

71

HARYANA VIDHAN SABHA

PUBLIC ACCOUNTS COMMITTEE

(2014–2015)

(SEVENTY FIRST REPORT)

REPORT

ON THE

REPORTS OF THE

Comptroller and Auditor General of India
for the year ended 31st March, 2010
(Civil and Revenue Receipts)



(Presented to the House on 25th March 2015)

24

HARYANA VIDHAN SABHA SECRETARIAT,
CHANDIGARH
2015

TABLE OF CONTENTS

	Paragraphs	Page(s)
Composition of Public Accounts Committee		(iii)
Introduction		(v)
Report on the Reports of the Comptroller and Auditor General of India for the year ended 31st March 2010 (Civil) and 31st March 2010 (Revenue Receipts)		
Part I 2009 2010 (Civil)		
1 Agriculture	3 12	5 14
2 Women & Child Development	13-14	15 17
Public Health Engineering	15-19	18-32
Irrigation	20 24	33-46
Transport	25 26	47-49
6 Education	27 28	50-53
7 Fisheries	29 32	54-58
3 Rural Development (State Finance)	33	59-60
Part II 2009 2010 (Revenue Receipts)		
Excise & Taxation	34-55	63-84
Revenue	56-67	85-98
Transport	68 74	99 105
Finance	75	106 107
Town & Country Planning	76 78	108-111
Forest	79	112
Co-operation	80	113-114
Irrigation	81	115 116
Mines & Geology	82 83	117 120
Public Health	84 85	121 125
Appendix (C & A G Report)		
Appendix showing outstanding observations/recommendations of Public Accounts Committee which the Government yet to take final decision		126 162

(iii)

COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(From 03-05 2014 to 27 10 2014)

CHAIRPERSON

- 1 Prof Sampat Singh

MEMBERS

- 2 Rao Yadavendra Singh
- 3 Shri Rajinder Singh Joon
- 4 Shri Bharat Bhushan Batra
- 5 Shri Jai Tirath
- 6 Shri Mamu Ram
- 7 Smt Saroj Mor
- 8 Shri Prithi Singh
- 9 Shri Ghanshyam Dass

(From 04 11 2014 to 31 03 2015)

CHAIRPERSON

- 1 Dr Abhe Singh Yadav

MEMBERS

- 2 Shri Uday Bhan
- 3 Shri Abhay Singh Chautala
- 4 Shri Parminder Singh Dhull
- 5 Smt Shakuntla Khatak
- 6 Smt Latika Sharma
- 7 Shri Harvinder Kalyan
- 8 Shri Nayab Saini
- 9 Shri Subhash Barala

SECRETARIAT

- 1 Shri R K Nandal Secretary
- 2 Shri Mahesh Sharma Private Secretary

INTRODUCTION

1 I the Chairperson of the Public Accounts Committee having been authorized by the Committee in this behalf present this Seventy First Report on the Reports of the Comptroller and Auditor General of India for the year ended 31st March 2010 (Civil & Revenue Receipts)

2 The Reports of the Comptroller and Auditor General of India for the years ended 31st March 2010 (Civil & Revenue Receipts) were laid on the Table of the House on 4th March 2011

3 The Committee examined the Reports of the Comptroller and Auditor General of India for the years ended 31st March 2010 (Civil & Revenue Receipts) and also conducted the oral examination of the representatives of the concerned departments

4 The Committee considered and approved this Report at its sitting held on 23rd February 2014

5 A brief record of the proceedings of the meetings of the Committee has been kept in the Haryana Vidhan Sabha Secretariat

6 The Committee place on record their appreciation of the assistance rendered to them by the Principal Accountant General (Audit) Haryana and his officers. The Committee would like to express its thanks to the Principal Secretary to Government Haryana Finance Department and other officers of Finance Department and the representatives of the various departments who appeared for oral evidence before them for the co-operation in giving information to the Committee

7 The Committee is also thankful to the Secretary and officials of the Haryana Vidhan Sabha for the whole hearted co operation and assistance given by them to the Committee

Chandigarh
The 23rd February 2015

Dr ABHE SINGH YADAV
CHAIRPERSON

REPORT

GENERAL

1 The Committee for the year 2014-2015 was nominated on 23rd May 2014 by the Hon'ble Speaker in pursuance of motion moved and passed by the Haryana Vidhan Sabha in its sitting held on 25th February 2014 authorizing him to nominate the Members of the Committee on Public Accounts for the year 2014-2015. With the completion of term of 12th Haryana Vidhan Sabha on 27th October 2014 the Committee stood dissolved. Thereafter on the constitution of 13th Assembly a new Committee for the remaining period of the year 2014-2015 was nominated on 25th November 2014 by the Hon'ble Speaker in pursuance of motion moved and passed by the Haryana Vidhan Sabha in its sitting held on 4th November 2014 authorizing him to nominate the Members of the Committee on Public Accounts for the remaining period of the year 2014-15.

2 The Committee held 46 meetings in all at Chandigarh and other places upto 23rd February 2015 till the finalization of the Report.

PART-I 2009-2010
(CIVIL)

AGRICULTURE DEPARTMENT

[3] 117 Financial management

The main source of income of the Board is 30 per cent share of the market fees realised by MCs under Section 23 of the PAPM Act. The MCs also deposit funds with the Board for execution of developmental works. The expenditure of the Board is mainly on salaries and travelling allowances of staff contingencies etc. The MCs maintain separate accounts and also prepare their income and expenditure accounts and balance sheets. The assets and liabilities of the MCs are not depicted in the accounts of the Board.

The Board had been earning excess of income over expenditure during the last four years as detailed below:

Table 1 Financial position of the Board

(₹ in crore)

Year	2005-06	2006-07	2007-08	2008-09
Total income	64.34	68.92	71.17	111.32
Total expenditure	47.31	53.86	63.74	87.71
Funds unutilised	17.03	15.06	7.43	23.61
Income from interest	11.50	18.18	6.50	14.66

Source: Balance sheets of the Board

It was observed from the scrutiny of balance sheets of the Board for the years 2005-09 that huge funds ranging between ₹ 20.69 crore and ₹ 112.98 crore deposited by MCs for execution of works remained unutilised with the Board at the end of each year during 2005-09. As shown above, excess of income over expenditure was due to interest earned on the funds deposited by MCs. The interest earned by the Board on this account amounted to ₹ 25.81 crore during 2005-09. As a result, the capital fund of the Board increased from ₹ 201.19 crore as on 31 March 2005 to ₹ 264.25 crore as on 31 March 2009.

The department in its written reply stated as under —

Under Section 23 of the PAPM Act, the market committees contribute 30% to the Board out of their income realized from the market fee. The market committee normally expends the remaining portion (70%) of their income on the establishment and development of marketing infrastructure. The works of such development of marketing infrastructure are executed by the Board on account of deposit work. For this, the market committee deposits the funds with the Board from time to time. The construction work of such developmental activities is a continuous process. It is further added that before the completion of earlier works, some other works begin. Under these circumstances, the process of receiving the funds and utilization of the same on the work in progress is an endless chain. Moreover, the funds initially are kept in the bank accounts. Obviously, certain amount of fund always remains in the banks on which interest is realized. It is also certified that funds lying surplus are also

used for the developmental work of those weak MCs which are not in a position to afford such development activities. Moreover, both the income and liability on a/c of MCs deposits are invariably depicted in the accounts of the Board. In view of this para may be settled.

After hearing the departmental representatives, the Committee would like to know the justification of execution of less development works by board when the MCs are depositing their share regularly and detailed reasons of unutilized funds received from MCs may be intimated to the Committee

The Committee further desired that strenuous efforts be made to get the service lane vacated from encroacher, under intimation to the Committee

[4] 1174 Cash management

According to the HSAMB Accounts Manual, an MC is required to invest its surplus funds or any portion thereof in securities of the Central Government, a savings bank account or in open fixed deposit receipts (FDRs) of a post office nationalised bank or the Haryana State/Central Co-operative Bank. Financial management of the funds on daily basis was the responsibility of the Secretaries of the concerned MCs who were personally accountable for any losses on this account.

It was noticed that average monthly balances ranging between ₹ 8.99 lakh and ₹ 2.88 crore were kept by 14 out of 27 test checked MCs in savings bank accounts instead of investing the same in FDRs. Keeping funds in savings bank accounts was imprudent as they could have been invested in FDRs earning higher rate of interest. Had these MCs invested the funds in FDRs, additional interest of ₹ 2.08 crore could have been earned on account of the difference in the rate of interest between that of the savings banks and FDRs for the period 2005-10.

The CA of the Board, during the exit conference, agreed (July 2010) and assured to take remedial measures in future.

The department in its written reply stated as under —

Investment of surplus funds of Market Committee is governed by HSAMB and Market Committee Investment and disposable of surplus fund rule 1981. A proper investment registers are being maintained at every Unit and kept for inspection at all times. During the procurement seasons there might have heavy cash balances lying in the accounts of Market Committees for further disposal as per provisions of section 43 (2) (XII) of PAPM Act, 1961. The Board has adopted the policy to park bare minimum funds in the saving bank with flexi accounts for day to day activities of MCs/Board. Remaining surplus funds are deposited in the fixed deposit accounts by inviting competitive rates. However, all the Secretaries of the Market Committee have again been reminded that in future only bare minimum amount may be kept in saving accounts with flexi facility and remaining funds be kept in the FDRs to avoid loss of interest. In view of this para may be settled.

The Committee recommends the department to conduct departmental enquiry in this matter and suitable disciplinary action may be taken against the delinquent officials who failed to invest the funds into FDRs as envisaged in HSAMB Accounts manual resulting into loss of interest of crores of rupees under intimation to the Committee

[5] 1 1 7 5 Water and sewerage charges

Market Committees provide amenities like water supply and sewerage to shopkeepers in the grain markets. The Board issued (December 2006) instructions for levy of water and sewerage charges at fixed rates.

Three out of 27 test checked MCs did not levy water and sewerage charges on shop owners though facilities of water and sewerage were provided to them. Further electricity bills of tubewells installed in the *mandis* were being paid out of MC funds. Details of water/sewerage connections provided to the shop owners were not maintained by these MCs.

The CA of the Board stated (July 2010) that the MCs would be directed to maintain proper accounts of water and sewerage connections and to recover charges for these services from the shopkeepers.

The department in its written reply stated as under —

In compliance of this Para all the DMEOs / EOs cum SMC in the State of Haryana have already been directed to give connection of water/sewerage and recover the charges vide circular No 187 No 77614 719 dated 23 6 2009 (copy enclosed) Water/sewerage Charges and its performa circulated vide letter No 243 to 254 dated 14 2 2011 (copy enclosed). All these MCs have started levying water and sewerage charges on shop owners. As regard arrears the matter has been taken up with the shop owners for recovery along with interest etc. In view of this para may be settled.

The Committee desired that the department should make all efforts to recover the water and sewerage charges alongwith the interest from such shop owners to whom these facilities have been provided, under intimation to the Committee

[6] 1 1 8 1 Infrastructural facilities in mandis

The Board approved (June 2006) the provision of basic/additional facilities in each principal yard, sub yard and purchase centre. Various infrastructural facilities like water supply and sewerage systems, weighbridges at entry points, covered platforms, internal service roads, rooms with coolers, canteens, *Sulabh Sauchalya* etc. were required to be provided in each principal yard and sub yard. Further, boundary walls, two dormitories with toilet facilities, one or two mini towers in addition to temporary lights, sufficient temporary arrangement for drinking water and toilets under *Sulabh Sauchalya* were required to be provided in purchase centres. Scrutiny of records revealed that in the case of 16 test checked MCs these facilities were not provided in principal yards, sub yards and purchase centres. The table below shows the number of MCs where various facilities not provided.

Table 5 Statement indicating facilities not available in mandis

(In numbers)

Facility	Principal Yards	Sub Yards	Purchase Centres
Boundary wall	3	6	12
Check post and gates	3	8	14
Common Auction platform	1	1	4
50 per cent covered platform	2	9	0
Weighbridge at entry point	13	12	0
Internal and service roads	0	1	0
Dormitory with toilet facilities	5	3	13
Light arrangement with tower	1	0	6
Drinking water facilities	3	9	10
Canteen	15	12	0
Provision for water supply and sewerage system	5	5	0
Provision for petrol/diesel pump	14	9	0

Source Data supplied by mandis

It was observed that the Board had neither identified the *mandis* with inadequate facilities nor had prepared any timeframe to provide these facilities in all the principal yards sub yards and purchase centres

It was thus evident that the Board had failed to create basic infrastructure for facilitating agricultural marketing in the *mandis* as decided in its meeting in June 2006 As a result of this the farmers were deprived of these facilities

The department in its written reply stated as under —

Basic facilities to be provided in each principal yard Sub Yard and purchase centre have been approved by the Board Water Supply and sewerage facilities are essential facilities and are being provided in all the mandis Basic facilities as per approved policy have been provided in the market yards at Ateli Bhuna Ballabgarh Gohana Esmailabad Kaithal Hodal Kosli Ladwa Mahendergarh Naneola Narwana Nilokheri Panchkula Shahbad & Raipur Rani The basic facilities like internal roads water supply boundary common platforms are provided at initial stage while the individual platforms are constructed before auction of the shops Covered sheds are constructed as and when required keeping in view the arrivals in the mandi Dormitories are constructed in the mandis where there are heavy arrivals and the labourers have to work over night vis a vis the farmers have to stay for disposal of their produce Petrol/Diesel pumps are constructed as per requirement and planning of land in the mandi 72 Weigh Bridges have been installed in 31 *mandis* while 18 weigh bridges in

4 mandis are in process. Weigh bridges in some Market committees have been installed at mandi gates in phased manner because resistance has been experienced from the mandi dealers as well as the growers for installation of weigh bridges. The weigh bridges already installed in Grain/Cotton Markets developed under the projects of technology mission on cotton are in operation. It is important that whatever investment is made, it is put to efficient use. Hence phasing of creation of facilities become imperative. The remaining facilities would be created at appropriate time of need. In view of this para may be settled.

The Committee desired that department should provided the remaining infrastructural facilities in Mandi at the appropriate time of need and also inform the Committee in this regard

[7] 1 1 8 2 Conducting of non agricultural business in the mandis

As per Rule 3 of the Haryana State Agricultural Marketing Board (Sale of Immovable Property) Rules 2000, an allottee of a shop plot under these Rules should not be permitted to use the premises for any purpose other than marketing of notified agricultural produce. In case of misuse of such premises, the allotment would be cancelled and 10 per cent of the value of the plot interest and other dues paid would be forfeited. Such an allottee should be debarred from allotment of any other site under these Rules.

In Bhattu Kalan mandi, it was observed that contrary to this rule, business relating to iron pipes, bamboos, building material, etc. other than that of the agricultural produce was being conducted in 13 shops. The MC had issued notices to the concerned shopowners for stopping non agricultural business but no action to cancel the allotments was initiated.

Similarly, 53 shop plots were carved out in the new vegetable and fruit market Gurgaon, of which only 38 shops had been sold upto March 2010. Out of these 15 shopkeepers (39 per cent) were engaged in businesses other than agricultural marketing in the premises which was not permissible under Rule 3 of the Haryana State Agricultural Marketing Board (Sale of Immovable Property) Rules 2000. The CA of the Board stated (July 2010) during the exit conference that the enforcement staff would be activated for this purpose.

The department in its written reply stated as under —

It is stated that in some old mandis related to colonization Department or Private mandis which were transferred to HSAM Board w.e.f. 1 8 1969 to 1982, both Agriculture and non Agriculture business was being conducted and they were allowed to do the same profession/business till date as per their relevant rules.

Bhattu Kalan mandi was transferred from colonization Department to HSAMB and the business relating to iron pipes, bamboos, building material, etc. other than that of agricultural produce was being conducted in 13 shops prior 1977 when this mandi was working under control of colonization Department. Presently these shops could not be closed and if tried for issue of notices then it will invite unnecessary litigation.

In Market Committee Gurgaon meat shops have been got closed and these shopkeepers filed civil suit which is pending in Hon'ble Court. Notices to remaining businessman who are running business other than agricultural activities have been issued on 20 7 2011.

The next date of the civil suit filed by the shopkeepers is fixed for 18 11 2013 in the Hon ble District Court Gurgaon Keeping in view the position explained above the para may be settled

The Committee desired that the allottees of the shops should be permitted to use the premises for other necessary services also like sale of fertilizer seeds ration and pesticides etc in Mandis for which necessary amendment in the rules may be made and Committee be informed accordingly

[8] 1 1 8 3 Encroachment on mandi land

In Tosham mandi nine plots were lying unsold for the last 20 years and seven plots auctioned in May 1991 were not utilised by the allottees upto March 2010 The Secretary of the MC stated (March 2010) that plots were not sold due to encroachments on some portions of the land covering these plots The encroachments were facilitated due to nonconstruction of the boundary wall of the *mandi* A case had been filed (March 2010) with the District Session Court Bhiwani for removal of the encroachments which was pending as of August 2010

Similarly the work of reconstruction of the boundary wall of the Gurgaon mandi allotted (March 2008) to a company could not be completed due to encroachment of land An expenditure of 18 76 lakh incurred on the work remained unfruitful

The construction work of development of a vegetable market and a retail market Gurgaon allotted (January 2009) to a contractor for 21 07 crore was shelved (February 2009) due to encroachments on the common platform where it was to be developed The expenditure of nine lakh incurred on this work was wasteful

The CA of the Board while admitting the facts stated (July 2010) that the Board was seized of the problem of encroachment of *mandi* land and had issued instructions to MCs from time to time for not allowing any body to encroach the same

The department in its written reply stated as under —

The Board is seized of the problem of encroachment of *mandi* land and accordingly issued time and again reference/orders to market committees not to allow any body to encroach the *mandi* land The letter in this context was issued *vide* circular No 150 dated 29 5 2010 (Copy enclosed) In order to safe guard the interest of Board and to ensure that the Board land is not encroached upon the Board has even proceeded against the encroachers in case of Tosham mandi which is pending in the Hon ble Session Court Bhiwani for removal of encroachment and next date of hearing fixed for 9 8 2011 In view of Court decision action will be taken accordingly An expenditure of Rs 18 76 lakh has been incurred on B/wall 3 side B/wall completed and on one side 0 25 part resident opened their houses gates This matter is under process with Planning Branch as such there is no unfruitful expenditure

The site for construction work of Development vegetable market & retail market has been allotted to a contractor and a sum of Rs 9 00 lakh was incurred on planning advertisement and Tender publicity but local traders approached the District Administration as well as VVIPs for not to execute this work because space was conusted & did not solve the purpose of people Now this vegetable market planning is under process outside the conusted area of City However the Market Committee Gurgaon has passed a resolution to construct the

covered sheds to provide space to the local traders to remove the encroachment in Gurgaon Mandi and sent it to the construction wing to do further necessary action. In view of this para may be settled.

