority for the year 2011-12 on dated 11.12.2013. A demand of Rs. 108241/- was created under HVAT Act, 2003 consisting tax amount Rs. 52500/-, Interest Rs.55741/-. The Prop. of the firm is not traceable. The arrear has been declared recoverable under Punjab Land Revenue Act 10.08.2018. Summon were issued to the dealer on dated 15.01.2020 through substitute service by pasting on last known business place of firm. The firm is closed.

A letter was written to Tehsildar, to provide the details of properties of proprietor. The reply received from Tehsildar vide letter 289 dated 05.02.2019 that there is no property registered in the name of proprietor.

**Both the sureties namely** 1. Sh. Ram Kumar S/O Saroop Singh Prop. of M/s Nangal Bhatta Co., 2. Sh. Umed Singh S/o Matu Singh Prop of M/s Shiv Bhatta Co., Maneheru, are alive and the proceeding is on to recover the surety amount from both the sureties. Last reminders have been issued to sureties on dated 16.08.2021. Audit would be intimated after the recovery.

**24. M/s Shree Ram Bhatta Co. Bhiwani TIN 6371111420 A.Y. 2012-13**

Firm has been closed. The case was decided by then Assessing authority for the year 2011-12 vide disposal no. 1004 on dated 17.11.2014. A demand of Rs. 300963/- was created under HVAT Act, 2003 consisting tax amount Rs. 193201/-, Interest Rs.107762/- Assessment order and TDN served upon the dealer 20.11.2014. The Prop. of the firm is not traceable. The arrear has been declared recoverable under Punjab Land Revenue Act 10.08.2018. Summon were issued to the dealer on dated 15.01.2020 through substitute service by pasting on last known business place of firm.

A letter was written to Tehsildar, to provide the details of properties of proprietor. The reply received from Tehsildar vide letter 289 dated 05.02.2019 that there is no property registered in the name of proprietor.

**Both the sureties namely** 1. Sh. Ram Kumar S/O Saroop Singh Prop. of M/s Nangal Bhatta Co., 2. Sh. Umed Singh S/o Matu Singh Prop of M/s Shiv Bhatta Co., Maneheru, are alive and the proceeding is on to recover the surety amount from both the sureties. Last reminders have been issued to sureties on dated 16.08.2021. Audit would be intimated after the recovery.

**25. M/s Khushal Bhatta Bhiwani TIN 6481109856 A.Y. 2009-10**

The case was decided by then Assessing authority for the year 2009-10 vide disposal no. 18 on dated 11.04.2012. A demand of Rs. 280950/- was created under HVAT Act, 2003 consisting tax amount Rs. 175000/-, Interest Rs.105950/-. N-4 notice along with assessment

order was served upon the dealer on dated 11.04.2012. The dealer is not traceable. The arrear was declared recoverable under Punjab Land Revenue Act 10.08.2018. Summon were issued to the dealer on dated 15.01.2020 through substitute service. A letter to Tehsildar was issued vide Letter No, 2352 dated 31.01.2020. The reply was received from Tehsildar that there is no property registered on the name of proprietor Bhiwani vide letter no. 1632 dated 27.11.2020.

**Both the sureties** 1. Sh. Vijay Kumar S/o Sh. Chand Ram R/o VPO Sanga, Bhiwani 2. Sh. Ramroop S/o Sh Chand Ram R/o Maneheru, Bhiwani are alive and the proceeding is on to recover the surety amount from both the sureties. Last reminders have been issued to sureties on dated 16.08.2021. Audit would be informed after the recovery

**26. M/s Khushal Bhatta Bhiwani TIN 6481109856 A.Y. 2012-13**

The case was decided by then Assessing authority for the year 2012-13 vide disposal no. 1020 on dated 17.11.2012. A demand of Rs. 145188/- was created under HVAT Act, 2003 consisting tax amount Rs. 87576/-, Interest Rs.57612/- N-4 notice along with assessment order was served upon the dealer on dated 20.11.2014. The dealer is not traceable. The arrear was declared recoverable under Punjab Land Revenue Act 10.08.2018. Summon were issued to the dealer on dated 15.01.2020 through substitute service. A letter to Tehsildar was issued vide Letter No, 2352 dated 31.01.2020. The reply was received from Tehsildar that there is no property registered on the name of proprietor Bhiwani vide letter no. 1632 dated 27.11.2020. Both the sureties 1. Sh. Vijay Kumar S/o Sh. Chand Ram R/o VPO Sanga, Bhiwani 2. Sh. Ramroop S/o Sh Chand Ram R/o Maneheru, Bhiwani are alive and the proceeding is on to recover the surety amount from both the sureties. Last reminders have been issued to sureties on dated 16.08.2021. Audit would be informed after the recovery.

**27. M/s R. S. BKO Bhiwani TIN 9474 A.Y. 2012-13**

**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**28. M/s Saraswati Bhatta co. Bhiwani TIN 6321110429 A.Y. 2009-10**

**(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**

**29. M/s Saraswati Bhatta co. Bhiwani TIN 6321110429 A.Y. 2010-11**

**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**30. M/s Saraswati Bhatta co. Bhiwani TIN 6321110429 A.Y. 2011-12**

**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**31. M/s Saraswati Bhatta co. Bhiwani TIN 6321110429 A.Y. 2012-13**

The firm is alive. The case was decided by then Assessing Authority for the A.Y. 2012-13 vide disposal No. 14 dated 15.04.2014. But in audit objection the assessment order date is shown as 10.04.2014. A demand of Rs. 352012/- was created under HVAT Act 2003. Thereafter the Assessing Authority rectified the original order vide order dated 11.09.2019 and the demand has been reduced to Rs. 65586/-. An amount of Rs. 31940/- has been adjusted from the excess brought forward from the assessment year 2011-12. The balance arrear of Rs. 33646/- had been declared to be recovered under the Punjab Land Revenue Act. Notice to the sureties have been issued on 16.07.2021 for recovery of the balance amount of Rs. 33646/-. Letter has been issued to Tehsildar, Ch. Dadri to know the

immovable Properties of the dealer. Reply is still awaited. Reminder has been written to the Tehsildar, Ch. Dadri on 13.08.2021 for intimation regarding immovable property owned by the Proprietor. Audit would be informed after recovery.

**32. M/s Baba Suraj Giri Bhatta Bhiwani TIN 6301109664 A.Y. 2010-11  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**33. M/s Baba Suraj Giri Bhatta Bhiwani TIN 6301109664 A.Y. 2011-12**

The assessment was framed by then Assessing Authority and an additional demand of Rs. 345304/- was created vide order dated 27.11.2013. An amount of Rs. 250000/- had been recovered vide GRN 7959895 Dated 25.09.2014 and Rs. 52929/- recovered vide GRN 0067856330 dated 29.09.2020 and Rs. 42375/- adjusted from VAT excess for A.Y. 2010-11. The entire additional demand stands recovered in this case. Hence para may kindly be dropped.

**34. M/s Baba Suraj Giri Bhatta Bhiwani TIN 6301109664 A.Y. 2012-13**

The case was decided by then Assessing Authority for the year 2012-13 vide disposal no. 15 on dated 15.04.2014. An additional demand of Rs. 352012/- was created under HVAT Act. Thereafter the original order was rectified by the Assessing Authority and demand of Rs. 257666/- was created and the same shall stands recovered vide GRN No. 0067856001 dated 29.09.2020. As the entire arrear stands recovered in this case, hence the Para deserves to be dropped.

**35. M/s Kanheri BKO Bhiwani TIN6851106500 A.Y. 2008-09**

The firm is closed. The case was decided by the then Assessing Authority for the year 2008-09 vide disposal no. 1060 on dated 02.03.2012. A demand of Rs. 67875/- was created under HVAT Act, 2003 consisting interest Rs. 67875 /-. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Letter has been written to Tehsildar Charkhi Dadri for intimation regarding immovable property owned by the Proprietor vide letter No. 423 on date 20.07.2020. As per report of Tehsildar dated 10.08.2020, the owner of the firm has no immovable property. Notices have been served upon the sureties of the firm on 13.08.2021. Audit would be informed after the recovery.

**36. M/s Kanheri BKO Bhiwani TIN 6851106500 A.Y. 2009-10**

The case was decided by then Assessing Authority for the year 2009-10 vide disposal no. 983 on dated 01.03.2013. A demand of Rs. 49384/- was created under HVAT Act, 2003 consisting interest Rs. 49384 /-. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Letter was written to Tehsildar Charkhi Dadri for intimation regarding immovable property owned by the Proprietor vide letter No. 423 on date 20.07.2020. As per report of Tehsildar dated 10.08.2020 informed to this office that the owner of the firm has no immovable property. Notices have been served upon the sureties of the firm on 13.08.2021. Audit would be informed after the recovery.

**37. M/s Kanheri BKO Bhiwani TIN6851106500 A.Y. 2010-11**

Audit party raised an audit objection of the said firm and demand Shown Rs. 153228/- which is not admitted. The case was decided by then Assessing Authority for the year 2010-11 vide disposal no. 984 on dated 01.03.2013. A demand of Rs. 116832/- was created under HVAT Act, 2003 consisting interest Rs. 114832 /- and penalty Rs. 2000/- As per

disposal register but in order voluntary payment of Rs. 201250/- not entertained by the assessing authority during the assessment for the period in question. In assessment order payable tax is shown Rs. 210000/- instead of Rs. 201250/- (as per disposal register), the interest shown in order Rs. 114682/- instead of Rs. 114832/- (as per disposal register), Penalty Rs. 2000/- (as per disposal register) so the actual Grand total comes to Rs. 326682/-. While in order the total amount shown Rs. 317932/- due to clerical mistake. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Letter has been written to Tehsildar Charkhi Dadri for intimation regarding immovable property owned by the Proprietor vide letter No. 423 on date 20.07.2020. As per report of Tehsildar dated 10.08.2020 informed to this *office* that the owner of the firm has no immovable property. Notices have been served upon the sureties of the firm on 13.08.2021. Audit would be informed after the recovery.

**38. M/s Kanheri BKO Bhiwani TIN 06851106500 A.Y. 2011-12**

The case was decided by then Assessing Authority for the year 2011-12 vide disposal no. 985 on dated 01.03.2013. A demand of Rs. 192761/- was created under HVAT Act, 2003 consisting tax amount Rs.133874/-, interest Rs. 56887/- and penalty Rs. 2000/-. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Letter has been written to Tehsildar Charkhi Dadri for intimation regarding immovable property owned by the Proprietor vide letter No. 423 on date 20.07.2020. As per report of Tehsildar dated 10.08.2020 informed to this *office* that the owner of the firm has no immovable property. Notices have been served upon the sureties of the firm on 13.08.2021. Audit would be informed after the recovery.

**39. M/s Kanheri BKO Bhiwani TIN 06851106500 A.Y. 2012-13**

The case was decided by then Assessing Authority for the year 2012-13 vide disposal no. 986 on dated 01.03.2013. A demand of Rs.35654/- was created under HVAT Act, 2003 consisting tax amount Rs.28874/-, interest Rs. 4780/- and penalty Rs. 2000/-Rs. 59748/- wrongly shown in the assessment order as well as disposal register due to clerical / totaling mistake. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Letter has been written to Tehsildar Charkhi Dadri for intimation regarding immovable property owned by the Proprietor vide letter No. 423 on date 20.07.2020. As per report of Tehsildar dated 10.08.2020 informed to this *office* that the owner of the firm has no immovable property. Notices have been served upon the sureties of the firm on 13.08.2021. Audit would be informed after the recovery.

**40. M/s Ganpati Bhatta Co. Bhiwani TIN 060301106951 A.Y. 2009-10**

The firm is closed. The case was decided by then Assessing Authority for the year 2009-10 vide disposal no.987 on dated 01.03.2013. A demand of Rs. 318868/- was created under HVAT Act, 2003 consisting tax amount Rs. 175000/-, interest Rs. 141868/- and penalty Rs. 2000/-. Arrear was declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. The Proprietor of the firm has expired. Recovery notice dated 20.07.2020 was issued to first sureties Sh. Ompal Prop. of M/s Shivam BKO Sanwar, Charkhi Dadri, which could not be served as the firm is closed. Recovery notice to second surety Sh. Chanderbhan Prop. of Shankar Bricks Klin Co. on dated 20.07.2020 could not served upon as firm is closed and the Proprietor of the surety firm has expired. Letters have

been written to Tehsildar Jhajjar, Baund Kalan and Charkhi Dadri for information regarding immovable property of the dealer, the latest being on 13.08.2021. Audit would be informed after the recovery.

**41. M/s Ganpati Bhatta Co. Bhiwani TIN 60301106951 A.Y. 2010-11**

The case was decided by then Assessing Authority for the year 2010-11 vide disposal no.988 on dated 01.03.2013. A demand of Rs. 317932/- was created under HVAT Act, 2003 consisting tax amount Rs. 201250/-, interest Rs. 114682/- and penalty Rs. 2000/-. Arrear was declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. The Proprietor of the firm has expired. Recovery notice dated 20.07.2020 was issued to first sureties Sh. Ompal Prop. of M/s Shivam BKO Sanwar, Charkhi Dadri, which could not be served as the firm is closed. Recovery notice to second surety Sh. Chanderbhan Prop. of Shankar Bricks Klin Co. on dated 20.07.2020 could not served upon as firm is closed and the Proprietor of the surety firm has expired. Letters have been written to Tehsildar Jhajjar, Baund Kalan and Charkhi Dadri for information regarding immovable property of the dealer, the latest being on 13.08.2021. Audit would be informed after the recovery.

**42. M/s Ganpati Bhatta Co. Bhiwani TIN 60301106951 A.Y. 2011-12.**

The case was decided by then Assessing Authority for the year 2011-12 vide disposal no.989 on dated 01.03.2013. A demand of Rs. 288958/- was created under HVAT Act, 2003 consisting tax amount Rs. 215250/-, interest Rs. 114682/- and penalty Rs. 2000/-. N-4 notice along with assessment order was served upon the dealer. Arrear was declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. The Proprietor of the firm has expired. Recovery notice dated 20.07.2020 was issued to first sureties Sh. Ompal Prop. of M/s Shivam BKO Sanwar, Charkhi Dadri, which could not be served as the firm is closed. Recovery notice to second surety Sh. Chanderbhan Prop. of Shankar Bricks Klin Co. on dated 20.07.2020 could not served upon as firm is closed and the Proprietor of the surety firm has expired. Letters have been written to Tehsildar Jhajjar, Baund Kalan and Charkhi Dadri for information regarding immovable property of the dealer, the latest being on 13.08.2021. Audit would be informed after the recovery.

**43. M/s Bajrang Bhatta co. Bhiwani TIN 6121106950 A.Y. 2008-09.**

The case was decided by then Assessing Authority for the year 2008-09 vide disposal no.1059 dated 02.03.2012 .A demand of Rs. 158900/- was created under HVAT Act, 2003 consisting tax amount Rs.70000/-, interest Rs. 88900/-. N-4 notice along with assessment order was served upon to the dealer. In response to notice the dealer has paid Rs. 35000/- vide G-4 No. 54/3257 dated 25.08.2009 , Rs. 35000/- dated 26.08.2009 ,Rs. 35000/- dated 10.12.2009 and Rs. 35000/- paid vide G-4 No. 65/6441 dated 20.08.2010. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Recovery notice for balance demand Rs. 18900/- served upon dated 04.07.2020 to sureties. A letter has already been written to Tehsildar Bhiwani for immovable property certificate vide letter no. 419 dated 20-07-2020. Reply is awaited. A Reminder dated 13.08.2021 has been sent to Tehsildar, Bhiwani for intimation regarding Property owned by the Prop. Audit would be informed after the recovery.

**44. M/s Bajrang Bhatta co. Bhiwani TIN 6121106950 A.Y. 2009-10.**

The case was decided by then Assessing Authority for the year 2009-10 vide disposal no. 1077 dated 06-03-2013. A demand of Rs. 257894/- under HVAT Act, 2003 consisting tax amount Rs. 140000/-, interest Rs. 117894/-. N-4 notice along with assessment order was served upon to the dealer on dated 13-09-2013. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Recovery notice served upon dated 04.07.2020 to sureties. A letter has already been written to Tehsildar Bhiwani for immovable property certificate vide letter no. 419 dated 20-07-2020. Reply is awaited. A Reminder dated 13.08.2021 has been sent to Tehsildar, Bhiwani for intimation regarding Property owned by the Prop. Audit would be informed after the recovery.

**45. M/s Bajrang Bhatta co. Bhiwani TIN 6121106950 A.Y. 2010-11**

The case was decided by then Assessing Authority for the year 2010-11 vide disposal no. 1078 dated 06.03.2013. A demand of Rs. 257904/- was created under HVAT Act consisting tax amount Rs. 162800/-, interest Rs. 95104/-. N-4 notice along with assessment order was served upon the dealer on dated 13.09.2013. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Recovery notice served upon dated 04.07.2020 to sureties. A letter has already been written to Tehsildar Bhiwani for immovable property certificate vide letter no. 419 dated 20-07-2020. Reply is awaited. A Reminder dated 13.08.2021 has been sent to Tehsildar, Bhiwani for intimation regarding Property owned by the Prop. Audit would be informed after the recovery.

**46. M/s Bajrang Bhatta co. Bhiwani TIN 6121106950 A.Y. 2011-12.**

The case was decided by then Assessing Authority for the year 2011-12 vide disposal no. 1394 on dated 27.11.2013. A demand of Rs. 298396/- was created under HVAT Act, 2003 consisting tax amount Rs.183525/-, interest Rs. 114871/-. N-4 notice along with assessment order was served upon the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Recovery notice served upon dated 04.07.2020 to sureties. A letter has already been written to Tehsildar Bhiwani for immovable property certificate vide letter no. 419 dated 20-07-2020. Reply is awaited. A Reminder dated 13.08.2021 has been sent to Tehsildar, Bhiwani for intimation regarding Property owned by the Prop. Audit would be informed after the recovery.

**47. M/s Shree Ram. BKO Bhiwani TIN 6711106738 A.Y. 2009-10.**

The case was decided by then assessing authority for the year 2009-10 vide disposal no. 970 dated 01.03.2013. A demand of Rs. 166993/- was created under HVAT Act 2003 consisting tax amount Rs.87500/-, interest Rs.77493/-and penalty Rs. 2000/-. (Firm is closed). N-4 notice along with assessment order was served upon the dealer. In response to demand Rs.70000/- recovered vide G-4 No. 36/003257 dated 27.03.2009 and Rs. 20000/- recovered vide GRN. No. 0042279600 dated 29.11.2018 Recovery notice issued for balance demand Rs. 76993/-. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. A letter was written to Tehsildar Charkhi Dadri vide letter no. 503 (TI/JKR) dated 08.10.2009. Second reminder dated 12.07.2011/116 TI(NK) was also written to Tehsildar Charkhi Dadri for property certificate. A letter was written to Tehsildar Charkhi Dadri vide letter no. 116/Ti(NK) dated 12-07-2011 and received reply on dated 23-08-2011 mentioning that partner Sh. Sita Ram s/o Hanuman Das and Santosh w/o

Sitaram r/o Gandhinagar, Charkhi Dadri have no immovable property as per revenue record. However a fresh letter has been written to Tehsildar Charkhi Dadri for latest immovable property certificate vide letter no.420 dated 20.07.2020. Notice has been served upon the surety on 13.08.2021 for balance recovery of Rs. 76693/- . Audit would be informed after the recovery.

**48. M/s Shree Ram BKO, Bhiwani TIN 6711106738 A.Y. 2010-11.**

The case was decided by then assessing authority for the year 2010-11 vide disposal no. 971 dated 01.03.2013.A demand of Rs. 30617/- was created under HVAT Act 2003 consisting tax amount Rs. 17500/-, interest Rs.11117/-and penalty Rs. 2000/-Firm is closed. N-4 notice along with assessment order was served upon the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. A letter was written to Tehsildar Charkhi Dadri vide letter no. 503 (TI/JKR) dated 08.10.2009. Second reminder dated 12.07.2011/116 TI(NK) was also written to Tehsildar Charkhi Dadri for property certificate. A letter was written to Tehsildar Charkhi Dadri vide letter no. 116/Ti(NK) dated 12-07-2011 and received reply on dated 23-08-2011 mentioning that partner Sh. Sita Ram s/o Hanuman Das and Santosh w/o Sitaram r/o Gandhinagar, Charkhi Dadri have no immovable property as per revenue record. Notice has been served upon the surety on 13.08.2021 for recovery of balance arrear of Rs. 30617/- . Audit would be informed after the recovery.

**49. M/s Dev Bhatta Co. Bhiwani TIN 610110289 A.Y. 2008-09**

The case was decided by then Assessing Authority the year 2008-09 vide disposal no. 1133 on dated 14.03.2012.A demand was created of Rs. 164483/- under HVAT Act, 2003 consisting tax amount Rs.89284/- interest Rs. 75199/-. But amount in audit objection shown Rs. 1644489/- due to clerical mistake.N-4 notice along with assessment order was served upon the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Recovery notice issued to the vide 41/09.09.2019 received back on dated 14.09.2019 in the office of undersigned with postal remark that the partner has already been expired. A letter has been written to Tehsildar Charkhi Dadri and Bhiwani vide letter no. 460 and 461 on dated 29.07.2020 for immovable property certificate. Reply is awaited. Reminder on 13.08.2021 has been sent to Tehsildar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**50. M/s Dev Bhatta Co. Bhiwani TIN 09289 A.Y. 2009-10**

The case was decided by then Assessing Authority for the year 2009-10 vide disposal no 1152 on dated 12.03.2013.A demand of Rs. 197260/- was created under HVAT Act, 2003 consisting tax amount Rs. 105000/-, interest Rs.92260/-. N-4 notice along with assessment order was served upon the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Recovery notice issued to the vide 41/09.09.2019 received back on dated 14.09.2019 in the office of undersigned with postal remark that the partner has already been expired. A letter has been written to Tehsildar Charkhi Dadri and Bhiwani vide letter no. 460 and 461 on dated 29.07.2020 for immovable property certificate. Reply is awaited. Reminder on 13.08.2021 has been sent to Tehsildar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**51. M/s Dev Bhatta Co. Bhiwani TIN 6101109289 A.Y. 2010-11**

The case was decided by then Assessing Authority for the year 2010-11 vide disposal no. 1153 on dated 12.03.2013. A demand of Rs. 29076/- was created under HVAT Act, 2003 consisting tax amount Rs.17500/-, interest Rs.11576/-. N-4 notice along with assessment order was served upon the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Recovery notice issued to the vide 41/09.09.2019 received back on dated 14.09.2019 in the office of undersigned with postal remark that the partner has already been expired. A letter has been written to Tehsildar Charkhi Dadri and Bhiwani vide letter no. 460 and 461 on dated 29.07.2020 for immovable property certificate. Reply is awaited. Reminder on 13.08.2021 has been sent to Tehsilar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**52. M/s Saraswati BKO Bhiwani TIN 6621110652 A.Y. 2010-11**

The case was decided by then assessing authority vide disposal no. 998 dated 01.03.2013. A demand of Rs. 301042/- was created under HVAT Act consisting tax amount Rs.201250/-, interest Rs.97792/- and penalty Rs. 2000/-. N-4 notice along with assessment order was served upon the dealer. In response to the notice Rs. 100000/- recovered vide GRN 42890481 Dated 31.12.2018. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Recovery Notice for balance demand Rs. 201042/- issued to the dealer and surety Sh. Birander Singh Prop. M/s New Rajput Bhatta Co. Tin No. 06821105110. A letter to Tehsildar Bhiwani has also been written vide letter no. 418 on dated 20.07.2020 for property certificate. Reply is awaited. Reminder has been sent on 13.08.2021 to Tehsilar, Bhiwani for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**53. M/s Saraswati BKO Bhiwani TIN 6621110652 A.Y. 2011-12**

The case was decided by then Assessing Authority for the year 2011-12 vide disposal no. 1388 on dated 27.11.2013. A demand of Rs. 345304/- was created under HVAT Act, 2003 consisting tax amount Rs.226013/-, interest Rs. 119291/-. N-4 notice along with assessment order was served upon the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Recovery Notice issued to the dealer and surety Sh. Birander Singh Prop. M/s New Rajput Bhatta Co. Tin No. 06821105110. A letter to Tehsildar Bhiwani has also been written vide letter no. 418 on dated 20.07.2020 for property certificate. Reply is awaited. Reminder has been sent on 13.08.2021 to Tehsilar, Bhiwani for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**54. M/s Saraswati BKO Bhiwani TIN 6621110652 A.Y. 2012-13**

The case was decided by then Assessing Authority for the year 2012-13 vide disposal no. 16 on dated 15.04.2014. A demand of Rs. 352012/- was created under HVAT Act, 2003 consisting tax amount Rs. 253600/-, interest Rs. 98412. N-4 notice along with assessment order was served upon the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. Recovery Notice issued to the dealer and surety Sh. Birander Singh Prop. M/s New Rajput Bhatta Co. Tin No. 06821105110. A letter to Tehsildar Bhiwani has also been written vide letter no. 418 on dated 20.07.2020 for



property certificate. Reply is awaited. Reminder has been sent on 13.08.2021 to Tehsilar, Bhiwani for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

55. **M/s Shankar Bhatta co. Bhiwani TIN 6141104805 A.Y. 2009-10**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)
56. **M/s Shankar Bhatta co. Bhiwani TIN 6141104805 A.Y. 2010-11**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)
57. **M/s Shankar Bhatta co. Bhiwani TIN 6141104805 A.Y. 2011-12**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)
58. **M/s Shankar Bhatta co. Bhiwani TIN 6141104805 A.Y. 2012-13**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)
59. **M/s Shivam Bhatta co. Bhiwani TIN 6911105109 A.Y. 2009-10**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).
60. **M/s Shivam Bhatta co. Bhiwani TIN 6911105109 A.Y. 2010-11**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).
61. **M/s Shivam Bhatta co. Bhiwani TIN 6911105109 A.Y. 2011-12**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).
62. **M/s Shivam Bhatta co. Bhiwani TIN 6911105109 A.Y. 2012-13**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).
63. **M/s Shree Ganesh Bhatta co. Bhiwani TIN 6701110317 A.Y. 2008-09**

The case was decided by then Assessing Authority for the year 2008-09 vide disposal no.1071 on dated 02.03.2012 A demand of Rs. 320551/- was created under HVAT Act, 2003 consisting tax amount Rs. 175000/-, interest Rs.145551/-.(Firm is closed) N-4 notice along with assessment order was served upon to the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. A letter no. 864/TI(NK), 586/TI(NK) and 883/TI(NK) dated 13.09.2013, 01.07.2014 and 30.08.2017 written to Tehsildar Charkhi Dadri for the immovable property certificate of Sh.Manjeet Singh S/o Bhoop Singh H. no. 184, village Dhani Phogat Charkhi Dadri. Reply is awaited. As information received from Oriental Bank of Commerce Partner Sh.Ompal S/o Sh.Raghubir Singh Prop. M/s Shivam BKO Sanwar, Sh.Raj Kumar S/o Sh. Uday chand Prop. M/s Shankar Bhatta Co. Sanwar has no bank account and Sh.Manjeet Singh S/o Sh.Bhoot Singh Prop M/s Shree Ganesh Bhatt Co. Rankoli has bank account No.01221131001585 has no balance amount. Recovery notice dated 06.07.2020 served upon to the second surety Sh. Rajpal Singh S/o Dharmpal Prop. of M/s B.M.P Bhatta Co. Tin no. 06711105122.. A letter has been written to Teshildar Charkhi Dadri for immovable property certificate vide letter no 422 on dated 20.07.2020. Reply is awaited..Reminder has been sent on 13.08.2021 to Tehsilar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**64. M/s Shree Ganesh Bhatta co. Bhiwani TIN 6701110317 A.Y. 2009-10**

Then case was decided by then Assessing Authority for the year 2009-10 vide disposal no. 977 on dated 01.03.2013. A demand of Rs. 319683/- was created under HVAT Act, 2003 consisting tax amount Rs.175000/-, interest Rs.142683/- and penalty Rs.2000/-. Firm is closed. N-4 notice along with assessment order was served upon to the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. A letter no. 864/TI(NK), 586/TI(NK) and 883/TI(NK) dated 13.09.2013, 01.07.2014 and 30.08.2017 written to Tehsildar Charkhi Dadri for the immovable property certificate of Sh.Manjeet Singh S/o Bhoop Singh H. no. 184, village Dhani Phogat Charkhi Dadri. Reply is awaited. As information received form Oriental Bank of Commerce Partner Sh.Ompal S/o Sh.Raghubir singh Prop. M/s Shivam BKO Sanwar, Sh.Raj Kumar S/o Sh. Uday chand Prop. M/s Shankar Bhatta Co. Sanwar has no bank account and Sh.Manjeet Singh S/o Sh.Bhoot Singh Prop M/s Shree Ganesh Bhatt Co. Rankoli has bank account No.01221131001585 has no balance amount..Recovery notice dated 06.07.2020 served upon to the second surety Sh. Rajpal Singh S/o Dharmpal Prop. of M/s B.M.P Bhatta Co. Tin no. 06711105122.. A letter has been written to Teshildar Charkhi Dadri for immovable property certificate vide letter no 422 on dated 20.07.2020. Reply is awaited. Reminder has been sent on 13.08.2021 to Tehsilar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**65. M/s Shree Ganesh Bhatta co. Bhiwani TIN 6701110317 A.Y. 2010-11**

The case was decided by then Assessing Authority for the year 2010-11 vide disposal no. 978 on dated 01.03.2013. A demand of Rs. 318248/- was created under HVAT Act, 2003 consisting tax amount Rs.201250, interest Rs. 114998 and penalty Rs. 2000. (Firm is closed). N-4 notice along with assessment order was served upon to the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. A letter no. 864/TI(NK), 586/TI(NK) and 883/TI(NK) dated 13.09.2013, 01.07.2014 and 30.08.2017 written to tehsildar Charkhi Dadri for the immovable property certificate of Sh.Manjeet Singh S/o Bhoop Singh H. no. 184, village Dhani Phogat Charkhi Dadri. Reply is awaited. As information received form Oriental Bank of Commerce Partner Sh.Ompal S/o Sh.Raghubir singh Prop. M/s Shivam BKO Sanwar, Sh.Raj Kumar S/o Sh. Uday chand Prop. M/s Shankar Bhatta Co. Sanwar has no bank account and Sh.Manjeet Singh S/o Sh.Bhoot Singh Prop M/s Shree Ganesh Bhatt Co. Rankoli has bank account No.01221131001585 has no balance amount..Recovery notice dated 06.07.2020 served upon to the second surety Sh. Rajpal Singh S/o Dharmpal Prop. of M/s B.M.P Bhatta Co. Tin no. 06711105122. A letter has been written to Teshildar Charkhi Dadri for immovable property certificate vide letter no 422 on dated 20.07.2020. Reply is awaited. Reminder has been sent on 13.08.2021 to Tehsilar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**66. M/s Shree Ganesh Bhatta co. Bhiwani TIN 6701110317 A.Y. 2011-12**

The case was decided by then Assessing Authority for the year 2011-12 vide disposal no. 1917 on dated 31.03.2014 A demand of Rs. 212385/- was created under HVAT Act, 2003 consisting tax amount Rs.134400/-, interest Rs. 77985/-Firm is closed.N-4 notice along with assessment order was served upon to the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act.1887 on dated 20.07.2020. A letter no.

864/TI(NK), 586/TI(NK) and 883/TI(NK) dated 13.09.2013, 01.07.2014 and 30.08.2017 written to tehsildar Charkhi Dadri for the immovable property certificate of Sh.Manjeet Singh S/o Bhoop Singh H. no. 184, village Dhani Phogat Charkhi Dadri. Reply is awaited. As information received from Oriental Bank of Commerce Partner Sh.Ompal S/o Sh.Raghubir Singh Prop. M/s Shivam BKO Sanwar, Sh.Raj Kumar S/o Sh. Uday chand Prop. M/s Shankar Bhatta Co. Sanwar has no bank account and Sh.Manjeet Singh S/o Sh.Bhoot Singh Prop M/s Shree Ganesh Bhatt Co. Rankoli has bank account No.01221131001585 has no balance amount. Recovery notice dated 06.07.2020 served upon to the second surety Sh. Rajpal Singh S/o Dharmpal Prop. of M/s B.M.P Bhatta Co. Tin no. 06711105122. A letter has been written to Tehsildar Charkhi Dadri for immovable property certificate vide letter no 422 on dated 20.07.2020. Reply is awaited. Reminder has been sent on 13.08.2021 to Tehsildar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**67. M/s Durga Bhatta co. Bhiwani TIN 6801107255 A.Y. 2010-11**

The case was decided by then Assessing Authority for the year 2010-11 vide disposal no. 975 dated 01.03.2013. A demand of Rs. 318248/- under HVAT Act, 2003 consisting tax amount Rs. 201250/- interest Rs. 114998 and penalty Rs. 2000/- N-4 notice along with assessment order was served upon to the dealer. In response to notice the dealer has paid Rs. 50000/- vide G-4 No. 36/9555 dated 26.08.2013, Rs. 60000/- deposited by the dealer vide Bank of Patiala Charkhi Dadri Scroll / TSN No. NM0001 Dated 24.09.2013, This payment was paid for the second quarter of assessment year 2013-14. During the assessment year this payment was not entertained by then assessing authority so the said payment is adjusted against the financial year 2010-11. Rs. 50000/- vide G-4 No. 22/9557 dated 09.10.2013. The arrear has been declared PLRA, 1887 on dated 20.07.2020. Recovery notice dated 04.07.2020. for balance demand of Rs. 158248/- served upon both sureties M/s Jangra Building Material Store Baund Kalan, Charkhi Dadri and Sh.Mukesh Kumar S/o Gajanand prop of M/s Gajanand Mukesh Kumar Baund Kalan, Charkhi Dadri. A letter No. SPL-1,SPL-2,SPL-3,SPL-4 and SPL-5 dated 20.07.2020 written to tehsildar Baund Kalan and Bhiwani for the immovable property certificate of Smt. Chemeli Devi W/o Baljeet Singh R/o Rankoli, Sh. Surjeet Singh S/o Suman Singh R/o Rankoli, Sh.Pardeep Kumar S/o Ranveer Singh Vpo.Manheru and Sh. Umed Singh S/o Surjeet Singh R/o Rankoli. Reply is awaited. Reminder has been sent on 13.08.2021 to Tehsildar, Baund Kalan and Tehsildar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**68. M/s Durga Bhatta co. Bhiwani TIN 6801107255 A.Y. 2011-12**

The case was decided by then Assessing Authority for the year 2011-12 vide disposal no. 1380 on dated 27.11.2013. A demand of Rs. 345304/- was created under HVAT Act, 2003 consisting tax amount Rs. 226013/-, interest Rs. 119291/- N-4 notice along with assessment order was served upon to the dealer. In response to notice the dealer has paid Rs. 50000/- vide G-4 No. 62/2058 dated 12.05.2016, Rs. 50000/- vide G-4 No. 47/10371 dated 28.07.2016. The arrear has been declared PLRA, 1887 dated 20.07.2020. Recovery notice for balance demand 245304/- served upon both sureties M/s Jangra Building Material Store Baund Kalan, Charkhi Dadri and Sh.Mukesh Kumar S/o Gajanand prop of M/s Gajanand Mukesh Kumar Baund Kalan, Charkhi Dadri. A letter No. SPL-1,SPL-2, SPL-3,SPL-4 and SPL-5 dated 20.07.2020 written to tehsildar Baund Kalan and Bhiwani

for the immovable property certificate of Smt. Chemeli Devi W/o Baljeet Singh R/o Rankoli, Sh. Surjeet Singh S/o Sugan Singh R/o Rankoli, Sh. Pardeep Kumar S/o Ranveer Singh Vpo. Manheru and Sh. Umed Singh S/o Surjeet Singh R/o Rankoli. Reply is awaited. Reminder has been sent on 13.08.2021 to Tehsildar, Baund Kalan and Tehsildar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**69. M/s Durga Bhatta co. Bhiwani TIN 6801107255 A.Y. 2012-13**

The case was decided by then Assessing Authority for the year 2012-13 vide disposal no. 34 on dated 28.04.2014. A demand of Rs. 217263/- was created under HVAT Act, 2003 consisting tax amount Rs. 152160/-, interest Rs. 65103/-. N-4 notice along with assessment order was served upon to the dealer. The arrear has been declared Punjab Land Revenue Act, 1887 dated 20.07.2020. Recovery notice for demand served upon both sureties M/s Jangra Building Material Store Baund Kalan, Charkhi Dadri and Sh. Mukesh Kumar S/o Gajanand prop of M/s Gajanand Mukesh Kumar Baund Kalan, Charkhi Dadri. A letter dated 20.07.2020 written to tehsildar Baund Kalan and Bhiwani for the immovable property of Smt. Chemeli Devi W/o Baljeet Singh R/o Rankoli, Sh. Surjeet Singh S/o Sugan Singh R/o Rankoli, Sh. Pardeep Kumar S/o Ranveer Singh Vpo. Manheru and Sh. Umed Singh S/o Surjeet Singh R/o Rankoli. Reply is awaited. Reminder has been sent on 13.08.2021 to Tehsildar, Baund Kalan and Tehsildar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**70. M/s Shiv Bhatta co. Bhiwani TIN 642110374 A.Y. 2012-13**

The case was decided by then Assessing Authority for the year 2012-13 vide disposal no. 32 on dated 25.04.2014. A demand of Rs. 212870/- was created under HVAT Act, 2003 consisting tax amount Rs. 148850/-, interest Rs. 64020/-. (Firm is closed) N-4 notice along with assessment order was served upon the dealer. After this recovery notice dated 16.08.2013 was also served upon the dealer. Arrear has been declared recoverable under Punjab Land Revenue Act, 1887 on dated 20.07.2020. As further recovery procedure a letter no. 846/(TI/Nk) dated 30.08.2013 was also written to Tehsildar for immovable property certificate of partners Sh. Braham Parkash S/o Daya Ram R/o Imlota and Sh. Anand Parkash S/o Daya Ram, Imlota. Reply is awaited. Recovery notices has been issued to the sureties. A letter has been written to Tehsildar Charkhi Dadri vide letter no. 421 dated 20.7.2020 for immovable property certificate. Reply is awaited. Reminder has been sent on 13.08.2021 to Tehsildar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**71. M/s Hanuman Tractor Motor & co. Bhiwani TIN 6041109807 A.Y. 2008-09**

The case was decided by then Assessing Authority for the year 2008-09 vide disposal no. 1151 on dated 26.03.2012. A demand of Rs. 2430724/- was created under HVAT Act, 2003 consisting tax amount Rs. 1401699/-, interest Rs. 1029025/-. But due to clerical mistake TDN was issued for Rs. 2280724/- and the same figure was also shown in audit objection. N-4 notice along with assessment order was served upon the dealer. Recovery notice issued on dated 02.05.2012 to the dealer. Recovery notice no. 728 dated 20.05.2013 and dated 15.07.2013 issued to the dealer. Recovery notice no. 824 issued to Mr. Pardeep Kumar S/o Azad Singh, R/o vill Kharak Jattan, Distt. Bhiwani partner of Hanuman Tractor Motor & co., notice bearing no. 825 dated 30.08.2013 issued to Mr. Ram Avtar S/o Murari

Lal r/o Vill Devsar, Distt. Bhiwani Partner of M/s Hanuman Tractor Motors & co. and notice bearing no. 826 dated 30.08.2013 was also issued to Mr. Ashok Kumar S/o Hawa Singh R/o Vill Talu, Distt. Bhiwani partner of M/s Hanuman Tractor Motor & Co. Charkhi Dadri. Second partner Sh. Ramavtar S/o Murari Lal R/o Devsar, has been expired and third partner Pardeep Kumar s/o Azaad Singh r/o Kharak Jattan has no immovable property in his name as per Tehsildar report dated 10.08.2020. Recovery notice dated 28.02.2019 sent to surety M/s Sangwan Automobile, Loharu Road Bhiwani and to Sh. Vinod Kumar S/o Sajjan Singh Prop of M/s Maan Tractor Loharu road Bhiwani. A letter has been written to Tehsildar Meham vide no. 88/TI/LS(RK) dated 14.03.2019 for immovable property certificate. Letter for property certificate written to Tehsildar Charkhi on dated 04.09.2019/33. Partner Sh. Ashok kumar has no immovable property in native village as per Tehsildar letter no 120 TRA dated 10.08.2011 and Reminder has been sent to Tehsildar, Ch. Dadri for intimation regarding property owned by the Prop. Audit would be informed after the recovery.

**72. M/s Durga BKO Bhiwani TIN 6431107119 A.Y. 2009-10**

The case was decided by then Assessing Authority for the year 2009-10 vide disposal no.1406 on dated 25.03.2013. A demand of Rs. 324331/- was created under HVAT Act, 2003 consisting tax amount Rs.175000/-, interest Rs.149331/-. The firm has been closed. Original Assessment order and TDN served to the dealer on dated 17.04.2013 through substitute service by pasting on last known business premises of the firm. Recovery notice issued to the dealer on dated 15.07.2013 through substitute service by pasting. Arrear declared recoverable as Land Revenue Act 1887 on dated 25.07.2013 and issue summon to the dealer on dated 02.08.2013 and same was served through substitute service by pasting on last known business premises of the firm on dated 02.08.2013. Both the sureties 1. Sh. Hanuman Parsad Goyal Prop. of M/s Goyal Oil Udyog, Bapora, Bhiwani 2. Sh. Puran Chand Sharma S/o Sh. Harnarian Sharma R/o VPO Loharu, Bhiwani are live and recovery notice issue to both sureties on dated 08.06.2020 and reminder dated 20.07.2020. A letter issued to Tehsildar, Bhiwani vide memo No. 533 dated 20.07.2020 for providing information regarding immovable property owned by Sh. Pawan Sharma S/o Sh. Ramniwas Sharma R/o Bapora, Bhiwani Proprietor of the firm. The reply is awaited. Therefore, reminder has been again sent to Tehsildar Bhiwani for intimation of the Properties owned by the Proprietor on 13.08.2021. Audit would be informed after the recovery.

**73. M/s Durga BKO Bhiwani TIN 6431107119 A.Y. 2010-11**

The case was decided by then Assessing Authority for the year 2010-11 vide disposal no.22 on dated 03.04.2013. A demand of Rs. 328184/- was created under HVAT Act, 2003 consisting tax amount Rs.204167/-, interest Rs.124017/-. The firm has been closed. Original Assessment order and TDN served to the dealer on dated 17.04.2013 through substitute service by pasting on last known business premises of the firm. Recovery notice issued to the dealer on dated 15.07.2013 through substitute service by pasting. Arrear declared recoverable as Land Revenue Act 1887 on dated 25.07.2013 and issue summon to the dealer on dated 02.08.2013 and same was served through substitute service by pasting on last known business premises of the firm on dated 02.08.2013. Both the sureties 1. Sh. Hanuman Parsad Goyal Prop. of M/s Goyal Oil Udyog, Bapora, Bhiwani 2. Sh. Puran Chand Sharma S/o Sh. Harnarian Sharma R/o VPO Loharu, Bhiwani are live and recovery notice issue to both sureties on dated 08.06.2020 and reminder dated 20.07.2020. A letter issued

to Tehsildar, Bhiwani vide memo No. 533 dated 20.07.2020 for providing information regarding immovable property owned by Sh. Pawan Sharma S/o Sh. Ramniwas Sharma R/o Bapora, Bhiwani Proprietor of the firm. The reply is awaited. Therefore, reminder has been again sent to Tehsildar Bhiwani for intimation of the Properties owned by the Proprietor on 13.08.2021. Audit would be informed after the recovery

**74. M/s Durga Bhatta co. Bhiwani TIN 6581108831 A.Y. 2009-10**

The case was decided by then Assessing Authority for the year 2009-10 vide disposal no. 1408 on dated 25.03.2013. A demand of Rs. 324331/- was created under HVAT Act, 2003 consisting tax amount Rs.175000/-, interest Rs.149331/-.Original Assessment order and TDN served to the dealer on dated 17.04.2013 through substitute service by pasting on last known business premises of the firm. Recovery notice issued to the dealer on dated 15.07.2013 through substitute service by pasting. Arrear declared recoverable as Land Revenue Act 1887 on dated 25.07.2013 and issue summon to the dealer on dated 02.08.2013 and same was served through substitute service by pasting on last known business premises of the firm on dated 02.08.2013. Both the sureties 1. Sh. Hanuman Parsad Goyal Prop. of M/s Goyal Oil Udyog, Bapora, Bhiwani 2. Sh. Puran Chand Sharma S/o Sh. Harnarian Sharma R/o VPO Loharu,Bhiwani are live and recovery notice issue to both sureties on dated 08.06.2020 and reminder dated 20.07.2020. A letter issued to Tehsildar, Bhiwani vide memo No. 528 dated 20.07.2020 for providing information regarding immovable property owned by Sh. Pawan Sharma S/o Sh. Ramniwas Sharma R/o Bapora, Bhiwani Proprietor of the firm. The reply is awaited. Therefore, reminder has been again sent to Tehsildar Bhiwani for intimation of the Properties owned by the Proprietor on 13.08.2021. Audit would be informed after the recovery.

**75. M/s Durga Bhatta co. Bhiwani TIN 6581108831 A.Y. 2010-11**

The case was decided by then Assessing Authority for the year 2010-11 vide disposal no. 24 on dated 03.04.2013. A demand of Rs. 328184/- was created under HVAT Act, 2003 consisting tax amount Rs.204167/-, interest Rs.124017/-.Original Assessment order and TDN served to the dealer on dated 17.04.2013 through substitute service by pasting on last known business premises of the firm. Recovery notice issued to the dealer on dated 15.07.2013 through substitute service by pasting. Arrear declared recoverable as Land Revenue Act 1887 on dated 25.07.2013 and issue summon to the dealer on dated 02.08.2013 and same was served through substitute service by pasting on last known business premises of the firm on dated 02.08.2013. Both the sureties 1. Sh. Hanuman Parsad Goyal Prop. of M/s Goyal Oil Udyog, Bapora, Bhiwani 2. Sh. Puran Chand Sharma S/o Sh. Harnarian Sharma R/o VPO Loharu,Bhiwani are live and recovery notice issue to both sureties on dated 08.06.2020 and reminder dated 20.07.2020. A letter issued to Tehsildar, Bhiwani vide memo No. 528 dated 20.07.2020 for providing information regarding immovable property owned by Sh. Pawan Sharma S/o Sh. Ramniwas Sharma R/o Bapora, Bhiwani Proprietor of the firm. The reply is awaited. Therefore, reminder has been again sent to Tehsildar Bhiwani for intimation of the Properties owned by the Proprietor on 13.08.2021. Audit would be informed after the recovery.

**76. M/s Sheoran Stone crusher Bhiwani TIN 6701108571 A.Y. 2009-10**

The case was decided by DETC-cum- Assessing Authority, Bhiwani for the year 2009-10 vide disposal no. 97 on dated 25.03.2013. A demand of Rs. 267671/- was created

under HVAT Act, 2003. The dealer has deposited amount of Rs. 100000/- vide GRN 0067069792 dated 31.08.2020. Balance of Rs. 167671/- stands recovered vide GRN 0081395534 dated 31.08.2021. As the entire arrear has been recovered in this case, the para may please be dropped

**77. M/s Shiv Shankar Stone crusher Bhiwani TIN 6241106399 A.Y. 2011-12  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**78. M/s Pargati Stone Crusher Bhiwani TIN 6311103887 A.Y. 2010-11  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**79. M/s Mahabir Stone crusher Gum Bhiwani TIN 8195 A.Y. 2009-10**

The case was decided by then Assessing Authority for the year 2009-10 vide disposal no. 1386 on dated 25.03.2013. A demand of Rs. 376900/- was created under HVAT Act, 2003 and CST Act 1956 consisting tax amount Rs.315390/-, interest Rs. 61510/-. Original Assessment order and TDN served to the dealer on dated 30.04.2013. Arrear declared under Land Revenue Act 1887 on dated 24.07.2020 and after that a summon was issued. Both the sureties 1. Sh. Harish Dhamija Prop. of M/s Baba Stone Crushing Mills Khanak 2.Sh. Ramesh Thakral S/o Tirath Dass Prop. of M/s R.K Stone Crusher Co. Khanak are alive. Efforts are ongoing for recovery of surety amount. A letter was issued to Tehsildar, Tosham vide memo No. 516 dated 20.07.2020 for providing information regarding immovable property owned by proprietor of the firm. Reply is awaited. Therefore reminder has been again sent on 13.08.2021 to Tehsildar, Tosham for intimation regarding Property owned by the Prop. Audit would be informed after the recovery.

**80. M/s Panwar Steel Ltd Bhiwani TIN 7643 A.Y. 2002-03**

The Case was decided by then Assessing Authority for the year 2002-03 vide disposal No. 236 on dated 02.07.2013. A demand of Rs. 1089366/- was created under HVAT Act 2003 and CST Act 1856. Consisting tax amount Rs. 1088718/- interest Rs. 648/-. Firm has been cancelled on dated 20.04.2010 w.e.f 31.03.2008. Assessment order and TDN notice was served upon the dealer through substitute service by pasting on last known address of the business premises on dated 04.11.2017. Arrear declared under Land Revenue Act 1887 on dated 22.11.2017 and summon was issued to the dealer and served through substitute service by pasting on last known address of the dealer. Prop. of the firm is not traceable. One of the surety Sh. Jaipal Singh S/o Gahar Singh prop of M/s Haryana Chemical, VPO Kharak Kalan, RC No. 7061 has been traced and notice have been issued on dated 17.07.2020 by registered post. Letters have been issued to Executive Officer, Municipal Committee Bhiwani, vide memo No. 215 dated 02.5.2019, Tehsildar Bhiwani, vide memo No.706 dated 28.09.2018 and Canara Bank, Kharak Kalan Bhiwani vide memo No 214 dated 02.05.2019 to provide the information of Immoveable Property owned by the Directors of the company. Reply received from Tehsildar, Bhiwani vide memo No. 1618 dated 07.12.2018 that there is no immovable property in the name of Director Sh. Maan Singh S/o Gahar Singh R/o Kharak Kalan, Bhiwani.

Both the firms of the sureties have been cancelled. Firm of M/s Kiran Chemical has been cancelled on dated 10.05.2007 w.e.f 01.04.2002 and second firm of M/s Haryana Chemical has been cancelled on dated 11.06.2012 w.e.f 31.03.2008. Reply is awaited from

E.O., Bhiwani. Reminder has again been sent to Executive Officer Bhiwani on 13.08.2021 regarding property owned by Sh. Maan Singh, Director of the Company. Audit would be informed after the recovery.

**81. M/s Panwar Steel Ltd Bhiwani TIN 7643 A.Y. 2003-04**

The Case was decided by then Assessing Authority for the year 2003-04 vide disposal No. 161C on dated 14.06.2013. A demand of Rs. 1664519/- was created under HVAT Act 2003 and CST Act 1856. Firm has been cancelled on dated 20.04.2010 w.e.f 31.03.2008. Assessment order and TDN notice was served upon the dealer through substitute service by pasting on last known address of the business premises on dated 04.11.2017. Arrear declared under Land Revenue Act 1887 on dated 22.11.2017 and summon was issued to the dealer and served through substitute service by pasting on last known address of the dealer. Prop. of the firm is not traceable. One of the surety Sh. Jaipal Singh S/o Gahar Singh prop of M/s Haryana Chemical, VPO Kharak Kalan, RC No. 7061 has been traced and notice have been issued on dated 17.07.2020 by registered post. Letters have been issued to Executive Officer, Municipal Committee Bhiwani, vide memo No. 215 dated 02.5.2019, Tehsildar Bhiwani, vide memo No.706 dated 28.09.2018 and Canara Bank, Kharak Kalan Bhiwani vide memo No 214 dated 02.05.2019 to provide the information of Immoveable Property owned by the Directors of the company. Reply received from Tehsildar, Bhiwani vide memo No. 1618 dated 07.12.2018 that there is no immovable property in the name of Director Sh. Maan Singh S/o Gahar Singh R/o Kharak Kalan, Bhiwani.

Both the firms of the sureties have been cancelled. Firm of M/s Kiran Chemical has been cancelled on dated 10.05.2007 w.e.f 01.04.2002 and second firm of M/s Haryana Chemical has been cancelled on dated 11.06.2012 w.e.f 31.03.2008. Reply is awaited from E.O., Bhiwani. Reminder has again been sent to Executive Officer Bhiwani on 13.08.2021 regarding property owned by Sh. Maan Singh, Director of the Company. Audit would be informed after the recovery.

**82. M/s Panwar Steel Ltd Bhiwani TIN 7643 A.Y. 2004-05**

The Case was decided by then Assessing Authority for the year 2004-05 vide disposal No. 161D on dated 14.06.2013. A demand of Rs. 2118087/- was created under HVAT Act 2003 and CST Act 1856. Consisting tax amount Rs. 1618087/- interest Rs. 500000/-. Firm has been cancelled on dated 20.04.2010 w.e.f 31.03.2008. Assessment order and TDN notice was served upon the dealer through substitute service by pasting on last known address of the business premises on dated 04.11.2017. Arrear declared under Land Revenue Act 1887 on dated 22.11.2017 and summon was issued to the dealer and served through substitute service by pasting on last known address of the dealer. Prop. of the firm is not traceable. One of the surety Sh. Jaipal Singh S/o Gahar Singh prop of M/s Haryana Chemical, VPO Kharak Kalan, RC No. 7061 has been traced and notice have been issued on dated 17.07.2020 by registered post. Letters have been issued to Executive Officer, Municipal Committee Bhiwani, vide memo No. 215 dated 02.5.2019, Tehsildar Bhiwani, vide memo No.706 dated 28.09.2018 and Canara Bank, Kharak Kalan Bhiwani vide memo No 214 dated 02.05.2019 to provide the information of Immoveable Property owned by the Directors of the company. Reply received from Tehsildar, Bhiwani vide memo No. 1618 dated 07.12.2018 that there is no immovable property in the name of Director Sh. Maan Singh S/o Gahar Singh R/o Kharak Kalan, Bhiwani.



Both the firms of the sureties have been cancelled. Firm of M/s Kiran Chemical has been cancelled on dated 10.05.2007 w.e.f 01.04.2002 and second firm of M/s Haryana Chemical has been cancelled on dated 11.06.2012 w.e.f 31.03.2008. Reply is awaited from E.O., Bhiwani. Reminder has again been sent to Executive Officer Bhiwani on 13.08.2021 regarding property owned by Sh. Maan Singh, Director of the Company. Audit would be informed after the recovery.

**83. M/s Khan Enterprises, Faridabad (South) TIN 23494 A.Y. 2009-10**

The assessment of M/s Khan Enterprises TIN 06401323494 A.Y. 2009-10 was framed by then Assessing Authority ex-parte on merits vide D.No. 1136 dated 19.03.2013 and created on additional demand to the tune of Rs. 1668865. The Registration of Khan Enterprises was cancelled w.e.f 25.08.2011. u/s 11(7) of HVAT Act 2003 read with section 9(2) of CST Act 1950. Vide order dated 07.09.2011. The dealer deals in manufacturing of electric and electronic goods. Audit raised the objection of under assessment to the tune of Rs. 3490812/- (5159677-1668865). After that the file was sent to Revisional Authority for suo moto action vide letter No. 2163 dated 14.03.2014. The Revisional Authority cum-DETC inspection revised the case and created an additional demand to the tune of Rs. 5159677/- vide D. No. 7 dated 08.12.2014. TDN alongwith assessment order served upon dealer through alternative service (as pasted at the last known business premises) Recovery proceedings were initiated. Notices were issued to the Khan Enterprises.

The arrear of the said firm has been declared as Land Revenue Arrear under Punjab Land Revenue Act, 1887 on dated 03.09.2014. A summon issued to the Proprietor of the firm on registered business address of firm on dated 03.09.2014. The dealer closed down his business, so the notices were issued to the sureties of Khan Enterprises. One surety deposited RS. 25000/- vide DD No. 049850 dated 02.09.2014. The second surety has closed down his business and not traceable. As the dealer does not found on his registered business place. The letters has been sent to Commissioner, Municipal Corporation, Faridabad vide No. 5002 dt. 03.08.2018, the District Revenue Officer, Faridabad vide No. 5000 dt. 03.08.2018, Estate Officer HUDA, Faridabad to seek information regarding agricultural land or other property in the name of Imran Khan, (Prop. of Khan Entt). But information is still awaited.

As the arrear become interstate Arrear on account of permanent residential address of proprietor pertains to State of Bihar. A Recovery Certificate has been sent to District Magistrate, Aurangabad, Bihar vide 5043 dated 07.08.2018 as the Proprietor of the firm Imran Khan S/o Sh. Gaffar Khan which is permanent resident of Village Sarsaram PO Aurangabad District Aurangabad, Bihar. District Magistrate Aurangabad, Bihar stated that there is no person residing at the given address vide letter No. 2018 dated 19.12.2018.

After that efforts were being made to recover the dues by sending letters to various Authorities at Faridabad, The Tehsildar, Badkhal, Faridabad vide no. 803 dated 30.05.2019, the Tehsildar Faridabad No. 802 dated 30.05.2019, the Tehsildar Ballabgarh, Faridabad vide No. 801 dated 30.05.2019 to seek information regarding property of the Proprietor of Khan Enterprises at Faridabad but the reply is still awaited. Reminder letters again sent to above mentioned Authorities at Faridabad to find out property of the Proprietor. at Faridabad. Again reminder letter has been sent to Tehsildar Badkhal, Faridabad vide letter no. 776/ dated. 31.08.2020, and letter no. 776A/31.08.2000.

- 84. M/s Ajay Trader Faridabad (West) TIN 34767 A.Y. 2010-11  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**
- 85. M/s Suman Plast Faridabad (West) TIN 10372 A.Y. 2011-12  
(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**
- 86. M/s P.K. Enterprises Faridabad (North) TIN 30141 A.Y. 2010-11**

The dealer M/s P.K Enterprises TIN-06661330141 was assessed at D.No. 1107 for A.Y 2010-11 on 24.03.2014. The TDN was issued on 21.04.2014 and posted at dealer address. The demand created was Rs.18,07,655. The firm stands closed. Proprietor of the firm Sh. Phool Kumar Duhan, address 3/84 Geeta Colony New Delhi 110031, is not traceable and all the notices and recovery notices were returned back by the postal department undelivered. The notices were issued on 24.02.2016, 31.03.2017, 16.02.2018 and 10.04.2018.

The arrears were declared under Land Revenue Act on 15.03.2018. Recovery certificate was sent to the Collector –Cum – District Magistrate/Dy. Commissioner East Delhi LM Bund Shastri Nagar Delhi 31 vides no. 1201/TI/HS/Dated 09.07.2018. Reminder letter was issued to the Collector on 11.01.2019 vide no. 4193 and vide no. 6846 dated 06.08.2020 & Letter No. SPL-1/T.I./Dated 08.07.2021. Taxation Inspector personally visited Collector cum District Magistrate/Dy. Commissioner East office on dated 23-08-2021 and handed over the Recovery Certificate Notice to the concerned office. The concerned officer assured that the recovery process is under process and the recovery report will be sent to the your office at the earliest possible. Further taxation inspector personally visited the residence of the above said proprietor Sh. P.K. Duhan and found that he is not residing at the above mentioned address.

The firm has two sureties i.e. Shri Khem Chand Garg Proprietor of M/s Balaji Steel Mesh (this surety stands closed) from whom Rs. 25000/- has been recovered by DD No. 020703 dated 21.12.2018 BANK OF BARODA and Sh. Ramesh Kumar Jain Proprietor of M/s S.K. Jain Co. from whom Rs. One Lakh surety amount recovered by DD No. 670421 dated 28.02.2018 of KOTAK MAHINDRA BANK. Rs.1469230/- Under VAT Act and Rs. 213425/- Under CST Act is still due from the dealer for A.Y. 2010-11.

- 87. M/s Dee Kay Buildcon (p) Ltd. Faridabad (N) TIN 25968 A.Y. 2010-11  
Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**
- 88. M/s Green Automobiles Faridabad (N) TIN 3091 A.Y. 2010-11  
Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**
- 89. M/s Chaudhary steel Faridabad (N) TIN 16723 A.Y. 2010-11  
(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**
- 90. M/s Neena Concrete system A.Y. Faridabad (N) TIN 30439 A.Y. 2010-11  
Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**
- 91. M/s Shree Krishna Electronics Faridabad (N) TIN 23310 A.Y. 2010-11**

The dealer M/s Shree Krishna Electronics TIN-06471323310 was assessed at D.No. 1110 for A.Y 2010-11 on 25.03.2014 and demand of Rs. 625845 (Tax-173850+ penalty-451995) was levied.

The firm stands closed. There is two partners of the firm Sh. Subhash Wadhwa, address 297 Raja Garden Old Faridabad and Tirlok chand S/o Sh. Sh. Uttam Chand, address H.No. 825/826, New Janta Colony, NIT Faridabad. The notices were issued on 31.03.2017, 15.01.2018, 16.02.2018, 17.02.201. All the notices were returned back by the postal department undelivered. Further on enquiry, it has been found that Sh. Subhash Wadhwa has already expired and Sh. Tirlok Chand is not traceable at given address.

The arrears were declared under Land Revenue Act on 22.03.2018. Letters were sent to the Commissioner of M.C.F on 12.07.2018 vide no. 1306 and to the Tehsildar on 12.07.2018 vide no. 1307. Reminders were sent on 25.01.2019 & 08.07.2021 vide no. 4367 & Spl-2 to the Commissioner M.C.F and dated 25.01.2019 & 08.07.2021 vide no. 4368 & Spl-3 to the Tehsildar .

The firm has two sureties i.e. Shri Ravi Kant Proprietor of M/s Maa Ambika Steel (this surety stands closed) and Sh. Prashotamlal Proprietor of M/s Sonu Enterprises (this surety stands closed). The sureties are untraceable. Rs. 625845/- Under VAT Act is still due from the dealer for A.Y 2010-11

**92. M/s K.B Jain & Sons Faridabad (N) TIN 21197 A.Y. 2010-11  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**93. M/s Kay Kay Enterprises Faridabad (West) TIN 22915 A.Y. 2004-05**

In reply to audit memo, it is submitted that M/s Kay Kay Enterprises TIN 06941323391 for A.Y. 2004-05 was assessed vide Disposal No. dated 18-03-2008 and the Demand of Rs 1213202/- (Tax= 1213202+Interest=0) under HVAT Act 2003 was accrued. The demand notice was served to the dealer on 31.03.2008 and on 14.08.2008, this arrear was declared an arrear under Punjab Land Revenue Act 1887. Summon was issued on 22.08.2008 for 05.09.2008. But during these proceedings the dealer preferred an appeal on 04.08.2008 against the order of Assessing Authority. The appeal was decided on 24.09.2012. In its decision, the appellate authority set-aside the assessment order of assessing authority and remand back the case to the assessing authority for de-novo assessment. The remand case was decided by the concerned assessing authority by recreating the same demand vide order no. 764A /2004-05 (R) dated 27.08.2013. During this course of action attempts for recovery were made on dates like 22.08.2008 and 19.03.2011. Letter for verification of moveable and immoveable properties were also written to the Collector-cum-Deputy Commissioner, Faridabad vide memo no. 5421 dated 21.03.2011. The dealer become absconding so recovery from the sureties was initiated and amount Rs. 100000/- has been recovered from the sureties. No information of moveable and immovable properties has been received from the concerned authority. Finally, FIR having no. 333 dated 28.03.2018 in the section 420 of IPC 1860 was lodged in the Central Police Station Faridabad.

**94. M/s Kay Kay Enterprises Faridabad (West) TIN 22915 A.Y. 2005-06**

In reply to audit memo, it is submitted that M/s Kay Kay Enterprises TIN 06941323391 for A.Y. 2005-06 was assessed vide Disposal No.1195 dated 24-03-2009 and the Demand of Rs 1840000/- (Tax= 1840000+Interest=0) under HVAT Act 2003. The demand notice was served to the dealer on 31.03.2008 and on dated 11.09.2009, arrear was declared an arrear under Punjab Land Revenue Act 1887. Summon was issued on 11.09.2009 for 29.09.2009. But during these proceedings the dealer preferred an appeal on 20.05.2009 against the

order of Assessing Authority. The appeal was decided on 17.12.2012. In its decision, the appellate authority set-aside the assessment order of assessing authority and remand back the case to the assessing authority for de-novo assessment. The remand case was decided by the concerned assessing authority by recreating the same demand vide order no. 764B/2005-06 (R) dated 27.08.2013. During this course of action attempts for recovery were made on dates like 26.05.2011 and 19.09.2014. Letter for verification were also written to the Collector-cum-Deputy Commissioner, Faridabad vide memo no. spl 1 dated 19.10.2015, 21.01.2016 and 26.12.2018. The dealer become absconding so recovery from the sureties was initiated and amount Rs. 60000/- has been recovered from the sureties. No information of moveable and immovable properties has been received from the concerned authorities. Finally FIR no. 333 dated 28.03.2018 in section 420 of IPC 1860, was lodged in the Central Police Station Faridabad.

**95. M/s T.C Saluja & Sons P Ltd. Faridabad (N) TIN 21229 A.Y. 2010-11  
Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

**96. M/s U.R Diagnostices P Ltd. Faridabad (N) TIN 27515 A.Y. 2011-12**

The dealer M/s U.R. Diagnostic Pvt. Ltd. Faridabad TIN- 06321327515 for A.Y 2011-12 was assessed on 11.08.2014 and a demand of Rs. 5,49,225/- under HVAT and Rs. 34,85,765/- under CST Act was created. The dealer deposited Rs. 1 lacs (GRN no. 10192944) against VAT demand. Balance demand of VAT is 449225/-. After rectification on 06.07.2015, the demand for CST Act was reduced to Rs. 33,46,313/-. The copy of order and TDN served upon the dealer on 02.03. 2016. The audit has pointed out dues under VAT Act of Rs.4,49,225/- and under CST Act of Rs. 33,46,313/-.

The arrears were declared as arrears under Land Revenue Act and summon were issued to the dealer on dated 29.02.2016. Notices were issued to the sureties on dated 12.08.2016 & 01.09.2016 which could do not be served as the sureties had closed down business and are not traceable. After that again issued a summons on dated 20.03.2018. On 10.05.2018 a reminder was issued. Now, the letter for recovery has been sent to the Municipal Corporation, Faridabad vide letter no. 10538 / W-2 / Dated 23.08.2021 and a letter has been sent to the Tehsildar, Sector -12, Faridabad also vide Letter no. 10539/ W-2/ Dated 23.08.2021 and also a letter has been sent to The Administrator , Haryana Urban Development Authority, Sector-12, Faridabad vide letter no. 10540 /W-2 /Dated 23.08.2021. The dealer is not traceable.

**97. M/s Genetic Buildcon P Ltd. Faridabad (N) TIN 27205 A.Y. 2011-12  
Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

**98. M/s Bhawani Trading Co. Faridabad (N) TIN 26952 A.Y. 2007-08 to 2008-09**

The Remand case of A.Y 2007-08 of M/s Bhawani Trading Co. TIN- 06551326952 was assessed on disposal No. 26 C on 05.05.2014. The TDN was served on 14.08.2014 to the dealer and an additional demand created of Rs. 1,36,75,565/- (Tax- 3444992/-, Penalty- 1,02,30,573/-) under HVAT Act & Rs. 2,600/- in CST Act. The Reassessment case of A.Y 2008-09 of M/s Bhawani Trading TIN 06551326952 was assessed at disposal no. 735A on 13.03.2014 and a demand of Rs. 5,57,192/- was raised under HVAT Act. The TDN was issued on 05.05.2014 and served to the dealer on 14.08.2014.

Further a demand of Rs. 47,368/- pending against order dated 14.03.2012. Thus Total demand under HVAT Act pending is Rs. 1,42,80,125/- (1,36,75,565/- + 5,57,192/- +47,368/-) and under CST Act is Rs. 2,600/-. The audit has also pointed out pending recovery of Rs. 14280125/- under HVAT Act of Rs. 2,600/- under CST Act.

Notice was issued to dealer and sureties but they stand closed. The dealer is untraceable. An FIR, number 0904 was lodged on 06.09.2018, Sector-12, Police Station, Faridabad for evasion of tax against the dealer. Now, a letter for recovery has been sent to the Municipal Corporation, Faridabad vide no. 10545 /W-2 / Dated : 23.08.2021 and also a letter has been sent to the Tehsildar, sector -12, Faridabad for recovery vide No. 10546 / W-2 / Dated 23.08.2021 and also a letter has been sent to the Administrator , Haryana Urban Development Authority, Sector – 12 , Faridabad for recovery Vide No. 10541 / W-2 / Dated 23.08.2021. However, no recovery has been effected till now.

**99. M/s Ludhiana Traders Faridabad (South) TIN 21407 A.Y. 2009-10**

It is submitted that the assessment in this case was framed vide order dated 29.06.2012 for the year 2009-10, 2010-11 and 2011-12 creating an additional demand of Rs. 1098077/-, Rs. 1932956/- and Rs. 10587613/- respectively. The demand was created on account of suppression of sale which had been ascertained after the inspection of business premises of the dealer. Thereafter recovery proceedings were initiated. However, during proceedings the dealer went in appeal but the appeals were rejected by the Jt. ETC (A) vide orders dated 30.12.2013. As the dealer did not submitted adequate surety against additional demand to the satisfaction of assessing authority. Thereafter recovery proceedings under Land Revenue Act have been started and information about the properties owned by the Prop. of the company were sought from the office of The Commissioner, New Delhi Municipal Corporation vide letter No. 8755 dated 02.01.2015, Letter No. 4061 dated 25.02.2016 and Letter No. 2437 Dated 22.05.2019. The details of property of the proprietor also sought from the office of the Tehsildar, Kalyanpuri, Delhi vide memo no. 4062 dated 25.02.2016, memo no. 3097 dated 21.02.2018 and memo no. 2436 dated 22.05.2019. Till date The Commissioner, NDML and The Tehsildar have not informed anything about the properties owned by the proprietor of the firm who is a resident of Delhi. Effort are being made to recovery the arrear by communication in writing to concern authorities of Delhi Government. A reminder to this effect has been sent to concern authority vide this office memo no. 696 & 696A both Dated 20.08.2020. Keeping in view the above facts, may please be dropped.

**100. M/s Ludhiana Traders Faridabad (South) TIN 21407 A.Y. 2010-11**

It is submitted that the assessment in this case was framed vide order dated 29.06.2012 for the year 2009-10, 2010-11 and 2011-12 creating an additional demand of Rs. 1098077/-, Rs. 1932956/- and Rs. 10587613/- respectively. The demand was created on account of suppression of sale which had been ascertained after the inspection of business premises of the dealer. Thereafter recovery proceedings were initiated. However, during proceedings the dealer went in appeal but the appeals were rejected by the Jt. ETC (A) vide orders dated 30.12.2013. As the dealer did not submitted adequate surety against additional demand to the satisfaction of assessing authority. Thereafter recovery proceedings under Land Revenue Act have been started and information about the properties owned by the Prop. of the company were sought from the office of The

Commissioner, New Delhi Municipal Corporation vide letter No. 8755 dated 02.01.2015, Letter No. 4061 dated 25.02.2016 and Letter No. 2437 Dated 22.05.2019. The details of property of the proprietor also sought from the office of the Tehsildar, Kalyanpuri, Delhi vide memo no. 4062 dated 25.02.2016, memo no. 3097 dated 21.02.2018 and memo no. 2436 dated 22.05.2019. Till date The Commissioner, NDML and The Tehsildar have not informed anything about the properties owned by the proprietor of the firm who is a resident of Delhi. Effort are being made to recovery the arrear by communication in writing to concern authorities of Delhi Government. A reminder to this effect has been sent to concern authority vide this office memo no. 696 & 696A both Dated 20.08.2020.

Keeping in view the above facts, may please be dropped .

**101. M/s Ludhiana Traders Faridabad (South) TIN 21407 A.Y. 2011-12**

It is submitted that the assessment in this case was framed vide order dated 29.06.2012 for the year 2009-10, 2010-11 and 2011-12 creating an additional demand of Rs. 1098077/-, Rs. 1932956/- and Rs. 10587613/- respectively. The demand was created on account of suppression of sale which had been ascertained after the inspection of business premises of the dealer. Thereafter recovery proceedings were initiated. However, during proceedings the dealer went in appeal but the appeals were rejected by the Jt. ETC (A) vide orders dated 30.12.2013. As the dealer did not submitted adequate surety against additional demand to the satisfaction of assessing authority. Thereafter recovery proceedings under Land Revenue Act have been started and information about the properties owned by the Prop. of the company were sought from the office of The Commissioner, New Delhi Municipal Corporation vide letter No. 8755 dated 02.01.2015, Letter No. 4061 dated 25.02.2016 and Letter No. 2437 Dated 22.05.2019. The details of property of the proprietor also sought from the office of the Tehsildar, Kalyanpuri, Delhi vide memo no. 4062 dated 25.02.2016, memo no. 3097 dated 21.02.2018 and memo no. 2436 dated 22.05.2019. Till date The Commissioner, NDML and The Tehsildar have not informed anything about the properties owned by the proprietor of the firm who is a resident of Delhi. Effort are being made to recovery the arrear by communication in writing to concern authorities of Delhi Government. A reminder to this effect has been sent to concern authority vide this office memo no. 696 & 696A both Dated 20.08.2020. Keeping in view the above facts, may please be dropped.

**102. M/s Kumar Machine Tools Faridabad (N) TIN 18745 A.Y. 2012-13  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**103. M/s Swami Electrical Faridabad (N) TIN 14879 A.Y. 2011-12  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**104. M/s Om Sales Cororation Faridabad (N) TIN A.Y. 2006-07**

The dealer M/s Om Sales Corporation, NIT, Faridabad TIN- 06841326844 was assessed on 12.03.2010 for A.Y. 2006-07. The demand of Rs. 779379/- was created in HVAT Act. The dealer went in appeal the case was remanded to the assessing authority vide order dated 17.09.2012 received on 18.11.2012. The Remand case for assessment year 2006-07 was decided on 17.11.2014 creating additional demand of Rs. 779379/- under HVAT Act, N-4 issued on 17.11.2014 and declared as an arrears under Punjab Land Revenue Act, 1887 on 10-8-18. The firm stands closed. As per TI report, the Proprietor of

the firm is untraceable. The where about of the surety M/s Shivam Sales Corporation Old Faridabad are being traced presently. The same surety has submitted in has reply that he has withdrawn his surety W.E.F. 20.04.2006 from this firm. As the demand pertains to A.Y 2006.07 so recovery can't be made from this surety. As the demand pertains to the period beyond the actual period of surety to this firm. Notice to the other Surety M/s Bharat Enterprises, Faridabad served upon. Summon were issued on 20.02.2019, 07.03.2019 & 25.03.2019 but were not served as the firm stands closed. Efforts are being made to trace the proprietor.

**105. M/s Jai Sai Trading Co. Faridabad (N) TIN 26345 A.Y. 2007-08**

The assessment order for A.Y. 2007-08 was framed vide disposal no 928 dated 16.03.2011 and a demand of Rs. 13,55,352/- under HVAT Act 2003 and Rs. 13,750/- was raised in CST Act. As per order an amount of Rs. 13, 55,352/- under CST Act were to be recoverable. On appeal before first appellate Authority i.e. Ld. JETC (Appeal), the case was remanded vide order dated 17.04.2012. Notice for assessment of the remanded case was issued and served upon the dealer on 22.09.2012. Thereafter, the dealer did not turn up and the assessment was de-novo framed vide disposal No. 24B 2007-08 on 13.05.2014 creating additional demand of Rs. 13,55,352/- under HVAT Act and Rs 13750 CST Act. Thus, the total amount of Rs. 1369102/- is recoverable. Arrear of Rs. 13,69,102/- was declared as arrears under Punjab Land Revenue Act 1887 on 29.08.2018. Notice and summons for recovery were returned back with report of taxation peon that the firm stands closed. Further notices were issued to the sureties at proper address. Bothe address of the sureties is not traceable.

**106. M/s Raj Kiran polymers Faridabad (South) TIN 6081326289 A.Y. 2009-10  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**107. M/s Raj kiran polymers Faridabad (South) TIN 6081326289 A.Y. 2011-12**

The assessment of M/s Raj Kiran Polymer TIN 06081326289 (A.Y. 2011-12) by then Assessing Authority vide No. 1172 dated 26.11.2013 and additional demand was created Rs. 1400681/- under VAT Act, 2003 and Rs. 4039447/- under CST Act 1956. Although the audit mentioned additional demand under VAT Act to the tune of Rs. 1200681/- but the actual additional demand under VAT Act is Rs. 1400681/-. After this then Assessing Authority rectified the order on dated 26.03.2015 on account of C and F form submitted by the dealer and demand reduced to Rs. 969695/- under CST Act. After this the recovery notice issued to the dealer but the demand could not recovered. After that the arrear declared Land revenue Arrear under Punjab Land Revenue Act, 1887 on dated 15.02.2016. The owner of the firm has expired and firm is closed so the summon issued to the sureties on dated 04.06.2017 and 21.06.2018, one surety already deposited Rs 1 Lac against the demand of Raj Kiran Polymers for the year 2009-10, so the surety does not bound to pay the surety amount in the year of 2011-12(in the light of natural justice). Another surety is not traceable. After that efforts were being made to recover the dues by sending letters to various Authorities at Faridabad, The Tehsildar, Badkhal, Faridabad vide no. 806 dated 30.05.2019, the Tehsildar Faridabad No. 805 dated 30.05.2019, the Tehsildar Ballabgarh, Faridabad vide No. 804 dated 30.05.2019 to seek information regarding property of the Proprietor of Raj Kiran Polymers at Faridabad but the reply is still awaited. Reminder letters sent to above mentioned Authorities at Faridabad to find out property of the Proprietor, at

Faridabad. The Tehsildar, Badkhal, Faridabad vide no. 806 dated 30.05.2019, the Tehsildar Faridabad No. 805 dated 30.05.2019, the Tehsildar Ballabgarh, Faridabad vide No. 804 dated 30.05.2019, the Tehsildar Ballabgarh, Faridabad vide No. 804 dated 30.05.2019. Reminder letter has been sent to Tehsildar Badkal, Faridabad, vide letter No. 775/dated 31.08.2020, the Tehsildar Ballabgarh vide letter No 778/date 31.08.2020.

**108. M/s Khan Enterprises Faridabad (South) TIN 23494 A.Y. 2012-13**

**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

**109. M/s Khan Enterprises Faridabad (South) TIN 23494 A.Y. 2010-11**

The assessment of M/s Khan Enterprises TIN 06401323494 (A.Y. 2010-11) was framed by then Assessing Authority vide DD. No. 1412 dated 21.03.2014 ex-parte and creating an additional demand of Rs. 8553771/- under HVAT Act 2003. As the dealer closed down his business and the firm has been cancelled w.e.f. u/s 11(7) of HVAT Act, 2003, read with section 9(2) of CST Act, 1956 vide order date. 07.09.2011. Assessment order along with TDN was sent by registered post on the address of proprietor but return unserved. As the firm is cancelled and closed the arrear declared as land revenue arrear under Punjab Land Revenue Act 1887 on dated 30.09.2014. After this a summan issued but could not served as the dealer closed down his business. The permanent residential address of Proprietor Sh. Imran Khan is as Village Sansaram P.O Aurangabad Bihar. As the arrear become interstate Arrear on account of permanent residential address of proprietor pertains to State of Bihar. A Recovery Certificate has been sent to District Magistrate, Aurangabad, Bihar vide 5043 dated 07.08.2018 as the Proprietor of the firm Imran Khan S/o Sh. Gaffar Khan which is permanent resident of Village Sarsaram PO Aurangabad District Aurangabad, Bihar. District Magistrate Aurangabad, Bihar stated that there is no person residing at the given address vide letter No. 2018 dated 19.12.2018.

After that efforts were being made to recover the dues by sending letters to various Authorities at Faridabad, The Tehsildar, Badkhal, vide no. 803 dated 30.05.2019, the Tehsildar Faridabad No. 802 dated 30.05.2019, the Tehsildar Ballabgarh, Faridabad vide No. 801 dated 30.05.2019 to seek information regarding property of the Proprietor of Khan Enterprises at Faridabad but the reply is still awaited. Reminder letters again sent to above mentioned Authorities at Faridabad to find out property of the Proprietor. at Faridabad. Again reminder letter has been sent to Tehsildar Badkhal, Faridabad.

**110. M/s Aditya Industries Faridabad (N) TIN 11592 A.Y. 2012-13**

The Dealer M/s Aditya Industries was assessed on 26.11.2014 vide disposal no. 1091 and demand of Rs. 1785047/- in VAT was raised and Rs. 128862/- in CST for assessment year 2012-13. TDN was served on 26.11.2014. An excess of Rs. 1334096/- accrued on rectification of A.Y. 2011-12 on 04.06.2019. The same was adjusted against the demand A.Y. 2012-13. Order rectified of A.Y. 2012-13 on 04.06.2019 and 16.09.2020. Thus now the due demand is pending is of Rs. 579813/- for A.Y. 2012-13 under both the acts.

Summons issued to the dealer on dated 31.03.2018 for 12.04.2018. The arrears were declared under the Land Revenue Act on dated 12.04.2018. Issues notice for recovery dated 19.04.2018 but no recovery has been made.

Further a letter from this office was issued to the Tehsildar for the verification of the immovable property Plot No. 71, Crusher Zone, Pali/Mohbtabad, Faridabad as well as to the MCF Faridabad vide letter no. 1480 and 1481 vide letter dated 25.07.2018. In response to



the notice a letter no. 4552 dated 28.08.2018 received from the O/o MCF Faridabad where as they intimated that the property belongs to M/s Surrender Stone Cr. Co. (TIN 06701311592). Again information is sought from Joint Commissioner, MCF regarding the property details related to firm/ Plot vide letter no-6457 dated 23.08.2021.

A letter was issued to its sureties Sh. Yajan Taneja Prop. M/s Global Trading Corp. (06831323403) and secondly Sh. Arvind Batra, Prop. M/s Shiv Nanda Engg. Works (06281319001) vide memo 7015 dated 21.08.2020. A letter was written to the Commissioner of Income Tax regarding seeking information of bank account number, current assets in the name of Sh. Nishant Sharma and Sh. Jai Kishan Sharma partner of M/s Aditya Industries vide letter no. 7016 dated 21.08.2020. A reminder letter was issued to the sureties Sh. Yajan Taneja Prop. M/s Global Trading Corp. (06831323403) and secondly Sh. Arvind Batra, Prop. M/s Shiv Nanda Engg. Works (06281319001) vide memo spl 40 dated 19.08.2021. The firm has submitted a cheque no-243481 dated 20.08.2021 of Rs. 1 lac. Still after realization of this cheque recovery is pending for Rs. 479813/-. Efforts are being made to recover the pending amount.