The Committee desired that the department should pursue the cases pending in the various Courts vigorously with regard to encroachments on Mandis lands under intimation to the Committee

The department should also make all out efforts for not allowing anybody to encroach Mandis lands

[9] 1185 Auction of mandi plots

As per the HSAMB Sale of Immovable Property Rules 2000 the shop plots in all the markets developed by the MCs are disposed of by way of open auctions whereas plots to the old dealers are allotted on reserve prices fixed by the Board.

A total of 288 plots of various sizes valuing ₹ 35.32 crore of MC Shahbad Mohindergarh Gohana and Indri had not been sold (March 2010) for the last three to 28 years. This resulted in blocking of funds to the tune of ₹ 35.32 crore.

The Board developed two sub yards at Garhi and Dhanauri under the jurisdiction of MC Narwana (Jind) during 1982-83 at a cost of ₹ 1.56 crore and carved out 158 plots. Out of these 122 plots were not sold for over 26 years resulting in blocking of funds to the tune of ₹ 1.21 crore. It was observed that adequate efforts were not made to sell the plots as the last auction of plots took place for Garhi sub yard in 1999 and for Dhanauri sub yard in 2001. The CA of the Board stated (July 2010) that the process for auction of plots was in hand and the remaining plots would be disposed of in the near future.

Land measuring 169 acres of Barwala (Hisar) mandi was lying vacant since 1981 when it was transferred by the colonisation department to the mandi for setting up the grain market. It was further observed that a proposal to utilise the land for development of the mandi construction of godowns development of a herbal park transfer of land for construction of Government College and Tehsil office etc. was sent (June 2009) by MC Barwala (Hisar) to the Board. However the Board had not taken a decision in the matter (July 2010). The CA of the Board stated (July 2010) that a proposal for transferring the land for the Tehsil office building was under consideration but reasons as to why the land was not leased out were not given.

The department in its written reply stated as under —

As per the HSAM Board (Sale of Immovable Property) Rules 2000 the shops in all the markets developed by the Market Committees are / disposed off by way of open auctions whereas plots to the old dealers are allotted on reserve prices fixed by the Board.

Total 778 plots of various sizes valuing Rs. 22179.21 lacs have been auctioned in 64 markets during the year 2010-2011. It is also relevant to mention here that the plots of Market Committee Indri Gohana Garhi (Jind) and Dhanon (Narwana) has been sold during the month of July 2010 and February 2011. As is evident that out of total 1035 plots in Shahabad Gohana Indri Mohendargarh and Dhanaun Mandis 782 plots have already been sold. The Board has sold 104 plots in sub yards Garhi and Dhanaun at a cost of Rs. 211.40 lacs during

the year 2010-11 172 plots were sold in open auction during the year 2012-13 for amounting to Rs 7682.89 lacs. And 210 plots were sold during the year 2013-14 for amounting to Rs 10611.72 lacs. At Garhi 10 plots and Dhanori 4 plots were sold during the year 2013-14.

As the auction of Mandi Plots is a continuous process and plots are being sold by way of open auction to safeguard the financial interest of the Board Regarding transfer of land of Barwala (Hisar) mandi it is made clear that 16 acre 1 kanal 3 marla spare land for the construction of building of Govt. College stand transferred as per orders of Hon'ble Chief Minister dated 03.12.2010. Keeping in view the position explained above the para may be settled.

The Committee desired that the detailed information regarding transfer of land of Barwala Mandi (Hisar) for construction of Government College, Godown etc. and other planning of the land be provided to the Committee at earliest.

[10] 11.9.2 Execution of works without technical sanctions

Para 2.89 of the PWD code provides that before the commencement of works detailed cost estimates should be technically sanctioned by the competent authorities after satisfying themselves that the proposals are structurally sound and the estimates are correct. In the test checked divisions out of 536 works technical sanctions were obtained in respect of only 307 works during 2005-10.

Technical sanctions in respect of 229 works involving expenditure of ₹ 120.07 crore were pending (March 2010). Thus these works were taken up by the EEs without ensuring soundness of the structures with reference to the required specifications and correctness of estimates. Further the Accounts Branch passed the bills for payment without technical sanctions. Thus Audit could not verify whether the works had been completed and paid for as per technical sanctions.

The CA of the Board while admitting the fact stated (July 2010) that due to shortage of technical staff in the field offices the technical sanctions and the detailed estimates could not be prepared in all the cases.

The department in its written reply stated as under —

In this regard it is submitted that due to the shortage of technical staff in the field offices the technical sanctions and the detailed estimates could not be prepared in all the cases and only technical sanction of 307 works during 2005-10 was accorded out of 536 works. Efforts are being made to get the remaining estimates technically sanctioned from the competent authority. Now each and every approved work in HSAMB is taken up only after technical sanction of detailed estimate by the competent authority. In view of this para may be settled.

The Committee recommends the department to conduct departmental enquiry in this matter and suitable disciplinary action may be taken against the delinquent officers/officials who have executed the work without taking the technical sanction and the compliance report in this regard may be submitted to the Committee within a period of six months.

[11] 1 1 9 3 Purchase of packed bitumen

Rule 15 2 of the Punjab Financial Rules as adopted by Haryana and the Board provides that all purchases should be made in the most economical manner

The EEs of five divisions purchased 5 630 metric tonnes (MT) of packed bitumen at rates which were higher than the rates of bulk bitumen though there was no difference in quality It was observed that the financial impact of the difference of rates between packed and bulk bitumen was not analysed by any of these divisions This resulted in extra expenditure of ₹ 1 43 crore

The CA of the Board stated (July 2010) during the exit conference that packed bitumen was procured generally for patch works However efforts would be made to minimise the purchase of packed bitumen

The department in its written reply stated as under —

Marketing Board is constructing Rural Links Roads at different places in Haryana The bulk bitumen requires special storage facilities watch and ward to avoid theft and saving of life of stray animals The cost of such storage facilities at different location for a short period is cumbersome and costly affair If we store it in Kacha Store tern there is huge loss of quantity due to mixing with sand and other particies Secondly no specialized transportation facilities like tankers etc available in the Board Its shifting from central store to the site is again a tedious job The 100% procurement of bulk bitumen is only possible at the Hot Mix Plant and not in general because the Board undertakes so many petty repair works which require a very small quantity i e less than a tanker at different locations So the packed bitumen is the only solution for smaller and scattered works due to its easy handling and without specialized storage The Board is procuring bulk bitumen for special repair of link roads where premix carpet is being done by paver finisher and Hot Mix Plants The link roads being constructed by the Board are also having a smaller length which does not require huge quantity of bitumen If we add the cost of so many small stores and wastage then as per the requirement of the Board the procurement of packed bitumen will not he so costly

Now the Board has changed the policy and Bitumen for all road works is arranged by the agency itself The Board keeps control and payments are released on production of bill from Refinery by the Contractual agencies In view of this it is requested that the audit par may please be dropped

The Committee recommends that the matter may be clarified and sorted out with the PAG Office under intimation to the Committee

[12] 1 1 9 5 Expenditure on widening and strengthening of road

The work of widening and strengthening of the link road from Rohtak Jhajjar Road to Village Sunarian was allotted (April 2006) to a contractor with an agreement amount of ₹ 68 84 lakh The SE HSAMB intimated (June 2006) SE Public Health that his department had laid a water supply pipeline along this road at the left side towards Jhajjar road to Sunarian which would come under the metalled portion of the road As this pipeline was laid about 1 5 to two feet deep from the existing surface of the road the pipeline would not sustain the

load of heavy vehicles passing through the road. The EE PH division Rohtak was requested (June 2006) to shift the pipeline coming under the metalled portion of the road but the same was not shifted by the PH division. However EE HSAMB ignored the current instructions and continued to get the work executed from the contractor which was completed in January 2007. During inspection (September 2007) of the work the condition of the road was not found to be up to the mark especially the stretch from RD 1150 to 1800 was in poor condition. Further the soil used on the work was not as per the specifications since the CBR value of the soil was very low. This was not only uneconomical but also unsafe as reported by the Civil Engineering Department of NIT Kurukshetra. Since the condition of the road was poor the expenditure of ₹ 55.27 lakh incurred on the work was rendered wasteful.

The CA of the Board stated (July 2010) that efforts were made to get the water supply pipeline shifted but the Public Health Department did not shift it. The work was executed on priority basis at the request of District Administration without shifting the pipeline.

The department in its written reply stated as under —

During the inspection of work the condition of road from RD 1150 to 1800 Mtr. was not found satisfactory for which the agency was persuaded for rectification of damaged portion. But the agency did not agree for the same and ultimately gone to Court. The payment of this damaged portion has not been made to the agency so far. Now this road has been transferred to Municipal Corporation Rohtak and is being used by them for playing of traffic as such the expenditure incurred on widening/strengthening of the road cannot be termed as wasteful. In view of this para may be settled.

After hearing the departmental representatives the Committee desired that the department should reconsider the matter and work of repair/construction of the concerned roads be given back to HSAMB under intimation to the Committee

WOMEN AND CHILD DEVELOPMENT DEPARTMENT

[13] 1 2 12 2 Pre school education kits

The pre school education component under ICDS scheme is a crucial component which aims at school readiness and development of positive attitudes towards education. Pre school education kits were to be procured each year for all AWCs to strengthen pre school education in AWCs. The Government could prepare kits of two types: one for the age group of zero to three years (Kit A consisting of early stimulation play material) and the other for the age group of three to six years (Kit B containing material which helped to develop pre number concepts, vocabulary building, storytelling, conversation, etc.). Each AWC was to be provided with one or the other kit in each alternate year.

It was observed that despite drawal of funds in advance in each year, pre school education kits were procured and supplied to AWCs after delays of 16 to 28 months during 2005-08 as detailed below:

Table 12 Delay in procurement of PSE kits

Year	Nature of kits	Month of receipt	Delay from start of session
2005-06	Ankur Abhyas Pustika and Ankur Manual (Kit B)	October 2006 and February/March 2007	18 to 24 months
2006-07	Kits containing early stimulation material (Kit A)	August/November 2007	16 to 19 months
2007-08	Ankur Pustika (Kit B)	November 2008 to August 2009	19 to 28 months

Source: Records of the Directorate

The delays in procurement of kits were mainly due to delays in processing the cases in the department as also delays in printing of the kits by the printers. No such kits for the years 2008-09 and 2009-10 were procured due to delays in finalising the contents of the kits by the Directorate. Thus, inordinate delay/non-procurement of kits during 2005-10 defeated the national goal of GOI of improving the quality of school education in AWCs through a new initiative of regular provision of pre school education kits in AWCs.

The Director stated (July 2010) that delays in the procurement of kits were due to late supply of material by the Printing and Stationery Department and delays in finalisation of the contents of kits.

The department in its written reply stated as under —

The Govt. is committed to pre-schooling of children in Anganwadi Centres and order for printing of Ankur Abhyas Pustika & Ankur Manual for the year 2005-06 was placed on Haryana Govt. Printing Press but the delay in supply was caused at the level of Printing and Stationery Department due to burden of other Govt. works and late receipt of supply of printing material. Therefore, printing work could not be executed well in time by the Printing & Stationery Department.

During the year 2006-07 supply order was placed on 22-1-2007 due to delay in finalization of the contents of kits. Thereafter tender by Supply & Disposal Department were floated and order was executed late & supplies received in Nov 2007.

The delay for the year 2007-08 was caused due to the fact that the department devised new Ankur Pustika which consumed a lot of time in its finalization. The printing order was therefore placed on 25-3-2008 on two firms namely Harkalyan Binders & SAKET. Later on Saket refused to undertake the job therefore complete order was placed on Harkalyan Binders on 31-3-2008 which resulted delay in the printing of books.

Tender for the years 2009-10 & 2010-2011 for supply of Kit A and Kit B were floated well in time but the purchase process was lengthy and time consuming due to which some delay caused in supply.

It is assured to the Committee that orders will be placed on time in future and such delays will not reoccur.

In view of the above submissions para may kindly be dropped.

The Committee desired that the department should conduct an enquiry into this matter and responsibility of those officers be fixed who have caused the delay in printing the books and its report be sent to the Committee within a period of six months.

[14] 1 2 13 3 Short recovery of penalty

To equip AWCs with information on the scheme to curb anaemia a folder to record the health status of children was devised by the department for distribution to the beneficiaries at AWCs and to all the Civil Surgeons. For this purpose an order for printing five lakh folders for ₹ 29.40 lakh was placed (March 2009) with a firm to supply the folders by 30 April 2009 failing which penalty at the rate of two per cent per week was to be imposed. As the delay in supply of printed folders ranged from 18 to 25 weeks penalty of ₹11.73 lakh was to be imposed. The department released ₹21.76 lakh to the firm and withheld an amount of ₹7.64 lakh for the delayed supply which was deposited (February 2010) back into the treasury. Penalty amounting to ₹4.09 lakh was short recovered.

The Director stated (July 2010) that the firm offered the material for inspection on 28 July 2009. Therefore penalty up to that period was imposed which worked out to ₹7.64 lakh. The reply of the department is not acceptable as the material was supplied in September/October 2009.

The department in its written reply stated as under —

1 2 13 3 Short recovery of penalty

Printer of Folder under the Specific Scheme to curb Anemia supply order was given to M/s Harkalyan Binders & Printers by the department vide this office letter No 53238/39 dated 6-3-09. According to terms & conditions the folders were to be supplied upto 30-04-09 by the firm. But the firm offered the inspection of folders vide their letter No 292 dated 28-7-2009. In this way there was a delay of 15 weeks from due date of offer date. Accordingly

as per terms and conditions the penalty of Rs 7 64 400/ @ 2 % per week was imposed which was deposited in the receipt head of the deptt vide challan No 2 dated 5 2 2010 in treasury The Audit Party has calculated penalty upto 19 weeks delay it is worth mentioning here that M/s Harkalyan Binders had given the offer for departmental inspection for folders vide their letter dated 28 7 09 But department had released the dispatch order on 16 8 09 After receiving report of the Lab test of the material on 10 8 09 In this way the firm was not responsible for the time period spent by the department for getting the lab test done of the sample

It may be brought to the notice of Audit that as per Govt rule penalty amount @ 2% per month was to be imposed but inadvertently in the supply order provision of penalty was made @ of 2% per week The penalty was recovered @ of 2% per week which is in excess of penalty mentioned in Govt instruction (Manual released by Supply and Disposal department)

Para may kindly be dropped

The Committee desired the department to reconcile the para with PAG Office and settle the matter under intimation to the Committee

PUBLIC HEALTH ENGINEERING DEPARTMENT

[15] 1 3 8 7 Execution of work without call of tenders

The department fixed (February 2008) a limit of 50 000 for execution of works through work orders without call of tenders in four out of 19 test checked divisions. EEs executed works valuing ₹ 63.12 lakh under the scheme during 2007-10 by splitting sanctions through 148 work orders instead of open tenders as a result of which the benefit of competitive rates could not be availed. These works were split up into three to six work orders and were allotted to the same contractors to avoid sanction of higher authorities and thereby undue benefits were extended to the contractors. The EIC replied (July 2010) that this was done initially to boost the new scheme and later on the proper procedure was followed. The reply in itself is an admission of facts. It was observed that the splitting of works continued even in the year 2009-10.

The department in its written reply stated as under —

Splitting of work did occur in certain areas but the intention was to accelerate the work since as this was a prestigious scheme and the endeavour was to complete the work within a definite time frame. However, by and large the Codal provisions have been followed and works have been allotted after following the proper procedure.

After discussion with the departmental representatives, the Committee recommends the department to conduct departmental enquiry in this matter and suitable disciplinary action may be taken against the delinquent officers/ officials, if any, held responsible for it and compliance report in this regard may be submitted to the Committee accordingly.

[16] 1 3 9 1 Purchases

Financial Rules {Rule 15.2 (b)} provide that purchases must be made in a most economical manner in accordance with the definite requirements of public service and care should be taken not to purchase stores in advance of actual requirements.

As per the guidelines of the scheme, SC households were to be provided PVC water storage tanks of 200 litre capacity free of cost. It was observed that against the target of providing eight lakh connections, the department purchased 10.37 lakh tanks between May 2007 and July 2009 at a cost of ₹100.17 crore. However, only 8.55 lakh connections were actually provided during this period. Therefore, 1.82 lakh tanks worth ₹17.52 crore were purchased in excess of requirements by the department.

It was further observed that the PVC tanks were designed exclusively for storage of water. These tanks could be kept in the open for a period of one year. If storage beyond one year was required, the tanks were to be covered or kept in the shade to avoid exposure of their inner white layers to the sun. However, in 17 divisions, 69,819 PVC tanks costing ₹6.74 crore were lying in the open in storeyards for 13 to 20 months exposing them to the risk of deterioration in quality.

Similarly, 91.12 lakh metres of GI pipes were procured at a cost of ₹54.78 crore between February 2007 and November 2009. It was noticed in 17 test checked divisions

that 59.97 lakh metre GI pipes were allocated by the EIC during 2007-09. Out of this ₹ 48.83 lakh metre GI pipes were consumed in releasing water connections and 11.14 lakh metre pipes amounting to ₹ 6.68 crore were lying in stores (March 2010).

On this being pointed out (July 2009) in audit the EIC stated (July 2010) that orders for purchase of material were placed as per annual targets. The reply of the EIC is not based on facts as purchase order of 10.37 lakh PVC tanks was made against the targets of providing eight lakh connections.

The department in its written reply stated as under —

After the approval of the scheme, information was obtained district wise from the field offices regarding number of Scheduled Caste connections. Based on the information supplied by the field offices regarding number of Scheduled Caste connections per district, estimates were framed. Thus, as per the information submitted by the field offices, the requirement of GI Pipe and HDPE tanks was worked out. This scheme had assumed great importance and accordingly to save time, the requirement was complied and material arranged. The complete material will be utilized on the scheme.

The Committee desired that the department should verify the facts and reconcile the matter with PAG Office under intimation to the Committee.

[17] 1.3.9.2 Material found missing

In PHE Division Panchkula (Sub Division I Panchkula), material such as composite pressure pipes, PVC water storage tanks, cement, etc. at site amounting to ₹ 6.97 lakh was neither carried forward in the Material at Site (MAS) register nor taken into account at a later stage. The said material was also not handed over by the Junior Engineer to his successor at the time of relinquishing his charge on his retirement in May 2009. This resulted in shortage of material of ₹ 6.97 lakh. On this being pointed out (January 2010) in audit, the EIC intimated (July 2010) that an inquiry had been initiated in the matter and suitable action would be taken against the concerned defaulting officials.

The department in its written reply stated as under —

The material in question relates to transfer of material by the O. P. Dhingra, ASDE who retired in May 2009. The retired ASDE handed over the charge after his retirement and the material has duly been accounted for in the MAS register of the work. It is further added that all the material lying in MAS has since been consumed on the work.

In view of the above, there is no shortage or missing material as mentioned in para

The Committee desired that the department should reconcile the matter with PAG Office under intimation to the Committee.

[18] 2.4.4 Blocking of funds on purchase of stores in excess of requirement

The department purchased AC pipes without assessing the actual requirements which resulted in blocking of funds of ₹ 2.08 crore in four divisions.

According to Rule 15 2 of the Punjab Financial Rules as applicable to Haryana purchases of stores must be made in the most economical manner and in accordance with the definite requirements of public service Rule 15 18 states that stores remaining in stock for over a year should be considered surplus unless there is any good reason to treat them otherwise

For supply of asbestos cement (AC) pressure pipes of various diameters to be used in water supply schemes Executive Engineers (EEs) send their annual requirement to the Engineer in Chief (EIC) through the concerned Superintending Engineers The EIC after consolidating the demands places a consolidated supply order with the firms at the rates approved by the Director Supplies and Disposal Haryana

During test check of records of four Public Health Engineering Divisions (PHEDs) it was noticed that against the total requirement of 28 100 metre AC pipes of various diameters during 2006 09 a supply order for 70 420 metre pipes was placed on behalf of these divisions by the EIC Supply of 70 400 metre pipes was received by these divisions during March 2006 to August 2008 and payments to suppliers were also made by these divisions Of these only 16 675 metre pipes Executive Engineer Public Health Engineering Division No II Hisar Hansi Narwana and Sohna Audit Report (Civil) No 2 for the year ended 31 March 2010 were utilised during March 2006 to June 2010 and the balance 53 725 metre pipes valuing ₹ 2 08 crore were lying unused in the divisions for the last 23 to 52 months as detailed in Appendix 2 1

Though the EIC was apprised regularly of the existing stock position no efforts were made for gainful utilisation of the existing stock in other divisions Thus the material was purchased in excess of requirement/without requirement which was in contravention of the Financial Rules and resulted in blocking of funds of ₹ 2 08 crore

On this being pointed out the EIC stated (August 2010) that the pipes were purchased against the specific requirements from field offices and could not be utilised due to changes in the proposals Now all the pipes had been utilised / were being utilised and the balance in the reserve stock was nil The reply is not acceptable as further verification of records revealed (August 2010) that these pipes had not been actually utilised on the works and were accounted for as unutilised in the material at site registers after transfer from the stores Scrutiny of estimates for works where the pipes were shown to have been transferred revealed that there were no provisions for these pipes in the estimates

The matter was referred to the Financial Commissioner and Principal Secretary to Government of Haryana Public Health Engineering Department in May 2010 Reply had not been received (August 2010)

The department in its written reply stated as under —

The A C pipes were purchased against the specific requirement of the field offices However these pipes could not be utilized due to change in population

All the supply orders for the purchase of A C Pressure pipes were also placed at the rates approved by Director Supplies & Disposals Haryana against the specific requirements of field office

All the Supply orders are placed against the requirements of field offices. The supply orders under observation were also placed against the requirement received from the field offices. Supply orders for 70420 meters of various dia sizes were placed against the requirements of 71420 meters of and 70400 meters pipe was received. Now all the balance pipe is being utilized against the approved works and balances in Reserve Stock is NIL.

The present status of pipes is as under —

Item	Quantity received	Quantity Consumed	Balance	Value of Balance Quantity
	Quantity in Meters			Rs in lakh
AC Pipes (250 mm)	3 800	3800	0	0
AC Pipe (80 mm)	20 000	20 000	0	0
AC Pipe (100 mm)	16 000	16 000	0	0
AC Pipe (150 mm)	8 000	8 000	0	0
AC Pipe (200 mm)	2 000	2 000	0	0
AC Pipe (300 mm)	3 100	1 508	0	0
AC Pipe (150 mm)	7 020	7 020	0	0
AC Pipe (150 mm)	560	560	0	0
AC Pipe (150 mm)	8 220	8 220	0	0
AC Pipe (250 mm)	1 700	1 700	0	0
	70,400	68,808	0	0

As stated above these pipes were purchased against the specific requirements. However these pipes could not be utilized due to shortage of funds for the works. It is very much clear that the A C Pipes were purchased against the requirement of concerned divisions and were not purchased unnecessarily. Now all the balance pipe is being utilised against the approved works and balances in Reserve Stock is Nil.

The reply to the para was forwarded by EIC vide No. 3480 PHE/AC 3 dated 3.8.2010. The reply is as under —

In reference there to the AC vide No. WRS/DP 17 PHED/2010 11/101 dated 13.08.2010 raised some observations. The observations raised & reply is as under —

Observation raised 1

The contention that pipes were purchased against the specific requirement of the field offices is not appear to be correct as supply orders were placed on behalf of these divisions despite nil or very less demand from the divisions.

Reply of observation 1

Regarding this observation it is intimated that the pipes were purchased against the specific requirement of concerned divisions with detail as under —

1 Division No 2 Hisar

Sr No	No & dt Vide which requirement received	Supply order No & Date	Size in mm & Class/ Quantity in meters		
			Class 25		
			80	100	150
1	SE No 9131 dt 28 06 2006	167 dt 14 12 2006	10000	8000	0
2	SE No 9131 dt 28 06 2006	172 dt 18 12 2006	0	0	8000
3	SE No 2388 dt 20 02 2007	12 dt 21 06 2007	0	0	7600
4	SE No 2388 dt 20 02 2007	13 dt 21 06 2007	9896	5215	0
5	SE No 2388 dt 20 02 2007	18 dt 27 06 2007	104	2788	0
6	SE No 2006 dt 08 02 2008	13534-611 11 07 2008	0	0	8220
Total			20000	16000	23820

2 Division Hansi

Sr No	No & dt Vide which requirement received	Supply order No & Date	Size in mm & Class/ Quantity in meters	
			200X25	300X25
1	SE No 9131 dt 28 06 2006	172 dt 18 12 2006	800	
2	NP No 11 dt 15 02 2007	Repeat S O No 18936 37 dt 28 11 2006 against Org S O No 133 dt 30 10 2006		1600
3	SE No 2388 dt 20 02 2007	15 dt 25 06 2007	1200	1500
Total			2000	3100

3 Division Narwana

Sr No	No & dt Vide which requirement received	Supply order No & Date	Size in mm Quantity in meters
			250X25
1	SE No 1183 dt 14 01 2008	13534-611 dt 11 07 2008	1700

4 Division Sohna

Sr No	No & dt Vide which requirement received	Supply order No & Date	Size in mm Quantity in meters
			250X25
1	No Nil dt 25 04 2004	104 dt 21 12 2005	3800

Observation raised 2

On examination of reply and verification of position of stock lying in the store of various divisions it was noticed that the pipes in question were shown as consumed by the division merely by transferring it from bin cards to MAS registers where as these were still laying unused Further there was no provision of these pipes in the sanctioned estimates of the concerned works due to which these can not be used on these works without sanction of competent authority

Reply of Observation 2

That most of the pipes in question have been utilized and the balance pipes are being utilized against the approved works

Present Status of balance pipes

1 Division No 2 Hisar

Vide letter No 15159 dt 08 10 2013 (enclosed as Annexure I) It has been intimated that PAC Pipes of various sizes which has been issued to various schemes has been utilized

2 Division Hansi/Narwana

Concerned Executive Engineers have informed that the following pipes are still lying unutilized

Sr No	Name of division	Size of pipes in question	Quantity of pipes mention in Audit Para	Present Balance of pipes
		Class 25		
1	Hansi	200mm	2000	Nil
		300mm	3100	1457
2	Narwana	250mm	1700	1300

In view of the above concerned Superintending Engineers in the SEs meeting held on 11 10 2013 have been asked to get the pipes utilized immediately or to initiate disciplinary action against the defaulter officer / officials responsible for not utilizing the balance pipes

3 Division Sohna

Vide Endst letter No 11616 dt 09 10 2013 (enclosed as Annexure II) it has been intimated that 3800 mtrs of 250mm dia Class 25 AC pipes lying in this division have been consumed

In view of the above it is requested to drop this para

After discussion with the departmental representatives, the Committee desired the department to submit the complete record to the PAG Office for its verification and settle the matter under intimation to the Committee

[19] 3 5 Misappropriations losses defalcations etc

Rule 2 33 of the Punjab Financial Rules as applicable to Haryana stipulates that every Government employee should realise that he 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 cases of defalcations and losses are required to be reported to the Principal Accountant General

The State Government reported 208 cases of misappropriation defalcation etc involving Government money amounting to 1 85 crore on which final action was pending as of June 2010 The department wise break up of pending cases and age wise analysis is given in **Appendix 3 5** and the nature of these cases is given in **Appendix 3 6** The age profile of the pending cases and the number of cases pending in each category theft misappropriation loss etc is summarised in **Table 3 4**

Table 3 4 Profile of misappropriations losses, defalcations, etc

Age profile of pending cases			Nature of pending cases		
Range in years	Number of cases	Amount Involved (Rs In lakh)	Nature/characteristics of the cases	Number of cases	Amount involved (Rs In lakh)
0 5	41	48 01	Theft	138	87 03
5 10	45	73 67			
10- 15	35	26 88	Misappropriation/loss of material	85	101 60
15 20	34	22 48			
20 25	29	8 12	Total	223	188 63
25 and above	24	6 14	Cases of losses written off during the year	15	3 33
Total	208	185 30	Total pending cases	208	185 30

Reasons for pendency of the cases are listed in **Table 3 5**

**Table 3 5 Reasons for outstanding cases of misappropriation loss
defalcation, etc**

Reasons for the delays in finalisation of pending cases	Number of cases	Amount (Rs in lakh)
(i) Departmental action initiated but not finalized	126	89 60
(ii) Awaiting orders for recovery or write off	65	56 31
(iii) Pending in the courts of law	17	39 39
Total	208	185 30

Out of the total loss cases 61 per cent cases related to theft of Government money/ stores which indicated that appropriate steps for the safety of Government property/cash etc as prescribed in the rules had not been taken by the departments Further in respect of 60 per cent cases of losses departmental action had not been finalised and 31 per cent cases were outstanding for want of orders of the competent authority for recovery or write off of the losses It was further noticed that out of 208 cases of losses due to theft/misappropriation etc 167 cases were more than five years old of which 24 cases were more than 25 years old The lackadaisical approach of the departments in finalisation of these cases had not only caused loss to the State exchequer but also prevented timely action against the officers/ officials at fault

The department in its written reply stated as under —

As per report of CAG of India for the year ending 31 03 2010 there were 14 Cases of misappropriation defalcations etc involving a sum of Rs 20 57 lac relates to Public Health Engineering Department The upto date position of cases is as under —

Sr No	Description	No of Cases	Para No
1	Dropped	6	1 4 5 6 7 8
2	Reply sent to FD	5	2 3 10 11 14
3	Pending	3	9 12 13
Total		14	

Misappropriation

Sr No	Name of Divn	Year	Subject	Amount (Rs in lac)
1	Dabwali	2005 06	Suspected embezzlement	2 76
2	Panchkula	2009 10	Loss due to Suspected embezzlement	0 05
3	Panchkula	2009 10	(i) Loss to Govt on account of Theft	4 66
			(ii) Loss of Govt on account of theft of store	3 44
			(iii) Loss due to accident of vehicle	0 88
				11 79

Theft Cases

Sr No	Name of Divn	Year	Subject	Amount (Rs in lac)
1	Bhiwani	1990 91	Theft of material at Tube well	
2	Charkhi Dadri	2005 06	Theft of Material from Water Works Adampur	
3	Narwana	2005 06	Theft of material from Durjanpur Water works	0 31
4	No 2 Karnal	2005 06	Theft of Govt material	0 36
5	Dabwali	2005 06	Theft of main hole covers	0 11
6	No 1 Bhiwani	2008 09	Theft of five big heavy electrical motor/ GI Pipes and other material from water works Nimriwali	8 00
7	No 2 Bhiwani	2008 09	Theft of MB No 1404 1460 1517	
8	Bahadurgarh	2009 10	Theft of MB No 738	
9	Hansi	2009 10	Theft of GR No 100/898	
10	Tosham	2009 10	Theft of computers printer CPU & UPS s	
11	Sohna	2010 11	Theft of Bolero Jeep HR 26 AW 3100	
				8 78

Sr No	Name of Division	Amount	Brief	Action taken by the Department	Verification if any by AG	Latest position
1	Dabwali	2 76	Suspected embezzlement	Embezzlement of Govt. money with him recovered on a/c of W/S & Sewerage fee from consumer Recovery of full re Rs 276302/ has been made from the defaulter Sh Rajender Singh Bili Clerk vide G R No 10038 dated 13/6/2008. Accordingly A G Haryana has been informed vide EIC no 715 dt. 3/2/2010. The defaulting official was also served a charge sheet under rule-7 vide no 22993 dated 17/12/2004 and he filed a court case before civil judge Sirsa but no stay of recovery has been granted in this case. Sh K K Verma & Sh B D Bhankar both SDEs at that were charge-sheeted by Govt. vide No 4/36/2008 PH 1 dated 27/10/2010. The comments on their defence reply has also been sent to Govt vide this office No 723 dated 21 3 2011	Got verified from AG (Audit) Haryana office vide EIC office memo no 717 dated PHE/AC 3 3/2/2010	Para dropped by the PAC in the meeting held on dated 28/6/2011
2	Panchkula	0 05	Loss due to Suspected embezzlement	The EE PHE Divn Panchkula has intimated that cash of Rs 4644/ handed over to JE concerned through Sub Cash-Book and signature of payee was also obtained in the voucher and the transaction was made through routine in the Sub Division Kalka and the correction has been made in the Cash Book under the date 10 01 2011. However there is no misappropriation/embezzlement. The transaction stands regularized. Hence the para may be dropped please		
3	Panchkula	4 66	i) Loss to Govt. on account of Theft	The EE PHE Divn Panchkula has intimated that a case was filed in the consumer dispute redressal Forum Chandigarh against the insurance company and 75% of the value has been paid to the Division which has been paid into treasury amounting Rs 321483/ on dated 30 08 2011. The matters have been settled as given above. Hence the para may be dropped please		Reply has been sent to FD/PAG and Secy Haryana Vidhan Sabha vide this officememo No 185 187 PHE/AC 3 dt. 3 01 2012
		3 44	ii) Loss of Govt. on account of theft of store	The EE PHE Divn Panchkula has intimated that the para in ques is not a theft. The same should be termed as dacoity where dacoits come in 5-6 nos and caught hold the chowkidars on duty and tying him FIR has been lodged with the police authorities and investigations are under progress and the final out come is awaited yet. The Deptt had constituted a committee of 2 SDEs for inquiry. The committee has given its report & it has been reported that no person is responsible for theft. The EE has been asked to send case for write off the loss & para may be settled		Reply has been sent to FD/PAG and Secy Haryana Vidhan Sabha vide this office memo No 185 187 PHE/AC 3 dt. 3 01 2012