111. **M/s Shri Balaji Industries Faridabad (N) TIN 24975 A.Y. 2009-10**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**
112. **M/s Shree Balaji Stone Faridabad (N) TIN 24975 A.Y. 2010-11**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**
113. **M/s Shree Balaji Stone Faridabad (N) TIN 24975 A.Y. 2011-12**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)..**
114. **M/s Shree Balaji Stone Faridabad (N) TIN 24975 A.Y. 2012-13**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**
115. **M/s Sarswati Stone Cr. Mills Faridabad (N) TIN 11764 A.Y. 2012-13**

The Dealer M/s New Saraswati Stone Cr. Co. was assessed on 26.11.2014 vide disposal no. 1084 for assessment year 2012-13 and demand of Rs. 2357500/- (Tax 1976710+interest 431713 = Net Due 2408426-ITC 50923=2357500/-) in VAT was raised and Rs. 107546/- in CST. TDN was served on 26.11.2014. Amount of Rs. 1524786/- is recovered. Detail given as under:-

| Amount                 | D.D.No./Date      | GRN      |
|------------------------|-------------------|----------|
| 250000/-               | 514752/9.7.15     | 10387694 |
| 250000/-               | 828750/16.3.16    | 18224461 |
| 200000/-               | 829003/20.3.16    | 18405445 |
| 100000/-               | 105704/13.3.19    | 45812743 |
| 100000/-               | 105705/13.3.19    | 45097928 |
| 100000                 | 105833/31.5.19    | 48669038 |
| 24786/-                | 106069/27.9.19    | 58914540 |
| <b>500000/-</b>        | 106385/16.09.2020 | 67835777 |
| 100000                 | 879919/25.08.2021 | 81132033 |
| <b>Total 1624786/-</b> |                   |          |

Arrear were declared under Land Revenue Act. A letter was issued to Joint Commissioner, MCF with a request to not to allow sale/purchase of this property vide letter no. 1904 dated 29.08.2015. A writ of demand notice was issued to the dealer on dated 06.12.2018.

Summons issued to the dealer on dated 13.03.2020 for 30.03.2020. A letter was issued to its sureties Sh. S.K. Sharma Prop. M/s Laxmi Grit Udyog (06341302963) and secondly S.B. Garg, Prop. M/s Shankar Stone Cr. Co. (1304831) vide memo 1734 dated 04.08.2016 for recovery of arrear. A letter was issued by Collector-cum-DETC, Sale Tax, Faridabad (North) to Joint Commissioner, Faridabad for execution of warrant of attachment of plot no. 67, Mohbtabad, Pali, Faridabad vide letter no. 4472 dated 31.01.2019. In reply of letter no. 4472 dated 31.01.2019 Joint Commissioner, MCF has stated that MCF would neither transfer ownership of said property nor no dues would be issued to Proprietor till NOC obtained from your office vide letter no. 5246 dated 25.03.2019. Order rectified of A.Y. 2012-13 on dated 04.06.2019 demand reduced of Rs. 87092/-.

A letter issued to the Commissioner of Income Tax regarding information of bank account number, current assets in the name of Sh. Jai Kishan Sharma Prop. M/s New Saraswati Stone Cr. Co. vide letter no. 7013 dated 21.08.2020. Again information is sought from Joint Commissioner, MCF Regarding the property details related to firm / Plot vide letter no. – 6457 dated 23.08.2021. Bank Account no. 2258002100018339 has been attached vide letter no. 10656 dated 03.09.2021. The firm has submitted a D.D. No. 106721 (GRN 8177619) dated 04.09.2021 of Rs 1 lac Still recovery is pending for Rs 753168/-. Efforts are being made to recover the pending amount.

#### **116. M/s Sidhu Stone Crushing Co. Faridabad (N) TIN 11701 A.Y. 2012-13**

The Dealer M/s Sidhu Stone Cr. Co. was assessed on 29.10.2014 vide disposal no. 817 for assessment year 2012-13 and with an additional demand of Rs. 1126549/- (Tax 808347+interest 335216) in VAT was raised. TDN was served on 29.10.2014. Firm's stands closed. An amount of Rs. 805708/- was recovered PTT 18 No. 097616/39 dated 23.11.2016. Summons issued to the dealer on dated 14.06.2016 for 24.06.2016. Arrears were declared under Land Revenue Act. A letter was issued to its sureties Sh. Sukhpal Prop. M/s Kaushik Stone (1301792) and secondly Atul Kumar Jain, Prop. M/s Standarad Concrete and Agency (1311378) vide memo 2270 dated 22.09.2016. A letter was written to Bank Manager, Allahabad Bank, Tuglkabad, Delhi to attachment of **debit of current account no.20478839850** vide letter no. 1079 dated 23.06.2016. A reminder letter was written to Branch Manager, Allahabad Bank, Tuglkabad, Delhi for attachment of **account no. 20478839850** vide reference no. RD/HGST/FBD-North/W-10/051 dated 28.08.2020. Information has been received from Bank that balance as on 10.9.2020 is Rs 3857.45 and account is inoperative.

A letter was issued to the Tehsildar, Faridabad as well as Commissioner, MCF, Faridabad vide letter no. 2368 & 2369 dated 21.09.2016 and also a reminder letter issued to the Tehsildar, Faridabad and Commissioner, MCF, Faridabad vide letter no. 7009, 7011 dated 21.08.2020 for verification of immovable property. A letter issued to the Commissioner of Income Tax regarding information of bank account number, current assets in the name of Sh. K.R. Kaushik and Sh. Sukhpal partner of M/s Sidhu Stone Cr. Co. vide letter no. 7004 dated 21.08.2020. Again information is sought from Joint Commissioner, MCF Regarding

the property details related to firm/ Plot vide letter no-6457 dated 23.08.2021. A reminder letter was issued to its sureties Sh. Sukhpal Prop. M/s Kaushik Stone (1301792) and secondly Atul Kumar Jain, Prop. M/s Standarad Concrete and Agency (1311378) vide memo spl 44 dated 19.08.2021. Now the pending due against the dealer is Rs. 320841/-. Efforts are being made to recover the amount.

**117. M/s Sushil Stone Cr. Co. Faridabad (N) TIN 11402 A.Y. 2010-11**

The Dealer M/s Sushil Stone Cr. Co. was assessed on 04.03.2014 vide disposal no. 1563 for assessment year 2010-11 and an additional demand was raised of Rs. 16341/- in VAT and Rs. 1462185/- in CST. TDN was served on 04.03.2014.

The amount of Rs. 16341/- (93032) was recovered vide D.D. no. 930471 dated 28.06.2017 and further order was rectified under CST Act vide order dated 28.06.2017 demand reduced of Rs. 1175120/-.

Arrears were declared under Land Revenue Act. Summons issued to the dealer on dated 05.10.2016 for 24.06.2016. A letter for notice of recovery was issued on dated 01.07.2015. Summons was issued to the dealer on 05.10.2015 for recovery of arrear.

A letter was issued to the Tehsildar as well as MCF, Faridabad vide letter no. 7007 & 7008 dated 21.08.2020 for verification of immovable property and also a letter issued to the Commissioner of Income Tax regarding information of bank account number, current assets in the name of Sh. Surender Kumar Jain prop. M/s Sushil Stone Cr. Co. vide letter no. 7014 dated 21.08.2020. Again information is sought from Joint Commissioner, MCF Regarding the property details related to firm/ Plot vide letter no-6457 dated 23.08.2021. A reminder recovery notice was issued on dated 19.08.2021. Now the dealer has submitted a D.D. No. 046644 dated 29.08.2021 of Rs 40000/- (GRN 81356401 dated 03.09.2021). Still recovery is pending for Rs 197065/-. Bank Account No. 603506041000011 has been attached vide letter no. 10655 dated 03.09.2021. Efforts are being made to recover the amount.

**118. M/s Vaishno Grit Udyog Faridabad (N) TIN 11406 A.Y. 2012-13**

The Dealer M/s Vaishno Grit Udyog was assessed on 26.11.2014 vide disposal no. 1179 for assessment year 2012-13 and an additional demand of Rs. 1053359/- (Tax 984664+interest 318873) in VAT was raised. TDN was served on 26.11.2014.

Recovery proceedings were initiated against the dealer Arrears were declared under Land Revenue Act on dated 20.10.2015. Summons issued to the dealer on dated 31.10.2018 for 19.11.2018. But could not be served upon and the firm stands closed and the owner of the firm is not traceable.

A recovery notice was issued to the dealer on dated 09.09.2020 through email. A reminder recovery notice was issued to the dealer 19.08.2021. Recovery proceedings also initiated against the sureties Sh. Rajesh Kumar Prop. M/s Shiv Shakti Machinery Store TIN 06591312768 and Sh. Hansraj, Prop. M/s Rahul Engg. Works TIN 6591314999 vide letter no. 7006 dated 21.08.2020. A letter was issued to the Tehsildar, Faridabad as well as Commissioner, MCF, Faridabad vide letter no. 7010 & 7012 dated 21.08.2020 for verification of immovable property and also a was letter written to the Commissioner of Income Tax regarding seeking information of bank account number, current assets in the name of Sh. Brij Bhushan prop. M/s Vaishno Grit Udyog vide letter no. 7005 dated

21.08.2020. A reminder letter also issued to the sureties Sh. Rajesh Kumar Prop. M/s Shiv Shakti Machinery Store TIN 06591312768 and Sh. Hansraj, Prop. M/s Rahul Engg. Works TIN 6591314999 vide letter no. spl- 42 dated 19.08.2021. Again information is sought from Joint Commissioner, MCF Regarding the property details related to firm/ Plot vide letter no- 6457 dated 23.08.2021. Efforts are being made to recover the amount.

**119. M/s Urastun Metal Faridabad (N) TIN 1934 A.Y. 2011-12.**

The case for A.Y. 2011-12 for M/s Urastun Metal Industries Pvt. Ltd. TIN 06801301934 was decided on dated 26.02.2015 and an additional demand of Rs. 2,77,544/- under HVAT Act, and Rs. 38,79,992/- under CST Act was levied. The TDN was served to the dealer on 14.08.2015. The recovery proceedings against M/s **Urastun Metal Industries Pvt. Ltd.** has been started. Notice has been issued vide No. 5329 dated 31.01.2020. On further verification, it has been found that this firm is under liquidation process of SARFAESI ACT, 2002. A notice has also been issued to Sh. Ashok Khattri, who was earlier director of one of surety of M/s Urastun Metal but now is proprietor of M/s khattri steel on dated 14.08.2020. Again notice to this surety was given on dated 18.08.2021 for recovery.

As per available information Mr. N. K. Soin, director in M/s Jenus Steel Industries Pvt. Ltd. (closed now), second surety of the firm has already expired. The bank account has been attached vide no. 2057 dt. 09.08.19, but no balance is there in bank account. Letters has been written to Tehsildar and Estate Officer, HUDA vide no. 5327 and 5328 dated 31.01.2020 for details of immovable properties. A reminder has also been sent to Tehsildar and Estate Officer, HUDA on dated 18.08.2021. Efforts are being made to recover the pending amount.

**120. M/s Vision Communication Karnal TIN 6452230465 A.Y. 2009-10**

In reply to audit, it is submitted that the assessment case of M/s Vision Communications, Karnal holding TIN 06452230465 for the year 2009-10 was decided vide disposal No.1242 dated 25.03.2013 by creating demand of Rs. 1515103/-(Tax 861122 + Interest 653981) under the HVAT Act 2003. Copy of TDN was served upon the dealer on 10.09.2013. Recovery proceeding was initiated in the case. The dealer preferred an appeal against the AA order. Ld. JETC (A), Ambala vide order dated (14-08-2013 communicated vide Endst No. 2086 dated 12-09-2013) rejected the appeal. The dealer had preferred second appeal before Hon'ble HTT, Chandigarh who vide order dated 08.02.2019 (communicated to assessing authority on 26.02.2019) remanded back the case to AA. Remand case has been decided vide order No. 70A, dated 18.02.2021 with Excess Carried forward of Rs. 5948/-. In view of the above facts, no demand is outstanding against the dealer as on today. Hence, the para may please be dropped.

**121. M/s Varun Electronics Karnal TIN 6162219809 A.Y. 2007-08**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

**122. M/s Varun Electronics Karnal TIN 6162219809 A.Y. 2008-09**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**123. M/s Swastik Enterprises Karnal TIN 6472232879 A.Y. 2012-13**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

124. **M/s Hari Om Traders Karnal TIN 6242233927 A.Y. 2012-13**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).
125. **M/s Onika Organics Karnal TIN 6482233601 A.Y. 2012-13**  
(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)
126. **M/s Sumit Enterprises Karnal TIN 6112222116 A.Y. 2012-13**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).
127. **M/s Kabir Enterprises Karnal TIN 6212230888 A.Y. 2011-12**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).
128. **M/s Maharaja Fuel Centre Karnal TIN 6322230488 A.Y. 2009-10**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).
129. **M/s Som Nath & sons Karnal TIN 27471 A.Y. 2008-09**

In reply to audit objection, it is submitted that the dealer M/s Somnath and Sons is registered under HVAT ACT, 2003 and CST ACT, 1956, having Tin no. 0625222747. The original assessment in the case was finalised by then assessing authority vide Disposal No. 631 Dt: 26-03-12 by creating an additional demand of Rs. 23982( tax only) under HVAT ACT , 2003 and Rs. 16399 (tax only) under the CST ACT, 1956.

The TDN was served on the dealer date 26-03-12. The dealer has submitted C form which stand verified from the tinxsys and order stand rectified and demand has been reduced Rs. 10940/- .under the CST ACT, 1956. The firm is Rice sheller. The firm stand closed and cancelled w.e.f. 31-03-2015. Further proprietor of the firm has expired. The following are the surities in the firm for Rs 100000/- ( one lac only) each under HVAT Act, 2003 & CST ACT 1956 :

1. Sh. Kalu Ram, Prop. M/s Raheja Brothers, Village-Kachwa, Karnal, Tin No. 06732228565
2. Sh. Somnath, prop. M/s Kalu Ram Ravi Raj, Anaj Mandi, Karnal, Tin No. 06062225199

Recovery notices were issued dated 09-09-19, 20-01-20. One of the surety i.e. M/s Raheja Brothers stand closed/cancelled. Second surety had migrated to GST but his GSTIN 06AAYPN5313K1Z7 has been cancelled w.e.f 01.11.2018. However, fresh notices to both the sureties have been issued on dated 10.08.2021. Further, letter has been written to Tehsildar, Karnal vide No. 706-709/dt. 30-07.2020 regarding detail of property owned by the firm/partner. The information regarding details of property has been provided by Tehsildar vide letter No. 326/OK/dated 06-08-2020 and also informed that Red flag entry No 708 dated 30.07.2020 has been entered in Jamabandi/intkal register. However, efforts are being made to recover the outstanding amount from the sureties. In view of the above the Para may please be dropped.

**130. M/s Som Nath & sons Karnal TIN 27471 A.Y. 2009-10**

In reply to audit objection, it is submitted that Somnath & Sons registered under HVAT Act, 2003 and CST Act, 1956, having TIN no. 06252227471. The original assessment in the case was finalised by then assessing authority vide Disposal No 884 Dt: 11-03-13 by

creating an additional demand of Rs. 44879/- (Tax-Rs. 26395/- and Interest Rs. 18484/-) under HVAT Act, 2003 and Rs. 259489 (Tax Rs. 152616/- and Interest Rs. 106873/- under the CST Act 1956. The TDN was served on the dealer date 11-03-13. The firm was a Rice sheller. The firm stands closed and cancelled w.e.f. 31-03-15. The proprietor of the firm has expired. The following persons stand sureties for Rs. 100000/- (Rs. One lac Only) each under HVAT Act, 2003 and CST ACT, 1956:

1. Sh. Kalu Ram, Prop. M/s Raheja Brothers, Village-Kachwa, Karnal, Tin No. 06732228565
2. Sh. Somnath, prop. M/s Kalu Ram Ravi Raj, Anaj Mandi, Karnal, Tin No. 06062225199

Recovery notices were issued dated 09-09-19, 20-01-20. One of the surety i.e. M/s Raheja Brothers stand closed/cancelled. Second surety had migrated to GST but his GSTIN 06AAYPN5313K1Z7 has been cancelled w.e.f 01.11.2018. However, fresh notices to both the sureties have been issued on dated 10.08.2021. Further, letter has been written to Tehsildar, Karnal vide No. 706-709/dt. 30-07.2020 regarding detail of property owned by the firm/partner. The information regarding details of property has been provided by Tehsildar vide letter No. 326/OK/dated 06-08-2020 and also informed that Red flag entry No 708 dated 30.07.2020 has been entered in Jamabandi/intkal register. However, efforts are being made to recover the outstanding amount from the sureties. In view of the above the Para may please be dropped.

**131. M/s Som Nath & sons Karnal TIN 27471 A.Y. 2010-11**

In reply to audit, objection it is submitted that Somnath & Sons registered under HVAT Act, 2003 and CST Act, 1956, having TIN no. 06252227471. The original assessment in the case was finalised by then assessing authority vide Disposal No 1462 Dt: 24-03.2014 by creating an additional demand of Rs. 321980/- (Tax-Rs. 191655/- and Interest Rs. 130325/-) under HVAT Act, 2003 and Rs. 358544 under the CST Act 1956. The TDN was served on the dealer date 24-03-14. The firm was a Rice sheller. The firm stand closed for the past five year and the proprietor of the firm has expired. The dealer has submitted the required F form in the office which stand verified from the tinxsys and order stand rectified and demand has been reduced Rs. 26500/- . The following persons stand sureties for Rs. 100000/- (Rs. One lac Only) each under HVAT Act, 2003 & CST ACT 1956 :

1. Sh. Kalu Ram, Prop. M/s Raheja Brothers, Village-Kachwa, Karnal, Tin No. 06732228565
2. Sh. Somnath, prop. M/s Kalu Ram Ravi Raj, Anaj Mandi, Karnal, Tin No. 06062225199

Recovery notices were issued dated 09-09-19, 20-01-20. One of the surety i.e. M/s Raheja Brothers stand closed/cancelled. Second surety had migrated to GST but his GSTIN 06AAYPN5313K1Z7 has been cancelled w.e.f 01.11.2018. However, fresh notices to both the sureties have been issued on dated 10.08.2021. Further, letter has been written to Tehsildar, Karnal vide No. 706-709/dt. 30-07.2020 regarding detail of property owned by the firm/partner. The information regarding details of property has been provided by Tehsildar vide letter No. 326/OK/dated 06-08-2020 and also informed that Red flag entry No 708

dated 30.07.2020 has been entered in Jamabandi/intkal register. However, efforts are being made to recover the outstanding amount from the sureties. In view of the above the Para may please be dropped.

**132. M/s Kamna Enterprises Karnal TIN 6762233447 A.Y. 2008-09  
(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**

**133. M/s Kamna Enterprises Karnal TIN 6762233447 A.Y. 2009-10  
(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**

**134. M/s Kamna Enterprises Karnal TIN 6762233447 A.Y. 2010-11.  
(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**

**135. M/s Kamna Enterprises Karnal TIN 6762233447 A.Y. 2012-13.**

In reply to audit objection it is hereby informed that the audit para is not admitted as the follow up action has been taken from time to time. The assessment for the year 2012-13 was framed vide disposal No. 962 on dated 18.11.14 and additional demand of Rs. 567645/- (Tax Rs. 409538/- Interest Rs. 158107/-) under HVAT Act and Rs. 15106/- under the CST Act was created. The TDN was served on the dealer date 25-11-2014. The dealer deals in trading of rice and it's by product. The firm stand closed for the last 4 years. The arrear has been declared under the Land Revenue Act, 1887 on dt. 20.03.2020. The recovery notices has been issued to the firm for recovery of arrear on dated 09.02.2018, 04.06.2020 and 10.08.2021. As and when the recovery is made the same will be informed accordingly. The following persons stand sureties in this case for Rs. One Lac (Rs. 100000/- each under HVAT, 2003 and CST Act, 1956)

1. Sh. Sanjay Kumar S/o Sh. Shree Krishan, Prop. of M/s. Shree Krishan Sanjeev Kumar, M.C. Road Karnal. Tin No. 06892230223
2. Sh. Rattan Lal S/o Sh. Bandu Ram Prop of M/s. Tirupati Enterprises , M.C. Road Karnal., Tin No. 06222232289.

First surety stands cancelled and the second surety has migrated to GST and functional having GSTIN-06ACOP1043N1ZE. The recovery notices has been issued to the firm/sureties for recovery of arrear on dated 09.02.2018, 04.06.2020 and 10.08.2021. As and when the recovery is made the same will be informed accordingly. Further, letters and reminders have been written to Tehsildar, Karnal on dt. 04.07.2020, letter no 3307 dated 12.02.2021, 2499 dated 10.08.2021 for providing details of property owned by the firm/dealer but reply is awaited till date. However, efforts are being made to recover the outstanding amount and recovery proceedings are under process. In view of the above the Para may please be dropped.

**136. M/s Lucky Petroleum Karnal TIN 6922231807 A.Y. 2009-10  
Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**

**137. M/s Mahadev Fragrances P. Ltd Karnal TIN 6302235155 A.Y. 2010-11**

In reply to audit objection it is hereby informed that the audit para is not admitted as the follow up action has been taken from time to time. The assessment for the year 2010-11 was framed vide disposal no. 1503 dated 31.03.2014 and additional demand of

Rs. 5,62,68,741/- (Tax only) was created under the HVAT Act, 2003 .The TDN was served upon the dealer through post vide no. 8010 dt. 23.05.2014 at Delhi as the firm stand close. The dealer deals in trading of perfumes and fragrances. The firm stands closed for the last 7 years. The dealer preferred appeal before J.E.T.C. (A) Ambala and the same was dismissed on 21-12-2015 by the appellent Authority. Then the dealer filed an appeal before Hon'ble Haryana Tax Tribunal which stand dismissed by the honourable HTT vide order Dt. 09.07.2019. The following persons stand sureties in this case for Rs. 100000/-.

1. Sh. Suresh Chand Jain S/o Sh. Kali Ram Jain, Prop. Of M/s. Prem Sukh Ply & Hardware store 35, Timber Mkt, Karnal. Tin No. 06842232821.
2. Sh. Prem Chand S/o Sh. Khushi Ram Prop of M/s. Jain Bardana Bhandar Shop No. 155, Shastri Anaj Mandi Karnal Tin No. 06072234166.

A sum of Rs. 1,00,000/-has been recovered vide GRN No 36534006, 36534783, 36858390, 3685866, 37272263, 37272290, 37613430, 37613386, 4198808, 41988791, 55910920, 55911948 Dt. 06.06.2018, 27.06.2018, 19.07.2018, 09.08.2018, 09.11.2018, 02.08.2019 respectively from both the sureties and balance arrear of Rs. 56168741/- is still pending. The balance arrear has been declared as arrear under the Land Revenue Act, 1887 on dt. 19.08.2014. A notice has been sent to the firm for recovery of arrears on Dt 30.06.2020. Also a recovery certificate has been sent to Collector North- West Delhi vide letter No. 334 dated: 04.06.2020 and further letter no. 3305 dated: 12-02-21 and letter dated: 10.08-2021 for recovery of arrears. Moreover, the status of the firm on MCA website has been checked/verified and is shown as **Strike Off**. Further, recovery proceedings are in progress and efforts are being made to recover the outstanding amount. Hence, the para may please be dropped.

### **138. M/s Shankar Trading com Karnal TIN 6612231250 A.Y. 2010-11**

In reply to the audit para, it is hereby informed that audit para is not admitted. The assessment for the year 2010-11 was framed vide Disposal no. 1372 on dated 10/03/2014, the case was assessed as ex-parte and additional demand of Rs. 2051160/- (Tax-Rs512040 + Penalty Rs. 1539120) was created under the CST ACT 1956. The TDN was served on the dealer on dated 10-03-2014. The firm deals in trading of molasses. The firm stands cancelled w.e.f 26.05.2014. The Proprietor of the firm is not traceable. The following persons stand sureties in this case for Rs.1,00,000/- (Rs. One Lac only) each under the HVAT Act, 2003 and CST Act 1956. Both the sureties are alive.

1. Ramesh Kumar Pruthi, Prop. M/s. Pruthee Enterprises, Transport Nagar Karnal. Tin no. 06502217294
2. Sh. Rakesh Gulati, Prop. M/s. Rakesh Auto Agency, Shop No. 478, Sec. 4, Tpt. Nagar Karnal. Tin no. 06802224404, GSTIN-06AEZPG7687N1ZA.

A sum of Rs. 20,000/- vide VAT G4 book no.7628 receipt no.13 has been recovered from one of the surety i.e., M/s Rakesh Auto Agency on 21.03.2016 (further an amount of Rs. 30,000/- vide GRN No. 35568518 dated 17.05.2018 has also been recovered from M/s Rakesh Auto Agency for recovery of A.Y. 2011-12). Efforts are being made to recover the remaining amount from both the sureties. Notice has been issued on dated 10.08.2021. Balance arrear of Rs. 2001160/- has been declared under Land Revenue Act on dt.



18.06.2014. A Letter has been written to Tehsildar, Karnal vide no 8794/dt. 08.07.2014 regarding detail of the property owned by the firm/partner. But as per report of Tehsildar, no property owned by the said firm/partner vide their reply dt. 30.10.2014. As the dealer has given his permanent address in Annexure 1 of form VAT- A2 of RC part of the firm as House No. 170, Patel Nagar, New Mandi, Muzaffarnagar, UP. Thus the recovery certificate had been sent to collector Muzaffarnagar (U.P) on dt. 04/08/2017, 09/02/2018, 16/07/2019, 04/06/2020 and again reminder letter no. 2494/ward-7/dated 10/08/2021 has been sent.

Letter to Dy. Commissioner, Commercial Tax, Muzaffarnagar, U.P. was also written vide letter no. 3824 TI ward-7 dated: 08-03-21 seeking information/details of M/s Shankar Trading Co. TI was deputed to personally go to Muzaffarnagar to collect the information regarding the firm/ prop/partners/properties on 09/03/21 in furtherance of efforts toward the recovery of the balance arrear. In response a letter was received vide letter no. 512/2020.21/dated 09.03.2021 informing that there is only one firm in the name of M/s Shankar Trading Co. and the proprietor of the firm is Sh. Rajeev Kumar. The firm is trading in kiriyana goods, which is live and functioning. Further, the letter verified that no firm in name of M/s Shankar Trading Co. having proprietor Sh. Subhash Chand Jain is registered in Muzaffarnagar, (UP). All efforts are being made to recover the balance amount from second surety. Hence, the para may please be dropped.

### **139. M/s Shankar Trading com Karnal TIN 6612231250 A.Y. 2011-12**

In reply to the audit para, it is hereby informed that audit para is not admitted. The assessment for the year 2011-12 was framed vide Disposal no. 1373 on dated 10/03/2014, the case was assessed as ex-parte and additional demand of Rs. 6157432/-(Tax Rs. 1538358/- + Penalty Rs. 4619074/-) was created under the CST ACT 1956. The TDN was served on the dealer date 10-03-2014. The firm deals in trading of molasses. The firm stands cancelled w.e.f 26.05.2014. The Proprietor of the firm is not traceable. The following persons stand sureties in this case for Rs. 100000/- (Rs. One Lac only) each under the HVAT Act, 2003 and CST Act 1956. Both the sureties are alive.

1. Ramesh Kumar Pruthi, Prop. M/s. Pruthee Enterprises, Transport Nagar Karnal. Tin no. 06502217294
2. Sh. Rakesh Gulati, Prop. M/s. Rakesh Auto Agency, Shop No. 478, Sec. 4, Tpt. Nagar Karnal. Tin no. 06802224404, GSTIN-06AEZPG7687N1ZA.

A sum of Rs. 30,000/- vide GRN No. 35568518 dated 17.05.2018 has also been recovered from M/s Rakesh Auto Agency for recovery of A.Y. 2011-12 (further an amount of Rs. 20,000/- vide VAT G4 book no.7628 receipt no.13 has been recovered from one of the surety i.e., M/s Rakesh Auto Agency on 21.03.2016 for A.Y. 2010-11). Efforts are being made to recover the remaining amount from both the sureties. Notice has been issued on dated 10.08.2021.

Balance arrear of Rs. 2001160/- has been declared under Land Revenue Act on dt. 18.06.2014. A Letter has been written to Tehsildar, Karnal vide no 8794/dt. 08.07.2014 regarding detail of the property owned by the firm/partner. But as per report of Tehsildar, no property owned by the said firm/partner vide their reply dt. 30.10.2014. As the dealer has given his permanent address in Annexure 1 of form VAT- A2 of RC part of the firm as House No. 170, Patel Nagar, New Mandi, Muzaffarnagar, UP. Thus the recovery certificate has

been sent to collector Muzaffarnagar (U.P) on dt. 04/08/2017, 09/02/2018, 16/07/2019, 04/06/2020 and again reminder letter no. 2494/ward-7/dated 10/08/2021 has been sent.

Letter to Dy. Commissioner, Commercial Tax, Muzaffarnagar, U.P. was also written vide letter no. 3824 TI ward-7 dated: 08-03-21 seeking information/details of M/s Shankar Trading Co. TI was deputed to personally go to Muzaffarnagar to collect the information regarding the firm/ prop/partners/properties on 09/03/21 in furtherance of efforts toward the recovery of the balance arrear. In response a letter was received vide letter no. 512/2020.21/dated 09.03.2021 informing that there is only one firm in the name of M/s Shankar Trading Co. and the proprietor of the firm is Sh. Rajeev Kumar. The firm is trading in kiriyana goods, which is live and functioning. Further, the letter verified that no firm in name of M/s Shankar Trading Co. having proprietor Sh. Subhash Chand Jain is registered in Muzaffarnagar, (UP). All efforts are being made to recover the balance amount from second surety. Hence, the para may please be dropped.

#### **140. M/s Shankar Trading com Karnal TIN 6612231250 A.Y. 2012-13**

In reply to the audit para, it is hereby informed that audit para is not admitted. The assessment for the year 2012-13 was framed vide order no. 1374 on dated 10/03/2014, the case was assessed as ex-parte and additional demand of Rs. 3106820/-(Tax Rs.775707/- + Penalty Rs. 2331115/-) was created under the CST ACT. The TDN was served on the dealer date 10-03-2014. The firm deals in trading of molasses. The firm stands cancelled w.e.f 26.05.2014. The Proprietor of the firm is not traceable. The following persons stand sureties in this case for Rs. 100000/-(Rs. One Lac only) each under the HVAT Act, 2003 and CST Act 1956. Both the sureties are alive.

1. Ramesh Kumar Pruthi, Prop. M/s. Pruthee Enterprises, Transport Nagar Karnal. Tin no. 06502217294
2. Sh. Rakesh Gulati, Prop. M/s. Rakesh Auto Agency, Shop No. 478, Sec. 4, Tpt. Nagar Karnal. Tin no. 06802224404, GSTIN-06AEZPG7687N1ZA.

A sum of Rs. 20,000/- vide VAT G4 book no.7628 receipt no.13 has been recovered from one of the surety i.e., M/s Rakesh Auto Agency on 21.03.2016 (further an amount of Rs. 30,000/- vide GRN No. 35568518 dated 17.05.2018 has also been recovered from M/s Rakesh Auto Agency for recovery of A.Y. 2011-12). Efforts are being made to recover the remaining amount from both the sureties. Notice has been issued on dated 10.08.2021. Balance arrear of Rs. 2001160/- has been declared under Land Revenue Act on dt. 18.06.2014. A Letter has been written to Tehsildar, karnal vide no 8794/dt. 08.07.2014 regarding detail of the property owned by the firm/partner. But as per report of Tehsildar, no property owned by the said firm/partner vide their reply dt. 30.10.2014. As the dealer has given his permanent address in Annexure 1 of form VAT- A2 of RC part of the firm as House No. 170, Patel Nagar, New Mandi, Muzaffarnagar, UP. Thus the recovery certificate has been sent to collector Muzaffarnagar (U.P) on dt. 04/08/2017, 09/02/2018, 16/07/2019, 04/06/2020 and again reminder letter no. 2494/ward-7/dated 10/08/2021 has been sent.

Letter to Dy. Commissioner, Commercial Tax, Muzaffarnagar, U.P. was also written vide letter no. 3824 TI ward-7 dated: 08-03-21 seeking information/details of M/s Shankar Trading Co. TI was deputed to personally go to Muzaffarnagar to collect the information regarding the firm/ prop/partners/properties on 09/03/21 in furtherance of efforts toward the

recovery of the balance arrear. In response a letter was received vide letter no. 512/2020.21/dated 09.03.2021 informing that there is only one firm in the name of M/s Shankar Trading Co. and the proprietor of the firm is Sh. Rajeev Kumar. The firm is trading in kiriyana goods, which is live and functioning. Further, the letter verified that no firm in name of M/s Shankar Trading Co. having proprietor Sh. Subhash Chand Jain is registered in Muzaffarnagar, (UP). All efforts are being made to recover the balance amount from second surety. Hence, the para may please be dropped.

**141. M/s Lajpat Rai & sons 6132208816 A.Y. 2010-11.**  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).

**142. M/s For Shoe Karnal TIN 32766 A.Y. 2012-13.**  
(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)

**143. M/s Devindra Cement & Shuttering store Karnal TIN 6762232868 A.Y. 2010-11.**

In reply to audit, it is submitted that the assessment case of M/s Devender Cement & Shuttering Store, Karnal holding TIN 06762232868 for the year 2010-11 was decided vide disposal No.1537 dated 24.03.2014. The additional demand was created of Rs 309189/- (Ex-parte) under HVAT Act 2003. Copy of TDN was served upon the dealer on 04.06.2014. The dealer is working in Cement & Shuttering Goods. Recovery proceeding was started in the case. The dealer preferred an appeal before 1st Appellant Authority against the original order. Ld. JETC (A), Ambala vide order dated 30.12.2015 had rejected the appeal (communicated vide Endst No. 3732 dated 17.03.2016). Then the dealer preferred second appeal before Hon'ble Haryana Tax Tribunal. Hon'ble Haryana Tax Tribunal vide order dated 16.05.2018 remanded back the case to first Appellant Authority. Ld. JETC (A), again rejected the appeal vide order dated 12.07.2021 (communicated vide Endst No. 753 dated 14.07.2021). The dealer had furnished the sureties of M/s H.P Bhanu Rai Filling Station holding TIN 06152234607 and M/s Mahalaxmi Cement & Hardware Store holding TIN 06242238874 while filing the appeal. This office initiated recovery proceeding and recovery notices have been issued to the dealer and both sureties for recovery of Rs.309189/-for dated 23.08.2021. As and when recovery is made, it will be communicated.

**144. M/s Shubham Enterprises Karnal TIN 35254 A.Y. 2012-13**  
Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020

**145. M/s Jai Hind Project Ltd. Rohtak TIN 23537 A.Y. 2010-11.**

The dealer M/ s Jai Hind Project Ltd TIN 06162823537 is a registered dealer under the HVAT Act, 2003 and CST Act, 1956 w.e.f 14/10/2003. The assessment for the year 2010-11 was finalized on 26/03/2014 vide disposal no. 943/10-11 and an additional demand of Rs. 1108939/- (Tax 1077102+Interest 31837+ Penalty Nil) was created under HVAT Act. The order was sent to the dealer on 09/04/2014, but it was reported by the Taxation Inspector that the order could not be served as the firm was closed. In this case the Bank Guarantee of the firm amounting to Rs. 100000/- issued from Canara Bank circle office Arthur Road Ahmedabad was valid upto 31.3.2011. The arrears were declared under Punjab Land Revenue Act 1887 on 09/02/2018. The firm was running on rented premises, hence the recovery certificate in this regard was sent from O/o Dy Excise & Taxation Commissioner (ST) Rohtak on 06/02/2017 vide dispatch no 4392 for recovery of Rs. 5556277/- (1108939+4447338 for 2010-11 and 2011-12) to Collector old Wadaj,

Ahmedabad on 26/07/2019 and reminder in this regard was sent on 05/02/2018 vide dispatch no 3506 dt 26/07/2019, no 1710 dt 29/01/2020, no 5533 dt 20/07/2020, no 562 dt 20/07/2020 for the recovery of amount mentioned above as per the record available. The action from the collector wadaj, Ahmedabad is still awaited. The business premises of the firm was in a rented accommodation, which is closed. Interest has been charged upon the dealer under section 23 of HVAT Act, 2003 for Rs. 1077102/- vide order dated 08/09/2020. A fresh reminder has been sent on 13/07/2021 to Gujrat authority for recovery.

**146. M/s Jai Hind Project Ltd. Rohtak TIN 23537 A.Y. 2011-12**

The dealer M/ s Jai Hind Project Ltd TIN 06162823537 is a registered dealer under the HVAT Act, 2003 and CST Act, 1956 w.e.f 14/10/2003. The assessment for the year 2011-12 was finalized on 31/03/2015 vide disposal no. 799/11-12 and an additional demand of Rs. 4447338/- was created under HVAT Act. The order was sent to the dealer vide dispatch no 333 on 19/05/2015 to the permanent address of the dealer i.e. 5<sup>th</sup> floor Shanti Arcade, near Saptak Party plot 132 Ring Road Naurangpura, Ahmedabad.

In this case the Bank Guarantee of the firm amounting of Rs 100000/- issued from Canara Bank circle office Arthur Road Ahmedabad was valid upto 31.03.2011. The arrear was declared under Punjab Land Revenue Act 1887 on 09/02/2018. The firm was running on rented premises and the recovery certificate in this regard was sent from O/o Dy Excise & Taxation Commissioner (ST) Rohtak on 06/02/2017 vide dispatch no 4392 for recovery of Rs. 5556277/- (1108939+4447338) (for 2010-11 and 2011-12) to Collector old Wadaj, Ahmedabad on 26/07/2019 and reminder in this regard was sent on 05/02/2018 vide dispatch no 3506 dt 26/07/2019, no 1710 dt 29/01/2020, no 5533 dt 20/07/2020, no 562 dt 20/07/2020 for the recovery of amount mentioned above as per the record available. The action from the collector wadaj, Ahmedabad is still awaited. The business premises of the firm was in a rented accommodation, which is closed. Interest has been charged upon the dealer under section 23 of HVAT Act, 2003 for Rs. 4447338/- vide order dated 08/09/2020. A fresh reminder has been sent on 13/07/2021 to Gujrat authority for recovery.

**147. M/s Sainik Marble House Rohtak TIN 21928 A.Y. 2011-12**

The dealer M/s Sainik Marble House Rohtak TIN 06442821928 is a registered dealer under the HVAT Act, 2003 and CST Act, 1956. The Constitution of the firm was changed w.e.f. 28/01/2010 as Sh Manjit Singh took over all the liabilities and assets as sole proprietor w.e.f. 01/08/2009.

The assessment for the year 2011-12 was finalized on 31/03/2015 vide disposal no. 802/11-12 and an additional demand of Rs. 215738/- was created under HVAT Act 2003 and the order was served to the dealer on 18/05/2015.

The notice for recovery of arrears was issued to dealer on 10/05/2016 and arrears were declared under Punjab Land Revenue Act 1887 on 20/12/2018. Therefore the summon was issued to dealer for recovery of arrears on 13.07.2020 and a summon was also issued to M/s Manju Marble Sonipat Road Rohtak, surety in favour of the dealer for Rs. 100000/- M/s Manju Marble has been reported closed for last several years. Another surety in this case M/s Jindal Marble is also reported closed. Although the efforts for recovery are being made from the legal heir of this dealer. Interest has been charged upon the dealer under Section 23 of HVAT Act, 2003 for Rs 118538/- vide order dt 08/09/2020. The Bank

A/c No. 21400400006646, Bank of Baroda, Old Post Office, Rohtak attached under Section 70 of the Punjab Land Revenue Act, 1887 vide letter No 1358/W-6(PO), Rohtak dated 31.08.2021.

**148. M/s Ahlawat Trading Co. Rohtak TIN 25424 A.Y. 2010-11**

The dealer M/s Ahlawat Trading Co. Rohtak TIN 06082825424 was a registered dealer under the HVAT Act, 2003 and CST Act, 1956. The registration of the firm has been cancelled w.e.f 30.06.2015. The dealer was engaged trading of cement. The assessment for the year 2010-11 was finalized on 31/03/2014 vide disposal no. 952/10/11 and an additional demand of Rs. 201716/- was created along with interest of Rs 73494/-. The assessment order was served on 15/04/2014. The notice for recovery of arrears was issued to dealer on 10.05.2016 and arrears were declared under Punjab Land Revenue Act 1887 on 25/06/2020. Therefore the summon was issued to dealer for recovery of arrears.

It was reported by the Taxation Inspector that the firm is closed for last several years. Summon was also issued to the sureties of the firm. The sureties M/s D.D.Trading Co. RC no 19160 is also reported not traceable. Therefore the other surety of this firm M/s Unique Scientific Agencies Munjal complex Delhi Road Rohtak informed about the current location of proprietor that he is now residing at V.P.P Dhandlan (Beri) Distt Jhajjar. In view of this a recovery certificate was sent to Dy. Exise & Taxation Commissioner (ST) Jhajjar for recovery of arrears on 03/09/2020 and dispatch no 909 dated 13/07/2021. Interest has been charged upon the dealer under Section 23 of HVAT Act, 2003 for Rs 128222/- vide order dt 08/09/2020.

**149. M/s Tiles World R.G Rohtak TIN 26624 A.Y. 2010-11**

The dealer M/s Tiles World Ram Gopal Colony Rohtak TIN 06722826624 is a registered dealer under the HVAT Act, 2003 and CST Act, 1956. The dealer was engaged in trading of Tiles and Marbles. The firm is reported closed by the Taxation Inspector.

The assessment for the year 2010-11 was finalized on 26/03/2014 vide disposal no. 946/10-11 and an additional demand of Rs. 838074/- was created.

The notice for recovery of arrears was issued to dealer on 22.07.2018, 13.09.2018 and arrears were declared under Punjab Land Revenue Act 1887 on 20/12/2018. Therefore he summon was issued to dealer for recovery of arrears on 22.01.2020. It was reported by the Taxation Inspector that the firm is closed. Summon was also issued to the sureties of the firm. The sureties M/s Bansal Sanitary & Hardware and M/s Hooda welding Works for 27/07/2020. These firms are also reported closed by the Taxation Inspector. Interest has been charged upon the dealer under Section 23 of HVAT Act, 2003 for Rs 477483/- vide order dt 08/09/2020.

**150. M/s Tehran Janoob Technical & construction Rohtak TIN 26699 A.Y. 2010-11**

The dealer M/s Tehran Janoob Technical & Construction Rohtak TIN 06762826699 is registered under the HVAT Act 2003 and CST Act, 1956. The dealer is a regular works contractor. The assessment for the year 2010-11 was finalized on 26/03/2014 vide disposal no. 944/10-11 and a additional demand of Rs. 1158146/- (Tax 635234 + Interest 522912 Penalty 0) was created along with interest 522912/- for the year 2010-11.

The arrears were declared under Punjab Land Revenue Act 1887 on 03/02/2017 and Recovery Certificate for Rs. 4556680/- (for 2010-11 and 2011-12) was issued to Collector old Wadaj, Ahmedabad on 26/07/2019 and reminder in this regard was sent on 29/01/2020, 20/07/2020 and 03.09.2021. The action from the collector wadaj, Ahmedabad is still awaited. The business premises of the firm was in a rented accommodation, which is closed. Interest has been charged upon the dealer under Section 23 of HVAT Act, 2003 for Rs. 635234/- vide order dated 08/09/2020.

**151. M/s Tehran Janoob Technical & construction Rohtak TIN 26699 A.Y. 2011-12**

The dealer M/s Tehran Janoob Technical & Construction Rohtak TIN 06762826699 is a registered dealer under the HVAT Act, 2003 and CST Act, 1956. The dealer is a regular works contractor.

The assessment for the year 2011-12 was finalized on 31/03/2015 vide disposal no. 800/11-12 and an additional demand of Rs. 3398534/- was created. TDN was issued on 19/05/2015. The arrears were declared under Punjab Land Revenue Act 1887 on 03/02/2017 and recovery certificate for Rs. 8067536/- (for 2010-11 Dues 635234 + Intt 635234 Total Rs. 1271068/- and 2011-12 Due 3398534 + Intt 3398534 Total Rs. 6797068/-) was issued to Collector old Wadaj, Ahmedabad on 26/07/2019 and reminder in this regard was sent on 29/01/2020, 20/07/2020 and 03/09/2021. The action from the collector wadaj, Ahmedabad is still awaited. The business premises of the firm was in a rented accommodation, which is closed. Interest has been charged upon the dealer under section 23 of HVAT Act, 2003 for Rs. 3398534/- vide order dated 08/09/2020.

**152. M/s Such trading Co. Rohtak TIN 23544 A.Y. 2012-13**

The dealer M/s Such Trading Co. Rohtak TIN 065028523544 was registered under the HVAT Act, 2003/ CST Act, 1956 and was engaged in the business of trading of Iron Bar, and now, the firm stands closed w.e.f. 31.03.2013. The Assessment for the year 2012-13 was finalized vide Order No. 482/2012-13 dt. 01.10.2014 and additional demand of Rs. 225359/- (Tax Rs. 189398/- and interest of Rs. 66000/- U/s 14(6)) was created. Tax demand notice in form of N-4 was served upon the dealer on 27.11.2014. Besides, interest U/s 23(1) of Rs. 189398/- is also levied upon the dealer for not depositing the outstanding demand. The above said demand has been declared as outstanding arrear under the Punjab Land Revenue Act, 1887 on 16.04.2019 and accordingly Summon has been issued to the dealer. Notice for recovery has been sent to the sureties M/s Naveen Trading Co., TIN-06852819714 and Shakti Trading Co., TIN No.-06722821580 on 10.05.2016, 23.07.2018 and 13.09.2018. Out of these one surety M/s Shakti Trading Co., TIN No.-06722821580 stands cancelled w.e.f. 12.05.2014. However **ITC of Rs. 50000 has been blocked** of other surety M/s Naveen Trading Co., TIN- 06852819714. Besides, A letter No. 4132 dt. 23.10.2019 issued to the Tehsildar, Rohtak for providing the details of property of the dealer and in this regard, a report from Tehsildar, Rohtak has been received vide letter No. 1302/R-II dt. 05.11.2019 wherein stated that there is no property in the name of Sh. Lalit Singla prop.of M/s Such Trading Co. Rohtak TIN 06502823544 as per record. A letter No. 5531 dt. 29.01.2020 has also sent to Commissioner, Municipal Corporation, Rohtak for providing the details of property of the dealer. A letter No. 6033 dt. 05.03.2020 has also sent to Estate Officer HSVP, Rohtak for providing the details of property of the dealer and reminder dt. 20.07.2020 has also been sent in this regard. A letter has been written to the

Income Tax Authorities, Rohtak for providing details of movable/immovable property in the name of PAN Details of Prop. of the defaulting firm on 14.07.2021 and 04.08.2021 again. The recovery is under process and outcome will be intimated in due course of time. In view of the above, audit para may kindly be dropped.

- 153. M/s Shri Sai Enterprises Rohtak TIN 26263 A.Y. 2012-13**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**
- 154. M/s Shri Sai Enterprises Rohtak TIN 26263 A.Y. 2011-12**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**
- 155. M/s Sneha Enterprises Rohtak TIN 87065 A.Y. 2012-13.**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 15.07.2020.)**
- 156. M/s B. C.C Developers & promoters Rohtak TIN 21121 A.Y. 2011-12**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020.**
- 157. M/s Hooda Tractor Rohtak TIN 24024 A.Y. 2009-10**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**
- 158. M/s Hooda Tractor Rohtak TIN 24024 A.Y. 2011-12**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**
- 159. M/s Mahima Trading Co. Rohtak TIN 24186 A.Y. 2009-10**

The dealer M/s Mahima Trading Co. Rohtak TIN 06922824186 was registered under the HVAT Act 2003, CST Act 1956 and was a commission agent. The firm stands closed vide dealer application dt. 30.04.2010. The assessment for the year 2009-10 was finalized vide order 828/2009-10 dated 21.03.2013 and creating additional demand of Rs. 234212/- (Tax- Rs.117106/- , Interest- Rs. 117106/- U/s 23 of HVAT Act). Tax demand notice in form of N-4 was issued on dated 21.03.2013 Notice was serviced on 18.11.2019 (Substitute service) as the firm is closed. The above said demand has been declared as outstanding arrear under the Punjab Land Revenue Act on 21.07.2020. Summon was issued to the dealer but the Prop. of firm Sh. Sunder Lal S/O Kirpa Ram resident of vill. Sangahera, Distt. Rohtak has been expired. Recovery notice has been issued to one of his surety M/s Jai Durga trading co., New anaj mandi Rohtak Tin No. 06232824032 GSTIN 06ALTPK5394D1ZQ. Letter for attachment of bank A/c of surety M/s Jai Durga trading co. has been sent vide letter no 854 dt. 11/8/2020. Letter has been sent to concerned E.T.O. to block the ITC of M/s Jai Durga trading co. (Surety). Concerned E.T.O Vide letter no. 559 dt. 20/07/2020 replied that there is nil ITC available. The second surety M/s Hawa singh and sons, Purani Sabji Mandi Jind Road, Rohtak Tin no. 06622822896 has closed down its business at Rohtak and now doing business in Jhajjar. Therefore, Recovery certificate is sent to DETC (ST) Jhajjar vide letter no. 882 dt. 14/08/2020. Letter has been sent to the tehsildar Kalanaur vide letter no. 568 Dt. 21/07/20.

Tehsildar Kalanaur Vide their letter no. 684 dt. 04/08/2020 intimated that as per their record there is no property in name of the dealer. Letter has also been issued to MC Rohtak vide letter no. 534 dated 16.07.2020 for providing the details of property of the dealer. A recovery certificate has also been sent to DETC (ST) Jhajjar for recovery against second surety M/s Hawa Singh and sons who is now doing business in the name of M/s Prem Singh and Sons, Tin no. 06622822896 in District Jhajjar vide letter no. 882 dt. 14.08.2020 Letters

have been written to the Collector-cum-DETC (Jhajjar) and ICICI bank for effecting recovery from the sureties on 14.07.2021 again. The recovery is under process and outcome will be intimated in due course of time. In view of above, para may kindly be dropped.

**160. M/s Shiv Mines Ltd. Rohtak TIN 24544 A.Y. 2012-13.**

The dealer M/s SVIL Mines Ltd Rohtak TIN 06712824544 is a registered dealer under the HVAT Act, 2003 and CST Act, 1956. The dealer was engaged in trading of Tiles and Marbles. The firm is reported closed by the Taxation Inspector. The assessment for the year 2012-13 was finalized on 21/11/2014 vide disposal no. 409/12-13 and an additional demand of Rs. 1012625/- was created under HVAT Act 2003 and for Rs 984138/- was created under CST Act 1956.

The arrears were declared under Punjab Land Revenue Act 1887 on 11/11/2019. Therefore the summon was issued to dealer for recovery of arrears on 27.03.2020. In view of Covid-19 lockdown in March, the dealer was issued another summon on 15/07/2020 and it was reported that the firm was found non-existing at the given address. M/s Allied Perfumers Pvt. Ltd. and M/s JH Business India Ltd. have stood surety in the favour of the dealer. M/s Allied Perfumers Pvt Ltd. has itself been attached by the department in view of huge arrears. Another surety M/s JH Business India Ltd. is also cancelled. Interest has been charged upon the dealer under Section 23 of HVAT Act, 2003 for Rs 984138/- vide order dt 08/09/2020.

**161. M/s Inter Agro P. Ltd. Rohtak TIN 26806 A.Y. 2011-12.**

The dealer M/ s Inder Agro Pvt Ltd Sampla TIN 06832826806 is registered dealer under the HVAT Act, 2003 and CST Act, 1956 and engaged in trading of Cattle feed and mustered oil etc. Now the firm stands closed as reported by Taxation Inspector. The assessment for the year 2011-12 was finalized on 21/11/2013 vide disposal no. 364/11-12 and an additional demand of Rs. 53725/- was created under HVAT Act and Rs. 1465762/- was created under CST Act. Orders rectified under CST act 1956 on demand reduced to 655668/- on which Interest u/s 23 levy r/w 9(2) CST Act 1956 was also levied. So total dues after rectification Rs. 1311336/-. Similar under HVAT Act Interest of Rs. 53725/- also levied on pending dues Rs. 53725/-.

The arrears were declared under Punjab Land Revenue Act 1887 on 17/01/2020 and therefore the dealer was issued a summon under the Act. It was reported that the firm has been closed. In view of this a recovery certificate in this regard was sent from O/o Dy Excise & Taxation Commissioner (ST) Rohtak to the Collector cum Distt Magistrate (West) Delhi on 20/07/2020 vide dispatch no 560 and reminder no 906 dt 13/07/2021 for the recovery of amount mentioned above as per the record available.

**162. M/s Inter Agro P. Ltd. Rohtak TIN 26806 A.Y. 2012-13.**

The dealer M/ s Inder Agro Pvt Ltd Sampla TIN 06832826806 is registered dealer under the HVAT Act, 2003 and CST Act, 1956 and engaged in trading of Cattle feed and mustered oil etc. Now the firm stands closed as reported by Taxation Inspector.

The assessment for the year 2012-13 was finalized on 04/11/2014 vide disposal no. 304/12-13 and an additional demand of Rs. 972751/- was created under CST Act for the year 2012-13. Whereas there was no tax demand under the VAT Act. The arrears were



declared under Punjab Land Revenue Act 1887 on 17/01/2020 and therefore the dealer was issued a summon under the Act. It was reported that the firm has been closed. In view of this a recovery certificate in this regard was sent from O/o Dy Excise & Taxation Commissioner (ST) Rohtak to the Collector cum Distt Magistrate (West) Delhi as permanent address of firm/proprietor on 20/07/2020 vide dispatch no 560 and reminder no 906 dt 13/07/2021 for the recovery of amount mentioned above. The action from the said Authority is still awaited. M/s T.S Automotives Hisar Road Rohtak, TIN-06372825119 and M/s Sharma Casting Company Hisar Road Rohatk, TIN-06972809754 stood sureties in the favour of the dealer and both of them have been issued summons under Punjab Land Revenue act on 27/09/2020. Interest has been charged upon the dealer under section 23 of HVAT Act, 2003 for Rs. 972751 /- vide order dated 08/09/2020.

**163. M/s Shiv Shakti Ext. Ltd Rohtak TIN 21997 A.Y. 2012-13.  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**

**164 M/s Jai Durga Trade Links Sonapat TIN 0673010263 A.Y. 2006-07.**

In reply to audit para it is submitted that the remand case for the year 2006-07 had been decided vide Disposal No. 984A order dated 27.11.2013 and created additional demand to the tune of Rs.1358434/- (Tax Rs.679217 and interest Rs.67921/-) under HVAT Act, 2003. Copy of order alongwith tax demand notice served upon the dealer on 18/12/2013. The demand was created on account of disallowed of input tax of the purchase made from bogus dealers. The said dealer was engaged in the business of iron & steel & Input Tax Credit disallowed on the bogus purchase of iron & steel.

The firms stands closed. The R.C. of the firm has been cancelled vide order dated 15.12.2006 w.e.f 30/06/2006. Notice issued to the dealer for recovery of arrear on 01.01.2020 which was served upon the dealer on 07.01.2020. Arrears has been declared as an arrear under the Punjab Land Revenue Act, 1887 vide order dated 10.01.2020 and summons issued on 03.02.2020 for 13.02.2020.

One surety namely M/s Tarush Steel & Alloys Pvt Ltd. Sonapat TIN 06903007333 cancelled on 25/03/2015. The other surety i.e. M/s Kumar Industries Sonapat (TIN 06453000548) for amount 50000/- under each Act is live. A notice for recovery of surety amount issued on 03/02/2020 for 13.02.2020. In response to the summons the proprietor of firm appeared and challenged the service of order and stated that he has not received any order till date i.e. 05.02.2020 and requested to issue him a certified copy of order. On request of the dealer, a certified copy of assessment order served upon the dealer on 06.02.2020. Aggrieved with the order, the dealer preferred an appeal before Joint Excise & Taxation Commissioner (A), Rohtak on 13.02.2020.

Now a letter has been written to the to the Tehsildar, Sonapat vide memo No. 9708 dated 16.07.2020 for identification of movable/immovable property in the name of Sh. Vinod Kumar Garg Prop. of M/s Jai Durga Trade Link. No reply received from Tehsildar. A reminder has been issued on 24.08.2020. Appeal has been filed by the dealer which is still pending.

**165. M/s Reena Steels Industries, Sonapat TIN 6803009619 A.Y. 2004-05**

In reply to audit para it is submitted that the remand case for the year 2004-05 had been decided vide Disposal No. 1105A order dated 28.02.2014 and created additional

demand to the tune of Rs.2096281/- (tax 2096281/- + Interest 0) under HVAT Act, 2003 and Rs.24559/- under CST Act. The demand was created on account of disallowed of input tax of the purchase made from bogus dealers. The said firm was engaged in the business of iron & steel & Input Tax Credit disallowed on the bogus purchase of iron & steel.

Firm stands closed. The R.C. of the firm has been canceled on 16/07/2007. Copy of order alongwith tax demand notice paste on the last known address of the firm on 08.04.2014. Substitute service of Notice for recovery of arrear made on 15.05.2014. The arrears have been declared as an arrear under the Punjab Land Revenue Act, 1887 vide order dated 10.01.2020 and summons also issued on 10.01.2020. Recovery have been effected from both the sureties i.e. Rs. 44000/- has been recovered from M/s Chhabra Steel Sonapat RC No. 1220.

| Amount                                      | TSN No. | Dated      |
|---------------------------------------------|---------|------------|
| 24000/-                                     | NM031   | 24.02.2010 |
| Failure to initiate follow up action 6000/- | NM0151  | 30.10.2010 |
| 14000/-                                     | 102966  | 23.11.2005 |
| 44000/-                                     | Total   |            |

Rs.50000/- also recovered from another surety M/s Dang Chemicals(P) Ltd. Sonapat RC No 7370

| Amount  | TSN No. | Dated      |
|---------|---------|------------|
| 20000/- | NM0009  | 29.12.2020 |
| 30000/- | 100031  | 01.03.2006 |
| 50000/- | Total   |            |

Now a letter has been written to the to the Tehsildar, Sonapat vide memo No. 9709 dated 16.07.2020 for identification of movable/immovable property in the name of Sh. Sunil Kumar Prop. of M/s Reena Steel, Gurdwara Road, Sonapat. No reply received from Tehsildar. A reminder has been issued on 24.08.2020.

- 166. M/s Shri Shakumbri Steels Sonapat TIN 11657, A.Y. 2004-05**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**
- 167. M/s Shri Shakumbri Steels Sonapat TIN 11657, A.Y. 2005-06**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**
- 168. M/s Shri Shakumbri Steels Sonapat TIN 11657, A.Y. 2006-07**  
**Para dropped in scrutiny meeting held on 28.01.2020 & 29.01.2020**
- 169. M/s Swastik Sales Kundli Sonapat TIN 06213014455 A.Y. 2010-11**

In reply to audit para it is submitted that the case for the year 2010-2011 had been decided vide Disposal No. 1231 order dated 31.03.2014 and created an additional demand of Rs.8663265/- (Tax 7250410 + Interest Rs.1412855) was created under VAT on account

of disallowed of ITC and interest on short payment of tax and Rs.5843642/- (Tax 5843642/-) was created under CST Act on account of disallowed of claim against F form. Total demand was created Rs.14506907/- under both the Acts. The additional demand in the A.Y. 2010-11 had been created due to ex-parte assessment as the firm stands closed and no one turned up for the finalization of said assessment case and hence in the absence of production of document all claims have been rejected. The order alongwith tax demand notice served upon the dealer by post vide this office letter no. 1151 dated 16.05.2014.

As the firm stands closed since long and registration certification of the said firm has also been cancelled vide A.A.'s order dt.14-11-11 w.e.f. 25-7-2011. The proprietor of the said firm is not traceable after making earnest efforts. Therefore, the said amount declared as an arrear under Punjab Land Revenue Act, 1887 on 15.11.2015 and summons issued on 15.11.2015.

The surety M/s Quality Furniture House, Railway Road, Sonapat holding TIN-06723006074 found alive, who have furnished surety of Rs. 50,000/- under each Act in favour of said firm. So, a notice for recovery of the surety amount has been issued to the said surety on 23-7-2019 for 6-8-2019 and on 22.06.2020 for 06.07.2020 to deposit the surety amount. But no reply received. Surety amount has been declared under Punjab Land Revenue Act, 1887 on 07.08.2020 and summon issued to surety on 07.08.2020 for 17.08.2020. An amount of Rs.30000/- recovered from surety M/s Quality Furniture. The detail of payment are as under:-

| Amount     | GRN      | Dated      |
|------------|----------|------------|
| Rs.30000/- | 66873836 | 21.08.2020 |

Now a fresh summon to the said surety again issued for recovery of balance amount.

#### **170 M/s Swastik Sales Kundli Sonapat TIN 06123014455 A.Y. 2011-12.**

In reply to audit para it is submitted that the case for the A. Year 2011-2012 was decided vide disposal No. 855 order dated 29.11.2013 and created and additional demand of Rs.593062/- (tax 593062/- + Interest 0) was created under VAT Act and Rs. 1960229/- (Tax 1960229/- + Interest 0) was created under CST Act. In the A.Y. 2011-12 the case was assessed under deemed scheme and demand was created due to rejection of input tax credit under HVAT Act and non-production of form 'C' under CST Act. Copy of order alongwith Tax demand notice served upon the dealer by post vide this office letter no. 1152 dated 16.05.2014.

The firm stands closed since long and registration certification of the firm has been cancelled vide A.A.'s order dt.14-11-11 w.e.f. 25-7-2011. The proprietor of the firm is not traceable after making earnest efforts. Therefore, the said amount declared as an arrear under Punjab Land Revenue Act, 1887 on 15.11.2015 and summons issued on 15.11.2015. The surety M/s Quality Furniture House, Railway Road, Sonapat holding TIN-06723006074 found alive, who have furnished surety of Rs.50,000/- under each Act in favour of said firm. So, a notice for recovery of the surety amount has been issued to the said surety on 23-7-2019 for 6-8-2019 and on 22.06.2020 for 06.07.2020 to deposit the surety amount. But no reply received. Now surety amount has been declared under Punjab Land Revenue Act, 1887 on 07.08.2020 and summon issued to surety on 07.08.2020 for 17.08.2020. An

amount of Rs.30000/- recovered from surety M/s Quality Furniture and adjusted against the demand for the year 2010-2011.

Now a letter has been written to the Tehsildar, Rai vide memo No. 9742 dated 17.07.2020 for identification of moveable/immovable property in the name of Sh. Vinod Kumar S/o Sh. Ved Pal Prop of M/s Swastic Sales, Kundli.

**171. M/s S R Enterprises Sonapat TIN 06483009407 A.Y. 2006-07**

In reply to audit para it is submitted that assessment case for the year 2006-07 has been decided vide Disposal No. 578 order dated 29.03.2010 and created an additional demand of Rs.219459/- (tax 219459/- + Interest Rs.0) was created under HVAT Act and Rs.2860416/- (Tax Rs.1497600 + Interest Rs.1362816/-) was created under CST Act. Total demand created Rs.3079875/- under both the Acts.

The dealer was engaged in the business of jobwork of embroidery. The additional demand in this case has been created due to non-production of documents/explanations in support of job work of embroidery done by the dealer firm. Hence, tax and interest has been levied in this case. The notices have been issued on 26.06.2013 to the dealer to deposit the amount of additional demand but dealer has failed to deposit the amount due to financial crisis. So, the said amount has been declared as an arrear under the Punjab Land Revenue Act, 1887 on 26-3-18 and the dealer firm was also issued summon.

Notices have also been issued to the sureties to deposit the surety amount furnished in favour of said firm at the time of grant of RC. One surety namely M/s Puja International, New Friends Colony, Kundli, Sonapat holding TIN-06613011906 has been cancelled on 31.03.2016. The other surety namely M/s Gopal Fashion Pvt. Ltd., Plot No.2, Phase-IV, HSIIDC, Kundli, TIN-06963009725 has been issued a notice on 23-7-2019 for 6-8-2019 and on 22.06.2020 for 06.07.2020 to deposit the surety amount. But no reply received. Now surety amount has been declared under Punjab Land Revenue Act, 1887 on 07.08.2020 and summon issued to surety on 07.08.2020 for 17.08.2020.

A letter no. 7169 dated 12.12.2019 has been written to the Tehsildar, Rai, Sonapat to verify the land and buildings hold by the said firm at business premises. In reply, the Tehsildar, Rai, Sonapat has intimated this office vide his office letter no. 2398/R dated 16.12.2019 that Khewat No. 926 Khata No. 1061 Killa No. 99/124 entered in revenue record in favour of M/s S.R. Enterprises, B-24, Mehendra Enclave Delhi through Sh. Gaurav S/o Ram Lakhan is the owner of 1 kanal 7 Marla in thd said property. He further intimated that a joint loan amounting to Rs. 10000000/- (one crore) outstanding on the said property as a loan of Punjab National Bank, Basant Kunj, Delhi.

**172. M/s S R Enterprises Sonapat TIN 6483009407 A.Y. 2007-08.**

In reply to audit para it is submitted that assessment case for the year 2007-08 has been decided vide Disposal No. 579 order dated 11.03.2011 and created an additional demand of Rs.642634/- (tax 355799/- + Interest Rs.286835/-) was created under HVAT Act and Rs.1547234/- (Tax Rs.1242235 + Interest Rs.947633/-) was created under CST Act. Total demand created 2189868/- under both the Acts.

The said dealer was engaged in the business of jobwork of embroidery. The additional demand in this case has been created due to non-production of documents/

explanations in support of job work of embroidery done by the dealer firm. Hence, tax and interest has been levied in this case. The notices have been issued to the dealer on dated 26.06.2013 to deposit the amount of additional demand but dealer has failed to deposit the amount due to financial crisis. So, the said amount has been declared as an arrear under the Punjab Land Revenue Act, 1887 on 26-3-18 and the dealer firm was also issued summon.

Notices have also been issued to the sureties to deposit the surety amount furnished in favour of said firm at the time of grant of RC. One surety namely M/s Puja International, New Friends Colony, Kundli, Sonapat holding TIN-06613011906 has been cancelled on 31.03.2016. The other surety namely M/s Gopal Fashion Pvt. Ltd., Plot No.2, Phase-IV, HSIIDC, Kundli, TIN-06963009725 has been issued a notice on 23-7-2019 for 6-8-2019 and on 22.06.2020 for 06.07.2020 to deposit the surety amount. But no reply received. Now surety amount has been declared under Punjab Land Revenue Act, 1887 on 07.08.2020 and summon issued to surety on 07.08.2020 for 17.08.2020.

A letter no. 7169 dated 12.12.2019 has been written to the Tehsildar, Rai, Sonapat to verify the land and buildings hold by the said firm at business premises. In reply, the Tehsildar, Rai, Sonapat has intimated this office vide his office letter no. 2398/R dated 16.12.2019 that Khewat No. 926 Khata No. 1061 Killa No. 99/124 entered in revenue record in favour of M/s S.R. Enterprises, B-24, Mehendra Enclave Delhi through Sh. Gaurav S/o Ram Lakhan is the owner of 1 kanal 7 Marla in the said property. He further intimated that a joint loan amounting to Rs. 10000000/- (one crore) outstanding on the said property as a loan of Punjab National Bank, Basant Kunj, Delhi.

It is pertinent to mention here that a recovery of Rs. 50000/- have also been recovered from the dealer on dated 21.05.2018. Detail of payments is as under:-

| Amount     | GRN      | Dated      |
|------------|----------|------------|
| Rs.50000/- | 27460109 | 21.05.2018 |

#### **173. M/s S R Enterprises Sonapat TIN 6483009407 A.Y. 2008-09**

In reply to audit para it is submitted that assessment case for the year 2008-09 has been decided vide Disposal No. 671 order dated 26.03.2012 and created an additional demand of Rs.38181/- (tax 0/- + Interest Rs.38181/-) was created under HVAT Act and Rs.150486/- (Tax Rs.71421 + Interest Rs.117246/-) was created under CST Act. Total demand created 188667/- under both the Acts.

The said dealer was engaged in the business of jobwork of embroidery. The additional demand in this case has been created due to non-production of documents/explanations in support of job work of embroidery done by the dealer firm. Hence, tax has been levied in this case. The notices have been issued to the dealer on dated 26.06.2013 to deposit the amount of additional demand but dealer has failed to deposit the amount due to financial crisis.

The said arrear has been declared as an arrear under the Punjab Land Revenue Act, 1887 on 26-3-18 and the dealer firm was also issued summon. Notices have also been issued to the sureties to deposit the surety amount furnished in favour of said firm at the

time of grant of RC. One surety namely M/s Puja International, New Friends Colony, Kundli, Sonapat holding TIN-06613011906 has been cancelled on 31.03.2016. The other surety namely M/s Gopal Fashion Pvt. Ltd., Plot No.2, Phase-IV, HSIIDC, Kundli, TIN-06963009725 has been issued a notice on 23-7-2019 for 6-8-2019 and on 22.06.2020 for 06.07.2020 to deposit the surety amount. But no reply received. Now surety amount has been declared under Punjab Land Revenue Act, 1887 on 07.08.2020 and summon issued to surety on 07.08.2020 for 17.08.2020.

A letter no. 7169 dated 12.12.2019 has been written to the Tehsildar, Rai, Sonapat to verify the land and buildings hold by the said firm at business premises. In reply, the Tehsildar, Rai, Sonapat has intimated this office vide his office letter no. 2398/R dated 16.12.2019 that Khewat No. 926 Khata No. 1061 Killa No. 99/124 entered in revenue record in favour of M/s S.R. Enterprises, B-24, Mehendra Enclave Delhi through Sh. Gaurav S/o Ram Lakhan is the owner of 1 kanal 7 Marla in thd said property. He further intimated that a joint loan amounting to Rs. 10000000/- (one crore) outstanding on the said property as a loan of Punjab National Bank, Basant Kunj, Delhi.

It is pertinent to mention here that a recovery of Rs. 25000/- have also been recovered from the dealer on dated 26.03.2020. Detail of payments is as under:-

| Amount     | GRN      | Dated      |
|------------|----------|------------|
| Rs.25000/- | 63846191 | 26.03.2020 |

#### **174. M/s S R Enterprises Sonapat TIN 6483009407 A.Y. 2010-11**

In reply to audit para it is submitted that assessment case for the year 2010-11 has been decided vide Disposal No.1135 order dated 14.03.2014 and created an additional demand of Rs.668080/- (tax 363152/-+ Interest Rs.304928/-) was created under HVAT Act.

The said dealer was engaged in the business of jobwork of embroidery. The additional demand in this case has been created due to non-production of documents/explanations in support of job work of embroidery done by the dealer firm. Hence, tax has been levied in this case. The notices have been issued to the dealer on 26.06.2013 to deposit the amount of additional demand but dealer has failed to deposit the amount due to financial crisis.

The said amount has been declared as an arrear under the Punjab Land Revenue Act, 1887 on 26-3-18 and the dealer firm was also issued summon. Notices have also been issued to the sureties to deposit the surety amount furnished in favour of said firm at the time of grant of RC. One surety namely M/s Puja International, New Friends Colony, Kundli, Sonapat holding TIN-06613011906 has been cancelled on 31.03.2016. The other surety namely M/s Gopal Fashion Pvt. Ltd., Plot No.2, Phase-IV, HSIIDC, Kundli, TIN-06963009725 has been issued a notice on 23-7-2019 for 6-8-2019 and on 22.06.2020 for 06.07.2020 to deposit the surety amount. But no reply received. Now surety amount has been declared under Punjab Land Revenue Act, 1887 on 07.08.2020 and summon issued to surety on 07.08.2020 for 17.08.2020.

A letter no. 7169 dated 12.12.2019 has been written to the Tehsildar, Rai, Sonapat to verify the land and buildings hold by the said firm at business premises. In reply, the

Tehsildar, Rai, Sonapat has intimated this office vide his office letter no. 2398/R dated 16.12.2019 that Khewat No. 926 Khata No. 1061 Killa No. 99/124 entered in revenue record in favour of M/s S.R. Enterprises, B-24, Mehendra Enclave Delhi through Sh. Gaurav S/o Ram Lakhan is the owner of 1 kanal 7 Marla in the said property. He further intimated that a joint loan amounting to Rs. 10000000/- (one crore) outstanding on the said property as a loan of Punjab National Bank, Basant Kunj, Delhi.

**175. M/s S R Enterprises Sonapat TIN 06483009407 A.Y. 2011-12.**

In reply to audit para it is submitted that assessment case for the year 2011-12 has been decided vide Disposal No. 852 order dated 29.11.2013 and created an additional demand of Rs.275893/- (tax Rs.266700/-+ Interest Rs.9193/-) was created under HVAT Act.

The said dealer was engaged in the business of jobwork of embroidery. The additional demand in this case has been created due to non-production of documents/ explanations in support of job work of embroidery done by the dealer firm. Hence, tax has been levied in this case. The notices have been issued to the dealer on dated 26.06.2013 to deposit the amount of additional demand but dealer has failed to deposit the amount due to financial crisis.

The said amount has been declared as an arrear under the Punjab Land Revenue Act, 1887 on 26-3-18 and the dealer firm was also issued summon. Notices have also been issued to the sureties to deposit the surety amount furnished in favour of said firm at the time of grant of RC. One surety namely M/s Puja International, New Friends Colony, Kundli, Sonapat holding TIN-06613011906 has been cancelled on 31.03.2016. The other surety namely M/s Gopal Fashion Pvt. Ltd., Plot No.2, Phase-IV, HSIIDC, Kundli, TIN-06963009725 has been issued a notice on 23-7-2019 for 6-8-2019 and on 22.06.2020 for 06.07.2020 to deposit the surety amount. But no reply received. Now surety amount has been declared under Punjab Land Revenue Act, 1887 on 07.08.2020 and summon issued to surety on 07.08.2020 for 17.08.2020.

A letter no. 7169 dated 12.12.2019 has been written to the Tehsildar, Rai, Sonapat to verify the land and buildings hold by the said firm at business premises. In reply, the Tehsildar, Rai, Sonapat has intimated this office vide his office letter no. 2398/R dated 16.12.2019 that Khewat No. 926 Khata No. 1061 Killa No. 99/124 entered in revenue record in favour of M/s S.R. Enterprises, B-24, Mehendra Enclave Delhi through Sh. Gaurav S/o Ram Lakhan is the owner of 1 kanal 7 Marla in the said property. He further intimated that a joint loan amounting to Rs. 10000000/- (one crore) outstanding on the said property as a loan of Punjab National Bank, Basant Kunj, Delhi.

**176. M/s Rita Paper Board Boxes Sonapat TIN 06063012257 A.Y. 2010-11.**

**Para dropped in scrutiny meeting held on 22.07.2021 to 24.7.2021**

**177. M/s Rita Paper Board Boxes Sonapat TIN 6063012257 A.Y. 2009-10.**

**Para dropped in scrutiny meeting held on 22.07.2021 to 24.7.2021**

**178. M/s Radhey Krishna Sonapat TIN 12449 A.Y. 2010-11.**

In reply to audit para it is submitted that an additional demand of Rs. 281228/- (Tax Rs.281228/- + interest Rs. 0/-) was created under HVAT Act vide disposal No.831 order dated 21.03.2013 for the year 2009-10 and Rs.1594125/- (tax Rs.1594125/-+ interest

Rs.0/-) under HVAT Act vide disposal No.1656 order dated 06.03.2014 was created because both the case were decided ex-parte as the dealer failed to respond the notices of this office. Total demand was created Rs.1875353/-.

The dealer was a trader of cold drinks. The firm stands cancelled w.e.f. 01/10/2014. The copy of order alongwith tax demand notice served upon the dealer on 08/07/2014. Aggrieved with the order for the year 2010-11, the dealer filed an appeal before the J.E.T.C.(A) and the case was remanded back to the Assessing Authority. The assessing authority decided the case vide order dated 21-07-2017 and the demand was reduced to 19,579/- which was deposited by the dealer. The detail of payment is as under :-

| Amount     | GRN      | Dated        |
|------------|----------|--------------|
| Rs.19579/- | 65495441 | 03.07.20020. |

Now no outstanding dues for the year 2010-11 against the dealer.

**178. A M/s Radhey Krishna Sonapat TIN 12449 A.Y. 2009-10**

The demand of Rs.281228/- for the assessment year 2009-10 is outstanding against the dealer. Notice issued to the dealer for recovery of outstanding dues on 21.01.2019. Last reminder issued on 01.07.2020. In response to the show cause notice the dealer appeared in the office and stated that they has not received copy of order till today and requested to issue certified copy of order. On request of the dealer certified copy of order served on the dealer on 21.08.2020. Now the dealer has stated that he is going to file appeal against the ex-parte order.

Notices have also been issued to the sureties to deposit the surety amount furnished in favour of said firm at the time of grant of RC. One surety namely M/s Pandit General Store, Lakhmi Pio TIN 06663011248 has already cancelled. Notice issued to the other surety namely M/s Sudhir Electronics, Sonapat TIN 06203013926 has on 21.01.2019 and 23-7-2019 to deposit the surety amount. But no demand has been deposited by the surety till now. The dealer has filed appeal before First Appellate Authority which is still pending.

**179. M/s R.B Trading Co. Sonapat TIN 15870 A.Y. 2010-11.**

**Para dropped in scrutiny meeting held on 22.07.2021 to 24.7.2021**

**180. M/s Prateek Innovations Pvt. Ltd. A.Y. Sonapat TIN 06893016505 A.Y. 2010-11.**

In reply to audit para it is submitted that the ex-parte assessment for the year 2010-11 has been finalised vide disposal No. 1864 order dated 25/03/2014 and created an additional demand of Rs.600791/- (tax Rs.600791/- + interest Rs.0/-) under CST Act in absence of documentary evidence. The dealer was a manufacturer of Beads, Fashion Tattos, Artificial Jewelry etc. The firm stands cancelled w.e.f. 01/10/2011. The Director for the firm was residing at Delhi and has expired on 17.05.2011. The business of the firm was running on rented premises.

The copy of order alongwith tax demand notice was issued and served upon the dealer on 18.07.2014. Notice for recovery of outstanding dues has been issued and served upon the dealer on 08.12.2015. The arrears have been declared under the Punjab Land Revenue Act, 1887 on 09/12/2015. Thereafter notice issued to the Director on his residential address on 01.08.2019 and summon issued on 25.08.2020 for 01.09.2020.



Recovery has been effected from both the sureties details of which are as follows:-

1. Rs. 50000/- recovered from the surety Sh. Sujit Madan Director M/s Natraj Stationers Products Pvt Ltd Sersa Road, Kundli vide **GRN No.66238705** dated 30.07.2020
2. Rs.50000/- also recovered from another surety Sh. Ashwani Bansal, Director of M/s Unitex Plastics Pvt. Ltd. Soneat vide **GRN No.66543646** dated 10.08.2020.

Letters have been written to TEHSILDAR and Manager, HSIIDC kundli for identifying the property of the firm.

**181. M/s Puneet Enterprises Sonepat TIN 6063012257 A.Y. 2009-10.  
Para dropped in scrutiny meeting held on 22.07.2021 to 24.7.2021**

**182. M/s Dronn Chemplast(p) Sonepat TIN 6223013831 A.Y. 2007-08.**

In reply to audit para it is submitted that the firm was engaged in manufacturing of chemicals, the firm not migrated to GSTIN & stands closed since 2012. An additional demand of Rs. 164226/- was created vide disposal No. 841 dated 31.03.2011 for relevant year because case was decided ex-parte in view that the assessment of relevant year was approaching to time barring and the dealer failed to respond the notices of this office. Additional demand under VAT Act Rs. 30045 (Tax-Rs. 28045 & Penalty – Rs. 2000) & under CST Act Rs. 134181 (Tax amount).

During the recovery proceedings it transpire that firm is in liquidation and accordingly claim has been lodged to the official liquidator, Delhi vide memo no. 2382 dated 23.07.2019. In response Official Liquidator vide their letter no- T.C.I/DCPL 1134 dated 16.09.2019 informed that firm has been ordered to be provisionally wound up by an order dated 22.09.2014 passed in C.P No. 426/2012 by Hon'ble High Court of Delhi and Official Liquidator attached to the High Court of Delhi has been appointed as its Provisional Liquidator with direction to take possession of the assets, records and books of accounts of the Company (In Prov. Liqn). In-addition it is also informed that recovery proceedings are still pending against the company and no claim has been invited and therefore it was requested to submit the claim in form 66 as and when claim invited by this office. In response, as per requirements of Official Liquidator, claim has been send in form no 66 of the companies (Court ), Rules, 1959 in an affidavit form on 24.01.2020. Further a letter has been written to the official Liquidator, Delhi vide memo. No. 3201 dated 16.07.2020 & memo no 8294 dated 13/08/2021 to remit the outstanding dues to this office.

It is apt mentioning here that total outstanding dues against the firm amounting to Rs. 2639697 for the period 2007-08 to 2010-11 have been declared arrears under the Punjab Land Revenue Act, 1887 on 18.12.2017 & letter has been written to the Tehsildar, Kharkhoda vide memo No. 4056 dated 18/12/2017 Memo No. 1650 dated 05/10/2018 & 1649 dated 14/05/19 for identification of immovable property of the dealer. Tehsildar, Kharkhoda vide their letter dated 15.05.2019 has communicated that no property is owned by the firm or its director. Letter has been written to the Registrar of Companies, Nehru Palace, Delhi Vide memo no. 1526 dated 15/03/2019 and memo no. 1750 dated 21/05/2019 for identification of immovable property owned by the firm, however no response received from their office.

Regarding sureties it is submitted that one of the surety i.e. Sh. Badri Narain Partner of M/s India Polychem (TIN-06253013462) for amount 50000/- under each Act. This firm stand cancelled closed & interstate recovery certificate in this regard has been sent to The Collector , Shastri Nagar, Delhi-31 on 02/08/2019 against Sh. Badri Narain, 15/116 Geeta Colony , Delhi . The other surety i.e. Sh. Satish Garg, Proprietor, M/s Satish Chemical (TIN 06413009494) for amount 50000/- under each Act. Surety amount of Rs. 50000 under each Act has been recovered vide GRN 67011309 dated 28/08/2020 (VAT amount) & GRN 67010399 dated 28/08/2020 (CST amount) against the arrears accrued for the year 2008-09 from M/s Satish Chemical .

**183 M/s Dronn Chemplast (P) Sonapat TIN 6223013831 A.Y. 2008-09.**

In reply to audit para it is submitted that the firm was engaged in manufacturing of chemicals, the firm not migrated to GSTIN & stands closed since 2012. An additional demand of Rs. 256089/- was created vide disposal number 930 dated 30.03.2012 for relevant year because case was decided ex-parte in view that the assessment of relevant year was approaching to time barring and the dealer failed to respond the notices of this office. Additional demand under VAT Act Rs. 52502 (Tax-Rs. 48355 & interest – Rs.4147) & under CST Act Rs. 203587 (Tax amount).

During the recovery proceedings it transpire that firm is in liquidation and accordingly claim has been lodged to the official liquidator, Delhi vide memo no. 2382 dated 23.07.2019. In response Official Liquidator vide their letter no- T.C.I/DCPL 1134 dated 16.09.2019 informed that firm has been ordered to be provisionally wound up by an order dated 22.09.2014 passed in C.P No. 426/2012 by Hon'ble High Court of Delhi and Official Liquidator attached to the High Court of Delhi has been appointed as its Provisional Liquidator with direction to take possession of the assets, records and books of accounts of the Company (In Prov. Liqn). In-addition it is also informed that recovery proceedings are still pending against the company and no claim has been invited and therefore it was requested to submit the claim in form 66 as and when claim invited by this office. In response, as per requirements of Official Liquidator, claim has been send in form no 66 of the companies (Court ), Rules, 1959 in an affidavit form on 24.01.2020. Further a letter has been written to the official Liquidator, Delhi vide memo. No. 3201 dated 16.07.2020 & memo no 8294 dated 13/08/2021 to remit the outstanding dues to this office

It is apt mentioning here that total outstanding dues against the firm amounting to Rs. 2639697 for the period 2007-08 to 2010-11 have been declared arrears under the Punjab Land Revenue Act, 1887 on 18.12.2017 & letter has been written to the Tehsildar, Kharkhoda vide memo No. 4056 dated 18/12/2017 Memo No. 1650 dated 05/10/2018 & 1649 dated 14/05/19 for identification of immovable property of the dealer. Tehsildar, Kharkhoda vide their letter dated 15.05.2019 has communicated that no property is owned by the firm or its director. Letter has been written to the Registrar of Companies, Nehru Palace, Delhi Vide memo no. 1526 dated 15/03/2019 and memo no. 1750 dated 21/05/2019 for identification of immovable property owned by the firm, however no response received from their office.

Regarding sureties it is submitted that one of the surety i.e. Sh. Badri Narain Partner of M/s India Polychem (TIN-06253013462) for amount 50000/- under each Act. This firm stand cancelled closed & interstate recovery certificate in this regard has been sent to The

Collector , Shastri Nagar, Delhi-31 on 02/08/2019 against Sh. Badri Narain, 15/116 Geeta Colony , Delhi . The other surety i.e. Sh. Satish Garg, Proprietor ,M/s Satish Chemical (TIN 06413009494) for amount 50000/- under each Act. Surety amount of Rs. 50000 under each Act has been recovered vide GRN 67011309 dated 28/08/2020 (VAT amount) & GRN 67010399 dated 28/08/2020 (CST amount) against the arrears accrued for the year 2008-09 from M/s Satish Chemical.

**184. M/s Dronn Chemplast(p) Sonapat TIN 6223013831 A.Y. 2009-10.**

In reply to audit para it is submitted that the firm was engaged in manufacturing of chemicals, the firm not migrated to GSTIN & stands closed since 2012. An additional demand of Rs. 3400/- was created for relevant year on account of penalty.

During the recovery proceedings it transpire that firm is in liquidation and accordingly claim has been lodged to the official liquidator, Delhi vide memo no. 2382 dated 23.07.2019. In response Official Liquidator vide their letter no- T.C.I/DCPL 1134 dated 16.09.2019 informed that firm has been ordered to be provisionally wound up by an order dated 22.09.2014 passed in C.P No. 426/2012 by Hon'ble High Court of Delhi and Official Liquidator attached to the High Court of Delhi has been appointed as its Provisional Liquidator with direction to take possession of the assets, records and books of accounts of the Company (In Prov. Liqn). In-addition it is also informed that recovery proceedings are still pending against the company and no claim has been invited and therefore it was requested to submit the claim in form 66 as and when claim invited by this office. In response, as per requirements of Official Liquidator, claim has been send in form no 66 of the companies (Court ), Rules, 1959 in an affidavit form on 24.01.2020. Further a letter has been written to the official Liquidator, Delhi vide memo. No. 3201 dated 16.07.2020 & memo no 8294 dated 13/08/2021 to remit the outstanding dues to this office.

It is apt mentioning here that total outstanding dues against the firm amounting to Rs. 2639697 for the period 2007-08 to 2010-11 have been declared arrears under the Punjab Land Revenue Act, 1887 on 18.12.2017 & letter has been written to the Tehsildar, Kharkhoda vide memo No. 4056 dated 18/12/2017 Memo No. 1650 dated 05/10/2018 & 1649 dated 14/05/19 for identification of immovable property of the dealer. Tehsildar, Kharkhoda vide their letter dated 15.05.2019 has communicated that no property is owned by the firm or its director. Letter has been written to the Registrar of Companies, Nehru Palace, Delhi Vide memo no. 1526 dated 15/03/2019 and memo no. 1750 dated 21/05/2019 for identification of immovable property owned by the firm, however no response received from their office.

Regarding sureties it is submitted that one of the surety i.e. Sh. Badri Narain Partner of M/s India Polychem (TIN-06253013462) for amount 50000/- under each Act. This firm stand cancelled closed & interstate recovery certificate in this regard has been sent to The Collector , Shastri Nagar, Delhi-31 on 02/08/2019 against Sh. Badri Narain, 15/116 Geeta Colony , Delhi . The other surety i.e. Sh. Satish Garg, Proprietor ,M/s Satish Chemical (TIN 06413009494) for amount 50000/- under each Act. Surety amount of Rs. 50000 under each Act has been recovered vide GRN 67011309 dated 28/08/2020 (VAT amount) & GRN 67010399 dated 28/08/2020 (CST amount) against the arrears accrued for the year 2008-09 from M/s Satish Chemical.

**185. M/s Dronn Chemplast(p) Sonapat TIN 13831 A.Y. 2009-10**

In reply to audit para it is submitted that the firm was engaged in manufacturing of chemicals, the firm not migrated to GSTIN & stand closed since 2012. An additional demand of Rs. 1781815/- was created vide disposal number 728 dated 28.03.2013 for relevant year because case was decided ex-parte in view that the assessment of relevant year was approaching to time barring and the dealer failed to respond the notices of this office. Additional demand under VAT Act Rs. 551065 (Tax-Rs. 297914, interest- Rs. 251151 & Penalty – Rs. 2000) & under CST Act Rs. 1230750 (Tax amount- Rs. 1230134 & interest- Rs. 616).

During the recovery proceedings it transpire that firm is in liquidation and accordingly claim has been lodged to the official liquidator, Delhi vide memo no. 2382 dated 23.07.2019. In response Official Liquidator vide their letter no- T.C.I/DCPL 1134 dated 16.09.2019 informed that firm has been ordered to be provisionally wound up by an order dated 22.09.2014 passed in C.P No. 426/2012 by Hon'ble High Court of Delhi and Official Liquidator attached to the High Court of Delhi has been appointed as its Provisional Liquidator with direction to take possession of the assets, records and books of accounts of the Company (In Prov. Liqn). In-addition it is also informed that recovery proceedings are still pending against the company and no claim has been invited and therefore it was requested to submit the claim in form 66 as and when claim invited by this office. In response, as per requirements of Official Liquidator, claim has been send in form no 66 of the companies (Court ), Rules, 1959 in an affidavit form on 24.01.2020. Further a letter has been written to the official Liquidator, Delhi vide memo. No. 3201 dated 16.07.2020 & memo no 8294 dated 13/08/2021 to remit the outstanding dues to this office.

It is apt mentioning here that total outstanding dues against the firm amounting to Rs. 2639697 for the period 2007-08 to 2010-11 have been declared arrears under the Punjab Land Revenue Act, 1887 on 18.12.2017 & letter has been written to the Tehsildar, Kharkhoda vide memo No. 4056 dated 18/12/2017 Memo No. 1650 dated 05/10/2018 & 1649 dated 14/05/19 for identification of immovable property of the dealer. Tehsildar, Kharkhoda vide their letter dated 15.05.2019 has communicated that no property is owned by the firm or its director. Letter has been written to the Registrar of Companies, Nehru Palace, Delhi Vide memo no. 1526 dated 15/03/2019 and memo no. 1750 dated 21/05/2019 for identification of immovable property owned by the firm, however no response received from their office.

Regarding sureties it is submitted that one of the surety i.e. Sh. Badri Narain Partner of M/s India Polychem (TIN-06253013462) for amount 50000/- under each Act. This firm stand cancelled closed & interstate recovery certificate in this regard has been sent to The Collector , Shastri Nagar, Delhi-31 on 02/08/2019 against Sh. Badri Narain, 15/116 Geeta Colony , Delhi . The other surety i.e. Sh. Satish Garg, Proprietor ,M/s Satish Chemical (TIN 06413009494) for amount 50000/- under each Act. Surety amount of Rs. 50000 under each Act has been recovered vide GRN 67011309 dated 28/08/2020 (VAT amount) & GRN 67010399 dated 28/08/2020 (CST amount) against the arrears accrued for the year 2008-09 from M/s Satish Chemical

**186. M/s Diamond International Gurugram(E) TIN 24949 A.Y. 2010-11**  
**(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**

**187. M/s Diamond International Gurugram(E) TIN 24949 A.Y. 2011-12  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**

**188. M/s Diamond International Gurugram(E) TIN 24949 A.Y. 2012-13  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**

**189. M/s P.P Info Soultion Gurugram(E) TIN 30086 A.Y. 2010-11**

Assessment of year 2010-11 was framed vide order dated on 20.03.2014 by Smt. Sushma Lohan and demand was created for Rs. 553652/- HVAT and Rs. 0/- in CST Act. In reply to audit para, it is submitted that an additional demand as stated was created by then Assessing Authority. Follow up action for recovery taken as under:-

|                                                       |                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of issue of order and TDN                        | 2228/ Dated 31-03-2014                                                                                                                                                                                                                                                                                                                                              |
| Date of recovery Notice Served                        | 31-12-2015 and notice at Prop. Residential address vide 3339 dt. 08-01-2016 and vide no. 3535 dated 25-1-2016                                                                                                                                                                                                                                                       |
| Declaration under LRA                                 | 17-03-2016                                                                                                                                                                                                                                                                                                                                                          |
| Issue of Summon for                                   | 15-01-2020                                                                                                                                                                                                                                                                                                                                                          |
| Recovery Notice to Sureties                           | 04-02-2020 (One surety closed and TIN Cancelled, 2 <sup>nd</sup> surety recovery notice issued twice, and final reminder sent to surety on 27-07-2020, otherwise amount shall be recovered by attachment of bank account of surety and Recovery Certificate has been sent to concerned state authorities as the prop. Is permanent resident of the state of ORISSA. |
| Letter to Bank for attachment of account of Directors | Oriental Bank of Commerce vide no. 453 dated 27-07-2020                                                                                                                                                                                                                                                                                                             |
| Reply from Bank                                       | Reply received via email on 27-07-2020, stating that account closed on 27-08-2013                                                                                                                                                                                                                                                                                   |

The Prop. of firm is a permanent resident of Distt. Cuttak (Orisa). Recovery Certificate has been sent to Distt Collector and Supdt. of Police Cuttack vide momo no. 496 and 497 dated 30-07-2020 through email and through regd. Post. A fresh notice of recovery has been issued to the dealer dated on 13/08/2021.

**190. M/s Orchid Clothing Gurugram(E) TIN 31784 A.Y. 2012-13  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**

**191. M/s Advision Infra & Basic Amenities Ltd. Gurugram (E) TIN 29356 A.Y. 2009-10**

Assessment of year 2009-10 was framed vide disposal order dated on 21.03.2013 by Smt. Rubal Raveesh and demand created for Rs.4444640/- HVAT & Rs. 0/- for CST.

In reply to audit para, it is submitted that an additional demand as stated was created by then Assessing Authority. The firm stands closed and TIN of the firm got CANCELLED. Follow up action for recovery taken as under:-

|                                                       |                                                                                                                                                    |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Issue of Summon for                                   | 15-02-2016                                                                                                                                         |
| Letter to Sureties                                    | Surety amount Rs. 50000/- recovered vide GRN 0009142418 DT. 10-03-2015 and other surety TIN 06481922522 of M/s Yadav Tyre Service stands CANCELLED |
| Letter to Bank for attachment of account of Directors | (i) SBI Vide no 7833dt. 26-03-2019 and reminder vide no. 644 dt. 17-05-2019<br>(ii) HDFC Bank vide no. 7834 dt. 26-03-2019 and 645 dt. 17-05-2019  |
| Reply from Bank                                       | No account maintained by name and PAN of Directors                                                                                                 |

The directors are resident of Delhi State. Again recovery notice sent to residential address of directors at Delhi. Vide letter no. 445/446 and 447 dated 24-07-2020. A fresh notice of recovery has been issued dated on 13/08/2021. A fresh notice of recovery has been issued to the dealer dated on 13/08/2021 .

#### **192. M/s Majgenta Gurugram(E) TIN 24331 A.Y. 2009-10**

Assessment of year 2009-10 was framed vide order dated on 21.03.2013 by Smt. Rubal Raveesh and demand was created for Rs. 4464840/- HVAT and Rs. 0/- in CST Act. In reply to audit para, it is submitted that an additional demand as stated was created by then Assessing Authority. Action for recovery taken as under:-

|                                    |                                     |
|------------------------------------|-------------------------------------|
| Date of recovery Notice Served for | 23-09-2015 and 05-10-2015           |
| Declaration under LRA              | 25-01-2016                          |
| Issue of Summon                    | 05-02-2016 and 08-02-2016           |
| Letter to Sureties                 | 09-10-2015                          |
| Letter of Recovery to Partner      | 1895/30-09-2015 and 2428/04-11-2015 |

The dealer filed an appeal before The Joint Excise and Taxation Commissioner (A) and the case remanded back to Assessing Authority, which was decided vide D.No.276-A dt.28-12-2018 and demand reduced to Rs.29667/-. The firm stands closed, recovery shall be made at the earliest. Hence, the audit para may please be dropped . A fresh notice of recovery has been issued to the dealer dated on 13/08/2021.

#### **193. M/s Majgenta Gurugram(E) TIN 24331 A.Y. 2011-12**

In reply to audit para, it is submitted that the dealer dealt in fabric / readymade garments. The assessment case of the dealer was framed vide disposal No. 11 dated 30.03.2015 and an additional demand of Rs.997703/- under HVAT Act, 2003 was created. Being aggrieved against this order, the dealer filed appeal before the First Appellate Authority –Cum- Joint Excise and Taxation Commissioner (Appeals) and the case remanded back to Assessing Authority, for framing de novo assessment vide orders dated. 27.03.2018 received on 04-07-2018. The remand case of the firm was decided vide disposal No.15A dated. 19.06.2020 and the additional demand of Rs.997703/- was enhanced to

Rs.16,53,868/-. The copy of order and TDN served upon to the dealer on 01.09.2020. The firm stands closed w.e.f. 11.08.2015. Recovery proceedings have been initiated recovery notice issued on dated 26-02-2021, again notice issued on dated 18-06-2021 and a fresh notice of recovery has been issued to the dealer on dated 13-08-2021 and the result of the same will be intimated in due course of time.

In view of the above, the para may kindly be dropped.

**194. M/s Parsec Technologies Pvt. Ltd. Gurugram (E) TIN 21166 A.Y. 2009-10**

Assessment of year 2009-10 was framed vide order dated on 28.03.2013 by Smt. Rubal Raveesh and demand was created for Rs. 487300/- HVAT and Rs. 0/- in CST Act. In reply to audit para, it is submitted that an additional demand as stated was created by then Assessing Authority. The firm stands closed and TIN of the firm got CANCELLED. Follow up action for recovery taken as under:-

|                                                       |                                        |
|-------------------------------------------------------|----------------------------------------|
| Date of recovery Notice Served                        | 01-07-2019 and reminder for 02-08-2019 |
| Declaration under LRA                                 | 17-11-2019                             |
| Issue of Summon for                                   | 19-12-2019 and reminder on 17-01-2020  |
| Letter to Bank for release of BG.                     | 17/20-05-2020                          |
| Letter to Bank for attachment of account of Directors | 121/09-06-2020                         |

A fresh notice of recovery has been issued to the dealer dated on 13/08/2021.

**195. M/s Shenghao Impex Pvt. Ltd. Gurugram(E) TIN 28442 A.Y. 2008-09**

Assessment of year 2008-09 was framed vide order dated on 15.03.2012 by Smt. Rubal Raveesh and demand was created for Rs. 2046485/- HVAT and Rs. 11097248/- in CST Act. In reply to audit para, it is submitted that an additional demand as stated was created by then Assessing Authority. Action for recovery taken as under:-

|                                  |                                     |
|----------------------------------|-------------------------------------|
| Date of recovery Notice Served   | 07-09-2011                          |
| Declaration under LRA            | 20-01-2016                          |
| Issue of Summon                  | 08-02-2016                          |
| Letter to Bank for release of BG | 1744/08-09-2015                     |
| Letter to Embassy of China       | 1834/18-09-2015 and 1363/11-07-2016 |

That the firm has closed down its business activities from Gurgaon. Both the directors are permanent resident of China. Letter was written to ICICI Bank regarding release of Bank Guarantee vide letter no. stated above. Bank has returned down claim request stating no liability after expiry of bank guarantee. In this regard letter was written to Embassy of China regarding recovery of outstanding dues, but no response received from Embassy. Again letter is written to Embassy of China vide letter No. 444 dated 24-07-2020. A fresh notice of recovery has been issued to the dealer dated on 13/08/2021 .

**196. M/s Life Style Tax works Gurugram (E) TIN 24452 A.Y. 2007-08**

Assessment of year 2007-08 was framed vide Disposal no. 484 dated on 30.03.2011 by Sh. K.S. Malik and demand was created for Rs. 692184/- HVAT and Rs. 39336/- in CST Act. In reply to audit para, it is submitted that an additional demand as stated was created by then Assessing Authority. The firm stands closed and TIN of the firm got CANCELLED. Action for recovery taken as under:-

|                                          |                                                             |
|------------------------------------------|-------------------------------------------------------------|
| Date of recovery Notice Served           | 07-09-2011                                                  |
| Declaration under LRA                    | 17-10-2011                                                  |
| Issue of Summon                          | 18-10-2011                                                  |
| Letter to Bank for release of BG         | 3984/19-02-2016 and reminder vide no. 4483 dated 09-03-2016 |
| Letter to Bank                           | 442/24-07-2020                                              |
| Letter to Tehsildar for property details | 443/24-07-2020                                              |

A fresh notice of recovery has been issued to the dealer dated on 13/08/2021.

**197. M/s Life Style Tax works Gurugram (E) TIN 29452 A.Y. 2008-09**

Assessment of year 2008-09 was framed vide order dated on 14.03.2012 and demand was created for Rs. 513114/- HVAT and Rs. 0/- in CST Act. In reply to audit para, it is submitted that an additional demand as stated was created by then Assessing Authority. The firm stands closed and TIN of the firm got CANCELLED. Follow up actions taken for recovery are as under:-

|                                          |                                                             |
|------------------------------------------|-------------------------------------------------------------|
| Date of recovery Notice Served           | 16-09-2014, 05-11-2014 and 09-01-2015                       |
| Declaration under LRA                    | 24-12-2015                                                  |
| Issue of Summon to appear on             | 05-02-2016                                                  |
| Letter to Bank for release of BG         | 3984/19-02-2016 and reminder vide no. 4483 dated 09-03-2016 |
| Letter to Bank                           | 442/24-07-2020                                              |
| Letter to Tehsildar for property details | 443/24-07-2020                                              |

A fresh notice of recovery has been issued to the dealer dated on 13/08/2021..

**198. M/s Life Style Tax works Gurugram (E) TIN 29452 A.Y. 2009-10**

Assessment of year 2009-10 was framed vide order dated on 20.03.2013 and demand was created for Rs. 3694372/- HVAT and Rs. 0/- in CST Act. In reply to audit para, it is submitted that an additional demand as stated was created by then Assessing Authority. The firm stands closed and TIN of the firm got CANCELLED. Action for recovery taken



as under:-

|                                          |                                                             |
|------------------------------------------|-------------------------------------------------------------|
| Date of recovery Notice Served           | 16-09-2014, 05-11-2014 and 09-01-2015                       |
| Declaration under LRA                    | 24-12-2015                                                  |
| Issue of Summon to appear on             | 05-02-2016                                                  |
| Letter to Bank for release of BG         | 3984/19-02-2016 and reminder vide no. 4483 dated 09-03-2016 |
| Letter to Bank                           | 442/24-07-2020                                              |
| Letter to Tehsildar for property details | 443/24-07-2020                                              |

A fresh notice of recovery has been issued to the dealer dated on 13/08/2021.

**199. M/s Golbal Marketing Gurugram(E) TIN 25654 A.Y. 2009-10**

Assessment of year 2009-10 was framed vide order dated on 25.03.2013 by Smt. Rubal Raveesh and demand was created for Rs. 4025942/- HVAT and Rs. 326218/- in CST Act. In reply to audit para, it is submitted that an additional demand as stated above was created by then Assessing Authority. The firm stands closed. Follow up action for recovery taken as under:-

|                                        |                                                                                                                                  |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Date of recovery NoticeServed          | 29-11-2014, 18-11-2015 and 14-12-2015                                                                                            |
| Declaration under LRA                  | 24-02-2016                                                                                                                       |
| Issue of Summon for                    | 19-07-2016                                                                                                                       |
| Letter to Sureties                     | Notice of recovery issued to sureties, both the sureties found closed and TIN Cancelled. Surety TIN :- 06671925861 / 06161823855 |
| Recovery Certificate to Govt. of Delhi | Vide No. 518 dated 17-05-2018 as the proprietor is the permanent resident of the state of Delhi.                                 |
| Letter to Tehsildar                    | No. 460 dated 27-07-2020                                                                                                         |

The Prop. of firm is permanent resident of Delhi State. Recovery Certificate has already been sent to concerned authority. A fresh notice of recovery has been issued to the dealer dated on 13/08/2021 .

**200. M/s Golbal Marketing Gurugram(E) TIN 25654 A.Y. 2010-11**

Assessment of year 2010-11 was framed vide order dated on 25.03.2014 by Smt. Sushma Lohan and demand was created for Rs. 3832324/- HVAT and Rs. 0/- in CST Act. In reply to audit para, it is submitted that an additional demand as stated above was created by then Assessing Authority. The firm stands closed. Follow up action for recovery taken as under:-

|                                        |                                                                                                                                  |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Date of recovery NoticeServed          | 29-11-2014, 18-11-2015 and 14-12-2015                                                                                            |
| Declaration under LRA                  | 24-02-2016                                                                                                                       |
| Issue of Summon for                    | 19-07-2016                                                                                                                       |
| Letter to Sureties                     | Notice of recovery issued to sureties, both the sureties found closed and TIN Cancelled. Surety TIN :- 06671925861 / 06161823855 |
| Recovery Certificate to Govt. of Delhi | Vide No. 518 dated 17-05-2018 as the proprietor is the permanent resident of the state of Delhi.                                 |
| Letter to Tehsildar                    | No. 460 dated 27-07-2020                                                                                                         |

The Prop. of firm is permanent resident of Delhi State. Recovery Certificate has already been sent to concerned authority. A fresh notice of recovery has been issued to the dealer dated on 13/08/2021 .

#### **201. M/s Golbal Marketing Gurugram(E) TIN 25654 A.Y. 2011-12**

Assessment of year 2011-12 was framed vide order dated on 19.03.2015 by Sh. Mandip Arora and demand was created for Rs. 4439721/- HVAT and Rs. 0/- in CST Act. In reply to audit para, it is submitted that an additional demand as stated above was created by then Assessing Authority. The firm stands closed. Follow up action for recovery taken as under:-

|                                        |                                                                                                                                  |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Date of recovery Notice Served         | 29-11-2014, 18-11-2015 and 14-12-2015                                                                                            |
| Declaration under LRA                  | 24-02-2016                                                                                                                       |
| Issue of Summon for                    | 19-07-2016                                                                                                                       |
| Letter to Sureties                     | Notice of recovery issued to sureties, both the sureties found closed and TIN Cancelled. Surety TIN :- 06671925861 / 06161823855 |
| Recovery Certificate to Govt. of Delhi | Vide No. 518 dated 17-05-2018 as the proprietor is the permanent resident of the state of Delhi.                                 |
| Letter to Tehsildar                    | No. 460 dated 27-07-2020                                                                                                         |

The Prop. of firm is permanent resident of Delhi State. Recovery Certificate has already been sent to concerned authority. A fresh notice of recovery has been issued to the dealer dated on 13/08/2021 .

#### **202. M/s MDLR Tour & Travel Pvt Ltd, Gurgaon (East) TIN 06651828581, A.Y. 2011-12**

In reply to the audit para , it is submitted that the dealer is running hotel and assessment was framed vide order No 308 dated 16.03.2015 wherein the demand of Rs 8035381( tax Rs 4459978/+ interest Rs 3575603) was created under VAT Act & assessment under Luxury Act was framed vide D No 307 dated 16.03.2015 wherein the

demand of Rs 5099378/- (tax Rs 2392573+ interest Rs 2706805/-) was created under Luxury Act . However, the audit wrongly mentioned the additional demand as Rs. 7585581/- under HVAT Act and Rs 5098378/- under CST Act in its objection. These orders were served upon the dealer on 10.04.2015. The dealer is active and following demand has already been recovered.

| Sr. No. | GRN No.  | Amount    | Date of deposit |
|---------|----------|-----------|-----------------|
| 1.      | 18224258 | 1000000/- | 16.03.2016      |
| 2       | 19170578 | 1000000/- | 25.05.2016      |
| 3       | 19573632 | 300000/-  | 30.06.2016      |
| 4       | 19584715 | 100000/-  | 30.06.2016      |
| 5       | 37630965 | 85581/-   | 16.08.2016      |
| 6       | 42727669 | 425000/-  | 20.12.2018      |
| 7       | 43428205 | 425000/-  | 22.01.2019      |
| 8       | 44388443 | 425000/-  | 19.02.2019      |
| 9       | 56092089 | 1000000/- | 08.08.2019      |
| 10      | 56189055 | 400000/-  | 12.08.2019      |
| 11      | 57010726 | 500000/-  | 05.09.2019      |
| 12      | 80627890 | 500000/-  | 14.08.2021      |
|         | TOTAL    | 6160581/- |                 |

Balance arrear amounting Rs 6974178/- (Total Demand Rs 13134759 - Deposited Rs. 6160581/-) is not recoverable by normal norms so the arrear has been declared recoverable under the Punjab land revenue Act, 1887 on 19.03.2019. Summon has been served upon the dealer on 20.08.2020 to recover this outstanding amount. Further Bank account of the firm has been attached vide letter dated 20.07.2020. Efforts are being made to recover the remaining amount. In view of above the para may please be dropped.

### **203. M/s Moti Mahal Deluxe Hospitality Gurugram(E) TIN 34006 A.Y. 2012-13.**

In reply to the audit para it is submitted that the firm engaged in the business of hotel and the Assessment of the firm for the year 2012-13 was framed as Ex-parte Assessment and an additional demand of Rs 971538/- (Tax 2038444/- Intt – 275613/-) created under HVAT Act vide disposal No 208/2012-13 date 27.11.2014. Order along-with TDN served upon the dealer on 27.11.2014. The firm cancelled on dated 25.02.2016 and the outstanding arrear is not possible to recover under normal course of action hence the arrear declared under Punjab Land Revenue Act, 1887 on 23.07.2019. The following actions have been initiated by the department for recovery of government revenue :-

- (a) A letter has been written to Tehsildar, Gurugram, vide Memo No 1673 dated 23.07.2019, & 673 dated 11.08.2020 and Reminder vide Memo No 1285 dated 13.08.2021.

- (b) A summon has been issued to the owner on dated 04.08.2020.
- (c) A letter has been written to Income Tax Officer to find out PAN based bank account details of the owner vide this office Memo No 672 dated 11.08.2020.
- (d) Letters have been written to bank for recovery against following sureties vide this office Memo No 656 dated 11.08.2020 and 657 dated 11.08.2020 :-
- (i) M/s Maharastra Foods, TIN 06981831261 - firm live.(Ggn(East)
  - (ii) M/s Akshaypatra Equipments Pvt Ltd. TIN 06761919943- firm live. (Ggn (South)

In view of the above the audit para may please be dropped.

**204. M/s Armark Patman Services Pvt. Ltd. Gurugram(North) TIN 28532 A.Y. 2008-09**

In reply to audit Para, it is submitted that M/s Armark Patman Services (P) Ltd. Gurgaon (TIN- 06211828532) was doing the business of manufacturing of foods items. The dealer has got registration in Gurugram (East) distt. and the same was cancelled in Gurugram (East) on dated 28.03.2016. It is further submitted that the assessment U/s 15(4) of the HVAT Act, 2003 was framed by then Assessing Authority as Ex-Parte. The detail of demand created and demand no. are as under:-

| A. Y    | Demand. No & Date | HVAT             | Particulars                                              |
|---------|-------------------|------------------|----------------------------------------------------------|
| 2008-09 | 657/19.03.2012    | 237260/-         | Tax - 166075/-<br>Interest - 41385/-<br>Penalty - 29800  |
| 2009-10 | 616/28.03.2013    | 31902/-          | Tax - Nil<br>Interest - 31902/-<br>Penalty - Nil         |
| 2010-11 | 780/21.03.2014    | 1809057/-        | Tax - 1042807/-<br>Interest - 761250/-<br>Penalty - 5000 |
|         | <b>Total</b>      | <b>2078219/-</b> |                                                          |

Orders for the above said assessment years have been duly served upon to the dealer along with copies of tax demand notice.

The Audit has pointed out to failure about follow up action. In reply to above said objection, the Para is admitted. Further it is submitted that, recovery proceedings were initiated in this case and found that the bank guarantee submitted by the dealer has been got expired on dated 28.03.2016. Also the recovery file of the said dealer is not traceable therefore recovery proceedings again initiated in this case. Notices issued to the dealer to deposit the due amount. Letter also sent to Kotak Mahindra Bank Ltd (Formerly known as ING VYSYA bank Ltd.) for attachment of bank account.

During the recovery proceedings, it has come to the notice of Assessing Authority that the firm has made fixed deposits into the bank, hence letter also sent to the Bank Authorities for encashment of Fixed Deposits made by the firm vide this office Memo No.578/ETO W-11/11.02.2021. The Bank Authorities has marked **Debit Freeze** in this case. The case is still under examination as informed by Bank Authorities. Reminder again sent to Bank Authorities to issue the demand draft of Rs.20,78,219/- in favour of Assessing Authority vide this office letter No.1274/ETO W-03 dated 28.07.2021. It is further submitted that demand notice also sent to the directors of company to deposit the amount into the Govt. Treasury. Sincere efforts are being made to recover the balance amount due against the firm. The final result will be communicated after getting information from bank authorities.

**205. M/s Aramark Patman Services Pvt. Ltd. Gurugram(North) TIN 28532 A.Y. 2009-10**

In reply to audit Para, it is submitted that M/s Aramark Patman Services (P) Ltd. Gurgaon (TIN- 06211828532) was doing the business of manufacturing of foods items. The dealer has got registration in Gurugram (East) distt. and the same was cancelled in Gurugram (East) on dated 28.03.2016. It is further submitted that the assessment U/s 15(4) of the HVAT Act, 2003 was framed by then Assessing Authority as Ex-Parte. The detail of demand created and demand no. are as under:-

| A. Y.   | Demand. No & Date | HVAT             | Particulars                                              |
|---------|-------------------|------------------|----------------------------------------------------------|
| 2008-09 | 657/19.03.2012    | 237260/-         | Tax - 166075/-<br>Interest - 41385/-<br>Penalty - 29800  |
| 2009-10 | 616/28.03.2013    | 31902/-          | Tax - Nil<br>Interest - 31902/-<br>Penalty - Nil         |
| 2010-11 | 780/21.03.2014    | 1809057/-        | Tax - 1042807/-<br>Interest - 761250/-<br>Penalty - 5000 |
|         | <b>Total</b>      | <b>2078219/-</b> |                                                          |

Orders for the above said assessment years have been duly served upon to the dealer along with copies of tax demand notice.

The Audit has pointed out to failure about follow up action. In reply to above said objection, the Para is admitted. Further it is submitted that, recovery proceedings were initiated in this case and found that the bank guarantee submitted by the dealer has been got expired on dated 28.03.2016. Also the recovery file of the said dealer is not traceable therefore recovery proceedings again initiated in this case. Notices issued to the dealer to deposit the due amount. Letter also sent to Kotak Mahindra Bank Ltd (Formerly known as ING VYSYA bank Ltd.) for attachment of bank account.

During the recovery proceedings, it has come to the notice of Assessing Authority that the firm has made fixed deposits into the bank, hence letter also sent to the Bank Authorities for encashment of Fixed Deposits made by the firm vide this office Memo No.578/ETO W-11/11.02.2021. The Bank Authorities has marked **Debit Freeze** in this case. The case is still under examination as informed by Bank Authorities. Reminder again sent to Bank Authorities to issue the demand draft of Rs.20,78,219/- in favour of Assessing Authority vide this office letter No.1274/ETO W-03 dated 28.07.2021. It is further submitted that demand notice also sent to the directors of company to deposit the amount into the Govt. Treasury. Sincere efforts are being made to recover the balance amount due against the firm. The final result will be communicated after getting information from bank authorities.

**206. M/s Aramark Patman Services Pvt. Ltd. Gurugram (North) TIN 28532 A.Y. 2010-11**

In reply to audit Para, it is submitted that M/s Armark Patman Services (P) Ltd. Gurgaon (TIN- 06211828532) was doing the business of manufacturing of foods items. The dealer has got registration in Gurugram (East) distt. and the same was cancelled in Gurugram (East) on dated 28.03.2016. It is further submitted that the assessment U/s 15(4) of the HVAT Act, 2003 was framed by then Assessing Authority as Ex-Parte. The detail of demand created and demand no. are as under:-

| A. Y    | Demand. No & Date | HVAT             | Particulars                                             |
|---------|-------------------|------------------|---------------------------------------------------------|
| 2008-09 | 657/19.03.2012    | 237260/-         | Tax - 166075/-<br>Interest - 41385/-<br>Penalty - 29800 |
| 2009-10 | 616/28.03.2013    | 31902/-          | Tax - Nil<br>Interest - 31902/-<br>Penalty - Nil        |
| 2010-11 | 780/21.03.2014    | 1809057/-        | Tax - 1042807/- Interest - 761250/-<br>Penalty - 5000   |
|         | <b>Total</b>      | <b>2078219/-</b> |                                                         |

Orders for the above said assessment years have been duly served upon to the dealer along with copies of tax demand notice.

The Audit has pointed out to failure about follow up action. In reply to above said objection, the Para is admitted. Further it is submitted that, recovery proceedings were initiated in this case and found that the bank guarantee submitted by the dealer has been got expired on dated 28.03.2016. Also the recovery file of the said dealer is not traceable therefore recovery proceedings again initiated in this case. Notices issued to the dealer to deposit the due amount. Letter also sent to Kotak Mahindra Bank Ltd (Formerly known as ING VYSYA bank Ltd.) for attachment of bank account.

During the recovery proceedings, it has come to the notice of Assessing Authority that the firm has made fixed deposits into the bank, hence letter also sent to the Bank Authorities for encashment of Fixed Deposits made by the firm vide this office Memo No.578/ETO W-11/11.02.2021 . The Bank Authorities has **marked Debit Freeze** in this case. The case is still under examination as informed by Bank Authorities. Reminder again sent to Bank Authorities to issue the demand draft of Rs.20,78,219/-in favour of Assessing Authority vide this office letter No.1274/ETO W-03 dated 28.07.2021. It is further submitted that demand notice also sent to the directors of company to deposit the amount into the Govt. Treasury. Sincere efforts are being made to recover the balance amount due against the firm. The final result will be communicated after getting information from bank authorities.

**207. M/s Bawarchi Restaurant Hotel Gurugram(E) TIN 29387 A.Y. 2011-12**

In reply to the audit para , it is submitted assessment of the dealer was framed vide Disposal No. 489 dated 25.11.2013 wherein the demand of Rs 2115197/- was created under HVAT Act, 2003. The firm stands cancelled w.e.f 20.11.2017. As per computerized DCR record the following payments were found deposited by the dealer firm.

| Sr. No. | GRN No.      | Amount          | Date of deposit |
|---------|--------------|-----------------|-----------------|
| 1.      | 8033322      | 304478/-        | 25.10.2014      |
| 2.      | 8213728      | 406217/-        | 14.11.2014      |
| 3.      | 8461001      | 340000/-        | 16.12.2014      |
| 4.      | 10815309     | <u>150000/-</u> | 12.08.2015      |
|         | <b>Total</b> | <b>1200695</b>  |                 |

Balance arrear amounting Rs 914502 (Total Demand Rs 2115197- Deposited Rs 1200695) is not recoverable by the normal norms so the arrear has been declared recoverable under the Punjab land revenue Act,1887 on 28.02.2019 . Letter has been sent to Income Tax Department, Gurugram to locate the bank account of the firm through PAN of the firm on 05.08.2020. Letter has also been sent to the Axis Bank to encash the Bank Guarantee No 1310100000931 submitted by the dealer as surety at the time of registration in favour of department on 13.08.2021. Further letter has been sent to the Tehsildar to provide the details of property in the name of the company on dated 13.08.2021. Efforts are being made to recover the remaining amount. In view of above the para may please be dropped.

**208. M/s Golfworx Venture Gurugram(E) TIN 28817 A.Y. 2010-11**

In reply to the audit para it is intimated that the additional demand of Rs 675831/- (Interest only) under the HVAT Act 2003 and Rs 58014/- (Interest only) was created vide order dated 04.03.2014. this arrear has been declared arrear recoverable under Punjab Land Revenue Act 1887 vide order dated 28.07.2020. Summons dated 14.08.2020 for recovery has been issued to the dealer. Details of sureties are as under :-

1. Sh Sanjay Khann, Partner of M/s Adigeer International, TIN 06071931526 of Rs 50000/-
2. Sh Vikash Ahuja, Properiotr of M/s VP International TIN 06181932969 of Rs 50000/-

Notice regarding recovery dated 14.08.2020 has also been issued and served to the above mentioned sureties to recover the surety amount. Therefore, efforts are being made to recover this amount of Rs 733845/-. As the outstanding arrear is on account of interest only so no action u/s 23(1) is applicable on the dealer as per the provision of section 23(1) of the HVAT Act 2003. A letter has been written to Tehsildar, Gurugram for property attachment owned by the said firm / dealer vide Memo No 1285 dated 1308.2021.

**209. M/s Lalitas BageLs Gurugram(E) TIN 29549 A.Y. 2009-10**

In reply to the audit para it is hereby informed that the case was assessed by, vide order no. 774 dated 25.03.2013 creating a demand of Rs. 483813/-. (Tax-483813) The registration is cancelled with effect from 27.02.2016. As the recovery is not possible through the normal course of action. So the arrear is declared as arrear of Punjab Land Revenue Act, 1887 from dt. 17.07.2020. Recovery proceeding have been also initiated against the dealer. Two FDR worth Rs. 100000/- have been found and Letter for recovery form FDR/Account has been sent to the bank and reminder regarding same has been sent to the manager of the bank on dt. 26.08.2020 and the letter has been sent to the Tehsildar regarding regarding detail of property on dt. 23.07.2019 and reminder regarding same has been sent to Tehsildar on dt. 26.08.2020. Summon to the firm has been issued on dt. 20.08.2020. Reminder-2 has been sent to Tehsildar on dt. 10.08.2021. Hence audit para may be dropped.

**210. M/s Corporate house India Gurugram(E) TIN 24173 A.Y. 2009-10**

In reply to the audit para, it is intimated that the firm engaged in the business of hotel and the Assessment for the year 2009-10 was framed on date 13.03.2013 and the additional demand of Rs 3372446/- was created. Recovery proceeding has been initiated by the department but the firm has been cancelled on 14.08.2015. Recovery is not possible through normal course of action, therefore the arrear has been declared under Punjab Land Revenue Act 1887 vide order date 31.12.2019.

The following actions have been initiated by the department for recovery of government revenue :-

1. A letter has been written to Tehsildar, Gurugram vide Memo No 1290 dated 13.08.2021 for property attachment owned by the said firm / dealer.
2. A letter has been written to Income Tax Officer to find out PAN based Account details of the owner.
3. Letters have been written to bank for recovery against following sureties on dated 04.08.2020 :-
  - (i) M/s Diksha timber Trader TIN 06901824136 - firm cancelled (29.03.2011).
  - (ii) M/s Star Wood TIN 06671822944 - firm cancelled (14.08.2015).

In view of the above the audit para may please be dropped.



**211. M/s BJN hotel Gurugram (E) TIN 28202 A.Y. 2011-12**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2011-12 was framed as Ex-parte Assessment and an additional demand of Rs 1879799/- (Tax 91418/- Intt – 1788381/-) created vide disposal No 138/2011-12 dated 21.11.2014. Order along-with TDN issued and served upon the dealer on 21.11.2014.

After that the recovery proceeding were initiated by the department and the dealer deposited the additional demand of Rs 400000/- vide GRN No 8939443 and GRN 9010006. The firm has been cancelled on 22.11.2017 and the outstanding arrear of Rs 1479799/- is not possible to recover under normal course of action hence the arrear declared under Punjab Land Revenue Act on 23.07.2019. The following actions have been initiated by the department for recovery of government revenue,

- (a) A letter written to Tehsildar, Gurugram, for attachment property vide Memo No 1670 dated 23.07.2019, No 674 dated 11.08.2020. and reminder vide Memo No 1284 dated 13.08.2021.
- (b) A letter written to Income Tax Officer for find out PAN based Bank Account details of the owner vide this office Memo No 671 dated 11.08.20.
- (c) A letter written to Branch Manager, Kotak Mahindra Bank, Mumbai for releasing bank guarantee toward the department of Rs 100000/-.

In view of the above the audit para may please be dropped.

**212. M/s BJN hotel Gurugram (E) TIN 28202 A.Y. 2012-13**

In reply to the audit para it is submitted that the firm is engaged in the business of hotel and the Assessment for the year 2012-13 was assessed as Ex-parte Assessment and an additional demand 5234264/- (Tax 3442213/- Intt – 1792051/-) created vide disposal No 246/2012-13 dated 28.11.2014. Order along-with TDN issued and served upon the dealer on 28.11.2014. After that the recovery proceeding were initiated by the department and the dealer deposited the additional demand of Rs 3200000/- as per details :-

| Date     | Amount  | GRN      |
|----------|---------|----------|
| 12.01.16 | 200000  | 16838551 |
| 12.01.16 | 200000  | 16838283 |
| 04.03.16 | 50000   | 18007063 |
| 04.03.16 | 2750000 | 18007080 |

The firm has been cancelled on 22.11.2017 and the outstanding arrear of Rs 2034264/- is not possible to recover under normal course of action hence the arrear declared under Punjab Land Revenue Act on 23.07.2019. The following actions have been initiated by the department for recovery of government revenue,

- (a) A letter written to Tehsildar, Gurugram, vide Memo No 1670 dated 23.07.2019, and Memo No 674 dated 11.08.2020 and reminder vide Memo No 1283 dated 13.08.2021.

- (b) A letter written to Income Tax Officer for find out PAN based Account details of the owner vide this office Memo No 671 dated 11.08.2020.
- (c) A letter written to Branch Manager, Kotak Mahindra Bank, Mumbai for releasing bank guarantee toward the department of Rs 100000/-.

In view of the above the audit para may please be dropped.

**213. M/s Century 21 Trader Gurugram(E) TIN 24771 A.Y. 2011-12**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2011-12 was assessed and an additional demand 619377/- under HAVT Act, (Vat Tax 404344/- Intt – 215033/-) and under CST Act, 104491/-(Tax Rs. 97498/-Intt. 6993/-Pen. 0/-) was created vide disposal No 932/2011-12 dated 25-11-2013. Order along-with TDN issued and served upon the dealer on 01-05-2014.

After that the recovery proceeding were initiated by the department and the dealer deposited the additional demand under HVAT Act of RS. 619377/- and under CST Act of Rs. 104491/-and the detail of the same is as under:

| Date                     | Amount                      | GRN No.  |
|--------------------------|-----------------------------|----------|
| 20-02-2015               | Rs. 100000/-                | 8985034  |
| 09-05-2015               | Rs. 100000/-                | 9757391  |
| 31-07-2015               | Rs. 100000/-                | 10664725 |
| 24-08-2015               | Rs. 100000/-                | 11070091 |
| 27-04-2015               | Rs. 219377/-                | 18631081 |
| 31-10-2016               | Rs. 104491/-                | 21374700 |
| <b>Total (VAT + CST)</b> | <b>619377+104491=723868</b> |          |

As the dealer has deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. **160000+53428=213428/-** is levied.

In view of the above the audit para may please be dropped.

**214. M/s Century 21 Trader Gurugram(E) TIN 24771 A.Y. 2012-13**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2012-13 was assessed and an additional demand 724784/- under HVAT Act, (Vat Tax 477662/- Intt – 242122/- Pen. 5000/-) and under CST Act, 48059/-(Tax Rs. 48059/-Intt. 0/-Pen. 0/-) created vide disposal No 750/2012-13 dated 26-11-2014. Order along-with TDN issued and served upon the dealer on 19-2-2015. After that the recovery proceeding were initiated by the department and the dealer deposited the additional demand under HVAT Act of Rs. 724784/- and under CST Act of Rs. 48059/-and the detail of the same is as under:

| Date              | Amount              | GRN No.  |
|-------------------|---------------------|----------|
| 31-03-2019        | Rs. 100000/-        | 26004191 |
| 19-09-2017        | Rs. 200000/-        | 30360216 |
| 28-09-2017        | Rs. 100000/-        | 30456160 |
| 03-08-2018        | Rs. 48059/-         | 37413900 |
| 03-08-2018        | Rs. 124784/-        | 37413926 |
| 20-07-2018        | Rs. 200000/-        | 37104808 |
| Total (VAT + CST) | 724784+48059=772843 |          |

As the dealer has deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. **453062+48059=501121/-** is levied.

In view of the above the audit para may please be dropped

**215. M/s Century 21 Trader Gurugram(E) TIN 24771 A.Y. 2013-14**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2013-14 was assessed and an additional demand 771866/- under HAVT Act, (Vat Tax 505382/- Intt – 266484/-) and under CST Act, 48108/-(Tax Rs. 48108/-Intt. 0/-Pen. 0/-) created vide disposal No 339/2013-14 dated 17-11-2015. Order along-with TDN issued and served upon the dealer on 09-06-2016.

After that the recovery proceeding were initiated by the department. Recovery notice issued to the dealer on 24-02-2016 and served on 02-03-2016 and the arrear declared under Punjab Land Revenue Act on 18-03-2016 and summon issued on 18-03-2016 for 28-03-2016 and summon received on 04-10-2016. The dealer has deposited the additional demand of Rs 200000/- vide GRN No 53196828 on 09-07-2019. Again recovery notice issued to the dealer on 13-07-2020 to deposit the balance arrear. Thereafter, again a summon was issued on dated 13.09.2021 for recovery on or before dated 24.09.2021. Thereafter, the dealer has deposited an amount of Rs. 569300/- vide GRN 82516976 dated 23.09.2021 and Rs. 50700/- vide GRN 82532128 dated 24.09.2021. Now there is no pending dues against the dealer.

In view of the above the audit para may please be dropped.

**216. M/s Sai Electrical & Electronics Gurugram(E) TIN 20583 A.Y. 2010-11**

The dealer deals in trading of electric and electronic items. In reply to audit Para, it is submitted that an additional demand of Rs. 1227005/- under HVAT Act, 2003 (Tax= 691194/- + Interest = 535811/- + Penalty = NIL) = 1227005/- and Rs. NIL under CST was created vide order no. 1444 dated 11-03-2014 assessed Ex Parte by then Assessing Authority. Date of assessment order and TDN serving not available on the file. Recovery Notice was issued to the dealer on 05-11-2014. The TIN of the firm stands cancelled as per online record. The arrears were declared as recoverable under Punjab Land Revenue Act, 1887 vide order dated 24-02-2016. Summon dated 24-02-2016 issued and duly served. Recovery Notice served upon sureties on dated 08-11-2019 to M/s Durlabh Sons holding

TIN 06631818407 and other surety M/s Shree Kalka Sales Corp. holding TIN 06641818547. Both the sureties found closed and TIN of both the firms stands cancelled as per online record. Recovery Notice served upon the residential address of proprietor, but the proprietor is not presently staying at this address. Further letters written to revenue authority i.e. Tehsildar Gurugram vide letter no. 1609 dated 23-07-2019 and reminder no. 661 dated 11-08-2020 for providing details of property. Letter written to Bank for attachment of account vide letter no. 705 dated 18-08-2020. In response of letter No. 384, dated 15-07-2020 the Tehsildar Mini Sectriate Gurugram stated that as report by filled staff no property are interred in their revenue record Zamabandi year 2018-19 in case of M/s Sai Electricals and Electronics. Again a letter sent to the Bank for attachment of Bank Account on dated 12.08.2021.

In view of above, it is submitted that all possible steps are being taken to recover the due amount of taxes from the dealer. All possible steps will be taken in future also and follow up action will be taken for recovery of demand.

**217. M/s Duncon Chemical Gurugram(E) TIN 26033 A.Y. 2009-10**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2009-10 was assessed as Ex-parte Assessment and an additional demand under HAVT Act, 2003 of Rs. NIL and under CST Act, Rs. 68501/- (Tax 68501/- Intt.NIL) created vide disposal No 953/2009-10 dated 28-3-2013. Order along-with TDN issued and served upon the dealer on 25-4-2013.

After that the recovery proceeding were initiated by the department. Recovery notice was issued to the dealer on dated 06-12-2019 for 17-12-2019 to deposit the arrear. The firm stands closed since long time and RC of the dealer has been cancelled on 14-08-2015 and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 17-12-2019 and summon issued to the dealer on 23-12-2019. The following actions have been initiated by the department for recovery of government revenue:

- (a) Letters written to Surety for the recovery of surety amount of Rs. 50,000/- each under HVAT Act, 2003 and CST Act, 1956.
- (b) Letter written to the Tehsildar, Gurugram for property detail on dated 13-07-2020. Fresh letter issued to the Tehsildar, Gurugram for property detail on dated 13-08-2021.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of CST Act is taken and interest of Rs. 68501/- (equal to the outstanding tax amount) is levied.

In view of the above the audit para may please be dropped.

**218. M/s Duncon Chemical Gurugram(E) TIN 26033 A.Y. 2010-11**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2010-11 was assessed as Ex-parte Assessment and an additional demand under HVAT Act, 247450/- (Tax 123725/- Intt -123725/-) under CST Act, Rs. 502716/-(Tax 251358/-Intt. 251358/-) created vide disposal No 1462/2010-11 dated 24-3-2014 Order along-with TDN issued and served upon the dealer on 29-05-2014. After that the recovery proceeding were initiated by the department. Recovery notice was issued to the dealer on dated 06-12-2019

for 17-12-2019 to deposit the arrear. The firm stands closed since long time and RC of the dealer has been cancelled on 14-08-2015 and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 17-12-2019 and summon issued to the dealer on 23-12-2019. The following actions have been initiated by the department for recovery of government revenue:

- (a) Letters written to Surety for the recovery of surety amount of Rs. 50,000/- each under HVAT Act, 2003 and CST Act, 1956.
- (b) Letter written to the Tehsildar, Gurugram for property detail on dated 13-07-2020. Fresh letter issued to the Tehsildar, Gurugram for property detail on dated 13-08-2021.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 123725/- and CST Act, of Rs. 251358/- (equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

#### **219. M/s Duncon Chemical Gurugram(E) TIN 26033 A.Y. 2011-12**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2011-12 was assessed and an additional demand 360041/- under HVAT Act, 2003 (Tax Vat 192375/- Intt – 94666/- and Pen. 73000/-) and Rs. 343399/- under CST Act, 1956 (CST Tax 343399/- Intt. Nil) created vide disposal No 1108/2011-12 dated 28-11-2013. Order along-with TDN issued and served upon the dealer on 27-12-2013.

After that the recovery proceeding were initiated by the department. Recovery notice was issued to the dealer on dated 06-12-2019 for 17-12-2019 to deposit the arrear. The firm stands closed since long time and RC of the dealer has been cancelled on 14-08-2015 and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 17-12-2019 and summon issued to the dealer on 23-12-2019. The following actions have been initiated by the department for recovery of government revenue:

- (a) Letters written to Surety for the recovery of surety amount of Rs. 50,000/- each under HVAT Act, 2003 and CST Act, 1956.
- (b) Letter written to the Tehsildar, Gurugram for property detail on dated 13-07-2020. Fresh letter issued to the Tehsildar, Gurugram for property detail on dated 13-08-2021.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 192375/- and CST Act, of Rs. 343399/- (equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

#### **220. M/s Duncon Chemical Gurugram(E) TIN 26033 A.Y. 2012-13**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2012-13 was assessed and an additional demand under HVAT Act, 2003 of Rs. 125579/- (Tax 67629/- Intt – 36150/- pen. 21800/-) and under CST Act, 1956, Rs. 241318/- (Tax 241318/- Intt. 0/-) created vide disposal No 709/2012-13 dated 26-11-2014. Order along-

with TDN issued and served upon the dealer on 27-12-2014. The audit has pointed out audit objection of Rs. 370822/- under CST Act, but as per assessment order actual demand under CST Act is Rs. 241318/-. After that the recovery proceeding were initiated by the department. Recovery notice was issued to the dealer on dated 06-12-2019 for 17-12-2019 to deposit the arrear. The firm stands closed since long time and RC of the dealer has been cancelled on 14-08-2015 and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 17-12-2019 and summon issued to the dealer on 23-12-2019. The following actions have been initiated by the department for recovery of government revenue:

- (a) Letters written to Surety for the recovery of surety amount of Rs. 50,000/- each under HVAT Act, 2003 and CST Act, 1956.
- (b) Letter written to the Tehsildar, Gurugram for property detail on dated 13-07-2020. Fresh letter issued to the Tehsildar, Gurugram for property detail on dated 13-08-2021.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 67629/- and CST Act, of Rs. 241318/- is (equal to the outstanding tax amount) levied.

In view of the above the audit para may please be dropped.

## **221. M/s Caleffi Bed and Bath India Ptd Gurugram(E) TIN 27055 A.Y. 2008-09**

In reply to the audit para, it is submitted that the dealer firm was dealing in trading of Bed Sheets and Kitchen Equipment with the date of liability as 09.04.2007 and date of validity 12.07.2007. The original assessment in the case was framed by then Assessing Authority, Gurugram vide disposal No. 1280 dated. 19.03.2012 on ex parte basis and no benefit of ITC, exports was given in absence of documentary evidence. An additional demand of Rs.2040/- under HVAT Act and Rs.7409943/- under CST Act was created in the assessment order. The copy of order and TDN was served upon to the dealer on 19.03.2012. The firm closed w.e.f. 14.08.2015.

Being aggrieved against this order, the dealer firm preferred first appeal before the Ld. Joint Excise & Taxation Commissioner(Appeals), Faridabad. The Ld. Appellate Authority vide order dated. 09.02.2017 remanded the case back for framing de novo assessment. The remand case was decided by the Assessing Authority vide disposal No.462 dated. 10.01.2018 and the additional demand reduced to Rs.324/-(Tax) under HVAT Act and Rs.85413/-(Tax) under CST Act. The copy of order and TDN served upon the dealer on 03.10.2018. The additional demand created in remand order has been deposited by the dealer on 20.11.2018 vide GRN 42001658 of Rs.324/- and GRN 42001702 of Rs.85413/-. The demand deposited by the dealer late by 17 days, hence, order u/s 23(1) of the HVAT Act, 2003 for levy of interest on delayed payment has been passed vide orders dated 01.09.2020 and an interest of Rs.6/- under HVAT Act and Rs.1452/- CST Act has been levied. Copy of order and TDN served upon the dealer and the amount of Rs.1458/- has been recovered vide GRN No. 0080711846 dated 16.08.2021. Now, there is no pending arrear against the dealer firm.

In view of the above, the para may kindly be dropped.

**222. M/s Caleffi Bed and Bath India Ptd Gurugram(E) TIN 27055 A.Y. 2009-10  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**

**223. M/s Afcon International Pvt. Gurugram(E) TIN 29166 A.Y 2009-10**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2009-10 was assessed as Ex-parte Assessment and an additional demand under CST Act, Rs 9401260/- (Tax 4700630/- Intt – 4700630/-) created vide disposal No 969/2009-10 dated 26-3-2013. Order along-with TDN was dispatched vide dispatch No. 1789 dated 29-03-2013. After that the recovery proceeding were initiated by the department. Recovery notice was issued to the dealer on dated 20-11-2014 for 2-12-2014 to deposit the arrear. Again recovery notice issued on dated 19-1-2016 for 29-01-2016. The firm stands closed since long time and RC of the dealer has been cancelled on 28-03-2016 and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 20-04-2016 and summon issued to the dealer on 20-04-2016. Again notice issued to the Director's of company at residence address on 13-07-2020 and notice issued to the Bank Manager, Delhi for encashment of bank guarantees on 13-07-2020. The following actions have been initiated by the department for recovery of government revenue:

- (a) Letter issued to the Income Tax Office, Gurgaon for detail of Pan Based Bank Account on 13-07-2020. Again letter issued to the bank manger and summon issued on 13-8-2021 for 23-8-2021.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 4700630/-(equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

**224. M/s Afcon International Pvt. Gurugram(E) TIN 29166 A.Y 2010-11**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2010-11 was assessed as Ex-parte Assessment and an additional demand under HVAT Act, Rs 172469/- (Tax 92260/- Intt – 80209/- created vide disposal No 1443/2010-11 dated 11-3-2014. Order along-with TDN issued and dispatch upon the dealer on 15-4-2014. After that the recovery proceeding were initiated by the department. Recovery notice was issued to the dealer on dated 20-11-2014 for 2-12-2014 to deposit the arrear. Again recovery notice issued on dated 19-1-2016 for 29-01-2016. The firm stands closed since long time and RC of the dealer has been cancelled on 28-03-2016 and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 20-04-2016 and summon issued to the dealer on 20-04-2016. Again notice issued to the Director's of company at residence address on 13-07-2020 and notice issued to the Bank Manager, Delhi for encashment of bank guarantees on 13-07-2020. The following actions have been initiated by the department for recovery of government revenue:

- (a) Letter issued to the Income Tax Office, Gurgaon for detail of Pan Based Bank Account on 13-07-2020. Again letter issued to the bank manger and summon issued on 13-8-2021 for 23-8-2021.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 92260/-(equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

**225. M/s Seven Star Enterprises Gurugram(E) TIN 31995 A.Y. 2012-13**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2012-13 was assessed as Ex-parte Assessment and an additional demand 18363151/- (Tax 12155155/- Intt – 6207996/-) created vide disposal No 705/2012-13 dated 25-11-2014. Order along-with TDN issued and served upon the dealer on 09-02-2015.

After that the recovery proceeding were initiated by the department. Recovery notice issued on 11-2-2016 for 19-02-2016 and served on 17-02-2016. The firm stands closed since long time and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 03-03-2016 and summon issued to the dealer on 03-03-2016. A letter issued to the Bank Manager on 26-07-2016 for encashment of bank guarantee vide dispatch no. 1492 dated 26-07-2016. Letter issued to the Tehsildar, Gurgaon vide dispatch no. 23 dated 03-04-2018 for giving the property detail. Recovery certificate u/s 3 (1) of Revenue Recovery Act, 1890 was issued on 04-04-2018 vide dispatch no. 52 dated 04-04-2018. **The proprietor of the firm was expired on 02-04-2015.** Again letter issued to the Bank Manager for encashment of bank guarantees and notice issued to the Tehsildar, Delhi for giving the property detail. A letter issued to the bank manger encashment of bank guarantes and notice issued to the Dy. Commisneer southdelhi on dated 13-8-2021.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 12155155/-(equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

**226. M/s Balaji Venuers Gurugram(East) TIN 23459 A.Y. 2012-13**

The dealer deals in trading of Ply Boards. In reply to audit para, it is submitted that an additional demand of Rs. 514369/- under HVAT Act (Tax = 350364/- + Interest = 162405/- + Penalty = 1600/-) = 514369/- and Rs. 814/- under CST Act, 1956 (Tax = 414/- + Interest = NIL + Penalty = 400) = 814/- ) was created vide D. No. 553 dated 19-11-2014 for the A.Y. 2012-13 by then Assessing Authority. Follow up action regarding recovery of arrears is as follow:-

The dealer was served upon Assessment order and TDN on 18-12-2014. Notice of Recovery was issued to the dealer on dated 18-07-2018. The arrears were declared as recoverable under Punjab Land Revenue Act, 1887 vide order dated 30-10-2018. Summon issued and duly served upon the dealer on 16-11-2018. Recovery Notice issued to sureties for 22-11-2019 and reminder for 27-12-2019. Both the sureties M/s A.D.S. Industries, TIN:- 06611818515 and M/s Shivam Plywood TIN 06091821808 found closed and TIN of M/s A.D.S. Industries, stands Cancelled as per online record. Letter has been written to revenue authority /Tehsildar Nuh vide letter no. 685 dated 14-08-2020 for providing details of property owned by the proprietor. Recovery Notice has been sent to residential address of the proprietor for dated 22-11-2019 and 27-12-2019 and final reminder issued and which is now duly served upon the dealer for 25-08-2020. Letter written to bank for attachment of account vide letter no. 2515 dated 11-09-2019 and reminder letter no. 2515 dated 11-09-2019 and reminder No. 709 dated 20-08-2020. In response of a letter No. 685 dated 14.08.2020, the Revenue Authority/ Tehsildar, Nuh intimated vide letter No. 1022/O.K. dated 04.09.2020 that there is no property and firm exist in the name of Smt. Jaishree



W/o Sh. Rajesh Sharma and M/s Balaji Veneers, Sikanderpur, Gurugram Again a reminder sent to the Bank for attachment of account on dated 12.08.2021.

It is submitted that follow up action for recovery is taken and further also all possible measures will be adopted to recover due amount of taxes.

**227. M/s Rainbow Venuers Gurugram(E) TIN 22228 A.Y. 2010-11**

The dealer deals in trading of Ply Boards and Veneers. In reply to audit para, it is submitted that an additional demand Rs.789817/- under CST Act, 1956 (Tax = 771017/- + Penalty = 18800/- ) = 789817/- ] was created vide demand no. 1394 dated 28-02-2014 by then Assessing Authority. The assessment order and TDN serving date not available on record. Now certified copy served upon the dealer on his request on 22-07-2020. The additional demand was rectified on 06.01.2021 and additional demand reduced to Rs.32133. The dealer has closed down its business activities from Gurugram and has shifted its business to Faridabad North Ward-5 having GSTIN as 06AFWPA4776J2ZW. Letter written to DETC Faridabad North Vide letter No. 854 dated 02-09-2020 for taking all necessary steps to recover due amount of arrears.

In response to follow up action taken regarding recovery of arrears, recovery notice served upon the dealer on 16-06-2019 and reminder on 07-07-2020 and final reminder by hand to Power of Attorney holder Adv. Sh. Ravi Kurup on 10-08-2020 . Arrears were declared under Punjab Land Revenue Act, 1887 on 01-07-2019. Summon issued to dealer on 22-07-2020. Letter written to Tehsildar Gurugram for details of property vide letter no. 421 dated 20-07-2020 and reminder vide letter no. 702 dated 18-08-2020. Letter written to bank for attachment of account vide letter no. 703 dated 18-08-2020.

As stated presently the dealer is running its business under the Jurisdiction of Faridabad North ward-5. Hence a letter vide No. 854 E-9 Dated 02-09-2020 sent to the office of DETC Faridabad North regarding recovery of arrear from M/s Rainbow Veneers, IC- DTI 1 , NIT Faridabad 121001, GSTN 06AFWPA4776J2ZW. Now, additional demand of Rs. 32133/- has been recovered vide GRN 84126362 dated 15.11.2021 and no demand pending against the dealer for 2010-11.

In view of the above, it is requested that the audit para may be dropped.

**228. M/s KEC international Gurugram(E) TIN 28030 A.Y. 2009-10  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**

**229. M/s KEC international Gurugram(E) TIN 28030 A.Y. 2011-12  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**

**230. M/s KEC international Gurugram(E) TIN 28030 A.Y. 2012-13  
(PARA DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021).**

**231. M/s Degitus Electronics Gurugram(E) TIN 30023 A.Y. 2011-12**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2011-12 was assessed as Ex-parte Assessment and an additional demand of Rs. 374542/- (Tax 312961/- Intt – 61581/-,) under HVAT Act, 2003 and under CST Act of Rs. 472672/- (Tax Rs. 472672/-) was created vide disposal No 861/2011-12 dated 20-11-2013. Order along-with TDN issued and served upon the dealer on 27-12-2013.

After that the recovery proceeding were initiated by the department. Recovery notice issued on 03-07-2014 for 11-07-2014 and served on 04-07-2014. The firm stands closed since long time and RC of the dealer has been cancelled on 26-02-2016 and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 24-02-2016 and summon issued to the dealer on 24-02-2016. Notice issued to the Director's of the firm on 13-07-2020. Again Summons issued against the directors on 13-8-2021 for 23-8-2021.

As the dealer has not deposited the additional demand, action under Section 23(1) of HVAT Act is taken and interest of Rs.312961/- and CST Act, of Rs.472672/- (equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

**232. M/s Degitus Electronics Gurugram(E) TIN 30023 A.Y. 2012-13**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2012-13 was assessed and an additional demand under HVAT Act of Rs 231005/- (Tax 155385/- Intt –75620/-) and under CST Act, 249157/- (Tax 249157/-Intt. 0/-) created vide disposal No 512/2012-13 dated 17-11-2014. Order along-with TDN issued and served upon the dealer on 27-12-2014.

After that the recovery proceeding were initiated by the department. Recovery notice issued on 06-01-2015 for 16-01-2015. The firm stands closed since long time and RC of the dealer has been cancelled on 26-02-2016 and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 24-02-2016 and summon issued to the dealer on 24-02-2016. Notice issued to the Director's of the firm on 13-07-2020. Again Summons issued against the directors on 13-8-2021 for 23-8-2021.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 155385/-and CST Act, of Rs. 249457/- (equal to the outstanding tax amount) is levied.

In view of the above the audit para may please be dropped.

**233. M/s L.W Enterprises Gurugram(East) TIN 31001 A.Y. 2012-13**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2012-13 was assessed as Ex-parte Assessment and an additional demand of Rs. 17546307/- (Tax 11644219/- Intt – 5902088/-) created vide disposal No 704/2012-13 dated 25.11.2014. Order along-with TDN issued and served upon the dealer on 09-02-2015.

After that the recovery proceeding were initiated by the department. Recovery notice issued on 11-2-2016 for 19-02-2016 and served on 25-04-2016. The firm stands closed since long time and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 11-03-2016 and summon issued to the dealer on 11-03-2016. A letter issued to the Bank Manager on 26-07-2016 for encashment of bank guarantee vide dispatch no. 1491 dated 26-07-2016. Assistant General Manager of State Bank of India issued a letter to the department on 03-08-2016 in which it was stated that the bank guarantees were expired. Letter written to the Tehsildar, Gurgaon vide dispatch no. 22 dated 03-04-2018 for giving the property detail.

Recovery certificate u/s 3 (1) of Revenue Recovery Act, 1890 was issued on 04-04-2018 vide dispatch no. 53 dated 04-04-2018. The proprietor of the firm expired on 24-09-2015. Again letter issued to the Bank Manager for encashment of bank guarantees and notice issued to the Tehsildar, Delhi for giving the property detail. Again notice issued to the manager for incashment of bank guarantees and again notice issued to the Dy. Commissioner south delhi.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 11644219/- (equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

**234. M/s Track on Vogue Gurugram(E) TIN 25317 A.Y. 2010-11**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2010-11 was assessed and additional demand of Rs.493583/- (Tax 277151/- Intt - 216432/-) created vide disposal No 1487/2010-11 dated 28-03-2014. Order along-with TDN issued and served upon the dealer on 28-04-2014. Recovery proceedings were started timely, however, the recovery file in this case was misplaced and efforts are being made to search the file. However, recovery proceedings continued and notice issued to the directors of the company as well as sureties on 13-07-2020 for 13-08-2020. In earlier reply to this audit para, date of notices issued to the company was shown as 13.07.2020 which was on the basis of latest recovery proceedings as old recovery file is not traceable. The firm stands closed since long time and RC of the dealer has been cancelled on 14- 08-2015. Again notices issued to the directors and surety on 23.02.2021 for 16.03.2021 and on 13-8-2021 for 23-8-2021 which stands served. To avoid further litigation in the recovery proceeding arrear has been declared under the Land Revenue Act on dated 24.08.2021 and summon stands issued and served. However, the recovery process are already proceeded after the creation of demand .In response to the notices, the dealer deposited the amount of tax worth Rs.277151/- (Rs.1,50,000/-GRN NO.81561930 and Rs. 127151/- GRN No.81562320.) on 02.09.2021 and amount of Rs.216432/- deposited (Rs. 116432/-) GRN No.81613825/- and Rs. 100000/- GRN 81613988) on dated 03.09.2021.

In view of the above the audit para may please be dropped.

**235. M/s Degistus Electronics Gurugram(E) TIN 24532 A.Y. 2010-11**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2010-11 was assessed and an additional demand 0/- under HVAT Act, (Vat Tax 0/- Intt – 0/-) and under CST Act, 188467/-(Tax Rs. 188467/-Intt. 0/-Pen. 0/-) created vide disposal No 1376/2010-11 dated 21-02-2014. Order along-with TDN issued and served upon the dealer on 22-1-2015.

After that the recovery proceeding were initiated by the department. Recovery notice issued on 22-02-2015. The firm stands closed since long time and RC of the dealer has been cancelled on 26-02-2016. Notice issued to the Director's of the firm on 13-07-2020 and notice issued to the Income Tax Office, Gurgaon for detail of Pan Based Account Number and notice issued to the Bank Manager, Delhi for encashment of bank guarantees. . Again notice issue to the bank manager for encashment of bank guarantees and declared Punjab Land Revenue Act. under the Punjab Land Revenue Act.1887. on dated 13-8-2021 and issued summon.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of CST Act is taken and interest of Rs. 188467/- (equal to the outstanding tax amount) is levied.

In view of the above the audit para may please be dropped.

**236. M/s Degistus Electronics Gurugram(E) TIN 24532 A.Y. 2011-12**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2011-12 was assessed and an additional demand 762336/- under HVAT Act, (Vat Tax 532590/- Intt – 229746/-) and under CST Act, 88139/-(Tax Rs. 88139/-Intt. 0/-Pen. 0/-) was created vide disposal No 859/2011-12 dated 22-11-2013. Order along-with TDN issued and served upon the dealer on 27-12.2013.

After that the recovery proceeding were initiated by the department. Recovery notice issued on 27-01-2014 The firm stands closed since long time and RC of the dealer has been cancelled on 26-02-2016. Notice issued to the proprietor of the firm on 13-07-2020 and notice issued to the Income Tax Office, Gurgaon for detail of Pan Based Account Number and notice issued to the Bank Manager, Delhi for encashment of bank guarantees. . Again notice issue to the bank manager for encashment of bank guarantees and declared Punjab Land Revenue Act. under the Punjab Land Revenue Act.1887. on dated 13-8-2021 and issued summon.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HAVT Act is taken and interest of Rs. 532590/- and CST Act of Rs. 88139/- (equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

**237. M/s Degistus Electronics Gurugram(E) TIN 24532 A.Y. 2012-13**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2012-13 was assessed and an additional demand 770958/- under HVAT Act, (Vat Tax 518582/- Intt – 252376/-) and under CST Act, 63313/-(Tax Rs. 63313/-Intt. 0/-Pen. 0/-) was created vide disposal No 513/2012-13 dated 17.11.2014. Order along-with TDN issued and served upon the dealer on 27-12.2014.

After that the recovery proceeding were initiated by the department. Recovery notice issued on 22-02-2015. The firm stands closed since long time and RC of the dealer has been cancelled on 26-02-2016. Notice issued to the Director's of the firm on 13-07-2020 and notice issued to the Income Tax Office, Gurgaon for detail of Pan Based Account Number and notice issued to the Bank Manager, Delhi for encashment of bank guarantees. Again notice issue to the bank manager for encashment of bank guarantees and declared Punjab Land Revenue Act. under the Punjab Land Revenue Act.1887. on dated 13-8-2021 and issued summon.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 518582/-and CST Act, of Rs. 63313/- (equal to the outstanding tax amount) is levied.

In view of the above the audit para may please be dropped.

**238. M/s Gazal Sanitation Gurugram(E) TIN 25703 A.Y. 2008-09**

In reply to audit para, it is submitted that an additional demand of Rs. 32771/- ( Tax = 20238/- + Penalty = 12533/- ) = 32771/- was created under HVAT Act against the firm vide D. No. 463 dated 30-11-2010. Date of serving of assessment order and TDN not available on file.

In response to follow up action, recovery notice issued and duly served upon the dealer on 07-04-2016 and reminder notice issued to dealer through email for 29-06-2017. The arrears were declared as recoverable under Punjab Land Revenue Act, 1887 vide order dated 20-04-2016. Summon issued to dealer on 20-4-2016 and reminder on 23-07-2020. The firm found closed and TIN of the firm stood Cancelled. The dealer appeared in person before the then AA on 23-05-2016 and assured to deposit amount of taxes on priority, but failed to do so. Letter was written to Tehsildar Gurugram vide no. 1666 dated 23-07-2019 and reminder no. 315 dated 08-07-2020 . Notice of recovery served upon both sureties M/s Bansal Traders TIN 06021821798 and M/s Bajrang Grit Udyog TIN 06831822468 18-8-2020. Fresh recovery notice sent at the residential address of proprietor at Fatehabad, Haryana on dated 14-08-2020. Letter has been written to Bank regarding freezing of account vide letter no. 704 dated 18-08-2020. Again Notice of recovery served upon both sureties M/s Bansal Traders TIN 06021821798 and M/s Bajrang Grit Udyog TIN 06831822468 01-09-2020 and 09-08-2021 a letter was sent to office of DETC Mewat regarding recovery of arrear from M/s Bajrang Grit Udyog Rewasan crusher zone, Nuh Mewat Ward-2 TIN. 06831822468 because the sureties address are pertains to Mewat Dist.. and last recovery notice issued to the Sureties on dated 12.08.2021. Recovery of Rs. 50,000/- done by surety of M/s Bansal Traders Tin 06021821698 Gurugram vide GRN 82662380 dated 29-09-21. No demand pending against the dealer.

In view of the above it is requested that the audit para may please be dropped.

**239. M/s Gazal Sanitation Gurugram(E) TIN 25703 A.Y. 2011-12**

In reply to audit para, it is submitted that an additional demand of Rs. 388097/- [Tax = 275899/- + Interest = 112198/- + Penalty + NIL ] = 388097/- ] was created under HVAT Act and Rs. 219759/- (Tax only ) under CST Act against the firm vide order no. 1059 dated 27-11-2013. In response to follow up action, the assessment order along with TDN serving date is not available on file. In response to follow up action, recovery notice issued and duly served upon the dealer on 07-04-2016 and reminder notice issued to dealer through email for 29-06-2017. The arrears were declared as recoverable under Punjab Land Revenue Act, 1887 vide order dated 20-04-2016. Summon issued to dealer on 20-4-2016 and reminder on 23-07-2020. The firm found closed and TIN of the firm stood Cancelled. The dealer appeared in person before the then AA on 23-05-2016 and assured to deposit amount of taxes on priority, but failed to do so. Letter was written to Tehsildar Gurugram vide no. 1666 dated 23-07-2019 and reminder no. 315 dated 08-07-2020. Notice of recovery served upon both sureties M/s Bansal Traders TIN 06021821798 and M/s Bajrang Grit Udyog TIN 06831822468 18-8-2020. Fresh recovery notice sent at the residential address of proprietor at Fatehabad, Haryana on dated 14-08-2020. Letter has been written to Bank regarding freezing of account vide letter no. 704 dated 18-08-2020. Again Notice of recovery served upon both sureties M/s Bansal Traders TIN 06021821798 and M/s Bajrang Grit Udyog TIN 06831822468 01-09-2020 and 09-08-2021 a letter was sent to office of DETC

(ST) Mewat regarding recovery of arrear from M/s Bajarg Grit Udyog Rewasan Crusher Zone, Nuh Mewat Ward-2 TIN. 06831822468 because the sureties address are pertains to Mewat Dist.. and last recovery notice issued to the Sureties on dated 12.08.2021. All updates will be intimated accordingly and all possible actions will be taken against the dealer regarding recovery of arrears.

In view of the above it is requested that the audit para may please be dropped.

**240. M/s Gazal Sanitation Gurugram(E) TIN 25703 A.Y. 2012-13**

In reply to audit para, it is submitted that an additional demand of Rs. 395970/- [ Tax = 275551/- + Interest = 120419/- + Penalty = NIL ) = 395970/- ] was created under HVAT Act and Rs. 1594775/- [ Tax = 1486505/- + Interest = 108270/- + Penalty = NIL ) = 1594775/- ] under CST Act vide D. No. 778 dated 27-11-2014. The dealer was served upon assessment order and TDN on dated 06-02-2015.

Recovery Notice issued and duly served upon the dealer on 07-04-2016 and reminder notice issued to dealer through email for 29-06-2017. The arrears were declared as recoverable under Punjab Land Revenue Act, 1887 vide order dated 20-04-2016. Summon issued to dealer on 20-4-2016 and reminder on 23-07-2020. The firm found closed and TIN of the firm stood Cancelled. The dealer appeared in person before the then Assessing Authority on 23-05-2016 and assured to deposit amount of taxes on priority, but failed to do so. Letter was written to Tehsildar Gurugram vide no. 1666 dated 23-07-2019 and reminder no. 315 dated 08-07-2020 . Notice of recovery served upon both sureties M/s Bansal Traders TIN 06021821798 and M/s Bajrang Grit Udyog TIN 06831822468 18-8-2020. Fresh recovery notice sent at the residential address of proprietor at Fatehabad, Haryana on dated 14-08-2020. Letter has been written to Bank regarding freezing of account vide letter no. 704 dated 18-08-2020 Again Notice of recovery served upon both sureties M/s Bansal Traders TIN 06021821798 and M/s Bajrang Grit Udyog TIN 06831822468 01-09-2020 and 09-08-2021. A letter was sent to office of DETC Mewat regarding recovery of arrear from M/s Bajarg Grit Udyog Rewasan Crusher Zone, Nuh Mewat Ward-2 TIN. 06831822468 because the sureties address are pertains to Mewat Dist. and last recovery notice issued to the Sureties on dated 12.08.2021. All updates will be intimated accordingly and all possible actions will be taken against the dealer regarding recovery of arrears. In view of the above it is requested that the audit para may please be dropped.

**241. M/s Horeshoe Retail Holding Pvt. Ltd. Gurugram(E) TIN 28008 A.Y. 2010-11**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2010-11 was assessed as Ex-parte Assessment and an additional demand under HVAT Act, 1127528/-(Tax 744230/- Intt – 383298/-) under CST Act, Rs. 2185627/- (Tax 2138415/- Intt. 47212/-) was created vide disposal No 1253/2010-11 dated 8-1.2014. Order along-with TDN issued and served upon the dealer on 11-2-2014. After that the recovery proceeding were initiated by the department. Recovery notice issued on 13-07-2020 for 13-08-2020. The firm stands closed since long time. And notice issued to the dealer on 13-8-2021 for 23-8-2021.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 744230/-and CST Act, of

Rs. 2138415/-(equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

**242. ABAN Exim P Gurugram(E) TIN 28460 A.Y. 2009-10**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2009-10 was assessed and an additional demand under HVAT Act, of Rs. 8818080/- (Tax 5156772/- Intt – 3661308/-) and under CST Act, Rs. 334747/-(Tax 334747/-Intt. 0/-) created vide disposal No 991/2009-10 dated 28-3-2013. Order along-with TDN was sent vide dispatch no. 1791 dated 29-03-2013.

After that the recovery proceeding were initiated by the department. Recovery notice issued on 11-2-2016 for 19-02-2016 and served on 17-2-2016. The firm stands closed since long time and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 11-03-2016 and summon issued to the dealer on 11-03-2016. Again summon issued to the dealer on dated 12-08-2016 and served on 19-08-2016. Again notice issued to the dealer on dated 03-01-2018 and writ of demand issued on 03-01-2018. Again notice issued to the dealer on 3-12-2018 and 15-12-2018 and notice issued to the Director's on 15-12-2018 and notice issued to the sureties on 03-1-2019 for depositing the surety amount. Again notice issued to the Director's on 13-07-2020 and his sureties. A letter issued to the Income Tax Office, Gurgaon for detail of Pan Based Bank Accounts and a letter issued to the Dy. Commissioner South, Delhi for giving property detail. Again notice issued to the Director's on 13-08-2021 and his sureties. A letter issued to the Income Tax Office, Gurgaon for detail of Pan Based Bank Accounts and a letter issued to the Dy. Commissioner South, Delhi for giving property detail. As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 5156772/-and CST Act, of Rs. 334747/-(equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

**243. ABAN Exim P Gurugram(E) TIN 28460 A.Y. 2010-11**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2010-11 was assessed and an additional demand under HVAT Act, Rs 63526/- (Tax 36650/- Intt – 26876/-) and under CST Act Rs. 8596831/- (Tax 8596831/- Intt. 0/-) created vide disposal No 1440/2010-11 dated 11-3-2014. Order along-with TDN issued and served upon the dealer on 28-3-2014.