Sr No	Name of Division	Amount	Brief	Action taken by the Department	Verification if any by AG	Latest position
		0.88	iii) Loss due to accident of vehicle	<p>The EE PHE Divn Panchkula has intimated that a Ambassador Car No HR 25 F-0033 met with an accident at Kamal. The FIR was lodged on 24/04/2008 in Police Station Kamal. However the car was insured under Cashless Policy with Oriental Insurance Company Ltd. Further a dispute happened with the insurance company which was sort out and payment on account of repair was directly made to the repairing agency namely Premier Motor Garage Panchkula. After repairing the vehicle is running smoothly at present. No payment was made by the deptt and the dispute was settled on the basis of cashless insurance policy. It is requested that the para may kindly be settled.</p>	<p>Reply has been sent to FD/PAG and Secy Haryana Vidhan Sabha vide this office memo No 185-187 PHE/JAC-3 dt 03/01/2012</p> <p>Reply has been sent to FD/PAG and Secy Haryana Vidhan Sabha vide this office memo No 185-187 PHE/JAC-3 dt 03/01/2012</p>	<p>Reply has been sent to FD/PAG and Secy Haryana Vidhan Sabha vide this office memo No 185-187 PHE/JAC-3 dt 3/01/2012</p>
4	Bhawan		Theft of material at Tube well	<p>The Electric Motor was stolen from WW Salimpur on 15/7/85 FIR was lodged on 20/07/85 but untraceable report was given by the police on dated 10/1/86. Loss has been recovered from Sh Ashok Kumar Pump operator & Sh Banwan Lal Chowkdar @ Rs 5000/- each vide GR No 2 dated 16/08/2008 and 62 dated 22/08/2002</p>	<p>Got verified from the AG Office</p>	<p>Para dropped by the PAC in the meeting held on dated 29/07/2006 dropped PAC meeting holding on 8/5/2007</p>
5	Charhri Dadn		Theft of Material from Water Works Adampur	<p>It is submitted that EIC Haryana has appointed Sh Bhanwar Lal EE as enquiry officer vide office order No 972 WS&S/AC-1 dated 8/4/08. The enquiry officer has submitted his report and JE concerned fully responsible for the theft of material and recommended for issue of Charge sheet against JE vide his letter No 18778 dated 25/1/08. The charge sheet under Rule-7 to Sh Jabir Singh Dhandia JE has been issued by the EIC vide memo No 4148-PHE/ET(4) dated 17/03</p>		<p>Para dropped by the PAC in the meeting held on 28/06/2011</p>
6	Narwana	0.31	Theft of material from Durgapur Water works	<p>Regarding loss of material from Durgapur Water works the matter was reported by the SDE water works Uchana to SHO Uchana FIR lodged police could not identify the defaulter in this case and later on material was found lying at water works. All the material found lying at WW has been taken on MAS. This Para has now been deleted/satified vide Accountant General (Audit) Haryana letter No WAD II/Consist/2007-08/79-80 dated 12/7/07</p>	<p>Got verified from AG</p>	<p>Para dropped by the PAC in the meeting held on dated 28/09/2011</p>

Sr No	Name of Division	Amount	Brief	Action taken by the Department	Verification if any by AG	Latest position
7	No 2 Kamal	0.36	Theft of Govt material	It is reported by the EE No. 2 Kamal vide his No. 6494 dated 24/5/2007 that during the departmental enquiry it was found that the pump set was purchased in 1981 amounting to Rs. 4500/- instead of Rs. 35,000/- According recovery of Rs. 5472/- (including Rs. 572+Rs. 400) i.e. cost of Pump and manhole covers has been made from JE vide GR No. 000074/1881 dated 26/10/2006. The rates quoted in the para were as per the prevailing rates in the market at the time of the inspection by the AG Party. However, recovery has been made on the basis of actual cost of the pump set. There is no loss to the State Govt. Accordingly AG Haryana has been informed vide EIC memo no. 717 dt. 3/2/2010 and 9243 dt. 10/5/2011.	Got verified from AG office vide EIC office memo No. 717 PHE/AC.3 dated 3/2/2010.	Para dropped by the PAC in the meeting held on dated 28.06.2011.
8	Dabwali	0.11	Theft of manhole cover	Sh. H.R. Bagn SDE and Sh. Kamal Singh JE were in charge of said scheme. Charge sheet under Rule 7 served upon to Sh. H.R. Bagn vide Haryana Govt. memo No. 4/28/08PHE-5 dated 29/1/09. The charge sheet has been decided by Govt. vide letter No. 4/28/2008 PH.5 dated 1/12/09 wherein punishment of stoppage of increment without cumulative effect to Sh. H.R. Bagn SDE.		Para dropped by the PAC in the meeting held on dated 28.06.2011.
9	No. 1 Bhwani	8.00	Theft of five big heavy electrical motor/G.I. Pipes and other material from water works Nimmwali	In so far as Sh. Kamal Singh JE is concerned charge sheet Under Rule 7 has been decided by EIC office bearing Endst. No. 584/911 WS&ET-4 as the delinquent has already deposited the loss of Rs. 12000/- sustained by Govt. vide receipt No. 877915 dt. 12/5/2008. The EE No. 1 Bhwani has intimated that a technical Joint Committee was constituted of Sh. Ashish Sehgal SDE, PHE Sub Division No. 3 Bhwani and Sh. Jagbeer Deshwal JE and Sh. Mahender Singh JE of PHE Sub Divn. Loharu for the spot detailed inquiry in the matter. It was concluded by the technical committee that Sh. Kudeep Singh WPO II posted at the Water Works Nimmwali in the year 2008-09 was found personally responsible for causing the loss to the state exchequer amounting to Rs. 1.37 lac instead of erroneously calculated amount of Rs. 8.00 lac by the AG party during the inspection. Hence accordingly Sh. Kudeep Singh WPO II is being charge sheeted under rule (7) for the above said lapse on his part in this matter.		The case is under process.

Sr No	Name of Division	Amount	Brief	Action taken by the Department	Verification if any by AG	Latest position
10	No 2 Bhwani		Thrift of No 1404 1460 1517	<p>Further it is added that miscalculated loss to the state exchequer may please be rectified from Rs 8 00 lac to Rs 1 37 lac as per the actual calculation derived as per the enquiry report</p> <p>The EE No 1 Bhwani requested that in view of the explained above the para may please be got dropped</p> <p>That these MBs were lost by Sh S S Katana JE on 1/10/2008 and FIR was lodged with SHC Bhwani on 8/10/2008 Sh S S Katana JE was charge sheeted in this case and his case has been decided Further the MBs has been recasted after approval of competent authority and all the bills of the contractor has been entered and payments were made There is no loss to the State Exchequer</p> <p>The copies of following letters are enclosed herewith for necessary action</p> <ol style="list-style-type: none"> 1 This office memo No 4123 PHE/ET-4 dated 29/08/2009 vide which sanction was accorded to issue fresh MBs in lieu these 3 MBs lost by the JE to prepare the bill so that work may not suffer 2 The Executive Engineer Public Health Engineering Division No 2 Bhwani vide his memo No 10131 dated 12/08/2011 stated that MB No 1612 1613 have already been issued to JE and necessary entries have been made in new MBs Further bills have been finalized 3 Regarding charge sheet Sh S S Katana was charge sheeted under rule 7 of P&A rules 1987 vide this office memo No 2982 PHE/ET-4 dated 17/06/2009 for loss of these MBs and his charge sheet was decided vide this office order dated 29 08 2011 issued vide Endst No 2528 31 dated 02/09/2011 by inflicting the following punishment <ul style="list-style-type: none"> i) Stoppage of two annual grade increments without cumulative effect ii) Recovery of loss to the Govt on account of loss of measurement books whenever noticed <p>The Executive Engineer Public Health Engineering Division No 2 Bhwani vide his letter No 14844 dated 13 12 2011 has intimated that all the bills of the contractors which were already entered in the lost MBs were</p>		The reply has been sent to F D vide this office memo No 2924 PHE/AC 3 dt 25 11 2011

Sr No	Name of Division	Amount	Brief	Action taken by the Department	Verification if any by AG	Latest position
11	Bahadurgarh		Theft of MB No 738	<p>got prepared and almost payments have been made. It has been certified that there is no loss to the Govt. Exchequer and no other Financial implication involved in loss of MBs</p> <p>Hence para may be dropped please</p> <p>The EE Bahadurgarh has intimated that Sh R S Dalal SDE No 3 Bahadurgarh was appointed as Inquiry Officer in case of loss of MB No 738. The Inquiry Officer has submitted the Inquiry Report vide his office letter No 175 dt 22.01.2013. Wherein he has explained that Sh Dalbir Singh JE had made his best efforts to search out of the MB in question but that could not be searched out. Further he also reported in the matter that after applying all the procedure such as lodging of an FIR in Police Station and constituting a committee for working out the financial implication and the report of police station for non traceable of MB No 738. The concluded that there is no financial loss and thus Sh Dalbir Singh JE does not seem to be at fault and no disciplinary action against him is required to be taken in the matter</p> <p>It is requested to drop the para please</p>		The reply has been sent to FD vide this office memo No 25657 PHEAC 3 dt 20.09.2012
12	Hansi		Theft of GR No 100/898	<p>EIC office vide letter No 2303 dt 19.01.2012 has directed the Executive Engineer PHE Division Hansi to send the latest position and what action has been taken against the defaulters</p> <p>Further action will be taken on receipt of report of the concerned EE</p>		The case is under process
13	Tosham		Theft of computers printer CPU & UPS s	<p>The EE Tosham has intimated that the Committee of following officers was constituted vide order No 12501 dt 08.08.2013</p> <ol style="list-style-type: none"> 1 Sh N R Rana SDE PHESD Tosham 2 Sh Raj Kumar Charaya SDE PHESD Bawani Khara 3 Sh V K Sami JE PHESD Tosham <p>As per report of the committee computers/CPU Printer and UPS was stolen from the room of SDC PHE Sub Dvn Tosham at the night of dt.07.08.2010 and report was lodged with SHO Tosham by Sh S K Sharma SDE of PHE Sub Dvn Tosham against the culprit. FIR No 266 dt.08.08.2010 was lodged under section 457/380 IPC Act 1860 As per</p>		The case is under process

Sr No	Name of Division	Amount	Brief	Action taken by the Department	Verification if any by AG	Latest position
14	Sohana		Theft of Bolero Jeep HR 26 AW 3100	<p>report of Police Authority theifed material i.e. computer with CPU Printer and UPS has not been traced out and no culprits have been arrested non traceable report has been prepared by the Police Station Tosham on dt 31 12 2010 EE Tosham has been asked to fix the responsibility or send case for write off of the amount</p> <p>Thus in view of the explained above the para may please be got dropped</p> <p>This Bolero Jeep was stolen on 05 12 2010 in evening when the Executive Engineer PHE Division Sohana had gone to village Bandhwar alongwith Sh Raj Kumar Driver for finalizing the site for drilling tube well The FIR was immediately lodged with the Police Station Sector 29 Gurgaon The insurance claim was also submitted</p> <p>Later on the Jeep No HR 26 AW 3100 was traced out by the police and now is in possession of Executive Engineer Public Health Engineer Division Sohana so there is no loss to the Government because of theft of Bolero Jeep</p> <p>Hence para may be dropped please</p>		<p>Reply sent to AG (Audit) Haryana vide letter No 7964 PHE/JAC 3 dated 28 03 2012</p>
		Total	20 57			

The Committee desired that the department should reconcile the matter with PAG Office and expedite the remaining cases and outcome may be intimated to the Committee accordingly

IRRIGATION DEPARTMENT

[20] 2 2 2 Unfruitful expenditure on construction of channel

Construction of an irrigation channel with high cost borrowing from the National Bank for Agriculture and Rural Development without ensuring the availability of water rendered the expenditure of ₹ 85.75 lakh along with the interest of ₹ 41.16 lakh thereon unfruitful

In order to bring additional areas under irrigation and to increase the intensity of irrigated areas by utilising the available water efficiently through improved management of the present water resources the Irrigation Department Haryana undertook the work of construction of new minors and raising and extension of minors by taking loans at 12 per cent interest per annum from the National Bank for Agriculture and Rural Development (NABARD). The Chief Engineer (Lift Canal Unit) Irrigation Department Haryana Panchkula sanctioned (October 2000) a scheme for construction of the Kubja Nagar Minor from the Loharu Canal system in Bhiwani District which was based on water from the Western Yamuna Canal system at an estimated cost of ₹ 33.89 lakh. The scheme envisaged irrigation of 1,413 acres of land of four villages (Berla, Todi, Nihalgarh and Kubja Nagar) based on assessment of 6.3 cusecs discharge with water allowance of 4.05 cusecs per hundred acre. The work was allotted to an agency by the Executive Engineer Loharu Water Services Division Charkhi Dadri District Bhiwani in May 2002 and completed in August 2005. An expenditure of ₹ 85.75 lakh (including cost of land of ₹ 36.01 lakh) was incurred on the work.

During audit (September 2009) it was noticed that against the envisaged irrigation potential of 1,413 acres the actual irrigated areas during 2005-06, 2006-07, 2007-08 and 2008-09 were only 78.47, 29 and 12 acres respectively due to less/non availability of water for irrigation. Thus the expenditure of ₹ 85.75 lakh incurred on the construction of the minor out of high cost borrowing from NABARD on which interest of ₹ 41.16 lakh at the rate of 12 per cent was paid during the last four years had not served the desired purpose as less than five per cent area of the targeted area was irrigated.

On this being pointed out (September 2007) the Engineer in Chief Irrigation Department Haryana intimated (September 2009) that the minor was constructed keeping in view the proposed availability of water from the SYL system and other sources i.e. the Hansi Butana Link Channel. The reply is not acceptable as according to the project report of the work the department did not anticipate any additional water from SYL system and Hansi Butana link channel. The channel was constructed with the assumption of availability of additional water through present water resources but the department failed to improve the existing water resources due to which the expenditure of ₹ 85.75 lakh was rendered unfruitful besides payment of interest of ₹ 41.16 lakh on the NABARD loan.

Thus constructing of a channel without ensuring the availability of water rendered the expenditure of ₹ 85.75 lakh unfruitful besides payment of interest of ₹ 41.16 lakh on the NABARD loan.

The matter was referred to the Financial Commissioner and Principal Secretary to the Government of Haryana Public Works Department (Irrigation Branch) in January 2010. Reply had not been received (August 2010).

The Department in its written reply stated as under —

A project for construction of Kubja Nagar Minor from RD 0 to tail RD 9800 was administratively approved vide C E /LCU letter No 2752/NABARD dated 08 09 1999 The work was finance by NABARD loan under RIDFV Estimate for earth work and lining of Minor was approved by Chief Engineer/LCU vide letter No 3191/NABARD/2000 dated 05 10 2000 Which provides that the Mr will irrigate 1413 acres of land villages Berla Todl Nihalgan and Kubja Nagar The work of constructing Kubja Nagar Minor was completed at the cost of Rs 85*4754 on 31 08 2005

Test check of record of Loharu Water Services Division Charki Dadri revealed that against the required minimum 60 % irrigation of CCA The minor irrigated only 78 acres of land during Rabi 2005 06 5 acres and during Kharif 2005 06 and 25 acres of land during Rabi 2006 07 which was maximum 5 5% of CCA Record of Division further shows that there were other channels in this division constructed in earlier year having nil water/nil irrigated areas When the water was not available for other old channel than there was no justification for construction of new Mr

Thus construction of channels without ensuring full availability of water resulted into unfruitful expendflure of Rs 85 75 lacs

The reasons for construction of channels without availability of water has been called for vide Memo No 3 dated 12 09 2007 but no reply was received

It is intimated that Kubja Nagar Minor at RD from 0 to 9800 was constructed dunnig 2005 The capacity of this Mr is 6 25 Cusecs and it off takes from RD 16840 Left Gokal Disty and Gokul Disty is a direct of take Loharu Canal from RD 97050 Left The tail of Kubja Nagar Minor is not fed due to less supply in Loharu feeder The pumps of many pump houses are very old and lifting capacity of pumps has been reduced and supply of electricity disputes also many times

The work for increasing capacity of various pumps is in progress and after that system will improve The year wise detail of Irrigation is given as under

Year	Irrigation in acres
2005 06	78
2006 07	47
2007 08	29
2008 09	12
2009 10	152
2010 11	12
2011 2012	30

As per circumstances prevailing in the area there are no consolidation W/C s and W/C s have not been developed by the farmers either Therefore the area under irrigation is less at present and will improve with the development of W/C s Also drinking water for animal etc is provided in the surround ng Dhanis

Keeping in view of above facts the irrigation will be increased in future The expenditure booked on the minor is fruitful

Para may kindly be dropped

The Committee observed that the water is not reaching the tail end of Kubja Minor The department assured the Committee to complete the Minor within six months The Committee desired that intimation in this regard be given to the Committee

[21] 2 2 3 Extra expenditure due to non finalisation of tenders within the validity period

Non finalisation of tenders within the validity period resulted in an extra expenditure of ₹34 12 lakh

The Indri Drain passes through the vicinity of Tarauri town and the wastage of the town is disposed of in this drain which results in heavy slush and choking up of the internal section of the drain. With a view to address the issue, the Chief Minister (CM) during a public meeting held on 03 September 2006 at Nilokheri accepted the demand of the inhabitants for side pitching of the Indri Drain. Tarauri minor and Chautang Feeder Canal for the portions passing through Tarauri town. Accordingly, the Chief Engineer (CE) Yamuna Water Services (YWS) sanctioned (January 2007) an estimate for ₹ 78 80 lakh for Renovation of Indri Drain from RD 119800 to 138350 and side pitching from RD 127140 to 132050 including replacement of pipe bridge at RD 131000.