After that the recovery proceeding were initiated by the department. Recovery notice issued on 11-2-2016 for 19-02-2016 and served on 17-2-2016. The firm stands closed since long time and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 11-03-2016 and summon issued to the dealer on 11-03-2016. Again summon issued to the dealer on dated 12-08-2016 and served on 19-08-2016. Again notice issued to the dealer on dated 03-01-2018 and writ of demand issued on 03-01-2018. Again notice issued to the dealer on 3-12-2018 and 15-12-2018 and notice issued to the Director's on 15-12-2018 and notice issued to the sureties on 03-1-2019 for depositing the surety amount. Again notice issued to the Director's on 13-07-2020 and his sureties. A letter issued to the Income Tax Office, Gurgaon for detail of Pan Based Bank Accounts and a letter issued to the

Dy. Commissioner South, Delhi for giving property detail. Again notice issued to the Director's on 13-08-2021 and his sureties. A letter issued to the Income Tax Office, Gurgaon for detail of Pan Based Bank Accounts and a letter issued to the Dy. Commissioner South, Delhi for giving property detail. As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 36650/-and CST Act, of Rs. 8596831/-(equal to the outstanding tax amount) is levied.

In view of the above the audit para may please be dropped.

**244. ABAN Exim P Gurugram(E) TIN 28460 A.Y. 2011-12**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2011-12 was assessed as and an additional demand under HVAT Act, Rs.610967/- (Tax 357291/- Intt –253676/-) and under CST Act, Rs.5299837/-(Tax 5299837/- Intt.0/-) created vide disposal No 802/2011-12 dated 26-03-2015. Order along-with TDN issued and served upon the dealer on 09-07-2015.

After that the recovery proceeding were initiated by the department. Recovery notice issued on 11-2-2016 for 19-02-2016 and served on 17-2-2016. The firm stands closed since long time and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 11-03-2016 and summon issued to the dealer on 11-03-2016. Again summon issued to the dealer on dated 12-08-2016 and served on 19-08-2016. Again notice issued to the dealer on dated 03-01-2018 and writ of demand issued on 03-01-2018. Again notice issued to the dealer on 3-12-2018 and 15-12-2018 and notice issued to the Director's on 15-12-2018 and notice issued to the sureties on 03-1-2019 for depositing the surety amount. Again notice issued to the Director's on 13-07-2020 and his sureties. A letter issued to the Income Tax Office, Gurgaon for detail of Pan Based Bank Accounts and a letter issued to the Dy. Commissioner South, Delhi for giving property detail. Again notice issued to the Director's on 13-08-2020 and his sureties. A letter issued to the Income Tax Office, Gurgaon for detail of Pan Based Bank Accounts and a letter issued to the Dy. Commissioner South, Delhi for giving property detail. As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 357291/-and CST Act, of Rs. 5299837/-(equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

**245. M/s Rockston Italy clothing Gurugram(East) TIN 31043 A.Y. 2011-12**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2011-12 was assessed and an additional demand under HVAT Act 417076/- (Tax 296500/- Intt – 120576/-) under CST Act Rs. 7866/-(Tax 7866/-) created vide disposal No 1110/2011-12 dated 28-11-2013. Order along-with TDN issued and served upon the dealer on 27-12-2013.

After that the recovery proceeding were initiated by the department. Recovery notice issued on 18-01-2016 for 29-01-2016. The firm stands closed since long time and RC of the dealer has been cancelled on 14-08-2015 and the outstanding arrear is not possible to recover under normal course of action. Hence the arrear declared under Punjab Land Revenue Act, 1887 on 23-05-2016 and summon issued to the dealer on 23-05-2016. Letter issued to the Bank Manager, Mumbai for encashment of Bank Guarantees vide dispatch no.



1702 dated 11-08-2016. Bank Manager issued a letter to the department on 03-09-2016 in which it was stated that the bank guarantees were expired on 04-08-2013. Again a letter issued to the Branch Manager, Mumbai. Again notice issued to the bank manager for encashment of bank guarantees and summon issued

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 296500/-and CST Act, of Rs. 7866/- (equal to the outstanding tax amount) is levied. In view of the above the audit para may please be dropped.

**246. M/s MNS Glubal Serices Gurugram(E) TIN 26541 A.Y. 2010-11**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2010-11 was assessed as Ex-parte Assessment and an additional demand under HVAT Act, 394325/- (Tax 227495/- Intt – 166830/-) under CST Act, 41636/-(Tax 41636/-) created vide disposal No 1434/2010-11 dated 7-3-2014. Order along-with TDN issued and served upon the dealer on 18-3-2016.

After that the recovery proceeding were initiated by the department and the dealer deposited the additional demand of Rs 394325/- vide GRN No 20680503 on dated 7-9-2016. Now arrear of Rs. 41636/- is outstanding against the dealer. Notice issued to the Director's of Firm on dated 13-07-2020 for 13-08-2020. Again Notice issued to the Director's of Firm on dated 13-08-2021 for 23-08-2021

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 55994/-and CST Act, of Rs. 41636/- (equal to the outstanding tax amount) was levied. In reply to the notices the dealer deposited Rs. 139266/- (41636/- CST demand and 41636+55994/- as interest u/s23) vide GRN No.(80891662) dated 19.08.2021. As the dealer has paid all its outstanding demand audit para may be dropped.

**247. M/s Unity Automation Solutions Ltd Gurugram(E) TIN 28766 A.Y. 2011-12**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2011-12 was assessed and an additional demand under HVAT Act, Rs. 531403/- (Tax 0/- Intt – 3252/- Pen. 581900/-) and under CST Act Rs. 735533/- (Tax 152293/- Intt. 37640/- Pen. 545600/-) created vide disposal No 1161/2011-12 dated 29-11-2013. Order along-with TDN issued and served upon the dealer on 27.12.2014. After that the recovery proceeding were initiated by the department. Recovery notice issued on 24-06-2014 for 10-07-2014. Again notice issued to the dealer on 13-07-2020. The firm stands closed since long time. And notice issued to the directors. And declared under Punjab land revenue act, 1887 on 13-8-2021. Summon issued. As the dealer has not deposited the additional demand, however, action under Section 23(1) of CST Act, of Rs. 152293/-(equal to the outstanding tax amount) is levied.

In view of the above the audit para may please be dropped.

**248. M/s Unity Automation Solutions Ltd Gurugram(E) TIN 28766 A.Y. 2009-10**

In reply to the audit para it is submitted that the Assessment of the firm for the year 2010-11 was assessed as Ex-parte Assessment and an additional demand under HVAT

Act, Rs. 291071/- (Tax 84473/- Intt – 66598/- Pen. 140000/-) under CST Act Rs. 827780/- (Tax 450742/- Intt. 377038/-) created vide disposal No 1447/2010-11 dated 14-3-2014. However, the assessment year in the audit objection as 2009-10 Order along-with TDN issued and served upon the dealer on 21.3.2014.

After that the recovery proceeding were by the department. Recovery notice issued on 24-06-2014 for 10-07-2014. Again notice issued to the dealer on 13-07-2020. The firm stands closed since long time.

As the dealer has not deposited the additional demand, however, action under Section 23(1) of HVAT Act is taken and interest of Rs. 84473/- HVAT Act and Rs. 450742/- CST Act (equal to the outstanding tax amount) is levied.

In view of the above the audit para may please be dropped.

**249. M/s Multi Dimension Inc Gurugram(N) TIN 26121 A.Y. 2006-07**

In reply to Audit Para, it is submitted that M/s Multi Dimention Inc. Gurgaon (TIN-06891826121) was doing the business of manufacturing of Readymade Garments. It is further submitted that the assessment of the dealer was framed by then Assessing Authority under HVAT and CST Act and created the additional demand as per detail mentioned below:-

| A/Year            | Demand. No & Date | HVAT             | Particulars                                            |
|-------------------|-------------------|------------------|--------------------------------------------------------|
| 2006-07 U/s 15(5) | 495/18.03.2010    | 292149/-         | Tax - 292149/-<br>Interest - Nil<br>Penalty - Nil      |
| 2009-10 U/s 15(3) | 550/15.03.2013    | 112967/-         | Tax - 65757/-<br>Interest - 47210/-<br>Penalty - Nil   |
| 2010-11 U/s 15(3) | 1016/25.03.2014   | 339971/-         | Tax - 211425/-<br>Interest - 128546/-<br>Penalty - Nil |
| 2011-12 U/s 15(1) | 694/26.11.2013    | 427116/-         | Tax - 280260/-<br>Interest - 146856/-<br>Penalty - Nil |
|                   | <b>Total</b>      | <b>1172203/-</b> |                                                        |

The Assessment Orders for the above said assessment years have been duly served upon to the dealer along with copies of tax demand notice. The firm has been cancelled w.e.f 12.03.2014. The business premises of the firm was on rental basis in Gurugram and the proprietor of the firm, Mrs SarabjeetKaur is not residing in Gurugram.

Recovery proceedings were initiated in this case and the above said arrear was declared as an arrear under Punjab Land Revenue Act, 1887. Recovery certificate has also been sent to Collector-Cum-SDM/Tehsildar, Dwarka, Old Terminal, Kapashera, New Delhi vide this office Memo No.991 dated: 13.09.2017. After that reminder has also been sent in this regard vide letter dated: 25.03.2019, 24.07.2019 and 22.02.2021. In respect of sureties it submitted that one of the surety has already been cancelled and notice issued to the second surety to deposit the surety amount. Recovery of Rs.10000/- is made from the second surety vide DD No.507757 dated 02.08.2021 issued by ICICI Bank, Gurugram, vide GRN0080085360 dated 03.08.2021. Sincere efforts are being made to recover the balance amount due against the dealer.

The final result will be communicated after due proceedings of recovery.

**250. M/s Multi Dimension Inc Gurugram(N) TIN 26121 A.Y. 2009-10**

In reply to Audit Para, it is submitted that M/s Multi Dimention Inc. Gurgaon (TIN-06891826121) was doing the business of manufacturing of Readymade Garments. It is further submitted that the assessment of the dealer was framed by then Assessing Authority under HVAT and CST Act and created the additional demand as per detail mentioned below:-

| A/Year            | Demand. No & Date | HVAT             | Particulars                                            |
|-------------------|-------------------|------------------|--------------------------------------------------------|
| 2006-07 U/s 15(5) | 495/18.03.2010    | 292149/-         | Tax - 292149/-<br>Interest - Nil<br>Penalty - Nil      |
| 2009-10 U/s 15(3) | 550/15.03.2013    | 112967/-         | Tax - 65757/-<br>Interest - 47210/-<br>Penalty - Nil   |
| 2010-11 U/s 15(3) | 1016/25.03.2014   | 339971/-         | Tax - 211425/-<br>Interest - 128546/-<br>Penalty - Nil |
| 2011-12 U/s 15(1) | 694/26.11.2013    | 427116/-         | Tax - 280260/-<br>Interest - 146856/-<br>Penalty - Nil |
|                   | <b>Total</b>      | <b>1172203/-</b> |                                                        |

The Assessment Orders for the above said assessment years have been duly served upon to the dealer along with copies of tax demand notice. The firm has been cancelled w.e.f 12.03.2014. The business premises of the firm was on rental basis in Gurugram and the proprietor of the firm, Mrs SarabjeetKaur is not residing in Gurugram. Recovery proceedings were initiated in this case and the above said arrear was declared as an arrear under Punjab Land Revenue Act, 1887. Recovery certificate has also been sent to Collector-Cum-SDM/Tehsildar, Dwarka, Old Terminal, Kapashera, New Delhi vide this office Memo No.991 dated: 13.09.2017. After that reminder has also been sent in this regard vide

letter dated: 25.03.2019, 24.07.2019 and 22.02.2021. In respect of sureties it submitted that one of the surety has already been cancelled and notice issued to the second surety to deposit the surety amount. Recovery of Rs.10000/- is made from the second surety vide DD No.507757 dated 02.08.2021 issued by ICICI Bank, Gurugram, vide GRN0080085360 dated 03.08.2021. Sincere efforts are being made to recover the balance amount due against the dealer. The final result will be communicated after due proceedings of recovery.

**251. M/s Multi Dimension Inc Gurugram(N) TIN 26121 A.Y. 2010-11**

In reply to Audit Para, it is submitted that M/s Multi Dimention Inc. Gurgaon (TIN-06891826121) was doing the business of manufacturing of Readymade Garments. It is further submitted that the assessment of the dealer was framed by then Assessing Authority under HVAT and CST Act and created the additional demand as per detail mentioned below:-

| <b>A/Year</b>     | <b>Demand. No &amp; Date</b> | <b>HVAT</b>      | <b>Particulars</b>                                     |
|-------------------|------------------------------|------------------|--------------------------------------------------------|
| 2006-07 U/s 15(5) | 495/18.03.2010               | 292149/-         | Tax - 292149/-<br>Interest - Nil<br>Penalty - Nil      |
| 2009-10 U/s 15(3) | 550/15.03.2013               | 112967/-         | Tax - 65757/-<br>Interest - 47210/-<br>Penalty - Nil   |
| 2010-11 U/s 15(3) | 1016/25.03.2014              | 339971/-         | Tax - 211425/-<br>Interest - 128546/-<br>Penalty - Nil |
| 2011-12 U/s 15(1) | 694/26.11.2013               | 427116/-         | Tax - 280260/-<br>Interest - 146856/-<br>Penalty - Nil |
|                   | <b>Total</b>                 | <b>1172203/-</b> |                                                        |

The Assessment Orders for the above said assessment years have been duly served upon to the dealer along with copies of tax demand notice. The firm has been cancelled w.e.f 12.03.2014. The business premises of the firm was on rental basis in Gurugram and the proprietor of the firm, Mrs SarabjeetKaur is not residing in Gurugram.

Recovery proceedings were initiated in this case and the above said arrear was declared as an arrear under Punjab Land Revenue Act, 1887. Recovery certificate has also been sent to Collector-Cum-SDM/Tehsildar, Dwarka, Old Terminal, Kapashera, New Delhi vide this office Memo No.991 dated: 13.09.2017. After that reminder has also been sent in this regard vide letter dated: 25.03.2019, 24.07.2019 and 22.02.2021. In respect of sureties it submitted that one of the surety has already been cancelled and notice issued to the second surety to deposit the surety amount. Recovery of Rs.10000/- is made from the second surety vide DD No.507757 dated 02.08.2021 issued by ICICI Bank, Gurugram, vide GRN0080085360 dated 03.08.2021. Sincere efforts are being made to recover the balance

amount due against the dealer. The final result will be communicated after due proceedings of recovery.

**252. M/s Multi Dimension Inc Gurugram(N) TIN 26121 A.Y. 2011-12**

In reply to Audit Para, it is submitted that M/s Multi Dimention Inc. Gurgaon (TIN-06891826121) was doing the business of manufacturing of Readymade Garments. It is further submitted that the assessment of the dealer was framed by then Assessing Authority under HVAT and CST Act and created the additional demand as per detail mentioned below:-

| A/Year            | Demand. No & Date | HVAT             | Particulars                                            |
|-------------------|-------------------|------------------|--------------------------------------------------------|
| 2006-07 U/s 15(5) | 495/18.03.2010    | 292149/-         | Tax - 292149/-<br>Interest - Nil<br>Penalty - Nil      |
| 2009-10 U/s 15(3) | 550/15.03.2013    | 112967/-         | Tax - 65757/-<br>Interest - 47210/-<br>Penalty - Nil   |
| 2010-11 U/s 15(3) | 1016/25.03.2014   | 339971/-         | Tax - 211425/-<br>Interest - 128546/-<br>Penalty - Nil |
| 2011-12 U/s 15(1) | 694/26.11.2013    | 427116/-         | Tax - 280260/-<br>Interest - 146856/-<br>Penalty - Nil |
|                   | <b>Total</b>      | <b>1172203/-</b> |                                                        |

The Assessment Orders for the above said assessment years have been duly served upon to the dealer along with copies of tax demand notice. The firm has been cancelled w.e.f 12.03.2014. The business premises of the firm was on rental basis in Gurugram and the proprietor of the firm, Mrs SarabjeetKaur is not residing in Gurugram.

Recovery proceedings were initiated in this case and the above said arrear was declared as an arrear under Punjab Land Revenue Act, 1887. Recovery certificate has also been sent to Collector-Cum-SDM/Tehsildar, Dwarka, Old Terminal, Kapashera, New Delhi vide this office Memo No.991 dated: 13.09.2017. After that reminder has also been sent in this regard vide letter dated: 25.03.2019, 24.07.2019 and 22.02.2021. In respect of sureties it submitted that one of the surety has already been cancelled and notice issued to the second surety to deposit the surety amount. Recovery of Rs.10000/- is made from the second surety vide DD No.507757 dated 02.08.2021 issued by ICICI Bank, Gurugram, vide GRN0080085360 dated 03.08.2021. Sincere efforts are being made to recover the balance amount due against the dealer. The final result will be communicated after due proceedings of recovery.

The required information/reply in regard to the observation of the Hon'able PAC in scrutiny meeting dated 22.07.2021 to 24.07.2021 is as under:-

|                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) What standardisation of recovery efforts were made? | <p>Revenue collection is the primary function of the department. There are various ways to augment the revenue collections. Assessment of the dealer is one of the methods to enhance the revenue as by framing assessment the assessing authority ensures that the dealer has paid legitimate tax correctly and properly. That if the tax has not been paid as per law, the assessing authority passes an order creating amount due against the dealer. If any demand is created by the A.A. in that case, the copy of assessment order alongwith Tax Demand Notice is served upon the dealer with the direction to deposit the said demand within a period of 30 days as prescribed under the HVAT Act-2003. If the demand is deposited, the proceedings with regard to recovery of demand are closed. In the case dealer fails to deposit the demand the same becomes arrear after lapse of 30 days. Initially efforts are made to recover the arrear from the dealer itself by contacting personally or by issuing simple notice. However if the recovery is not effected from the dealer in the normal course by contacting the dealer personally or on issuance of simple notice, efforts are made to recover it through other available means i.e. by using coercive methods. All the Excise and Taxation Officers and Assistant Excise &amp; Taxation Officers have been vested with the powers of Assistant Collector 1<sup>st</sup> Grade under the Punjab Land Revenue Act for recovering the arrears in respect of the Acts administered by this department. These officers for the purpose of recovering the arrear follow the procedure and various modes of recovery as provided in the Punjab Land Revenue Act. Generally the following procedure is followed to recover the outstanding demand which has fallen in to arrear.</p> <p><b>(i) Preparation of recovery file</b></p> <p>The ward ETO and the Inspector prepare recovery files containing the details of the dealer as well as sureties. In addition to the above actions taken with regard to recovery of arrear like issuing notices, contacting the dealer personally or telephonically are chronologically entered.</p> <p><b>(ii) Declaring the arrear as arrear of Land Revenue</b></p> <p>If the dealer fails to deposit the said arrear despite serving of notices in this regards, the taxation inspector of the ward proposes to declare the arrear as arrear of Land Revenue Act and accordingly ETO of the ward declares the said arrear as arrear of Land Revenue under the Punjab Land Revenue Act in view of the provisions contained in section 26 of the Haryana Value Added Tax Act, 2003. It is worth to note here that modes of recovery are not provided under the Haryana Value Added Tax Act, 2003 so the assessing authority has to resort to the</p> |
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|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>recovery modes given in the Punjab Land Revenue Act.</p> <p><b>(iii) Issue of Summon</b></p> <p>After declaring the arrears of VAT/ CST Act as arrear of Land Revenue Act, summon is issued to the defaulter(s) and normally a period of 10 days is given for appearance alongwith the proof of payment of outstanding arrears. If the defaulter appears on the due date and makes the payment the proceedings against him are stopped forthwith.</p> <p><b>(iv) Issue of warrant of attachment of movable property and immovable property</b></p> <p>If the defaulter does not appear on due date or does not make the payment despite the service of the summon the assessing authority resorts to coercive methods like attaching the movable property and sale of the movable property. If the details of the movable properties, bank accounts etc. are available to the department the same is attached towards the arrear and If the same are not available then the ETO tries to know the details from the quarter concerned like Bank etc .Similarly, if the details of the immovable property is not with the department, the assessing authority makes correspondence with the Revenue Authorities, Local Body Authorities and other Authorities as he may deem fit to know the properties owned by the defaulter. Once the details are known then the assessing authority recommends the attachment of immovable property to the DETC, who exercising the powers of the collector attaches the same and proceeds to sale of the immovable property after taking necessary permissions from Excise &amp; Taxation Commissioner for auctioning the said attached property through the laid down procedure.</p> <p><b>(v) Issue of warrant of arrest</b></p> <p>If neither the immovable property nor movable property is owned by the defaulter or the details of which is not known to the ETO in such circumstances the warrant of arrest is issued and after arresting, the defaulter is detained in a lock up for 10 days by the ETO. The extension of detention period can be extended for a period not exceeding one month by the DETC.</p> <p><b>(vi) Recovery from Sureties</b></p> <p>In addition to the above the ETO of the ward can also take necessary measures to recover the arrear from the sureties to the extent of the amount as mentioned in the Surety Bond by following the same procedure as detailed above.</p> <p>The above given procedure to recover the outstanding amount is adopted in the State as a standard procedure. It is not out of context to</p> |
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mention here that the efforts of the officers are discernible from the fact that in para 2.2.7 there were 252 paras involving revenue of Rs. 61,87,84,780/- and out of these para 87 paras have been dropped by the Hon'ble PAC being the amount in these paras was either recovered or deleted. For ready reference gist of the total paras, pending paras etc. of the State is provided as under.

| Total No of Paras in the begining | No. of Paras dropped | No. of Paras pending | Amount involved in Paras mentioned at Column (A) | Amount Recovered/ Deleted involved in Paras mentioned at Column (B) | Amount in outstanding Paras at Column (C) | Amount Recovered/ Deleted from Column (F) | Balance Outstanding Amount |
|-----------------------------------|----------------------|----------------------|--------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|----------------------------|
| (A)                               | (B)                  | (C)                  | (D)                                              | (E)                                                                 | (F)                                       | (G)                                       | (H)                        |
| 252                               | 87                   | 165                  | 61,53,53,890/-                                   | 22,82,67,184/-                                                      | 38,70,86,706/-                            | 386,00,350/-                              | 34,84,86,356/-             |

However the District wise position of the PARA 2.2.7 is as under:

| A       | B                    | C                                   | D                    | E                    | F                                               | G                                                                 | H                                                | I                                              | J                                           |
|---------|----------------------|-------------------------------------|----------------------|----------------------|-------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------------|------------------------------------------------|---------------------------------------------|
| Sr. No. | Name of the District | Total No. of Paras in the beginning | No. of Paras Dropped | No. of Paras Pending | Amount Involved in Para Mentioned in Column 'C' | Amount Recovered deleted in Dropped Paras mentioned in column 'D' | Amount outstanding Paras mentioned in Column 'E' | Amount recovered / Deleted from Column No. 'H' | Balance Outstanding Amount of Pending Paras |
| 1       | AMB                  | 9                                   | 8                    | 1                    | 12813324                                        | 12605438                                                          | 207886                                           | 0                                              | 207886                                      |
| 2       | BHW                  | 73                                  | 25                   | 48                   | 24384872                                        | 6293711                                                           | 18091161                                         | 1873353                                        | 16217808                                    |
| 3       | FBD (N)              | 25                                  | 13                   | 12                   | 58520144                                        | 23664975                                                          | 34855169                                         | 4881051                                        | 29974118                                    |
| 4       | FBD (S)              | 8                                   | 2                    | 6                    | 28634988                                        | 102213                                                            | 28532775                                         | 430986                                         | 28101789                                    |
| 5       | FBD (W)              | 4                                   | 2                    | 2                    | 5372024                                         | 2318822                                                           | 3053202                                          | 160000                                         | 2893202                                     |
| 6       | GRG (E)              | 60                                  | 8                    | 52                   | 335044143                                       | 153740707                                                         | 181303436                                        | 26927249                                       | 154376187                                   |
| 7       | GRG(N)               | 7                                   | 0                    | 7                    | 3244422                                         | 0                                                                 | 3244422                                          | 10000                                          | 3234422                                     |
| 8       | KNL                  | 25                                  | 15                   | 10                   | 88222994                                        | 17226507                                                          | 70996487                                         | 2324586                                        | 68671901                                    |
| 9       | RTK                  | 19                                  | 7                    | 12                   | 23039137                                        | 7835939                                                           | 15203198                                         | 0                                              | 15203198                                    |
| 10      | SNP                  | 22                                  | 7                    | 15                   | 36077842                                        | 4478872                                                           | 31598970                                         | 1993125                                        | 29605845                                    |
|         | <b>TOTAL</b>         | <b>252</b>                          | <b>87</b>            | <b>165</b>           | <b>615353890</b>                                | <b>228267184</b>                                                  | <b>387086706</b>                                 | <b>38600350</b>                                | <b>348486356</b>                            |

(ii) List of the officers/officials who had to make recovery efforts?

Primarily ETO/Assessing Authority of the ward and Taxation Inspector are responsible for recovery of the arrears pertaining to their ward.



|                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (iii) If the amounts can be recovered from the sureties, why action was taken under arrears of land revenue? | <p>Upon framing of the assessment of the dealer, if any demand is found due in that case Tax Demand Notice is served upon the dealer alongwith copy of the order. If the amount is not paid within the period prescribed in the tax demand notice then the same is recoverable as arrear under the Land Revenue Act. The provisions of the Land Revenue Act have to be used for this purpose as there is no mode of recovery provided under the HVAT Act-2003. Primarily efforts are made to effect recovery of arrear from the dealer itself by way of issuing notices and contacting the dealer personally or telephonically etc. If the dealer fails to deposit the additional demand due against him, then the assessing authority has to resort to other means of recovery as provided under various provisions of Land Revenue Act-1887. Recovery from sureties is also done under the provisions of the Land Revenue Act-1887. It is pertinent to mention here that if on simple notice to the surety, the amount to the extent of which the surety is given, is not paid then there is only way to recover the amount by resorting to the modes of recovery provided under the Punjab Land Revenue Act. So the amount in arrear is to be declared as arrear under the Land Revenue Act either for recovery from the dealer itself or from the surety.</p> |
| (iv) If all the cases are similar, why FIR is done only in 2 cases;                                          | <p>At the outset it is submitted that the facts of the cases involved in the Para are not similar and so are the reasons for creating of additional demands are not same in all cases. Demands in 31 paras were quantified being the same were decided Ex-Parte and their different claims were disallowed in absence of accounts books etc. Similarly in 44 paras of BKO's demands were created for non-payment of voluntary tax by them. In some cases the demand was created due to the dispute of the rate of tax, inability of dealers to produce relevant declarations, disallowance of inadmissible ITC etc. The above facts clearly suggest that the facts of the cases mentioned in the Para 2.2.7 are not similar so one yardstick cannot be applied uniformly in all cases. FIR in two firms named M/s Kay Kay Enterprises, Faridabad and M/s Bhawani Trader, Faridabad mentioned at Sr. No. 93 and 94 was lodged against them because they claimed bogus input tax credit in connivance with other dealers and passed on input tax credit fraudulently to other dealers.</p>                                                                                                                                                                                                                                                                          |
| (v) How many remand cases over there and how much time has been taken to dispose off ?                       | <p>Among the 165 outstanding paras, there were only two remand cases mentioned at Sr. No. 120 &amp; 193. It is relevant to mention here that the limitation for deciding the remand case is two years from the date of the receipt of the order, of the Higher Authorities, by the Assessing Authority as provided under section 18 of the HVAT Act, 2003. Both the cases have been disposed of within the period of limitation of two years. In case of M/s Vision Communications, Karnal (Sr. No. 120) the order of the Hon'ble Haryana Tax Tribunal, Chandigarh was received on 26.02.2019 and the assessing authority has decided this case on 18.02.2021. Similarly, the other case named M/s Majgenta, Gurugram (East) at Sr. No. 193 has been decided on</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                    | 19.06.2020 whereas the order of the Jt. ETC (A) for framing de-novo assessment was received by the assessing authority on 04.07.2018.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| (vi) In cases Sr.No. 93 and 94, recovery were made from the sureties, then why recovery could not be made from the sureties in other cases by adopting the same procedures as had been adopted in cases bearing Sr. No. 93 and 94? | <p>It is submitted that the department makes all efforts to recover the amount firstly from the dealer itself and where it finds that the amount cannot be recovered from the dealer then the recovery proceeding are initiated against the sureties as well. It is also worth to mention here that the department used to take sureties invariably at the time of grant of registration under Haryana Value Added Tax Act and Central Sales Tax Act-1956 mostly for the amount ranging from Rs. Fifty Thousand to One Lakh under each Act. The department almost in every case makes efforts to recover the outstanding dues from the sureties as well. The department has not only made recovery from sureties in the cases mentioned Sr.No.93 and 94 but has also effected recovery from sureties in respect to the other firms as well mentioned at Sr.No. 19, 83, 86, 137, 138, 139, 165, 169, 180, 183, 191 and 252. Besides the above ITC amounting to Rs 50000/- under the GST Act has also been blocked of one of the surety in the case reported at Sr. No. 152.</p>                                                                                                                                                     |
| (vii) In a case mentioned at Sr. No. 120, If even after one and a half year, why action is not taken yet?                                                                                                                          | <p>The Para mentioned at Sr. No. 120 is of M/s Vision Communication, Karnal. The remand case for the year 2009-10 has been decided on 18.02.2021 whereas the same was received by the assessing authority on 26.02.2019 from the Haryana Tax Tribunal, Chandigarh It is worth to mention here that the remand case can be decided within two years from the receipt of the order of the Appellate Authority as provided in Section 18 of the VAT Act. The case has been decided within limitation, however the chronological order of the proceedings of the case as per the assessing authority is as under:</p> <ol style="list-style-type: none"> <li>1. <i>The remand case has been decided vide order No. 70A, dated 18.02.2021 with Excess Carried forward of Rs. 5948/-.</i></li> <li>2. <i>The original assessment in the case was framed by then Assessing Authority vide D. No. 1242 dated 25.03.2013 by creating demand of Rs. 1515103/-(Tax 861122 + Interest 653981) under the HVAT Act 2003.</i></li> <li>3. <i>Copy of TDN was served upon the dealer on 10.09.2013. Recovery proceeding was initiated in the case.</i></li> <li>4. <i>However, the dealer preferred an appeal against the Assessing</i></li> </ol> |

|                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                             | <p><i>Authority Order dated 25.03.2013 before the Ld. JETC (A), Ambala. Subsequently, the Ld. JETC (A), Ambala rejected the appeal vide order dated 14-08-2013.</i></p> <p><i>5. Thereafter, the dealer preferred second appeal before Hon'ble HTT, Chandigarh. Hon'ble HTT, Chandigarh vide order dated 08.02.2019 remanded the case back to the Assessing Authority with the direction "for fresh decision in accordance with law after giving reasonable opportunity to the assessee for hearing and for producing evidence in support of its claim and after examining and verifying the same". The assessee was directed to appear before the Assessing Authority on 26.03.2019.</i></p> <p><i>6. The order of Hon'ble HTT, Chandigarh was received in this office vide diary no. 4393 dated 26.02.2019.</i></p> <p><i>7. On 26.03.2019 proprietor of the firm appeared in the case without account books or any other relevant documents and requested to adjourn the case. On the request of the dealer the case was fixed for 16.4.2019.</i></p> <p><i>8. Thereafter, the case remained under proceeding by way of adjournments on request of the dealer. Subsequently, the case was fixed for 25.03.2020.</i></p> <p><i>9. However, lockdown was imposed in the country w.e.f. 23.03.2020 due to Covid pandemic.</i></p> <p><i>10. Proceeding in case was resumed by issuing a notice to the dealer for 15.07.2020. The remand case was finally decided on 18.02.2021 with Excess Carried Forward of Rs. 5948/.</i></p> <p><i>It is pertinent to mention here that the remand case was decided within stipulated period of two years of receipt of copy of remand order by the Assessing Authority as per Section 18 of HVAT Act, 2003.</i></p> |
| (viii) In case No. 234, RC of the dealer has been cancelled on 14.08.2015 and recovery notice issued on 13.07.2020. What is the justification of delay of 5 | <p>It is submitted that the assessing authority after examining the record has informed that the proceedings were initiated well in time and in its earlier reply the assessing authority mentioned the date of the notice (13.07.2020) which was issued by the assessing authority to the company as the date of the earlier notices were not known to the assessing authority being the earlier recovery file was misplaced. The whole amount of additional demand has now been recovered by the department. However the detailed reply of the assessing authority in this regard is as under :</p> <p><i>"In reply to the audit para it is submitted that the Assessment of the firm for the year 2010-11 was assessed and additional demand of Rs.493583/- (Tax 277151/- Intt – 216432/-) created vide disposal No 1487/2010-11 dated 28-03-2014. Order along-with TDN issued and</i></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| years to issue recovery notice to the firm? | <p>served upon the dealer on 28-04-2014.</p> <p><i>Recovery proceedings were started timely, however, the recovery file in this case was misplaced and efforts are being made to search the file. However, recovery proceedings continued and notice issued to the directors of the company as well as sureties on 13-07-2020 for 13-08-2020. In earlier reply to this audit para, date of notices issued to the company was shown as 13.07.2020 which was on the basis of latest recovery proceedings as old recovery file is not traceable. The firm stands closed since long time and RC of the dealer has been cancelled on 14-08-2015. Again notices issued to the directors and surety on 23.02.2021 for 16.03.2021 and on 13-8-2021 for 23-8-2021 which stands served. To avoid further litigation in the recovery proceeding arrear has been declared under the Land Revenue Act on dated 24.08.2021 and summon stands issued and served. However, the recovery process are already proceeded after the creation of demand .In response to the notices, the dealer deposited the amount of tax worth Rs.277151/- (Rs.1,50,000/-GRN NO.81561930 and Rs. 127151/- GRN No.81562320.) on 02.09.2021. And amount of Rs.216432/- deposit (Rs 116432/- GRN No. 81613825 and Rs 100000/- GRN No. 81613988) on dated 03.09.2021.</i></p> <p><i>In view of the above the audit para may please be dropped."</i></p> |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that action for recovery in 165 cases are under process .

**During oral examination the Committee would like to know detail of departmental plan for recovery of arrears of revenue, latest status of constitution of 'Recovery Cell' for the purpose and detail of monitoring mechanism of recovery process.**

**The Committee further desired to know that how much time department would take for preparation of detail of breakup of arrear of revenue into various categories and recommended that a complete report in this regard be submitted expeditiously to the Committee.**

**The committee, also recommends that complete action taken report in 15 identified cases mentioned at Sr No. 99,105,107,109,110,117,118,119,137,138, 151,164,165,169 and 207 in the reply of para (for the meeting dated 02.12.2021) be submitted to the Committee at the earliest.**

**The department in its written reply stated as under (STATE EXCISE):**

Instructions have been issued to the district offices for undertaking a special drive for recovery of old arrears. A mechanism for regular monitoring of these arrears by DETC (X), JETC (Range) and Head Office has been put in place. The officers have been directed to

gives special emphasis to maintenance of recovery files and taking action in cases of writing of, property attachment as well as cases in which recovery has been stayed.

The latest position of arrears involved in the para is as under:-

| <b>Para No. 2.2.7 (Excise) Failure to initiate follow up action.</b> |                          |             |                        |                |                            |              |                |                |
|----------------------------------------------------------------------|--------------------------|-------------|------------------------|----------------|----------------------------|--------------|----------------|----------------|
| <b>CAG Report for the year 2015-16.</b>                              |                          |             |                        |                |                            |              |                |                |
| <b>Sr. No</b>                                                        | <b>Name of Districts</b> | <b>Year</b> | <b>Number of cases</b> | <b>Amount</b>  | <b>Recovered/ adjusted</b> |              | <b>Balance</b> |                |
|                                                                      |                          |             | <b>Case</b>            | <b>Amt</b>     | <b>Case</b>                | <b>Amt</b>   | <b>Case</b>    | <b>Amt</b>     |
| 1                                                                    | Faridabad                | 2014-15     | 32                     | 1801.69        | 0                          | 2.54         | 32             | 1799.15        |
| 2                                                                    | Gurugram (East)          | 2014-15     | 6                      | 735.31         | 0                          | 0            | 6              | 735.31         |
| 3                                                                    | Bhiwani                  | 2014-15     | 4                      | 55.87          | 2                          | 10.38        | 2              | 45.49          |
|                                                                      | <b>Total</b>             |             | <b>42</b>              | <b>2592.87</b> | <b>2</b>                   | <b>12.92</b> | <b>40</b>      | <b>2579.95</b> |

In this Para, there are three districts namely Bhiwani(Excise), Faridabad(Excise) and Gurugram (Excise) respectively for the financial year 2014-15 involving 42 retail liquor licensee. The arrears have been declared under Punjab Land Revenue Act, 1887. The total amount involved was Rs. 25.93 crore, out of which 0.13 Crore has been recovered in 2 cases and an outstanding amount of Rs. 25.80 crore is remaining against 40 cases.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that an amount of Rs 25 crore is pending for recovery in three involved districts.

**The Committee therefore, recommended that pragmatic efforts for recovery of balance amount be made under intimation to the Committee.**

**[78] 2.2.8(i) Non levy of interest**

Audit scrutiny of records of three offices of DETC (ST) revealed that in three cases, an additional demand of Rs.124.78 crore was created between September 2010 and March 2015 for the years 2007-08 to 2011-12. The AAs issued notice for recovery and declared the arrears recoverable as arrears of land revenue under PLR Act. Meanwhile, the assessee had gone into liquidation. While forwarding the claim to the official liquidator (between September 2014 and May 2016), the AAs failed to include the amount of interest of ₹23.51 crore and lodged lesser claim of ₹ 0.07 crore. This resulted in short lodging of claim of ₹23.58 crore.

On this being pointed out, DETC Faridabad (West) and Rohtak stated (March and July 2016) that demand of interest of ₹ 19.20 crore had been sent to the official liquidator. No reply was received from DETC (ST) Gurgaon (October 2016).

**The department in its written reply stated as under:**

In reply to audit objection raised by the audit party, it is informed that the objection raised is partly accepted to the extent that the amount of interest leviable for the period 2007-08 to 2011-12 was Rs. 21.41 Cr. as against Rs. 23.51 Cr. as calculated by the audit team. The claim has now been rightly lodged before the official liquidator, including the amount of Rs. 0.7 Cr. As the issue involved in the audit observation has been addressed by the department (the detail follows), the para may kindly be dropped.

Original demand created for the year 2007-2009 to 2011-2012

|              |                                                                   |                      |
|--------------|-------------------------------------------------------------------|----------------------|
| 1.           | M/s Evinix Accessories, Ltd. Faridabad (West) 2007-08 to 2010-11. | 11.88 Cr.            |
| 2.           | M/s Rockman Breweries Gurgaon (East) 2009-10 to 2010-11           | 2.79 Cr.<br>1.45 Cr. |
| 3.           | M/s Surya Vinayak Industries Ltd. Rohtak 2008-09 to 2011-12       | 108.66 Cr.           |
| <b>Total</b> |                                                                   | <b>124.78 Cr.</b>    |

**Detail of interest amount**

| Sr. No.      | Name of Firm                                                     | As calculated by the AG | As calculated by the Department |
|--------------|------------------------------------------------------------------|-------------------------|---------------------------------|
| 1.           | M/s Evinix Accessories, Ltd. Faridabad (West) 2007-08 to 210-11. | 5.00 Cr.                | 5.00 Cr.                        |
| 2.           | M/s Rockman Breweries Gurgaon (East) 2009-10 2010-11             | 3.18 Cr.<br>1.12 Cr.    | 1.43 Cr.<br>0.60 Cr.            |
| 3.           | M/s Surya Vinayak Industries Ltd. Rohtak 2008-09 to 2011-12      | 14.21 Cr.               | 14.21 Cr.                       |
| <b>Total</b> |                                                                  | <b>23.51 Cr.</b>        | <b>21.24 Cr.</b>                |

**There is a difference of Rs. 2.27 Cr. in amount of interest as calculated by the Department and AG. The difference is in the firm mentioned at Sr. No. 2 and the reason for difference is calculation of interest on interest amount as detailed in reply of the said para.**

**1. M/s Evinix Accessories, Ltd Faridabad (North) TIN 6301316762, A.Y. 2007-08 to 2010-11.**

The dealer company was a manufacturer of Apparels. The company M/s Evinix Accessories Ltd. has been ordered to be provisionally wound up by the Hon'ble Court of Punjab & Haryana vide their order dated 04.04.2014 in C.P. No. 15 of 2014. An amount of Rs. 11,88,23,719/- is due against the above said company on account of additional demand and claim was already lodged before the Official Liquidator vide memo no. 7054 dated 26.09.2014 through statement of proof of debt.

An additional amount of interest leviable U/s 23 (I) of HVAT Act, 2003 of Rs. 5,00,49,594/- which has been pointed out the audit has also been intimated as due

against M/s Evinix Accessories Ltd. to the Assistant Official Liquidator attached to the Hon'ble Punjab & Haryana High Court vide no. 4874 dated 31.03.2016.

Now a total demand of 16.88 crore (11.88 cr. + 5.00 Cr.) has been intimated to the Recovery Officer of Debts Recovery Tribunal-II Delhi vide memo no. 1009 dated 01.07.2019.

Any amount which will be apportioned against this demand by the Debts Recovery Tribunal-II Delhi will be intimated to the audit.

## **2. M/s Rockman Breweries Gurgaon (East) TIN 6711829130, A.Y. 2009-10**

In reply to the audit para it is submitted that the assessment for the year 2009-10 was finalized u/s 15(4) of HVAT Act, 2003 on 21.03.2013 vide disposal no. 655, wherein an additional demand of Rs. 2,79,24,062/- was created alongwith interest of Rs. 1,36,68,531/- and penalty of Rs. 5,87,000/.

Audit para is admitted to the extent that the interest u/s 23(1) of HVAT Act, 2003 is leviable on tax and penalty, whereas the audit has calculated interest u/s 23(1) on total amount i.e. Tax, Penalty and Interest. In view of this, interest is to be calculated on Rs. 1,42,55,531/- and not on Rs. 2,79,24,062/- as calculated by audit party. The comparison between audit objection and department view is as mentioned below:-

| Sr. No.  | Particulars                                                      | Audit View      | Department's Stand |
|----------|------------------------------------------------------------------|-----------------|--------------------|
| <b>1</b> | <b>Additional Demand of Tax</b>                                  | <b>13668531</b> | <b>13668531</b>    |
| 2        | Additional Demand of Interest u/s 14(6) of HVAT Act, 2003        | 13668531        | 13668531           |
| 3        | Additional Demand of Penalty                                     | 587000          | 587000             |
| 4        | Total (1+2+3)                                                    | 27924062        | 27924062           |
| <b>5</b> | <b>The amount on which Interest levied u/s 23(1) of HVAT Act</b> | <b>27924062</b> | <b>14255531</b>    |
| 6        | Calculation of Interest u/s 23(1) of HVAT Act, 2003              | 31777582        | 14255531           |

As per HVAT Act, 2003 interest cannot be levied on interest, so interest under Section 23(1) payable by the dealer comes to Rs. 1,42,55,531/- (not exceeding the amount of tax or penalty) and not Rs. 3,17,77,582/- as pointed out by the Audit Party.

The company went into liquidation and the claim before the Official liquidator Sh Sanjay Verma, A-2, W-2, Curzon Road Barrack, KG Marg, New Delhi appointed by Delhi High Court has been lodged for 4,21,79,593/- for 2009-10 and Rs. 2,05,35,993/- for 2010-11 respectively vide this office letter No 4917/E-3/ Dated 20.02.2020. The liquidator has informed this office that no claims has been invited in this matter as and when claims will be invited after permission/directions of the Hon'ble Delhi High Court, adjudication of your claim submitted to this office by your office will made accordingly.

In view of the above para may please be dropped.

**2010-11****M/s Rockman Breweries Gurgaon (East) TIN 6711829130, A.Y. 2010-11**

In reply to the audit para it is submitted that the assessment for the year 2010-11 was finalized u/s 15(4) of HVAT Act, 2003 on 20.03.2014 vide disposal no. 924, wherein an additional demand of Rs. 77,62,996/- was created alongwith interest of Rs. 67,79,964/-. Net demand as per assessment order is Rs. 1,45,42,960/-.

Audit para is admitted to the extent that the interest u/s 23(1) of HVAT Act, 2003 is leviable on net demand, whereas the audit has calculated interest u/s 23(1) on total demand i.e Tax and Interest. In view of this, interest is to be calculated on Rs. 77,62,996/- and not on Rs. 1,45,42,031/- as calculated by audit party. The comparison between audit objection and department view is as mentioned below:-

| Sr. No.  | Particulars                                                      | Audit View      | Department's Stand |
|----------|------------------------------------------------------------------|-----------------|--------------------|
| <b>1</b> | <b>Additional Demand of Tax</b>                                  | <b>7762996</b>  | <b>7762996</b>     |
| 2        | Additional Demand of Interest u/s 14(6) of HVAT Act, 2003        | 6779964         | 6779964            |
| 3        | Total (1+2)                                                      | 14542960        | 14542960           |
| <b>5</b> | <b>The amount on which Interest levied u/s 23(1) of HVAT Act</b> | <b>14542031</b> | <b>7762996</b>     |
| 6        | Calculation of Interest u/s 23(1) of HVAT Act, 2003              | 11226447        | 5993033            |

As per HVAT Act, 2003 interest cannot be levied on interest, so interest under this act which is payable by the dealer comes to **Rs. 59,93,033/-(not exceeding the amount of tax)** and not **Rs. 1,12,26,447/-** as pointed out by the Audit Party.

The company went into liquidation and the claim before the Official liquidator Sh Sanjay Verma, A-2, W-2, Curzon Road Barrack, KG Marg, New Delhi appointed by Delhi High Court has been lodged for 4,21,79,593/- for 2009-10 and Rs. 2,05,35,993/- for 2010-11 respectively vide this office letter No 4917/E-3/ Dated 20.02.2020. The liquidator has informed this office that no claims has been invited in this matter as and when claims will be invited after permission/directions of the Hon'ble Delhi High Court, adjudication of your claim submitted to this office by your office will made accordingly.

In view of the above para may please be dropped.

**3. M/s Surya Vinayak Industries Ltd., Rohtak TIN 6602821161, A.Y. 2008-09 to 2011-12**

The dealer M/s Surya Vinayak Industries Ltd. Rohtak was registered dealer under the HVAT Act, 2003 and CST Act, 1956 holding TIN 06602821161 and the Company was engaged in the business of Mfg. of perfumes extracted from sandal woods etc. The company stands closed and TIN cancelled w.e.f. 01.04.2015.



Further, it is intimated that the A.A. while framing the assessment of the dealer for the year 2008-09 to 2011-12 created additional demand of Rs. 1,08,65,52,452/- on account of short payment of tax, levy of interest under Section 14(6) of the HVAT Act and on account of non submission of 'C' and 'F' Forms under the CST Act, 1956.

Now, the Assessing Authority has also levied interest of Rs. 14,20,45,111/- under Section 23 of the HVAT Act, 2003 for non -payment of additional demand for the year 2008-09 to 2011-12 vide order No. 160A/2008-09 to 2011-12 dated 04.08.2016. The assessment for the year 2012-13 and 2013-14 was finalized under Section 15(4) of the HVAT Act, 2003 as the firm was closed. The demand created for the year 2012-13 & 2013-14 is also mentioned below:

| AY      | Date of Assessment Order | Amount Due        | Interest         |
|---------|--------------------------|-------------------|------------------|
| 2008-09 | 20.3.2012                | 5290962           | 6412645          |
| 2009-10 | 14.03.2013               | 12433498          | 10431701         |
| 2010-11 | 31.03.2014               | 29769690          | 14021524         |
| 2011-12 | 31.03.2015               | 1039058302        | 111179238        |
| 2012-13 | 30.03.2016               | 108104830         | 0                |
| 2013-14 | 06.03.2017               | 169366            | 0                |
|         | <b>TOTAL</b>             | <b>1194826648</b> | <b>142045111</b> |
|         | <b>Grand Total</b>       | <b>1336871756</b> |                  |

**Now, total outstanding arrear due against the defaulter is Rs. 1,33,68,71,756/-.**

The arrear outstanding against the defaulter has been declared as arrears under the Punjab Land Revenue Act, 1887 and accordingly, Land measuring 33 Kanal 7 Marla situated at Naya Bans, Sampla Rohtak has been attached under Section 72 of the Punjab Land Revenue Act, 1887. The Company has been placed under liquidation by the Hon'ble High Court of Delhi and the claim of the Department against arrears of Rs. 1336702393/- had been lodged before the Official Liquidator in prescribed performa vide no. 1237/TI/W-6 dated 10.08.2016 and no. 1236/TI(W-6) dated 10.08.2016. The case before the official liquidator is still pending.

Further, letter no 1779 dated 29/9/2017 has also been issued to the Tehsildar Rohtak for enhancement of arrears of Rs. 1,69,366/-. Another reminder in this case was written from the O/o DETC (ST) Rohtak on 27.02.2019 vide letter No. 3566/TI (W-6). Now the total dues of the firm is Rs. 1,33,68,71,759.

A letter to the Official Liquidator, Department of Company Affairs, 8th floor, Lok Nayak Bhawan, Khan market, New Delhi has been sent vide this office memo No 1781 dated 29.09.2017 for lodging of claim of Rs. 1,33,68,71,759/- in Form No 66 under Rule 151 of the Companies Rules 1959, vide this office letter No. 3566/T.I. (W-6) dated 27.02.2019 and second reminder vide this office letter No. 5131/ETO/Ward-6/Rohtak dated 01.01.2020 and third reminder vide letter No. 5585/ETO/Ward6/Rohtak dated 03.02.2020.

**Further, as regarding The committe observations in scrutiny meeting dated 22.07.2021 to 24.07.2021 regarding action taken against the erring officers/officials in these cases who have not levied interest at that time, the case is under examination.**

**Observations and Recommendations of the committee as under:**

During oral examination the committee observed that recovery was pending and desired to know how long department would take to complete required action against erring officers/officials.

The committee therefore recommends that a complete and detailed report regarding action taken for recovery and fixation of responsibility be submitted to the committee at the earliest.

**[79] 2.5 Under assessment of tax due to calculation mistake**

**Assessing Authorities levied tax of ₹2.74 crore instead of correct amount of ₹4.53 crore resulting in under assessment of tax of**

**₹1.79 crore due to calculation mistake.**

Under Section 19 of the HVAT Act, any taxing authority or appellate authority, may, at any time, within a period of two years from the date of supply of copy of the order passed by it in any case, rectify any clerical or arithmetical mistake apparent from the records of the case after giving the person adversely affected a reasonable opportunity of being heard.

Audit scrutiny of records (December 2014 and August 2015) of the offices of DETCs (ST), Faridabad (West), Panchkula and Rohtak revealed that three dealers made sales valued at ₹74.97 crore during 2011-12. The AAs, while finalising the assessments between November 2013 and March 2015, levied tax of ₹2.74 crore instead of correct amount of ₹4.53 crore resulting in under-assessment of tax of ₹1.79 crore.

On this being pointed out, AA Faridabad stated in January 2016 that the mistake had been rectified. DETC (ST) Rohtak stated in July 2016 that factory land of the assessee had been attached by issue of warrant u/s 72 of Punjab Land Revenue Act, 1887 to recover the tax of ₹2.65 crore. DETC (ST) Panchkula stated in July 2016 that the case had been sent to Revisional Authority for *suo motu* action. Further progress of recovery has not been received (October 2016).

The matter was reported to the Government in March 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:**

1. **M/s Bhargave Enterprises, Faridabad (West) TIN 06231324606, A.Y. 2011-12. CASE DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021.**
2. **M/s Core Project & Technologies, Panchkula TIN 06652507678, A.Y. 2011-12.**

In reply to audit objection, it is submitted that while framing the assessment for the year 2011-12, then Assessing Authority passed an assessment order creating an additional demand of Rs. 12180796/- under the HVAT Act 2003 vide order DNo 1080/2011-12 dated 31.3.2015. The Audit team during the perusal of the assessment file observed on 21.8.2015, that the actual tax leviable on the taxable turnover @5.25% and 13.125% respectively was Rs. 29787187/- instead of Rs. 27258955/- levied by then Assessing

Authority vide D.No. 1080/2011-12 dated 31.3.2015. The audit team further pointed out that this resulted into underassessment of tax Rs 2528203/- (Rs. 29787187-Rs 27258955/-) beside levy of interest.

Thereafter, the dealer preferred an appeal before the Jt E.T,C(A) Ambala against the original assessment order of assessing Authority dated 31.3.2015. The first appellate authority dismissed the appeal No Panchkula-44/VAT/15-16 vide order dated 17.7.2018 as the assessee firm failed to comply with the provisions of 33(5) of the HVAT Act 2003 by not submitting the surety bond at the time of hearing which was communicated to this office on dated 8.8.2018, thereafter recovery proceeding has been initiated by issuing notice dated 15.02.2019, which could not be served due to clouser of the business. Further, a letter bearing No. SPL-1, dated 13.09.2019 is also sent to the Manager, Bank of Rajasthan, Andhri, Mumbai, for attachment for Bank account of assessee firm but no response has been received from the bank.

Thereafter, then Assessing Authority sent the Assessment file to the Revisinal Authority Panchkula for taking action under the provisions of section 34 of the HVAT Act 2003 on dated 26.4.2016. The Revisional Authority initiated the case by issuing notice to the dealer under section 34 of the HVAT Act 2003 on 25.5.2016 and on the conclusion of the proceedings, decided the case vide order dated 28.2.2020 wherein interest of Rs. 10806872/- and penalty of Rs. 185000/- was imposed and additional demand of Rs. 16552398/- was created under the HVAT Act 2003. The said Revisional order along with TDN inform VAT N-4 was served upon the assessee firm through email on dated 7.9.2020 as the firm was found closed at the given address.

Further, perusal of the record pertaining to the assessee firm reveals that the RC part of firm is not traceable for which attempts are being made to trace the same. However, it is mentioned here that the assessing authority has been able to fetch out the Bank guarantee relating to the firm issued by PNB Bank Andheri Mumbai bearing BG No. 21751LG019311 of Rs. 150000/- BG 21751LG019211 of Rs. 50000/- and BG No. 21751LG016111 of Rs. 50000/-. The bank has been requested to encash the aforesaid bank guarantees by exempting the condition of original bank guarantee vide letter No 5225 dated 25.2.2021.

Further, to secure the revenue, this office vide letter no 5365 dated 17.2.2021 has sought information from Tehsildar Panchkula to provide the detail of immoveable perty held in the name of the firm M/s Core Education and Technology Ltd Panchkula SCO 348P Sector 09 Panchkula, if any, so that further action can be taken in respect of outstanding dues against the firm. Thereafter reminder letter has again issued vide letter 1528 dated 26.7.2021. Further recovery certificate has also been sent to the Collector Mumbai vide letter dated 19.8.2021. Reply is still awaited.

### **3. M/s Shiva Udyog, Rohtak TIN 06622819695, A.Y. 2011-12**

The dealer M/s Shiva Udyog Barrel (P) Ltd. Rohtak TIN 06622819695 was registered under the HVAT Act 2003 and CST Act 1956 and was engaged in the business of manufacturing of Aluminum channels and date of liability 30.12.1994. Now the firm stands closed.

The Assessment for the year 2011-12 was finalized vide order No. 467/2011-12 dated 09.03.2015. Audit party made observation that during assessment Assessing Authority not levied tax on goods sold against VAT D-1 on turnover of Rs. 328830609/-. Para admitted to

this extent as in TTO sale against VAT D-1 @ 4.2% was deducted but in computation tax part was not reflected in assessment order so on dated 22.07.2015 Assessing Authority rectified the clerical mistake and levied tax on TTO of Rs. 328830609/- of sale against VAT D-1@ 4.2% amounting to tax of Rs. 13810885/-. Further, in original order excess of Rs. 28698533/- was adjusted under CST Act therefore adjusting additional demand created in rectified order of Rs. 13810885/- the excess of VAT got reduced to Rs. 14887648/-. Therefore, demand was created under CST Act resultantly CST demand got increased from Rs. 12705135/- (in original) to Rs. 26516020/- (in rectified order) (12705135/- + 13810885/- = Rs.26516020/-).

The rectified order served by pasting on the last known premises of firm on dated 28.07.2015 as the firm was closed. On dated 06.08.2015 (i.e. within 10 days) arrears were declared as revenue recoverable under the Punjab Land Revenue Act, 1887 including arrear of A.Y. 2012-13 of Rs. 11425949/- totaling Rs. 37942069/- .

Summon also issued on 06.08.2015 for 21.09.2015 to dealer. In the meantime, PNB Recovery Section circle office Rohtak issued E-Auction advertisement in newspaper where it is shown bank had already in possession of two property namely (1) Factory land and building situated at khewat no. 454, khatoni no. 587 and khewat no. 453, khatoni no. 586, shiv vihar, kharkhoda Road, Kheri Sampla, Distt. Rohtak msg. 6866.75 sq. yds vide sale deed no. 1786 dt. 03.11.06. (2) Factory land and building situated at khewat no. 454 khatoni no. 587 total area 12 Marla at Shiv Vihar, Kheri sampla vide sd no. 1622 dt. 10.08.09 in the name of Shiva Udyog Barrels Pvt. Ltd. and factory land & building at Khewat no. 454, khatoni no. 587, total area 7k 8m vide sd n 1997 dt. 03.03.2009 in the name of Shiva Udyog Barrels Pvt. Ltd. at Shiv Vihar Kheri Sampla, Distt. Rohtak.

Where E-auction date was shown on 25.09.2015 at 11:00 a.m. In the mean time on 17.09.2015 vide letter no. 1495 of this office informed Authorized Officer, Recovery Section, Circle Office PNB Rohtak u/s 26 of HVAT Act, 2003 and claimed that above property should be in possession of this department instead of the Bank and requested to stop the E-auction. On 17.09.2015 of this office vide letter no. 1493 to Tehsildar, Sampla for not to register any sale deed. On 19.09.2015, PNB Recovery Section Circle Office, Rohtak requested to provide a copy of demand notice serviced upon the party. On 24.09.2015, this office vide letter no. 1536 to Authorized Officer, Recovery Section Circle Office PNB Rohtak informed that the question of supply of demand notice to the bank is quite irrelevant and have no bearing on the status of the case. On 10.02.2016 fresh warrant of attachment was issued vide letter 3067 to Tehsildar Sampla.

Reminder also was issued on 29.08.2016 to Tehsildar Sampla who made red entry in Land record on 01.09.2016. On 03.10.2016 PNB Recovery Section Circle Office, Rohtak informed to this office that as per SARFAESI Act bank is secured creditor and will have priority in payment of debts. On 04.11.2016, this office sought information from Tehsildar Sampla and Recovery Section Circle Office, PNB about status of Auction of property.

In turn bank vide letter dated 09.11.2016 replied a part of land sold much earlier on 08.07.2015. Whereas no property sold on scheduled dated 25.09.2015. On 06.03.2017 this office again requested to bank to stop E-auction of said dealer property. In reply bank informed on 08.03.2017 that auction is fixed for 17.03.2017 as bank money more than Rs. 35 crore is involved.

Later on Bank told that they have auctioned the said property and against their recovery of more than 35 crores, they have realized less than half of their dues after auctioning of said attached properties of firm.

**Observations and Recommendations of the The committe as under:**

**During oral examination the committe would like to know latest status of recovery and pendency of arrear of revenue.**

**The committe further recommends that necessary action in two pending cases presently under process in NCLT be got completed and a detailed revised report in the cases be submitted to the committe within 15 days.**

**2.6 Short/Non levy of tax due to incorrect classification**

**Non-compliance with clarifications issued by Government and incorrect classifications of goods by Assessing Authorities resulted in short levy of tax of ₹2.49 crore as well as interest of ₹88.58 lakh.**

Under Section 7 (1) (a) (iv) of the HVAT Act, tax is leviable at rates specified in Schedules 'A' to 'G' of the Act depending upon the classification of goods. Items not classified in the above schedules are taxable at the general rate of tax of 12.5 per cent with effect from 1 July 2005. Further, surcharge at the rate of five per cent of the tax was also leviable w.e.f. 02 April 2010. In addition, in case of default of payment of tax, interest was also leviable under Section 14 (6) of the HVAT Act.

**[80] 2.6.3 Short/Non levy of tax due to incorrect classification**

The Government had clarified on 23 June 2014 that paneer is an unclassified item and was liable to VAT as unclassified goods at general rate of tax 12.5 per cent and surcharge at rate of five per cent on the tax leviable w.e.f 2nd April 2010. Audit scrutiny of records (August and October 2015) of the offices of DETC (ST), Jind and Panchkula revealed that two dealers sold paneer valued at ₹6.79 crore during the years 2010-11 to 2012-13 and paid the tax at rate of five per cent plus surcharge. The AAs, while finalising the assessments between March 2014 and March 2015 also levied tax at the rate of 5 per cent plus surcharge instead of correct rate of 12.5 per cent plus surcharge as per clarification of the Government. This resulted in short levy of tax amounting to ₹53.44 lakh. In addition, interest of ₹35.56 lakh was also leviable.

On this being pointed out, the DETCs (ST), Jind stated in March 2016 that the case had been sent to Revisional Authority for taking suo motu action. ETO (Panchkula) stated in July 2016 that an additional demand of ₹44.50 lakh had been created and effort would be made to recover the amount.

**The department in its written reply stated as under:**

- 1. M/s The Hisar Jind Co-op Milk, Prod, Union Ltd, Jind TIN 06432004078 A.Y. 2010-11 and 2011-12.**

The reply of the Audit objection, it is stated that the assessment case for the year 2010-11 decided by the Assessing Authority vide his order No.486/2010-11 dated

24.03.2014 & the assessment case for the year 2011-12 decided by the Assessing Authority vide his order No.656/2011-12 dated 25.03.2015 vide which demand has been created for the year 2010-11 worth Rs. 15080-00, the same was deposited on 11.06.2014 and 2011-12 worth Rs. 40293-00, the same amount was deposited on 10.06.2015. (the audit party raised an audit objection). After that the case was sent to the Revisional Authority and held that the goods sold by the firm i.e. cottage Cheese which is covered under schedule 'C' of HVAT ACT, 2003. Therefore the assessing Authority has rightly levied tax @5% by considering the goods under entry 81 of the schedule 'C'. On 13-06-2016 the Revisional authority-Cum-DETC, Jind personally visited along-with supporting staff and examined the process carefully stage by stage and found that the dealer is making Paneer manually. The process is "Firstly"milk is taken in milk vessel and then it is heated and by addition of Citric Acid, it is coagulated, then it is wrapped in cloth to make the paneer block. Thereafter, it is pressed by keeping weights. The paneer blocks are removed for further packing. In whole process no machine is used, hence process is manual and not covered in case of M/s KCL milk product Pvt. Ltd. Faridabad. The case is rightly assessed. However, the department has filed an appeal against the order of DETC cum Revisional Authority, Jind before the Hon'ble Haryana Tax Tribunal vide STA No. 30 of 2020-21 dated 03-07-2020 and the date of the case is not fixed yet by the Hon'ble HTT.

**2. M/s The Ropar Distt. Co-op Milk Product, Panchkula TIN 065120410037 A.Y. 2012-13**

The Audit Para is admitted. The dealer is a branch of verka, which deals in resale Milk, curd and cheese (Paneer) etc. Para No. 2.6.3 C.A.G 2015-16 for M/s The Ropar Distt. Coop Milk Producers Union Ltd. The original assessment was decide in scrutiny with disposal No.390/2012-13 dated 20.08.2014 creating an additional demand of Rs.70/- . There after, the case was sent to the Revisional Authority and the Revisional Authority decided the case vide additional demand No. 01/dated-18.04.2016 creating an additional demand of Rs 2456403/- Tax, Rs.1993478 Penalty, total demand Rs. 4449881/- under VAT Act by taxing the cheese (Paneer) @13.125% in view of department clarification issued in case of M/s KCL Milk Products (P) Ltd. Faridabad u/s 56(3). The order and TDN was served on 13.06.2016

The dealer challenged the order of Revisional Authority before Hon'ble Haryana Tax Tribunal and the Hon'ble Tribunal vide it's order dated 20.04.2018, had set aside the order dated 18.04.2016 passed by the Revisional Authority in view of the decision in STA No.209 of 2011-12 M/s Light Graphics (P) Ltd. Fbd. Now the Department had filed the VAT Appeal No. 118 and 124 of 2019 as per proposal received from L.R. Haryana vide letter No. 9297 dated 2.2.2019. The same was fixed for 17-07-2020. The next date is pending.

In view of the above the para may please be dropped.

**Observations and Recommendations of the committe as under:**

During oral examination department stated that appeal of department in two cases was pending in Hon'ble High court.

**The committe therefore recommends that appropriate action be taken as per final outcome of court case under intimation to the committe.**

**[81] 2.6.4 Short/Non levy of tax due to incorrect classification**

The Government had clarified on 18 July 2013 that taxable event is the transfer of right to use goods and the rate applicable to transfer of right to use goods is the rate applicable on sale of such goods. Audit scrutiny of records (September 2015) of the office of DETC (ST), Panchkula revealed that a dealer had leased motor vehicles valued of ₹1.87 crore during the years 2011-12 to 2012-13 and paid tax at rate of five per cent plus surcharge. The AA, while finalising the assessments between September 2013 and August 2014, levied tax at the rate of five per cent plus surcharge instead of correct rate of 12.5 per cent plus surcharge. This resulted in short levy of tax amounting to ₹14.70 lakh. In addition, interest of ₹6.89 lakh was also leviable. On this being pointed out, the AA Panchkula stated in July 2016 that the cases had been sent to DETC (inspection), Ambala for suo motu action.

**The department in its written reply stated as under:**

**1. M/s J.S. Logistics, Panchkula TIN 06132506994 A.Y. 2011-12 and 2012-13**

The para is admitted. The dealer is transport facility supplier and provides the Vehicles and Machinery for rent. The original assessment was decided vide D.No. 381/12-13, dated 19.08.2014 and vide D.No. 469/11-12, dated 16.09.13 creating additional demand nil. Thereafter, the case was sent for taking suo-moto action and the Revisional Authority decided the case as under :-

| <b>D. No. /Dated</b> | <b>Assessment Year</b> | <b>Amount</b>                                         |
|----------------------|------------------------|-------------------------------------------------------|
| 01/16.10.17          | 2011-12                | Tax - 616612<br>Intt. - 616612<br>Total Due - 1233224 |
| 02/16.10.17          | 2012-13                | Tax - 853655<br>Intt. - 853655<br>Total Due - 1707310 |

Further, the dealer went to the appeal before Haryana Tax Tribunal. The Haryana Tax Tribunal set aside the order of Revisional Authority vide it's order dt. 25 Jan. 2019 in STA No. 289-290/2017-18 in view of the decision in appeal STA- 209 of 2011-12 M/s Light Graphics Pvt. Ltd. Now the Department had filed the VAT Appeal No. 264 and 269 of 2019 as per proposal received from L.R. Haryana. The case was lastly fixed on 26.08.2020. Next date of hearing yet not available.

**Observations and Recommendations of the committee as under:**

During oral examination department stated that appeal of department in these cases is pending in Hon'ble High court.

**The committee therefore recommends that appropriate action be taken as per final outcome of court case under intimation to the committee.**

### [82] 2.6.5 Short/Non levy of tax due to incorrect classification

Audit scrutiny of records (May 2014) of the office of DETC (ST), Sonapat revealed that a dealer sold industrial filters/machinery parts valued at ₹8.72 crore during the years 2011-12 and calculated tax at rate of four/five per cent plus surcharge. The AAs, while finalising the assessment in November 2013 also levied tax at the rate of four/five per cent plus surcharge instead of correct rate of 12.5 per cent plus surcharge as applicable in respect of unclassified item. This resulted in short levy of tax of ₹68.86 lakh. On this being pointed out, the DETCs (ST), Sonapat stated in January 2016 that the case had been sent to the Revisional Authority for taking suo motu action.

The above matters were reported to the Government in April/May 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:**

**M/s Chempharm Industries India P. Ltd., 148, HSIIDC, Kundli, Sonapat, TIN 06153004496, A.Y. 2011-12**

In reply to the audit para, it is submitted that this case was assessed under deemed assessment vide disposal no. 798 dated 21.11.2013 and an additional demand of Rs. Nil under VAT Act & Rs.26,91,089/- under CST Act was created. The dealer deals in industrial filters which are un-classified items and falls under general entry. However, the TTO under VAT amounting to Rs.1797867/- assessed @ 4.2% as goods sold against VAT D-1 form. As the case has been assessed under deemed scheme, no VAT D-1 form was required for concessional rate of tax. Hence, there is no under assessment in VAT Assessment.

Further under the CST Act, the total turnover comes to Rs.85158454/-. As per returns, the bifurcation of turnover is as under:-

|                      |          |
|----------------------|----------|
| TTO @ 2%             | 59214207 |
| TTO @ 13.125%        | 4499462  |
| Export sale          | 21410615 |
| Sale against I Forms | 34170    |
| Total sale           | 85158454 |

Since original assessment was framed under deemed scheme and at the time of assessment, dealer has not produced any declaration forms and export proof, accordingly its total taxable turnover (TTO) was assessed @5.25% for the want of proof of exports and statutory forms in-spite of fact that general rate of tax @ 13.125 % was applicable in absence of statutory central forms/declarations. Aggrieved by the orders of AA, the dealer filed an appeal before 1<sup>st</sup> Appellate Authority to give opportunity to submit statutory forms, i.e., C Forms, I Forms and proofs of Export.

Meanwhile, dealer submitted statutory 'C' forms amounting Rs. 29696200/- and I forms worth Rs. 34170/- and which was accepted by the AA vide rectification order dated 28/08/2014 and which results into reduction of demand to Rs. 17,25,278/- under the CST Act.



In-addition, case file was sent to the Revisional Authority for taking suo moto action vide office memo. No. 51 dated 07.01.2016 on account of wrong levy of tax i.e. @ 5.25 % instead of 13.125 %. The Revisional Authority returned back the case to the Assessing Authority with following remarks :-

“The Industrial Filter sold by the dealer falls under General Entry and is taxable @ 13.125% and order needs to be revised, but the dealer has filed an appeal before JETC (A) Rohtak which is pending for decision. In such circumstances no revision can be taken untill decision of Appellate Authority. File returned to AA with instruction to put up again before Revisional Authority after decision of appeal.”

Further the dealer has also submitted C forms worth Rs.2,44,69,084/- on 13.03.2015 and rectification of same is still pending as case file is pending before Appellate Authority.

The original appeal was rejected by the JETC (A) Rohtak. After that the dealer filed 2<sup>nd</sup> appeal before the Hon'ble Haryana Tax Tribunal, Chandigarh and HTT remanded the case back to 1<sup>st</sup> Appellate Authority i.e. JETC (Appeal) Rohtak vide order dated 18/07/2018, which is still pending before 1<sup>st</sup> Appellate Authority. The matter could not be taken for suo-moto revision as the matter is still pending before higher authority.

It is apt mentioning here that in the event of remand of case, if the dealer is able to produce the proof of export & balance C forms and balance C forms submitted by the dealer are entertained by the AA, then there will be no additional demand/ loss of revenue to the Govt. exchequer. Details of same is as shown under:-

|                                                   |                                           |         |
|---------------------------------------------------|-------------------------------------------|---------|
| C forms submitted which was not entertained by AA | 24469084/- @ 3.25%                        | 795245  |
| If balance C forms submitted                      | 5048923 @3.25%                            | 164090  |
| If proof of export submitted by the dealer        | 21410615/-@ 5.25%                         | 1124087 |
| Total rebate                                      |                                           | 2083393 |
| Sales @ 13.125% wrongly levied @ 5.25%            | 13.125% -5.25% = 7.87%<br>on Rs.4499462/- | 354107  |
| Deduction allowable                               |                                           | 1729285 |
| Demand as per rectification order                 |                                           | 1725278 |
| Additional Tax liability                          |                                           | Nil     |

In view of the above audit para may please be dropped.

**Observations and Recommendations of the committee as under:**

During oral examination department stated that cases has been decided and demand of tax created.

**The committee ,therefore recommends that complete detail of action taken alongwith recovery in the case be submitted to the committee at the earliest.**

**[83] 2.9 Non levy of interest****Assessing Authorities created an additional demand of ₹53.91 lakh in two cases but failed to levy interest of ₹45.28 lakh.**

Section 14 (6) of the HVAT Act, stipulates that if any dealer fails to make payment of tax, he shall be liable to pay, in addition to the tax payable by him, simple interest at one per cent per month if the payment is made within ninety days, and at two per cent per month if the default continues beyond ninety days for the whole period, from the last date specified for the payment of tax till the date he makes the payment.

Audit scrutiny of records of the offices of DETC (ST), Panchkula and Kurukshetra (May and September 2015) revealed that AAs finalised the assessments for the year 2011-12 in March, 2015 in two cases and created an additional demand of ₹53.91 lakh but did not levy interest on non-payment of tax with return. This resulted in non-levy of interest of ₹45.28 lakh (₹33.85 lakh + ₹11.43 lakh) computed upto 31 March 2015.

On this being pointed out, DETC (ST) Panchkula stated (July 2016) that interest of ₹47.54 lakh<sup>24</sup> has been levied but the dealer had filed an appeal before the JETC (A) Ambala against this order. DETC (ST) Kurukshetra stated in July 2016 that the interest of ₹13.07 lakh has been levied. Further progress report of recovery has not been received (October 2016).

The matter was reported to the Government in April 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:**

1. **M/s D.F.S.C., Kurukshetra TIN 06412303237, A.Y. 2011-12.  
(CASE DROPPED IN SCRUTINY MEETING DATED 22.07.2021 to 24.07.2021)**
2. **M/s A.P. Coatings Ltd, Panchkula TIN 06672507667, A.Y. 2011-12.**

The contents of this para is admitted. The dealer is a trader of paints and related products. The original assessment was framed by Sh.Maaneek Ahlawat, then Assessing Authority and created an additional demand of Rs.4901059/- (@13.125%) vide demand No. 842/2011-12, dated 31.03.2015. Keeping in view, the observations of the audit, the Assessing Authority vide his order dated 04.01.2016 and demand No. 1231-K/2011-12, levied interest to the tune of Rs.4754027/-. The dealer had preferred an appeal against the order dated 04.01.16 of Assessing Authority before the Jt.Excise & Taxation Commissioner (A), Ambala. The Jt.Excise & Taxation Commissioner (A), Ambala had dismissed the appeal vide order No. PKL-66/VAT/2015-16/1476 dated 07.08.2018. Against the order of first Appellate Authority dated 07.08.2018, the dealer filed an appeal before the Hon'ble Tax Tribunal. Hon'ble Tax Tribunal, Haryana dismissed the appeal vide his order No. STA-345/18-19, dated 08.02.2019. Against the order dated 08.02.2019 of Haryana Tax Tribunal, the dealer company has filed appeal No194 of 2019 before the Hon'ble Punjab and Haryana High Court, which is still pending for final decision by the Hon'ble Court. The case was lastly fixed on 26.08.2020. Next date of hearing yet not available.

The final outcome of the case will be communicated in due course.

**Observations and Recommendations of the committee as under:**

During oral examination department stated that matter was pending in Hon'ble High court.

**The committee desired to know whether any action for fixation of responsibility of concerned for non levy of due amount of tax was ever initiated by the department.**

**The committee therefore, recommends that necessary departmental action as per rules be taken in the light of final outcome of court judgement under intimation to the the committee.**

**[84] 2.10 Incorrect benefit of input tax credit on goods not sold**

**Purchase of Duty and Entitlement Pass Book (DEPB)/Import License worth ₹3.91 crore, which are to be used for resale, was incorrectly allowed to be adjusted against Custom Duty payable resulting in incorrect grant of input tax credit of ₹20.55 lakh to a dealer.**

As per Section 8 of HVAT Act 2003, input tax credit (ITC) on purchase of goods is admissible against tax liability on sale of goods as such or the goods manufactured therefrom in the State or interstate trade and commerce. The Government had also clarified (22 April 2013) that ITC is available only if the Duty Credits Scrips (Scrips) are purchased for re-sale as such and no ITC would be admissible if these were used for adjustment of custom duty.

Audit scrutiny of records (December 2014 and December 2015) of DETC (ST), Jhajjar revealed that a dealer purchased Duty Entitlement Pass Book (DEPB)/Import License worth ₹3.91 crore after payment of VAT of ₹20.55 lakh during 2010-11 to 2012-13. The dealer used the same for adjustment of custom duty payable by him. As the goods (Scrips) were not sold by the dealer, no ITC was admissible. However, while finalising assessments in these cases between May 2013 and November 2014, AA allowed the ITC claims to the dealer resulting in incorrect grant of ITC of ₹20.55 lakh.

On this being pointed out, the DETC (ST) Jhajjar stated (July 2016) that the cases had been sent to the Revisional Authority for taking suo motu action in January 2016. Further progress report of recovery has not been received (October 2016).

The matter was reported to the Government in March 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:****1. M/s B.K. Sales Corporation, Bahadurgarh, Jhajjar TIN 06741701316, A.Y. 2010-11 to 2012-13**

In reply to the audit para, it is submitted that the order for the Assessment Year 2010-11, 2011-12 & 2012-13 have been revised by then Dy. Excise & Taxation Commissioner(ST)-cum Revisional Authority Jhajjar by disallowing the claim of input Tax Credit regarding purchases of DEPB license and created an additional demand of

Rs.107378/-, Rs.936521/- & 1108886/- Therefore, the dealer filed an appeal before Hon'ble Haryana Tax Tribunal against the order of the Revisional Authority Vide STA 473,474 & 475 of 2016-17. The Hon'ble Haryana Tax accepted the appeal for A.Y 2011-12 & 2012-13 relying upon the order passed in STA 209/2011-12 in the case of M/s Light Graphics Pvt. Ltd. Faridabad but dismissed the appeal in the A.Y 2010-11. Thereafter, the department preferred an appeal before the Hon'ble Punjab & Haryana High Court for the A.Y 2011-12 & 2012-13 vide VAT Appeal no. 145 & 147 of 2019. The next date of hearing is not available of these VATAPs on the website of the Hon'ble Punjab & High Court. In the A.Y 2010-11 notice was issued for the recovery but the dealer went into appeal before the Hon'ble Punjab & High Court Vide VATAP no 7 of 2019. The next date of hearing of the case is 27-9-2021. In light of the above facts the para may please be dropped.

**Observations and Recommendations of the committee as under:**

**During oral examination the committee observed that an appeal by department was pending in Hon'ble High court in all three cases .**

**The committee ,therefore recommends that complete and detailed action taken and status report in these cases be submitted to the committee.**

**[85] 3.1.2 Results of audit**

In 2015-16, test check of the records of 38 units out of 77 units of State Excise Department as well as a Performance Audit on "Receipts from State Excise Duty" revealed non/short realisation of excise duty/license fee/interest/penalty and other irregularities involving ₹69.40 crore in 246 cases which fall under the following categories as tabulated in Table 3.1 below.

**Table 3.1:Results of audit**

| Sr. No. | Categories                                                                     | Number of cases | Amount (₹in crore) |
|---------|--------------------------------------------------------------------------------|-----------------|--------------------|
| 1.      | Non/short deposit of license feeand loss of interest                           | 155             | 3.38               |
| 2.      | Non-realisation of differentialamount of license fee on re- allotment of vends | 4               | 3.21               |
| 3.      | Non imposition of penalty                                                      | 48              | 1.22               |
| 4.      | Non-recovery of penalty onillicit liquor                                       | 32              | 0.09               |
| 5.      | Miscellaneous irregularities                                                   | 6               | 0.94               |
| 6.      | Performance Audit on "Receiptsfrom State Excise Duty"                          | 1               | 60.56              |
|         | Total                                                                          | 246             | 69.40              |

During the year, the Department accepted under-assessment and other deficiencies amounting to ₹62.37 crore involved in 41 cases out of which

₹62.30 crore involved in 29 cases were pointed out during the year and the rest in earlier years. The Department recovered ₹11.89 crore out of which ₹0.25 crore relates to the year 2015-16 and the rest to earlier years.

**The department in its written reply stated as under:**

The PAG (Audit) conducted a test check of 38 units of the State excise department in 15 districts namely Ambala, Bhiwani, Fatehabad, Gurugram (East), Gurugram (West), Jhajjar, Karnal, Kaithal, Kurukshetra, Narnaul, Mewat, Panchkula, Panipat, Palwal and Rewari and detected non realization/short realization of excise duty, License fees/interest/penalty and other irregularities amounting to ₹69.40 crores in 246 cases of retail liquor licensees. The detail of the irregularities in performance audit on "Receipts from State Excise Duty" in one case amounting to ₹60.56 Cr. is in respect of "Receipt from State Excise Duty" which is mentioned in the ensuing para (3.2.7, 3.2.8, 3.2.9, 3.2.10, 3.2.11, 3.2.12).

The audit has detected that in 245 cases the department failed to recover license fees, differential amount of License fees on reallocation of vends, non imposition of penalty, non recovery of penalty on illicit liquor completely. Whereas the record of this department regarding the detection is involved in 211 cases amounting to ₹886.56 Lakh (₹8.86 Crore). It is submitted that now a recovery of ₹300.61 Lakh (₹3.01 Crore) in 97 cases have been made by 12 districts. 03 districts namely Karnal, Narnaul and Mewat have recovered entire amount while 10 other districts namely; Ambala, Bhiwani, Fatehabad, Gurugram, Kaithal, Kurukshetra, Panchkula, Panipat, Palwal and Rewari have made partial recoveries. In balance 114 cases total amount of ₹585.89 Lakh (₹5.86 Crore) is outstanding out of which 33 cases amounting to ₹137.40 Lakh (₹1.37 Crore) is declared in Land Revenue Act, 1887, various efforts are being made to recover by the concerned DETCs. It is also pertinent to mention here that one district namely Jhajjar have replied vide their office memo no.1260, dated 03.12.2020 that their entire office record have burned out during the Jaat Agitation and FIR has also been lodged in this matter with FIR No.0148, dated 27.02.2016 and they cannot initiate any action due to lack of record.

Observations of PAC in the meeting dated 22nd July, 2021

As the recovery has been made in the cases relating to the Districts namely; Karnal, Narnaul and Mewat, therefore, the Committee decided to drop the cases relating to these three districts.

However, the Committee directed the concerned department to submit the latest reply in respect of the remaining district for its consideration.

The Committee also directed the concerned department that the records of the cases relating to district Jhajjar may be re-cast with the help of PAG and Headquarter office of the ETC office.

(The para was kept pending)

The district offices have been directed to undertake a recovery drive in respect of old arrears. They have been directed to complete recovery files and take sincere efforts for recovery. Further, a mechanism for regular monitoring of arrears has been put in place.

The updated detail of recovery in these cases is given in tabular form as under:-

| PARA 3.1.2 (RESULT OF AUDIT) (Amount in Lakh)  |              |                  |                 |        |              |        |              |        |                                       |        |         |
|------------------------------------------------|--------------|------------------|-----------------|--------|--------------|--------|--------------|--------|---------------------------------------|--------|---------|
| Short realization of ED /LF / Intt and Penalty |              |                  |                 |        |              |        |              |        |                                       |        |         |
| Para No.                                       | District     | Relates to Years | Number of cases | Amount | Recovered    |        | Balance      |        | Cases declared under Land Revenue Act |        | Remarks |
|                                                |              |                  |                 |        | No. of cases | Amount | No. of cases | Amount | No. of cases                          | Amount |         |
| 3.1.2                                          | Ambala       | 2014-15          | 21              | 61.28  | 18           | 53.70  | 3            | 7.58   | -                                     | -      |         |
|                                                | Bhiwani      |                  | 16              | 43.67  | 2            | 3.25   | 14           | 40.36  | 14                                    | 40.36  |         |
|                                                | Fatehabad    | 2014-15          | 10              | 114.04 | 9            | 111.52 | 1            | 2.52   | -                                     | -      |         |
|                                                | Gurgaon East | 2014-15          | 20              | 105.07 | 3            | 20.45  | 17           | 84.62  | 8                                     | 43.31  |         |
|                                                | Gurgaon West | 2015-16          | 19              | 63.77  | 13           | 22.92  | 6            | 40.85  | 4                                     | 38.33  |         |
|                                                | Jhajjar      |                  | 18              | 317.95 | -            | -      | 18           | 317.95 | -                                     | -      |         |
|                                                | Kamal        |                  | 1               | 11.82  | 1            | 11.82  | -            | -      | -                                     | -      |         |
|                                                | Kaithal      | 2014-15          | 12              | 1.11   | 2            | 0.46   | 10           | 0.65   | -                                     | -      |         |
|                                                | Kurukshetra  |                  | 27              | 24.46  | 17           | 20.17  | 10           | 4.29   | 5                                     | 0.58   |         |
|                                                | Narnaul      | 2014-15          | 9               | 15.55  | 9            | 15.55  | -            | -      | -                                     | -      |         |
|                                                | Mewat        |                  | 4               | 0.48   | 4            | 0.48   | -            | -      | -                                     | -      |         |
|                                                | Panchkula    |                  | 16              | 28.05  | 10           | 10.69  | 6            | 17.36  | 1                                     | 0.68   |         |
|                                                | Panipat      | 2014-15          | 9               | 56.67  | 7            | 28.49  | 2            | 28.18  | 1                                     | 12.15  |         |
|                                                | Palwal       | 2014-15          | 3               | 1.95   | 2            | 1.11   | 1            | 0.84   | -                                     | -      |         |
|                                                | Rewari       |                  | 26              | 40.69  | -            | -      | 26           | 40.69  | -                                     | -      |         |
| Total                                          |              |                  | 211             | 886.56 | 97           | 300.61 | 114          | 585.89 | 33                                    | 135.41 |         |

#### Observations and Recommendations of the Committee as under:

During oral examination department stated that recovery of Rs 6.6 crore revenue is pending .

**The Committee recommends that recovery process be expedited and a complete and detailed action taken report be submitted to the Committee.**

#### [86] 3.2.7 Non/short deposit of security and additional security

Under the HLL Rules read with the State excise policies for the years 2013-14 and 2014-15, every successful allottee of retail licensed liquor outlet shall deposit security amount equal to 21/20 per cent of the annual license fee by 7th April of the respective year. In case of vends/group of vends allotted/re- allotted during the currency of the respective year, 10 per cent security shall be deposited on the day of allotment and remaining 11/10 per cent shall be deposited within ten days of the allotment. Further, payment of additional security of ₹1 lakh, ₹2 lakh and ₹5 lakh is to be made by retail licensed liquor outlet having annual license fee up to ₹75 lakh, exceeding ₹75 lakh and up to ₹500 lakh, and exceeding ₹500 lakh respectively.

Audit scrutiny (between April 2014 and April 2016) of the records of DETCs (Excise) Gurgaon, Karnal and Mahendragarh for the years 2013-14 and 2014-15 revealed that the licensees of 20 retail outlets which were auctioned for ₹27.06 crore did not deposit

the security/additional security amount in full by the stipulated date of 7<sup>th</sup> April. The allottees deposited ₹2.21 crore of the total security/additional security of ₹2.49 crore resulting in non/short deposit of security/additional security of ₹28 lakh.

On this being pointed out, DETC (Excise) Mahendragarh stated (December 2015) that an amount of ₹3.99 lakh had been recovered in two cases.

**The department in its written reply stated as under:**

In this para, there are four districts namely Gurugram East, Gurugram West, Karnal and Narnaul respectively for the financial year 2013-14 & 2014-15 involving 20 retail liquor licenses. The total amount involved is ₹28.23 lac, out of which an amount of ₹10.41 Lac have been recovered in 07 cases by Districts Narnaul, Gurugram (East) & Karnal and an amount of ₹17.82 Lac is outstanding against the remaining 13 retails licenses out of which 01 case amounting to ₹1.00 Lakh is declared in Land Revenue Act, 1887. The districts wise details in tabular form is as under:-

| PARA 3.2.7 (Amount in Lakh)                         |              |                 |              |        |              |        |              |        |                                       |        |         |
|-----------------------------------------------------|--------------|-----------------|--------------|--------|--------------|--------|--------------|--------|---------------------------------------|--------|---------|
| Short/ Short deposit of security and Addl. Security |              |                 |              |        |              |        |              |        |                                       |        |         |
| Para No.                                            | District     | Relates to Year | No. of cases | Amount | Recovered    |        | Balance      |        | Cases declared under Land Revenue Act |        | Remarks |
|                                                     |              |                 |              |        | No. of cases | Amount | No. of cases | Amount | No. of cases                          | Amount |         |
| 3.2.7                                               | Gurgaon East | 2014-15         | 7            | 9.38   | 1            | 0.64   | 6            | 8.74   | 1                                     | 1.00   |         |
|                                                     | Gurgaon West | 2014-15         | 4            | 4.65   | -            | -      | 4            | 4.65   | -                                     | -      |         |
|                                                     | Karnal       | 2014-15         | 4            | 7.98   | 1            | 3.55   | 3            | 4.43   | -                                     | -      |         |
|                                                     | Narnaul      | 2013-14         | 5            | 6.22   | 5            | 6.22   | -            | -      | -                                     | -      |         |
| Total                                               |              |                 | 20           | 28.23  | 7            | 10.41  | 13           | 17.82  | 1                                     | 1.00   |         |

**Observations and Recommendations of the committee as under:**

During oral examination department stated that recovery of additional security of Rs 17.82 lakh in 13 cases was still pending and and necessary action against erring officers shall be taken as per facts of the case .

**The committee, therefore, recommends that complete and detailed report regarding recovery and action taken be submitted to the committee expeditiously.**

**3.2.8 Non/short recovery of license fee and interest**

The HLL Rules read with State excise policies for the years from 2010-11 to 2014-15 stipulate that every licensee holding a license for retail outlets of IMFL and CL vends shall make payment of monthly instalment of license fee by 20th of each month. Failure to do so renders him liable to pay interest at the rate of one and half per cent per month for the period from the first of the month in which the license fee was due to the date of payment of the instalment or any part thereof. If the licensee fails to deposit the monthly instalment in full along with interest by the end of the month, the licensed retail outlet shall cease to be in operation on the first day of the following month and shall ordinarily be sealed by the DETC (Excise) of the respective district. Audit scrutiny revealed non-compliance with these rules

resulting in short recovery of license fee and interest totaling ₹44.80 crore as summarised in succeeding paras.

**[ 87] 3.2.8.1 Non/short recovery of license fee and interest**

Audit scrutiny (between February 2012 and April 2016) of the records of 12 offices for the years 2010-11 to 2014-15 revealed that 254 retail outlets for sale of IMFL and CL were allotted to licensees for ₹293.22 crore. The licensees had paid license fee of only ₹263.97 crore and the balance license fee of ₹29.25 crore was yet to be deposited by the licensees. The DETCs (Excise) did not initiate any action to seal vends for short deposit of monthly instalment in full by the end of the month and to levy interest on belated payment of license fee. This resulted in short recovery of license fee of ₹29.25 crore. In addition, interest of ₹2.49 crore was also leviable.

On this being pointed out, five DETC (Excise) stated (between December 2015 and May 2016) that an amount of ₹8.88 crore had been recovered in 40 cases.

**The department in its written reply stated as under:**

In this para it was detected by the Audit that in 13 districts namely Ambala, Bhiwani, Faridabad, Gurugram West, Gurugram East, Jagadhri, Jhajjar, Karnal, Narnaul, Panchkula, Palwal, Rohtak and Sonapat there was a short recovery of License Fees and interest amounting to ₹29.25 Crore and ₹2.49 Crore respectively during the financial years between 2010-11 to 2014-15.

It has been reported by the respective DETC(s) Excise that out of License Fees of ₹2934.27 Lakh (₹29.25 Crores) involving 255 cases, a sum of ₹1111.23 Lakh (₹11.11 Crore) has been recovered in 67 cases and a sum of ₹1823.04 Lakh (₹18.23 Crore) is still outstanding in 188 cases, out of which 30 cases of total amount involving ₹308.40 Lakh (₹3.08 Crore) have been declared under Land Revenue Act, 1887.

Similarly, out of outstanding amount of interest for the same period amounting to ₹252.12 Lakh (₹2.52 Cr.) a sum of ₹60.86 Lakh (₹0.61 Cr) has been recovered in 60 cases and a sum of ₹191.58 Lakh (₹1.92 Cr) is outstanding in 196 cases, out of which 31 cases of total amount involving ₹25.31 Lakh (₹0.25 Crore) have been declared under Land Revenue Act, 1887.

It is also pertinent to mention here that one district namely Jhajjar have replied vide their office memo no. 1260, dated 03.12.2020 that their entire office record have burned out during the Jaat Agitation and FIR has also been lodged in this matter with FIR No. 0148, dated 27.02.2016 and they cannot initiate any action due to lack of record. The details of all cases is also given in tabular form as under:-

In this para it was detected by the Audit that in 13 districts namely Ambala, Bhiwani, Faridabad, Gurugram West, Gurugram East, Jagadhri, Jhajjar, Karnal, Narnaul, Panchkula, Palwal, Rohtak and Sonapat there was a short recovery of License Fees and interest amounting to ₹29.25 Crore and ₹2.49 Crore respectively during the financial years between 2010-11 to 2014-15.

It has been reported by the respective DETC(s) Excise that out of License Fees of ₹2934.27 Lakh (₹29.25 Crores) involving 255 cases, a sum of ₹1111.23 Lakh (₹11.11 Crore)



has been recovered in 67 cases and a sum of ₹1823.04 Lakh (₹18.23 Crore) is still outstanding in 188 cases, out of which 30 cases of total amount involving ₹308.40 Lakh (₹3.08 Crore) have been declared under Land Revenue Act, 1887.

Similarly, out of outstanding amount of interest for the same period amounting to ₹252.12 Lakh (₹2.52 Cr.) a sum of ₹60.86 Lakh (₹0.61 Cr) has been recovered in 60 cases and a sum of ₹191.58 Lakh (₹1.92 Cr) is outstanding in 196 cases, out of which 31 cases of total amount involving ₹25.31 Lakh (₹0.25 Crore) have been declared under Land Revenue Act, 1887.

It is also pertinent to mention here that one district namely Jhajjar have replied vide their office memo no. 1260, dated 03.12.2020 that their entire office record have burned out during the Jaat Agitation and FIR has also been lodged in this matter with FIR No. 0148, dated 27.02.2016 and they cannot initiate any action due to lack of record. The details of all cases is also given in tabular form as under:-

| PARA 3.2.8.1 (Amount in Lakh)       |              |                                    |              |          |              |         |              |          |                                       |        |         |
|-------------------------------------|--------------|------------------------------------|--------------|----------|--------------|---------|--------------|----------|---------------------------------------|--------|---------|
| Non / Short Recovery of License Fee |              |                                    |              |          |              |         |              |          |                                       |        |         |
| Para No.                            | District     | Relates to Year                    | No. of cases | Amount   | Recovered    |         | Balance      |          | Cases declared under Land Revenue Act |        | Remarks |
|                                     |              |                                    |              |          | No. of cases | Amount  | No. of cases | Amount   | No. of cases                          | Amount |         |
| 3.2.8.1                             | Ambala       | 2014-15                            | 1            | 3.02     | 1            | 3.02    | -            | -        | -                                     | -      |         |
|                                     | Bhiwani      |                                    | 16           | 61.69    | -            | -       | 16           | 61.69    | 16                                    | 61.69  |         |
|                                     | Faridabad    | 2010-11 to 2014-15                 | 88           | 1,672.01 | 14           | 523.82  | 74           | 1,148.19 | 3                                     | 209.19 |         |
|                                     | Gurgaon East | 2014-15                            | 3            | 44.26    | -            | 2.00    | 3            | 42.26    | -                                     | -      |         |
|                                     | Gurgaon West | 2014-15                            | 3            | 2.02     | 2            | 0.87    | 1            | 1.15     | -                                     | -      |         |
|                                     | Jagadhari    | 2014-15                            | 3            | 27.63    | 1            | 27.03   | 2            | 0.60     | -                                     | -      |         |
|                                     | Jhajjar      |                                    | 35           | 102.16   | -            | -       | 35           | 102.16   | -                                     | -      |         |
|                                     | Karnal       | 2013-14, 2014-15                   | 42           | 615.09   | 18           | 391.74  | 24           | 223.34   | -                                     | -      |         |
|                                     | Narnaul      | 2012-13, 2014-15                   | 23           | 49.35    | 18           | 40.84   | 5            | 8.51     | 5                                     | 8.51   |         |
|                                     | Panchkula    |                                    | 1            | 13.42    | -            | -       | 1            | 13.42    | -                                     | -      |         |
|                                     | Palwal       | 2010-11                            | 5            | 34.30    | -            | 2.89    | 5            | 31.41    | -                                     | -      |         |
|                                     | Rohtak       | 2010-11, 2011-12, 2012-13, 2014-15 | 30           | 303.52   | 9            | 114.21  | 21           | 189.31   | 6                                     | 29.01  |         |
|                                     | Sonipat      | 2014-15                            | 5            | 5.80     | 4            | 4.81    | 1            | 1        | -                                     | -      |         |
|                                     | Total        |                                    | 255          | 2,934.27 | 67           | 1111.23 | 188          | 1823.04  | 30                                    | 308.4  |         |

| PARA 3.2.8.1 (Amount in Lakh)    |              |                                    |              |        |              |        |              |        |                                       |        |                                                                                                                                                                                                                                                                                                           |
|----------------------------------|--------------|------------------------------------|--------------|--------|--------------|--------|--------------|--------|---------------------------------------|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Non / Short Recovery of Interest |              |                                    |              |        |              |        |              |        |                                       |        |                                                                                                                                                                                                                                                                                                           |
| Para No.                         | District     | Relates to Year                    | No. of cases | Amount | Recovered    |        | Balance      |        | Cases declared under Land Revenue Act |        | Remarks                                                                                                                                                                                                                                                                                                   |
|                                  |              |                                    |              |        | No. of cases | Amount | No. of cases | Amount | No. of cases                          | Amount |                                                                                                                                                                                                                                                                                                           |
| 3.2.8.1                          | Ambala       | 2014-15                            | 1            | 0.53   | 1            | 0.53   | -            | -      | -                                     | -      |                                                                                                                                                                                                                                                                                                           |
|                                  | Bhiwani      |                                    | 16           | 7.66   | 2            | 1.37   | 14           | 6.29   | 14                                    | 6.21   |                                                                                                                                                                                                                                                                                                           |
|                                  | Faridabad    | 2010-11 to 2014-15                 | 88           | 92.22  | 12           | 36.88  | 76           | 55.34  | 1                                     | 2.14   |                                                                                                                                                                                                                                                                                                           |
|                                  | Gurgaon East | 2014-15                            | 3            | 11.15  | -            | -      | 3            | 11.15  | 3                                     | 5.69   | The interest amount of ₹5.69 Lakh in Gurugram (East) has been levied /interest calculated of licenses upto 31.03.2015. The difference of interest amounting to ₹5.46 Lakh as pointed out by Principal Accountant General(Audit), Haryana, Chandigarh is not tenable as per statement of district offices. |
|                                  | Gurgaon West | 2014-15                            | 3            | 0.32   | -            | -      | 3            | 0.32   | 1                                     | 0.22   |                                                                                                                                                                                                                                                                                                           |
|                                  | Jagadhari    | 2014-15                            | 3            | 7.07   | 1            | 5.45   | 2            | 1.94   | -                                     | -      | Excess/including other recovery of ₹31550/-                                                                                                                                                                                                                                                               |
|                                  | Jhajjar      |                                    | 35           | 7.53   | -            | -      | 35           | 7.53   | -                                     | -      |                                                                                                                                                                                                                                                                                                           |
|                                  | Karnal       | 2013-14, 2014-15                   | 42           | 68.76  | 13           | 9.79   | 29           | 58.97  | -                                     | -      |                                                                                                                                                                                                                                                                                                           |
|                                  | Narnaul      | 2012-13, 2014-15                   | 24           | 6.18   | 22           | 5.60   | 2            | 0.58   | 2                                     | 0.58   |                                                                                                                                                                                                                                                                                                           |
|                                  | Panchkula    |                                    | 1            | 3.27   | -            | -      | 1            | 3.27   | -                                     | -      |                                                                                                                                                                                                                                                                                                           |
|                                  | Palwal       | 2010-11                            | 5            | 2.08   | -            | -      | 5            | 2.08   | 5                                     | 2.08   |                                                                                                                                                                                                                                                                                                           |
|                                  | Rohtak       | 2010-11, 2011-12, 2012-13, 2014-15 | 30           | 45.00  | 5            | 0.95   | 25           | 44.05  | 5                                     | 8.39   |                                                                                                                                                                                                                                                                                                           |
|                                  | Sonipat      | 2014-15                            | 5            | 0.35   | 4            | 0.29   | 1            | 0.06   | -                                     | -      |                                                                                                                                                                                                                                                                                                           |
| Total                            |              |                                    | 256          | 252.12 | 60           | 60.86  | 196          | 191.58 | 31                                    | 25.31  |                                                                                                                                                                                                                                                                                                           |

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that recovery of Rs 18 crore is pending.

**During oral examination the committee would like to know detail of all cases where provision of M-75 was applicable and further wanted to know whether any mechanism for application/execution of that provision existed in department.**

**The Committee recommends that appropriate disciplinary proceedings/action be initiated against erring officers/officials and a complete report for recovery and action taken be submitted expeditiously to the Committee.**

**[88] 3.2.8.2 Non/short recovery of license fee and interest**

Audit scrutiny (between February 2012 and April 2016) of the records 16 offices for the years from 2010-11 to 2014-15 revealed that 625 licensees had paid monthly instalments of license fee of ₹544.67 crore for the period between April 2010 and December 2014 with delay ranging from 21 to

435 days. The DETCs (Excise), however, did not initiate any action to seal the vends for non-deposit of monthly instalments by the end of the month and to levy interest for belated payment of the license fee. This resulted in non-levy of interest of ₹13.06 crore.

On this being pointed out, 10 DETC (Excise) stated (between April 2015 and May 2016) that an amount of ₹2.13 crore had been recovered in 86 cases between September 2012 and April 2016.

**The department in its written reply stated as under:**

In this para, there are 17 districts namely Ambala, Bhiwani, Faridabad, Fatehabad, Gurugram East, Gurugram West, Jind, Jagadhri, Jhajjar, Karnal, Kaithal, Narnaul, Panchkula, Palwal, Rohtak, Rewari and Sonapat respectively for the financial year 2010-11 to 2014-15 involving 626 cases of liquor licenses in these districts, where non/levy of interest accrued to an amount of ₹1306.12 Lakh (₹13.06 Cr.), out of which ₹642.59 Lakh (₹6.42 Cr.) have been recovered in 337 retail license and amount of ₹663.58 Lakh (₹6.63 Cr.) is outstanding against the remaining 289 cases, out of which 58 cases of total amount involving ₹219.58 Lakh (₹2.19 Crore) have been declared under Land Revenue Act, 1887.

It is also pertinent to mention here that one district namely Jhajjar have replied vide their office memo no. 1260, dated 03.12.2020 that their entire office record have burned out during the Jaat Agitation and FIR has also been lodged in this matter with FIR No. 0148, dated 27.02.2016 and they cannot initiate any action due to lack of record.

The Department has issued directions to the districts for undertaking recovery drive in respect of old arrears. A mechanism for review of old arrears on regular basis has been put in place.

The details of all cases is also given in tabular form as follows:-

| <b>PARA 3.2.8.2 (Amount in Lakh)</b> |                |                    |              |                |              |               |              |               |                                       |               |                              |
|--------------------------------------|----------------|--------------------|--------------|----------------|--------------|---------------|--------------|---------------|---------------------------------------|---------------|------------------------------|
| <b>Non Levy of Interst</b>           |                |                    |              |                |              |               |              |               |                                       |               |                              |
| Para No.                             | District       | Relates to Year    | No. of cases | Amount         | Recovered    |               | Balance      |               | Cases declared under Land Revenue Act |               | Remarks                      |
|                                      |                |                    |              |                | No. of cases | Amount        | No. of cases | Amount        | No. of cases                          | Amount        |                              |
| <b>3.2.8.2</b>                       | Ambala         | 2013-14, 2014-15   | 12           | 21.62          | 11           | 20.05         | 1            | 1.57          | -                                     | -             |                              |
|                                      | Bhiwani        |                    | 32           | 32.8           | 19           | 9.72          | 13           | 23.08         | 13                                    | 23.08         |                              |
|                                      | Faridabad      | 2010-11 to 2014-15 | 116          | 290.56         | 51           | 63.76         | 65           | 226.8         | -                                     | -             |                              |
|                                      | Fatehabad      | 2014-15            | 2            | 4.92           | 1            | 2.01          | 1            | 2.91          | 1                                     | 2.91          |                              |
|                                      | Gurgaon (East) | 2013-14, 2014-15   | 20           | 184.39         | 11           | 128.61        | 9            | 55.78         | -                                     | -             |                              |
|                                      | Gurgaon (West) | 2013-14, 2014-15   | 44           | 220.8          | 34           | 114.18        | 10           | 106.62        | 7                                     | 99.92         |                              |
|                                      | Jagadhari      | 2013-14, 2014-15   | 99           | 101.38         | 40           | 63.19         | 59           | 38.19         | -                                     | -             | Excess recovery of ₹424241/- |
|                                      | Jhajjar        |                    | 43           | 50.16          | -            | -             | 43           | 50.16         | -                                     | -             |                              |
|                                      | Jind           |                    | 10           | 15.59          | 8            | 12.21         | 2            | 3.38          | 2                                     | 3.38          |                              |
|                                      | Kaithal        | 2011-12, 2013-14   | 32           | 36.66          | 28           | 33.89         | 4            | 2.77          | -                                     | -             | Excess recovery of ₹5001/-   |
|                                      | Karnal         | 2014-15            | 67           | 180.7          | 30           | 82            | 37           | 98.7          | 26                                    | 74.48         |                              |
|                                      | Narnaul        | 2013-14, 2014-15   | 25           | 13.89          | 24           | 13.29         | 1            | 0.6           | 1                                     | 0.6           |                              |
|                                      | Palwal         | 2013-14            | 14           | 7.08           | 11           | 5.27          | 3            | 1.81          | 3                                     | 1.81          |                              |
|                                      | Panchkula      | 2014-15            | 10           | 10.27          | 10           | 10.27         | 0            | 0             | -                                     | -             |                              |
|                                      | Rewari         |                    | 14           | 16.14          | 11           | 14.81         | 3            | 1.33          | -                                     | -             |                              |
|                                      | Rohtak         |                    | 57           | 54.66          | 29           | 37.19         | 28           | 17.47         | 2                                     | 2.36          |                              |
|                                      | Sonepat        | 2014-15            | 29           | 64.5           | 19           | 32.14         | 10           | 32.36         | 3                                     | 11.05         |                              |
|                                      |                |                    | <b>626</b>   | <b>1306.12</b> | <b>337</b>   | <b>642.59</b> | <b>289</b>   | <b>663.53</b> | <b>58</b>                             | <b>219.58</b> |                              |

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that recovery of Rs 6.63 crore is pending.

**The Committee therefore, recommends that pragmatic efforts for recovery of pending amount be made under intimation to the Committee.**

### **3.2.9 Non-realisation of differential license fee on re-auction**

Under the HLL rules read with the State excise policies for the year 2010-11 to 2014-15, in case the allottee fails to make payment of security deposit and defaults in payment of license fee along with interest, the licensed outlet shall cease to be in operation on the first day of the following month and the DETC (Excise) may re-allot it at the risk and cost of original allottee after seeking prior permission of the ETC. Audit scrutiny brought out non-adherence to these stipulations resulting in non-realisation of government revenue of ₹5.19 crore as detailed below.

#### **[89] 3.2.9.1 Non-realisation of differential license fee on re-auction.**

Audit scrutiny (between March 2012 and March 2016) of the records of five offices of DETC (Excise) for the years 2010-11 to 2011-12 and 2013-14 to 2014-15 revealed that 18 retail outlets were auctioned between March 2010 and March 2014 for ₹16.33 crore. The allottees however failed to pay monthly instalments of license fee in full by the due date. Of the total license fee of ₹16.33 crore, the allottees deposited security and monthly license fee of ₹7.19 crore and failed to deposit the balance amount of ₹9.14 crore. While the Department cancelled their retail outlets and thereafter re-auctioned/re-allotted them between August 2010 and December 2014 for ₹4.70 crore for the remaining period at the risk and cost of original allottees, it failed to initiate action to recover the differential amount of license fee of ₹4.44 crore (₹9.14 crore - ₹4.70 crore) from the original allottees. This resulted in non-realisation of Government revenue of ₹4.44 crore.

#### **The department in its written reply stated as under :--**

In this para, there are 5 districts namely Bhiwani, Jhajjar, Karnal, Palwal and Sonapat respectively for the financial year 2010-11 to 2014-15 involving 18 cases of liquor licenses, involving of ₹443.60 Lakh (₹4.44 Cr.), regarding non realization of differential amount of license fee in respect of re-auctioned /re-allotted cases. In 01 case pertaining to Karnal, recovery of Rs.42.25 Lac has been made from 20% security deposited by the original licensee and Rs.2 Lac from the additional security, leaving thereby recoverable arrears of Rs.16.03 Lac only in that case. Total outstanding amount in the para in 18 cases is now Rs.399.35 Lakh (3.99 Crore).

Out of which 11 cases of total amount involving ₹214.09 Lakh (₹2.14 Crore) have been declared under Land Revenue Act, 1887.

It is also pertinent to mention here that one district namely Jhajjar have replied vide their office memo no. 1260, dated 03.12.2020 that their entire office record have burned out during the Jaat Agitation and FIR has also been lodged in this matter with FIR No. 0148, dated 27.02.2016 and they cannot initiate any action due to lack of record. The details of all cases is also given in tabular form as follows:-

| PARA 3.2.9.1 (Amount in lakh)      |          |                    |              |        |              |        |              |        |                                       |        |         |
|------------------------------------|----------|--------------------|--------------|--------|--------------|--------|--------------|--------|---------------------------------------|--------|---------|
| Non realization of LF on reauction |          |                    |              |        |              |        |              |        |                                       |        |         |
| Para No.                           | District | Relates to Year    | No. of cases | Amount | Recovered    |        | Balance      |        | Cases declared under Land Revenue Act |        | Remarks |
|                                    |          |                    |              |        | No. of cases | Amount | No. of cases | Amount | No. of cases                          | Amount |         |
| 3.2.9.1                            | Bhiwani  |                    | 11           | 116.55 | -            | -      | 11           | 116.55 | 10                                    | 114.11 |         |
|                                    | Jhajjar  |                    | 2            | 82.47  | -            | -      | 2            | 82.47  | -                                     | -      |         |
|                                    | Karnal   | 2013-14            | 1            | 60.28  | 1            | 44.25  | 1            | 16.03  | -                                     | -      |         |
|                                    | Palwal   | 2013-14, 2014-15   | 1            | 99.98  | -            | -      | 1            | 99.98  | 1                                     | 99.98  |         |
|                                    | Sonapat  | 2010-11 to 2014-15 | 3            | 84.32  | -            | -      | 3            | 84.32  | -                                     | -      |         |
|                                    |          |                    | 18           | 443.60 | 1            | 44.25  | 18           | 399.35 | 11                                    | 214.09 |         |

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that recovery of Rs 4.44 crore is pending.

**The Committee recommends that pragmatic efforts for recovery of balance amount be made expeditiously under intimation to the Committee .**

**[90] 3.2.9.2 Non-realisation of differential license fee on re-auction.**

Audit scrutiny (between May and July 2014) of the records of DETCs (Excise) Hisar and Karnal for the year 2013-14 revealed that two retail outlets were auctioned in March 2013 for annual license fee of ₹3.42 crore. The licensees of retail outlets failed to pay monthly instalments of license fee in full by the due date. Of the total license fee of ₹3.42 crore, the allottees deposited monthly license fee of ₹2.67 crore up to October and November 2013. The Department, however, neither took action to re-auction vends at the risk and cost of original allottees nor did they initiate action to recover the license fee of ₹75.12 lakh from the allottees. This resulted in non-realisation of Government revenue to the extent of ₹75.12 lakh.

On this being pointed out, DETCs (Excise) Hisar and Karnal stated (December 2015) that an amount of ₹38.78 lakh had been adjusted from security amount of licensees.

**The department in its written reply stated as under:**

In this para, there are 2 districts namely Hisar and Karnal respectively for the financial year 2013-14 involving 2 retail outlets licenses, involving an amount of ₹75.12 lakh, regarding non realization on account of failure to reauction. An amount of ₹37.67 lakh has been partially recovered in these 02 cases and an amount of ₹37.45 lakh is outstanding against them, out of which 01 case of total amount involving ₹9.74 lakh have been declared under Land Revenue Act, 1887.

The details of all cases is also given in tabular form as under:-

| PARA 3.2.9.2 (Amount in Lakh)                      |          |                 |              |        |              |        |              |        |                                       |        |         |
|----------------------------------------------------|----------|-----------------|--------------|--------|--------------|--------|--------------|--------|---------------------------------------|--------|---------|
| Non Realization on account of failure to reauction |          |                 |              |        |              |        |              |        |                                       |        |         |
| Para No.                                           | District | Relates to Year | No. of cases | Amount | Recovered    |        | Balance      |        | Cases declared under Land Revenue Act |        | Remarks |
|                                                    |          |                 |              |        | No. of cases | Amount | No. of cases | Amount | No. of cases                          | Amount |         |
| 3.2.9.2                                            | Hisar    | 2013-14         | 1            | 21.26  | -            | 11.52  | 1            | 9.74   | 1                                     | 9.74   |         |
|                                                    | Karnal   | 2013-14         | 1            | 53.86  | -            | 26.15  | 1            | 27.71  | -                                     | -      |         |
|                                                    |          |                 | 2            | 75.12  | -            | 37.67  | 2            | 37.45  | 1                                     | 9.74   |         |

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that recovery of Rs 37.45 lakh is pending.

**The Committee recommends that pragmatic efforts for recovery of balance amount be made expeditiously under intimation to the Committee .**

**3.2.10 Non-levy of penalty/additional excise duty on short/excess lifting of quarterly basic quota**

To plug leakage of liquor and safeguard revenue, lifting of basic quota is stipulated under the provisions of the HLL Rules read with State excise policy for the years 2013-14 and 2014-15. A licensee is liable to lift the entire basic quota of IMFL and CL allotted to his vend as per the prescribed quarterly schedule failing which penal provisions are invoked. Non-lifting of prescribed quarterly quota attracts penalty at the rate of ₹65 and ₹20 per proof litre (PL) for IMFL and CL respectively for the deficient quantity. Further, in case of allotment of vends during the currency of financial year, the quarterly quota for the remaining quarters of the year shall be computed on proportionate basis from the quota allotted. Excess lifting of prescribed quarterly quota attracts additional excise duty at the rate of ₹20 and ₹8 per PL for IMFL and CL respectively for the excess quantity. Non-adherence to these stipulations resulted in non-levy of penalty and additional excise duty amounting to ₹7.09 crore as brought out below.

**[91] 3.2.10.1 Non-levy of penalty/additional excise duty on short/excess lifting of quarterly basic quota**

Audit scrutiny (between May 2014 and April 2016) of the records of 11 offices of DETCs (Excise) for the years 2013-14 and 2014-15 revealed that 227 retail outlet licensees were required to lift the combined quota of 47.41 lakh PLs of IMFL and CL. However, the licensees lifted 36.01 lakh PLs of IMFL and CL against the combined liquor quota. Thus, the licensees lifted short basic quota by 11.40 lakh PLs of IMFL and CL. However, the DETCs (Excise) had not initiated action to levy penalty for short lifting of quota resulting in non-levy of penalty of ₹4.23 crore.

On this being pointed out, DETC (Excise) Fatehabad stated (May 2016) that penalty of ₹7.86 lakh had been recovered in five cases.

**The department in its written reply stated as under:**

In this para, there are 12 districts namely Bhiwani, Faridabd, Fatehabad, Gurugram East, Gurugram West, Jagadhri, Karnal, Kurukshetra, Panchkula, Rewari and Sonapat respectively for the financial year 2013-14 & 2014-15 involving 243 cases of retail liquor licenses in these districts. The total amount involved is ₹423.05 Lakh (₹4.23 Cr.), regarding non levy of penalty on short lifting quarterly basis quota was noticed, out of which ₹20.13 Lakh (₹0.20 Cr.) have been recovered in 39 cases of retail licenses and amount of ₹402.92 Lakh (₹4.03 Cr.) is outstanding against the remaining 204 cases, out of which 29 cases of total amount involving ₹59.36 Lakh (₹0.59 Crore) have been declared under Land Revenue Act, 1887. The details of all cases is also given in tabular form as follows:-

| PARA 3.2.10.1 (Amount in Lakh)                |               |                  |              |        |              |        |              |        |                                       |        |         |
|-----------------------------------------------|---------------|------------------|--------------|--------|--------------|--------|--------------|--------|---------------------------------------|--------|---------|
| Non levy of penalty on short Lifting of Quota |               |                  |              |        |              |        |              |        |                                       |        |         |
| Para No.                                      | District      | Relates to Year  | No. of cases | Amount | Recovered    |        | Balance      |        | Cases declared under Land Revenue Act |        | Remarks |
|                                               |               |                  |              |        | No. of cases | Amount | No. of cases | Amount | No. of cases                          | Amount |         |
| 3.2.10.1                                      | Bhiwani       |                  | 29           | 40.09  | 5            | 0.75   | 24           | 39.34  | 24                                    | 39.34  |         |
|                                               | Faridabad     | 2013-14, 2014-15 | 64           | 194.37 | -            | -      | 64           | 194.37 | -                                     | -      |         |
|                                               | Fatehabad     | 2013-14          | 8            | 13.42  | 8            | 13.42  | -            | -      | -                                     | -      |         |
|                                               | Gurugram East | 2014-15          | 24           | 57.38  | 4            | 1.98   | 20           | 55.40  | -                                     | -      |         |
|                                               | Gurugram West | 2014-15          | 14           | 22.87  | 11           | 2.50   | 3            | 20.37  | 2                                     | 18.43  |         |
|                                               | Jagadhari     | 2014-15          | 3            | 6.12   | -            | -      | 3            | 6.12   | -                                     | -      |         |
|                                               | Karnal        | 2014-15          | 7            | 9.99   | 1            | 0.01   | 6            | 9.98   | -                                     | -      |         |
|                                               | Kurukshetra   |                  | 3            | 16.52  | -            | -      | 3            | 16.52  | -                                     | -      |         |
|                                               | Panchkula     | 2014-15          | 7            | 6.46   | 3            | 0.76   | 4            | 5.70   | -                                     | -      |         |
|                                               | Rohtak        |                  | 62           | 47.97  | 4            | 0.24   | 58           | 47.73  | 3                                     | 1.59   |         |
|                                               | Rewari        |                  | 6            | 3.48   | -            | -      | 6            | 3.48   | -                                     | -      |         |
|                                               | Sonipat       | 2014-15          | 16           | 4.38   | 5            | 0.49   | 11           | 3.89   | -                                     | -      |         |
|                                               | Total         |                  | 243          | 423.05 | 41           | 20.15  | 202          | 402.90 | 29                                    | 59.36  |         |

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that recovery of Rs 4.00 crore is pending.

**The Committee recommends that pragmatic efforts for expeditious recovery of balance amount be made under intimation to the Committee.**



**[92] 3.2.10.2 Non-levy of penalty/additional excise duty on short/excess lifting of quarterly basic quota**

Audit scrutiny (between March and April 2016) of the records of five offices of DETC (Excise) for the year 2014-15 revealed that 239 retail outlet licensees during the currency of the year 2014-15 had lifted 47.65 lakh PLs of IMFL and CL against the combined liquor quota of 25.37 lakh PLs of IMFL and CL. Thus, the licensees lifted excess basic quota by 22.28 lakh PLs of IMFL and CL. However, the DETCs (Excise) had not initiated action to recover additional excise duty for excess lifting of quota resulting in non-levy of additional excise duty of ₹2.86 crore.

**The department in its written reply stated as under:**

In this para, there are 6 districts namely Bhiwani, Faridabd, Gurugram East, Gurugram West, Rewari and Sonapat respectively for the financial year 2014-15 involving 239 cases of retail liquor licenses. The total amount involved was ₹285.71 Lakh (₹2.86 Cr.), regarding non levy of additional excise duty on excess lifting quarterly basis quota was noticed, out of which ₹83.52 Lakh (₹0.84 Cr.) have been recovered in 69 cases of retail liquor licenses and an outstanding amount of ₹202.19 Lakh (₹2.02 Cr.) is remaining against 170 cases, out of which 16 cases of total amount involving ₹20.20 Lakh (₹0.20 Crore) have been declared under Land Revenue Act, 1887. The details of all cases is also given in tabular form as under:-

| PARA 3.2.10.2 (Amount in Lakh)                                |               |                 |              |        |              |        |              |        |                                       |        |         |
|---------------------------------------------------------------|---------------|-----------------|--------------|--------|--------------|--------|--------------|--------|---------------------------------------|--------|---------|
| Non levy of Additional Excise Duty on Lifting of Excess Quota |               |                 |              |        |              |        |              |        |                                       |        |         |
| Para No.                                                      | District      | Relates to Year | No. of cases | Amount | Recovered    |        | Balance      |        | Cases declared under Land Revenue Act |        | Remarks |
|                                                               |               |                 |              |        | No. of cases | Amount | No. of cases | Amount | No. of cases                          | Amount |         |
| 3.2.10.2                                                      | Bhiwani       | 2014-15         | 37           | 50.60  | 21           | 30.96  | 16           | 19.64  | 16                                    | 19.64  |         |
|                                                               | Faridabad     | 2014-15         | 106          | 119.65 | -            | -      | 106          | 119.65 | -                                     | -      |         |
|                                                               | Gurugram East | 2014-15         | 30           | 43.42  | 25           | 37.64  | 5            | 5.78   | -                                     | -      |         |
|                                                               | Gurugram west | 2014-15         | 15           | 14.02  | 15           | 14.02  | -            | -      | -                                     | -      |         |
|                                                               | Rewari        |                 | 20           | 32.21  | -            | -      | 20           | 32.21  | -                                     | -      |         |
|                                                               | Sonapat       |                 | 31           | 25.81  | 8            | 0.90   | 23           | 24.91  | -                                     | -      |         |
|                                                               |               |                 | 239          | 285.71 | 69           | 83.52  | 170          | 202.19 | 16                                    | 19.64  |         |

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that recovery Rs 2.00 crore is pending.

**The Committee recommends that pragmatic efforts for expeditious recovery of balance amount be made and category-wise detail of traceable and non-traceable cases be also prepared and a complete report be submitted to the Committee.**

### **3.2.11 Non-recovery/levy of penalty for illegal possession and trade of liquor**

Section 61 (1) (aaa) (c) (i) of the Punjab Excise Act, 1914, as applicable to the State of Haryana, provides that penalty of not less than ₹ 50 and not more than ₹ 500 per bottle of 750 milli-litres is leviable on an offender for possession of illicit liquor. Further, Haryana Imposition and Recovery of Penalty Rules, 2003, provide that in case penalty is not paid within stipulated period, the Collector or DETC (Excise) shall pass orders for confiscation of means of transport seized along with liquor and the means of transport shall be put to auction within 30 days from the order of confiscation. Again, non-adherence to these stipulations resulted in non-recovery of ₹1.83 crore as below.

#### **[93] 3.2.11.1 Non-recovery/levy of penalty for illegal possession and trade of liquor**

Audit scrutiny (between August 2014 and March 2016) of the records of seven offices of DETC (Excise) for the years 2010-11 to 2011-12 and 2013-14 to 2014-15 revealed that the Department had detained 85,191 bottles of illicit liquor between April 2010 and March 2015 in 139 cases and confiscated 12 vehicles in DETCs (Excise) Fatehabad, Hisar and Kurukshetra. The Department, after serving notice and examining the evidence produced by the offender concerned, imposed penalty of ₹1.48 crore but recovered only ₹4.19 lakh. The Department had not initiated action to recover the balance penalty either by auctioning the confiscated vehicles or by recovery as arrears of land revenue even after the lapse of one to six years. Non observance of rules resulted in non-recovery of penalty of ₹1.44 crore.

On this being pointed out, DETC (Excise) Jind stated (January 2016) that an amount of ₹90,000 had been recovered in one case.

#### **The department in its written reply stated as under:**

In this para, there are 7 districts namely Bhiwani, Faridabd, Fatehabad, Hisar, Jind, Kurukshetra and Sonapat respectively for the financial year 2010-11 to 2014-15 involving 139 cases of retail liquor licenses. The total amount involved is ₹145.24 Lakh (₹1.45 Cr.), regarding non recovery of penalty imposed u/s 61 (aaa) (c) (I) of Punjab Excise Act, 1914 as applicable to State of Haryana. Out of which an amounting of ₹65.79 Lakh (₹0.66 Cr.) has been recovered in 60 cases and an outstanding amount of ₹79.30 Lakh (₹0.79 Cr.) is remaining against 79 cases, out of which 05 cases of total amount involving ₹35.31 Lakh (₹0.35 Crore) have been declared under Land Revenue Act, 1887.

The details of all cases is also given in tabular form as follows:-

| PARA 3.2.11.1 (Amount in Lakh)  |             |                   |              |        |              |        |              |        |                                       |        |                                                                                            |
|---------------------------------|-------------|-------------------|--------------|--------|--------------|--------|--------------|--------|---------------------------------------|--------|--------------------------------------------------------------------------------------------|
| Non recovery of penalty imposed |             |                   |              |        |              |        |              |        |                                       |        |                                                                                            |
| Para No.                        | District    | Relates to Year   | No. of cases | Amount | Recovered    |        | Balance      |        | Cases declared under Land Revenue Act |        | Remarks                                                                                    |
|                                 |             |                   |              |        | No. of cases | Amount | No. of cases | Amount | No. of cases                          | Amount |                                                                                            |
| 3.2.11.1                        | Bhiwani     |                   | 3            | 33.41  | -            | -      | 3            | 33.41  | 3                                     | 33.41  |                                                                                            |
|                                 | Faridabad   | 2010-11, 2011-12  | 3            | 0.39   | 3            | 0.39   | -            | -      | -                                     | -      |                                                                                            |
|                                 | Fatehabad   | 2013-14           | 2            | 5.90   | -            | -      | 2            | 5.90   | -                                     | -      |                                                                                            |
|                                 | Hissar      |                   | 14           | 4.83   | 13           | 4.40   | 1            | 0.28   | -                                     | -      | Difference of ₹15000/- is due to court decision vide which the accused has been acquitted. |
|                                 | Jind        |                   | 29           | 7.19   | 1            | 2.18   | 28           | 5.01   | 2                                     | 1.90   |                                                                                            |
|                                 | Kurukshetra |                   | 45           | 12.71  | 16           | 0.52   | 29           | 12.19  | -                                     | -      |                                                                                            |
|                                 | Sonepat     | 2010-11 & 2014-15 | 43           | 80.81  | 27           | 58.30  | 16           | 22.51  | -                                     | -      |                                                                                            |
|                                 |             |                   | 139          | 145.24 | 60           | 65.79  | 79           | 79.30  | 5                                     | 35.31  |                                                                                            |

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that recovery of Rs 79.00 lakh is pending.

**The Committee recommends that pragmatic efforts for expeditious recovery of balance amount be made under intimation to the Committee .**

**[94] 3.2.11.2 Non-recovery/levy of penalty for illegal possession and trade of liquor**

Audit scrutiny (between July 2015 and April 2016) of the records of eight offices of DETC (Excise) for the years 2013-14 and 2014-15 revealed that the Department had detained 77,729 bottles of illicit liquor in 183 cases between July 2013 and March 2015 and confiscated 36 vehicles in six districts. The Department had neither imposed even a minimum penalty nor did it initiate any action to recover the penalty by disposal of the confiscated vehicles. This resulted in non-levy of minimum penalty of ₹38.86 lakh.

**The department in its written reply stated as under:**

In this para it was detected by the Audit party that in eight districts namely Ambala, Faridabad, Guguram East, Hisar, Jagadhri, Jind, Karnal, and Rohtak. 77729 bottles of illegal/illicit liquor were confiscated/detained in 183 cases during July 2013 to March 2015 but the DETC(s) concerned failed to impose and recover the penalty amounting to ₹38.85

Lakh. In this regard it is submitted that an amount of ₹10.02 Lakh has been recovered in 85 cases and an amount of ₹28.96 Lakh in 98 cases is still outstanding.

The details of all cases is also given in tabular form as under:-

| Para 3.2.11.2 (Amount in Lakh)    |               |                  |              |        |              |        |              |        |                                       |        |                                              |
|-----------------------------------|---------------|------------------|--------------|--------|--------------|--------|--------------|--------|---------------------------------------|--------|----------------------------------------------|
| Non Levy of Penalty in 61(1)Cases |               |                  |              |        |              |        |              |        |                                       |        |                                              |
| Para No.                          | District      | Relates to Year  | No. of cases | Amount | Recovered    |        | Balance      |        | Cases declared under Land Revenue Act |        | Remarks                                      |
|                                   |               |                  |              |        | No. of cases | Amount | No. of cases | Amount | No. of cases                          | Amount |                                              |
| 3.2.11.2                          | Ambala        | 2014-15          | 1            | 1.35   | -            | -      | 1            | 1.35   | -                                     | -      |                                              |
|                                   | Faridabad     | 2013-14, 2014-15 | 25           | 14.87  | 10           | 2.57   | 15           | 12.30  | -                                     | -      |                                              |
|                                   | Gurugram East | 2014-15          | 2            | 0.21   | 1            | 0.02   | 1            | 0.19   | -                                     | -      |                                              |
|                                   | Hissar        |                  | 6            | 10.49  | 5            | 5.96   | 1            | 4.66   | -                                     | -      | Difference of ₹13700/- due to over recovery. |
|                                   | Jagadhari     | 2014-15          | 84           | 2.33   | 33           | 1.25   | 51           | 1.08   | -                                     | -      |                                              |
|                                   | Jind          | 2013-14, 2014-15 | 56           | 1.61   | 32           | 0.16   | 24           | 1.45   | -                                     | -      |                                              |
|                                   | Kamal         | 2014-15          | 2            | 7.06   | -            | -      | 2            | 7.06   | -                                     | -      |                                              |
|                                   | Rohtak        |                  | 7            | 0.93   | 7            | 0.93   | -            | -      | -                                     | -      |                                              |
| Total                             |               |                  | 183          | 38.85  | 88           | 10.89  | 95           | 28.09  | -                                     | -      |                                              |

#### Observations and Recommendations of the Committee as under:

During oral examination department stated that recovery pertaining to 8 districts is pending.

**The Committee recommends that pragmatic efforts for expeditious recovery of balance amount be made under intimation to the Committee .**

#### [95] 3.2.13 Internal control mechanism

##### 3.2.13.1 Inadequate internal control and monitoring

In order to have an effective internal control mechanism, the Department prescribes 14 statements/returns to be furnished every month by the DETCs (Excise) and the management of distilleries and breweries to ETC.

Scrutiny of the records in the office of the ETC, Haryana revealed that while the prescribed monthly statements/returns in respect of working of DETC (Excise) offices, distilleries and breweries in the State were received in time, the information with year-wise and district-wise quantum of monthly progress reports due and received had not been consolidated at ETC office which would facilitate monitoring. Further, the Department failed

to provide details of arrears of revenue as on 1 April 2010 and 31 March 2015. However, the details of arrears of revenue collected from seven offices of DETCs (Excise) revealed that ₹108.16 crore was recoverable in 1,280 cases as on 31 March 2015. The Department failed to make concerted efforts to recover the arrears of revenue which were outstanding for years ranging between one to 46 years.

The Department neither started proceedings to recover it as arrears of land revenue nor did it take any steps to write off such arrears which had no scope for recovery.

The Department informed (July 2016) audit that a module for Management Information System was under development and would be implemented shortly.

**The department in its written reply stated as under:**

For affective liquor mentoring in the manufactory, CCTV Cameras are being installed through Hartron and for which payment has been released. By installation of CCTV Cameras, pilferage of liquor will definitely plugged to a large extent. In this way also, the department is going to implement the high security holograms with QR code based Track & Trace System for which request for proposal (RFP) has been prepared and facilitated in the market inviting tenders. The above projects initiated by department would fetch more revenue to the State Exchequer. The periodical/monthly reports are being complied on receipt of the same from the district offices. It is also pertinent to mention here that two Audit Committee Meetings were held in the month of November, December, 2019 at Head Office Level and in these meetings, 35 paras of amount involving to ₹701.86 lakh were dropped. The department has also written for more Audit Committee Meeting during the financial year 2020-21 for settlement of outstanding paras.

So, far as arrears are concerned, the department has recovered ₹2554.91 Lakhs upto 31.07.2021 and efforts are being made to recover the outstanding amount.

The para is based on information supplied by the department to the P.A.G. (Audit), Haryana. As on 01.08.2021, total outstanding arrears were ₹46457.37 Lakh, out of which ₹2554.91 Lakh have been recovered upto 31.07.2021. The breakup of balance arrear of the whole state under Excise is given as under:-

**(Amount in Lakhs)**

|   |                                          |          |
|---|------------------------------------------|----------|
| 1 | Under Stay                               | 1216.95  |
| 2 | Writing Off                              | 339.46   |
| 3 | Demand under Court cases                 | 1453.36  |
| 4 | Property attached                        | 6980.55  |
| 5 | Under Installment                        | 0        |
| 6 | Inter-State                              | 4551.91  |
| 7 | Inter-Distt.                             | 6197.59  |
| 8 | Recovered upto 31.07.2021                | 2554.91  |
| 9 | Balance net recoverable As on 01.08.2021 | 25717.52 |

**1. Under Stay**

There is an outstanding arrear under stay ₹1216.95 Lakh out of which ₹43.44 Lakh pertains to Ambala, ₹90.92 Lakh pertains to Bhiwani, ₹983.70 Lakh pertains to Faridabad, ₹51.94 Lakh pertains to Jind, ₹42.36 Lakh pertains to Kurukshetra and ₹4.59 Lakh pertains to Sonipat district.

**2. Writing Off**

Out of ₹339.46 Lakh, ₹0.56 Lakh pertains to Ambala, ₹9.43 Lakh pertains to Jhajjar, ₹232.00 Lakh pertains to Narnaul, ₹2.34 Lakh pertains to Palwal, ₹20.82 Lakh pertains to Panipat district, ₹5.92 Lakh pertains to Rohtak, ₹62.18 Lakh pertains to Sirsa and ₹6.21 Lakh pertains to Sonipat district.

**3. Demand in Court Cases**

Out of ₹1453.36 Lakh, ₹133.59 Lakh pertains to Bhiwani, ₹758 Lakh pertains to Gurugram (East), ₹8.50 Lakh pertains to Hisar, ₹5.23 Lakh pertains to Narnaul and ₹548.04 Lakh pertains to Rohtak district.

**4. Property attached**

Out of ₹6980.55 Lakh, ₹799.06 Lakh pertains to Bhiwani, ₹2397.97 Lakh pertains to Fatehabad, ₹309.78 pertains to Gurugram (East), ₹187.79 pertains to Jind, ₹1564.35 Lakh pertains to Kaithal, ₹71.63 Lakh pertains to Kurukshetra, ₹1247.8 Lakh pertains to Rohtak, ₹386.21 Lakh pertains to Sirsa and ₹15.96 Lakh pertains to Sonapat district.

**5. Under installment**

Nil.

**6. Inter State**

Out of ₹4551.91 Lakh, ₹107.99 Lakh pertains to Ambala, ₹301.28 Lakh pertains to Bhiwani, ₹1722.98 Lakh pertains to Faridabad, ₹68.34 Lakh pertains to Gurugram (East), ₹38.95 Lakh pertains to Gurugram (West), ₹803.63 Lakh pertains to Hisar, ₹241.03 Lakh pertains to Jagadhri, ₹23.91 Lakh pertains to Jind, ₹79.53 Lakh pertains to Kaithal, ₹50.40 Lakh pertains to Karnal, ₹12.28 Lakh pertains to Kurukshetra, ₹0.92 Lakh pertains to Narnaul, ₹61.83 Lakh pertains to Palwal, ₹414.53 Lakh pertains to Panchkula, ₹38.87 Lakh pertains to Panipat, ₹292.76 Lakh pertains to Rewari, ₹38.26 Lakh pertains to Rohtak, ₹237.31 Lakh pertains to Sirsa and ₹17.11 Lakh pertains to Sonapat district.

**7. Inter District**

Out of ₹6197.59 Lakh, ₹130.85 Lakh pertains to Ambala, ₹290.92 Lakh pertains to Bhiwani, ₹307.22 Lakh pertains to Faridabad, ₹148.88 Lakh pertains to Gurugram (East), ₹17.07 Lakh pertains to Gurugram (West), ₹132.72 Lakh pertains to Hisar, ₹814.11 Lakh pertains to Jagadhri, ₹206.72 Lakh pertains to Jhajjar, ₹196.84 Lakh pertains to Jind, ₹126.42 Lakh pertains to Kaithal, ₹1072.82 Lakh pertains to Karnal, ₹115.02 Lakh pertains to Kurukshetra, ₹219.21 Lakh pertains to Narnaul, ₹334.27 Lakh pertains to Palwal, ₹264.83 Lakh pertains to Panchkula,

₹144.4 Lakh pertains to Panipat, ₹805.66 Lakh pertains to Rewari, ₹591.58 Lakh pertains to Rohtak, ₹100.1 Lakh pertains to Sirsa and ₹177.95 Lakh pertains to Sonapat district.

#### 8. Net Recoverable

Out of ₹ 25717.52 Lakh, ₹562.17 Lakh pertains to Ambala, ₹1753.29 Lakh pertains to Bhiwani, ₹2100.02 Lakh pertains to Faridabad, ₹2156.43 Lakh pertains to Gurugram (East), ₹410.82 Lakh pertains to Gurugram (West), ₹2105.02 Lakh pertains to Hisar, ₹3232.99 Lakh pertains to Jagadhri, ₹518.36 Lakh pertains to Jhajjar, ₹1230.2 Lakh pertains to Jind, ₹1364.37 Lakh pertains to Kaithal, ₹4513.57 Lakh pertains to Karnal, ₹576.78 Lakh pertains to Kurukshetra, ₹60.79 Lakh pertains to Narnaul, ₹282.88 Lakh pertains to Palwal, ₹474.76 Lakh pertains to Panchkula, ₹1901.29 Lakh pertains to Panipat, ₹784.59 Lakh pertains to Rewari, ₹1056.39 Lakh pertains to Rohtak, ₹201.2 Lakh pertains to Sirsa and ₹431.6 Lakh pertains to Sonapat district.

#### Observations and Recommendations of the Committee as under:

During oral examination department stated that cases involving 3.39 crore has been identified in 8 districts.

**The Committee recommends that a complete and detailed report regarding plan for recovery of revenue and action taken in other related matters alongwith district wise detail of amount of recovery effected be submitted to the Committee.**

#### [96] 3.2.13.2 Inadequate coverage of internal audit

Internal audit is a tool in the hands of management to assure itself that the prescribed systems are functioning properly. The internal audit wing had planned audit of 105 field offices between April 2010 and March 2015 but audit of 61 field offices (58 per cent) was conducted during the same period. Thus, audit of remaining 44 field offices (42 per cent) was pending as on 31 March 2016 indicating poor planning. Further, audit notes were neither made available nor did the Chief Accounts Officer furnish the details of objections raised and settled. It was evident that internal audit mechanisms needed to be strengthened to ensure timely detection and correction of errors in levy and collection of excise duty, fee, penalty etc.

#### The department in its written reply stated as under:

This department has internal audit system in place for control and supervision of expenditure as well as receipts. The total posting strength of SAS persons are as under:-

|              | Sanctioned | Filled | Vacant |
|--------------|------------|--------|--------|
| CAO          | 1          | 0      | 1      |
| A.O.         | 5          | 5      | 0      |
| S.O. (H.Q)   | 14         | 5      | 9      |
| S.O. (Field) | 27         | 16     | 11     |

With this limited strength, the Department conducts internal audit of State Excise and other heads done regularly. The internal audit also covers contingency audit. Internal audit is also being conducted in field offices of VAT administration such as disposal of remand and revision cases. The department has issued a Internal Audit Policy during the financial year 2012-13 vide order dated 07.05.2013.

This department has requested many times to Finance Department to fill up vacant posts of Section Officers in the Head Office as well as in Field Offices. Even PAC has directed to Finance Department to fill up vacant posts of SAS persons in Excise & Taxation Department on priority basis.

Further, the details of Internal Audit of DETCs (Excise) for the year 2012-13 to 2018-19 is given as under:-

**(Amount in Lakh)**

| Sr. No. | Year         | No. of Audit planned | No. of Audit conducted | Percentage of Audit | Total amount point out during the Internal Audit | Amount Recovered/ Adjusted by the concerned office | Balance         |
|---------|--------------|----------------------|------------------------|---------------------|--------------------------------------------------|----------------------------------------------------|-----------------|
| 1       | 2012-13      | 21                   | 19                     | 90                  | 1130.97                                          | -                                                  | 1130.97         |
| 2       | 2013-14      | 21                   | 9                      | 43                  | 2242.96                                          | -                                                  | 2242.96         |
| 3       | 2014-15      | 21                   | 20                     | 95                  | 3702.13                                          | 1014.42                                            | 2687.70         |
| 4       | 2015-16      | 21                   | 20                     | 95                  | 1365.91                                          | 103.19                                             | 1262.71         |
| 5       | 2016-17      | 21                   | 21                     | 100                 | 2603.98                                          | 879.13                                             | 1724.86         |
| 6       | 2017-18      | 21                   | 21                     | 100                 | 7339.23                                          | 1953.63                                            | 5385.61         |
| 7       | 2018-19      | 23                   | 23                     | 100                 | 1856.77                                          | 36.79                                              | 1819.98         |
|         | <b>Total</b> |                      |                        |                     | <b>20241.95</b>                                  | <b>3987.16</b>                                     | <b>16254.79</b> |

In addition to the above mentioned Excise Audit, the Internal Audit of PGT Act was continuously conducted by the SAS persons posted in this department.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that despite shortage of manpower, internal audit of majority of field offices was conducted.

**The Committee would like to know whether that apart from plan for conduct of internal audit, department prepares any special plan for recovery and recommends that all possible efforts be made for expeditious recovery also.**



**[97] 5.1.2 Results of Audit**

During 2015-16, test check of the records of 98 units revealed irregularities relating to token tax, fitness/renewal fee, taxes on goods and passengers and penalty involving ₹17.26 crore in 44,660 cases which fall under the following categories as detailed in the Table 5.1.

**Table 5.1: Results of audit**

| <b>Sr. No.</b> | <b>Categories</b>                                                                                                                                  | <b>Number of cases</b> | <b>Amount (₹in crore)</b> |
|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------------------|
| 1.             | Loss of revenue on account of non-renewal of vehicle fitness certificate and registration certificate                                              | 1                      | 12.78                     |
| 2.             | Non recovery of fine from overloaded vehicles                                                                                                      | 119                    | 0.16                      |
| 3.             | Non recovery of fitness/renewal fee on account of renewal of registration certificates                                                             | 38,391                 | 1.29                      |
| 4.             | Non/short recovery of token/road tax in respect of Stage carriage buses/city buses                                                                 | 16                     | 0.05                      |
| 5.             | Non/short recovery of <ul style="list-style-type: none"> <li>passengers tax</li> <li>goods tax</li> <li>token tax from private vehicles</li> </ul> | 525<br>1,223<br>3,991  | 1.22<br>0.67<br>0.89      |
| 6.             | Miscellaneous irregularities                                                                                                                       | 393                    | 0.20                      |
| <b>Total</b>   |                                                                                                                                                    | <b>44,660</b>          | <b>17.26</b>              |

During the year, the Department accepted under-assessment and other deficiencies of ₹14.13 crore in 1,534 cases out of which 1,506 cases involving ₹9.04 crore were pointed out during the year and rest in earlier years. The Department recovered ₹0.46 crore in 660 cases out of which ₹0.31 crore in 204 cases relates to the year 2015-16 and rest to earlier years. Significant cases involving ₹14.13 crore and a Follow up audit on "Computerisation in Motor Vehicles Department" are discussed in the following paragraphs.

**The department in its written reply stated as under:**

Administration of the PGT stands transferred to Transport Department Haryana w.e.f. 01.04.2017. Besides both the departments are in process to reconcile the arrears for the purpose of recovery. In this reference complete data of the State pertaining to arrears of PGT upto 31.03.2017 has been reconciled except for Gurugram and Panchkula, which is expected to be finalized by 30.11.2021.

It is also submitted that statutory provisions regarding recovery of arrears under the repealed Act have been added as section 27 (3) of Haryana Motor vehicle (Amendment) Act, 2018 which reads as :-

“(3) Notwithstanding such repeal, all the assessment cases under the Punjab Passengers and Goods Taxation Act, 1952 (Punjab Act 16 of 1952) pending with the

Excise and Taxation Department before the commencement of this Act, shall be disposed off by the said department and any proceedings, such as appeal/revision, arising out of such disposal shall also be disposed off by the said department and for all the aforesaid purposes, the provisions of the Punjab Passengers and Goods Taxation Act, 1952 and the rules framed thereunder, shall be applicable, as if the said Act/rules had not been repealed and this Act has not come into force.”

It is further submitted that recovery of arrears accumulated upto 31.03.2017 will be done by the Transport Department and Excise & Taxation Department was to send the demand notice/assessment orders to the said department. In all cases the same has been sent.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that recovery in all assessment orders, if any is to be effected by Transport department.

**The Committee, therefore recommends that a complete & detailed report alongwith copies of all documents handed over to Transport Department be submitted to the Committee.**

## REVENUE DEPARTMENT

### [98] 4.1.2. Results of audit

In 2015-16, test check of the records of 90 units of the Revenue Department revealed non/short levy of stamp duty and registration fee and other irregularities involving Rs. 61.12 crore in 1,949 cases which fall under the following categories as depicted in Table 4.1.

Table 4.1: Results of audit

| Sr. No. | Categories                                                                                                                                                                                                                                                                                                 | Number of cases   | Amount (Rs. in crore)  |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------------|
| 1.      | Non/short recovery of stamp duty and registration fee due to <ul style="list-style-type: none"> <li>• undervaluation of immovable property</li> <li>• misclassification of sale deeds into collaboration agreement/instruments</li> <li>• non-charging of residential rates on purchase of land</li> </ul> | 529<br>246<br>413 | 31.06<br>17.93<br>7.77 |
| 2.      | Short realisation of stamp duty due to sale of property at lower consideration than the amount mentioned in the agreement deeds                                                                                                                                                                            | 59                | 0.66                   |
| 3.      | Irregular exemption of stamp duty on mortgage deeds/compensation certificates to land acquired                                                                                                                                                                                                             | 86                | 0.72                   |
| 4.      | Miscellaneous irregularities <sup>1</sup>                                                                                                                                                                                                                                                                  | 616               | 2.98                   |
|         | <b>Total</b>                                                                                                                                                                                                                                                                                               | <b>1,949</b>      | <b>61.12</b>           |

During the year, the Department accepted under-assessment and other deficiencies amounting to Rs. 58.98 crore involved in 244 cases which were pointed out during the year. Some significant cases involving Rs. 42.33 crore are discussed in the following paragraph.

**The department in its written reply stated as under:**

**The overall position of this Para is as under:-**

|                                                | No. of cases | Amount (in cr) |
|------------------------------------------------|--------------|----------------|
| 1 Amount Declared as an arrear of land revenue | 107          | 29.48          |
| 2 Amount Recovered by department               | 56           | 4.80           |
| 3 Amount pending for recovery                  |              |                |
| 4 Amount dropped by Collectors                 | 70           | 6.73           |
| 5 Amount for cases Pending with Collectors     | 1652         | 6.87           |
| <b>Total</b>                                   | <b>1885</b>  | <b>47.88</b>   |

**Note:- AG audit party shown deficiency of Rs 61.12 cr in 1949 deeds. While cases are 1885 amounting to Rs 47.88 cr while have been verified from the A.G office.**

The All the Deputy Commissioners concerned have been impressed upon vide letter dated 25.10.2018, 15.11.2018, 10.12.2018, 08.03.2019, 16.04.2019, 08.05.2019, 03.02.2020, 05.02.2020, 08.07.2020, 03.09.2020, 09.09.2020, 05-10-2020, 09.11.2020, 30.06.2021, 13-07-2021, 21.07.2021, 03-08-2021, 08.09.2021, 18.10.2021 and last letter dated 28.10.2021 to expedite the matters pertaining to recovery of deficient amount of stamp duty and registration fee and the cases pending to Collectors under section 47-A of the Indian Stamp Act, 1899 for determination of proper stamp duty for early decision by the Government time to time.

The Financial Commissioner Revenue & Additional Chief Secretary Disaster Management Department have also held meetings from time to time at the level of Deputy Commissioners of the State in which directions have been given to the revenue officers and collectors of the districts for expediting disposal of cases pending to Collector under section 47-A of the said Act pertaining to determination of proper stamp duty and registration fee and recovery of deficient amount of stamp duty and registration fee determined by the Collectors. The Registering Authorities have also been directed in the meetings to pursue their cases of deficient amount of stamp duty in the Courts of Collectors and recovery thereof.

#### **Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that cases referred under section 47-A of Indian stamp Act were lying pending for want of final decision for more than 6 to 7 years ( despite instructions for decision within 2 months) and that pace of recovery in cases declared for recovery under Panjab Land Revenue(PLR) Act was also slow.**

**The Committee would like to know latest status of recovery of revenue in cases being processed under PLR Act but information was not readily available with department. The committee therefore, recommends that complete detail regarding latest status of recovery of revenue in all cases being processed for recovery under PLR Act be prepared and submitted to the Committee at the earliest .**

#### **4.2 Short levy of stamp duty due to under-valuation of immovable property**

**Ninety two deeds were registered for sale at normal Khasras rates for agricultural land instead of rates applicable on Khasras on which change of land use licenses issued to develop residential colonies resulting in short levy of stamp duty of ₹34.84 crore. Further, 57 deeds were executed and registered at a consideration less than what had been agreed to between the parties resulting in short levy of stamp duty of ₹85.10 lakh.**

Section 27 of the IS Act stipulates that consideration and all other facts and circumstances affecting the chargeability of any instrument with duty, or the amount of duty with which it is chargeable, should be fully or truly set forth therein. Further, Section 64 of the 1S Act provides that any person who, with intent to defraud the Government, executes an instrument in which all the facts and circumstances required to be set forth in such instrument are not fully and truly set forth, is punishable with a fine which may extend to ₹5,000 per instrument. Audit of conveyance deeds registered by JSRs/SRs revealed under-

valuation of immovable property resulting in short levy of stamp duty amounting to ₹35.69 crore, as detailed below.

**[99] 4.2.1 sub-para of 4.2 Short levy of stamp duty due to under-valuation of immovable property**

Audit scrutiny of records (January to November 2015) of 12 offices<sup>2</sup> of SRs/JSRs for the years 2012-13 to 2014-15 revealed that 92 deeds were registered for sale at normal Khasras rates for agricultural land during the period between April 2012 and February 2015. The Khasras transacted in these deeds matched with Khasras on which change of land use (CLU) were issued from April 2006 to February 2014 to develop residential colonies, which were prior to the date of registration of the conveyance deeds in each of the 92 cases. As such, the value of land were liable to be assessed on the basis of residential rates for ₹748.78 crore, on which SD of ₹53.93 crore was leviable. But, these deeds were assessed at the rates fixed for agricultural land for ₹351.32 crore on which SD of ₹19.09 crore was levied. This resulted in short levy of SD of ₹34.84 crore (₹53.93 crore - ₹19.09 crore).

**The department in its written reply stated as under:**

4.2.1 Short levy of stamp duty in 92 cases amounting to Rs.34.84 crore in 12 offices of Sub-Registrars due to under-valuation of immovable property on the basis of CLU to the developers for development of residential colonies:-

The position of this Para is as under with Attached deed wise list:-

|   |                                              | No. of cases | Amt (in cr)  | Sr., no. of para      |
|---|----------------------------------------------|--------------|--------------|-----------------------|
| 1 | Amount Declared as an arrear of land revenue | 51           | 27.61        | 3,15,20, 26 to 49     |
| 2 | Amount Recovered by department               | -            | -            |                       |
| 3 | Amount pending for recovery                  | -            | -            |                       |
| 4 | Amount dropped by Collectors                 | 17           | 5.99         | 22,23,24,25, 77 to 87 |
| 5 | Amount for cases Pending with Collectors     | 24           | 1.24         |                       |
|   | <b>Total</b>                                 | <b>92</b>    | <b>34.84</b> |                       |

The Deputy Commissioners concerned Faridabad, Rewari, Gurugram, Panchkula, Sonapat and Karnal have been impressed upon vide letter dated 25.10.2018, 15.11.2018, 10.12.2018, 08.03.2019, 16.04.2019, 08.05.2019 03.02.2020, 05.02.2020, 08.07.2020, 03.09.2020, 09.09.2020, 05-10-2020, 09.11.2020, 30.06.2021, 13-07-2021, 29-07-2021, 03-08-2021, 08.09.2021, 18.10.2021 and last letter dated 28.10.2021 to expedite the matters under section 47-A of the Indian Stamp Act, 1899 for determination of proper stamp duty for early decision by the Government time to time.

The Financial Commissioner Revenue & Additional Chief Secretary Disaster Management Department have also held meetings from time to time at the level of Deputy Commissioners of the State in which directions have been given to the revenue officers and collectors of the districts for expediting disposal of cases pending to Collector under section 47-A of the said Act pertaining to determination of proper stamp duty and registration fee

and recovery of deficient amount of stamp duty and registration fee determined by the Collectors. The Registering Authorities have also been directed in the meetings to pursue their cases of deficient amount of stamp duty in the Courts of Collectors and recovery thereof.

Therefore, para may kindly be settled.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that in CLU cases enhanced rates were applicable .

**The committee observed that recovery amount as pointed out by audit in number of CLU cases were dropped by the collector and therefore recommends that detailed exercise be undertaken to:**

- (i) to check basis on which recovery was dropped;
- (ii) to check speaking order in dropped cases (as per list provided);
- (iii) to ascertain whether appeal as required were made in all dropped cases; and
- (iv) a report be submitted to the Committee at the earliest.

**[100] 4.2.2 sub-para of 4.2 Short levy of stamp duty due to under-valuation of immovable property**

Audit scrutiny of records (November 2014 and September 2015) of deed writers/agreements executed in SRs/JSRs office of 14 registering offices 4 revealed that SD of ₹1.78 crore was levied on 57 conveyance deeds that were registered (between April 2013 and August 2015) for sale of immovable properties worth ₹41.30 crore. Cross verification of these deeds with the agreements executed between the concerned parties between January 2012 and February 2015 showed that the total sale value as shown in the agreements was ₹60.09 crore on which SD of ₹2.63 crore was leviable. Thus, the conveyance deeds were executed and registered at a consideration less than what had been agreed to between the parties. Under-valuation of immovable properties in conveyance deeds resulted in short levy of SD of ₹85.10 lakh.

On this being pointed out, 10 SRs/JSRs5 stated between November 2015 and April 2016 that 48 cases had been sent to the Collector under Section 47-A of the IS Act for decision. Reply from the remaining four SRs/JSRs 6 had not been received (October 2016).

The matter was reported to the Government in May/June 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:**

**4.2.2 Short levy of stamp duty in 57 cases amounting to Rs 85.10 lakh in the offices of 10 Sub-Registrars due to under-valuation of immovable property on the basis of cross checking of consideration shown in conveyance deeds and agreement executed between the parties entered in the register of deed writers:-**

**The position of this Para is as under with Attached deed wise list:-**

|   |                                              | No. of cases | Amount (in Lakh) | Sr, no of para                              |
|---|----------------------------------------------|--------------|------------------|---------------------------------------------|
| 1 | Amount Declared as an arrear of land revenue | 8            | 16.05            | 6,34,35,42,50,51, 53,54,56                  |
| 2 | Amount Recovered by department               | 13           | 7.98             | 1,2,4,26,32, 40, 44, 45,46, 48,49,52,55, 57 |
| 3 | Amount pending for recovery                  | -            | -                |                                             |
| 4 | Amount dropped by Collectors                 | 2            | 5.64             | 37,39                                       |
| 5 | Amount for cases Pending with Collectors     | 34           | 55.43            |                                             |
|   | <b>Total</b>                                 | <b>57</b>    | <b>85.10</b>     |                                             |

The Deputy Commissioners concerned Faridabad, Rewari, Gurugram, Sonipat, Palwal, Fatehabad and Kaithal have been impressed upon vide letter dated 25.10.2018, 15.11.2018, 10.12.2018, 08.03.2019, 16.04.2019, 08.05.2019, 03.02.2020, 05.02.2020, 08.07.2020, 03.09.2020, 09.09.2020, 05-10-2020, 09.11.2020, 30.06.2021, 13-07-2021, 29-07-2021, 03-08-2021, 08.09.2021, 18.10.2021 and last letter dated 28.10.2021 to expedite the matters pertaining to recovery of deficient amount of stamp duty and registration fee and the cases pending to Collectors under section 47-A of the Indian Stamp Act, 1899 for determination of proper stamp duty for early decision by the Government time to time.

The Financial Commissioner Revenue & Additional Chief Secretary Disaster Management Department have also held meetings from time to time at the level of Deputy Commissioners of the State in which directions have been given to the revenue officers and collectors of the districts for expediting disposal of cases pending to Collector under section 47-A of the said Act pertaining to determination of proper stamp duty and registration fee and recovery of deficient amount of stamp duty and registration fee determined by the Collectors. The Registering Authorities have also been directed in the meetings to pursue their cases of deficient amount of stamp duty in the Courts of Collectors and recovery thereof.

**Observations and Recommendations of the Committee as under:**

**The Committee observed that this para is of same nature as para 4.2.1, therefore recommends that complete detailed an exercise be undertaken to**

- (i) check the basis on which recovery cases was dropped;**
- (ii) to check speaking order in respect of dropped cases (as per list provided);**
- (iii) to ascertain whether appeal as required were made in all dropped cases; and**
- (iv) a detailed report in this regard also be submitted to the Committee at the earliest.**

**[101] 4.3 Short levy of stamp duty due to misclassification of collaboration agreement**

**Misclassification of collaboration agreements in 14 cases resulted in short levy of stamp duty of ₹2.46 crore.**

As per Haryana Government notification issued in October 2013 any agreement that relates to giving authority or power to a promoter or a developer, by whatever name called, for construction on, development of or, sale or transfer (in any manner whatsoever) of, any immovable property shall be liable to SD as is leviable on a conveyance for sale of immoveable property.

Audit scrutiny of records (between January 2014 and October 2015) of six S Rs revealed that 14 collaboration agreements were registered between October 2013 and November 2014 in respect of land on which total SD was levied as applicable in the case of agreement not involving sale of land. Scrutiny of these agreements revealed that the owners of land had authorised the developers to take possession of the land with the right to construct, built- up shop-cum-flats and residential houses and these fell within the ambit of the notification of October 2013. As per rates fixed by the Collector, value of agricultural land transferred to the developers worked out to ₹47.45 crore on which SD of ₹2.46 crore was leviable. Thus, misclassification of these documents as agreements to develop resulted in short levy of SD of ₹2.46 crore.

On this being pointed out, four SRs stated (between October 2015 and May 2016) that eight cases had been sent to the Collector under Section 47-A of the IS Act. Further reports on recovery and replies from the SRs Bass and Nissing have not been received (October 2016).

The matter was reported to the Government in May 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:**

**4.3 Short levy of stamp duty in 14 deeds amounting to Rs 2.46 crore in 6 SRs due to misclassification of collaboration agreement.**

**The position of this Para is as under with Attached deed wise list:-**

|   |                                              | No. of cases | Amount (in cr) | Sr., no. of para |
|---|----------------------------------------------|--------------|----------------|------------------|
| 1 | Amount Declared as an arrear of land revenue | 2            | 0.08           | 1,14             |
| 5 | Amount for cases Pending with Collectors     | 12           | 2.38           |                  |
|   | <b>Total</b>                                 | <b>14</b>    | <b>2.46</b>    |                  |

The Deputy Commissioners concerned Faridabad, Hissar, Karnal and Rewari have been impressed upon vide letter dated 25.10.2018, 15.11.2018, 10.12.2018, 08.03.2019, 16.04.2019, 08.05.2019 03.02.2020, 05.02.2020, 08.07.2020, 03.09.2020, 09.09.2020, 05-10-2020, 09.11.2020, 30.06.2021, 13-07-2021 29-07-2021 03-08-2021, 08.09.2021, 18.10.2021 and last letter dated 28.10.2021 to expedite the matters pertaining to recovery of



deficient amount of stamp duty and registration fee and the cases pending to Collectors under section 47-A of the Indian Stamp Act, 1899 for determination of proper stamp duty for early decision by the Government time to time. But the matter is pending Haryana High Court in C.W.P. No. 19648 of 2013, dated 06.05.2014 in which it was ordered that no coercive steps shall be taken by the respondents for recovery of stamp duty. In the case the notification dated 01 October 2013 regarding levying of stamp duty on development agreement has been challenged. As far as the contention raised by learned counsel for the State regarding application of Section 47-A of the Act is concerned, this Court is not opining on the justification of the proceedings under Section 47-A of the Act. The State, if has power to take action under any provisions of the statute, may be at liberty to initiate proceedings. In case the State initiates any other proceedings against the petitioners, they shall be at liberty to raise all the objections available to them in law by 10.2.2016, Judge (Rajesh Bindal).

The Hon'ble High Court passed an order dated 30-8-2016 in LPA No 1565 of 2016 "The argument in this regard made by the learned counsel for the appellants is thus untenable. State would be bound by the consequence of such a statement made by a counsel for the State if it results in a judgment. Before parting with the judgment, we may notice that these are totally frivolous appeals which have been filed by the State particularly when it was conceded before the learned Single Judge as well as before this Court that Section 33 was not a proper procedure and the writ court granted liberty to the appellants to initiate proceedings under Section 47-A. But instead of doing so they have filed these frivolous appeals to burden the courts and waste their time. The appeals are also barred by an inordinate delay of 97 days and 168 days respectively, which is as is a norm attributed to procedural lapses which we do not intend to condone. Appeals dismissed with costs of Rs.50,000/- each to be deposited before the Mediation and Conciliation of this Court within a period of two months"

Now the case is pending before Hon'ble Supreme Court of India New Delhi in SLP No. 31294 of 2017 for decision.

**Observations and Recommendations of the Committee as under:**

**During oral examination the Committee observed that certain required important information was not provided in reply submitted to the Committee.**

**The Committee viewed it very seriously and therefore recommends that complete and detailed revised reply be submitted to the Committee at the earliest.**

**[102] 4.4 Short levy of stamp duty due to application of non prime rates on land containing prime khasra containing prime khasra**

**Registering authorities incorrectly assessed prime khasra land at normal rates fixed for agricultural land resulting in short levy of stamp duty of ₹1.55 crore.**

As per Haryana Government instruction issued in November 2000, the Evaluation Committee has to fix separate rates for prime land i.e. land situated on National Highways, State Highways, link roads up to 2-3 acres of depth and developed Colonies/Wards/Sectors and record the khasra numbers in the Collector's rate list to avoid evasion of stamp duty. Thereafter, these rates are sent to the registering

authority for proper evaluation of the immoveable properties situated in these prime Khasras. Further, Section 27 of the IS Act as applicable to the state of Haryana, provides that consideration and all other facts and circumstances affecting the chargeability of any instrument with duty or the amount of duty chargeable, should be fully or truly set forth therein.

Audit scrutiny of records (May 2014 to August 2015) of 20 offices of the SRs/JSRs revealed that 110 conveyance deeds were registered for sale at normal khasra rates fixed for agricultural land during the period between April 2011 and May 2014. However, the khasras transacted in these deeds matched with the prime khasras having higher land rates. As such, the value of land was liable to be assessed on the rates fixed by the Collector for prime land for ₹75.81 crore on which SD of ₹3.30 crore was leviable instead of at the assessed rates fixed for agricultural land for ₹43.90 crore on which SD of ₹1.75 crore was levied. This resulted in short levy of SD of ₹1.55 crore (₹3.30 crore - ₹1.75 crore).

On this being pointed out, all the SRs/JSRs stated (between September 2014 and July 2016) that the cases had been send to the Collector under Section 47-A of the IS Act for decision and efforts would be made to recover the outstanding amount.