As the work was to be completed before the rainy season and the administrative approval (AA) for the work was not received, the Executive Engineer (EE) Nardak Water Services Division Karnal, after obtaining (December 2006) anticipatory sanction from CE, invited tenders for this work which were opened on 24 January 2007 (AA was accorded by the Government in July 2007). The tender of the lowest bidder with a validity period of 90 days, i.e. upto 24 April 2007 with tendered cost of ₹ 88 02 lakh was recommended (29 January 2007) for acceptance to the Superintending Engineer (SE) Yamuna Water Services Circle. The SE in turn recommended (31 January 2007) the same to the CE, YWS for acceptance on the ground that the rates received were quite reasonable taking into account the site conditions and higher rates of material. The case was returned by the CE on 30 March 2007, i.e. after two months, to ascertain whether the scheme was actually announced by the CM, although this fact was mentioned by the SE, YWS Circle, while recommending the tenders for approval to CE. Thus, the case was delayed in the CE office. The case was re-submitted with the clarification by the SE on 25 April 2007. Meanwhile, the validity of tender expired on 24 April 2007 and the agency refused (26 April 2007) to extend the validity period of his offer. Tenders for the work were re-invited in December 2007 and the work was allotted to another agency in May 2008 who completed the work in November 2008 at a cost of ₹1 32 crore.

Scrutiny of records (August 2009) of the EE, Nardak Water Services Division, Karnal, revealed that on re-tendering, the work with the same scope and specifications was got executed at higher rates than the rates offered in the tender by the first agency which was not decided within validity period. As a result, the department paid ₹1 32 crore to second agency as against ₹97 83 lakh which would have been payable to the first agency as per actual work. This led to an extra expenditure of ₹34 12 lakh.

On being pointed out (August 2009), the Engineer in Chief stated (May 2010) that the work could not be allotted within the validity period as the administrative approval for execution of work was accorded by the Government in July 2007 and the tenders were re-invited thereafter. The reply is not acceptable as the anticipatory sanction from the competent authority accorded in December 2006 was already available. Thus, the department failed to get the rates approved within the validity period, which resulted in extra expenditure of ₹34 12 lakh.

The matter was demi-officially referred to the Financial Commissioner and Principal Secretary to Government of Haryana, Irrigation Department in March 2010. Reply had not been received (August 2010).

The Department in its written reply stated as under —

It is submitted that the inhabitants of Taraori Town and Shri Jai Singh Rana the then MLA Nilokheri presented a pressing demand before the Hon ble C M /Haryana during the public meeting at Nilokheri on dated 3 09 2006 for the renovation and sidelining of Taraori Minor Chautang Disty and Indri Drain in the town portion which are passing through the Nilokheri and Taraori Town The demand was also shown to be accepted by the Hon ble C M Haryana as per D C Karnal letter No 2006/6766 76 dated 26 10 2006 (Annexure I) Shri Jai Singh Rana the then MLA again presented his demand to Irrigation Minister Haryana during his visit at Karnal on 13 11 2006 in the presence of Chief Engineer/YWS HID Panchkula at Karnal and Hon ble Irrigation Minister desired to renovate the Indri Drain also so that the water of the area can be drained off and the long outstanding grievances of the inhabitants of Taraori area can be dressed up

The tenders of the work of renovation of Indri Drain from RD 119800 to 138530 and side pitching from RD 127140 132050 including replacement of pipe bridge at RD 125000 were invited vide Xen Karnal letter No 9175/53 M dated 23 12 2006 (Annexure II) as per approval accorded vide Chief Engineer YWSU Haryana Irrigation Department Panchkula No 9339-40/5YC/2006 dated 22 12 2006 (Annexure III) in anticipation of sanction of the estimate The administrative approval was applied vide Xen Karnal U O No 76/29CM dated 16 01 2007 which was submitted to Chief Engineer YWSU Irrigation Department Panchkula vide S E YWS Circle Karnal U O No 7/43A dated 17 01 2007 (Annexure-IV) The estimate was sanctioned by Chief Engineer YWSU HID Panchkula vide his letter No 357 58/5YWS/2007 dated 22 01 2007 for Rs 78 80 970/ (Annexure V) The tenders were opened on 24 01 2007 and two agencies offered their bids i e M/S Amrit Lal and M/S Mehta Construction Co Karnal The rates offered by M/S Mehta construction were lowest as per comparison of rates The case for approval of rates was submitted to Superintending Engineer YWS Karnal vide Xen /Karnal's letter No 146/53M dated 29 01 2007 (Annexure VI) which was further submitted to Chief Engineer YWSU HID Panchkula vide S E /YWS Circle Karnal letter No 232 33/43A dated 31 01 2007 (Annexure VII) The case was received back vide C E /YWSU HID Panchkula vide No 1713/5YC/268 96/III dated 30 03 2007 (Annexure VIII) with the observations requiring report whether the work has been approved in Chief Minister's announcement or not and the documents regarding Legal Status place of registration etc of the firm were also sought The Para wise reply to the observations was submitted to Superintending Engineer/ YWS Circle Karnal vide Xen /Karnal's letter No 507/53M dated 12 04 2007 (Annexure IX) which was further submitted to Chief Engineer YWSU HID Panchkula vide S E YWS Circle Karnal letter No 988-89/43A dated 25 04 2007 (Annexure X) The rates were received unapproved vide CE/YWSU/2908/5YC/268 96/III dated 30 05 2007 (Annexure XI) with the remarks that the administrative approval has not been received from the Govt also as per Chief Engineer YWSU Irrigation Haryana letter No 2404/5YC/2007 dated 07 05 2007 (Annexure XII) the Govt had raised observations that Indri is not as sandy or water scarce area so seepage is not real issue and it was desired to re examine the case regarding renovation of the Indri Drain The observations were replied vide Xen Karnal's letter No 914/29CM dated 30 05 2007 (Annexure XIII) which were further submitted to Chief Engineer/YWS Irrigation Department Haryana Panchkula vide S E YWS Circle Karnal letter No 1331 32/43A dated 31 05 2007 (Annexure XIV)

The administrative approval for renovation of Indri Drain from RD 119800 132050 and side pitching from RD 127140 132050 including replacement of pipe bridge was accorded vide Financial Commissioner and P S to Government of Haryana Irrigation Department No 28/27/07 51W dated 04 07 2007 (Annexure XV) Permission for re calling of fresh tenders was sought vide Xen Karnal s letter No 1335/53M dated 17 08 2007 (Annexure XVI) which was further submitted to Chief Engineer YWSU HID Panchkula vide SE/YWS Circle Karnal letter No 2361 62/43A dated 19 10 2007 (Annexure XVII) The approval for re calling the tenders was received vide Chief Engineer No 10163/5YWS/268/96/III dated 04 12 2007 (Annexure XVIII) Tenders for this work were called vide Xen/Karnal s letter No 9145 61/53M dated 14 12 2007 (Annexure XIX) Two No agencies namely M/S Mehta Construction Company Karnal and M/S Hari Singh and Co offered their bids for the above said work and rates offered by M/S Mehta Construction Co were lowest which were considered on higher side After the negotiation of rates and further renegotiation of rates the case was submitted to S E /YWS Circle Karnal vide Xen/Karnal s letter No 568/53M dated 24 03 2008 (Annexure XX) The validity of the tender was extended by Mehta Construction Co upto 30 04 2008 vide his NO Spl I dated 11 04 2008 (XXI) and rates for one item i e CC 1 3 6 (HSR item No 10 40) were reduced from Rs 2700/ to Rs 2670/per cum It was also undertaken by the firm that nothing extra will be claimed for slush The tender rates were approved vide CE/YWS No 307215 YWS/08 dated 28 04 2008 (XXII) After approval of rates the letter of acceptance was issued to the lowest agency i e M/S Mehta Construction Co vide Xen/Karnal s letter No 767/53M dated 05 05 2008 (XXIII) M/S Mehta Construction Company refused to deposit the performance security under the circumstances explaining the conditions imposed in the approval of rates are not acceptable and requested the department to release the earnest money deposited at the time of calling of tender The case was referred to higher authorities and the second lowest i e M/S Hari Singh & Company was asked about his willingness to execute the work at the approved in his favour The second lowest agency has executed the above said work at approved rates The work has been completed in the month of 12/2008

The tenders for the above cited work were invited on the basis of anticipatory sanction which was accorded by worthy Chief Engineer YWSU HID Panchkula vide his letter No 9339 40/5YWSU dated 22 12 2006 (Annexure III) The case for administrative approval was submitted to Chief Engineer YWSU HID Panchkula vide S E /YWS Circle Karnal U O No 7/43A dated 17 01 2007 (Annexure IV) The estimate was sanctioned by Chief Engineer YWSU HID Panchkula vide his letter No 357 58/5YWS/2007 dated 22 01 2007 for Rs 78 80 970/ (Annexure V) and tenders were opened on 24 01 2007 The rates were not approved by the competent authority as the Administrative Approval of the above said work was not received from the Govt The agency was contacted for extension of validity of time limit of his tender for which he refused on dated 26 04 2007 (Annexure XXIV) The Administrative Approval was accorded by the Govt of Haryana amounting to Rs 110 00 lacs as conveyed by worthy FC&PS Govt of Haryana Irrigation Department vide No 28/27/07 51W dated 04 07 2007 (Annexure XV) and after the administrative approval the tenders were re invited in the month of 12/2007 as per permission received vide Chief Engineer YWSU HID Panchkula No 10163/5YWS/268/96/III dated 04 12 2007 (Annexure XVIII) The work was got executed after completing all Codal formalities There is no loss to the State Exchequer as the Administrative Approval of the said work accorded during 7/2007 and the work has been got executed after approval of rates from the competent authority and has been completed in the month of 12/2008

As per the announcement made by the Hon ble C M Haryana at Nilokheri in the month of 9/2006 for fulfilling the demand of inhabitants of Taraori area raised by the then MLA of Nilokheri received vide Deputy Commissioner Karnal Memo No 2006/6766 76 dated 26 10 2006 (Annexure I) and as desired by Hon ble Irrigation Minister Haryana in the presence of Chief Engineer/YWS Panchkula at Karnal on 13 11 2006 on the demand of Shri Jai Singh Rana the then MLA to renovate the Indri Drain to dress up the long outstanding grievances of the inhabitants in Taraori area the tenders for this work were called in the month of 12/2006 (Annexure II) after obtaining of anticipatory sanction from the competent authority i.e Chief Engineer/YWS HID Panchkula (Annexure III) The administrative approval was accorded during the month of 7/2007 (Annexure XV)

Although tenders are invited after the receipt of administrative approval from the Govt but as per directions of the Govt the priority to the execution of work is given to the works announced by the Hon ble C M this work is given to the works announced made by the Hon ble C M Haryana (Annexure I) Accordingly the tenders were invited after the sanction of the estimate But the administrative approval of the work was received on 04 07 2007 (Annexure XV) which was received after the expiry of original validity of period of the tenders Thus it is logically improper to compare the rates of tenders for which Administrative Approval was not accorded In fact there is no loss on this account as the work was executed after inviting the tenders after the receipt of Administrative Approval

Executive Engineer Nardak W/S Divn Karnal invited the tenders after taking anticipatory sanction from the Chief Engineer/YWS and therefore he is not at fault Chief Engineer/YWS did not sanction the rates due to non receipt of Administrative Approval from the Government and therefore he is also not at fault This was a procedural lapse and no officer/official can be considered at fault

Keeping in view the facts explained above the para may please be settled

The Committee recommends the department to conduct departmental enquiry in this matter and suitable disciplinary action may be taken against the delinquent Officers/officials if any held responsible for it The Committee desired that the compliance report in this regard may be submitted to the Committee accordingly

[22] 2 2 4 Unfruitful expenditure on incomplete drainage scheme

Non acquisition of land for linking a part of a drain constructed to carry flood water with a carrier drain resulted in unfruitful expenditure of ₹ 52 lakh

According to Paragraph 2 82 of the Public Works Department Code when land is required for public purposes the concerned officer of the Public Works Department should in the first instance consult the Collector of the concerned district and obtain from him complete information as to the probable cost of the land per acre or otherwise for which compensation would have to be paid Thereafter necessary proceedings for acquisition of land as per provisions of Land Acquisition Act should be started

In order to provide relief to six flood prone villages of Jhajjar district a scheme for constructing the MP Majra link drain was approved for ₹69 37 lakh by the Haryana State Flood Control Board in December 2004 The cost was revised to ₹ 3 56 crore in January 2006 due to increase in cost of land To acquire land required for the purpose notifications under

Sections 4 and 6 of the Land Acquisition Act were issued in March and April 2005. Award of land pertaining to five villages was announced in March 2006 by the Land Acquisition Collector but the award in respect of one village (MP Majra) was not announced due to a stay granted by the Punjab and Haryana High Court (April 2006). The estimates of the work were sanctioned (June 2005) by the Chief Engineer and the work was awarded to an agency in April 2006 by the Executive Engineer (EE) Jhajjar Water Services Divisions Jhajjar. An expenditure of ₹ 2.14 crore was incurred on the project up to June 2007 and further work was stopped (June 2007) as the land could not be acquired due to a stay order on the portion of land required for completion of project. The drain was constructed in reaches 0 to 10.350 and 15.500 to 18.900 while the middle reach between RD 10350 to 15500 was left incomplete.

It was noticed (April 2007 and January 2009) in audit that the construction of the drain from RD 15500 to 18900 was executed by incurring expenditure of ₹ 52 lakh (approximately) though the land required for execution of drain for the portion from RD 10350 to 15500 had not been acquired. Construction of this portion of the drain had not served the desired purpose of carrying the accumulated flood water as this portion of the drain was not linked with its carrier drain. Therefore the expenditure incurred on this portion of the drain was unfruitful.

The EE in his replies (May 2007 and March 2010) stated that the accumulated flood water in reach 15500 to 18900 was being pumped out into the nearby Riaya minor. The drain in the remaining portion of RD 10350 to 15500 would be got excavated after the decision of the court. The reply is not acceptable as the department should have started the work in RD 15500 to 18900 only after acquisition of the total land as the purpose of construction of the drain was not served due to non linkage of the constructed portion. If the methodology adopted for saving the villages from floods by pumping the flood water in the existing minor was sufficient to cater to the need the department should have not planned the execution of the drain from RD 10350 to RD 18900 by incurring expenditure of ₹ 52 lakh approximately. Moreover the department had to incur avoidable expenditure of ₹ 9.16 lakh on installation of pumping sets for draining out flood water from the area during 2007-10.

The matter was duly officially referred to the Financial Commissioner and Principal Secretary to Government of Haryana Irrigation Department in March 2010. Reply had not been received (August 2010).

The Department in its written reply stated as under —

According to Paragraph 2.82 of the Public Works Department Code, when land is required for public purposes, the concerned officer of the Public Works Department should in the first instance consult the Collector of the concerned district and obtain from him complete information as to the probable cost of the land per acre or otherwise for which compensation would have to be paid. Thereafter necessary proceedings for acquisition of land as per provisions of Land Acquisition Act should be started.

In order to provide relief to six flood-prone villages of Jhajjar District, a scheme for constructing the MP Majra link drain was approved for Rs. 69.37 lakh by the Haryana State Flood Control Board in December 2004. The cost was revised to Rs. 3.56 crore in January 2006 due to increase in cost of land. To acquire land required for the purpose, notifications under Section 4 and 6 of the Land Acquisition Act were issued in March and April 2005. Award of land pertaining to five villages was announced in March 2006 by the Land Acquisition

Collector but the award in respect of one village (MP Majra) was not announced due to a stay granted by the Punjab and Haryana High Court (28th March 2006). The estimates of the work were sanctioned (June 2005) by the Chief Engineer and the work was awarded to an agency in April 2006 by the Executive Engineer (EE) Jhajjar Water Services Division Jhajjar. An expenditure of Rs 2.14 crore was incurred on the project up to June 2007 and further work was stopped (June 2007) as the land could not be acquired due to a stay order on the portion of land required for completion of project. The drain was constructed in reaches 0 to 10350 and 15511 to 19800 while the middle reach between RD 10350 to 15500 was left incomplete.

It was noticed (April 2007 and January 2009) in audit that the construction of the drain from RD 15500 to 18900 was executed by incurring expenditure of Rs 52.00 lakh (approximately) though the land required for execution of drain for the portion from RD 10350 to 15500 had not been acquired. Construction of this portion of the drain had not served the desired purpose of carrying the accumulated flood water as this portion of the drain was not linked with its carrier drain. Therefore the expenditure incurred on this portion of the drain was unfruitful.

The Executive Engineer in his replies (May 2007 and March 2010) stated that the accumulated flood water in reach 15500 to 18900 was being pumped out into the nearby Riaya Minor. The drain in the remaining portion of RD 10350 to 15500 would be got excavated after the decision of the court. The reply is not acceptable as the department should have started the work in RD 15500 to 18900 only after acquisition of the total land as the purpose of construction of the drain was not served due to non linkage of the constructed portion. If the methodology adopted for saving the villages from floods by pumping the flood water in the existing minor was sufficient to cater to the need, the department should have not planned the execution of the drain from RD 10350 to RD 18900 by incurring expenditure of Rs 52.00 lakh approximately. Moreover the department had to incur avoidable expenditure of Rs 9.16 lakh on installation of pumping sets for draining out flood water from the area during 2007-10.

The matter was demi-officially referred to the Financial Commissioner & Principal Secretary to Govt. Haryana, Irrigation Department in March 2010. Reply had not been received (August 2010). In this connection it is submitted that the acquisition of land for Government Works is involving considerably lengthy process for which number of procedural actions as provisioned in Land Acquisition Act 1894 are taken by different authorities/departments.

On issuance of notification under Section 6 of Land Acquisition Act 1894 i.e. declaration to the effect that the particular land is required for public purpose. The LAO of the jurisdiction steps into taking action under

The Land Acquisition Act 1894 viz

- (i) Section 7 to take order for acquisition
- (ii) Section 8 land to be marked out, measured and planned

In the process for making out, measuring and planning considerable time is consumed. The L.A.O. has to arrange the preparation of Acre wise field book showing the land acquired and balance land left with the land is also got prepared in the Jamabandi of the land is also got prepared in order to verify/ascertain the title of the land being acquired. In addition to this Sazra Plan of the land showing the demarcation of land under acquisition is also got prepared.