The matter was reported to the Government in June 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:**

**4.4 Short levy of stamp duty in 110 deeds amounting to Rs 155.29 in 20 SRs due to application of non prime rates on land containing prime khasra numbers.**

**The position of this Para is as under with Attached deed wise list:-**

|   |                                              | No. of cases | Amt (in Lakh) | Sr, no of para                                                                     |
|---|----------------------------------------------|--------------|---------------|------------------------------------------------------------------------------------|
| 1 | Amount Declared as an arrear of land revenue | 18           | 54.35         | 11,27,41,53,55, 63, 65, 69,76, 77,82, 83,84, 86, 108,109,110, and 111              |
| 2 | Amount Recovered by department               | 26           | 12.34         | 8,13,19,20,22,25,26,51, 52,54,58,59,60,61,62,6 4,67,79,80,85,87,88,90, 92, 106,107 |
| 3 | Amount pending for recovery                  | -            | -             |                                                                                    |
| 4 | Amount dropped by Collectors                 | 19           | 18.76         | 49,50,56,66,69,75,81,9 7,98,99,100,101,102,10 4,105, 107,113,114                   |
| 5 | Amount for cases Pending with Collectors     | <b>47</b>    | <b>69.84</b>  |                                                                                    |
|   | <b>Total</b>                                 | <b>110</b>   | <b>155.29</b> |                                                                                    |

The Deputy Commissioners concerned Karnal, Faridabad, Yamunagar, Rewari, Fatehabad, Panipat, Sonipat, and Ambala have been impressed upon vide letter dated 25.10.2018, 15.11.2018, 10.12.2018, 08.03.2019, 16.04.2019, 08.05.2019, 03.02.2020,

05.02.2020, 08.07.2020, 03.09.2020, 09.09.2020, 05-10-2020, 09.11.2020, 30.06.2021, 13.07.2021, 21.07.2021, 03-08-2021, 08.09.2021, 18.10.2021 and last letter dated 28.10.2021 to expedite the matters pertaining to recovery of deficient amount of stamp duty and registration fee and the cases pending to Collectors under section 47-A of the Indian Stamp Act, 1899 for determination of proper stamp duty for early decision by the Government time to time.

The Financial Commissioner Revenue & Additional Chief Secretary Disaster Management Department have also held meetings from time to time at the level of Deputy Commissioners of the State in which directions have been given to the revenue officers and collectors of the districts for expediting disposal of cases pending to Collector under section 47-A of the said Act pertaining to determination of proper stamp duty and registration fee and recovery of deficient amount of stamp duty and registration fee determined by the Collectors. The Registering Authorities have also been directed in the meetings to pursue their cases of deficient amount of stamp duty in the Courts of Collectors and recovery thereof.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that required instructions have been issued and efforts for recovery were being made.

**The Committee therefore ,recommends that recovery process expedited under intimation to the Committee.**

**[103] 4.5 Misclassification of 'conveyance on sale' as release deeds**

**The registering authorities misclassified conveyance on sale as release deeds and levied stamp duty of ₹1,850 instead of ₹87.16 lakh as per Collector rate resulting in short levy of stamp duty of ₹87.14 lakh.**

As per Haryana Government clarification in December 2005 and article 55 in schedule 1-A of the Indian Stamp Act, 1899 (IS Act), if an instrument of ancestral property is executed in favour of brother or sister (children of renouncer's parents) or son or daughter or father or mother or spouse or grand children or nephew or niece or co-parcener of the renouncer, stamp duty will be levied at the rate of ₹15 and in any other case, the same duty will be levied as a conveyance relating to sale of immoveable property for the amount equal to the market value of the share, interest, part of claim renounced.

Audit scrutiny of records (between August and December 2015) of 26 SRs/JSRs revealed that 83 release deeds were executed between November 2012 and March 2015 in favour of persons other than those allowed in the above clarification of the Government. The registering authorities levied SD of ₹1,850 only as release deeds whereas these deeds were liable to SD of ₹87.16 lakh at the rate of five to seven per cent as conveyance on sale amounting to ₹17.40 crore as per Collector rate. Misclassification of 'conveyance on sale' as 'release deeds' resulted in short levy of SD of ₹87.14 lakh.

On this being pointed out, 14 SRs/JSRs stated (between January and May 2016) that 42 cases had been sent to the Collector under Section 47-A of the IS Act for decision.

The matter was reported to the Government in June 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:**

**1.5 Misclassification of 'conveyance on sale' as release deeds. Short levy of Stamp duty in 83 cases amounting to Rs 87.14 lakh in 26 SRs/JSRs.**

The position of this Para is as under with Attached deed wise list:-

|   |                                              | No. of cases | Amt (in lakh) | Sr, no of para                                      |
|---|----------------------------------------------|--------------|---------------|-----------------------------------------------------|
| 1 | Amount Declared as an arrear of land revenue | 16           | 21.62         | 1,3,12,14,24,25,45,46,48,58, 59, 62,68,70,76,77     |
| 2 | Amount Recovered by department               | 15           | 7.90          | 4,7,15,21,26,42, 50,51,52, 53,74,75,78,82,83        |
| 3 | Amount dropped by Collectors                 | 18           | 23.74         | 2,5,6,8,9,10,12,13,23,43,44, 54, 55,56,57,60,61, 82 |
| 4 | Amount for cases Pending with Collectors     | 34           | 33.88         |                                                     |
|   | Total                                        | 83           | 87.14         |                                                     |

The Deputy Commissioners concerned Hissar, Faridabad, Bhiwani, Charkhidabri, Hissar, Gurugram, and Panchkula have been impressed upon vide letter dated 25.10.2018, 15.11.2018, 10.12.2018, 08.03.2019, 16.04.2019, 08.05.2019 03.02.2020, 05.02.2020, 08.07.2020, 03.09.2020, 09.09.2020, 05-10-2020, 09.11.2020, 30.06.2021, 13-07-2021 21.07.2021, 03-08-2021, 08.09.2021, 18.10.2021 and last letter dated 28.10.2021 to expedite the matters pertaining to recovery of deficient amount of stamp duty and registration fee and the cases pending to Collectors under section 47-A of the Indian Stamp Act, 1899 for determination of proper stamp duty for early decision by the Government time to time.

The Financial Commissioner Revenue & Additional Chief Secretary Disaster Management Department have also held meetings from time to time at the level of Deputy Commissioners of the State in which directions have been given to the revenue officers and collectors of the districts for expediting disposal of cases pending to Collector under section 47-A of the said Act pertaining to determination of proper stamp duty and registration fee and recovery of deficient amount of stamp duty and registration fee determined by the Collectors. The Registering Authorities have also been directed in the meetings to pursue their cases of deficient amount of stamp duty in the Courts of Collectors and recovery thereof.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated instruction have been issued for recovery amount, remained unrecovered.

**The Committee, therefore recommends that recovery process be expedited and if required, responsibility of concerned officers/officials also be fixed for lapses under intimation to the Committee.**

**[104] 4.6 Irregular remission of stamp duty**

**Irregular remission of stamp duty in contravention of provision for execution of transfer deeds in favour of persons other than blood relations resulted in loss of revenue of ₹48.02 lakh to the State exchequer.**

As per Government order of 16 June 2014, the Government may remit the SD chargeable on the instrument if it pertains to transfer of immovable property within the family by an owner during his lifetime to any of the blood relations namely parents, children, grand children, brother (s), sister (s) and between spouse.

Audit scrutiny of records (March to December 2015) of the registered documents of transfer deeds in nine offices of SRs/ JSRs for the year 2014-15 revealed that 33 instruments of transfer deeds were executed in favour of persons other than those allowed in the above orders of Government. The registering authorities exempted the transferees from SD which was in contravention of the above orders of the Government. Thus, irregular remission of SD resulted in loss of revenue to the State exchequer to the extent of ₹48.02 lakh.

On this being pointed out, all the SRs/JSRs stated (August to December 2015) that cases would be sent to Collector under Section 47-A of the IS Act.

The matter was reported to the Government in April 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:**

**Irregular remission of stamp duty in 33 transfer deeds in blood relation deficiency of Rs 48.02 lakh in violation of notification 16-06-2014 in 13 SRs/ JSRs.**

The position of this Para is as under with Attached deed wise list:-

|   |                                              | No. of cases | Amt (in lakh) | Sr, no of para  |
|---|----------------------------------------------|--------------|---------------|-----------------|
| 1 | Amount Declared as an arrear of land revenue | 7            | 3.34          | 2,3,4,5,6,17,18 |
| 2 | Amount Recovered by department               | 1            | 13.72         | 25              |
| 3 | Amount pending for recovery                  | -            | -             |                 |
| 4 | Amount dropped by Collectors                 |              |               |                 |
| 5 | Amount for cases Pending with Collectors     | 25           | 30.96         |                 |
| 6 | Total                                        | 33           | 48.02         |                 |

The Deputy Commissioners concerned Gurugram, Faridabad, Bhiwani and Charkhidadri have been impressed upon vide letter dated 25.10.2018, 15.11.2018, 10.12.2018, 08.03.2019, 16.04.2019, 08.05.2019 03.02.2020, 05.02.2020, 08.07.2020, 03.09.2020, 09.09.2020, 05-10-2020, 09.11.2020, 30.06.2021, 13-07-2021, 21.07.2021, 03-08-2021, 08.09.2021, 18.10.2021 and last letter dated 28.10.2021 to expedite the matters pertaining to recovery of deficient amount of stamp duty and registration fee and the cases pending to Collectors under section 47-A of the Indian Stamp Act, 1899 for determination of proper stamp duty for early decision by the Government time to time.

The Financial Commissioner Revenue & Additional Chief Secretary Disaster Management Department have also held meetings from time to time at the level of Deputy Commissioners of the State in which directions have been given to the revenue officers and collectors of the districts for expediting disposal of cases pending to Collector under section 47-A of the said Act pertaining to determination of proper stamp duty and registration fee and recovery of deficient amount of stamp duty and registration fee determined by the Collectors. The Registering Authorities have also been directed in the meetings to pursue their cases of deficient amount of stamp duty in the Courts of Collectors and recovery thereof.

**Observations and Recommendations of the Committee as under;**

**During oral examination the Committee recommends that responsibility of defaulting officers/officials in all cases of irregular remission of stamp duty be fixed under intimation to the Committee.**

**[105] 4.7 Incorrect grant of exemption**

**Registering Authorities incorrectly allowed exemption of stamp duty of**

**₹46.54 lakh to non-agriculturists for loans for the purpose of poultry feed manufacturing units and education society which was not admissible as per the extant orders of the Government.**

Government of Haryana vide order of 07 June 2012 exempts 1.5 per cent SD chargeable under the IS Act in respect of instruments executed by agriculturists in favour of any commercial bank for securing loan for purchase of tractor with its accessories, tractor trolley and thresher, installation of tubewell based on diesel engine, boring and electrification of tubewell, laying of underground pipes, lining of water course, leveling and reclamation of land and development of horticulture and purchase of pumping sets, cane crushers bullocks or plough and spray equipments, sprinkler irrigation for agriculture purposes, piggery, dairy, poultry, fishery and crop loans, agricultural loans, term loans, kisan credit cards or any other allied purpose.

Audit scrutiny of records (April 2014 and October 2015) of SRs Adampur, Nilokheri and Narnaund revealed that four instruments were executed between December 2013 and November 2014 for securing loan of ₹31.03 crore from commercial banks against security of immovable property for the purpose of poultry feed manufacturing units in three cases and in one case, loan was secured to the Education Society. As per the above cited orders of Government, SD could be exempted only in respect of instruments executed by the agriculturists for securing loan for the purchase of agriculture items as specified. The incorrect exemption of SD to these persons/society resulted in non-levy of SD of ₹46.54 lakh.

On this being pointed out, all the SRs stated in March and April 2016 that the cases had been sent to the Collector under Section 47-A of the IS Act.

The matter was reported to the Government in April 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:**

**Incorrect grant of exemption of stamp duty in 4 mortgage deeds deficiency of Rs 46.54 lakh**

The position of this Para is as under with Attached deed wise list:-

|   |                                              | No. of cases | Amt (in lakh) | Sr, no of para. |
|---|----------------------------------------------|--------------|---------------|-----------------|
| 1 | Amount Declared as an arrear of land revenue | -            | -             |                 |
| 2 | Amount Recovered by department               | 1            | 0.45          | 2               |
| 3 | Amount pending for recovery                  | -            | -             |                 |
| 4 | Amount dropped by Collectors                 | -            | -             |                 |
| 5 | Amount for cases Pending with Collectors     | 3            | 46.09         | 1,3,4           |
|   | Total                                        | 4            | 46.54         |                 |

The Deputy Commissioners concerned Hissar and Karnal have been impressed upon vide letter dated 25.10.2018, 15.11.2018, 10.12.2018, 08.03.2019, 16.04.2019, 08.05.2019, 03.02.2020, 05.02.2020, 08.07.2020, 03.09.2020, 09.09.2020, 05-10-2020, 09.11.2020, 30.06.2021, 13-07-2021, 21.07.2021, 03-08-2021, 08.09.2021, 18.10.2021 and last letter dated 28.10.2021 to expedite the matters pertaining to recovery of deficient amount of stamp duty and registration fee and the cases pending to Collectors under section 47-A of the Indian Stamp Act, 1899 for determination of proper stamp duty for early decision by the Government time to time.

The Financial Commissioner Revenue & Additional Chief Secretary Disaster Management Department have also held meetings from time to time at the level of Deputy Commissioners of the State in which directions have been given to the revenue officers and collectors of the districts for expediting disposal of cases pending to Collector under section 47-A of the said Act pertaining to determination of proper stamp duty and registration fee and recovery of deficient amount of stamp duty and registration fee determined by the Collectors. The Registering Authorities have also been directed in the meetings to pursue their cases of deficient amount of stamp duty in the Courts of Collectors and recovery thereof.

**Observations and Recommendations of the Committee as under:**

**During oral examination the Committee recommends that responsibility of the concerned officers/officials who were not diligent enough so as to stop incorrect exemption of stamp duty be fixed under intimation to Committee.**

**[106] 4.8 Short realisation of stamp duty due to application of incorrect rates**

**Registering Authorities assessed the value of land of ₹4.53 crore on the basis of agreed rates instead of at the Collector's rate applicable at the time of registration of documents resulting in short levy of stamp duty of ₹42.44 lakh.**

As per Government order issued in May 2010, SD shall be levied on the Collector's rate of land to be sold and not on the basis of value agreed between

the buyer and the seller. If the Registering Authority has reason to believe that the value of the property or the consideration has not been truly set forth in the instrument, he may, after registering such instrument, refer the same to the Collector for determination of the value or consideration, as the case may be, and the proper duty payable thereon.

Audit scrutiny of records (May 2014 to August 2015) of 16 offices of SRs/JSRs for the years 2013-14 and 2014-15 revealed that the registering authorities assessed the value of land in 27 cases at ₹4.53 crore on the basis of rates agreed to between the parties earlier and levied SD of ₹23.69 lakh whereas the actual value of the immovable property was ₹13.46 crore as per the Collector's rate applicable at the time of registration of documents and SD leviable was ₹66.13 lakh. This resulted in short levy of SD of ₹42.44 lakh (₹66.13 lakh- ₹23.69 lakh).

On this being pointed out, all the SRs/JSRs stated between November 2015 and April 2016 that all the cases had been sent to the Collector under Section 47-A of the IS Act.

The matter was reported to the Government in May 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:**

**Short realisation of stamp duty on the basis of agreement executed between the party and due to application of incorrect rates in 27 cases deficiency of Rs 42.44 lakh in 16 offices of SRs/JSRs**

The position of this Para is as under with Attached deed wise list:-

|   |                                                                            | No. of cases | Amt (in lakh) | Sr, no of para           |
|---|----------------------------------------------------------------------------|--------------|---------------|--------------------------|
| 1 | Amount Declared as an arrear of land revenue / Amount pending for recovery | 4            | 1.78          | 3,15,20,22               |
| 2 | Amount Recovered by department                                             | 6            | 14.27         | 2,5,6,17, 18,19          |
| 3 | Amount dropped by Collectors                                               | 8            | 8.14          | 11,14,21,23,24, 25,26,27 |
| 4 | Amount for cases Pending with Collectors                                   | 9            | 18.25         |                          |
|   | Total                                                                      | 27           | 42.44         |                          |



The Deputy Commissioners concerned Hissar, Faridabad, Gurugram Faridabad, Hissar, Yamunagar, Bhiwani and Rewari. Faridabad, Rewari, Gurugram, Panchkula and Karnal have been impressed upon vide letter dated 25.10.2018, 15.11.2018, 10.12.2018, 08.03.2019, 16.04.2019, 08.05.2019, 03.02.2020, 05.02.2020, 08.07.2020, 03.09.2020, 09.09.2020, 05-10-2020, 09.11.2020, 30.06.2021, 13-07-2021, 21.07.21, 03-08-2021, 08.09.2021, 18.10.2021 and last letter dated 28.10.2021 to expedite the matters pertaining to recovery of deficient amount of stamp duty and registration fee and the cases pending to Collectors under section 47-A of the Indian Stamp Act, 1899 for determination of proper stamp duty for early decision by the Government time to time.

The Financial Commissioner Revenue & Additional Chief Secretary Disaster Management Department have also held meetings from time to time at the level of Deputy Commissioners of the State in which directions have been given to the revenue officers and collectors of the districts for expediting disposal of cases pending to Collector under section 47-A of the said Act pertaining to determination of proper stamp duty and registration fee and recovery of deficient amount of stamp duty and registration fee determined by the Collectors. The Registering Authorities have also been directed in the meetings to pursue their cases of deficient amount of stamp duty in the Courts of Collectors and recovery thereof.

#### **Observations and Recommendations of the Committee as under:**

During oral examination department stated that recovery of balance amount of Rs 18.25 lakh was under process.

**The Committee , therefore recommends that pragmatic efforts for expeditious recovery of whole balance amount be made under intimation to the Committee.**

#### **[107] 4.9 Irregular exemption of stamp duty**

**Irregular exemption of stamp duty to farmers who had purchased residential/commercial or agriculture land after two years of receipt of compensation for acquired land in 19 cases resulted in non/short levy of stamp duty to the extent of ₹27.20 lakh.**

As per Government order issued on January 2011 under the IS Act, the Government exempts SD in respect of sale deeds executed by farmers whose land is acquired by Haryana Government for public purposes and who purchase agricultural land in the State within two years of the amount of compensation received by them. The exemption will be limited to the compensation amount and the additional amount involved in the purchase of agricultural land will be liable to SD as per rules.

Audit scrutiny of records (June 2014 and October 2015) of 12 of SRs revealed that in 17 cases, farmers whose land had been acquired by the Government for public purposes purchased residential/commercial land valued at ₹4.10 crore. In another two cases, the farmers purchased agricultural land valued at ₹1.41 crore after two years of the receipt of compensation amount. SD was to be levied in these cases at the rate of five to seven per cent amounting to ₹29.50 lakh as the farmers had purchased residential/ commercial land or agricultural land after two years of receipt of compensation and hence they were not eligible for exemption of SD. The

Department had, however, levied SD amounting to ₹2.30 lakh against the leviable SD amounting to ₹10.52 lakh in seven cases out of 19, resulting in short levy of SD amounting to ₹8.22 lakh while no SD had been levied in the remaining 12 cases. The SD due from those 12 cases was ₹18.98 lakh. This irregular exemption of SD resulted in non/short levy of SD of ₹27.20 lakh (₹8.22 lakh + ₹18.98 lakh).

On this being pointed out, four SRs stated (June 2014 to January 2016) that eight cases had been sent to Collector, while seven SRs stated that nine cases would be sent to collector for decision under Section 47-A of the IS Act. Reply from SR Karnal was awaited (October 2016).

The matter was reported to the Government in April 2016; its reply was awaited (October 2016)

**The department in its written reply stated as under:**

**Irregular exemption of stamp duty in 17 cases deficiency of Rs 27.20 lakh due to violation of notification regarding purchased of land from compensation**

The position of this Para is as under with Attached deed wise list:-

|   |                                              | No. of cases | Amount (in lakh) | Sr, no of para |
|---|----------------------------------------------|--------------|------------------|----------------|
| 1 | Amount Declared as an arrear of land revenue | 1            | 2.59             | 7              |
| 2 | Amount Recovered by department               | 5            | 4.62             | 3,4,5,10,12    |
| 3 | Amount pending for recovery                  | -            | -                |                |
| 4 | Amount dropped by Collectors                 | 4            | 5.98             | 9,14,15,16     |
| 5 | Amount for cases Pending with Collectors     | 7            | 14.10            | 1,2,6,8,11,17  |
| 6 | Total                                        | 17           | 27.20            |                |

The Deputy Commissioners concerned Yamunanagar, Gurugram, Faridabad, Hissar, Kurukshetra, Karnal and Rewari have been impressed upon vide letter dated 25.10.2018, 15.11.2018, 10.12.2018, 08.03.2019, 16.04.2019, 08.05.2019 03.02.2020, 05.02.2020, 08.07.2020, 03.09.2020, 09.09.2020, 05-10-2020, 09.11.2020, 30.06.2021, 13-07-2021, 21.07.2021, 03-08-2021, 08.09.2021, 18.10.2021 and last letter dated 28.10.2021 to expedite the matters pertaining to recovery of deficient amount of stamp duty and registration fee and the cases pending to Collectors under section 47-A of the Indian Stamp Act, 1899 for determination of proper stamp duty for early decision by the Government time to time.

The Financial Commissioner Revenue & Additional Chief Secretary Disaster Management Department have also held meetings from time to time at the level of Deputy Commissioners of the State in which directions have been given to the revenue officers and collectors of the districts for expediting disposal of cases pending to Collector under section 47-A of the said Act pertaining to determination of proper stamp duty and registration fee and recovery of deficient amount of stamp duty and registration fee determined by the Collectors. The Registering Authorities have also been directed in the meetings to pursue their cases of deficient amount of stamp duty in the Courts of Collectors and recovery thereof.

### Observations and Recommendations of the Committee as under

During oral examination department stated that in order to ascertain admissibility /non admissibility of exemption all cases were required to be checked individually.

**The Committee, therefore recommends that detailed checking of all cases be got done and further appropriate action be taken in a time bound manner under intimation to the Committee.**

#### [108] 4.10 Short levy of stamp duty on lease deeds

**The registering authorities levied stamp duty of ₹4.28 lakh instead of ₹15.81 lakh, due to computation mistake and did not levy stamp duty on advance rent resulting in short levy of stamp duty of ₹11.53 lakh.**

Article 35 of Schedule 1-A of the IS Act provides for levy of SD on lease deeds at prescribed rates for consideration equal to the amount or value of the fine or premium or advance in addition to the amount of the average annual rent reserved and on the basis of period of lease.

Audit scrutiny of records (December 2014 to December 2015) of the offices of SRs/JSRs of Dhand, Karnal and Panchkula revealed that eight instruments of lease for periods ranging from nine to 99 years were registered between October 2013 and October 2014. The lessees received advance rent amounting to ₹19.85 lakh and annual average rent amounting to ₹5.07 crore payable during the term of contract. The registering authorities levied SD of ₹4.28 lakh instead of ₹15.81 lakh due to computation mistake and did not levy SD on advance rent. This resulted in short levy of SD of ₹11.53 lakh.

On this being pointed out, all the SRs/JSRs stated in April 2016 that all the cases had been sent to the Collector for decision u/s 47-A of the IS Act.

The matter was reported to the Government in May 2016; its reply was awaited (October 2016).

#### The department in its written reply stated as under:

**Short levy of stamp duty Rs 11.53 lakh in 8 lease deeds as prescribed rates for consideration equal to the amount or value of the fine or premium or advance in addition to the amount of the average annual rent reserved not calculated in 3 SRs offices.**

**The position of this Para is as under with Attached deed wise list:-**

|   |                                              | No. of cases | Amt (in lakh) | Sr, no of para |
|---|----------------------------------------------|--------------|---------------|----------------|
| 1 | Amount Declared as an arrear of land revenue | 1            | 0.14          | 7              |
| 2 | Amount Recovered by department               | 3            | 5.66          | 1,4 and 8      |
| 5 | Amount for cases Pending with Collectors     | 4            | 5.73          | 2,3,5 and 6    |
| 6 | Total                                        | 8            | 11.53         |                |

The Deputy Commissioners concerned Panchkula, Kaithal and Karnal have been impressed upon vide letter dated 25.10.2018, 15.11.2018, 10.12.2018, 08.03.2019, 16.04.2019, 08.05.2019, 03.02.2020, 05.02.2020, 08.07.2020, 03.09.2020, 09.09.2020, 05-10-2020, 09.11.2020, 30.06.2021, 13-07-2021, 21.07.2021, 03-08-2021, 08.09.2021, 18.10.2021 and last letter dated 28.10.2021 to expedite the matters pertaining to recovery of deficient amount of stamp duty and registration fee and the cases pending to Collectors under section 47-A of the Indian Stamp Act, 1899 for determination of proper stamp duty for early decision by the Government time to time.

The Financial Commissioner Revenue & Additional Chief Secretary Disaster Management Department have also held meetings from time to time at the level of Deputy Commissioners of the State in which directions have been given to the revenue officers and collectors of the districts for expediting disposal of cases pending to Collector under section 47-A of the said Act pertaining to determination of proper stamp duty and registration fee and recovery of deficient amount of stamp duty and registration fee determined by the Collectors. The Registering Authorities have also been directed in the meetings to pursue their cases of deficient amount of stamp duty in the Courts of Collectors and recovery thereof.

**Observations and Recommendations of the Committee as under:**

During oral examination department stated that instruction for further clarification regarding levy of stamp duty on lease deed would be issued.

**The Committee ,therefore recommends that an effective mechanism be put in place so as to avoid loss of revenue due to computation mistakes in future and responsibility of concerned also be fixed to avoid re-occurrence of such lapses.**

**TRANSPORT DEPARTMENT**

**[109] 5.3.2 Implementation of audit recommendations**

The status of implementation of six audit recommendations accepted by the Government has been arranged in three categories viz. (a) insignificant/no progress, (b) partial implementation, and (c) full implementation as tabulated below:

**(C) Full implementation (5.2.11.1)**

| <b>Audit Findings in Report</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>Recommendation Made</b>                                                                                                                 | <b>PAC Recommendations</b>                                                                                                | <b>Audit findings/Comment</b>                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>5.2.11.1 Generation of Daily Collection Registers (DCRs) / cashbook by designing unauthorised print reports facilitating short deposit of revenue in the Government account:</b><br>In RA Rohtak, in house report was designed for generation of receipts and cash book by using the data captured through VAHAN application instead of in-built report available in the application. While designing the cash book report mapping of few field(s) was missed. Improper mapping of fields, total money collected through general public did not reflect in this report causing short deposit of revenue in the Government account. | <b>5.2.17(iv):</b><br>maintaining a well-documented change management procedure for ensuring transparency and effective internal controls. | The committee has recommended to take necessary action against the defaulting official in accordance with the laws/rules. | Un-authorised print report was withdrawn by the NIC and in-built report of VAHAN application was implemented. Department in its reply further stated that after being pointed out by audit, a detailed enquiry was conducted by the Accounts Officer, District Town Planner, Rohtak and short deposit of fee/tax Amounting to `8.08 lakh was recovered from the concerned official and deposited in the treasury. |

**The department in its written reply stated as under:**

Compliance of PAC recommendations has already been submitted to Audit.

**Observations and Recommendations of the Committee as under:**

During oral examination the department has stated that action will be taken and report thereon will be submitted to the Committee at the earliest.

**The Committee observed that action against defaulting officials/officers was yet to be taken and therefore recommends that a complete & detailed report of action taken against the concerned defaulting officers/officials be submitted to the Committee within one month.**



### **MINES AND GEOLOGY DEPARTMENT**

#### **[110] 6.1.2 Results of Audit**

In 2015-16, test check of the records of 49 units out of 182 units revealed non/short recovery of tax receipts and interest relating to Mines and Geology (12 units), Power Department (Taxes and duties on electricity), Land Revenue (31 units) and Excise and Taxation Department (Entertainment Duty) (6 units) involving Rs. 0.43 crore in 116 cases which are categorised as in Table 6.1.

**Table 6.1: Results of Audit**

| <b>Sr. No.</b> | <b>Categories</b>                                 | <b>Number of cases</b> | <b>Amount (Rs. in crore)</b> |
|----------------|---------------------------------------------------|------------------------|------------------------------|
| 1.             | Non/short recovery of royalty and interest        | 65                     | 0.25                         |
| 2.             | Non deposit of copying and mutation fee           | 25                     | 0.04                         |
| 3.             | Miscellaneous irregularities (Entertainment Duty) | 26                     | 0.14                         |
|                | <b>Total</b>                                      | <b>116</b>             | <b>0.43</b>                  |

During the year, the Department accepted under-assessment and other deficiencies amounting to Rs. 19.52 lakh in 64 cases out of which Rs. 19.49 lakh involved in 58 cases were pointed out during the year and the rest in earlier years. The Department recovered Rs. 3.12 lakh in 22 cases out of which Rs. 3.09 lakh involved in 16 cases relates to the year 2015-16 and the rest to earlier years.

One illustrative case involving Rs. 11.72 lakh is discussed in the following paragraph.

#### **The department in its written reply stated as under:**

This para is of statistical in nature and mentions that after test check of 12 units of Mines and Geology in the year 2015-16, it was observed that an amount of Rs. 0.25 crore was due to be recovered from BKO's on account of Non recovery of royalty and Interest. Since individual paras were not considered sustainable for inclusion separately in the conventional Audit Report, a general comment was given in para 6.1.2.

The position of outstanding dues pointed out by audit vis-a-vis recovery made is given below:

|                 | <b>As per Audit</b> |                     |                  | <b>As per Department</b> |                           |                        |                               |                |
|-----------------|---------------------|---------------------|------------------|--------------------------|---------------------------|------------------------|-------------------------------|----------------|
| <b>District</b> | <b>Royalty due</b>  | <b>Interest Due</b> | <b>Total Due</b> | <b>Royalty recovered</b> | <b>Interest recovered</b> | <b>Total recovered</b> | <b>Amount not recoverable</b> | <b>Balance</b> |
| Gurugram        | 250000              | 76130               | 326130           | 162500                   | 38530                     | 201030                 | 122940                        | 2160           |
| Hisar           | 253750              | 61180               | 314930           | 236250                   | 43095                     | 279345                 | 4560                          | 31025          |
| Jind            | 431250              | 90556               | 521806           | 350000                   | 36999                     | 386999                 | 62184                         | 72623          |
| Mohindergarh    | 587500              | 123360              | 710860           | 368750                   | 51731                     | 420481                 | 264690                        | 25689          |
| Panchkula       | 100000              | 42000               | 142000           | 68750                    | 28875                     | 97625                  | 44375                         | 0              |
| Panipat         | 156250              | 32800               | 189050           | 156250                   | 650                       | 156900                 | 32150                         | 0              |
| Sonepat         | 187500              | 39378               | 226878           | 62500                    | 0                         | 62500                  | 151252                        | 13126          |
| <b>Total</b>    | <b>1966250</b>      | <b>465404</b>       | <b>2431654</b>   | <b>1405000</b>           | <b>199880</b>             | <b>1604880</b>         | <b>682151</b>                 | <b>144623</b>  |

It would be seen from the above that out of recovery of Rs 24.31 lakh pointed out by audit, Rs 16.05 lakh have been recovered. Further, interest of Rs 6.82 lakh was not recoverable because the BKO's were lying closed as per DFSC report and no interest was leviable.

Now only a meagre Rs 1.45 lakh remains to be recovered. Since such type of paras are updated every year and the amount involved is negligible, it is requested that PAC para may please be settled. Concerned field officers have been directed to recover the remaining amount also.

**Observations and Recommendations of the Committee as under;**

During oral examination department stated that recovery balance amount of Rs 1.45 lakh was pending.

**The Committee ,therefore recommends that pragmatic efforts for expeditious recovery of balance amount be made and brick kiln-wise complete tabulated detail of status of recovery be submitted to the Committee .**

**[111] 6.2 Non/short recovery of royalty and interest**

**Royalty and interest amounting to Rs 11.72 lakh was not recovered from 31 brick kiln owners, who were issued permits between April 2013 and March 2016 in respect of four districts.**

Rule 30 of the Haryana Minor Mineral Concession, Stocking, Transportation of Mineral and Prevention of illegal Mining Rules, 2012, stipulates that brick kiln owners (BKO's) shall pay annual amount of royalty at the prescribed rate in advance by 30<sup>th</sup> April of every year. State Government revised the rates of fixed royalty of various categories of BKO's with effect from 20 June 2012 and the BKO's shall pay annual amount of royalty at the prescribed rate in advance by 1<sup>st</sup> April of every year. In case payment is made after seven days but up to 30 days of the due date, after 30 days but within 60 days of the due date and beyond 60 days of the due date, interest at the rate of 15, 18 and 21 *per cent* (for the entire period of default) per annum respectively is chargeable for the period of default. A BKO's register is maintained at each mining office for levy and collection of royalty. The permits of such BKO's who do not pay royalty are to be cancelled by the department by giving one month's notice and any sum due from the permit holders on account of royalty and interest thereon is recoverable as arrears of land revenue. The Assistant Mining Engineers (AMEs)/Mining Officers (MOs) are responsible for monitoring recovery of outstanding dues.

Audit scrutiny of records (March to September 2015) of four offices of MOs revealed that 31 out of 701 BKO's did not pay due amount of royalty between April 2013 and March 2016. Though, a period ranging between 24 to

36 months had elapsed upto March 2016, yet royalty of Rs. 7.81 lakh had neither been paid by the BKO's nor had action been taken by the department to recover the same or to cancel the permits. Lack of action on the part of the department resulted in non-realisation of royalty of Rs. 7.81 lakh. In addition interest of Rs.3.91 lakh was also leviable as per rules.



On this being pointed out, MOs Hisar and Jind stated (November and December 2015) that notices had been issued to concerned BKO's to recover

the outstanding amount. Further report on recovery and replies from the MOs Narnaul and Rohtak has not been received (October 2016). The matter was reported to the Government in June 2016; its reply was awaited (October 2016).

**The department in its written reply stated as under:**

This para is based on audit of 4 MOs'. The para points out that out of 701 BKO's in these 4 districts, 31 BKO's did not pay due amount of royalty between April 2013 and March 2016. Though, a period ranging between 24 to 36 months had elapsed upto March 2016, yet royalty of Rs 7.81 lakh had neither been paid by the BKO's nor had action been taken by the department to recover the same or to cancel the permits. In addition interest of ₹3.91 lakh was also leviable as per rules.

The position of outstanding dues pointed out by audit vis-a-vis recovery made is given below:

| District      | Royalty due   | Interest Due  | Total Due      | Royalty recovered | Interest recovered | Total recovered | Amount not recoverable | Balance       |
|---------------|---------------|---------------|----------------|-------------------|--------------------|-----------------|------------------------|---------------|
| Hisar         | 250000        | 115500        | 365500         | 150000            | 34390              | 184390          | 11125                  | 169985        |
| Jind          | 81250         | 34125         | 115375         | 31250             | 13125              | 44375           | 71000                  | 0             |
| Mohindergharh | 200000        | 84000         | 284000         | 25000             | 10500              | 35500           | 248500                 | 0             |
| Rohtak        | 250000        | 157500        | 407500         | 225000            | 97950              | 322950          | 40750                  | 43800         |
| <b>Total</b>  | <b>781250</b> | <b>391125</b> | <b>1172375</b> | <b>431250</b>     | <b>155965</b>      | <b>587215</b>   | <b>371375</b>          | <b>213785</b> |

It would be seen from the above that out of recovery of Rs 11.72 lakh pointed out by audit, Rs 5.87 lakh have been recovered. Further, interest of Rs 3.71 lakh was not recoverable because the BKO's were lying closed as per DFSC report and no interest was leviable.

Now only a meagre Rs 2.14 lakh remains to be recovered. Since the amount involved is negligible, it is requested that PAC para may please be settled.

Concerned field officers have been directed to recover the remaining amount also.

**Observations and Recommendations of the Committee as under;**

During oral examination department stated that recovery of balance amount of Rs. 2.14 lakh is pending.

**The Committee therefore recommends that pragmatic efforts for recovery of balance amount in a time bound manner be made under intimation to the Committee.**



**PART – IV**

**APPROPRIATION ACCOUNTS / FINANCE ACCOUNTS**

**OF THE HARYANA GOVERNMENT FOR THE YEAR 2018-19**



**EXCESS OVER VOTED GRANTS/CHARGED  
APPROPRIATIONS FOR THE YEAR 2018-19**

**(i) 2.3.2 Excess over provisions during 2018-19 requiring regularization:**

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get excesses over/appropriations regularized by the State Legislature. Although no time limit for regularization of expenditure has been prescribed under the Article, the regularization of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee. However, excess expenditure amounting to Rs. 41.54 crore during the year 2018-19 was still to be regularized.

**Excess over provisions requiring regularization during 2018-19:**

(Rs. in crore)

| Sr. No.                  | Number and title of grant/ appropriation | Total grant/ appropriation | Expenditure   | Excess       |
|--------------------------|------------------------------------------|----------------------------|---------------|--------------|
| <b>Capital (Charged)</b> |                                          |                            |               |              |
| 1.                       | 08-Buildings & Roads                     | 40.00                      | 58.37         | 18.37        |
|                          | <b>Sub Total</b>                         | <b>40.00</b>               | <b>58.37</b>  | <b>18.37</b> |
| <b>Capital (Charged)</b> |                                          |                            |               |              |
| 1.                       | 24- Irrigation                           | 70.00                      | 80.21         | 10.21        |
|                          | <b>Sub Total</b>                         | <b>70.00</b>               | <b>80.21</b>  | <b>10.21</b> |
| <b>Revenue (Charged)</b> |                                          |                            |               |              |
| 1.                       | 42-Administration of Justice             | 132.85                     | 145.81        | 12.96        |
|                          | <b>Sub- Total</b>                        | <b>132.85</b>              | <b>145.81</b> | <b>12.96</b> |
|                          | <b>Grand- Total</b>                      | <b>242.85</b>              | <b>284.39</b> | <b>41.54</b> |

**(ii) Observations/Recommendations of the Committee:**

After going through the Finance and Appropriation Accounts of the Haryana Government for the year 2018-19 as shown in the para no.2.3.2 of the Report of the Comptroller and Auditor General of India for the year ended 31<sup>st</sup> March, 2019 (State Finances) and also after hearing the departmental representatives, the Committee noted with concern that cases of excess expenditure over the grants/appropriation continued to occur despite the Committee's observations time and again that the expenditure should be limited to the grants/appropriation.

The main reasons for the excess expenditure over various grants were attributed due to change in ratio of expenditure to be borne by the State of Haryana calculated on the

basis of actual number of cases instituted during the year in Hon'ble Punjab & Haryana High Court under grant No.42-Finance [*Revenue (Charged)*]; booking on pro-rata basis of revenue/establishment expenditure towards capital side by the Principal Accountant General, Haryana which was unavoidable under grant No.24-Irrigation [*Capital (Voted)*]; inclusion of actual expenditure of income tax deducted from the beneficiaries by field offices in the PAG, Haryana but the expenditure booked by the department is as per actual online expenditure under grant No.24-Irrigaation [*Capital (Charged)*] and declaration of higher awards announced by Hon'ble Courts as well as decision of arbitration cases under grant No.08-Buildings and Roads [*Capital (Charged)*], during the financial year 2018-19.

During the course of oral examination, the Committee observed that departments namely; Finance, Irrigation and Public Works (Buildings & Roads) have withdrawn the funds in excess to their budgetary provisions. The Committee is satisfied with the replies submitted by the Finance Department and/or on behalf of the Departments namely; Finance, Irrigation and Public Works (Buildings & Roads). However, the Committee has also desired that to sort out the regular problem in the case of Irrigation Department, any suitable mechanism be evolved in consultation with the office of Principal Accountant General (A & E), Haryana and in future budgetary provisions be made in the proposals for establishment expenditure for capital projects to avoid expenditure after pro-rata adjustment by Principal Accountant General (A & E), Haryana of such expenditure and in the cases of Finance and Public Works (Building & Roads) Departments, the budget proposals should be prepared on realistic basis.

The Committee is of the view that departments are also not following the comprehensive instructions of the Finance Department to get the excess expenditure regularized through supplementary demands and re-appropriations etc.

The Committee has further recommended that the instructions, as issued by Finance Department from time to time in this regard, be complied with strictly in its true spirits and commands in future giving utmost importance to the matter by the departments of the State Government.

Subject to aforesaid observations, the Committee recommends that the excess expenditure of the departments mentioned above for the year 2018-19 be regularised by the State Legislature in the manner prescribed under Article 205 of the Constitution of India.

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## **Appendix-I**

### **ADDRESS**

**OF THE CHAIRPERSON OF THE COMMITTEE ON  
PUBLIC ACCOUNTS OF HARYANA VIDHAN SABHA  
ON THE OCCASION OF  
CENTENNIAL CELEBRATION OF PAC IN THE PARLIAMENT**





## संदेश

श्री हरविन्द्र कल्याण,  
हरियाणा विधान सभा

इस सत्र की अध्यक्षता कर रहे महाराष्ट्र के पूर्व वित्त मंत्री, 6 बार के विधायक, बहुत अनुभवी, एवं वर्तमान में महाराष्ट्र विधान सभा में Public Accounts Committee के चेयरमैन आदरणीय सुधीर मुंगटीवार जी, हमारे सीनियर नेता श्री जयंत सिन्हा जी, मुख्य वक्ता के रूप में मंच पर उपस्थित श्री भुवनेश्वर जी और इस सभागार में उपस्थित सभी राज्यों से आए हुए पीएसी के चेयरमैन, मैम्बर्स, ऑफिसर्स एवं बंधुओं।

पीएसी शताब्दी समारोह का हिस्सा होना वास्तव में हम सबके लिए एक गौरव का विषय है। यह गौरवशाली कमेटी और ज्यादा प्रभावी तथा और ज्यादा सशक्त कैसे हो, उस पर सभी Delegates ने बहुत सार्थक चर्चा की है।

आज का यह सत्र - PAC as a Development Partner: Focusing of strengthening of systems and promoting good governance – बहुत ही Important Topic है। मैं समझता हूँ कि अगर हम Financial Matters की बात करें तो पी.ए.सी. राष्ट्र के विवेक रक्षक के रूप में काम करती है और अगर हम अपनी लोकतांत्रिक प्रणाली की बात करें तो वास्तव में इस विषय में देश आगे बढ़े, इसके लिए पी.ए.सी. एक बहुत ही सशक्त हथियार भी है। सभी Delegates ने पी.ए.सी. की Working के अपने अनुभवों के आधार पर बहुत सी व्यावहारिक कठिनाइयों का जिक्र किया, चिन्ता और पीड़ा व्यक्त की और सुधार कैसे हो सकता है, उसके ऊपर बहुत से सुझाव दिए हैं।

मैं पी.ए.सी. चेयरमैन के नाते हरियाणा में काम कर रहा हूँ और पिछले समय में हमने उसमें और क्या बदलाव हो सकते हैं, उस दिशा में कुछ कदम उठाए हैं, जिनको मैं यहां साझा करना चाहूंगा यहां मैं जिक्र करना चाहूंगा माननीय ज्ञानचन्द गुप्ता जी का जो वर्तमान में हमारे स्पीकर है और पिछले पांच वर्ष वे पी.ए.सी. के चेयरमैन थे। उन्होंने वास्तव में पी.ए.सी. को प्रभावी बनाया है और उस दिशा में हम भी आगे प्रयास कर रहे हैं। इस वर्ष हमने लगभग 1900 ATRs के ऊपर काम शुरू किया है। चूंकि यह काम बहुत बड़ा था, इसलिए हमने Sub-Committee का गठन किया है। मेरे साथी वरुण जी बहुत काबिल सदस्य है और यहां हमारे बीच उपस्थित है। पांच वर्ष से पुराने जितने ATRs हैं, उनको देखने का काम हमने Sub-Committee को दिया है और पांच वर्ष और बाकी Reports हमने Main Committee के पास रखी है। इस तरह से Parallel Working हमने पेंडिंग खत्म करने के लिए शुरू की है। साथ ही, हमने C&AG और Finance Department में एक पी. ए.सी. सेल का गठन करवाया है और सभी सरकारी विभागों में हमने Nodal Teams की नियुक्ति कराई है, जिससे पी.ए.सी. की Working काफी बेहतर हुई है। साथ ही, हमने यह भी सुनिश्चित किया है कि पहले विभागों के जो जवाब आधे-अधूरे आया करते थे, Facts के आधार पर नहीं आया करते थे, वे जवाब अब एक Set proforma में आएंगे। मैं उदाहरण के तौर पर कहूँ तो Excise & Taxation Department बहुत बड़ा विभाग है, जहां से बहुत बड़ा राजस्व आता है और वहां पर अभी भी बहुत एरियर्स हैं। उसकी वर्किंग में पी.ए.सी. के नाते काफी सुधार आया है और हमने Excise & Taxation Department में एक Recovery Cell का गठन कराया है। हाल ही में पिछले सप्ताह जो विभाग का Oral Examination था, उसमें हमने विभाग को यह निर्देश

दिया है कि 30 हजार करोड़ रुपये के जो एरियर्स हैं उनको aggregate करें। हमें यह जानकारी होनी चाहिए कि कितने Dealers जी.एस.टी. में migrate कर चुके हैं, कितने Dealers ऐसे हैं जो migrate नहीं हुए हैं, लेकिन traceable या non-traceable हैं। उसके आधार पर रिकवरी सेल रिकवरी के ऊपर फोकस करें।

इसके साथ ही, हमने Audit Para Monitoring System को लागू कराने की दिशा में कदम आगे बढ़ाए हैं, उस पर काम जारी है। Curent Issues की तरफ हम बढ़ें, उसके लिए हम ATRs और ATNs —दोनों रिपोर्ट्स को combined करके काम करते हैं ताकि Curent Issues पर विस्तार से चर्चा हो सके। मैं समझता हूँ कि पी.ए.सी. की विकास में जो भागीदारी है, system को strengthen करने की बात है, सुशासन को बढ़ावा देने की बात है, उसमें अभी बहुत कुछ करने की जरूरत है। जो पीड़ा बाकी delegates ने व्यक्त की है, वह पीड़ा लगभग सभी की है, हम भी उसे अनुभव करते हैं क्योंकि दलगत राजनीति से ऊपर उठकर जब कमेटी के अंदर सभी जनप्रतिनिधि मिलकर लोकहित में Examination के बाद अच्छी Recommendations देते हैं, उन रिकमेंडेशन्स पर जब विभाग काम नहीं करते हैं या अधिकारियों की उदासीनता देखने को मिलती है तो कहीं न कहीं हम जिस बड़े उद्देश्य के लिए काम करते हैं, वह purpose defeat होता दिखता है। समय पर जवाब न आना, recommendation पर कार्रवाई न होना आदि कुछ चीजें हमने ऐसा भी अनुभव की हैं कि जो बहुत ही गंभीर विषय है, जिनके ऊपर responsibility fix करने की बात है, ऐसे गंभीर विषयों में जो financial irregularities, embezzlement है उन पर भी पूरी कार्रवाई नहीं होती है। अगर कार्रवाई होती है तो जो बहुत छोटे स्तर का कर्मचारी या अधिकारी है, उनकी responsibility fix करके, उनके ऊपर कार्रवाई कर दी जाती है, जो कि एक बहुत ही बड़ा चिंता का विषय है। हमने ऐसे भी cases देखे हैं कि जो cases State Vigilance के पास गए हैं, उनकी जानकारी विभाग के पास नहीं है कि उनका final outcome क्या है और वे सात-सात, आठ-आठ साल से वहां पर गए हुए हैं। हमने जब उनकी scrutiny की तो ऐसी भी बातें ध्यान में आई कि बहुत सारे केसेज़, जो विभाग में refer किए, उनको vigilance ने take-up ही नहीं किया।

मैं समझता हूँ कि वास्तव में अगर हम पीएसी के नाते खुद को विकास में भागीदार मानकर चलें तो उस भागीदारी को सुनिश्चित करने के लिए हम लोगों को एक बहुत बड़ा संघर्ष करना पड़ रहा है। इसी संदर्भ में कल सत्यपाल जी ने, जो बहुत ही सीनियर मैम्बर हैं, एक बात कही थी कि डण्डे के बिना system control नहीं किए जा सकते। यह कुछ कटु सत्य भी है। आज जयंत जी ने बहुत अच्छा विषय रखा। उन्होंने योजनाओं की बात की कि 25 हजार करोड़ रुपये किसी योजना में लगते हैं तो विभाग हमें input की जानकारी देता है, लेकिन एक performance audit की बात की है, performance report card की बात की है, यह वास्तव में बहुत important है।

मैं यहां पर एक बात और जोड़ना चाहूंगा कि हम सब जनप्रतिनिधि के रूप में यहां पर पहुंचे हैं। मैं समझता हूँ कि इन सभी audit के साथ, जो एक social audit होता है, जो समाज audit करता है, जैसा जयंत जी ने कहा कि हमें इतनी लंबी presentation देने की जरूरत नहीं है। अगर किसी चीज का result आया है तो हमें फील्ड पर उसका अनुभव हो जाता है और लोग हमें बता देते हैं कि उनको किस योजना का लाभ मिला है। उस तरीके से अगर हम देखें तो जो सोशल ऑडिट हैं, जो समाज का विभागों की लापरवाही के कारण एक गुस्सा है, उस गुस्से को हम जनप्रतिनिधि सहते हैं। मैं समझता हूँ कि इन सभी के ऊपर बहुत सारे बदलाव और बहुत सारा काम करने की जरूरत है। हरियाणा पीएसी के अंदर मैंने भी यह अनुभव किया है और उसमें चाहे scholarship scheme के स्कैम की बात है, चाहे वह housing rehabilitation की बात है, जो आज 10-10 साल से वे चीजें इस्तेमाल नहीं हो पाई हैं। इसमें weaker section के लिए जो योजनाएं हैं,

उनमें सभी पात्र लोगों को योजना का लाभ न मिलना जो पैसा साइफन ऑफ हुआ है, जब उसके verification की बात होती है तो विभाग के पास उसकी verification report भी नहीं होती है।

मैं समझता हूँ कि जहां तक रेवेन्यू की बात है तो उसके अंदर हमने देखा है कि एक safe passage दे दिया जाता है। जहां रिकवरी की बात है, Indian Stamp Act के under section 47 A में जो केसेज चले जाते हैं, यहां पर कोई timeline नहीं है कि वे कब decide होंगे और उनमें कब रिकवरी होगी? इस तरह की चीजें हैं, जिसकी हम लोग बहुत ज्यादा पीड़ा महसूस करते हैं।

मैं यहां पर एक छोटा सा उदाहरण और देना चाहूंगा हमारे यहां e-tendering से संबंधित एक विभाग का पैसा आया मैं उस विषय को इसलिए रखना चाहता हूँ कि कभी-कभी पैसा बहुत simple लगता है, लेकिन उसके पीछे उसका जो impact है, वह कितना है, उसे समझने की जरूरत है। हम सभी अनुभवी जनप्रतिनिधी हैं, जो जमीन से जुड़े हुए लोग हैं और हम उसको बहुत अच्छे तरीके से समझ भी सकते हैं। एक पैसा supply and disposal का आया उसके अंदर विषय आया कि पांच साल के लिए एक कंपनी को e-tendering का contract दिया गया। जब वह विषय हमने scrutiny में लिया तो कुछ अधिकारियों की तरफ से बात आई कि अब तो यह ड्रॉप करना पड़ेगा, क्योंकि जो यह contract था, वह अब खत्म हो चुका है, इसलिए इसका कोई विषय नहीं है। हमने सवाल किया कि सवाल यह नहीं है कि आज वह contract खत्म हो चुका है, सवाल यह है कि जिस सिस्टम से हमने पांच साल लाखों करोड़ रुपये की खरीद की है और audit का यह observation है कि बैंक एडं पर छेड़छाड़ हुई है, department ने उसको माना है तो उसकी financial implication तथा उसका state exchequer को कितना loss हुआ होगा, उसको study करने की जरूरत है और उस गहराई में जाने की जरूरत है। ऐसे बहुत सारे अनुभव हम सबके सामने आते हैं।

मैं समझता हूँ कि विकास के नाते हम एक अच्छे भागीदार के तौर पर आगे कार्यों को करें और संघर्ष के तौर पर system को बदलने के लिए काम करें। सबसे पहले हमें अपनी समितियों, पीएसी, legislature के system को आज मजबूत करने की जरूरत है। हम जितने stakeholders इसके अंदर हैं, चाहे वह PAC, Audit, Finance Department है। चाहे हमारा Secretariat है या अन्य जितने भी विभाग हैं, हम सबको एक अच्छे coordination के साथ, जैसे Central PAC professionally काम करती हैं, सभी states को भी उस तरीके से काम करने की जरूरत है।

हम Technology के माध्यम से जितनी पारदर्शिता लेकर आएंगे, चाहे वह APMS की बात हो, क्योंकि यह भी बात आती है कि अधिकारी information को hide करते हैं, ये विषय technology के इस्तेमाल के माध्यम से ही address किए जा सकते हैं। कल सुधीर मुनगंटीवार जी ने बहुत अच्छी बात कही है, मैं उसका समर्थन करता हूँ। उन्होंने कहा कि एक reform committee का गठन होना चाहिए जब वर्ष 1919 में एक कमेटी का गठन हुआ था, उस समय लोक लेखा समिति की जितनी भी rules और guidelines बनी थी, आज 100 साल हो गए हैं, तो आज उनमें से बहुत-सी चीजें irrelevant हो गई हैं, बहुत सारी नई सुधारों की जरूरत है। इसी तरह से आपने Digital Platform की बात की थी, मैं समझता हूँ कि उससे सभी states को एक common platform पर आ कर बहुत लाभ मिलेगा।

मैं अपनी बात समाप्त करने से पहले यह कहना चाहूंगा कि बहुत अच्छे शताब्दी समारोह के आयोजन के लिए लोक सभा के माननीय अध्यक्ष श्री ओम बिरला जी, Central public Accounts Committee के चेयरमैन श्री अधीर चौधरी जी के प्रति आभार व्यक्त करता हूँ। इस तरह के समारोह पांच साल में न

होकर, दो-दो साल के अंतराल में होनी चाहिए। यह आयोजन लोक लेखा समिति को और ज्यादा प्रभावी एवं सशक्त बनाने के लिए मील का पत्थर साबित होगी, इसी अपेक्षा के साथ मैं अपनी बात को समाप्त करता हूँ। आपने मुझे यह अवसर दिया है इसके लिए आपका बहुत-बहुत धन्यवाद।

माननीय सभापति: आदरणीय हरविन्द्र कल्याण एवं सभी वक्ताओं को मैं धन्यवाद देता हूँ। जब हमने माननीय लोक सभा अध्यक्ष जी के सामने reform के बारे में प्रस्ताव रखा, तो उन्होंने इसके बारे में सकारात्मकता दिखाई है।

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## **Appendix-II**

OUTSTANDING RECOMMENDATIONS  
OF THE PUBLIC ACCOUNTS COMMITTEE  
ON WHICH THE GOVERNMENT IN YET TO TAKE FINAL DECISION



**Appendix-II****Showing out-standing recommendations of the Public Accounts Committee on which the government is yet to take final action**

| <b>Sr. No.</b>                         | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                       |
|----------------------------------------|----------------------|---------------------------------|-------------------|-----------------------|---------------------------------------------------------|
| <b>Administration of Justice</b>       |                      |                                 |                   |                       |                                                         |
| 1                                      | 1                    | Administration of Justice       | 70                | 25                    | Infructuous expenditure on empanelment of advocates     |
| <b>Agriculture and Farmers Welfare</b> |                      |                                 |                   |                       |                                                         |
| 2                                      | 1                    | Agriculture and Farmers Welfare | 38                | 56                    | Interest not charged on belated payments                |
| 3                                      | 2                    | Agriculture and Farmers Welfare | 44                | 108                   | Non-recovery of purchases tax and interest              |
| 4                                      | 3                    | Agriculture and Farmers Welfare | 44                | 109                   | Non-recovery of purchase tax and interest               |
| 5                                      | 4                    | Agriculture and Farmers Welfare | 48                | 4                     | Arrears in revenue                                      |
| 6                                      | 5                    | Agriculture and Farmers Welfare | 50                | 141                   | Arrears in revenue                                      |
| 7                                      | 6                    | Agriculture and Farmers Welfare | 50                | 142                   | Results of Audit                                        |
| 8                                      | 7                    | Agriculture and Farmers Welfare | 50                | 143                   | Non-recovery of purchase tax and interest               |
| 9                                      | 8                    | Agriculture and Farmers Welfare | 52                | 15                    | Non-recovery of principal and interest from Sugar Mills |
| 10                                     | 9                    | Agriculture and Farmers Welfare | 52                | 88                    | Arrears in revenue                                      |
| 11                                     | 10                   | Agriculture and Farmers Welfare | 52                | 89                    | Results of Audit                                        |
| 12                                     | 11                   | Agriculture and Farmers Welfare | 54                | 30                    | General                                                 |
| 13                                     | 12                   | Agriculture and Farmers Welfare | 54                | 91                    | Arrears in revenue                                      |
| 14                                     | 13                   | Agriculture and Farmers Welfare | 54                | 92                    | Results of Audit                                        |
| 15                                     | 14                   | Agriculture and Farmers Welfare | 54                | 93                    | Non-recovery of purchase tax and interest               |
| 16                                     | 15                   | Agriculture and Farmers Welfare | 58                | 31                    | Arrears in revenue                                      |
| 17                                     | 16                   | Agriculture and Farmers Welfare | 58                | 32                    | Results of Audit                                        |
| 18                                     | 17                   | Agriculture and Farmers Welfare | 60                | 122                   | Results of Audit                                        |
| 19                                     | 18                   | Agriculture and Farmers Welfare | 60                | 124                   | Results of Audit                                        |
| 20                                     | 19                   | Agriculture and Farmers Welfare | 60                | 125                   | Non/short recovery of purchase tax and interest         |
| 21                                     | 20                   | Agriculture and Farmers Welfare | 60                | 126                   | Non-realization of lease money                          |
| 22                                     | 21                   | Agriculture and Farmers Welfare | 60                | 127                   | Results of Audit                                        |
| 23                                     | 22                   | Agriculture and Farmers Welfare | 62                | 44                    | Arrears in revenue                                      |
| 24                                     | 23                   | Agriculture and Farmers Welfare | 62                | 45                    | Results of Audit                                        |
| 25                                     | 24                   | Agriculture and Farmers Welfare | 62                | 47                    | Non/short recovery of purchase tax and interest         |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                      |
|----------------|----------------------|---------------------------------|-------------------|-----------------------|--------------------------------------------------------|
| 26             | 25                   | Agriculture and Farmers Welfare | 63                | 26                    | Arrears in revenue                                     |
| 27             | 26                   | Agriculture and Farmers Welfare | 63                | 27                    | Results of Audit                                       |
| 28             | 27                   | Agriculture and Farmers Welfare | 63                | 28                    | Non recovery of purchase tax and interest              |
| 29             | 28                   | Agriculture and Farmers Welfare | 64                | 12                    | Arrears of revenue                                     |
| 30             | 29                   | Agriculture and Farmers Welfare | 64                | 13                    | Results of Audit                                       |
| 31             | 30                   | Agriculture and Farmers Welfare | 64                | 14                    | Results of Audit                                       |
| 32             | 31                   | Agriculture and Farmers Welfare | 64                | 15                    | Non/short recovery of purchase tax and interest        |
| 33             | 32                   | Agriculture and Farmers Welfare | 65                | 19                    | Inadmissible payment of special pay                    |
| 34             | 33                   | Agriculture and Farmers Welfare | 65                | 59                    | Arrear of revenue                                      |
| 35             | 34                   | Agriculture and Farmers Welfare | 65                | 60                    | Results of Audit                                       |
| 36             | 35                   | Agriculture and Farmers Welfare | 65                | 61                    | Non/short recovery of purchase tax and interest        |
| 37             | 36                   | Agriculture and Farmers Welfare | 67                | 81                    | Non recovery of purchase tax and interest              |
| 38             | 37                   | Agriculture and Farmers Welfare | 68                | 4                     | Non-preparation of Balance Sheet                       |
| 39             | 38                   | Agriculture and Farmers Welfare | 68                | 6                     | Non-recovery of miscellaneous advances                 |
| 40             | 39                   | Agriculture and Farmers Welfare | 68                | 9                     | Execution of works                                     |
| 41             | 40                   | Agriculture and Farmers Welfare | 68                | 83                    | Arrears of revenue                                     |
| 42             | 41                   | Agriculture and Farmers Welfare | 68                | 84                    | Results of Audit                                       |
| 43             | 42                   | Agriculture and Farmers Welfare | 68                | 133                   | Analysis of arrears of revenue                         |
| 44             | 43                   | Agriculture and Farmers Welfare | 68                | 134                   | Results of Audit                                       |
| 45             | 44                   | Agriculture and Farmers Welfare | 68                | 136                   | Non-recovery of interest on purchase tax               |
| 46             | 45                   | Agriculture and Farmers Welfare | 70                | 86                    | Analysis of arrears of revenue                         |
| 47             | 46                   | Agriculture and Farmers Welfare | 71                | 3                     | Financial Management                                   |
| 48             | 47                   | Agriculture and Farmers Welfare | 71                | 4                     | Cash Management                                        |
| 49             | 48                   | Agriculture and Farmers Welfare | 71                | 5                     | Water and Sewerage Charges                             |
| 50             | 49                   | Agriculture and Farmers Welfare | 71                | 6                     | Infrastructural Facilities in Mandis                   |
| 51             | 50                   | Agriculture and Farmers Welfare | 71                | 8                     | Encroachment of mandi land                             |
| 52             | 51                   | Agriculture and Farmers Welfare | 72                | 41                    | Unfruitful Expenditure on incomplete cold storage work |



| <b>Sr. No.</b>                       | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                     |
|--------------------------------------|----------------------|---------------------------------|-------------------|-----------------------|-------------------------------------------------------------------------------------------------------|
| 53                                   | 52                   | Agriculture and Farmers Welfare | 79                | 1                     | Delay/non-recovery of interest, godown rent, water and sewerage charges and cost of shops/booth plots |
| 54                                   | 53                   | Agriculture and Farmers Welfare | 79                | 9                     | Non-recovery of material issued to contractor                                                         |
| 55                                   | 54                   | Agriculture and Farmers Welfare | 81                | 1                     | Non-utilisation of grants being unclassified                                                          |
| 56                                   | 55                   | Agriculture and Farmers Welfare | 81                | 2                     | Outstanding temporary advances                                                                        |
| 57                                   | 56                   | Agriculture and Farmers Welfare | 81                | 3                     | Non-maintenance/non-functioning of libraries                                                          |
| 58                                   | 57                   | Agriculture and Farmers Welfare | 81                | 4                     | Research projects                                                                                     |
| 59                                   | 58                   | Agriculture and Farmers Welfare | 81                | 5                     | Non-utilisation of cultivable land                                                                    |
| 60                                   | 59                   | Agriculture and Farmers Welfare | 81                | 6                     | Slow implementation of Soil Health Cards Scheme and use of urea in excess of norms                    |
| 61                                   | 60                   | Agriculture and Farmers Welfare | 81                | 7                     | Non-renewal of licences by fertilizer dealers                                                         |
| 62                                   | 61                   | Agriculture and Farmers Welfare | 81                | 8                     | Shortfall in collection of fertilizer samples                                                         |
| 63                                   | 62                   | Agriculture and Farmers Welfare | 81                | 9                     | Under utilisation of Fertilisers Quality Control Laboratories.                                        |
| 64                                   | 63                   | Agriculture and Farmers Welfare | 81                | 10                    | Status of samples found sub-standard and action taken                                                 |
| 65                                   | 64                   | Agriculture and Farmers Welfare | 81                | 11                    | Shortfall in conduction inspections                                                                   |
| 66                                   | 65                   | Agriculture and Farmers Welfare | 81                | 12                    | Functioning of soil testing laboratories                                                              |
| 67                                   | 66                   | Agriculture and Farmers Welfare | 81                | 13                    | Working of Ground Water Cell                                                                          |
| <b>Animal Husbandry and Dairying</b> |                      |                                 |                   |                       |                                                                                                       |
| 68                                   | 1                    | Animal Husbandry and Dairying   | 60                | 16                    | Non recovery of cost of land                                                                          |
| 69                                   | 2                    | Animal Husbandry and Dairying   | 72                | 49                    | Receipt of funds from other sources                                                                   |
| 70                                   | 3                    | Animal Husbandry and Dairying   | 72                | 50                    | Failure in recovering milk cess                                                                       |
| 71                                   | 4                    | Animal Husbandry and Dairying   | 72                | 51                    | Livestock insurance                                                                                   |
| 72                                   | 5                    | Animal Husbandry and Dairying   | 72                | 52                    | Outsourcing of Artificial Insemination Services                                                       |
| 73                                   | 6                    | Animal Husbandry and Dairying   | 72                | 53                    | Poultry Disease Investigation and Feed Analytical Laboratory                                          |

| <b>Sr. No.</b>                 | <b>Count of Para</b> | <b>Name of department</b>     | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                          |
|--------------------------------|----------------------|-------------------------------|-------------------|-----------------------|------------------------------------------------------------------------------------------------------------|
| 74                             | 7                    | Animal Husbandry and Dairying | 72                | 54                    | Hi-Tech Dairy Shed Scheme                                                                                  |
| 75                             | 8                    | Animal Husbandry and Dairying | 72                | 55                    | Quality control of feed, milk and milk products                                                            |
| 76                             | 9                    | Animal Husbandry and Dairying | 72                | 56                    | Avoidable payment of departmental charges                                                                  |
| 77                             | 10                   | Animal Husbandry and Dairying | 72                | 57                    | Construction of veterinary polyclinics                                                                     |
| 78                             | 11                   | Animal Husbandry and Dairying | 72                | 58                    | Construction of Pet Clinic at Panchkula                                                                    |
| 79                             | 12                   | Animal Husbandry and Dairying | 72                | 59                    | Lack of monitoring of execution of works                                                                   |
| 80                             | 13                   | Animal Husbandry and Dairying | 72                | 60                    | Internal Audit System                                                                                      |
| 81                             | 14                   | Animal Husbandry and Dairying | 77                | 32                    | Veterinary infrastructure and utilization                                                                  |
| <b>Archaeology and Museums</b> |                      |                               |                   |                       |                                                                                                            |
| 82                             | 1                    | Archaeology and Museums       | 77                | 34                    | Delay in construction of museum and office building and non achievement of the objective of the department |
| <b>Architecture</b>            |                      |                               |                   |                       |                                                                                                            |
| 83                             | 1                    | Architecture                  | 60                | 14                    | Fraudulent draws and embezzlement of Government money by a Cashier                                         |
| <b>Art &amp; Culture</b>       |                      |                               |                   |                       |                                                                                                            |
| 84                             | 1                    | Art & Culture                 | 80                | 49                    | Delay in furnishing utilization certificates                                                               |
| <b>Civil Aviation</b>          |                      |                               |                   |                       |                                                                                                            |
| 85                             | 1                    | Civil Aviation                | 75                | 51                    | Recoverable parking and maintenance charges                                                                |
| 86                             | 2                    | Civil Aviation                | 81                | 52                    | Delay in furnishing utilization certificates:                                                              |
| <b>Civil Secretariat</b>       |                      |                               |                   |                       |                                                                                                            |
| 87                             | 1                    | Civil Secretariat             | 75                | 53                    | Irregular expenditure                                                                                      |
| 88                             | 2                    | Civil Secretariat             | 75                | 54                    | Allotment of space to banks without execution of agreement                                                 |
| 89                             | 3                    | General Administration        | 74                | 49                    | Withdrawal of posts from the purview of Haryana Public Service Commission                                  |

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|------------------------------------|----------------------|-----------------------------|-------------------|-----------------------|-----------------------------------------------------------------------------------------------------------|
| <b>Commissioner Hisar Division</b> |                      |                             |                   |                       |                                                                                                           |
| 90                                 | 1                    | Commissioner Hisar Division | 72                | 19                    | National Programme for Control of Blindness                                                               |
| 91                                 | 2                    | Commissioner Hisar Division | 72                | 20                    | Accredited Social Health Activists                                                                        |
| 92                                 | 3                    | Commissioner Hisar Division | 72                | 21                    | Quality of education                                                                                      |
| 93                                 | 4                    | Commissioner Hisar Division | 72                | 22                    | Water supply                                                                                              |
| 94                                 | 5                    | Commissioner Hisar Division | 72                | 23                    | Excess expenditure over estimates                                                                         |
| 95                                 | 6                    | Commissioner Hisar Division | 72                | 24                    | Non-recovery of water and sewerage charges                                                                |
| 96                                 | 7                    | Commissioner Hisar Division | 72                | 25                    | Water quality                                                                                             |
| 97                                 | 8                    | Commissioner Hisar Division | 72                | 26                    | Silt clearance of canals and drains not done under Mahatma Gandhi National Rural Employment Guarantee Act |
| 98                                 | 9                    | Commissioner Hisar Division | 72                | 27                    | Non-payment of annuity under Rehabilitation and Resettlement policy                                       |
| 99                                 | 10                   | Commissioner Hisar Division | 72                | 28                    | District Plan Scheme                                                                                      |
| 100                                | 11                   | Commissioner Hisar Division | 72                | 29                    | Common irregularities in Panchayati Raj Institutions                                                      |
| 101                                | 12                   | Commissioner Hisar Division | 72                | 30                    | Swarnjayanti Gram Swarojgar Yojna                                                                         |
| 102                                | 13                   | Commissioner Hisar Division | 72                | 31                    | Bogus ration cards in TPDS                                                                                |
| 103                                | 14                   | Commissioner Hisar Division | 72                | 32                    | Other irregularities                                                                                      |
| 104                                | 15                   | Commissioner Hisar Division | 72                | 33                    | Crime trends                                                                                              |
| 105                                | 16                   | Commissioner Hisar Division | 72                | 34                    | Weaponry                                                                                                  |
| 106                                | 17                   | Commissioner Hisar Division | 72                | 35                    | Inspection of police stations                                                                             |
| <b>Co-operation</b>                |                      |                             |                   |                       |                                                                                                           |
| 107                                | 1                    | Co-operation                | 40                | 41                    | Embezzlement                                                                                              |
| 108                                | 2                    | Co-operation                | 56                | 37                    | Loss due to negligence and improper maintenance of cold storage plant                                     |
| 109                                | 3                    | Co-operation                | 58                | 38                    | Results of Audit                                                                                          |
| 110                                | 4                    | Co-operation                | 58                | 71                    | Storage gain on account of moisture in wheat stocks below norms                                           |
| 111                                | 5                    | Co-operation                | 58                | 137                   | Non charging of interest and penal interest                                                               |
| 112                                | 6                    | Co-operation                | 60                | 136                   | Results of Audit                                                                                          |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                     |
|----------------|----------------------|---------------------------|-------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------|
| 113            | 7                    | Co-operation              | 60                | 137                   | Non-redemption of Government share capital                                                                            |
| 114            | 8                    | Co-operation              | 62                | 49                    | Non-redemption of Government share capital                                                                            |
| 115            | 9                    | Co-operation              | 63                | 30                    | Audit in arrears                                                                                                      |
| 116            | 10                   | Co-operation              | 63                | 33                    | Short levy of audit fee due to incorrect computation of profit                                                        |
| 117            | 11                   | Co-operation              | 63                | 34                    | Non deposit of Government share capital                                                                               |
| 118            | 12                   | Co-operation              | 63                | 35                    | Non redemption of Government share capital due to late fixation of terms and conditions                               |
| 119            | 13                   | Co-operation              | 63                | 36                    | Non redemption of Government share capital as per terms and conditions                                                |
| 120            | 14                   | Co-operation              | 64                | 67                    | Non redemption of Government share capital                                                                            |
| 121            | 15                   | Co-operation              | 65                | 62                    | Results of Audit                                                                                                      |
| 122            | 16                   | Co-operation              | 65                | 63                    | Non-deposit of dividend on State share capital                                                                        |
| 123            | 17                   | Co-operation              | 65                | 64                    | Non realization of dividend on share capital of State Government                                                      |
| 124            | 18                   | Co-operation              | 67                | 39                    | Regulatory issues and others/ injudicious payment on account of training and managerial subsidies to self help groups |
| 125            | 19                   | Co-operation              | 68                | 100                   | Results of Audit                                                                                                      |
| 126            | 20                   | Co-operation              | 68                | 137                   | Results of Audit                                                                                                      |
| 127            | 21                   | Co-operation              | 70                | 84                    | Result of audit                                                                                                       |
| 128            | 22                   | Co-operation              | 75                | 40                    | Retention of funds outside the Government Account                                                                     |
| 129            | 23                   | Co-operation              | 75                | 41                    | Excess release of subsidy and irregular utilisation of unspent amount                                                 |
| 130            | 24                   | Co-operation              | 75                | 42                    | Non-recovery of audit fee                                                                                             |
| 131            | 25                   | Co-operation              | 75                | 43                    | Negligible return from share capital in Co-operative Societies and outstanding loan                                   |
| 132            | 26                   | Co-operation              | 75                | 44                    | Rehabilitation of Co-operative Sugar Mills                                                                            |

| <b>Sr. No.</b>                    | <b>Count of Para</b> | <b>Name of department</b>  | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                           |
|-----------------------------------|----------------------|----------------------------|-------------------|-----------------------|-----------------------------------------------------------------------------|
| 133                               | 27                   | Co-operation               | 75                | 45                    | Non recovery of minimum return on share capital                             |
| 134                               | 28                   | Co-operation               | 75                | 46                    | Redemption of share capital of co-operative societies                       |
| 135                               | 29                   | Co-operation               | 75                | 47                    | Loan to Co-Operative Sugar Mills                                            |
| 136                               | 30                   | Co-operation               | 75                | 48                    | Non-recovery of share capital and dividend under Long Term Operation Scheme |
| 137                               | 31                   | Co-operation               | 75                | 49                    | Transfer of CCM Building to HSAMB                                           |
| <b>Development and Panchayats</b> |                      |                            |                   |                       |                                                                             |
| 138                               | 1                    | Development and Panchayats | 34                | 8                     | Irregular and wasteful expenditure on books                                 |
| 139                               | 2                    | Development and Panchayats | 73                | 62                    | Irregular release/non-utilization of grants                                 |
| 140                               | 3                    | Development and Panchayats | 75                | 57                    | Financial management in GPs                                                 |
| 141                               | 4                    | Development and Panchayats | 80                | 35                    | Financial Management – Delay in release of funds                            |
| 142                               | 5                    | Development and Panchayats | 80                | 39                    | Delay in furnishing utilization certificates                                |
| 143                               | 6                    | Development and Panchayats | 81                | 55                    | Misappropriations, losses, defalcations, etc:                               |
| <b>District Gurgaon</b>           |                      |                            |                   |                       |                                                                             |
| 144                               | 1                    | District Gurgaon           | 73                | 89                    | Perspective and annual Plan                                                 |
| 145                               | 2                    | District Gurgaon           | 73                | 90                    | Gaps in fund flow and expenditure incurred                                  |
| 146                               | 3                    | District Gurgaon           | 73                | 91                    | Physical verification of selected schools                                   |
| 147                               | 4                    | District Gurgaon           | 73                | 92                    | Girls' Education and Scheduled Caste/Scheduled Tribe Children               |
| 148                               | 5                    | District Gurgaon           | 73                | 93                    | Allotment of civil works without requirement                                |
| 149                               | 6                    | District Gurgaon           | 73                | 94                    | Delay in completion of Civil works                                          |
| 150                               | 7                    | District Gurgaon           | 73                | 95                    | Village Education Committee/School Management Committee Training            |
| 151                               | 8                    | District Gurgaon           | 73                | 96                    | Internal control                                                            |
| 152                               | 9                    | District Gurgaon           | 73                | 97                    | Water quality                                                               |

| <b>Sr. No.</b>   | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                     |
|------------------|----------------------|---------------------------|-------------------|-----------------------|-----------------------------------------------------------------------|
| 153              | 10                   | District Gurgaon          | 73                | 98                    | Non-handling over of tubewell based water supply scheme to Panchayats |
| 154              | 11                   | District Gurgaon          | 73                | 99                    | Non-recovery of water and sewerage charges                            |
| 155              | 12                   | District Gurgaon          | 73                | 100                   | Construction of haats                                                 |
| 156              | 13                   | District Gurgaon          | 73                | 101                   | Incorrect ing of expenditure                                          |
| 157              | 14                   | District Gurgaon          | 73                | 102                   | Non-completion of dwelling units                                      |
| 158              | 15                   | District Gurgaon          | 73                | 103                   | Benefit given in contravention of the guidelines                      |
| 159              | 16                   | District Gurgaon          | 73                | 104                   | Allotment of houses                                                   |
| 160              | 17                   | District Gurgaon          | 73                | 105                   | Common irregularities noticed in Panchayati Raj Institutions          |
| 161              | 18                   | District Gurgaon          | 73                | 106                   | Physical verification                                                 |
| 162              | 19                   | District Gurgaon          | 73                | 107                   | Excess expenditure over estimate                                      |
| 163              | 20                   | District Gurgaon          | 73                | 108                   | Non-revision of list of BPL/AAY beneficiaries                         |
| 164              | 21                   | District Gurgaon          | 73                | 109                   | Fair price shops                                                      |
| 165              | 22                   | District Gurgaon          | 73                | 110                   | Challans for violation of traffic rules                               |
| <b>Education</b> |                      |                           |                   |                       |                                                                       |
| 166              | 1                    | Education                 | 48                | 29                    | Purchases without assessment of requirement                           |
| 167              | 2                    | Education                 | 56                | 4                     | Nutritional support to Primary Education                              |
| 168              | 3                    | Education                 | 58                | 56                    | Management cost in excess of norms                                    |
| 169              | 4                    | Education                 | 58                | 57                    | Programme management.                                                 |
| 170              | 5                    | Education                 | 58                | 58                    | Civil Works                                                           |
| 171              | 6                    | Education                 | 58                | 60                    | Training                                                              |
| 172              | 7                    | Education                 | 62                | 67                    | CBI inquiry                                                           |
| 173              | 8                    | Education                 | 70                | 20                    | Suspected embezzlement                                                |
| 174              | 9                    | Education                 | 70                | 22                    | Los due to non-availing of full Central assistance                    |
| 175              | 10                   | Education                 | 71                | 27                    | Parking of funds outside Government Accounts                          |
| 176              | 11                   | Education                 | 74                | 4                     | Information and Communication Technology                              |

| <b>Sr. No.</b>                          | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                          |
|-----------------------------------------|----------------------|---------------------------|-------------------|-----------------------|----------------------------------------------------------------------------|
| 177                                     | 12                   | Education                 | 74                | 5                     | Opening of Government Model Schools                                        |
| 178                                     | 13                   | Education                 | 74                | 6                     | Scheme for establishment of Government Model Sanskriti Schools             |
| 179                                     | 14                   | Elementary Education      | 77                | 14                    | Unspent balances with DEEOs not ed to GOI                                  |
| 180                                     | 15                   | Elementary Education      | 77                | 15                    | Non-maintenance of cash book and ledger                                    |
| 181                                     | 16                   | Elementary Education      | 77                | 17                    | MDM not provided to the students of Government Aided Schools               |
| 182                                     | 17                   | School Education (HSSPP)  | 81                | 26                    | Non-recovery of funds from defaulters                                      |
| 183                                     | 18                   | School Education (HSSPP)  | 81                | 27                    | Suspected embezzlement of funds                                            |
| 184                                     | 19                   | School Education (HSSPP)  | 81                | 28                    | Non-functional girls hostels:                                              |
| 185                                     | 20                   | School Education (HSSPP)  | 81                | 29                    | Poor/unsatisfactory functioning of ICT laboratories:                       |
| 186                                     | 21                   | School Education (HSSPP)  | 81                | 30                    | Misappropriations, losses, defalcations, etc:                              |
| <b>Environment &amp; Climate Change</b> |                      |                           |                   |                       |                                                                            |
| 187                                     | 1                    | Environment               | 58                | 83                    | Implementation of environmental Acts and Rules relating to Water Pollution |
| 188                                     | 2                    | Environment               | 58                | 84                    | Status of water pollution                                                  |
| 189                                     | 3                    | Environment               | 58                | 85                    | Treatment of Industrial effluent                                           |
| 190                                     | 4                    | Environment               | 58                | 88                    | Environment training, education and awareness                              |
| 191                                     | 5                    | Environment               | 60                | 67                    | Status of industrial pollution                                             |
| 192                                     | 6                    | Environment               | 60                | 69                    | Rice shelling units/solvent extraction plants                              |
| 193                                     | 7                    | Environment               | 60                | 72                    | Waste Management                                                           |
| 194                                     | 8                    | Environment               | 68                | 24                    | Assessment of waste and risks associated with it                           |
| 195                                     | 9                    | Environment               | 74                | 45                    | Implementation of Bio Medical waste Management Rules in Haryana            |
| 196                                     | 10                   | Environment               | 74                | 46                    | Loss of interest due to blockade of funds                                  |
| 197                                     | 11                   | Environment               | 74                | 47                    | Delay in furnishing utilization certificates                               |

| <b>Sr. No.</b>             | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                 |
|----------------------------|----------------------|---------------------------|-------------------|-----------------------|---------------------------------------------------------------------------------------------------|
| 198                        | 12                   | Environment               | 77                | 37                    | Avoidable payment of Income Tax                                                                   |
| 199                        | 13                   | Environment               | 77                | 38                    | Delay in furnishing utilization certificates                                                      |
| 200                        | 14                   | Environment               | 79                | 22                    | Operations without Consent to Establish and Consent to Operate                                    |
| 201                        | 15                   | Environment               | 79                | 23                    | Lack of verification of EC compliance                                                             |
| 202                        | 16                   | Environment               | 79                | 24                    | Non-compliance of conditions of pollution control                                                 |
| 203                        | 17                   | Environment               | 79                | 25                    | Non-compliance of environment impact monitoring aspects                                           |
| 204                        | 18                   | Environment               | 79                | 26                    | Environmental parameters for Air, Surface Water, Ground Water and Noise beyond permissible limits |
| 205                        | 19                   | Environment               | 79                | 27                    | Delay in furnishing utilization certificates                                                      |
| 206                        | 20                   | Environment               | 80                | 48                    | Delay in furnishing utilization certificates                                                      |
| 207                        | 21                   | Environment               | 81                | 51                    | Delay in furnishing utilization certificates:                                                     |
| <b>Excise and Taxation</b> |                      |                           |                   |                       |                                                                                                   |
| 208                        | 1                    | Excise and Taxation       | 22                | 54                    | Shortfall in duty.                                                                                |
| 209                        | 2                    | Excise and Taxation       | 23                | 47                    | Uncollected Revenue                                                                               |
| 210                        | 3                    | Excise and Taxation       | 23                | 55                    | Result of test audit in general                                                                   |
| 211                        | 4                    | Excise and Taxation       | 23                | 57                    | Failure to initiate action to recover the licence fee                                             |
| 212                        | 5                    | Excise and Taxation       | 23                | 59                    | Loss of duty on excess wastage in bottling operation                                              |
| 213                        | 6                    | Excise and Taxation       | 25                | 54                    | Un-collected revenue                                                                              |
| 214                        | 7                    | Excise and Taxation       | 25                | 67                    | Irregular allowance for wastage                                                                   |
| 215                        | 8                    | Excise and Taxation       | 26                | 49                    | Uncollected revenue                                                                               |
| 216                        | 9                    | Excise and Taxation       | 26                | 61                    | Duty not recovered on spirit loss in bottling operation in excess of norms                        |
| 217                        | 10                   | Excise and Taxation       | 28                | 44                    | Non-recovery of licence fee and interest                                                          |
| 218                        | 11                   | Excise and Taxation       | 29                | 50                    | Non-levy of penalty                                                                               |
| 219                        | 12                   | Excise and Taxation       | 29                | 51                    | Non-levy of penalty                                                                               |



| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                             |
|----------------|----------------------|---------------------------|-------------------|-----------------------|---------------------------------------------------------------|
| 220            | 13                   | Excise and Taxation       | 29                | 53                    | Interest not charged                                          |
| 221            | 14                   | Excise and Taxation       | 32                | 61                    | Uncollected revenue                                           |
| 222            | 15                   | Excise and Taxation       | 34                | 63                    | Uncollected revenue                                           |
| 223            | 16                   | Excise and Taxation       | 34                | 66                    | Short-levy/non-levy of purchase tax                           |
| 224            | 17                   | Excise and Taxation       | 34                | 69                    | Non-levy of penalty                                           |
| 225            | 18                   | Excise and Taxation       | 34                | 70                    | Non-filling the quarterly returns                             |
| 226            | 19                   | Excise and Taxation       | 36                | 54                    | Uncollected Revenue (State Excise)                            |
| 227            | 20                   | Excise and Taxation       | 36                | 58                    | Results of Audit (Sales Tax)                                  |
| 228            | 21                   | Excise and Taxation       | 38                | 71                    | Uncollected revenue                                           |
| 229            | 22                   | Excise and Taxation       | 38                | 79                    | Suppression of purchases                                      |
| 230            | 23                   | Excise and Taxation       | 38                | 81                    | Irregular stay of tax and interest                            |
| 231            | 24                   | Excise and Taxation       | 38                | 87                    | Recovery at the instance of Audit                             |
| 232            | 25                   | Excise and Taxation       | 40                | 51                    | Uncollected Revenue (Sales Tax)                               |
| 233            | 26                   | Excise and Taxation       | 40                | 52                    | Uncollected Revenue (State Excise)                            |
| 234            | 27                   | Excise and Taxation       | 40                | 55                    | Delay in re-assessment of remand cases                        |
| 235            | 28                   | Excise and Taxation       | 40                | 57                    | Appeals entertained without deposit of tax                    |
| 236            | 29                   | Excise and Taxation       | 40                | 60                    | Loss of revenue due to delays in assessment and demand of tax |
| 237            | 30                   | Excise and Taxation       | 40                | 66                    | Incorrect deduction on account of sales to registered dealers |
| 238            | 31                   | Excise and Taxation       | 40                | 68                    | Non-levy of penalty                                           |
| 239            | 32                   | Excise and Taxation       | 40                | 69                    | Interest not charged                                          |
| 240            | 33                   | Excise and Taxation       | 40                | 74                    | Non-recovery of duty on wastage in excess norms               |
| 241            | 34                   | Excise and Taxation       | 42                | 108                   | Uncollected Revenue                                           |
| 242            | 35                   | Excise and Taxation       | 42                | 109                   | Frauds and evasion of taxes                                   |
| 243            | 36                   | Excise and Taxation       | 42                | 113                   | Delay in taking up of appeal cases                            |
| 244            | 37                   | Excise and Taxation       | 42                | 115                   | Stay of Sales Tax demands by the Appellate Authorities        |
| 245            | 38                   | Excise and Taxation       | 42                | 116                   | Recovery of Demands in arrears under Sales Tax                |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>               | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                         |
|----------------|----------------------|-----------------------------------------|-------------------|-----------------------|-------------------------------------------------------------------------------------------|
| 246            | 39                   | <i>Excise and Taxation</i>              | 42                | 118                   | <i>Non-recovery of arrears due to delay in assessment</i>                                 |
| 247            | 40                   | <i>Excise and Taxation</i>              | 42                | 119                   | <i>Failure to verify the genuineness of dealers/sureties</i>                              |
| 248            | 41                   | <i>Excise and Taxation</i>              | 42                | 120                   | <i>Irregular grant of exemption certificate</i>                                           |
| 249            | 42                   | <i>Excise and Taxation</i>              | 42                | 121                   | <i>Delay in initiating/non-pursuance of recovery proceedings</i>                          |
| 250            | 43                   | <i>Excise and Taxation</i>              | 42                | 125                   | <i>Application of incorrect rate of tax</i>                                               |
| 251            | 44                   | <i>Excise and Taxation</i>              | 42                | 126                   | <i>Non/Short levy of interest</i>                                                         |
| 252            | 45                   | <i>Excise and Taxation</i>              | 42                | 127                   | <i>Results of Audit</i>                                                                   |
| 253            | 46                   | <i>Excise and Taxation</i>              | 42                | 129                   | <i>Loss of revenue due to re-auction of vends</i>                                         |
| 254            | 47                   | <i>Excise and Taxation</i>              | 42                | 130                   | <i>Short recovery of composite fee</i>                                                    |
| 255            | 48                   | <i>Excise and Taxation</i>              | 42                | 132                   | <i>Loss due to non-observance of prescribed procedure regarding auction of vends</i>      |
| 256            | 49                   | <i>Excise and Taxation</i>              | 42                | 136                   | <i>Uncollected Revenue</i>                                                                |
| 257            | 50                   | <i>Excise and Taxation</i>              | 42                | 138                   | <i>Results of Audit</i>                                                                   |
| 258            | 51                   | <i>Excise and Taxation</i>              | 42                | 139                   | <i>Under assessment due to irregular grant of exemption to non-manufacturers</i>          |
| 259            | 52                   | <i>Excise and Taxation</i>              | 42                | 142                   | <i>Under assessment due to short levy of purchase tax and incorrect deduction</i>         |
| 260            | 53                   | <i>Excise and Taxation</i>              | 42                | 144                   | <i>Short levy of penalty</i>                                                              |
| 261            | 54                   | <i>Excise and Taxation</i>              | 42                | 145                   | <i>Results of Audit</i>                                                                   |
| 262            | 55                   | <i>Prohibition, Excise and Taxation</i> | 44                | 92                    | <i>Uncollected Revenue (Sales Tax)</i>                                                    |
| 263            | 56                   | <i>Prohibition, Excise and Taxation</i> | 44                | 95                    | <i>Non-registration of dealers liable to registration</i>                                 |
| 264            | 57                   | <i>Prohibition, Excise and Taxation</i> | 44                | 96                    | <i>Grant of Certificates of registration without following proper procedure</i>           |
| 265            | 58                   | <i>Prohibition, Excise and Taxation</i> | 44                | 97                    | <i>Non-observance of departmental instructions regarding cross verifications</i>          |
| 266            | 59                   | <i>Prohibition, Excise and Taxation</i> | 44                | 98                    | <i>Non-observance of prescribed procedures for receipt and issue of declaration forms</i> |
| 267            | 60                   | <i>Prohibition, Excise and Taxation</i> | 44                | 99                    | <i>Non-observance of prescribed procedures for receipt and issue of declaration forms</i> |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>               | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                                     |
|----------------|----------------------|-----------------------------------------|-------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| 268            | 61                   | <i>Prohibition, Excise and Taxation</i> | 44                | 100                   | <i>Irregular deduction allowed against stolen forms</i>                                                                               |
| 269            | 62                   | <i>Prohibition, Excise and Taxation</i> | 44                | 101                   | <i>Incorrect deduction from turnover</i>                                                                                              |
| 270            | 63                   | <i>Prohibition, Excise and Taxation</i> | 44                | 102                   | <i>Incorrect levy of Concessional rate of Tax</i>                                                                                     |
| 271            | 64                   | <i>Prohibition, Excise and Taxation</i> | 44                | 103                   | <i>Other points of interest</i>                                                                                                       |
| 272            | 65                   | <i>Prohibition, Excise and Taxation</i> | 44                | 106                   | <i>Results of Audit</i>                                                                                                               |
| 273            | 66                   | <i>Prohibition, Excise and Taxation</i> | 44                | 107                   | <i>Interest not charged</i>                                                                                                           |
| 274            | 67                   | <i>Prohibition, Excise and Taxation</i> | 46                | 41                    | <i>Arrears in revenue</i>                                                                                                             |
| 275            | 68                   | <i>Prohibition, Excise and Taxation</i> | 46                | 42                    | <i>Results of Audit</i>                                                                                                               |
| 276            | 69                   | <i>Commercial Taxes</i>                 | 46                | 43                    | <i>Arrears in revenue</i>                                                                                                             |
| 277            | 70                   | <i>Commercial Taxes</i>                 | 46                | 46                    | <i>Outstanding inspection s and audit observations</i>                                                                                |
| 278            | 71                   | <i>Commercial Taxes</i>                 | 46                | 47                    | <i>Results of Audit</i>                                                                                                               |
| 279            | 72                   | <i>Commercial Taxes</i>                 | 46                | 48                    | <i>Sales Tax Check Barriers</i>                                                                                                       |
| 280            | 73                   | <i>Commercial Taxes</i>                 | 46                | 50                    | <i>Short levy of Purchases Tax</i>                                                                                                    |
| 281            | 74                   | <i>Commercial Taxes</i>                 | 46                | 51                    | <i>Non/Short levy of interest and penalty</i>                                                                                         |
| 282            | 75                   | <i>Commercial Taxes</i>                 | 46                | 52                    | <i>Results of Audit</i>                                                                                                               |
| 283            | 76                   | <i>Excise and Taxation</i>              | 48                | 33                    | <i>Arrears in revenue</i>                                                                                                             |
| 284            | 77                   | <i>Excise and Taxation</i>              | 48                | 37                    | <i>Results of Audit</i>                                                                                                               |
| 285            | 78                   | <i>Excise and Taxation</i>              | 48                | 43                    | <i>Irregular deduction allowed against invalid declaration forms</i>                                                                  |
| 286            | 79                   | <i>Excise and Taxation</i>              | 48                | 44                    | <i>Loss of revenue due to defray in finalization of assessment</i>                                                                    |
| 287            | 80                   | <i>Excise and Taxation</i>              | 48                | 45                    | <i>Non-levy of interest and penalty</i>                                                                                               |
| 288            | 81                   | <i>Excise and Taxation</i>              | 50                | 116                   | <i>Arrears in revenue</i>                                                                                                             |
| 289            | 82                   | <i>Excise and Taxation</i>              | 50                | 118                   | <i>Under assessment due to inadmissible deduction from turnover</i>                                                                   |
| 290            | 83                   | <i>Excise and Taxation</i>              | 50                | 120                   | <i>Under assessment due to irregular deduction allowed against invalid declaration forms and non/short levy of purchase/sales tax</i> |
| 291            | 84                   | <i>Excise and Taxation</i>              | 50                | 122                   | <i>Under assessment</i>                                                                                                               |
| 292            | 85                   | <i>Excise and Taxation</i>              | 50                | 124                   | <i>Under assessment due to application of incorrect rates of tax</i>                                                                  |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                     |
|----------------|----------------------|---------------------------|-------------------|-----------------------|---------------------------------------------------------------------------------------|
| 293            | 86                   | Excise and Taxation       | 50                | 125                   | Non/short levy of purchase tax                                                        |
| 294            | 87                   | Excise and Taxation       | 50                | 126                   | Results of Audit                                                                      |
| 295            | 88                   | Excise and Taxation       | 50                | 127                   | Internal control mechanism of receipts from distilleries and breweries                |
| 296            | 89                   | Excise and Taxation       | 50                | 128                   | Low yield of spirit                                                                   |
| 297            | 90                   | Excise and Taxation       | 50                | 129                   | Loss of spirit due to re-distillation                                                 |
| 298            | 91                   | Excise and Taxation       | 50                | 133                   | Interest short charged                                                                |
| 299            | 92                   | Excise and Taxation       | 50                | 134                   | Short realization of composite fee                                                    |
| 300            | 93                   | Excise and Taxation       | 52                | 94                    | Arrears in revenue                                                                    |
| 301            | 94                   | Excise and Taxation       | 52                | 95                    | Arrears in assessment                                                                 |
| 302            | 95                   | Excise and Taxation       | 52                | 96                    | Frauds and evasions of taxes/duties                                                   |
| 303            | 96                   | Excise and Taxation       | 52                | 97                    | Results of Audit                                                                      |
| 304            | 97                   | Excise and Taxation       | 52                | 101                   | Under assessment due to non-levy of tax on branch transfers/consignment sale          |
| 305            | 98                   | Excise and Taxation       | 52                | 102                   | Under assessment due to non-submission of declaration forms.                          |
| 306            | 99                   | Excise and Taxation       | 52                | 104                   | Arrears in assessments                                                                |
| 307            | 100                  | Excise and Taxation       | 52                | 105                   | Evasion of tax due to suppression of purchases                                        |
| 308            | 101                  | Excise and Taxation       | 52                | 106                   | Under assessment due to incorrect deduction allowed against invalid declaration forms |
| 309            | 102                  | Excise and Taxation       | 52                | 107                   | Incorrect levy of concessional rate of tax                                            |
| 310            | 103                  | Excise and Taxation       | 52                | 108                   | Inadmissible deduction from turnover                                                  |
| 311            | 104                  | Excise and Taxation       | 52                | 109                   | Non-levy of purchase tax.                                                             |
| 312            | 105                  | Excise and Taxation       | 52                | 112                   | Non-levy of tax                                                                       |
| 313            | 106                  | Excise and Taxation       | 52                | 114                   | Under assessment due to excess rebate                                                 |
| 314            | 107                  | Excise and Taxation       | 52                | 115                   | Non-levy of penalty                                                                   |
| 315            | 108                  | Excise and Taxation       | 52                | 116                   | Non-reconciliation of revenue deposits into treasury                                  |
| 316            | 109                  | Excise and Taxation       | 52                | 117                   | Results of Audit                                                                      |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>        | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                             |
|----------------|----------------------|----------------------------------|-------------------|-----------------------|---------------------------------------------------------------|
| 317            | 110                  | Excise and Taxation              | 52                | 118                   | Short/non-recovery of passenger tax                           |
| 318            | 111                  | Excise and Taxation              | 54                | 64                    | Arrears in revenue                                            |
| 319            | 112                  | Excise and Taxation              | 54                | 65                    | Arrears in assessment                                         |
| 320            | 113                  | Excise and Taxation              | 54                | 67                    | Results of Audit                                              |
| 321            | 114                  | Excise and Taxation              | 54                | 68                    | Disposal of appeal cases                                      |
| 322            | 115                  | Excise and Taxation              | 54                | 69                    | Delay in finalizing assessments                               |
| 323            | 116                  | Excise and Taxation              | 54                | 70                    | Delay in finalization of remand cases                         |
| 324            | 117                  | Excise and Taxation              | 54                | 72                    | Recovery certification cases                                  |
| 325            | 118                  | Excise and Taxation              | 54                | 73                    | Incorrect levy of concessional rate of tax                    |
| 326            | 119                  | Excise and Taxation              | 54                | 74                    | Incorrect deduction allowed against invalid declaration forms |
| 327            | 120                  | Excise and Taxation              | 54                | 75                    | Inadmissible deduction from turnover                          |
| 328            | 121                  | Excise and Taxation              | 54                | 76                    | Short levy of tax on sales to Non-government bodies           |
| 329            | 122                  | Excise and Taxation              | 54                | 77                    | Excess refund due to incorrect exemption for payment of tax   |
| 330            | 123                  | Excise and Taxation              | 54                | 78                    | Under assessment due to excess rebate                         |
| 331            | 124                  | Excise and Taxation              | 54                | 79                    | Results of Audit                                              |
| 332            | 125                  | Excise and Taxation              | 54                | 80                    | Incorrect levy of entertainments duty                         |
| 333            | 126                  | Prohibition, Excise and Taxation | 56                | 20                    | Fraudulent drawls and embezzlement of Government money        |
| 334            | 127                  | Excise and Taxation              | 58                | 4                     | Arrears in revenue                                            |
| 335            | 128                  | Excise and Taxation              | 58                | 5                     | Arrears in assessment                                         |
| 336            | 129                  | Excise and Taxation              | 58                | 6                     | Frauds and evasions of taxes/duties                           |
| 337            | 130                  | Excise and Taxation              | 58                | 8                     | Results of Audit                                              |
| 338            | 131                  | Excise and Taxation              | 58                | 9                     | Cross verification by Audit                                   |
| 339            | 132                  | Excise and Taxation              | 58                | 10                    | Incorrect deduction from turnover                             |
| 340            | 133                  | Excise and Taxation              | 58                | 12                    | Non-levy of purchase tax                                      |
| 341            | 134                  | Excise and Taxation              | 58                | 13                    | Non-recovery of tax                                           |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                               |
|----------------|----------------------|---------------------------|-------------------|-----------------------|---------------------------------------------------------------------------------|
| 342            | 135                  | Excise and Taxation       | 58                | 15                    | Non/short levy of purchase tax                                                  |
| 343            | 136                  | Excise and Taxation       | 58                | 16                    | Non-levy of tax                                                                 |
| 344            | 137                  | Excise and Taxation       | 58                | 17                    | Results of Audit                                                                |
| 345            | 138                  | Excise and Taxation       | 58                | 18                    | Short realization of passenger tax                                              |
| 346            | 139                  | Excise and Taxation       | 58                | 101                   | Arrears in revenue                                                              |
| 347            | 140                  | Excise and Taxation       | 58                | 102                   | Arrears in assessment                                                           |
| 348            | 141                  | Excise and Taxation       | 58                | 103                   | Frauds and evasions of taxes/duties                                             |
| 349            | 142                  | Excise and Taxation       | 58                | 105                   | Results of Audit                                                                |
| 350            | 143                  | Excise and Taxation       | 58                | 106                   | Evasion in sales tax                                                            |
| 351            | 144                  | Excise and Taxation       | 58                | 107                   | Non compliance of departmental instructions regarding cross verification        |
| 352            | 145                  | Excise and Taxation       | 58                | 108                   | Under assessment of 'notional' sales tax liability computed on taxable turnover |
| 353            | 146                  | Excise and Taxation       | 58                | 109                   | Non-levy of purchase tax                                                        |
| 354            | 147                  | Excise and Taxation       | 58                | 110                   | Non-recovery of tax                                                             |
| 355            | 148                  | Excise and Taxation       | 58                | 111                   | Non-levy of interest                                                            |
| 356            | 149                  | Excise and Taxation       | 58                | 112                   | Under assessment due to excess rebate                                           |
| 357            | 150                  | Excise and Taxation       | 58                | 113                   | Results of Audit                                                                |
| 358            | 151                  | Excise and Taxation       | 58                | 114                   | Short realization of passengers tax towards expenditure                         |
| 359            | 152                  | Excise and Taxation       | 58                | 115                   | Non-recovery of licence fee                                                     |
| 360            | 153                  | Excise and Taxation       | 60                | 95                    | Arrears in revenue                                                              |
| 361            | 154                  | Excise and Taxation       | 60                | 99                    | Outstanding inspection s and audit observations                                 |
| 362            | 155                  | Excise and Taxation       | 60                | 101                   | Results of Audit                                                                |
| 363            | 156                  | Excise and Taxation       | 60                | 102                   | Recovery of sales tax in arrears                                                |
| 364            | 157                  | Excise and Taxation       | 60                | 103                   | Non-recovery due to delay in assessment                                         |
| 365            | 158                  | Excise and Taxation       | 60                | 104                   | Non-delay in raising of demands for the assessed dues                           |
| 366            | 159                  | Excise and Taxation       | 60                | 105                   | Failure to initiate follow up action for recovery of arrears                    |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                               |
|----------------|----------------------|---------------------------|-------------------|-----------------------|-----------------------------------------------------------------|
| 367            | 160                  | Excise and Taxation       | 60                | 106                   | Disposal of recovery certificates                               |
| 368            | 161                  | Excise and Taxation       | 60                | 107                   | Demands under stay                                              |
| 369            | 162                  | Excise and Taxation       | 60                | 108                   | Non-inclusion of interest in the demand sent to the liquidator  |
| 370            | 163                  | Excise and Taxation       | 60                | 109                   | Under assessment of notional sales tax liability                |
| 371            | 164                  | Excise and Taxation       | 60                | 110                   | Application of incorrect rate of tax                            |
| 372            | 165                  | Excise and Taxation       | 60                | 111                   | Non-levy of purchase tax                                        |
| 373            | 166                  | Excise and Taxation       | 60                | 112                   | Non-recovery of tax                                             |
| 374            | 167                  | Excise and Taxation       | 60                | 113                   | Results of Audit                                                |
| 375            | 168                  | Excise and Taxation       | 62                | 3                     | Arrears in revenue                                              |
| 376            | 169                  | Excise and Taxation       | 62                | 4                     | Arrears in assessment                                           |
| 377            | 170                  | Excise and Taxation       | 62                | 5                     | Frauds and evasions of taxes/duties                             |
| 378            | 171                  | Excise and Taxation       | 62                | 6                     | Results of Audit                                                |
| 379            | 172                  | Excise and Taxation       | 62                | 7                     | Assessment in arrear                                            |
| 380            | 173                  | Excise and Taxation       | 62                | 8                     | Irregularities in the grant of eligibility certificates         |
| 381            | 174                  | Excise and Taxation       | 62                | 9                     | Incorrect acceptance of applications                            |
| 382            | 175                  | Excise and Taxation       | 62                | 10                    | Incorrect determination of zones                                |
| 383            | 176                  | Excise and Taxation       | 62                | 11                    | Implementation of the Scheme by Sales Tax Department            |
| 384            | 177                  | Excise and Taxation       | 62                | 12                    | Excess availing of tax deferment                                |
| 385            | 178                  | Excise and Taxation       | 62                | 13                    | Irregularities in assessment of exempted/deferred units         |
| 386            | 179                  | Excise and Taxation       | 62                | 14                    | Under-assessment due to application of concessional rate of tax |
| 387            | 180                  | Excise and Taxation       | 62                | 15                    | Under-assessment tax due to irregular deduction                 |
| 388            | 181                  | Excise and Taxation       | 62                | 16                    | Under assessment of notional sales tax liability                |
| 389            | 182                  | Excise and Taxation       | 62                | 17                    | Non-monitoring of exempted/deferred units                       |
| 390            | 183                  | Excise and Taxation       | 62                | 18                    | Non-levy of purchase tax                                        |
| 391            | 184                  | Excise and Taxation       | 62                | 19                    | Non-levy of tax on lease rent                                   |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>  | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                            |
|----------------|----------------------|----------------------------|-------------------|-----------------------|----------------------------------------------------------------------------------------------|
| 392            | 185                  | <i>Excise and Taxation</i> | 62                | 20                    | <i>Non-levy/under assessment of purchase tax due to application of incorrect rate of tax</i> |
| 393            | 186                  | <i>Excise and Taxation</i> | 62                | 21                    | <i>Irregular deduction allowed against invalid declaration forms</i>                         |
| 394            | 187                  | <i>Excise and Taxation</i> | 62                | 22                    | <i>Non-levy of interest and penalty</i>                                                      |
| 395            | 188                  | <i>Excise and Taxation</i> | 62                | 23                    | <i>Non-raising of demands for interest</i>                                                   |
| 396            | 189                  | <i>Excise and Taxation</i> | 62                | 24                    | <i>Non-realization of tax</i>                                                                |
| 397            | 190                  | <i>Excise and Taxation</i> | 62                | 25                    | <i>Results of Audit</i>                                                                      |
| 398            | 191                  | <i>Excise and Taxation</i> | 62                | 26                    | <i>Receipts of excise duty from auction of venders</i>                                       |
| 399            | 192                  | <i>Excise and Taxation</i> | 62                | 27                    | <i>Short recovery of licence fee and interest</i>                                            |
| 400            | 193                  | <i>Excise and Taxation</i> | 62                | 28                    | <i>Loss of revenue due to re-auction of vends</i>                                            |
| 401            | 194                  | <i>Excise and Taxation</i> | 62                | 29                    | <i>Non-recovery due to incorrect adjustment of security</i>                                  |
| 402            | 195                  | <i>Excise and Taxation</i> | 62                | 33                    | <i>Results of Audit</i>                                                                      |
| 403            | 196                  | <i>Excise and Taxation</i> | 62                | 34                    | <i>Non/short realization of passengers tax</i>                                               |
| 404            | 197                  | <i>Excise and Taxation</i> | 63                | 3                     | <i>Arrears of revenue</i>                                                                    |
| 405            | 198                  | <i>Excise and Taxation</i> | 63                | 4                     | <i>Evasion of tax</i>                                                                        |
| 406            | 199                  | <i>Excise and Taxation</i> | 63                | 5                     | <i>Results of Audit</i>                                                                      |
| 407            | 200                  | <i>Excise and Taxation</i> | 63                | 6                     | <i>Position of collection of revenue receipts and arrears</i>                                |
| 408            | 201                  | <i>Excise and Taxation</i> | 63                | 7                     | <i>Delay in finalizaion of remand cases</i>                                                  |
| 409            | 202                  | <i>Excise and Taxation</i> | 63                | 8                     | <i>Under assessment of tax due to incorrect deduction of subsequent sale under CST</i>       |
| 410            | 203                  | <i>Excise and Taxation</i> | 63                | 9                     | <i>Under assessment of tax due to inadmissible deduction</i>                                 |
| 411            | 204                  | <i>Excise and Taxation</i> | 63                | 10                    | <i>Non levy of purchase tax</i>                                                              |
| 412            | 205                  | <i>Excise and Taxation</i> | 63                | 11                    | <i>Non levy of interest and penalty</i>                                                      |
| 413            | 206                  | <i>Excise and Taxation</i> | 63                | 12                    | <i>Non recovery of tax</i>                                                                   |
| 414            | 207                  | <i>Excise and Taxation</i> | 63                | 13                    | <i>Other tax receipts</i>                                                                    |



| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                    |
|----------------|----------------------|---------------------------|-------------------|-----------------------|--------------------------------------------------------------------------------------|
| 415            | 208                  | Excise and Taxation       | 63                | 14                    | Non recovery of penalties                                                            |
| 416            | 209                  | Excise and Taxation       | 63                | 15                    | Non/short realization of passengers tax                                              |
| 417            | 210                  | Excise and Taxation       | 63                | 16                    | Short/non recovery of entertainment duty                                             |
| 418            | 211                  | Excise and Taxation       | 64                | 25                    | Arrears of revenue                                                                   |
| 419            | 212                  | Excise and Taxation       | 64                | 26                    | Arrears in assessments                                                               |
| 420            | 213                  | Excise and Taxation       | 64                | 27                    | Evasion of tax                                                                       |
| 421            | 214                  | Excise and Taxation       | 64                | 28                    | Write-off and waiver of revenue                                                      |
| 422            | 215                  | Excise and Taxation       | 64                | 29                    | Results of Audit                                                                     |
| 423            | 216                  | Excise and Taxation       | 64                | 30                    | Delay in assessments and their impact on revenue and collection of sales tax demands |
| 424            | 217                  | Excise and Taxation       | 64                | 31                    | Absence of provisions for finalizing assessments                                     |
| 425            | 218                  | Excise and Taxation       | 64                | 32                    | Recovery Certificates                                                                |
| 426            | 219                  | Excise and Taxation       | 64                | 34                    | Delay in issue of demand notice                                                      |
| 427            | 220                  | Excise and Taxation       | 64                | 35                    | Delay in finalization of assessment                                                  |
| 428            | 221                  | Excise and Taxation       | 64                | 37                    | Under assessment due to incorrect deduction at first stage                           |
| 429            | 222                  | Excise and Taxation       | 64                | 38                    | Non levy of purchase tax                                                             |
| 430            | 223                  | Excise and Taxation       | 64                | 39                    | Non levy of interest                                                                 |
| 431            | 224                  | Excise and Taxation       | 64                | 40                    | Results of Audit                                                                     |
| 432            | 225                  | Excise and Taxation       | 64                | 41                    | Short recovery of licence fee and interest                                           |
| 433            | 226                  | Excise and Taxation       | 64                | 42                    | Non/short realization of passengers tax                                              |
| 434            | 227                  | Excise and Taxation       | 65                | 26                    | Arrears of revenue                                                                   |
| 435            | 228                  | Excise and Taxation       | 65                | 27                    | Arrears in assessments                                                               |
| 436            | 229                  | Excise and Taxation       | 65                | 28                    | Evasion of tax                                                                       |
| 437            | 230                  | Excise and Taxation       | 65                | 29                    | Write-off and waiver of revenue                                                      |
| 438            | 231                  | Excise and Taxation       | 65                | 30                    | Results of Audit                                                                     |
| 439            | 232                  | Excise and Taxation       | 65                | 31                    | Disposal of remand cases                                                             |
| 440            | 233                  | Excise and Taxation       | 65                | 32                    | Non levy of penalty                                                                  |
| 441            | 234                  | Excise and Taxation       | 65                | 33                    | Delay in deciding cases in revision                                                  |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                        |
|----------------|----------------------|---------------------------|-------------------|-----------------------|--------------------------------------------------------------------------|
| 442            | 235                  | Excise and Taxation       | 65                | 34                    | Under assessment due to incorrect deduction from gross turnover          |
| 443            | 236                  | Excise and Taxation       | 65                | 35                    | Non levy of purchase tax                                                 |
| 444            | 237                  | Excise and Taxation       | 65                | 36                    | Application of incorrect rate of tax                                     |
| 445            | 238                  | Excise and Taxation       | 65                | 37                    | Irregular refund of tax                                                  |
| 446            | 239                  | Excise and Taxation       | 65                | 38                    | Under assessment due to non levy of surcharge                            |
| 447            | 240                  | Excise and Taxation       | 65                | 39                    | Results of Audit                                                         |
| 448            | 241                  | Excise and Taxation       | 65                | 40                    | Non recovery of penalty                                                  |
| 449            | 242                  | Excise and Taxation       | 65                | 41                    | Non imposition of fine                                                   |
| 450            | 243                  | Excise and Taxation       | 65                | 42                    | Loss of revenue due to re-auction of vend                                |
| 451            | 244                  | Excise and Taxation       | 67                | 40                    | Arrears of revenue                                                       |
| 452            | 245                  | Excise and Taxation       | 67                | 41                    | Arrears in assessments                                                   |
| 453            | 246                  | Excise and Taxation       | 67                | 42                    | Evasion of tax                                                           |
| 454            | 247                  | Excise and Taxation       | 67                | 43                    | Write-off and waiver of revenue                                          |
| 455            | 248                  | Excise and Taxation       | 67                | 44                    | Refunds                                                                  |
| 456            | 249                  | Excise and Taxation       | 67                | 45                    | Results of Audit                                                         |
| 457            | 250                  | Excise and Taxation       | 67                | 46                    | Evasion of tax by unregistered dealers/Non levy of tax on contractees    |
| 458            | 251                  | Excise and Taxation       | 67                | 47                    | Acceptance of incomplete/ invalid declaration forms                      |
| 459            | 252                  | Excise and Taxation       | 67                | 48                    | Acceptance of incomplete/ invalid declaration forms                      |
| 460            | 253                  | Excise and Taxation       | 67                | 49                    | Non compliance of departmental instructions regarding cross verification |
| 461            | 254                  | Excise and Taxation       | 67                | 50                    | Non compliance of departmental instructions regarding cross verification |
| 462            | 255                  | Excise and Taxation       | 67                | 51                    | Non compliance of departmental instructions regarding cross verification |
| 463            | 256                  | Excise and Taxation       | 67                | 52                    | Non compliance of departmental instructions regarding cross verification |
| 464            | 257                  | Excise and Taxation       | 67                | 54                    | Non levy of interest and penalty                                         |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                            |
|----------------|----------------------|---------------------------|-------------------|-----------------------|------------------------------------------------------------------------------|
| 465            | 258                  | Excise and Taxation       | 67                | 56                    | Incorrect allowance of concessional rate                                     |
| 466            | 259                  | Excise and Taxation       | 67                | 58                    | Under assessment due to application of incorrect rate of tax                 |
| 467            | 260                  | Excise and Taxation       | 67                | 59                    | Under assessment due to application of incorrect rate of tax                 |
| 468            | 261                  | Excise and Taxation       | 67                | 60                    | Results of Audit                                                             |
| 469            | 262                  | Excise and Taxation       | 67                | 61                    | Uncollected Excise revenue                                                   |
| 470            | 263                  | Excise and Taxation       | 67                | 62                    | Short recovery of licence fee and interest                                   |
| 471            | 264                  | Excise and Taxation       | 67                | 63                    | Non recovery of additional licence fee for lifting of short/additional quota |
| 472            | 265                  | Excise and Taxation       | 67                | 64                    | Non imposition/recovery of compounding fee                                   |
| 473            | 266                  | Excise and Taxation       | 67                | 65                    | Non imposition/recovery of compounding fee                                   |
| 474            | 267                  | Excise and Taxation       | 67                | 66                    | Results of Audit                                                             |
| 475            | 268                  | Excise and Taxation       | 67                | 67                    | Arrears of revenue                                                           |
| 476            | 269                  | Excise and Taxation       | 67                | 68                    | Non-short realization of passengers tax/ Transport co-operative societies    |
| 477            | 270                  | Excise and Taxation       | 67                | 69                    | Maxi cabs, taxis and auto rickshaws                                          |
| 478            | 271                  | Excise and Taxation       | 67                | 70                    | City bus service                                                             |
| 479            | 272                  | Excise and Taxation       | 67                | 71                    | Non levy of interest                                                         |
| 480            | 273                  | Excise and Taxation       | 67                | 72                    | Non realization of goods tax and additional tax                              |
| 481            | 274                  | Excise and Taxation       | 67                | 73                    | Non registration of maxi cabs                                                |
| 482            | 275                  | Excise and Taxation       | 67                | 74                    | Non disposal of challans                                                     |
| 483            | 276                  | Excise and Taxation       | 68                | 61                    | Arrears of revenue                                                           |
| 484            | 277                  | Excise and Taxation       | 68                | 62                    | Arrears in assessments                                                       |
| 485            | 278                  | Excise and Taxation       | 68                | 63                    | Evasion of tax                                                               |
| 486            | 279                  | Excise and Taxation       | 68                | 64                    | Write-off and waiver of revenue                                              |
| 487            | 280                  | Excise and Taxation       | 68                | 65                    | Refunds                                                                      |
| 488            | 281                  | Excise and Taxation       | 68                | 66                    | Results of Audit                                                             |
| 489            | 282                  | Excise and Taxation       | 68                | 67                    | Non levy of interest                                                         |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                       |
|----------------|----------------------|---------------------------|-------------------|-----------------------|-------------------------------------------------------------------------------------------------------------------------|
| 490            | 283                  | Excise and Taxation       | 68                | 68                    | Non levy of interest and penalty                                                                                        |
| 491            | 284                  | Excise and Taxation       | 68                | 69                    | Arrears of sales tax                                                                                                    |
| 492            | 285                  | Excise and Taxation       | 68                | 70                    | Non inclusion of interest in the demand sent to liquidator                                                              |
| 493            | 286                  | Excise and Taxation       | 68                | 71                    | Under assessment of tax due to incorrect determination of gross turnover                                                |
| 494            | 287                  | Excise and Taxation       | 68                | 72                    | Under assessment of tax due to application of incorrect rate                                                            |
| 495            | 288                  | Excise and Taxation       | 68                | 73                    | Non levy of tax on liquor                                                                                               |
| 496            | 289                  | Excise and Taxation       | 68                | 74                    | Results of Audit                                                                                                        |
| 497            | 290                  | Excise and Taxation       | 68                | 75                    | Non/short realization of passengers tax                                                                                 |
| 498            | 291                  | Excise and Taxation       | 68                | 76                    | Non/short realization of passengers tax                                                                                 |
| 499            | 292                  | Excise and Taxation       | 68                | 77                    | Non levy/recovery of penalty                                                                                            |
| 500            | 293                  | Excise and Taxation       | 68                | 78                    | Non levy/recovery of penalty                                                                                            |
| 501            | 294                  | Excise and Taxation       | 68                | 102                   | Analysis of arrears of revenue                                                                                          |
| 502            | 295                  | Excise and Taxation       | 68                | 103                   | Arrears in assessments                                                                                                  |
| 503            | 296                  | Excise and Taxation       | 68                | 104                   | Performance of assessments                                                                                              |
| 504            | 297                  | Excise and Taxation       | 68                | 105                   | Evasion of tax                                                                                                          |
| 505            | 298                  | Excise and Taxation       | 68                | 106                   | Write off and waiver of revenue                                                                                         |
| 506            | 299                  | Excise and Taxation       | 68                | 107                   | Refunds                                                                                                                 |
| 507            | 300                  | Excise and Taxation       | 68                | 108                   | Compliance with the earlier Audit s                                                                                     |
| 508            | 301                  | Excise and Taxation       | 68                | 109                   | Results of Audit                                                                                                        |
| 509            | 302                  | Excise and Taxation       | 68                | 110                   | Absence of mechanism to verify the tax deposited before allowing input tax credit                                       |
| 510            | 303                  | Excise and Taxation       | 68                | 111                   | Absence of a monitoring mechanism to ensure cross verification of purchase transactions                                 |
| 511            | 304                  | Excise and Taxation       | 68                | 112                   | Misuse of declaration forms STD-IV/VAT-DI and C                                                                         |
| 512            | 305                  | Excise and Taxation       | 68                | 113                   | Incorrect allowing of exemption/ concession without declarations/ documents or against incomplete declaration/documents |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                                             |
|----------------|----------------------|---------------------------|-------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| 513            | 306                  | Excise and Taxation       | 68                | 114                   | Non-levy of penalty                                                                                                                           |
| 514            | 307                  | Excise and Taxation       | 68                | 115                   | Non-levy of penalty                                                                                                                           |
| 515            | 308                  | Excise and Taxation       | 68                | 116                   | Short recovery of lump sum tax on Works contract                                                                                              |
| 516            | 309                  | Excise and Taxation       | 68                | 117                   | Excess allowing of input tax credit                                                                                                           |
| 517            | 310                  | Excise and Taxation       | 68                | 118                   | Underassessment of tax due to allowing of excess benefit of deferment                                                                         |
| 518            | 311                  | Excise and Taxation       | 68                | 119                   | Underassessment of tax due to application of incorrect rate                                                                                   |
| 519            | 312                  | Excise and Taxation       | 68                | 120                   | Inadmissible allowing of input tax credit                                                                                                     |
| 520            | 313                  | Excise and Taxation       | 68                | 121                   | Results of Audit                                                                                                                              |
| 521            | 314                  | Excise and Taxation       | 68                | 122                   | Non/short realization of passengers tax from Co-operative Transport Societies                                                                 |
| 522            | 315                  | Excise and Taxation       | 68                | 123                   | Non/short realization of passengers tax from educational institutions                                                                         |
| 523            | 316                  | Excise and Taxation       | 68                | 124                   | Non/short recovery of passengers tax from tax from City Bus Operators                                                                         |
| 524            | 317                  | Excise and Taxation       | 68                | 125                   | Results of Audit                                                                                                                              |
| 525            | 318                  | Excise and Taxation       | 68                | 126                   | Non-realisation of differential licence fee                                                                                                   |
| 526            | 319                  | Excise and Taxation       | 68                | 127                   | Short recovery of licence fee and interest                                                                                                    |
| 527            | 320                  | Excise and Taxation       | 70                | 31                    | Analysis of arrears of revenue                                                                                                                |
| 528            | 321                  | Excise and Taxation       | 70                | 32                    | Arrears in assessments                                                                                                                        |
| 529            | 322                  | Excise and Taxation       | 70                | 33                    | Evasion of tax                                                                                                                                |
| 530            | 323                  | Excise and Taxation       | 70                | 34                    | Write off and waiver of revenue                                                                                                               |
| 531            | 324                  | Excise and Taxation       | 70                | 35                    | Refunds                                                                                                                                       |
| 532            | 325                  | Excise and Taxation       | 70                | 36                    | Result of Audit                                                                                                                               |
| 533            | 326                  | Excise and Taxation       | 70                | 37                    | Disposal of attached property                                                                                                                 |
| 534            | 327                  | Excise and Taxation       | 70                | 38                    | Issue of recovery certificates                                                                                                                |
| 535            | 328                  | Excise and Taxation       | 70                | 39                    | Non-recovery of inter-district and inter-state arrears due to lack of co-ordination between the departmental officers and revenue authorities |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                                             |
|----------------|----------------------|---------------------------|-------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| 536            | 329                  | Excise and Taxation       | 70                | 40                    | Non-recovery of inter-district and inter-state arrears due to lack of co-ordination between the departmental officers and revenue authorities |
| 537            | 330                  | Excise and Taxation       | 70                | 41                    | Absence of provisions under HVAT Act to entertain appeals only on pre-payment of additional demands in dispute                                |
| 538            | 331                  | Excise and Taxation       | 70                | 42                    | Absence of provision regarding allowances in installments in payment of arrears due                                                           |
| 539            | 332                  | Excise and Taxation       | 70                | 43                    | Disposal of appeal cases by JETCs                                                                                                             |
| 540            | 333                  | Excise and Taxation       | 70                | 44                    | Non-declaration of arrears under Punjab Land Revenue Act                                                                                      |
| 541            | 334                  | Excise and Taxation       | 70                | 45                    | Failure to initiate follow up action for recovery of arrears within the district                                                              |
| 542            | 335                  | Excise and Taxation       | 70                | 46                    | Disposal of immovable property during the currency of recovery of arrears                                                                     |
| 543            | 336                  | Excise and Taxation       | 70                | 47                    | Underassessment of tax due to allowing of excess benefit of deferment                                                                         |
| 544            | 337                  | Excise and Taxation       | 70                | 48                    | Incorrect allowing of input tax credit                                                                                                        |
| 545            | 338                  | Excise and Taxation       | 70                | 49                    | Underassessment of tax due to inadmissible deduction from gross turnover                                                                      |
| 546            | 339                  | Excise and Taxation       | 70                | 50                    | Result of audit                                                                                                                               |
| 547            | 340                  | Excise and Taxation       | 70                | 51                    | Non-realization of differential license fee                                                                                                   |
| 548            | 341                  | Excise and Taxation       | 70                | 52                    | Short recovery of license fee and interest                                                                                                    |
| 549            | 342                  | Excise and Taxation       | 70                | 53                    | Short recovery of license fee and interest                                                                                                    |
| 550            | 343                  | Excise and Taxation       | 70                | 54                    | Non-recovery of penalty                                                                                                                       |
| 551            | 344                  | Excise and Taxation       | 70                | 55                    | Result of audit                                                                                                                               |
| 552            | 345                  | Excise and Taxation       | 70                | 56                    | Educational institutions                                                                                                                      |
| 553            | 346                  | Excise and Taxation       | 70                | 57                    | Transport co-operative societies                                                                                                              |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Paragraph No.</b> | <b>Brief Subject of Paragraph</b>                                     |
|----------------|----------------------|---------------------------|-------------------|----------------------|-----------------------------------------------------------------------|
| 554            | 347                  | Excise and Taxation       | 70                | 58                   | City bus operators                                                    |
| 555            | 348                  | Excise and Taxation       | 71                | 34                   | Compliance with the earlier Audit s                                   |
| 556            | 349                  | Excise and Taxation       | 71                | 35                   | Analysis of arrears of revenue                                        |
| 557            | 350                  | Excise and Taxation       | 71                | 36                   | Position of Inspection s                                              |
| 558            | 351                  | Excise and Taxation       | 71                | 37                   | Results of audit                                                      |
| 559            | 352                  | Excise and Taxation       | 71                | 38                   | Leased machinery and equipments                                       |
| 560            | 353                  | Excise and Taxation       | 71                | 39                   | Short/non-levy of purchase tax and penalty due misuse of VAT-DI       |
| 561            | 354                  | Excise and Taxation       | 71                | 40                   | Short levy of lump sum tax on works contract                          |
| 562            | 355                  | Excise and Taxation       | 71                | 41                   | Underassessment of tax due inadmissible deduction from gross turnover |
| 563            | 356                  | Excise and Taxation       | 71                | 42                   | Underassessment of tax due inadmissible deduction from gross turnover |
| 564            | 357                  | Excise and Taxation       | 71                | 43                   | Evasion of value added tax due to Suppression of purchases and sales  |
| 565            | 358                  | Excise and Taxation       | 71                | 44                   | Analysis of arrears of revenue                                        |
| 566            | 359                  | Excise and Taxation       | 71                | 45                   | Position of Audit s                                                   |
| 567            | 360                  | Excise and Taxation       | 71                | 46                   | Results of audit                                                      |
| 568            | 361                  | Excise and Taxation       | 71                | 47                   | Non-recovery/levy of penalty on illicit liquor owners                 |
| 569            | 362                  | Excise and Taxation       | 71                | 48                   | Non-recovery/levy of penalty on illicit liquor owners                 |
| 570            | 363                  | Excise and Taxation       | 71                | 49                   | Short/non-recovery of license fee and interest                        |
| 571            | 364                  | Excise and Taxation       | 71                | 50                   | Short/non-recovery of license fee and interest                        |
| 572            | 365                  | Excise and Taxation       | 71                | 51                   | Short/non-recovery of license fee and interest                        |
| 573            | 366                  | Excise and Taxation       | 71                | 52                   | Analysis of arrears of revenue\                                       |
| 574            | 367                  | Excise and Taxation       | 71                | 53                   | Position of Audit s                                                   |
| 575            | 368                  | Excise and Taxation       | 71                | 54                   | Results of audit                                                      |
| 576            | 369                  | Excise and Taxation       | 71                | 55                   | City bus operators                                                    |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                          |
|----------------|----------------------|---------------------------|-------------------|-----------------------|------------------------------------------------------------------------------------------------------------|
| 577            | 370                  | Excise And Taxation       | 72                | 63                    | Analysis of arrears of revenue                                                                             |
| 578            | 371                  | Excise And Taxation       | 72                | 66                    | Results of audit                                                                                           |
| 579            | 372                  | Excise And Taxation       | 72                | 67                    | Lack of co-ordination between implementing Agencies to recover the demand on premature Closure of business |
| 580            | 373                  | Excise And Taxation       | 72                | 74                    | Irregular grant of concession/ exemption on invalid Forms/forms issued to other dealers                    |
| 581            | 374                  | Excise And Taxation       | 72                | 75                    | Short/non-accounting of goods imported through Use of declaration form                                     |
| 582            | 375                  | Excise And Taxation       | 72                | 76                    | Input tax credit allowed incorrectly                                                                       |
| 583            | 376                  | Excise And Taxation       | 72                | 78                    | Incorrect deductions of High sea sale and Transit Sale                                                     |
| 584            | 377                  | Excise And Taxation       | 72                | 79                    | Transit sale                                                                                               |
| 585            | 378                  | Excise And Taxation       | 72                | 80                    | Transit sale                                                                                               |
| 586            | 379                  | Excise And Taxation       | 72                | 81                    | Evasion of value added tax due to Suppression Of purchases and sale                                        |
| 587            | 380                  | Excise And Taxation       | 72                | 82                    | Non-realisation of differential license fee on Re-actioun                                                  |
| 588            | 381                  | Excise and Taxation       | 73                | 112                   | Evasion of tax                                                                                             |
| 589            | 382                  | Excise and Taxation       | 73                | 113                   | Non-Production of records to Audit for scrutiny                                                            |
| 590            | 383                  | Excise and Taxation       | 73                | 114                   | Arrears in assessments                                                                                     |
| 591            | 384                  | Excise and Taxation       | 73                | 117                   | Material supplied by contractee to contractor                                                              |
| 592            | 385                  | Excise and Taxation       | 73                | 118                   | Other interesting cases                                                                                    |
| 593            | 386                  | Excise and Taxation       | 73                | 121                   | Evasion of tax due to suppression of sales                                                                 |
| 594            | 387                  | Excise and Taxation       | 73                | 123                   | Analysis of arrears of revenue                                                                             |
| 595            | 388                  | Excise and Taxation       | 73                | 124                   | Non-realisation of differential license fee on re-auction                                                  |
| 596            | 389                  | Excise and Taxation       | 73                | 125                   | Non/short recovery of interest                                                                             |
| 597            | 390                  | Excise and Taxation       | 73                | 126                   | Non/short recovery of license fee and interest                                                             |
| 598            | 391                  | Excise and Taxation       | 74                | 70                    | Arrears in assessments                                                                                     |
| 599            | 392                  | Excise and Taxation       | 74                | 71                    | Evasion of tax detected by the Department                                                                  |



| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                             |
|----------------|----------------------|---------------------------|-------------------|-----------------------|-----------------------------------------------------------------------------------------------|
| 600            | 393                  | Excise and Taxation       | 74                | 72                    | ITC allowed on Petroleum Products                                                             |
| 601            | 394                  | Excise and Taxation       | 74                | 74                    | Incorrect/less reversal of ITC                                                                |
| 602            | 395                  | Excise and Taxation       | 74                | 76                    | Non levy of tax and penalty on bogus claim of ITC                                             |
| 603            | 396                  | Excise and Taxation       | 74                | 77                    | Excess benefit of ITC                                                                         |
| 604            | 397                  | Excise and Taxation       | 74                | 79                    | Non production of records                                                                     |
| 605            | 398                  | Excise and Taxation       | 74                | 83                    | Under assessment of tax due to application of incorrect rate of tax                           |
| 606            | 399                  | Excise and Taxation       | 74                | 85                    | Evasion of tax by submitting fake declaration forms 'C'                                       |
| 607            | 400                  | Excise and Taxation       | 74                | 89                    | Non-realisation of differential amount of license fee on re-allotment of vends                |
| 608            | 401                  | Excise and Taxation       | 74                | 90                    | Non/short recovery of license fee and interest                                                |
| 609            | 402                  | Excise and Taxation       | 74                | 91                    | Non/short recovery of licence fee and interest                                                |
| 610            | 403                  | Excise and Taxation       | 74                | 92                    | Non levy / recovery of penalty for illegal possession and trade of liquor                     |
| 611            | 404                  | Excise and Taxation       | 74                | 93                    | Non/short realization of passengers tax from taxi/maxi owners                                 |
| 612            | 405                  | Excise and Taxation       | 75                | 75                    | Cases finalized after a delay of six months (under HGST Act):                                 |
| 613            | 406                  | Excise and Taxation       | 75                | 76                    | Disposal of remand cases under Haryana Value Addex Tax                                        |
| 614            | 407                  | Excise and Taxation       | 75                | 77                    | Disposal of remand cases under Haryana Value Added Tax Act                                    |
| 615            | 408                  | Excise and Taxation       | 75                | 78                    | Non compliance of directions of the Appellate Authority                                       |
| 616            | 409                  | Excise and Taxation       | 75                | 79                    | Non compliance of directions of the Appellate Authority                                       |
| 617            | 410                  | Excise and Taxation       | 75                | 80                    | Revision Cases                                                                                |
| 618            | 411                  | Excise and Taxation       | 75                | 82                    | Under assessment of tax due to application of incorrect rates of tax: Non/short leavey of tax |
| 619            | 412                  | Excise and Taxation       | 75                | 83                    | Non levy of penalty for bogus ITC claim/sale suppression                                      |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                         |
|----------------|----------------------|---------------------------|-------------------|-----------------------|-----------------------------------------------------------------------------------------------------------|
| 620            | 413                  | Excise and Taxation       | 75                | 84                    | Suppression of Sale – Non levy of penalty for bogus ITC claim                                             |
| 621            | 414                  | Excise and Taxation       | 75                | 85                    | Suppression of Sale – Non levy of penalty for bogus ITC claim                                             |
| 622            | 415                  | Excise and Taxation       | 75                | 87                    | Evasion of tax by registered dealers                                                                      |
| 623            | 416                  | Excise and Taxation       | 75                | 89                    | Non/short levy of interest                                                                                |
| 624            | 417                  | Excise and Taxation       | 75                | 90                    | Result of Audit                                                                                           |
| 625            | 418                  | Excise and Taxation       | 75                | 91                    | Non / short recovery of license fee from the licensees                                                    |
| 626            | 419                  | Excise and Taxation       | 75                | 92                    | Non/short recovery of license fee from the licensees                                                      |
| 627            | 420                  | Excise and Taxation       | 75                | 93                    | Surety bonds not collected before the allotment of vends                                                  |
| 628            | 421                  | Excise and Taxation       | 75                | 94                    | Non-realization of differential license fee on re-auction                                                 |
| 629            | 422                  | Excise and Taxation       | 75                | 95                    | Non / short recovery of interest                                                                          |
| 630            | 423                  | Excise and Taxation       | 75                | 96                    | Non levy/realization of penalty for short lifting of quarterly quota of liquor                            |
| 631            | 424                  | Excise and Taxation       | 75                | 97                    | Non levy/recovery of penalty for illegal possession and trade of liquor                                   |
| 632            | 425                  | Excise and Taxation       | 78                | 1                     | Evasion of tax detected by the Department                                                                 |
| 633            | 426                  | Excise and Taxation       | 78                | 2                     | Non production of records to audit for scrutiny                                                           |
| 634            | 427                  | Excise and Taxation       | 78                | 3                     | Absence of provision for finalization of assessment besides cancellation of Registration Certificate (RC) |
| 635            | 428                  | Excise and Taxation       | 78                | 4                     | Non registration of works contractors                                                                     |
| 636            | 429                  | Excise and Taxation       | 78                | 5                     | Reduction in number of scrutiny cases                                                                     |
| 637            | 430                  | Excise and Taxation       | 78                | 6                     | Underassessment/irregular refund of tax due to application of incorrect rate of tax                       |
| 638            | 431                  | Excise and Taxation       | 78                | 7                     | Underassessment due to allowing benefit against fake forms                                                |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                       |
|----------------|----------------------|---------------------------|-------------------|-----------------------|---------------------------------------------------------------------------------------------------------|
| 639            | 432                  | Excise and Taxation       | 78                | 8                     | Evasion of tax due to suppression of sales/purchases and failure to levy penalty thereon                |
| 640            | 433                  | Excise and Taxation       | 78                | 9                     | Evasion of tax due to suppression of sales/purchases and failure to levy penalty thereon                |
| 641            | 434                  | Excise and Taxation       | 78                | 10                    | Evasion of tax due to suppression of sales/purchases and failure to levy penalty thereon                |
| 642            | 435                  | Excise and Taxation       | 78                | 11                    | Underassessment due to non levy of tax/interest/surcharge and allowing excess benefit of tax concession |
| 643            | 436                  | Excise and Taxation       | 78                | 12                    | Underassessment / Excess refund due to non / incorrect reversal of ITC                                  |
| 644            | 437                  | Excise and Taxation       | 78                | 13                    | Underassessment / Excess refund due to non / incorrect reversal of ITC                                  |
| 645            | 438                  | Excise and Taxation       | 78                | 14                    | Underassessment / Excess refund due to non / incorrect reversal of ITC                                  |
| 646            | 439                  | Excise and Taxation       | 78                | 15                    | Underassessment/irregular refund due to misuse of form VAT D-1/VAT D-2                                  |
| 647            | 440                  | Excise and Taxation       | 78                | 16                    | Underassessment/irregular refund due to misuse of form VAT D-1/VAT D-2                                  |
| 648            | 441                  | Excise and Taxation       | 78                | 17                    | Non-consideration of stock of Paddy/Rice purchased against form VAT-D2                                  |
| 649            | 442                  | Excise and Taxation       | 78                | 18                    | Non levy of penalty under Section 10A of CST Act                                                        |
| 650            | 443                  | Excise and Taxation       | 78                | 19                    | Excess refund due to allowing deduction against invalid documents                                       |
| 651            | 444                  | Excise and Taxation       | 78                | 20                    | Irregular refund to contractors/traders                                                                 |
| 652            | 445                  | Excise and Taxation       | 78                | 21                    | Irregular refund to contractors of DMRC                                                                 |
| 653            | 446                  | Excise and Taxation       | 78                | 22                    | Non maintenance of Demand and Collection register (DCR) of returns (VAT G-8)                            |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                       |
|----------------|----------------------|---------------------------|-------------------|-----------------------|-------------------------------------------------------------------------|
| 654            | 447                  | Excise and Taxation       | 78                | 23                    | Late servicing of assessment orders and demand notices                  |
| 655            | 448                  | Excise and Taxation       | 78                | 24                    | Non examination of assessment cases by DETCs/JETCs                      |
| 656            | 449                  | Excise and Taxation       | 78                | 25                    | Loss of revenue due to delay in re-assessment of the cases              |
| 657            | 450                  | Excise and Taxation       | 78                | 26                    | Recovery of demand created during the year                              |
| 658            | 451                  | Excise and Taxation       | 78                | 27                    | Incorrect benefit of ITC on goods not sold                              |
| 659            | 452                  | Excise and Taxation       | 78                | 29                    | Non/short levy of tax due to incorrect classification                   |
| 660            | 453                  | Excise and Taxation       | 78                | 30                    | Excess allowance of deposit of tax                                      |
| 661            | 454                  | Excise and Taxation       | 78                | 31                    | Non levy of tax on sale of chemicals                                    |
| 662            | 455                  | Excise and Taxation       | 78                | 32                    | Short levy of tax on sale of pipes                                      |
| 663            | 456                  | Excise and Taxation       | 78                | 33                    | Non levy of additional tax/penalty for misuse of Form VAT D-1           |
| 664            | 457                  | Excise and Taxation       | 78                | 34                    | Evasion of tax due to suppression of Sales                              |
| 665            | 458                  | Excise and Taxation       | 78                | 35                    | Results of audit                                                        |
| 666            | 459                  | Excise and Taxation       | 78                | 36                    | Non/short levy of license Fee and interest                              |
| 667            | 460                  | Excise and Taxation       | 78                | 37                    | Non/short levy of license Fee and interest                              |
| 668            | 461                  | Excise and Taxation       | 78                | 38                    | Non levy/recovery of penalty for illegal possession and trade of liquor |
| <b>Finance</b> |                      |                           |                   |                       |                                                                         |
| 669            | 1                    | Haryana State Lotteries   | 36                | 25                    | Suspended misappropriation of Government money                          |
| 670            | 2                    | Haryana State Lotteries   | 46                | 36                    | Appointment of main stockists                                           |
| 671            | 3                    | Haryana State Lotteries   | 46                | 40                    | Other points of interest                                                |
| 672            | 4                    | Finance (Lotteries)       | 50                | 3                     | Printing of lottery tickets                                             |
| 673            | 5                    | Finance (Lotteries)       | 50                | 146                   | Results of Audit                                                        |
| 674            | 6                    | Haryana State Lotteries   | 52                | 87                    | Short Deposit of State proceeds of lottery tickets                      |
| 675            | 7                    | Finance                   | 56                | 14                    | Overpayment of pensionary benefits                                      |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                            |
|----------------|----------------------|---------------------------|-------------------|-----------------------|------------------------------------------------------------------------------|
| 676            | 8                    | Finance                   | 58                | 39                    | Non charging of interest and penal interest                                  |
| 677            | 9                    | Finance                   | 58                | 40                    | Loans to Municipal Councils/ Municipal Committees                            |
| 678            | 10                   | Finance                   | 58                | 72                    | Overpayment of pensionary benefits                                           |
| 679            | 11                   | Finance and Justice       | 62                | 68                    | Recovery regarding appointment of daily wage workers                         |
| 680            | 12                   | Finance                   | 63                | 38                    | Results of Audit                                                             |
| 681            | 13                   | Finance                   | 63                | 39                    | Incorrect classification / non-collection of guarantee fee                   |
| 682            | 14                   | Finance                   | 63                | 40                    | Government guarantees                                                        |
| 683            | 15                   | Finance                   | 63                | 41                    | Conclusion/Recommendations                                                   |
| 684            | 16                   | Finance                   | 63                | 76                    | Mismatch of expenditure data in OTIS database                                |
| 685            | 17                   | Finance                   | 65                | 20                    | Overpayment of pensionary benefits                                           |
| 686            | 18                   | Finance                   | 67                | 37                    | Overpayment of pensionary benefits                                           |
| 687            | 19                   | Finance                   | 68                | 89                    | Non recovery of Loans and interest                                           |
| 688            | 20                   | Finance                   | 68                | 90                    | Non recovery of loans and interest                                           |
| 689            | 21                   | Finance                   | 68                | 92                    | Non recovery of loans granted in lieu of deferment of sales tax and interest |
| 690            | 22                   | Finance                   | 68                | 93                    | Non reconciliation of outstanding loans and interest                         |
| 691            | 23                   | Finance                   | 71                | 75                    | Non-raising of demand of guarantee fee                                       |
| 692            | 24                   | Finance                   | 74                | 48                    | Non-claiming of interest on unutilized funds                                 |
| 693            | 25                   | Finance                   | 80                | 52                    | Misappropriations, losses, defalcations, etc.                                |
| 694            | 26                   | Finance                   | 81                | 56                    | Misappropriations, losses, defalcations, etc:                                |

| <b>Sr. No.</b>                                     | <b>Count of Para</b> | <b>Name of department</b>               | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                               |
|----------------------------------------------------|----------------------|-----------------------------------------|-------------------|-----------------------|-------------------------------------------------------------------------------------------------|
| <b>Food and Drug Administration</b>                |                      |                                         |                   |                       |                                                                                                 |
| 695                                                | 1                    | Food and Drug Administration            | 79                | 28                    | Non-conducting of survey and non-registration of Food Business Operators                        |
| 696                                                | 2                    | Food and Drug Administration            | 79                | 29                    | Inadequate infrastructure facilities in the food laboratories                                   |
| 697                                                | 3                    | Food and Drug Administration            | 79                | 30                    | Non-availability of infrastructure and equipment with FSOs/DOs for safe storage of food samples |
| 698                                                | 4                    | Food and Drug Administration            | 79                | 31                    | Inspection of registered establishment                                                          |
| 699                                                | 5                    | Food and Drug Administration            | 79                | 32                    | Non-achievement of targets for collection of samples                                            |
| 700                                                | 6                    | Food and Drug Administration            | 79                | 33                    | Non-adjudication against offenders of sub-standard/misbranded samples                           |
| 701                                                | 7                    | Food and Drug Administration            | 79                | 34                    | Delay in adjudication of cases                                                                  |
| 702                                                | 8                    | Food and Drug Administration            | 79                | 35                    | Availability of manpower                                                                        |
| 703                                                | 9                    | Food and Drug Administration            | 79                | 36                    | Information, Education and Communication activities                                             |
| 704                                                | 10                   | Food and Drug Administration            | 79                | 37                    | Conclusion                                                                                      |
| <b>Food, Civil supplies &amp; Consumer Affairs</b> |                      |                                         |                   |                       |                                                                                                 |
| 705                                                | 1                    | Food, Civil supplies & Consumer Affairs | 23                | 35                    | Haryana State Federation of Consumer Co-operative Wholesale Stores Limited, Chandigarh          |
| 706                                                | 2                    | Food, Civil supplies & Consumer Affairs | 34                | 47                    | Under storage of wheat                                                                          |
| 707                                                | 3                    | Food, Civil supplies & Consumer Affairs | 36                | 7                     | Loss due to storage of wheat.                                                                   |
| 708                                                | 4                    | Food, Civil supplies & Consumer Affairs | 40                | 47                    | Damage caused to wheat in Storage                                                               |
| 709                                                | 5                    | Food, Civil supplies & Consumer Affairs | 42                | 42                    | Loss due to negligence                                                                          |
| 710                                                | 6                    | Food, Civil supplies & Consumer Affairs | 60                | 90                    | Loss due to delay in supply of wheat to Food Corporation of India                               |
| 711                                                | 7                    | Food, Civil supplies & Consumer Affairs | 63                | 68                    | (i) Food Security, Subsidy and Management of Foodgrain<br>(ii) Financial arrangements           |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>               | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                 |
|----------------|----------------------|-----------------------------------------|-------------------|-----------------------|---------------------------------------------------------------------------------------------------|
| 712            | 8                    | Food, Civil supplies & Consumer Affairs | 63                | 69                    | Loss of interest due to delay in deposit of cheques                                               |
| 713            | 9                    | Food, Civil supplies & Consumer Affairs | 63                | 70                    | Loss due to non adherence of the instructions of FCI                                              |
| 714            | 10                   | Food, Civil supplies & Consumer Affairs | 63                | 71                    | Millers had not supplied the rice after milling of paddy                                          |
| 715            | 11                   | Food, Civil supplies & Consumer Affairs | 63                | 72                    | Loss due to damage of wheat                                                                       |
| 716            | 12                   | Food, Civil supplies & Consumer Affairs | 63                | 73                    | Suspected misappropriation/pilferage of wheat due to short accounting of moisture gain            |
| 717            | 13                   | Food, Civil supplies & Consumer Affairs | 65                | 14                    | State/District Consumer Protection Councils not functional                                        |
| 718            | 14                   | Food, Civil supplies & Consumer Affairs | 65                | 16                    | Excess consumption of gunny bags                                                                  |
| 719            | 15                   | Food, Civil supplies & Consumer Affairs | 68                | 30                    | Loss due to lack of supervision and improper storage of wheat stock                               |
| 720            | 16                   | Food, Civil supplies & Consumer Affairs | 72                | 47                    | Loss of interest due to delay in claiming refund of Bonus paid to farmers                         |
| 721            | 17                   | Food, Civil supplies & Consumer Affairs | 75                | 58                    | Loss due to distribution of food grains to ineligible ration card holders                         |
| 722            | 18                   | Food, Civil supplies & Consumer Affairs | 77                | 39                    | Avoidable payment of interest due to delay in realization of bills from Food Corporation of India |
| 723            | 19                   | Food, Civil supplies & Consumer Affairs | 77                | 40                    | Compliance of terms and conditions of milling agreements for Custom Milled Rice                   |
| 724            | 20                   | Food, Civil supplies & Consumer Affairs | 77                | 41                    | Non-delivery of rice by millers                                                                   |
| 725            | 21                   | Food, Civil supplies & Consumer Affairs | 77                | 42                    | Non-recovery from the millers                                                                     |
| 726            | 22                   | Food, Civil supplies & Consumer Affairs | 77                | 43                    | Non-recovery of amount of value cut and moisture cut from millers                                 |
| 727            | 23                   | Food, Civil supplies & Consumer Affairs | 77                | 44                    | Non-adherence of guidelines                                                                       |
| 728            | 24                   | Food, Civil supplies & Consumer Affairs | 80                | 13                    | Non-realisation of claims from FCI and extra burden of interest                                   |
| 729            | 25                   | Food, Civil supplies & Consumer Affairs | 80                | 14                    | Delay in furnishing utilization certificates                                                      |

| <b>Sr. No.</b>               | <b>Count of Para</b> | <b>Name of department</b>               | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                 |
|------------------------------|----------------------|-----------------------------------------|-------------------|-----------------------|---------------------------------------------------------------------------------------------------|
| 730                          | 26                   | Food, Civil supplies & Consumer Affairs | 81                | 14                    | Extra burden of interest                                                                          |
| 731                          | 27                   | Food, Civil supplies & Consumer Affairs | 81                | 15                    | Loss due to suspected misappropriation of paddy                                                   |
| 732                          | 28                   | Food, Civil supplies & Consumer Affairs | 81                | 16                    | Delay in furnishing utilization certificates                                                      |
| <b>Forest &amp; Wildlife</b> |                      |                                         |                   |                       |                                                                                                   |
| 733                          | 1                    | Forest                                  | 56                | 5                     | Rehabilitation of common lands in Aravali Hills                                                   |
| 734                          | 2                    | Forest                                  | 58                | 3                     | Rehabilitation of common lands in Aravalli Hills                                                  |
| 735                          | 3                    | Forest                                  | 58                | 41                    | Short Recovery of royalty on forest produce                                                       |
| 736                          | 4                    | Forest                                  | 58                | 130                   | Loss due to delay in harvesting of poplar trees                                                   |
| 737                          | 5                    | Forest                                  | 58                | 132                   | Absence of physical verification of timer                                                         |
| 738                          | 6                    | Forest                                  | 58                | 133                   | Loss due to excess unit cost.                                                                     |
| 739                          | 7                    | Forest                                  | 63                | 79                    | Nugatory expenditure                                                                              |
| 740                          | 8                    | Forest                                  | 67                | 7                     | Fire protection measures not taken                                                                |
| 741                          | 9                    | Forest                                  | 67                | 8                     | Community institution strengthening process/Villages Resource Management Committee                |
| 742                          | 10                   | Forest                                  | 67                | 10                    | Expenditure in violation of project guidelines/Wasteful expenditure on construction of coffer dam |
| 743                          | 11                   | Forest                                  | 67                | 11                    | Expenditure on labour on construction works                                                       |
| 744                          | 12                   | Forest                                  | 71                | 79                    | Results of Audit                                                                                  |
| 745                          | 13                   | Forest                                  | 72                | 15                    | Non-realization of compensation for Use of forest land for non-forest purposes                    |
| 746                          | 14                   | Forest                                  | 72                | 16                    | Haryana wood-based Industries Revolving Corpus Fund                                               |
| 747                          | 15                   | Forest                                  | 79                | 57                    | Delay in furnishing utilization certificates                                                      |
| 748                          | 16                   | Forest                                  | 80                | 15                    | Unfruitful expenditure on water harvesting structure                                              |



| <b>Sr. No.</b>                     | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                          |
|------------------------------------|----------------------|---------------------------|-------------------|-----------------------|--------------------------------------------------------------------------------------------|
| <b>General</b>                     |                      |                           |                   |                       |                                                                                            |
| 749                                | 1                    | General                   | 52                | 65                    | Write-off of losses etc                                                                    |
| 750                                | 2                    | General                   | 58                | 44                    | Results of Audit                                                                           |
| 751                                | 3                    | General                   | 58                | 97                    | Write-off of losses, etc                                                                   |
| 752                                | 4                    | General                   | 61                | 28                    | Misappropriations, defalcations, etc.                                                      |
| 753                                | 5                    | General                   | 61                | 31                    | Lack of accountability                                                                     |
| 754                                | 6                    | General                   | 63                | 84                    | Financial assistance to local bodies and other institutions                                |
| 755                                | 7                    | General                   | 63                | 85                    | Misappropriations, defalcations, etc.                                                      |
| 756                                | 8                    | General                   | 63                | 86                    | Write-off of losses, etc.                                                                  |
| 757                                | 9                    | General                   | 64                | 9                     | Financial assistance to local bodies and others institutions                               |
| 758                                | 10                   | General                   | 64                | 10                    | Misappropriations, defalcations etc.                                                       |
| 759                                | 11                   | General                   | 64                | 11                    | Write-off losses etc.                                                                      |
| 760                                | 12                   | General                   | 65                | 23                    | Financial assistance to local bodies and other institutions                                |
| 761                                | 13                   | General                   | 65                | 24                    | Misappropriations, defalcations, etc.                                                      |
| 762                                | 14                   | General                   | 65                | 25                    | Write-off of losses, etc.                                                                  |
| <b>Health &amp; Family Welfare</b> |                      |                           |                   |                       |                                                                                            |
| 763                                | 1                    | Medical and Health        | 38                | 18                    | Stores and Stock                                                                           |
| 764                                | 2                    | Medical and Health        | 56                | 6                     | Working of Medical and Health Department including Manpower Management                     |
| 765                                | 3                    | Medical and Health        | 56                | 7                     | Hospitals and dispensaries                                                                 |
| 766                                | 4                    | Medical and Health        | 56                | 9                     | Hospital Waste Management                                                                  |
| 767                                | 5                    | Medical and Health        | 58                | 68                    | Working of Pandit Bhagwat Dayal Sharma Post Graduate Institute of Medical Sciences, Rohtak |
| 768                                | 6                    | Medical and Health        | 58                | 69                    | Implementation of Prevention of Food Adulteration Act                                      |
| 769                                | 7                    | Medical and Health        | 60                | 3                     | Prevention and Control of Diseases.                                                        |
| 770                                | 8                    | Medical and Health        | 62                | 56                    | Manpower                                                                                   |
| 771                                | 9                    | Medical and Health        | 62                | 57                    | Manufacturing and selling units                                                            |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                              |
|----------------|----------------------|---------------------------|-------------------|-----------------------|------------------------------------------------------------------------------------------------|
| 772            | 10                   | Medical and Health        | 62                | 59                    | Statistics of prosecutions vis-à-vis cases filed                                               |
| 773            | 11                   | Family welfare            | 65                | 22                    | Lack of response to Audit findings and observations resulting in erosion of accountability     |
| 774            | 12                   | Health                    | 68                | 44                    | Avoidable payment due to non-insurance of vehicles                                             |
| 775            | 13                   | Health                    | 68                | 45                    | Unauthorized retention of the departmental receipts outside the Consolidated Fund of the State |
| 776            | 14                   | Health                    | 68                | 47                    | Follow up on Audit s                                                                           |
| 777            | 15                   | Health                    | 70                | 3                     | Financial Management                                                                           |
| 778            | 16                   | Health                    | 70                | 4                     | Shortage of staff at CHC and PHC level                                                         |
| 779            | 17                   | Health                    | 70                | 6                     | Unfruitful expenditure on purchase of food testing equipment                                   |
| 780            | 18                   | Health                    | 72                | 4                     | Outstanding loans and advances                                                                 |
| 781            | 19                   | Health and Family Welfare | 73                | 70                    | Embezzlement due to inadequate internal control                                                |
| 782            | 20                   | Health                    | 74                | 15                    | Construction of CHCs, PHCs and SCs                                                             |
| 783            | 21                   | Health                    | 74                | 16                    | Improper-functioning of PHCs/Sub-Centres                                                       |
| 784            | 22                   | Health                    | 74                | 17                    | Lack of basic amenities in Sub-Centres                                                         |
| 785            | 23                   | Health                    | 74                | 19                    | Dispensing adulterated/spurious medicines to the patients                                      |
| 786            | 24                   | Health                    | 74                | 20                    | Unfruitful expenditure on non-functional Drug Testing Laboratory and State Ayurvedic Pharmacy  |
| 787            | 25                   | Health                    | 74                | 21                    | Embezzlement due to inadequate financial control                                               |
| 788            | 26                   | Health                    | 75                | 59                    | Non-recovery of bond money                                                                     |
| 789            | 27                   | Health                    | 77                | 45                    | Utilization of funds by Red cross Society                                                      |
| 790            | 28                   | Health                    | 77                | 46                    | Training to the handicapped persons                                                            |
| 791            | 29                   | Health                    | 81                | 17                    | Award of rate contract to ineligible firms                                                     |
| 792            | 30                   | Health                    | 81                | 18                    | Purchase of medicines from blacklisted firms                                                   |

| <b>Sr. No.</b>          | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                        |
|-------------------------|----------------------|---------------------------|-------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------|
| <b>Higher Education</b> |                      |                           |                   |                       |                                                                                                                          |
| 793                     | 1                    | Higher Education          | 52                | 6                     | Extra expenditure on purchase of paper                                                                                   |
| 794                     | 2                    | Higher Education          | 54                | 31                    | Nugatory expenditure due to payment of idle wages                                                                        |
| 795                     | 3                    | Higher Education          | 72                | 6                     | Compilation of annual accounts                                                                                           |
| 796                     | 4                    | Higher Education          | 72                | 7                     | Submission of false utilization certificate                                                                              |
| 797                     | 5                    | Higher Education          | 72                | 9                     | Under utilization of earmarked fund                                                                                      |
| 798                     | 6                    | Higher Education          | 72                | 11                    | Avoidable expenditure on customs Duty                                                                                    |
| 799                     | 7                    | Higher Education          | 72                | 12                    | Performance evaluation                                                                                                   |
| 800                     | 8                    | Higher Education          | 72                | 13                    | Misappropriations, losses, defalcations, etc.                                                                            |
| 801                     | 9                    | Higher Education          | 77                | 18                    | Affiliation                                                                                                              |
| 802                     | 10                   | Higher Education          | 77                | 19                    | Irregularities noticed in respect of bank guarantees                                                                     |
| 803                     | 11                   | Higher Education          | 77                | 20                    | Implementation of rules, regulations etc. and availability of infrastructure and faculty - Recognition on fake documents |
| 804                     | 12                   | Higher Education          | 77                | 22                    | Implementation of reservation / fee concession policy                                                                    |
| 805                     | 13                   | Higher Education          | 77                | 23                    | Infrastructure                                                                                                           |
| 806                     | 14                   | Higher Education          | 77                | 24                    | Internal control mechanism                                                                                               |
| 807                     | 15                   | Higher Education          | 80                | 1                     | Non-preparation of plan for Sustainable Development goals                                                                |
| 808                     | 16                   | Higher Education          | 80                | 2                     | Non-adjustment of temporary advances                                                                                     |
| 809                     | 17                   | Higher Education          | 80                | 3                     | Avoidable payment of Service Tax                                                                                         |
| 810                     | 18                   | Higher Education          | 80                | 4                     | Computerisation of University Activities                                                                                 |
| 811                     | 19                   | Higher Education          | 80                | 5                     | Non-enforcement of standards for quality education in affiliated colleges                                                |
| 812                     | 20                   | Higher Education          | 80                | 6                     | Continuation of provisional affiliation of the colleges/ institutions despite non-removal of deficiencies                |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                           |
|----------------|----------------------|---------------------------|-------------------|-----------------------|-------------------------------------------------------------------------------------------------------------|
| <b>Home</b>    |                      |                           |                   |                       |                                                                                                             |
| 813            | 1                    | Home(Jail)                | 50                | 9                     | Injudicious purchase                                                                                        |
| 814            | 2                    | Home                      | 56                | 18                    | Stores and Stock                                                                                            |
| 815            | 3                    | Home                      | 60                | 131                   | Arrears in revenue                                                                                          |
| 816            | 4                    | Home                      | 60                | 134                   | Arrears in revenue                                                                                          |
| 817            | 5                    | Home                      | 63                | 49                    | Arrears of revenue                                                                                          |
| 818            | 6                    | Home                      | 63                | 50                    | Results of Audit                                                                                            |
| 819            | 7                    | Home                      | 63                | 51                    | Results of Audit                                                                                            |
| 820            | 8                    | Home                      | 63                | 77                    | Wasteful expenditure on creation of Haryana State Industrial Security Force                                 |
| 821            | 9                    | Home                      | 65                | 68                    | Arrears of revenue                                                                                          |
| 822            | 10                   | Home                      | 67                | 38                    | Inadmissible payment of conveyance allowance to the newly recruited constables during basic training period |
| 823            | 11                   | Home                      | 68                | 37                    | Extra expenditure on account of delayed payment of land, compensation and interest thereon                  |
| 824            | 12                   | Home                      | 68                | 94                    | Arrears of revenue                                                                                          |
| 825            | 13                   | Home                      | 68                | 95                    | Results of Audit                                                                                            |
| 826            | 14                   | Home                      | 68                | 161                   | Analysis of arrears of revenue                                                                              |
| 827            | 15                   | Home                      | 70                | 8                     | Financial Management                                                                                        |
| 828            | 16                   | Home                      | 70                | 9                     | Records of advances not maintained                                                                          |
| 829            | 17                   | Home                      | 70                | 10                    | Construction of residential and non-residential buildings                                                   |
| 830            | 18                   | Home                      | 70                | 11                    | Delay/non-completion of building works                                                                      |
| 831            | 19                   | Home                      | 70                | 72                    | Non-realization of police cost from Railways                                                                |
| 832            | 20                   | Home                      | 70                | 73                    | Non-existence of system to monitor the raising of claims for incentive money for passport verification s    |
| 833            | 21                   | Home                      | 70                | 74                    | Delay in submission of inventory of unclaimed vehicles                                                      |
| 834            | 22                   | Home                      | 70                | 75                    | Non-short raising of bills                                                                                  |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>          | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                        |
|----------------|----------------------|------------------------------------|-------------------|-----------------------|------------------------------------------------------------------------------------------|
| 835            | 23                   | Home                               | 70                | 76                    | Non-short raising of bills                                                               |
| 836            | 24                   | Home                               | 70                | 77                    | Non-disposal of arms and ammunition                                                      |
| 837            | 25                   | Home                               | 70                | 78                    | Non-disposal of condemned vehicles                                                       |
| 838            | 26                   | Home                               | 73                | 64                    | Audit Findings                                                                           |
| 839            | 27                   | Home                               | 73                | 65                    | Non-forfeiture of surely bonds                                                           |
| 840            | 28                   | Home                               | 74                | 52                    | Unfruitful expenditure/blockade of Government funds                                      |
| 841            | 29                   | Home                               | 74                | 53                    | Misappropriations, losses, defalcations etc                                              |
| 842            | 30                   | Home and Administration of Justice | 75                | 61                    | Management of properties of Haryana Wakf Board                                           |
| 843            | 31                   | Home                               | 77                | 49                    | Non-implementation of Outdoor Surveillance System                                        |
| 844            | 32                   | Home and Administration of Justice | 79                | 38                    | Non-implementation of project for upgradation of Police Control Room                     |
| 845            | 33                   | Home(Jail)                         | 80                | 8                     | Outstanding recoveries on account of job work/sales by jail factories                    |
| 846            | 34                   | Home(Jail)                         | 80                | 11                    | Infrastructure in prisons                                                                |
| 847            | 35                   | Home(Jail)                         | 80                | 12                    | Non-constitution of Board of Visitors for inspection of Jails                            |
| <b>Housing</b> |                      |                                    |                   |                       |                                                                                          |
| 848            | 1                    | Housing                            | 48                | 27                    | Avoidable liability of interest                                                          |
| 849            | 2                    | Housing                            | 52                | 56                    | Delayed disbursement of loan to the beneficiaries led to avoidable liability of interest |
| 850            | 3                    | Housing                            | 67                | 17                    | Avoidable loss due to delay in deposit of advance tax                                    |
| 851            | 4                    | Housing                            | 67                | 18                    | Non-achievement of financial and physical targets of construction of houses              |
| 852            | 5                    | Housing                            | 67                | 19                    | Construction of houses without demand survey                                             |
| 853            | 6                    | Housing                            | 67                | 21                    | Extra expenditure due to allotment of work at higher rates                               |
| 854            | 7                    | Housing                            | 67                | 22                    | Non-recovery of compensation from contractors.                                           |