Further under Section 9 of the Act the public notice has to be displayed at convenient place on or near the land to be taken indicating intention of the Govt to take possession of the land and invitations claims for compensation for all interest in such land In addition to this objections if any to the measurement marking out etc is also invited through such notice

Further more notices to the same effect are to be served on the occupier or on all such persons having interest in such land and where the persons resided elsewhere the notices are required to be sent by post resulting in an avoidable consumption of time

Consequently considerable period is consumed in adherence of the code provisions/formalities

Needless to submit the legislature did take cognizance of the aspect regarding time consuming process of land acquisition and accordingly the validity of the notifications issued under Section 4 & 6 have been kept alive for two years by inserting clause 11 in the Act inter alia making provision for lapse of the entire proceeding for acquisition of the land in case the award is not made within a period of two years from the date of the publication of declaration under Section 6

In the instant case the notification for acquisition of land under Section 4 & 6 were published on 15 03 2005 and 08 04 2005 respectively and amount of Rs 42 00 lacs was deposited with the LAO for the purpose The LAO started the proceeding under Section 7 to 11 of LA Act in respect of villages concerned namely Islamgarh Gwalison Tamaspur Khatiwas & Fortpura and M P Majra In between when the proceedings for land acquisition was in process the Govt revised the land rates in the area and accordingly the resultant required amount of Rs 112 00 lacs was arranged and deposited with the LAO to facilitate the announcement of the awards

Accordingly the awards in respect of villages as below were announced and the work got executed as per estimate sanctioned by the competent authority

Villages		Award No & Date	Amount
1	Tamasपुरा	21 dt 17 03 06	4426405/
2	Islamgarh	16 dt 27 02 06	740140/
3	Gwalison	20 dt 17 03 06	232969/
4	Khatiwas	22 dt 22 03 06	2068789/
5	Fortpura	dt 27 02 06	2938468/

However the owners of village M P Majra went to the Hon ble Punjab & Haryana Court vide CWP No 1169 Sombir & Other V/s Director of Consolidation office and State of Haryana (copy attached) and arranged the stay order on 28 03 2006 (copy attached) against the acquisition of their land Accordingly the drain could be executed in reach 0 to 10350 and 15500 to 18900 The case is being defended in the court by the revenue authorities being the case relating to Chakbandi of the land concerned

It is further submitted that the excavated drain in reach 0 to 10350 is functioning properly and the purpose has been served accordingly. As regard the drain in reach 15500 to 18900 it is submitted that on accumulation of the flood water in the drain the same is got pumped out through Raiya minor for further drained out to Drain No. 8 by way of escape channel accordingly the excavated drain is being utilized fully and the incurred expenditure has served the purpose. However the drain in the remaining portion i.e. 10350 to 15500 will be got excavated as per decision of Hon'ble High Court.

In view of the above the para may please be dropped.

The Committee observed that the land of village M P Majra could not be acquired due to the stay granted by Hon'ble Punjab and Haryana High Court. The Committee therefore recommends that application for vacation of stay may be filed in the Punjab & Haryana High Court and progress report be intimated to the Committee.

[23] 2.6.1 (a) Follow up on Audit Reports

According to the instructions issued in October 1995 by the Finance Department and reiterated in March 1996 and July 2001 administrative departments were to initiate suo moto positive and concrete action on all audit paragraphs and reviews featuring in the Comptroller and Auditor General's Reports (ARs) regardless of whether the cases were taken up for examination by the Public Accounts Committee or not. They were also required to furnish detailed notes duly vetted by Audit indicating the remedial action taken or proposed to be taken by them within three months of the presentation of the ARs to the legislature.

A review of the position regarding receipt of Action Taken Notes (ATNs) on the paragraphs included in the ARs up to the period ended 31 March 2008 revealed that the ARs for the periods 2004-05, 2006-07 and 2007-08 were presented to the State Legislature. Of the 80 paragraphs and reviews of 26 administrative departments included in the ARs 17 administrative departments had not submitted ATNs on 33 paragraphs and reviews as per details given in Appendix 2.6. The administrative departments viz. the Irrigation, Public Health, Engineering, Education, Medical and Health, Finance and Home departments had not submitted ATNs in respect of 21 out of 33 paragraphs and reviews. Six administrative departments which submitted ATNs had not taken action to recover a total amount of ₹ 207.27 crore in respect of 10 paragraphs and reviews as per details given in Appendix 2.7. Further the response of the administrative departments towards the recommendations of PAC was not encouraging as 365 recommendations relating to Audit Reports 1970-71 to 2003-04 and 2005-06 were still pending for want of final action by the concerned administrative departments as per details given in Appendix 2.8.

The Department in its written reply stated as under —

According to the instructions issued (October 1995) by the Finance Department and reiterated in March 1997 and July 2001 the administrative departments were to initiate suo moto positive and concrete action on all audit paragraphs and performance reviews featuring in the Comptroller and Auditor General's Audit Reports (ARs) regardless of whether the cases were taken up for examination by the Public Accounts Committee or not. The administrative departments were also required to furnish detailed notes duly vetted by the audit indicating the remedial action taken or proposed to be taken by them within three months of the presentation

the remedial action taken or proposed to be taken by the within three months of the presentation of the ARs to the Legislature. A review of the position regarding receipt of Action Taken Notes (ATNs) on the paragraphs included in the ARs upto the period ended 31 March 2008 revealed the ARs for the period 2003-04, 2004-05, 2006-07 and 2007-08 were presented to State legislature of the 109 paragraphs and reviews of 27 administrative departments included in these ARs. ATNs on 45 paragraphs and reviews in case of 22 administrative departments were not submitted as per details given in the Appendix XXI. The administrative departments namely Public Works (Buildings and Roads) Branch, Irrigation, Water supply and Sanitation, Education, Finance and Home had not submitted the ATNs on 24 out of 45 paragraphs/ reviews. Six administrative departments out of those who had submitted the ATNs had not taken any action to recover the amount of Rs. 207.27 crore in respect of 10 paragraphs and reviews as per details given in the Appendix XXII. Further, the response of administrative departments towards the recommendations of PAC was not encouraging as 395 recommendations relating to Audit Reports 1970-71 to 2002-03 and 2005-06 were still awaiting final action by the concerned administrative departments as per details given in Appendix XXIII.

The details of various paras pertaining to the year 2006-07 and 2007-08 as mentioned in Appendix XXI is given as under:

1 Para 4.2.1, 4.2.2, 4.5.5

The reply of the para 4.2.1 and 4.5.5 has been submitted to PAC and the same was discussed by the PAC in its Meeting held on 08.05.2012. Para 4.2.1 was dropped by the Committee and some objections/recommendations were made by the Committee regarding para No. 4.5.5. Reply of para 4.2.2 has also been submitted and subsequently dropped by the PAC on 11.12.2012.

2 Para 4.1.1, 4.2.3, 4.2.7, 4.2.9, 4.4.2

The reply of the paras has been submitted to PAC and the same were discussed by the PAC in its meeting held on 28.12.2010. Out of these Paras 4.1.1, 4.2.3 and 4.2.7 have been dropped by the Committee and some observations/ recommendation were made by the Committee in respect of Para No. 4.2.9 and 4.4.2.

3 Para 4.5.2

The reply of the para has been submitted to PAC Haryana and the same was discussed by the PAC in its meeting held on 04.01.2010 and some observations/recommendations were made by the Committee in respect of Para No. 4.5.2.

4 Details of outstanding recommendations of PAC

There are 52 no. outstanding recommendations pertaining to the Irrigation Department as per Annexure XXIII of C & AG report ending 31 March 2010. The progress report of the action taken by the Govt. in all the outstanding recommendations has been submitted to PAC. Hence this para may kindly be dropped please.

The Committee desired to know the status of the paras as mentioned in the main para within a period of three months.

[24] 3.5 Misappropriations losses defalcations etc

Rule 2.33 of the Punjab Financial Rules as applicable to Haryana stipulates that every Government employee should realise that he 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 cases of defalcations and losses are required to be reported to the Principal Accountant General.

The State Government reported 208 cases of misappropriation defalcation etc involving Government money amounting to ₹ 1.85 crore on which final action was pending as on June 2010. The department wise break up of pending cases and age wise analysis is given in Appendix 3.5 and the nature of these cases is given in Appendix 3.6. The age profile of the pending cases and the number of cases pending in each category theft misappropriation loss etc is summarised in Table 3.4.

Table 3.4 Profile of misappropriations losses defalcations etc

Age-profile of pending cases			Nature of pending cases		
Range in years	Number of cases	Amount involved (Rs. in lakh)	Nature/characteristics of the cases	Number of cases	Amount involved (Rs. in lakh)
0-5	41	48.01	Theft	138	87.03
5-10	45	73.67			
10-15	35	26.88	Misappropriation/loss of material	85	101.60
15-20	34	22.48			
20-25	29	8.12	Total	223	188.63
25 and above	24	6.14	Cases of losses written off during the year	15	3.33
Total	208	185.30	Total pending cases	208	185.30

Reasons for pendency of the cases are listed in Table 3.5.

Table 3.5 Reasons for outstanding cases of misappropriation loss, defalcation etc

Reasons for the delays in finalisation of pending cases	Number of cases	Amount (Rs. in lakh)
(i) Departmental action initiated but not finalized	126	89.60
(ii) Awaiting orders for recovery or write off	65	56.31
(iii) Pending in the courts of law	17	39.39
Total	208	185.30

Out of the total loss cases 61 per cent cases related to theft of Government money/ stores which indicated that appropriate steps for the safety of Government property/cash etc as prescribed in the rules had not been taken by the departments Further in respect of 60 per cent cases of losses departmental action had not been finalised and 31 per cent cases were outstanding for want of orders of the competent authority for recovery or write off of the losses It was further noticed that out of 208 cases of losses due to theft/misappropriation etc 167 cases were more than five years old of which 24 cases were more than 25 years old The lackadaisical approach of the departments in finalisation of these cases had not only caused loss to the State exchequer but also prevented timely action against the officers/ officials at fault

The Department in its written reply stated as under —

Rule 2 33 of the Punjab Financial Rule as applicable to Haryana stipulates that every Government employee should realize that he would be held personally responsible for any loss sustained by Govt 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 cases of defalcations and losses are required to be reported to be reported to the Principal Accountant General

State Government reported 219 cases of misappropriation defalcation etc involving Government money amounting to Rs 1 80 crore on which final action was pending as of June 2009 The department wise break up of pending cases and age wise analysis is given in Appendix 3 5 and nature of these cases is given in Appendix 3 6 The age profile of the pending cases and the number of cases pending in each category theft misappropriation loss etc is summarized in Table 3 4

Table 3 4 Profile of misappropriations losses defalcations etc

Age profile of pending cases			Nature of pending cases		
Range in years	Number of cases	Amount involved (Rs In lakh)	Nature/characteristics of the cases	Number of cases	Amount involved (Rs In lakh)
0 5	41	43 53	Theft	136	87 03
5 10	60	85 84			
10 15	23	13 73	Misappropriation/loss of material	83	92 57
15 20	41	21 58			
20 25	30	8 44	Total	219	179 60
25 and above	18	6 48	Cases of losses written off during the year	NIL	NIL
Total	219	179 60	Total pending cases	219	179 60

Reasons for pendency of the cases are listed in Table 3 5

Table 3 5 Reasons for outstanding cases of misappropriation, loss, defalcation etc

Reasons for the delays in finalisation of pending cases	Number of cases	Amount (Rs in lakh)
(i) Departmental action initiated but not finalized	141	84 22
(ii) Awaiting orders for recovery or write off	60	55 70
(iii) Pending in the courts of law	18	39 68
Total	219	179 60

Out of the total loss cases 62 per cent cases related to theft of Government money/ stores which indicates that appropriate steps for the safety of Government property/cash etc as prescribed in the rules had not been taken by the departments Further in respect of 64 per cent cases of losses departmental action had not been finalized and 27 percent cases were outstanding simply for want of orders of the competent authority for recovery or write off of the losses It was further noticed that out of 219 cases of losses due to theft/ misappropriation etc 172 cases were more than five years old of which 18 cases were more than 25 years old The lackadaisical approach of the departments in finalization of these cases had not only caused loss to the State exchequer but also prevented timely action against the officers/officials at fault

A total No of 100 cases amounting to Rs 36 50 lac were pending as on 31 3 2010 Out of these final action of 64 No cases amounting to Rs 30 60 lac has been taken by the Government and 36 Paras amounting to Rs 5 90 lac are pending Action is also being taken to clear the balance items Hence this Para may kindly be dropped please

The Committee desired that the department should reconcile the matter with PAG Office and outcome may be intimated to the Committee within a period of three months

The Committee further recommends that strenuous efforts be made to recover the balance amount under intimation to the Committee

TRANSPORT DEPARTMENT

[25] 2 3 2 Excess expenditure on purchase of Cummins Naturally Aspirated Gas buses

The Transport Commissioner incurred excess expenditure of ₹19 05 lakh on account of higher rate of VAT on purchase of Cummins Naturally Aspirated Gas buses

The High Powered Purchase Committee (HPPC) of the Government of Haryana decided (June 2006) to purchase 15 low floor Cummins Naturally Aspirated Gas air conditioned buses (five buses each) from Tata Motors Ashok Leyland and JCB Limited Ex RSO Karnal at the negotiated rate of ₹ 46 59 lakh per bus including excise duty and Value Added Tax (VAT) at the rate of four per cent Accordingly the Transport Commissioner placed (August 2006) purchase orders for five buses each on these firms to be supplied within 135 days from the date of issue of the supply orders

Scrutiny (May 2009) of the records of the Transport Commissioner Haryana revealed that M/s JCB supplied the buses in December 2007 and was paid at the rate of ₹ 50 40 lakh per bus instead of ₹ 46 59 lakh The difference of ₹ 3 81 lakh per bus in the rate was due to charging of VAT at the rate of 12 5 per cent instead of four per cent as agreed by the firm during negotiation and decided by HPPC in June 2006 The payment of VAT at higher rates than that agreed to resulted in excess expenditure of ₹19 05 lakh Besides the supply of buses was delayed by about one year but the department could not take any action against the firm as there was no penalty clause in the supply order in this regard

The Joint State Transport Controller stated (August 2010) that the acceptance of STD IV was discontinued on inter State purchases and VAT was paid at the rate of 12 5 per cent instead of four per cent The reply is not acceptable as the buses were to be supplied from Karnal (Haryana) and not from Lalru (Punjab) Acceptance of buses from Punjab was against the terms and conditions of the supply order

Thus the Transport Commissioner incurred an excess expenditure of ₹19 05 lakh on purchase of these buses at higher rates and could not charge penalty for the delayed supply

The matter was referred to the Financial Commissioner and Principal Secretary to Government of Haryana Transport Department in March 2010 Reply had not been received (August 2010)

The Department in its written reply stated as under —

It is submitted that an order was placed with M/s JCBL Ltd Lalru Distt Patiala vide this office memo No 2541/SPA I/Tech dated 11 8 2006 (copy attached) for supply of Low Floor AC CNG buses All the terms and conditions were got approved from the High Powered Purchase Committee in its meeting held on 24 4 2006 As per terms and conditions of work order the cost of bus was fixed at Rs 44 80 000/ per bus inclusive of Excise duty Sales/VAT Tax etc as applicable against STD Form IV @ 4% was to be charged extra

The firm supplied these buses in Dec 2007 and the bill was raised @ Rs 50 40 000/ per bus charging the VAT @ 12 5% As the buses were supplied during the year 2007 08 (Bill raised on 07 12 2007) and the acceptance of STD Form IV was discontinued on the Inter State Purchase vide Excise and Taxation Commissioner Haryana Chandigarh letter

dated 3 5 2007 (copy attached) So the VAT as applicable on the time of billing was paid @ 12 5% instead of 4% There is no additional benefit given to the firm Moreover VAT is revenue of the Govt and benefit if any had been passed to the State Govt only

The Committee desired the department to re examine the case and conduct an enquiry in this case and its report be submitted to the Committee accordingly

[26] 3 5 Misappropriations losses, defalcations, etc

Rule 2 33 of the Punjab Financial Rules as applicable to Haryana stipulates that every Government employee should realise that he 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 cases of defalcations and losses are required to be reported to the Principal Accountant General

The State Government reported 208 cases of misappropriation defalcation etc involving Government money amounting to 1 85 crore on which final action was pending as of June 2010 The department wise break up of pending cases and age wise analysis is given in Appendix 3 5 and the nature of these cases is given in Appendix 3 6 The age profile of the pending cases and the number of cases pending in each category theft misappropriation loss etc is summarised in Table 3 4

Table 3 4 Profile of misappropriations, losses, defalcations, etc

Age profile of pending cases			Nature of pending cases		
Range in years	Number of cases	Amount involved (Rs In lakh)	Nature/characteristics of the cases	Number of cases	Amount involved (Rs In lakh)
0 5	41	48 01	Theft	138	87 03
5 10	45	73 67	Misappropriation/loss of material	85	101 60
10 15	35	26 88			
15 20	34	22 48	Total Cases of losses written off during the year	223	188 63
20 25	29	8 12		15	3 33
25 and above	24	6 14			
Total	208	185 30	Total pending cases	208	185 30

Reasons for pendency of the cases are listed in Table 3 5

Table 3 5 Reasons for outstanding cases of misappropriation, loss defalcation, etc

Reasons for the delays in finalisation of pending cases	Number of cases	Amount (Rs in lakh)
(i) Departmental action initiated but not finalized	126	89 60
(ii) Awaiting orders for recovery or write off	65	56 31
(iii) Pending in the courts of law	17	39 39
Total	208	185 30

Out of the total loss cases 61 per cent cases related to theft of Government money/ stores which indicated that appropriate steps for the safety of Government property/cash etc as prescribed in the rules had not been taken by the departments Further in respect of 60 per cent cases of losses departmental action had not been finalised and 31 per cent cases were outstanding for want of orders of the competent authority for recovery or write off of the losses It was further noticed that out of 208 cases of losses due to theft/misappropriation etc 167 cases were more than five years old of which 24 cases were more than 25 years old The lackadaisical approach of the departments in finalisation of these cases had not only caused loss to the State exchequer but also prevented timely action against the officers/ officials at fault

The Department in its written reply stated as under —

Sr No	Amount	Description of Cost	Year	Depot	Present Position
1	60000 00	Embezzlement of Govt money by Sh Suleman A/Cashier	1986 87	Faridabad	This item stands already dropped by the PAC in its meeting held on 8 5 2007 (copy enclosed) with the condition that decision of the Hon ble Punjab and Haryana High Court be conveyed to PAC It is also added that Suleman Khan was issued notice of recovery by GM Faridabad but against the notice of recovery the employee filed CWP No 7478/2006 which is admitted in Hon ble High Court Hence Para may kindly be dropped
2	316649 30	Embezzlement of cash by Sh Purshotam Lal Conductor	1999 2000	Chandigarh	This item stands already dropped by the PAC in its meeting held on 08 5 2007 (copy enclosed) with the condition that the decision of the Hon ble High Court be conveyed to PAC The employee has been dismissed from Govt service and against the orders of dismissal he has filed CWP No 8896/2012 in Hon ble High Court and case is fixed for arguments on 12 9 2014 As the benefits due to him have been withheld due to dismissal and pending CWP so recovery could not be affected Hence Para may kindly be dropped from the report

The Committee desired that recovery of the amount may be affected at the earliest As and when the matter is decided by the Hon'ble Punjab and Haryana High Court the Committee may be informed accordingly

The Committee further recommends that the licensing authority should renew only those licenses which have been issued by licensing authority itself

EDUCATION DEPARTMENT

[27] 2 4 1 Parking of funds outside Government Accounts

Drawal of funds in anticipation of requirement coupled with non supply of dual desks by the suppliers resulted in blocking of funds of ₹1 22 crore for about four years and also deprived primary school students of these basic amenities

Punjab Financial Rules {Rules 2 10 (b) (5)} as applicable to Haryana provide that money should not be drawn unless required for immediate disbursement

Any unspent amount not required for immediate disbursement should be refunded into the treasury promptly

The Financial Commissioner and Principal Secretary to Government of Haryana Education Department sanctioned (July 2005) ₹ 5 50 crore for purchase of dual desks for primary schools under the scheme Expansion of Facilities Classes I V (full time) provision of dual desks for Primary Schools (Material and Supplies) with the objective of providing better environment and seating arrangements for children On a request of the Director Primary Education {now under the control of Director Elementary Education (DEE)} to the Director Supplies and Disposal (DSD) for purchase of dual desks the DSD after finalisation of rates placed (December 2005) supply orders for supply of 1 25 284 dual desks at the rate of ₹ 439 per desk on four firms with a delivery period of one month from the date of supply order

Scrutiny (October 2009) of records of the DEE revealed that the entire amount of ₹ 5 50 crore was placed at the disposal of 13 District Elementary Education Officers (DEEOs) to whom the dual desks were to be supplied by the firms The DEE also directed (December 2005) the DEEOs to draw the amounts from the treasuries before 31 March 2006 and keep the amounts in the form of bank drafts in the names of suppliers for making payments on receipt of the material The DEEOs withdrew the entire amount of ₹5 50 crore and showed the same as spent in the records of the DEE

Further scrutiny of records revealed that out of 1 25 284 dual desks 97 516 were supplied by the firms between March 2006 and May 2008 but two firms did not supply 27 768 dual desks to five DEEOs as of February 2010 It was observed that the two firms were not capable of supplying material at such a large scale due to financial constraints Ultimately the DEE requested (May/August 2009) the DSD to cancel the supply orders and to take appropriate action against the firms Thus placing the supply orders with incapable firms not only deprived the primary school students of basic amenities as per the objectives of the scheme but also resulted in blocking of funds of ₹1 22 crore which were lying with these DEEOs in the form of bank drafts/ current accounts for the last four years causing loss of interest of ₹35 74 lakh

On this being pointed out the DEE directed (March 2010) the concerned DEEOs to deposit the unutilised balance into the treasuries Two DEEOs (Sonipat and Fardabad) had deposited ₹27 88 lakh in treasuries on 30 and 31 March 2010 Further progress was awaited (June 2010)

The matter was referred to the Financial Commissioner and Principal Secretary to Government of Haryana Education Department in March 2010 Reply had not been received (August 2010)

The Department in its written reply stated as under —

2 4 1 relates to blocking of funds of Rs 1 22 crore of DEE Government account for non supply of Dual Desks by the suppliers. In this connection it is submitted that supply order of 1 25 284 Dual Desks have been issued in favour of Haryana Khadi Board Manimajra UT Chandigarh M/S Sunrise New Delhi M/S Ramdhan Jind M/S Manik Karnal respectively. Out of these 97516 dual desks were supplied by the firms and balance 27768 dual desks were not supply by two firms namely Haryana Khadi Board Manimajra UT Chandigarh and M/S Sunrise New Delhi. The Department has requested the Director Supply and Disposal to take necessary action against the above two firms. Director Supply and Disposal vide their Letter No 1587/HR/RC/TLA II/2005 2006/14336 dated 28 9 2012 blacklisted Haryana Khadi Board Manimajra UT Chandigarh and order for debarring of M/S Sunrise New Delhi is still awaited from the Government Industries Department.

In compliance of the Director General Elementary Education Haryana Panchkula letter dated 18 3 2010 following District Elementary Education Officers has deposited the balance amount. The detail of the same is as under:

Sr No	DEEO	Amount
1	DEEO Rohtak	48 29 000 Lac
2	DEEO Panipat	13 17 000 Lac
3	DEEO Faridabad	19 75 000 Lac
4	DEEO Sonapat	8 12 150 Lac

As per observation made by the Principal AG Haryana that Rs 1 22 crore has been blocked for about four years. In this connection it is stated that an amount of Rs 89 33 Lac has been deposited into Government Treasury for non supply of dual desks by the DEEO. Also the balance payment of Rs 32 92 500 was made by the DEEO Yamunanagar for purchase of dual desk to M/s Sunrise New Delhi. So far as loss of interest of Rs 35 74 Lac is concerned no such instruction was issued by the Department regarding deposit of amount in Saving Account. Directions have been issued to the concerned to draw the amount from Treasury against bills only in future. Hence it is requested that the para may kindly be dropped.

The Committee would like to know whether any responsibility was fixed on the officers/official who parked the funds outside Govt Accounts in violation of Financial Rules.

The Committee further desired that the Financial Commissioner Finance Department should conduct an enquiry in this matter at his own level against the delinquent officials and a compliance report in this regard may be submitted to the Committee accordingly.

The Committee desired to verify as to whether the cheques have been bounced or not. If so, then action may be taken against the company whose cheques have been bounced and inform the Committee accordingly.

[28] 3.5 Misappropriations losses defalcations etc

Rule 2.33 of the Punjab Financial Rules as applicable to Haryana stipulates that every Government employee should realise that he 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* cases of defalcations and losses are required to be reported to the Principal Accountant General.

The State Government reported 208 cases of misappropriation defalcation etc involving Government money amounting to ₹ 1.85 crore on which final action was pending as of June 2010. The department wise break up of pending cases and age wise analysis is given in Appendix 3.5 and the nature of these cases is given in Appendix 3.6. The age profile of the pending cases and the number of cases pending in each category theft misappropriation loss etc is summarised in Table 3.4.

Table 3.4 Profile of misappropriations losses defalcations, etc

Age profile of pending cases			Nature of pending cases		
Range in years	Number of cases	Amount involved (Rs. in lakh)	Nature/characteristics of the cases	Number of cases	Amount involved (Rs. in lakh)
0-5	41	48.01	Theft	138	67.03
5-10	45	73.67			
10-15	35	26.88	Misappropriation/loss of material	85	101.60
15-20	34	22.48			
20-25	29	8.12	Total	223	188.63
25 and above	24	6.14	Cases of losses written off during the year	15	3.33
Total	208	185.30	Total pending cases	208	185.30

Reasons for pendency of the cases are listed in Table 3.5.

Table 3.5 Reasons for outstanding cases of misappropriation loss defalcation etc

Reasons for the delays in finalisation of pending cases	Number of cases	Amount (Rs. in lakh)
(i) Departmental action initiated but not finalized	126	89.60
(ii) Awaiting orders for recovery or write off	65	55.31
(iii) Pending in the courts of law	17	39.39
Total	208	185.30

Out of the total loss cases 61 per cent cases related to theft of Government money/ stores which indicated that appropriate steps for the safety of Government property/cash etc as prescribed in the rules had not been taken by the departments Further in respect of 60 per cent cases of losses departmental action had not been finalised and 31 per cent cases were outstanding for want of orders of the competent authority for recovery or write off of the losses It was further noticed that out of 208 cases of losses due to theft/misappropriation etc 167 cases were more than five years old of which 24 cases were more than 25 years old The lackadaisical approach of the departments in finalisation of these cases had not only caused loss to the State exchequer but also prevented timely action against the officers/ officials at fault

The Department in its written reply stated as under —

Out of 36 cases shown in the report 23 cases upto 2002-03 amounting to Rs 13.87 lacs have been dropped by PAC in its meeting held on 03.03.08 and further 9 cases upto 2005-06 amounting to Rs 3.21 lakh have also been dropped in PAC meeting held on 03.06.08 Moreover the para No. 1.6 of CAG Report ended upto 31.3.2007 comprising all the pending 5 cases of misappropriation/losses and defalcation has been dropped by PAC in its meeting held on 10.07.12 So far as the total 28 pending cases as shown in the AG Books are concerned the same are being reconciled with Principal Accountant General Office as well as Finance Department for doing the necessary action Para may be dropped

After hearing the department representatives the Committee desired that all out efforts may be made to settle pending cases and recover the amount under information to the Committee

The Committee further desired that action to write off the amount in remaining cases be completed at the earliest and Committee may be informed accordingly

FISHERIES DEPARTMENT

[29] 3 1 7 4 Sale of fish seed

As per the procedure in vogue fish seed is to be sold to fish farmers through DFOs and FFMs. The sale proceeds of fish seed are deposited in the Government treasuries and copies of the treasury challan are required to be submitted to the concerned DFOs/FFMs from where the fish seed is obtained to ensure that the sale proceeds of fish seed are deposited in the Government account.

Scrutiny of records of three FFMs revealed that fish seed worth Rs 3 54 lakh was procured by six DFOs and two FFMs from these three FFMs for sale during 2005-10. However, the treasury challans showing deposit of sale proceeds of fish seed in the Government account had not been furnished to the concerned FFMs (March 2010). The Director stated (August 2010) that the accounts were under reconciliation.

The Department in its written reply stated as under —

The Fish Seed is produced at Govt. Fish Seed Farms and supplied to the different DFOs and the amount of the Fish Seed is deposited by the concerned Fish Farmers in the DFOs officers.

DFOs are required to furnish the copy of the challans to concern FFM or Incharge of the farm. As per details of the seed lifted from that farm department has already reconciled the account of sale of fish seed. No dues from the concerned have been received. Kindly para may be dropped.

To check the leakage of revenue of this account department has already issued instruction vide letter No. DA I 2009/15908-38 dated 10-09-2009 to the field officers to deposit the amount of cost of Fish Seed with the FFM only at the time of lifting/before lifting the fish seed from that farm.

The Committee desired the department to reconcile this para with PAG Office under intimation to the Committee.

[30] 3 1 7 5 Status of Utilisation Certificate

An amount of ₹12 lakh was drawn (March 2006) under the Centrally sponsored scheme Fisheries Education, Training and Extension by the Director, Fisheries Department and the same was remitted to the Principal, ARTI, Hisar for conducting studies on different topics such as infrastructure and resource mapping, proposal of Haryana Space Application Centre, Hisar, to conduct preliminary feasibility study on fish culture possibilities of magur species in Haryana, fish bio-diversity in Haryana and survey, isolation and identification of bacterial and other pathogenic diseases in fresh water fishes in Haryana.

It was observed that utilisation certificates (UCs) only for ₹7.01 lakh were furnished and UCs for the balance amount of ₹4.99 lakh were awaited (July 2010). The department had not monitored the utilisation of funds. The Director stated (August 2010) that study reports from the concerned agencies had been received and the same were being used for planning departmental activities. The status of unspent funds with the agencies had not been intimated.

The Department in its written reply stated as under —

Fisheries department remitted Rs 12 00 lakh during the year March 2006 for conducting the study on different topic to the different agencies as per detail given below —

Sr No	Name of Agency	Topic	Amount
1	HARSAC	Meeting of GIS based Infrastructure and resources mapping proposal of HARSAC	400000
2	Director Central Inland Fisheries Research Institute Barrakpore	To conduct preliminary feasibility study on the culture possibilities of magur species in Haryana State	400000
3	Panjab University	Fish fio Diversity in Haryana	272500
4	Prof Head Department of Zoology and Aquaculture CCSHAU Hisar	Survey isolation and identification of bacterial and other pathogenic diseases in fresh water fishes in Haryana	1 27 500
Total			12 00 000/

It is mentioned here that these studies were conducted by the department under the central sponsored scheme Education Training & Extension. The main objective of the study was for the formulation of department projects and the Area s of properties to be given and short out the solution of the problem in Apuaculture sector. All the reports have been received from the concerned agencies and department is usintg the report upto extend possible for the preparation for department.

The Committee desired that the Utilization Certificates from the other two agencies may also be obtained and provided to PAG at the earliest and the Committee be informed accordingly.

[31] 3 1 9 2 Training

The main objective of ARTI Hisar was to impart training to the departmental staff and fish farmers so as to acquaint them with the latest technologies of fish farming. The field staff of the department were to motivate the farmers to adopt fish culture. Training was to be imparted to the farmers interested in fish culture. The Institute incurred an expenditure of Rs 34.81 lakh for imparting training during 2005-10.

Training to staff

The position of targets and achievements of imparting training to staff during this period was as under —

Table 5 Targets and achievement of training to staff

Year	Targets	Achievements	Shortfall
2005-06	230	295	(+) 65
2006-07	200	162	38
2007-08	200	160	40
2008-09	220	152	68
2009-10	100	60	40
Total	950	829	121

Source: Data provided by the department

As is evident from the table 5, there was a shortfall of 13 per cent in imparting training to staff.

Training to farmers

The position of targets and achievements in respect of imparting training to fish farmers during this period was as under —

Table 6 Targets and achievement of training to farmers

Year	Targets	Achievements	Shortfall
2005-06	425	114	311
2006-07	840	651	189
2007-08	730	602	128
2008-09	900	816	84
2009-10	1170	1097	73
Total	4 065	3 280	785

Source: Data provided by the department

As seen from the above table the shortfall in imparting training to fish farmers was 19 per cent. The Director stated (August 2010) that despite best efforts the farmers did not turn up for training and assured that more efforts would be made to motivate the farmers for training.

Although 3 280 fish farmers were trained during 2005-10, data regarding the number of fish farmers who started their own business after obtaining training was not maintained. In the absence of this, the impact of the training on the farmers could not be ascertained. The Principal of ARTI stated (October 2009) that there were no instructions to maintain such data. However, at the exit conference, it was assured that proper data would be maintained to assess the impact of training.

Non utilisation of computers

To acquaint the staff with the latest developments in information technology, the Fisheries Department supplied (July 2001) seven computers costing Rs. 4.07 lakh to ARTI Hisar. It was observed that computer training was not imparted to the staff in the institute.

Further, out of seven computers, four computers were damaged (July 2009) due to electric short circuit and the balance three were also lying idle since the date of purchase. The Principal, ARTI Hisar, stated (October 2009) that no trained computer operator was posted in the institute for imparting training. As such, the expenditure of Rs. 4.07 lakh incurred on purchase of computers was unfruitful.

The Department in its written reply stated as under —

ARTI Hisar has not its own source for the training to the fish farmer and staff. The farmers and the staff is deputed by the field offices to the ARTI Hisar. Haryana is basically agriculture based state and farmers are motivated for the training from the district for training. In spite of big efforts by officers, the farmers have not turned up for the training. There was a shortfall in the training, the more efforts will be made by the department to motivate the farmers for training to upgrade their skills in fish culture. Aquaculture Research Training Institute Hisar imparts the training to the fisheries staff, existing Fish Farmers of different district and fishermen of different district to upgrade their knowledge about the latest technology in the Aquaculture to enhance their income. The impact of the data of the staff, fish farmers and fisherman is available in the district. However, department is issuing directions to the DFOs to maintain a proper record of the training imparted to the fisheries staff, fish farmers and fisherman and convey the same with their remarks to Principal, Principal Aquaculture Research Training Institute Hisar. So that proper impact of training could be ascertained and accordingly training programme can be improved and proper record will be maintained.

Department has supplied 7 computers to the ARTI Hisar. The main objective of the supplying computer was to impart training to computer applications to the office staff of the department. ARTI Hisar arranged training programme for the computer applications and during the report and during the time of training, computer expert is hired on the rate approved by the Deputy Commissioner from time to time. During the work load a computer operator is also hired on the rate fixed by the Deputy Commissioner from time to time. Now computer operator will be engaged permanently from the outsourcing agency and computer will be fully utilized.

After hearing the department representative the Committee desired that responsibility of such officers be fixed who kept the computers idle since July 2001 under intimation to the Committee

The Committee observed that an expenditure of Rs 4.07 lacs incurred on purchase of computer was unfruitful. A detailed report in this regard be sent to the Committee and before sending the report it may be reconciled with PAG Office

[32] 3.1.11 Internal control

Internal control provides reasonable assurance to the Management about the compliance of applicable rules and regulations. The internal control system in the department was inadequate in respect of expenditure, accounting of receipts on account of sale of fish seed, implementation of schemes, etc. as discussed in the foregoing paragraphs.