| <b>Sr. No.</b>                                     | <b>Count of Para</b> | <b>Name of department</b>                       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                               |
|----------------------------------------------------|----------------------|-------------------------------------------------|-------------------|-----------------------|-----------------------------------------------------------------|
| 855                                                | 8                    | Housing                                         | 67                | 23                    | Fire fighting systems remaining non-functional                  |
| 856                                                | 9                    | Housing                                         | 75                | 62                    | Irregular allotment of open space                               |
| 857                                                | 10                   | Housing                                         | 80                | 16                    | Unfruitful expenditure on construction of Community Centre      |
| 858                                                | 11                   | Housing (Housing Board)                         | 81                | 20                    | Avoidable expenditure on abandoned housing project              |
| <b>Skill Development &amp; Industrial Training</b> |                      |                                                 |                   |                       |                                                                 |
| 859                                                | 1                    | Industrial Training                             | 62                | 80                    | Delay in issue of Inspection s and settlement of old objections |
| 860                                                | 2                    | Industrial Training and Vocational Education    | 77                | 50                    | Blockade of funds due to injudicious selection of site          |
| 861                                                | 3                    | Industrial Training                             | 79                | 39                    | Purchases without tendering process                             |
| 862                                                | 4                    | Industrial Training                             | 79                | 40                    | Non-utilization of surplus machinery and tools                  |
| 863                                                | 5                    | Industrial Training                             | 80                | 53                    | Misappropriations, losses, defalcations, etc.                   |
| <b>Industries and Commerce</b>                     |                      |                                                 |                   |                       |                                                                 |
| 864                                                | 1                    | Industries and Commerce                         | 16                | 2(d)                  | Supply of setting up industries unit in selected backward areas |
| 865                                                | 2                    | Industries and Commerce                         | 22                | 10 (ii)               | Industrial Estate                                               |
| 866                                                | 3                    | Industries and Commerce                         | 32                | 4                     | Development of small industries                                 |
| 867                                                | 4                    | Industries and Commerce                         | 36                | 13                    | Non-utilization of loan                                         |
| 868                                                | 5                    | Industries and Commerce (Supplies and Disposal) | 40                | 49                    | Extra expenditure due to retendering                            |
| 869                                                | 6                    | Industries and Commerce                         | 50                | 5                     | Capital investment subsidy                                      |
| 870                                                | 7                    | Industries and Commerce                         | 50                | 6                     | Irregular release/non-recovery of assistance                    |
| 871                                                | 8                    | Industries and Commerce                         | 64                | 66                    | Results of Audit                                                |
| 872                                                | 9                    | Industries and Commerce                         | 68                | 48                    | Abstract of performance of the autonomous bodies                |
| 873                                                | 10                   | Industries and Commerce                         | 70                | 27                    | Block of funds                                                  |
| 874                                                | 11                   | Industries and Commerce                         | 72                | 116                   | Excess benefit of deferment for expansion Of industrial unit    |
| 875                                                | 12                   | Industries and Commerce                         | 72                | 117                   | Non/short recovery of interest free loan                        |
| 876                                                | 13                   | Industries and Commerce                         | 72                | 118                   | Non/short recovery of interest free loan                        |

| <b>Sr. No.</b>                                            | <b>Count of Para</b> | <b>Name of department</b>                          | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                      |
|-----------------------------------------------------------|----------------------|----------------------------------------------------|-------------------|-----------------------|--------------------------------------------------------------------------------------------------------|
| 877                                                       | 14                   | Industries and Commerce                            | 72                | 119                   | Incorrect computation of fixed capital Investment and excess tax concession                            |
| 878                                                       | 15                   | Industries and Commerce                            | 73                | 87                    | Delay in furnishing utilization certificates (STATE FINANCES)                                          |
| 879                                                       | 16                   | Industries and Commerce                            | 79                | 42                    | Non-achievement of targets for conducting training                                                     |
| 880                                                       | 17                   | Industries and Commerce                            | 79                | 43                    | Non-recovery of grants-in-aids - Irregularities in conducting entrepreneurship development programmes  |
| 881                                                       | 18                   | Industries and Commerce                            | 79                | 44                    | Delay in furnishing utilization certificates                                                           |
| 882                                                       | 19                   | Industries and Commerce (Supplies and Disposal)    | 81                | 21                    | Information Technology Audit of e-Procurement system                                                   |
| 883                                                       | 20                   | Industries and Commerce(Supplies and Disposal)     | 81                | 22                    | Delay in furnishing utilization certificates                                                           |
| <b>Information, Public Relations and Cultural Affairs</b> |                      |                                                    |                   |                       |                                                                                                        |
| 884                                                       | 1                    | Information, Public Relations and Cultural Affairs | 75                | 63                    | Irregularities in the functioning of the Information, Public Relations and Cultural Affairs Department |
| 885                                                       | 2                    | Public Relations                                   | 80                | 17                    | Effectiveness of advertisement on TV channels                                                          |
| <b>Irrigation and Water Resources</b>                     |                      |                                                    |                   |                       |                                                                                                        |
| 886                                                       | 1                    | Irrigation and Water Resources                     | 22                | 20                    | Penal recovery of cost of coal issued to Kiln Contractors in excess requirement                        |
| 887                                                       | 2                    | Irrigation and Water Resources                     | 46                | 34                    | Procurement of sub-standard cement                                                                     |
| 888                                                       | 3                    | Irrigation and Water Resources                     | 50                | 22                    | Surplus materials                                                                                      |
| 889                                                       | 4                    | Irrigation and Water Resources                     | 54                | 90                    | Short recovery of lease rent                                                                           |
| 890                                                       | 5                    | Irrigation and Water Resources                     | 58                | 76                    | Unauthorized excess execution of work in post tender stage                                             |
| 891                                                       | 6                    | Irrigation and Water Resources                     | 58                | 78                    | Avoidable expenditure due to incorrect sanction of estimates                                           |
| 892                                                       | 7                    | Irrigation and Water Resources                     | 58                | 79                    | Unfruitful expenditure on extension of existing channel                                                |
| 893                                                       | 8                    | Irrigation and Water Resources                     | 60                | 34                    | Formulation of schemes                                                                                 |
| 894                                                       | 9                    | Irrigation and Water Resources                     | 60                | 36                    | Implementation of schemes                                                                              |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>      | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                               |
|----------------|----------------------|--------------------------------|-------------------|-----------------------|---------------------------------------------------------------------------------|
| 895            | 10                   | Irrigation and Water Resources | 60                | 39                    | Land under unauthorized possessions                                             |
| 896            | 11                   | Irrigation and Water Resources | 60                | 41                    | Recoverable amount                                                              |
| 897            | 12                   | Irrigation and Water Resources | 60                | 42                    | Store management                                                                |
| 898            | 13                   | Irrigation and Water Resources | 60                | 43                    | Complaint Cases                                                                 |
| 899            | 14                   | Irrigation and Water Resources | 60                | 44                    | Introduction of selection grade of Engineers                                    |
| 900            | 15                   | Irrigation and Water Resources | 60                | 46                    | Recoverable amount from HUDA.                                                   |
| 901            | 16                   | Irrigation and Water Resources | 60                | 51                    | Monitoring                                                                      |
| 902            | 17                   | Irrigation and Water Resources | 65                | 56                    | Arrear of water charges                                                         |
| 903            | 18                   | Irrigation and Water Resources | 65                | 57                    | Non/short levy of additional charges/surcharge                                  |
| 904            | 19                   | Irrigation and Water Resources | 67                | 30                    | Extra/avoidable expenditure on land acquisition                                 |
| 905            | 20                   | Irrigation and Water Resources | 68                | 32                    | Loss of interest due to heavy unspent balance                                   |
| 906            | 21                   | Irrigation and Water Resources | 68                | 98                    | Results of Audit                                                                |
| 907            | 22                   | Irrigation and Water Resources | 71                | 21                    | Extra expenditure due to non-finalisation of tenders within the validity period |
| 908            | 23                   | Irrigation and Water Resources | 71                | 22                    | Unfruitful expenditure on incomplete drainage scheme                            |
| 909            | 24                   | Irrigation and Water Resources | 71                | 81                    | Results of Audit                                                                |
| 910            | 25                   | Irrigation and Water Resources | 72                | 36                    | Excess payment due to adoption of incorrect Wholesale price index of steel      |
| 911            | 26                   | Irrigation and Water Resources | 73                | 6                     | Planning                                                                        |
| 912            | 27                   | Irrigation and Water Resources | 73                | 10                    | Damage of head regulator costing Rs.1.35 crore                                  |
| 913            | 28                   | Irrigation and Water Resources | 73                | 13                    | Non-recovery of balance amount from LAO                                         |
| 914            | 29                   | Irrigation and Water Resources | 73                | 15                    | Non-recovery/adjustment of amount lying in MPWA against staff and others        |
| 915            | 30                   | Irrigation and Water Resources | 73                | 20                    | Utilisation of Acquired/Allotted Land and Management of Government Land         |
| 916            | 31                   | Irrigation and Water Resources | 73                | 22                    | Extra voidable expenditure due to non-use of excavated earth in dam embankments |



| <b>Sr. No.</b>                        | <b>Count of Para</b> | <b>Name of department</b>      | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                        |
|---------------------------------------|----------------------|--------------------------------|-------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------|
| 917                                   | 32                   | Irrigation and Water Resources | 75                | 64                    | Unfruitful expenditure on construction of a minor                                                                        |
| 918                                   | 33                   | Irrigation and Water Resources | 75                | 65                    | Irregularities and deficiencies in construction of Dam across river Kaushalya near Panchkula                             |
| 919                                   | 34                   | Irrigation and Water Resources | 75                | 66                    | Miscellaneous Public Works Advances                                                                                      |
| 920                                   | 35                   | Irrigation and Water Resources | 77                | 53                    | Avoidable expenditure on acquisition of land                                                                             |
| 921                                   | 36                   | Irrigation and Water Resources | 80                | 50                    | Misappropriations, losses, defalcations, etc.                                                                            |
| 922                                   | 37                   | Irrigation and Water Resources | 81                | 23                    | Incomplete Irrigation Project                                                                                            |
| 923                                   | 38                   | Irrigation and Water Resources | 81                | 24                    | Misappropriations, losses, defalcations, etc:                                                                            |
| <b>Labour</b>                         |                      |                                |                   |                       |                                                                                                                          |
| 924                                   | 1                    | Labour and Employment          | 72                | 48                    | Non-achievement of objectives due to non- Utilization of cess funds                                                      |
| 925                                   | 2                    | Labour                         | 73                | 3                     | Short realization of cess                                                                                                |
| 926                                   | 3                    | Labour                         | 73                | 4                     | Short collection of cess                                                                                                 |
| 927                                   | 4                    | Labour                         | 73                | 5                     | Delayed/non-deposit of cess                                                                                              |
| 928                                   | 5                    | Labour                         | 79                | 45                    | Delay in construction of Workers' Facilitation Centres                                                                   |
| 929                                   | 6                    | Labour                         | 80                | 18                    | Non-utilization of funds on Welfare Schemes for Construction Workers and avoidable payment of Income Tax                 |
| 930                                   | 7                    | Labour (ESI)                   | 81                | 53                    | Delay in furnishing utilization certificates:                                                                            |
| <b>Medical Education and Research</b> |                      |                                |                   |                       |                                                                                                                          |
| 931                                   | 1                    | Medical Education and Research | 77                | 26                    | Non-maintenance of record for accountal of processing fee/ absence of provision for charging processing fee              |
| 932                                   | 2                    | Medical Education and Research | 77                | 27                    | Irregularities noticed in respect of bank guarantees                                                                     |
| 933                                   | 3                    | Medical Education and Research | 77                | 28                    | Implementation of rules, regulations etc. and availability of infrastructure and faculty – Recognition of fake documents |
| 934                                   | 4                    | Medical Education and Research | 79                | 10                    | Deficiencies in maintenance of records and suspected                                                                     |

| <b>Sr. No.</b>           | <b>Count of Para</b> | <b>Name of department</b>             | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                |
|--------------------------|----------------------|---------------------------------------|-------------------|-----------------------|----------------------------------------------------------------------------------|
|                          |                      |                                       |                   |                       | <i>embezzlement</i>                                                              |
| 935                      | 5                    | <i>Medical Education and Research</i> | 79                | 11                    | <i>Non-adjustment of advances</i>                                                |
| 936                      | 6                    | <i>Medical Education and Research</i> | 79                | 14                    | <i>Implementation of Schemes - Pradhan Mantri Swasthya Suraksha Yojana</i>       |
| 937                      | 7                    | <i>Medical Education and Research</i> | 79                | 15                    | <i>Implementation of Schemes - Pilot Programme for Prevention of Burn Injury</i> |
| 938                      | 8                    | <i>Medical Education and Research</i> | 79                | 16                    | <i>Avoidable payment of Service Tax</i>                                          |
| 939                      | 9                    | <i>Medical Education and Research</i> | 79                | 17                    | <i>Improper evaluation of bids</i>                                               |
| <b>Mines and Geology</b> |                      |                                       |                   |                       |                                                                                  |
| 940                      | 1                    | <i>Mines and Geology</i>              | 29                | 71                    | <i>Results of Audit</i>                                                          |
| 941                      | 2                    | <i>Mines and Geology</i>              | 32                | 47                    | <i>Uncollected revenue</i>                                                       |
| 942                      | 3                    | <i>Mines and Geology</i>              | 32                | 48                    | <i>Results of Audit</i>                                                          |
| 943                      | 4                    | <i>Mines and Geology</i>              | 34                | 55                    | <i>Uncollected revenue</i>                                                       |
| 944                      | 5                    | <i>Mines and Geology</i>              | 38                | 50                    | <i>Results of Audit</i>                                                          |
| 945                      | 6                    | <i>Mines and Geology</i>              | 38                | 51                    | <i>Receipts from Mines and Minerals</i>                                          |
| 946                      | 7                    | <i>Mines and Geology</i>              | 40                | 93                    | <i>Outstanding Inspection s.</i>                                                 |
| 947                      | 8                    | <i>Mines and Geology</i>              | 40                | 94                    | <i>Results of Audit</i>                                                          |
| 948                      | 9                    | <i>Mines and Geology</i>              | 44                | 48                    | <i>Uncollected Revenue</i>                                                       |
| 949                      | 10                   | <i>Mines and Geology</i>              | 44                | 50                    | <i>Results of Audit</i>                                                          |
| 950                      | 11                   | <i>Mines and Geology</i>              | 44                | 53                    | <i>Short Calculation of interest</i>                                             |
| 951                      | 12                   | <i>Mines and Geology</i>              | 44                | 54                    | <i>Uncollected Revenue</i>                                                       |
| 952                      | 13                   | <i>Mines and Geology</i>              | 44                | 56                    | <i>Results of Audit</i>                                                          |
| 953                      | 14                   | <i>Mines and Geology</i>              | 44                | 57                    | <i>Non-realisation of contract money and interest</i>                            |
| 954                      | 15                   | <i>Mines and Geology</i>              | 44                | 58                    | <i>Non-recovery of dead rent and interest thereon</i>                            |
| 955                      | 16                   | <i>Mines and Geology</i>              | 44                | 59                    | <i>Interest not charged on delayed payments</i>                                  |
| 956                      | 17                   | <i>Mines and Geology</i>              | 44                | 60                    | <i>Uncollected revenue.</i>                                                      |
| 957                      | 18                   | <i>Mines and Geology</i>              | 44                | 61                    | <i>Results of Audit</i>                                                          |
| 958                      | 19                   | <i>Mines and Geology</i>              | 44                | 62                    | <i>Non-recovery of contract money and interest</i>                               |
| 959                      | 20                   | <i>Mines and Geology</i>              | 44                | 63                    | <i>Non-recovery/Short-recovery of royalty</i>                                    |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Paragraph No.</b> | <b>Brief Subject of Paragraph</b>                     |
|----------------|----------------------|---------------------------|-------------------|----------------------|-------------------------------------------------------|
| 960            | 21                   | Mines and Geology         | 44                | 64                   | Interest not charged                                  |
| 961            | 22                   | Mines and Geology         | 48                | 14                   | Arrears in revenue                                    |
| 962            | 23                   | Mines and Geology         | 48                | 15                   | Outstanding inspection s and audit observations       |
| 963            | 24                   | Mines and Geology         | 50                | 112                  | Results of Audit                                      |
| 964            | 25                   | Mines and Geology         | 50                | 139                  | Arrears in revenue                                    |
| 965            | 26                   | Mines and Geology         | 54                | 97                   | Arrears in revenue                                    |
| 966            | 27                   | Mines and Geology         | 54                | 98                   | Results of Audit                                      |
| 967            | 28                   | Mines and Geology         | 54                | 99                   | Short recovery of contract money and interest         |
| 968            | 29                   | Mines and Geology         | 58                | 19                   | Arrears in revenue                                    |
| 969            | 30                   | Mines and Geology         | 58                | 20                   | Results of Audit                                      |
| 970            | 31                   | Mines and Geology         | 58                | 21                   | Receipts from Mines and Minerals                      |
| 971            | 32                   | Mines and Geology         | 58                | 22                   | Non/Short recovery of dead rent, royalty and interest |
| 972            | 33                   | Mines and Geology         | 58                | 23                   | Non/Short recovery of royalty from Brick Kiln Owners  |
| 973            | 34                   | Mines and Geology         | 58                | 24                   | Non-recovery of lease fee on short term permits       |
| 974            | 35                   | Mines and Geology         | 58                | 25                   | Non recovery of interest on belated payments          |
| 975            | 36                   | Mines and Geology         | 63                | 47                   | Arrears of revenue                                    |
| 976            | 37                   | Mines and Geology         | 63                | 48                   | Results of Audit                                      |
| 977            | 38                   | Mines and Geology         | 65                | 65                   | Arrears of revenue                                    |
| 978            | 39                   | Mines and Geology         | 65                | 66                   | Arrears of revenue                                    |
| 979            | 40                   | Mines and Geology         | 65                | 67                   | Non/short recovery of royalty and interest            |
| 980            | 41                   | Mines and Geology         | 67                | 75                   | Non recovery of royalty and interest                  |
| 981            | 42                   | Mines and Geology         | 68                | 79                   | Results of Audit                                      |
| 982            | 43                   | Mines and Geology         | 70                | 81                   | Result of audit                                       |
| 983            | 44                   | Mines and Geology         | 70                | 82                   | Non-recovery of royalty and interest                  |
| 984            | 45                   | Mines and Geology         | 71                | 82                   | Results of audit                                      |
| 985            | 46                   | Mines and Geology         | 71                | 83                   | Non-recovery of royalty and interest                  |

| <b>Sr. No.</b>                            | <b>Count of Para</b> | <b>Name of department</b>          | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                           |
|-------------------------------------------|----------------------|------------------------------------|-------------------|-----------------------|---------------------------------------------------------------------------------------------|
| 986                                       | 47                   | Mines and Geology                  | 72                | 121                   | Non-recovery of royalty and interest                                                        |
| 987                                       | 48                   | Mines and Geology                  | 73                | 144                   | Results of Audit                                                                            |
| 988                                       | 49                   | Mines and Geology                  | 73                | 145                   | Non/short realisation of bid money                                                          |
| 989                                       | 50                   | Mines and Geology                  | 74                | 117                   | Non/short realisation of bid money                                                          |
| 990                                       | 51                   | Mines and Geology                  | 78                | 49                    | Non/short recovery of royalty and interest                                                  |
| <b>Power (Chief Electrical Inspector)</b> |                      |                                    |                   |                       |                                                                                             |
| 991                                       | 1                    | Power (Chief Electrical Inspector) | 52                | 76                    | Non-charging of electricity duty on extended load                                           |
| 992                                       | 2                    | Power (Chief Electrical Inspector) | 52                | 77                    | Short realization of electricity duty due to application of incorrect rates                 |
| 993                                       | 3                    | Power (Chief Electrical Inspector) | 52                | 78                    | Electricity duty not charged after expiry of exemption period                               |
| 994                                       | 4                    | Power (Chief Electrical Inspector) | 70                | 85                    | Analysis of arrears of revenue                                                              |
| <b>Printing and Stationery</b>            |                      |                                    |                   |                       |                                                                                             |
| 995                                       | 1                    | Printing and Stationery            | 58                | 82                    | Excess issue of paper to private printers                                                   |
| 996                                       | 2                    | Printing and Stationery            | 60                | 90A                   | Overpayment to private printer                                                              |
| <b>Public Health Engineering</b>          |                      |                                    |                   |                       |                                                                                             |
| 997                                       | 1                    | Public Health Engineering          | 38                | 41                    | Excess payment to the contractor                                                            |
| 998                                       | 2                    | Public Health Engineering          | 38                | 42                    | Excess Payment                                                                              |
| 999                                       | 3                    | Public Health Engineering          | 40                | 33                    | Stores and stock                                                                            |
| 1000                                      | 4                    | Public Health Engineering          | 44                | 3                     | Sub-Standard execution of work.                                                             |
| 1001                                      | 5                    | Public Health Engineering          | 58                | 80                    | Non-responsiveness to Audit findings and observation resulting in erosion of accountability |
| 1002                                      | 6                    | Public Health Engineering          | 61                | 12                    | Shortage of material                                                                        |
| 1003                                      | 7                    | Public Health Engineering          | 64                | 3                     | Non-recovery of loans and non-contribution of share by MCs                                  |
| 1004                                      | 8                    | Public Health Engineering          | 64                | 4                     | Recoverable amount from HUDA                                                                |
| 1005                                      | 9                    | Public Health Engineering          | 64                | 6                     | Yamuna Action Plan                                                                          |
| 1006                                      | 10                   | Public Health Engineering          | 65                | 72                    | Results of Audit                                                                            |
| 1007                                      | 11                   | Public Health Engineering          | 70                | 79                    | Result of audit                                                                             |

| <b>Sr. No.</b>                                        | <b>Count of Para</b> | <b>Name of department</b>                  | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                |
|-------------------------------------------------------|----------------------|--------------------------------------------|-------------------|-----------------------|------------------------------------------------------------------|
| 1008                                                  | 12                   | Public Health Engineering                  | 70                | 80                    | Non-recovery of water charges                                    |
| 1009                                                  | 13                   | Public Health Engineering                  | 71                | 15                    | Execution of work without call of tenders                        |
| 1010                                                  | 14                   | Public Health Engineering                  | 71                | 18                    | Blocking of funds on purchase of stores in excess of requirement |
| 1011                                                  | 15                   | Public Health Engineering                  | 71                | 85                    | Non-recovery of water charges                                    |
| 1012                                                  | 16                   | Public Health Engineering                  | 75                | 1                     | Expenditure in excess of estimates                               |
| 1013                                                  | 17                   | Public Health Engineering                  | 75                | 3                     | Irregular splitting of works                                     |
| 1014                                                  | 18                   | Public Health Engineering                  | 77                | 4                     | Irregular splitting of works                                     |
| 1015                                                  | 19                   | Public Health Engineering                  | 77                | 11                    | Blockade of funds on unutilized pipes                            |
| 1016                                                  | 20                   | Public Health Engineering                  | 80                | 22                    | Non-completion of the projects within stipulated period          |
| 1017                                                  | 21                   | Public Health Engineering                  | 80                | 23                    | Irregular enhancement of scope of works                          |
| <b>Public Works Department (Building &amp; Roads)</b> |                      |                                            |                   |                       |                                                                  |
| 1018                                                  | 1                    | Public Works Department (Building & Roads) | 36                | 51                    | Results of Audit                                                 |
| 1019                                                  | 2                    | Public Works Department (Building & Roads) | 38                | 61                    | Arrears of rent                                                  |
| 1020                                                  | 3                    | Public Works Department (Building & Roads) | 50                | 47                    | Construction of major building including Staff Quarters          |
| 1021                                                  | 4                    | Public Works Department (Building & Roads) | 50                | 49                    | Execution of works without technical sanction of cost estimates  |
| 1022                                                  | 5                    | Public Works Department (Building & Roads) | 50                | 57                    | Reimbursement claims                                             |
| 1023                                                  | 6                    | Public Works Department (Building & Roads) | 50                | 61                    | Release of advances not covered by agreement                     |
| 1024                                                  | 7                    | Public Works Department (Building & Roads) | 50                | 63                    | Excess payment of price increase on diesel                       |
| 1025                                                  | 8                    | Public Works Department (Building & Roads) | 50                | 65                    | Irregular adjustment of expenditure                              |
| 1026                                                  | 9                    | Public Works Department (Building & Roads) | 52                | 43                    | Miscellaneous Public Works Advances                              |
| 1027                                                  | 10                   | Public Works Department (Building & Roads) | 54                | 22                    | Avoidable payment of interest                                    |
| 1028                                                  | 11                   | Public Works Department (Building & Roads) | 58                | 136                   | Utilization of departmental receipts towards expenditure         |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>                     | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                            |
|----------------|----------------------|-----------------------------------------------|-------------------|-----------------------|----------------------------------------------------------------------------------------------|
| 1029           | 12                   | Public Works Department<br>(Building & Roads) | 60                | 64                    | Non-responsiveness to Audit findings and observations resulting in erosion of accountability |
| 1030           | 13                   | Public Works Department<br>(Building & Roads) | 61                | 8                     | Execution of Works                                                                           |
| 1031           | 14                   | Public Works Department<br>(Building & Roads) | 62                | 76                    | Non-adjustment of storage charges                                                            |
| 1032           | 15                   | Public Works Department<br>(Building & Roads) | 62                | 77                    | Irregular/un-authorized expenditure of storage charges                                       |
| 1033           | 16                   | Public Works Department<br>(Building & Roads) | 62                | 78                    | Non-recovery of difference of sales tax                                                      |
| 1034           | 17                   | Public Works Department<br>(Building & Roads) | 63                | 52                    | Results of Audit                                                                             |
| 1035           | 18                   | Public Works Department<br>(Building & Roads) | 63                | 61                    | Deficient agreements                                                                         |
| 1036           | 19                   | Public Works Department<br>(Building & Roads) | 63                | 62                    | Execution of works without technical sanctions                                               |
| 1037           | 20                   | Public Works Department<br>(Building & Roads) | 63                | 64                    | Loss due to failure to include sales tax clause in the contract document                     |
| 1038           | 21                   | Public Works Department<br>(Building & Roads) | 63                | 65                    | Supply of Portland pozzolona cement instead of ordinary Portland Cement                      |
| 1039           | 22                   | Public Works Department<br>(Building & Roads) | 64                | 8                     | Over payment to contractors                                                                  |
| 1040           | 23                   | Public Works Department<br>(Building & Roads) | 68                | 39                    | Irregular expenditure on operation of excess ex-cadre posts                                  |
| 1041           | 24                   | Public Works Department<br>(Building & Roads) | 72                | 39                    | Undue financial aid to contractor                                                            |
| 1042           | 25                   | Public Works Department<br>(Building & Roads) | 73                | 36                    | Status of Acquisition and Allotment of Land at State Level                                   |
| 1043           | 26                   | Public Works Department<br>(Building & Roads) | 73                | 37                    | Acquisition of land                                                                          |
| 1044           | 27                   | Public Works Department<br>(Building & Roads) | 73                | 38                    | Conducting of physical verification of Government land                                       |
| 1045           | 28                   | Public Works Department<br>(Building & Roads) | 73                | 39                    | Non-mutation of land acquired                                                                |
| 1046           | 29                   | Public Works Department<br>(Building & Roads) | 73                | 41                    | Unfruitful expenditure on incomplete building                                                |
| 1047           | 30                   | Public Works Department<br>(Building & Roads) | 75                | 68                    | Incomplete works                                                                             |

| <b>Sr. No.</b>                         | <b>Count of Para</b> | <b>Name of department</b>                  | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                         |
|----------------------------------------|----------------------|--------------------------------------------|-------------------|-----------------------|-----------------------------------------------------------|
| 1048                                   | 31                   | Public Works Department (Building & Roads) | 75                | 69                    | Miscellaneous Public Works Advances                       |
| 1049                                   | 32                   | Public Works Department (Building & Roads) | 77                | 55                    | Avoidable expenditure on acquisition of land              |
| 1050                                   | 33                   | Public Works Department (Building & Roads) | 79                | 46                    | Maintenance of Roads                                      |
| 1051                                   | 34                   | Public Works Department (Building & Roads) | 79                | 47                    | Contract management - Non-recovery of liquidated damages  |
| 1052                                   | 35                   | Public Works Department (Building & Roads) | 79                | 48                    | Excess payment to agencies                                |
| 1053                                   | 36                   | Public Works Department (Building & Roads) | 79                | 49                    | Unfruitful expenditure on incomplete work                 |
| 1054                                   | 37                   | Public Works Department (Building & Roads) | 80                | 24                    | Premature deposit of funds with Railways                  |
| 1055                                   | 38                   | Public Works Department (Building & Roads) | 80                | 25                    | Time and cost overrun                                     |
| <b>Renewable Energy</b>                |                      |                                            |                   |                       |                                                           |
| 1056                                   | 1                    | Renewable Energy                           | 38                | 16                    | Evaluation and monitoring.                                |
| 1057                                   | 2                    | Renewable Energy                           | 74                | 60                    | Implementation of Solar Street Lighting Systems Programme |
| <b>Revenue and Disaster Management</b> |                      |                                            |                   |                       |                                                           |
| 1058                                   | 1                    | Revenue and Disaster Management            | 26                | 10                    | Gratuitous relief for crops/houses damaged                |
| 1059                                   | 2                    | Revenue and Disaster Management            | 29                | 62                    | Results of Audit                                          |
| 1060                                   | 3                    | Revenue and Disaster Management            | 34                | 29                    | Land reforms                                              |
| 1061                                   | 4                    | Revenue and Disaster Management            | 34                | 30                    | Compensation to landowner                                 |
| 1062                                   | 5                    | Revenue and Disaster Management            | 34                | 31                    | Consolidation of holdings                                 |
| 1063                                   | 6                    | Revenue and Disaster Management            | 34                | 84                    | Under valuation of immovable property                     |
| 1064                                   | 7                    | Revenue and Disaster Management            | 40                | 80                    | Results of Audit                                          |
| 1065                                   | 8                    | Revenue and Disaster Management            | 40                | 81                    | Under valuation of immovable property                     |
| 1066                                   | 9                    | Revenue and Disaster Management            | 40                | 82                    | Misclassifications of instruments                         |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                    |
|----------------|----------------------|---------------------------------|-------------------|-----------------------|----------------------------------------------------------------------|
| 1067           | 10                   | Revenue and Disaster Management | 40                | 83                    | Irregular grant of exemption                                         |
| 1068           | 11                   | Revenue and Disaster Management | 40                | 89                    | Embezzlement of Government revenue                                   |
| 1069           | 12                   | Revenue and Disaster Management | 42                | 103                   | Results of Audit                                                     |
| 1070           | 13                   | Revenue and Disaster Management | 42                | 104                   | Irregular exemption of stamp duty                                    |
| 1071           | 14                   | Revenue and Disaster Management | 44                | 46                    | Mewat Development Board                                              |
| 1072           | 15                   | Revenue and Disaster Management | 44                | 66                    | Uncollected Revenue (Land Revenue)                                   |
| 1073           | 16                   | Revenue and Disaster Management | 44                | 68                    | Short levy of Stamp duty                                             |
| 1074           | 17                   | Revenue and Disaster Management | 44                | 70                    | Evasion of Stamp duty and registration fee through power of attorney |
| 1075           | 18                   | Revenue and Disaster Management | 44                | 72                    | Misclassification of instruments                                     |
| 1076           | 19                   | Revenue and Disaster Management | 44                | 73                    | Uncollected Revenue                                                  |
| 1077           | 20                   | Revenue and Disaster Management | 44                | 76                    | Results of Audit                                                     |
| 1078           | 21                   | Revenue and Disaster Management | 50                | 95                    | Internal Audit                                                       |
| 1079           | 22                   | Revenue and Disaster Management | 50                | 100                   | Short levy of stamp duty                                             |
| 1080           | 23                   | Revenue and Disaster Management | 50                | 105                   | Outstanding audit objections in Internal Audit                       |
| 1081           | 24                   | Revenue and Disaster Management | 50                | 107                   | Short recovery of stamp duty on mortgage deed                        |
| 1082           | 25                   | Revenue and Disaster Management | 50                | 108                   | Evasion of stamp and registration fees through power of attorney     |
| 1083           | 26                   | Revenue and Disaster Management | 50                | 137                   | Arrears in revenue                                                   |
| 1084           | 27                   | Revenue and Disaster Management | 52                | 69                    | Results of Audit                                                     |
| 1085           | 28                   | Revenue and Disaster Management | 52                | 71                    | Evasion of Stamp Duty due to under valuation of immovable property   |



| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                    |
|----------------|----------------------|---------------------------------|-------------------|-----------------------|------------------------------------------------------------------------------------------------------|
| 1086           | 29                   | Revenue and Disaster Management | 54                | 17                    | Inadmissible payment of cash compensation to manufacturing units/industry owners                     |
| 1087           | 30                   | Revenue and Disaster Management | 54                | 18                    | Fictitious payment of gratuitous relief                                                              |
| 1088           | 31                   | Revenue and Disaster Management | 54                | 19                    | Drawal of funds without requirement                                                                  |
| 1089           | 32                   | Revenue and Disaster Management | 54                | 49                    | Arrear in revenue                                                                                    |
| 1090           | 33                   | Revenue and Disaster Management | 54                | 50                    | Results of Audit                                                                                     |
| 1091           | 34                   | Revenue and Disaster Management | 54                | 51                    | Results of Audit                                                                                     |
| 1092           | 35                   | Revenue and Disaster Management | 54                | 52                    | Non/Short recovery of Stamp duty                                                                     |
| 1093           | 36                   | Revenue and Disaster Management | 54                | 53                    | Incorrect exemption of Stamp duty                                                                    |
| 1094           | 37                   | Revenue and Disaster Management | 54                | 54                    | Evasion of stamp duty due to undervaluation of immovable property                                    |
| 1095           | 38                   | Revenue and Disaster Management | 54                | 57                    | Evasion of stamp duty and registration fees through power of attorney                                |
| 1096           | 39                   | Revenue and Disaster Management | 54                | 59                    | Results of Audit                                                                                     |
| 1097           | 40                   | Revenue and Disaster Management | 54                | 60                    | Internal Controls in Land Revenue Department for recovery of dues treated as arrears of land revenue |
| 1098           | 41                   | Revenue and Disaster Management | 54                | 61                    | Procedure for receipt and disposal of revenue recovery cases                                         |
| 1099           | 42                   | Revenue and Disaster Management | 54                | 62                    | Return of RRCs                                                                                       |
| 1100           | 43                   | Revenue and Disaster Management | 56                | 21                    | Loss of interest due to delayed refund of unspent amount                                             |
| 1101           | 44                   | Revenue and Disaster Management | 56                | 22                    | Excess payment of Gratuitous Relief                                                                  |
| 1102           | 45                   | Revenue and Disaster Management | 58                | 29                    | Results of Audit                                                                                     |
| 1103           | 46                   | Revenue and Disaster Management | 58                | 30                    | Stamp Duty and Registration Fees                                                                     |
| 1104           | 47                   | Revenue and Disaster            | 58                | 116                   | Results of Audit                                                                                     |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                  |
|----------------|----------------------|---------------------------------|-------------------|-----------------------|--------------------------------------------------------------------|
|                |                      | Management                      |                   |                       |                                                                    |
| 1105           | 48                   | Revenue and Disaster Management | 58                | 117                   | Short levy of stamp duty on exchange of property                   |
| 1106           | 49                   | Revenue and Disaster Management | 58                | 119                   | Evasion of stamp duty                                              |
| 1107           | 50                   | Revenue and Disaster Management | 60                | 24                    | Fraudulent drawals and embezzlement of Government money            |
| 1108           | 51                   | Revenue and Disaster Management | 60                | 25                    | Drawal of funds in advance of requirement                          |
| 1109           | 52                   | Revenue and Disaster Management | 60                | 114                   | Results of Audit                                                   |
| 1110           | 53                   | Revenue and Disaster Management | 60                | 115                   | Outstanding inspection s and audit observations                    |
| 1111           | 54                   | Revenue and Disaster Management | 60                | 117                   | Short levy of stamp duty on exchange of property                   |
| 1112           | 55                   | Revenue and Disaster Management | 60                | 119                   | Short levy of stamp duty on lease deed                             |
| 1113           | 56                   | Revenue and Disaster Management | 60                | 120                   | Embezzlement/evasion of stamp duty                                 |
| 1114           | 57                   | Revenue and Disaster Management | 62                | 36                    | Results of Audit                                                   |
| 1115           | 58                   | Revenue and Disaster Management | 62                | 38                    | Evasion of stamp duty due to under valuation of immovable property |
| 1116           | 59                   | Revenue and Disaster Management | 62                | 39                    | Non-levy of stamp duty on exchange of property                     |
| 1117           | 60                   | Revenue and Disaster Management | 62                | 41                    | Short levy of stamp duty                                           |
| 1118           | 61                   | Revenue and Disaster Management | 62                | 42                    | Inadmissible exemption of stamp duty                               |
| 1119           | 62                   | Revenue and Disaster Management | 63                | 17                    | Results of Audit                                                   |
| 1120           | 63                   | Revenue and Disaster Management | 63                | 18                    | Evasion of stamp duty due to under valuation of immovable property |
| 1121           | 64                   | Revenue and Disaster Management | 63                | 19                    | Short levy of stamp duty on exchange of property                   |
| 1122           | 65                   | Revenue and Disaster Management | 63                | 20                    | Evasion of stamp duty on release deeds                             |
| 1123           | 66                   | Revenue and Disaster Management | 63                | 66                    | Policy for recovery of beneficiaries share not formulated          |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                        |
|----------------|----------------------|---------------------------------|-------------------|-----------------------|------------------------------------------------------------------------------------------|
| 1124           | 67                   | Revenue and Disaster Management | 64                | 7                     | Organizational set up                                                                    |
| 1125           | 68                   | Revenue and Disaster Management | 64                | 43                    | Results of Audit                                                                         |
| 1126           | 69                   | Revenue and Disaster Management | 64                | 45                    | Sales and utilization of non judicial stamps                                             |
| 1127           | 70                   | Revenue and Disaster Management | 64                | 46                    | Defects noticed in Sub-Registrar Offices                                                 |
| 1128           | 71                   | Revenue and Disaster Management | 64                | 47                    | Indents for supply of non-judicial stamps                                                |
| 1129           | 72                   | Revenue and Disaster Management | 64                | 48                    | Short receipt of stamps                                                                  |
| 1130           | 73                   | Revenue and Disaster Management | 64                | 49                    | Non-disposal of obsolete/damaged stamps                                                  |
| 1131           | 74                   | Revenue and Disaster Management | 64                | 50                    | Evasion of stamp duty due to misclassification of sale deeds into release deeds          |
| 1132           | 75                   | Revenue and Disaster Management | 64                | 51                    | Failure to cross verify the transactions                                                 |
| 1133           | 76                   | Revenue and Disaster Management | 64                | 52                    | Short levy of stamp duty                                                                 |
| 1134           | 77                   | Revenue and Disaster Management | 64                | 53                    | Under valuation of immovable properties                                                  |
| 1135           | 78                   | Revenue and Disaster Management | 64                | 54                    | Short levy of stamp duty due to incorrect application of rates                           |
| 1136           | 79                   | Revenue and Disaster Management | 64                | 56                    | Incorrect grant of exemption                                                             |
| 1137           | 80                   | Revenue and Disaster Management | 64                | 57                    | Incorrect grant of exemption                                                             |
| 1138           | 81                   | Revenue and Disaster Management | 64                | 58                    | Misclassification of instruments                                                         |
| 1139           | 82                   | Revenue and Disaster Management | 64                | 59                    | Short levy of stamp duty on lease deeds                                                  |
| 1140           | 83                   | Revenue and Disaster Management | 64                | 60                    | Short levy of stamp duty                                                                 |
| 1141           | 84                   | Revenue and Disaster Management | 64                | 61                    | Non/short levy of registration fee                                                       |
| 1142           | 85                   | Revenue and Disaster Management | 64                | 62                    | Results of Audit                                                                         |
| 1143           | 86                   | Revenue and Disaster Management | 64                | 63                    | Failure of senior officials to enforce accountability and protect interest of Government |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                                                            |
|----------------|----------------------|---------------------------------|-------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1144           | 87                   | Revenue and Disaster Management | 65                | 44                    | Short levy of stamp duty and registration fee                                                                                                                |
| 1145           | 88                   | Revenue and Disaster Management | 65                | 45                    | Non realization of stamp duty                                                                                                                                |
| 1146           | 89                   | Revenue and Disaster Management | 65                | 47                    | Short levy of stamp duty due to incorrect application of rate of tax                                                                                         |
| 1147           | 90                   | Revenue and Disaster Management | 67                | 82                    | Results of Audit                                                                                                                                             |
| 1148           | 91                   | Revenue and Disaster Management | 67                | 83                    | Short levy of stamp duty due to misclassification of deeds                                                                                                   |
| 1149           | 92                   | Revenue and Disaster Management | 67                | 84                    | Irregular exemption of stamp duty & registration fee on mortgage deeds executed & registered by the Agricultureists                                          |
| 1150           | 93                   | Revenue and Disaster Management | 67                | 85                    | Miscellaneous irregularities, i.e. the detail of stamp papers issued by Treasury Office was not mentioned on the office copies of the instruments registered |
| 1151           | 95                   | Revenue and Disaster Management | 67                | 88                    | Misclassification of documents                                                                                                                               |
| 1152           | 96                   | Revenue and Disaster Management | 67                | 89                    | Short levy of stamp duty due to under valuation of properties                                                                                                |
| 1153           | 97                   | Revenue and Disaster Management | 67                | 90                    | Short levy of stamp duty due to under valuation of properties                                                                                                |
| 1154           | 98                   | Revenue and Disaster Management | 67                | 91                    | Unauthorized retention of receipts                                                                                                                           |
| 1155           | 99                   | Revenue and Disaster Management | 68                | 41                    | Misappropriation, losses, defalcation, etc.                                                                                                                  |
| 1156           | 100                  | Revenue and Disaster Management | 68                | 86                    | Results of Audit                                                                                                                                             |
| 1157           | 101                  | Revenue and Disaster Management | 68                | 87                    | Short levy of stamp duty due to application of incorrect rates of immovable property                                                                         |
| 1158           | 102                  | Revenue and Disaster Management | 68                | 142                   | Absence of mechanism to detect availing of irregular exemption by not presenting documents for registration                                                  |
| 1159           | 103                  | Revenue and Disaster Management | 68                | 143                   | Contracts for catching fish from public ponds                                                                                                                |
| 1160           | 104                  | Revenue and Disaster Management | 68                | 144                   | Incorrect grant of exemption on instrument of SEZ/real estate developer                                                                                      |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                           |
|----------------|----------------------|---------------------------------|-------------------|-----------------------|-----------------------------------------------------------------------------|
| 1161           | 105                  | Revenue and Disaster Management | 68                | 145                   | Exemption of SD on collusive decrees                                        |
| 1162           | 106                  | Revenue and Disaster Management | 68                | 146                   | Remission of SD on instruments of compensation awards                       |
| 1163           | 107                  | Revenue and Disaster Management | 68                | 147                   | Incorrect grant of remission of SD                                          |
| 1164           | 108                  | Revenue and Disaster Management | 68                | 149                   | Delay in implementation of enhanced rates                                   |
| 1165           | 109                  | Revenue and Disaster Management | 68                | 150                   | Evasion of stamp duty due to undervaluation of immovable property           |
| 1166           | 110                  | Revenue and Disaster Management | 68                | 151                   | Loss of stamp duty due to misclassification of documents                    |
| 1167           | 111                  | Revenue and Disaster Management | 68                | 152                   | Short levy duty due to application of incorrect rates of immovable property |
| 1168           | 112                  | Revenue and Disaster Management | 68                | 153                   | General controls                                                            |
| 1169           | 113                  | Revenue and Disaster Management | 68                | 154                   | Audit findings/General controls                                             |
| 1170           | 114                  | Revenue and Disaster Management | 68                | 155                   | Inadequacy of input controls & validation checks                            |
| 1171           | 115                  | Revenue and Disaster Management | 68                | 156                   | Disputed lands and properties                                               |
| 1172           | 116                  | Revenue and Disaster Management | 68                | 157                   | Non-allotment of unique ID number to land owner/cultivator                  |
| 1173           | 117                  | Revenue and Disaster Management | 68                | 158                   | Absence of provision in HARIS to capture serial number of stamp papers      |
| 1174           | 118                  | Revenue and Disaster Management | 68                | 159                   | Other points of interest                                                    |
| 1175           | 119                  | Revenue and Disaster Management | 70                | 28                    | Non-refund of un-utilized balance of CRF                                    |
| 1176           | 120                  | Revenue and Disaster Management | 70                | 29                    | Payment of gratuitous relief on contradictory s                             |
| 1177           | 121                  | Revenue and Disaster Management | 70                | 30                    | Fraud in distribution and double payment of CRF                             |
| 1178           | 122                  | Revenue and Disaster Management | 70                | 59                    | Result of audit                                                             |
| 1179           | 123                  | Revenue and Disaster Management | 70                | 60                    | Evasion of stamp duty due to undervaluation of immovable property           |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                                              |
|----------------|----------------------|---------------------------------|-------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| 1180           | 124                  | Revenue and Disaster Management | 70                | 61                    | Evasion of stamp duty due to misclassification of documents                                                                                    |
| 1181           | 125                  | Revenue and Disaster Management | 70                | 62                    | Short levy of stamp duty due to application of incorrect rates of immovable property                                                           |
| 1182           | 126                  | Revenue and Disaster Management | 70                | 63                    | Exemption of stamp duty on collusive decrees                                                                                                   |
| 1183           | 127                  | Revenue and Disaster Management | 71                | 58                    | Absence of mechanism to detect evasion of stamp duty by not presenting documents for registration                                              |
| 1184           | 128                  | Revenue and Disaster Management | 71                | 59                    | Contracts for collection of toll by private entrepreneurs                                                                                      |
| 1185           | 129                  | Revenue and Disaster Management | 71                | 60                    | Sale of industrial units through public auction by Haryana Financial Corporation (HFC)                                                         |
| 1186           | 130                  | Revenue and Disaster Management | 71                | 61                    | Failure to levy stamp duty on land sold with less than 1,000 square yards as residential property and the market value of immovable properties |
| 1187           | 131                  | Revenue and Disaster Management | 71                | 62                    | Failure to levy stamp duty on land sold with less than 1,000 square yards as residential property and the market value of immovable properties |
| 1188           | 132                  | Revenue and Disaster Management | 71                | 63                    | Absence of time limit for disposal of undervaluation cases referred to the Collector                                                           |
| 1189           | 133                  | Revenue and Disaster Management | 71                | 64                    | Short levy of stamp duty and registration feedue to misclassification of documents                                                             |
| 1190           | 134                  | Revenue and Disaster Management | 71                | 65                    | Delay in implementation of enhanced rates of registration fee                                                                                  |
| 1191           | 135                  | Revenue and Disaster Management | 71                | 66                    | Evasion of stamp duty due to undervaluation of immovable property                                                                              |
| 1192           | 136                  | Revenue and Disaster Management | 71                | 67                    | Non-levy of stamp duty on collusive decrees 18                                                                                                 |
| 1193           | 137                  | Revenue and Disaster Management | 72                | 110                   | Evasion of stamp duty due to misclassification of Documents                                                                                    |
| 1194           | 138                  | Revenue and Disaster Management | 72                | 111                   | Evasion of stamp duty due to undervaluation of immovable property                                                                              |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Paragraph No.</b> | <b>Brief Subject of Paragraph</b>                                                    |
|----------------|----------------------|---------------------------------|-------------------|----------------------|--------------------------------------------------------------------------------------|
| 1195           | 139                  | Revenue and Disaster Management | 72                | 112                  | Short levy of stamp duty due to application of incorrect rates of immovable property |
| 1196           | 140                  | Revenue and Disaster Management | 72                | 113                  | Suspected misappropriation of stamp duty                                             |
| 1197           | 141                  | Revenue and Disaster Management | 72                | 114                  | Short levy of stamp duty on partition deed                                           |
| 1198           | 142                  | Revenue and Disaster Management | 72                | 115                  | Irregular exemption of stamp duty                                                    |
| 1199           | 143                  | Revenue and Disaster Management | 73                | 67                   | Audit Findings                                                                       |
| 1200           | 144                  | Revenue and Disaster Management | 73                | 68                   | Misappropriations, losses, defalcations, etc.(STATE FINANCES)                        |
| 1201           | 145                  | Revenue and Disaster Management | 73                | 137                  | Evasion of stamp duty due to undervaluation of immovable property                    |
| 1202           | 146                  | Revenue and Disaster Management | 73                | 138                  | Non-levy of stamp duty on plant and machinery                                        |
| 1203           | 147                  | Revenue and Disaster Management | 73                | 139                  | Evasion of stamp duty due to misclassification of documents                          |
| 1204           | 148                  | Revenue and Disaster Management | 73                | 140                  | Short levy of stamp duty and registration fee due to misclassification of documents  |
| 1205           | 149                  | Revenue and Disaster Management | 73                | 141                  | Short levy of stamp duty due to application of incorrect rates of immovable property |
| 1206           | 150                  | Revenue and Disaster Management | 73                | 142                  | Irregular exemption of stamp duty                                                    |
| 1207           | 151                  | Revenue and Disaster Management | 74                | 94                   | Results of audit                                                                     |
| 1208           | 152                  | Revenue and Disaster Management | 74                | 95                   | Misclassification of sale deeds                                                      |
| 1209           | 153                  | Revenue and Disaster Management | 74                | 96                   | Critical fields left blank                                                           |
| 1210           | 154                  | Revenue and Disaster Management | 74                | 97                   | Measurement units                                                                    |
| 1211           | 155                  | Revenue and Disaster Management | 74                | 98                   | Wrong input of construction year                                                     |
| 1212           | 156                  | Revenue and Disaster Management | 74                | 99                   | Incomplete data capturing                                                            |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                            |
|----------------|----------------------|---------------------------------|-------------------|-----------------------|----------------------------------------------------------------------------------------------|
| 1213           | 157                  | Revenue and Disaster Management | 74                | 100                   | Acceptance of junk data input                                                                |
| 1214           | 158                  | Revenue and Disaster Management | 74                | 101                   | Non-capturing of second property details                                                     |
| 1215           | 159                  | Revenue and Disaster Management | 74                | 102                   | Non-mapping of locations falling within/outside MC limits                                    |
| 1216           | 160                  | Revenue and Disaster Management | 74                | 103                   | Non-digitisation of prime Khasra master                                                      |
| 1217           | 161                  | Revenue and Disaster Management | 74                | 104                   | Transactions by farmers and minus data in case of land purchased against compensation        |
| 1218           | 162                  | Revenue and Disaster Management | 74                | 105                   | Transactions on Agricultural land within municipal Omits                                     |
| 1219           | 163                  | Revenue and Disaster Management | 74                | 106                   | HUDA plots having preferential number 'P'                                                    |
| 1220           | 164                  | Revenue and Disaster Management | 74                | 107                   | Continued dependence on manual procedures                                                    |
| 1221           | 165                  | Revenue and Disaster Management | 74                | 108                   | Non recording of Khasra numbers in the Collector rate list                                   |
| 1222           | 166                  | Revenue and Disaster Management | 74                | 109                   | Non-disposal/recovery of pending cases of under- valuation referred to the Collectors        |
| 1223           | 167                  | Revenue and Disaster Management | 74                | 110                   | Short levy of stamp duty due to undervaluation of immovable property                         |
| 1224           | 168                  | Revenue and Disaster Management | 74                | 111                   | Improper maintenance of record                                                               |
| 1225           | 169                  | Revenue and Disaster Management | 74                | 112                   | Short levy of stamp duty due to misclassification of sale deeds into collaboration agreement |
| 1226           | 170                  | Revenue and Disaster Management | 74                | 113                   | Evasion of stamp duty due to undervaluation of immovable property                            |
| 1227           | 171                  | Revenue and Disaster Management | 74                | 114                   | Short levy of stamp duty due to application of incorrect rates of immovable property         |
| 1228           | 172                  | Revenue and Disaster Management | 74                | 115                   | Undue benefit through reduction in stamp duty                                                |
| 1229           | 173                  | Revenue and Disaster Management | 74                | 116                   | Exemption of stamp duty on collusive decrees                                                 |
| 1230           | 174                  | Revenue and Disaster Management | 75                | 70                    | Delay in release of annuity payment to the beneficiaries                                     |



| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Paragraph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                    |
|----------------|----------------------|---------------------------------|-------------------|----------------------|----------------------------------------------------------------------------------------------------------------------|
| 1231           | 175                  | Revenue and Disaster Management | 75                | 98                   | Short levy of stamp duty due to misclassification of sale deeds into collaboration agreement                         |
| 1232           | 176                  | Revenue and Disaster Management | 75                | 99                   | Absence of time limit for disposal of cases of undervaluation referred to the Collector under Section 47-A of IS Act |
| 1233           | 177                  | Revenue and Disaster Management | 75                | 100                  | Short levy of stamp duty due to application of incorrect rates of immoveable property                                |
| 1234           | 178                  | Revenue and Disaster Management | 75                | 101                  | Short levy of stamp duty due to undervaluation of immoveable property                                                |
| 1235           | 179                  | Revenue and Disaster Management | 75                | 102                  | Evasion of stamp duty due to misclassification of documents                                                          |
| 1236           | 180                  | Revenue and Disaster Management | 75                | 103                  | Evasion of stamp duty due to undervaluation of immoveable property                                                   |
| 1237           | 181                  | Revenue and Disaster Management | 75                | 104                  | Undue benefit through reduction in Stamp Duty                                                                        |
| 1238           | 182                  | Revenue and Disaster Management | 75                | 105                  | Position of arrears                                                                                                  |
| 1239           | 183                  | Revenue and Disaster Management | 75                | 106                  | Non/delayed accountal of Revenue Recovery Certificates (RRCs)                                                        |
| 1240           | 184                  | Revenue and Disaster Management | 75                | 107                  | Non-follow up/delayed action                                                                                         |
| 1241           | 185                  | Revenue and Disaster Management | 75                | 108                  | Failure to follow up the RRCs sent to other Collectors                                                               |
| 1242           | 186                  | Revenue and Disaster Management | 78                | 39                   | Results of audit:                                                                                                    |
| 1243           | 187                  | Revenue and Disaster Management | 78                | 40                   | Short realization of stamp duty due to misclassification of documents                                                |
| 1244           | 188                  | Revenue and Disaster Management | 78                | 41                   | Short levy of stamp duty due to application of incorrect rates of immoveable properties                              |
| 1245           | 189                  | Revenue and Disaster Management | 78                | 42                   | Short levy of stamp duty due to application of non prime rates on land containing prime khasras                      |
| 1246           | 190                  | Revenue and Disaster Management | 78                | 43                   | Short realization of stamp duty due to registration of documents on the basis of old agreement                       |

| <b>Sr. No.</b>           | <b>Count of Para</b> | <b>Name of department</b>       | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                 |
|--------------------------|----------------------|---------------------------------|-------------------|-----------------------|-------------------------------------------------------------------------------------------------------------------|
| 1247                     | 191                  | Revenue and Disaster Management | 78                | 44                    | Evasion of stamp duty due to undervaluation of immovable property                                                 |
| 1248                     | 192                  | Revenue and Disaster Management | 78                | 45                    | Irregular exemption of stamp duty                                                                                 |
| 1249                     | 193                  | Revenue and Disaster Management | 78                | 46                    | Undue benefit through reduction in stamp duty                                                                     |
| 1250                     | 194                  | Revenue and Disaster Management | 80                | 26                    | Extra burden of interest due to parking of funds outside the Government Account violating government instructions |
| 1251                     | 195                  | Revenue and Disaster Management | 81                | 25                    | Payment of inadmissible compensation for damaged crops                                                            |
| <b>Rural Development</b> |                      |                                 |                   |                       |                                                                                                                   |
| 1252                     | 1                    | Rural Development               | 44                | 36                    | Integrated Rural Development Programme                                                                            |
| 1253                     | 2                    | Rural Development               | 50                | 78                    | Non-recovery/non-adjustment of advances to Ex-Sarpanches                                                          |
| 1254                     | 3                    | Rural Development               | 50                | 79                    | Non-recovery of misutilised subsidy                                                                               |
| 1255                     | 4                    | Rural Development               | 61                | 15                    | Allotment of houses to ineligible families                                                                        |
| 1256                     | 5                    | Rural Development               | 61                | 16                    | Other irregularities                                                                                              |
| 1257                     | 6                    | Rural Development               | 61                | 22                    | Reclamation work not taken up for 2½ years                                                                        |
| 1258                     | 7                    | Rural Development               | 65                | 17                    | Misappropriation of wheat under Samporna Grameen Rozgar Yojana                                                    |
| 1259                     | 8                    | Rural Development               | 65                | 18                    | Advances from former Sarpanches not recovered/adjusted                                                            |
| 1260                     | 9                    | Rural Development               | 67                | 12                    | Execution of works/Works undertaken                                                                               |
| 1261                     | 10                   | Rural Development               | 67                | 13                    | Execution of works without technical sanctions and splitting of works                                             |
| 1262                     | 11                   | Rural Development               | 67                | 14                    | Wasteful expenditure on Below Poverty Line census                                                                 |
| 1263                     | 12                   | Rural Development               | 68                | 56                    | Allotment of houses to ineligible families                                                                        |
| 1264                     | 13                   | Rural Development               | 70                | 13                    | Financial performance                                                                                             |

| <b>Sr. No.</b>                        | <b>Count of Para</b> | <b>Name of department</b>      | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                               |
|---------------------------------------|----------------------|--------------------------------|-------------------|-----------------------|-----------------------------------------------------------------|
| 1265                                  | 14                   | Rural Development              | 70                | 14                    | Programme management                                            |
| 1266                                  | 15                   | Rural Development              | 70                | 15                    | Abnormal delay in completion of projects                        |
| 1267                                  | 16                   | Rural Development              | 70                | 16                    | Role of Self Help Groups in implementing DDP objectives         |
| 1268                                  | 17                   | Rural Development              | 70                | 17                    | Execution of works                                              |
| 1269                                  | 18                   | Rural Development              | 70                | 18                    | Other topics of interest                                        |
| 1270                                  | 19                   | Rural Development              | 70                | 19                    | Maintenance of record                                           |
| 1271                                  | 20                   | Rural Development              | 73                | 53                    | Execution of forest works                                       |
| 1272                                  | 21                   | Rural Development              | 81                | 48                    | Delay in furnishing utilization certificates:                   |
| <b>Science and Technology</b>         |                      |                                |                   |                       |                                                                 |
| 1273                                  | 1                    | Science and Technology         | 81                | 50                    | Delay in furnishing utilization certificates:                   |
| <b>Social Justice and Empowerment</b> |                      |                                |                   |                       |                                                                 |
| 1274                                  | 1                    | Social Welfare                 | 44                | 23                    | Payment of pension to ineligible persons                        |
| 1275                                  | 2                    | Social Welfare                 | 44                | 26                    | Liberation of scavengers                                        |
| 1276                                  | 3                    | Social Welfare                 | 50                | 8                     | Panjiri Plants                                                  |
| 1277                                  | 4                    | Social Welfare                 | 52                | 60                    | Embezzlement of Rs.3.99 lakh                                    |
| 1278                                  | 5                    | Social Welfare                 | 60                | 26                    | Fraudulent payment of Old Age Pension                           |
| 1279                                  | 6                    | Social Justice and Empowerment | 62                | 60                    | Facilities to handicapped persons                               |
| 1280                                  | 7                    | Social Justice and Empowerment | 62                | 61                    | Budget provision and expenditure                                |
| 1281                                  | 8                    | Social Justice and Empowerment | 62                | 62                    | Identification of persons with disabilities                     |
| 1282                                  | 9                    | Social Justice and Empowerment | 62                | 63                    | Non-maintenance of record                                       |
| 1283                                  | 10                   | Social Justice and Empowerment | 62                | 64                    | Monitoring                                                      |
| 1284                                  | 11                   | Social Justice and Empowerment | 73                | 69                    | Disbursement of old age summan allowances to ineligible persons |
| 1285                                  | 12                   | Social Justice and Empowerment | 77                | 61                    | Delay in furnishing utilization certificates                    |
| 1286                                  | 13                   | Social Justice and Empowerment | 79                | 58                    | Delay in furnishing utilization certificates                    |
| 1287                                  | 14                   | Social Justice and Empowerment | 79                | 59                    | Misappropriations, losses, defalcations, etc                    |

| <b>Sr. No.</b>                     | <b>Count of Para</b> | <b>Name of department</b>      | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                       |
|------------------------------------|----------------------|--------------------------------|-------------------|-----------------------|-----------------------------------------------------------------------------------------|
| 1288                               | 15                   | Social Justice and Empowerment | 80                | 42                    | Delay in furnishing utilization certificates                                            |
| 1289                               | 16                   | Social Justice and Empowerment | 80                | 43                    | Misappropriations, losses, defalcations, etc.                                           |
| 1290                               | 17                   | Social Justice and Empowerment | 81                | 44                    | Delay in furnishing utilization certificates:                                           |
| 1291                               | 18                   | Social Justice and Empowerment | 81                | 45                    | Misappropriations, losses, defalcations, etc:                                           |
| <b>Sports and Youth Affairs</b>    |                      |                                |                   |                       |                                                                                         |
| 1292                               | 1                    | Sports and Youth Affairs       | 77                | 58                    | Parking of funds                                                                        |
| 1293                               | 2                    | Sports and Youth Affairs       | 77                | 59                    | Irregular payment and Non-recovery from the students                                    |
| 1294                               | 3                    | Sports and Youth Affairs       | 80                | 44                    | Delay in furnishing utilization certificates                                            |
| 1295                               | 4                    | Sports and Youth Affairs       | 81                | 46                    | Delay in furnishing utilization certificates:                                           |
| 1296                               | 5                    | Sports and Youth Affairs       | 81                | 47                    | Misappropriations, losses, defalcations, etc:                                           |
| <b>Technical Education</b>         |                      |                                |                   |                       |                                                                                         |
| 1297                               | 1                    | Technical Education            | 73                | 76                    | Grants-in-aid                                                                           |
| 1298                               | 2                    | Technical Education            | 73                | 80                    | Special coaching for competition/placement for SC Students                              |
| 1299                               | 3                    | Technical Education            | 73                | 85                    | Financial Irregularities                                                                |
| 1300                               | 4                    | Technical Education            | 81                | 54                    | Delay in furnishing utilization certificates:                                           |
| <b>Town &amp; Country Planning</b> |                      |                                |                   |                       |                                                                                         |
| 1301                               | 1                    | Town and Country Planning      | 44                | 41                    | Functioning of State Planning Cell                                                      |
| 1302                               | 2                    | Town and Country Planning      | 44                | 43                    | Avoidable payment of interest                                                           |
| 1303                               | 3                    | Town and Country Planning      | 50                | 24                    | Construction of Building and Roads by HUDA                                              |
| 1304                               | 4                    | Town & Country Planning        | 50                | 25                    | Construction of Building                                                                |
| 1305                               | 5                    | Town and Country Planning      | 50                | 28                    | Non-recovery of compounding fee                                                         |
| 1306                               | 6                    | Town and Country Planning      | 50                | 29                    | Avoidable payment of interest                                                           |
| 1307                               | 7                    | Town and Country Planning      | 50                | 81                    | Non-recovery of auction money                                                           |
| 1308                               | 8                    | Town and Country Planning      | 52                | 53                    | Non-recovery of rent from the lessees due to non-observance of conditions of lease deed |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                                                                                                                                                                                     |
|----------------|----------------------|---------------------------|-------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1309           | 9                    | Town and Country Planning | 54                | 34                    | Non-utilization of land                                                                                                                                                                                                                                                               |
| 1310           | 10                   | Town and Country Planning | 54                | 35                    | Loss due to non-recovery of rebate                                                                                                                                                                                                                                                    |
| 1311           | 11                   | Town and Country Planning | 58                | 93                    | Non-recovery of enhanced compensation of land                                                                                                                                                                                                                                         |
| 1312           | 12                   | Town and Country Planning | 60                | 27                    | Non-collection of External Development Charges (EDCs)                                                                                                                                                                                                                                 |
| 1313           | 13                   | Town and Country Planning | 60                | 29                    | Less recovery of plan scrutiny fee                                                                                                                                                                                                                                                    |
| 1314           | 14                   | Town and Country Planning | 60                | 30                    | Avoidable loss due to delay in handling over possession of plots                                                                                                                                                                                                                      |
| 1315           | 15                   | Town and Country Planning | 61                | 26                    | Non recovery of external development charges                                                                                                                                                                                                                                          |
| 1316           | 16                   | Town and Country Planning | 62                | 70                    | Exemption of Sales Tax                                                                                                                                                                                                                                                                |
| 1317           | 17                   | Town and Country Planning | 65                | 3                     | Outstanding recovery of Planning water sewerage charges                                                                                                                                                                                                                               |
| 1318           | 18                   | Town and Country Planning | 65                | 6                     | Avoidable payments of Planning interest due to delay making payment of enhanced Acquisition to land owners                                                                                                                                                                            |
| 1319           | 19                   | Town and Country Planning | 65                | 9                     | Occupation of shops by Planning Government departments                                                                                                                                                                                                                                |
| 1320           | 20                   | Town and Country Planning | 65                | 10                    | Land under unauthorized Planning possession                                                                                                                                                                                                                                           |
| 1321           | 21                   | Town and Country Planning | 67                | 25                    | Estate Officer, HUDA Faridabad                                                                                                                                                                                                                                                        |
| 1322           | 22                   | Town and Country Planning | 68                | 33                    | Due to slackness on the part of EO's HUDA, Faridabad, Gurgaon and Panchkula in revision of rent after every three years and non-charging of rent for additional filling points of petrol pumps installed subsequently, HUDA was deprived of the revenue of Rs.1.49 Crore (2003-Civil) |
| 1323           | 23                   | Town and Country Planning | 68                | 34                    | Extra expenditure on account of delayed payment of land, compensation and interest thereon                                                                                                                                                                                            |
| 1324           | 24                   | Town and Country Planning | 68                | 35                    | Unfruitful expenditure on incomplete work                                                                                                                                                                                                                                             |
| 1325           | 25                   | Town and Country Planning | 71                | 76                    | Results of audit                                                                                                                                                                                                                                                                      |
| 1326           | 26                   | Town and Country Planning | 71                | 77                    | Non recovery / realization of licence fee                                                                                                                                                                                                                                             |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                       |
|----------------|----------------------|---------------------------|-------------------|-----------------------|-------------------------------------------------------------------------|
| 1327           | 27                   | Town and Country Planning | 71                | 78                    | Non recovery / realization of licence fee                               |
| 1328           | 28                   | Town and Country Planning | 73                | 25                    | Recovery of external development charges                                |
| 1329           | 29                   | Town and Country Planning | 73                | 26                    | Delays in payment of Annuity to landowners                              |
| 1330           | 30                   | Town and Country Planning | 73                | 27                    | Non-maintenance of records                                              |
| 1331           | 31                   | Town and Country Planning | 73                | 28                    | Payments made without updating the revenue records                      |
| 1332           | 32                   | Town and Country Planning | 73                | 29                    | Wrong calculation of Income Tax at source                               |
| 1333           | 33                   | Town and Country Planning | 73                | 30                    | Deduction of Income Tax at source                                       |
| 1334           | 34                   | Town and Country Planning | 73                | 31                    | Conclusions                                                             |
| 1335           | 35                   | Town and Country Planning | 73                | 32                    | Audit Findings                                                          |
| 1336           | 36                   | Town and Country Planning | 73                | 33                    | Non-recovery of lease rent from petrol pumps                            |
| 1337           | 37                   | Town and Country Planning | 73                | 34                    | Undue favour to the Society                                             |
| 1338           | 38                   | Town and Country Planning | 73                | 35                    | Grant of licenses to private colonizers                                 |
| 1339           | 39                   | Town and Country Planning | 74                | 22                    | Planning not done in consonance with the Regional Plan of NCRPB         |
| 1340           | 40                   | Town and Country Planning | 74                | 23                    | Extra payment of interest due to delay in referring the cases to Courts |
| 1341           | 41                   | Town and Country Planning | 74                | 24                    | Infructuous expenditure on development of auto market                   |
| 1342           | 42                   | Town and Country Planning | 74                | 25                    | Non development of acquired land                                        |
| 1343           | 43                   | Town and Country Planning | 74                | 26                    | Abnormal rates allowed to a contractor                                  |
| 1344           | 44                   | Town and Country Planning | 74                | 27                    | Execution of works not in the ambit of HUDA                             |
| 1345           | 45                   | Town and Country Planning | 74                | 28                    | Sewer and storm water drainage works                                    |
| 1346           | 46                   | Town and Country Planning | 74                | 29                    | Water supply works in Gurgaon                                           |
| 1347           | 47                   | Town and Country Planning | 74                | 30                    | Development of roads                                                    |
| 1348           | 48                   | Town and Country Planning | 74                | 31                    | Non-development of land for commercial complexes                        |

| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b>        | <b>Report No.</b> | <b>Paragraph No.</b> | <b>Brief Subject of Paragraph</b>                                         |
|----------------|----------------------|----------------------------------|-------------------|----------------------|---------------------------------------------------------------------------|
| 1349           | 49                   | Town and Country Planning        | 74                | 33                   | Irregularities in allotment of plots under reserve categories             |
| 1350           | 50                   | Town and Country Planning        | 74                | 34                   | Issues related to private colonizers                                      |
| 1351           | 51                   | Town and Country Planning        | 74                | 35                   | Inadequate control over colonizers                                        |
| 1352           | 52                   | Town and Country Planning        | 74                | 36                   | Non-completion of low cost/affordable housing colonies                    |
| 1353           | 53                   | Town and Country Planning        | 74                | 37                   | Non-renewal of licences                                                   |
| 1354           | 54                   | Town and Country Planning        | 74                | 38                   | Non-approval of building plans                                            |
| 1355           | 55                   | Town and Country Planning        | 74                | 39                   | Time schedule for completion of projects as a whole                       |
| 1356           | 56                   | Town and Country Planning        | 74                | 40                   | Non-submission of accounts statements                                     |
| 1357           | 57                   | Town and Country Planning        | 74                | 41                   | Non-recovery of EDC/IDC                                                   |
| 1358           | 58                   | Town and Country Planning        | 74                | 42                   | Non-recovery of lease money and other charges                             |
| 1359           | 59                   | Town and Country Planning        | 75                | 71                   | Construction of Buildings and their utilization                           |
| 1360           | 60                   | Town and Country Planning        | 75                | 72                   | Status of utilisation of land acquired by HUDA                            |
| 1361           | 61                   | Town and Country Planning(HUDA)  | 79                | 53                   | Non-recovery of unearned increase in value of land and annual ground rent |
| 1362           | 62                   | Town and Country Planning        | 80                | 27                   | Failure to recover Government dues from a defaulter developer             |
| 1363           | 63                   | Town and Country Planning        | 80                | 28                   | Purchase of pipes in excess of requirement                                |
| 1364           | 64                   | Town and Country Planning (HSVP) | 81                | 31                   | Grant of licences without assessing financial adequacy:                   |
| 1365           | 65                   | Town and Country Planning (HSVP) | 81                | 32                   | Non-initiation of action against defaulters:                              |
| 1366           | 66                   | Town and Country Planning (HSVP) | 81                | 33                   | Non-auction of originally unallotted properties in developed sectors:     |
| 1367           | 67                   | Town and Country Planning (HSVP) | 81                | 34                   | Non-reconciliation leading to non-detection of fraud:                     |
| 1368           | 68                   | Town and Country Planning (HSVP) | 81                | 35                   | Lack of perspective plan for time bound development of acquired land:     |
| 1369           | 69                   | Town and Country Planning (HSVP) | 81                | 36                   | Non-recovery of external development charges:                             |

| <b>Sr. No.</b>   | <b>Count of Para</b> | <b>Name of department</b>        | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                          |
|------------------|----------------------|----------------------------------|-------------------|-----------------------|----------------------------------------------------------------------------|
| 1370             | 70                   | Town and Country Planning (HSVP) | 81                | 37                    | Management of recovery of land enhanced compensation:                      |
| 1371             | 71                   | Town and Country Planning (HSVP) | 81                | 38                    | Continuance of business in resumed properties:                             |
| 1372             | 72                   | Town and Country Planning (HSVP) | 81                | 39                    | Outstanding recovery of water and sewerage charges:                        |
| 1373             | 73                   | Town and Country Planning (HSVP) | 81                | 40                    | Outstanding rent against leased property:                                  |
| 1374             | 74                   | Town and Country Planning (HSVP) | 81                | 41                    | Irregularities in execution of Sports Complex Project:                     |
| 1375             | 75                   | Town and Country Planning (HSVP) | 81                | 42                    | Allotment of works to an ineligible contractor through enhancement:        |
| <b>Transport</b> |                      |                                  |                   |                       |                                                                            |
| 1376             | 1                    | Transport                        | 48                | 20                    | Outstanding audit objections in internal audit                             |
| 1377             | 2                    | Transport                        | 50                | 32                    | Purchase of Sub-standard tubes of butyl rubber                             |
| 1378             | 3                    | Transport                        | 58                | 34                    | Non deposit of token tax                                                   |
| 1379             | 4                    | Transport                        | 58                | 121                   | Taxes on Motor Vehicles                                                    |
| 1380             | 5                    | Transport                        | 58                | 123                   | Short realization of permit/countersignature fee                           |
| 1381             | 6                    | Transport                        | 58                | 124                   | Lack of co-ordination between Transport and Excise and Taxation Department |
| 1382             | 7                    | Transport                        | 58                | 125                   | Non-recovery of token tax in respect of Stage carriage buses               |
| 1383             | 8                    | Transport                        | 60                | 129                   | Non/short charging of fitness fee (Passing fee)                            |
| 1384             | 9                    | Transport                        | 60                | 130                   | Non-realization of fees                                                    |
| 1385             | 10                   | Transport                        | 62                | 43                    | Non-realization of token tax                                               |
| 1386             | 11                   | Transport                        | 63                | 25                    | Non deposit of token tax                                                   |
| 1387             | 12                   | Transport                        | 65                | 49                    | Short realization of bid money on stage carriage permits                   |
| 1388             | 13                   | Transport                        | 65                | 50                    | Non recovery of token tax in respect of stage carriage buses               |
| 1389             | 14                   | Transport                        | 65                | 51                    | Short charging of driving licence fee                                      |
| 1390             | 15                   | Transport                        | 65                | 52                    | Short realization of Registration fees                                     |



| <b>Sr. No.</b> | <b>Count of Para</b> | <b>Name of department</b> | <b>Report No.</b> | <b>Paragraph No.</b> | <b>Brief Subject of Paragraph</b>                                             |
|----------------|----------------------|---------------------------|-------------------|----------------------|-------------------------------------------------------------------------------|
| 1391           | 16                   | Transport                 | 65                | 53                   | Short/non levy of penalty on overloading of vehicles                          |
| 1392           | 17                   | Transport                 | 65                | 54                   | Private Service Vehicles                                                      |
| 1393           | 18                   | Transport                 | 67                | 78                   | Taxes on Motor Vehicles/Short realization of permit and counter signature fee |
| 1394           | 19                   | Transport                 | 67                | 79                   | Non realization of token tax from private service vehicles                    |
| 1395           | 20                   | Transport                 | 67                | 80                   | Short realization of bid money on stage carriage permits                      |
| 1396           | 21                   | Transport                 | 68                | 80                   | Lack of control over monitoring of duplicate engine/chassis number            |
| 1397           | 22                   | Transport                 | 68                | 81                   | Same registration numbers were allotted to two vehicles                       |
| 1398           | 23                   | Transport                 | 68                | 82                   | Registration of two or more vehicles with same insurance cover note           |
| 1399           | 24                   | Transport                 | 68                | 129                  | Non-charging of permit transfer fee                                           |
| 1400           | 25                   | Transport                 | 68                | 130                  | Non-realisation of bid money on stage carriage permits                        |
| 1401           | 26                   | Transport                 | 68                | 131                  | Non/short recovery of token tax from stage carriage bus owners                |
| 1402           | 27                   | Transport                 | 68                | 132                  | Short realization of conductor's licence fee                                  |
| 1403           | 28                   | Transport                 | 70                | 68                   | City bus owners                                                               |
| 1404           | 29                   | Transport                 | 70                | 69                   | Stage carriage buys owners                                                    |
| 1405           | 30                   | Transport                 | 70                | 70                   | Short realization of permit transfer fee                                      |
| 1406           | 31                   | Transport                 | 70                | 71                   | Non-realization of additional fee for retention of choice registration        |
| 1407           | 32                   | Transport                 | 71                | 72                   | Stage carriage bus owners                                                     |
| 1408           | 33                   | Transport                 | 71                | 73                   | City bus owners                                                               |
| 1409           | 34                   | Transport                 | 71                | 74                   | Non-realisation of additional fee for retention of choice registration mark   |
| 1410           | 35                   | Transport                 | 72                | 109                  | City bus owners                                                               |
| 1411           | 36                   | Transport                 | 73                | 143                  | Non/short realization of bid money on stage carriage permits                  |
| 1412           | 37                   | Transport                 | 74                | 62                   | Employment of bus conductors in excess of requirement                         |

| <b>Sr. No.</b>            | <b>Count of Para</b> | <b>Name of department</b>                 | <b>Report No.</b> | <b>Para-graph No.</b> | <b>Brief Subject of Paragraph</b>                                                                                               |
|---------------------------|----------------------|-------------------------------------------|-------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------|
| 1413                      | 38                   | Transport                                 | 74                | 63                    | Avoidable loss due to procurement of buses violating CMVR                                                                       |
| 1414                      | 39                   | Transport                                 | 74                | 118                   | Non renewal of permits of transport vehicles                                                                                    |
| 1415                      | 40                   | Transport                                 | 74                | 119                   | Non collection of Adda fees                                                                                                     |
| 1416                      | 41                   | Transport                                 | 75                | 109                   | Delay in implementation of revised penalty rates                                                                                |
| 1417                      | 42                   | Transport                                 | 75                | 110                   | Non/short levy of penalty on over loading of vehicles                                                                           |
| 1418                      | 43                   | Transport                                 | 75                | 111                   | Non/short recovery of token tax from private/goods vehicles                                                                     |
| 1419                      | 44                   | Transport                                 | 75                | 112                   | Short deposit/loss of interest on delayed deposit of Government revenue and non-attestation/verification of of DCR/CTR register |
| 1420                      | 45                   | Transport                                 | 78                | 47                    | Non fixation of snap locks                                                                                                      |
| 1421                      | 46                   | Transport                                 | 80                | 29                    | Undue favour to Agency                                                                                                          |
| 1422                      | 47                   | Transport                                 | 81                | 43                    | Under utilization of buses                                                                                                      |
| <b>Urban Local Bodies</b> |                      |                                           |                   |                       |                                                                                                                                 |
| 1423                      | 1                    | Colonization                              | 25                | 9                     | Encroachment of Land                                                                                                            |
| 1424                      | 2                    | Urban Local Bodies(Local Self Government) | 36                | 3                     | Non-recovery of Government dues                                                                                                 |
| 1425                      | 3                    | Urban Development                         | 58                | 90                    | Urban Employment Generation Programme                                                                                           |
| 1426                      | 4                    | Urban Development                         | 62                | 66                    | Non-collection of fire tax                                                                                                      |
| 1427                      | 5                    | Urban Development                         | 63                | 42                    | Results of Audit                                                                                                                |
| 1428                      | 6                    | Urban Development                         | 63                | 43                    | Non recovery of 832 supervision charges                                                                                         |
| 1429                      | 7                    | Urban Local Bodies                        | 68                | 59                    | Non-submission of Accounts                                                                                                      |
| 1430                      | 8                    | Urban Local Bodies                        | 73                | 66                    | Audit Findings                                                                                                                  |
| 1431                      | 9                    | Urban Local Bodies                        | 75                | 11                    | Non-recovery of supervision charges                                                                                             |
| 1432                      | 10                   | Urban Local Bodies                        | 75                | 13                    | Split-up of estimates                                                                                                           |
| 1433                      | 11                   | Urban Local Bodies                        | 75                | 17                    | Non-recovery of Labour Cess                                                                                                     |
| 1434                      | 12                   | Urban Local Bodies                        | 75                | 19                    | Non-recovery of old outstanding taxes, fees etc                                                                                 |
| 1435                      | 13                   | Urban Local Bodies                        | 75                | 20                    | Non-allotment of EWS houses constructed under JNNURM                                                                            |

| <b>Sr. No.</b>                     | <b>Count of Para</b> | <b>Name of department</b>   | <b>Report No.</b> | <b>Paragraph No.</b> | <b>Brief Subject of Paragraph</b>                   |
|------------------------------------|----------------------|-----------------------------|-------------------|----------------------|-----------------------------------------------------|
| 1436                               | 14                   | Urban Local Bodies          | 75                | 21                   | Solid Waste Management                              |
| 1437                               | 15                   | Urban Local Bodies          | 75                | 22                   | Urban wage employment programme                     |
| 1438                               | 16                   | Urban Local Bodies          | 75                | 23                   | Payment made without execution of works             |
| 1439                               | 17                   | Urban Local Bodies          | 75                | 25                   | Internal Control                                    |
| 1440                               | 18                   | Urban Local Bodies          | 75                | 26                   | Loss due to non-recovery of outstanding lease money |
| <b>Welfare of SC and BC</b>        |                      |                             |                   |                      |                                                     |
| 1441                               | 1                    | Welfare of SC and BC        | 80                | 40                   | Suspected fraudulent payment of scholarships        |
| <b>Women and Child Development</b> |                      |                             |                   |                      |                                                     |
| 1442                               | 1                    | Women and Child Development | 68                | 52                   | Misappropriation, losses, defalcation, etc.         |
| 1443                               | 2                    | Women and Child Development | 71                | 13                   | Pre-school education kits                           |
| 1444                               | 3                    | Women and Child Development | 77                | 60                   | Extra expenditure on purchase of utensils           |
| 1445                               | 4                    | Women and Child Development | 79                | 54                   | Occupancy in Homes and lack of awareness            |
| 1446                               | 5                    | Women and Child Development | 79                | 55                   | Repair and maintenance works                        |
| 1447                               | 6                    | Women and Child Development | 79                | 56                   | Follow up action and monitoring                     |