3.1.11.1 Monitoring and evaluation

The Director, Fisheries Department is responsible for reviewing the progress of the schemes at State level and the Deputy Directors are responsible for supervising the offices falling under the jurisdiction of their divisions. Monthly meetings are to be conducted at the division level to review the progress of different schemes.

It was observed that monitoring of various activities was being carried out at the Directorate level. Scrutiny of the records, however, revealed that the Deputy Director Jyotsar had neither prescribed any returns to monitor the activities nor had maintained any records of his supervision and the monthly meetings by him. Monitoring work in the department was not effective as there were substantial shortfalls in achievement of targets under various Central schemes.

The Director stated (August 2010) that all the Deputy Directors had been directed to monitor the various activities through monthly meetings.

The impact of implementation of the schemes of the department was never evaluated through any external agency.

The Department in its written reply stated as under —

Department has introduced the system of internal audit under the supervision of the team and has constituted the team at the directorate level to the field offices regularly.

All the Deputy Director Fisheries have been directed to monitoring the department meeting on monthly basis.

The Committee desired the department to submit the latest position to the Committee at earliest.

RURAL DEVELOPMENT DEPARTMENT

[33] 3.1 Delay in furnishing Utilisation Certificate

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 the departmental officers from the grantees. After verification, these should be forwarded to the Accountant General within a reasonable time unless a specific time limit is fixed by the sanctioning authority. However, of the 17,446 UCs due for submission in respect of grants and loans aggregating ₹ 8,887.80 crore, 3,002 UCs (17 per cent) for an aggregate amount of ₹ 3,437.09 crore were in arrears. The department wise break up of UCs due, received and outstanding as on 31 March 2010 is given in Appendix 3.1. The age wise delays in submission of UCs is summarised in Table 3.1.

Table 3.1 Age wise arrears of Utilisation Certificates

(in crore)

Sr No	Range of delay in number of years	Total grants paid		Utilisation certificates outstanding	
		Number	Amount	Number	Amount
1	0-1	1234	2053.37	1069	1778.41
2	1-3	1725	2427.73	689	1183.31
3	3-5	3582	1058.32	269	253.35
4	5-7	6249	1375.56	381	182.35
5	7-9	3191	1180.64	519	32.06
6	9 & above	1465	792.18	75	7.61
Total		17446	8,887.80	3002	3,437.09

Table 3.1 showed that out of 3,002 outstanding UCs, 1,244 UCs (41 per cent) were more than three years old. Analysis of the department wise break up showed that outstanding UCs from the Development and Panchayat

Education, Rural Development, Social Justice and Empowerment and Urban Development departments constituted 87 per cent of the total outstanding UCs involving 78 per cent of the grants released. Despite this being pointed out in the Report of the Comptroller and Auditor General of India on State Finances, Government of Haryana for the year ended 31 March 2009, only 400 UCs (17 per cent) against the outstanding 2,340 UCs pertaining to the earlier years were furnished by the departments during 2009-10. This not only indicated lack of internal control of administrative departments but also showed a tendency on the part of the Government to go on disbursing fresh grants without ascertaining proper utilisation of the earlier amounts.

The Department in its written reply stated as under —

Rural Development Department, Haryana has two major heads, namely 2501 SPRD and 2505 RE for release of state share. All the Utilisation Certificates upto 2008-09 under head

2501 SPRD has already been submitted to the Accountant General Haryana Chandigarh and the latest position regarding outstanding Utilization Certificates upto 2009 10 in respect of Major Head 2501 SPRD & 2505 RE is as under —

The detail of Utilisation Certificates is as under —

Year	Head	No of UC	Release	Pending UCs	Remarks
2008 09	2501 SPRD		1959 032	Nil	Pending UCs Nil
2008 09	2505 RE	31	3078 766	15UCs amt to Rs 95 088	Pending UCs will be sent be at the earliest
2009 10	2501 SPRD		2210 69	739 54337	Pending UCs will be sent be at the earliest
200 10	2505 RE		1748 319	190 795	Pending UCs will be sent be at the earliest

The Committee recommends that all outstanding Utilization Certificates be furnished and Finance Department should ensure before the release of further grants to the department that they have furnished all the outstanding Utilization Certificate of previous

The Committee further recommends that the Finance Department may issue fresh instructions to the concerned authorities to furnish the outstanding Utilization Certificates and accounts to PAG (Audit) without further delay within period of three months and latest position in this regard be intimated to the Committee

PART-II 2009-2010
(REVENUE RECEIPTS)

EXCISE AND TAXATION DEPARTMENT

[34] 1 2 6 Compliance with the earlier Audit Reports

During the years between 2004 05 and 2008 09 the departments/Government accepted audit observations involving revenue of Rs 959 07 crore out of which an amount of 326 26 crore was recovered till 31st March 2010 as mentioned below

(₹in crore)

Years of Audit Report	Total money value	Accepted money value	Recovery made
2004 05	367 24	362 94	2 53
2005 06	200 60	98 17	6 22
2006 07	407 54	392 67	315 23
2007 08	122 75	29 65	1 60
2008 09	82 74	75 64	0 68
Total	1 180 87	959 07	326 26

The recovery in respect of the accepted cases was 34 percent

The Government may advise the concerned departments to take necessary steps for speedy recovery

The Department in its written reply stated as under —

With reference to this para it is submitted that meeting on the CAG Report 2004 05 2005 06 2006 07 2007 08 and 2008 09 have been taken by the Public Accounts Committee Further recovery position of reports are sent to Haryana Vidhan Sabha/Principal Accountant General (Audit) Haryana on quarterly basis So it is requested that the para may please be dropped

The Committee desired that the department may reconcile the para with PAG Office under intimation to the Committee

[35] 2 3 Analysis of arrears of revenue

The arrears of sales tax/VAT revenue as on 31 March 2010 amounted to 2 724 08 crore of which 575 12 crore (21 percent) were outstanding for more than five years The following table depicts the position of arrears of revenue during the period 2005 06 to 2009 10 —

Year	Opening balance of VAT arrears	Amount collected during the year	Closing balance of VAT arrears	Actual VAT receipts	Percentage (Col 3 to Col 2)	Percentage of arrears outstanding in VAT receipts (Col 4 to Col 5)
1	2	3	4	5	6	7
2005 06	909 04	72 77	1 142 15	5 604 45	8	20
2006 07	1 142 15	71 93	1 268 50	6 853 24	6	19
2007 08	1 268 50	127 54	1 591 87	7 720 98	10	21
2008 09	1 591 87	155 41	1 955 87	8 154 73	10	24
2009 10	1 955 87	164 08	2 724 08	9 032 37	8	30

We observed that arrears of revenue had increased from Rs 909 04 crore at the beginning of the year 2005 06 to 2 724 08 crore (200 percent) at the end of the year 2009 10. The percentage of realisation of arrears to the arrears at the beginning of the year ranged between six and 10 percent during the years 2005 06 to 2009 10. Though the VAT receipts increased by 61 percent (from Rs 5 604 45 crore in 2005 06 to 9 032 37 crore in 2009 10), the arrears of VAT revenue increased by 200 percent (from Rs 909 37 crore as on 1 April 2005 to 2 724 08 crore as on 31 March 2010).

The Government may advise the Department to take effective steps for collecting the arrears promptly to augment Government revenue.

The department in its written reply stated as under

Sales Tax

This para is based on information supplied by the department to the A G (A) Haryana. Out of total arrear in revenue of Rs 2724 08 crore, Rs 898 96 crore stand recovered upto 12 01 2015 leaving a balance of Rs 1825 12 crore. The reason wise details of balance arrears are given below —

(Amount in Crore)

1	Under Stay	418 19
2	Under Installments	0 31
3	Interstate arrear	64 95
4	Inter district	11 49
5	Under liquidation	149 50
6	Property attached	90 49
7	Writing of	43 46
8	Net recoverable	1046 73
Total		1825 12

The arrear reflected in audit para are additional demands created by the department in the assessment cases. Recovery of arrears is a continuous process. Efforts for recovery are reviewed each month by the officers of the department at Head Office as well as at district level.

The Committee desired that the necessary steps be taken to recover the balance amount under intimation to the Committee

[36] 2.9.1 Position of Inspection Reports

The performance of the Excise and Taxation Department to deal with the irregularities detected in the course of local audit conducted during the year 2008-09 and the corresponding figures for the preceding four years is tabulated below.

In crore

Year	Units audited			Cases accepted		Recovery made during the year	
	Number	Number of cases objected	Amount	Number	Amount	Number	Amount
2004-05	40	735	140.61	125	91.31	66	0.68
2005-06	46	960	241.06	95	1.07	60	0.95
2006-07	43	974	395.96	147	1.84	88	0.83
2007-08	47	1,232	176.04	145	2.44	77	1.44
2008-09	46	863	208.32	106	8.48	61	0.81
Total	222	4,764	1,161.99	618	105.14	352	4.71

We observed that the recovery in respect of accepted cases during the years 2004-05 to 2008-09 was only four percent.

The Department in its written reply stated as under —

Out of Rs. 1161.99 crores pointed out by A.G. (A) the department has accepted only Rs. 105.14 crores which is less than 10% of the amount involved. So far the recovery is concerned, the same is processed through reviewing authority, Tribunal etc. Some recovery is pending due to court cases. Effective steps are being taken to dispose off these cases and recover the balance amount at the earliest. The para may please be dropped.

The Committee desired that the department may reconcile the para with PAG Office under intimation to the Committee

[37] 2 11 Results of audit

Test check of the records relating to assessments and refunds of sales tax/VAT in Excise and Taxation Department conducted during the year 2009 10 revealed irregularities in assessments levy and collection of tax involving 217 05 crore in 667 cases which broadly fall under the following

			(in crore)
Sr No	Category	Number of cases	Amount
1	Underassessment of turnover Central Sales Tax Act	66	102 41
2	Application of incorrect rates of tax	71	9 42
3	Non levy of penalty	39	20 46
4	Incorrect computation of turnover	23	1 33
5	Non levy of interest	10	1 23
6	Other irregularities	458	82 20
Total		667	217 05

During the year 2009 10 the department accepted underassessment and other deficiencies of Rs 32 59 crore involved in 102 cases of which 87 cases involving Rs 32 30 crore had been pointed out during 2009 10 and the remaining in the earlier years The department Rs 39 05 lakh in 36 cases during the year 2009 10 of which 22 cases involving Rs 15 80 lakh related to the year 2009 10 and balance to the earlier years

A few illustrative cases involving Rs 119 01 crore are mentioned in the following paragraphs

The Department in its written reply stated as under —

Out of total 667 cases involving an amount of Rs 217 05 crore have been reviewed with the following results —

Number of cases	Amount pointed out by Audit (Rs in crore)	Result of Review
107	12 50	Settled with demand
188	30 92	Settled without demand
372	173 85	Cases are under review
667	217 27	

After hearing the departmental representatives the Committee desired the department to send the latest detailed information about the number of cases in which the recovery has not been made so far together with the outstanding amount to be recovered till date

[38] 2 13 1 1 Leased machinery and equipments

Under Section 7 (1) of the HVAT Act machinery and equipments being unclassified goods were taxable at the rate of 10 per cent upto 30 June 2005. The State Government clarified to a dealer (December 2006) that the rate applicable for the transfer of right to use goods should be same as the rate applicable for the sale of the goods.

During test check of the records of the office of Deputy Excise and Taxation Commissioner (Sales Tax) {DETC (ST)} Faridabad (West) in June 2008 we noticed that the dealer bank had leased out machinery and equipments as per lease agreements in February 1999 (prior to introduction of HVAT Act). The dealer bank received lease rent amounting to ₹87.91 crore during the years 2003-04 and 2004-05. The AA while finalising the assessments in March and September 2007 levied tax at the rate of four per cent instead of the correct rate of 10 per cent. This resulted in underassessment of VAT of ₹5.27 crore. Additionally interest amounting to ₹4.93 crore was also leviable under Section 14 (6) of HVAT Act.

After we pointed out these cases in June 2008 the AA stated (July 2008) that the tax had been charged correctly in view of schedule C (serial number 3) treating the leasing of machinery as intangible asset. The reply of the AA is not correct as the provisions quoted were applicable with effect from 1 July 2005 and machinery is not an intangible asset. Later on DETC cum Revisional Authority (RA) Faridabad (West) admitted the audit observations and rectified the assessment order for the year 2003-04 but levied tax at the rate of four per cent after accepting forms VAT D1 for ₹44.07 crore submitted by the dealer. The AA had raised (March 2007) demand of interest of ₹4.91 lakh for late deposit of tax along with the returns but the RA refunded the interest of ₹4.91 lakh which was not correct. The ETO cum AA Faridabad (West) also rectified the assessment order for the year 2004-05 on the same analogy and accepted forms VAT D1 for ₹43.85 crore. The action taken by the RA and AA to levy concessional rate of tax after accepting forms VAT D1 was not in order as VAT D1 is applicable when actual sale (transfer) of goods take place and not in case of deemed sale (lease rent). It is also added that in the instant case the transfer of machinery had already taken place in February 1999 i.e. prior to introduction of the HVAT Act. We have not received final reply (August 2010).

The Department in its written reply stated as under —

1 M/s State Bank of India Faridabad (West) TIN No 06501318201 AY 2003-04

In this case it is intimated that the assessment order for the year 2003-04 has been revised by the Dy. Excise & Taxation Commissioner-cum Revisional Authority Faridabad (West) vide orders dated 15-12-2008 and the dealer has submitted D-1 forms for Rs. 44,06,60,901/.

Hence keeping in view of the above fact the para may please be dropped.

2 M/s State Bank of India Faridabad (West) TIN No 06501318201 AY 2004-05

In this case it is intimated that the order has been rectified by the Assessing Authority Faridabad vide order dated 22-01-2009 in which the dealer has submitted VAT D-1 Rs. 43,84,63,308/.

Hence keeping in view the above fact the para may please be dropped.

The Committee recommends that the department may fix a meeting with PAG (Audit) Office to reconcile of the para under intimation to Committee.

[39] 2 13 2 1 Short/non levy of purchase tax and penalty due to misuse of VAT D1

During test check of the records of the offices of DETC (ST) Faridabad (West) and Faridabad (East) in September 2008 and August 2009 we noticed that two dealers purchased goods valued as ₹ 212 34 crore during the period between April 2004 and June 2005 at concessional rate of four per cent against declaration in form VAT D1 for use in the manufacture of goods for sale. Out of which these dealers transferred purchased goods (spare parts and components of motor vehicles) valued as ₹ 56 35 crore to their branches outside the State instead of using the same in manufacturing of the goods for sale and they failed to make payment of additional tax along with the returns. The AA Faridabad (West) while finalising the assessment in March 2008 failed to levy tax additionally (normal tax leviable minus concessional tax levied) and penalty whereas AA Faridabad (East) levied (March 2009) only penalty of ₹ 7 69 lakh but failed to levy tax additionally. This resulted in non levy of additional tax of ₹ 4 51 crore and maximum penalty of ₹ 6 68 crore.

After we pointed out these cases in September 2008 and August 2009 the AA Faridabad (East) stated in November 2009 that there was no provision in the Act to levy additional tax where the goods purchased by the dealer against VAT D1 forms were stock transferred. The only action prescribed under the Act is imposition of penalty which had been levied in the assessment order. The reply of AA Faridabad (East) is not in consonance with the provisions of the Act wherein the assessee was also required to pay tax along with the returns and failure to pay the same attracts the provisions for levy of penalty in addition to levy of tax. The reply furnished by the AA Faridabad (West) was not relevant to the audit observation raised. We have not received further report on action taken in both the cases (August 2010).

The Department in its written reply stated as under —

1 M/s Escorts JCB Limited Faridabad TIN No 06141301809, AY 2005 06

In reply to the audit objection it is intimated that the dealer is dealing in manufacturing and sale of Cranes. The goods transferred by the dealer are manufactured goods and purchases made by the dealer on the authority of his registration certificates at the concessional rate of tax against VAT D 1 are used by the dealer in the manufacture of goods. The goods manufactured are partly sold and partly stock transferred. As per section 7 (4) Clause a the dealer is entitled to purchase against VAT D 1 at the concessional rate of tax if the goods purchased are used by the dealer for manufacturing of goods for sale. It is not essential that the goods are sold by the dealer in the State of Haryana or outside the State of Haryana. Condition of use of material is for use by him but as far as sale is concerned it is not essential whether he has sold the goods or somebody else i.e. by consignment Agent or branches of the dealer in the other states. In this regard Supreme Court in the case of Assessing Authority Vs East India Cotton Mill Co Ltd in the year 1981 has clarified the meaning of the word 'Use by the dealer and sale of the same by somebody else'. This case is reported at (1981) Vol-48STC Page 239. Input tax paid on purchases which are utilized in the manufacturing of goods and the same are stock transferred will be reversed and the same has been done by the Assessing Authority framing the assessment and tax is rightly calculated. There is no violation of provisions of the Act so no penalty action is invited under section (5) of the VAT Act. In the case of Trader if the goods purchased by the dealer are further stock transferred to other states then claim of Input Tax is reversed at full rate of tax applicable in the state paid on purchases but in the case of manufacturing units the same will be reversed at the applicable

rate at which the manufacturer is entitled to purchase the goods. In support of this, your kind attention is invited on rate of purchase tax which is at the rate of 4%. If the goods are purchased in the state without payment of tax then purchase tax at proportionate purchases used in stock transfer will be @ 4%. In this way it is very clear that a manufacturer is entitled to purchase at concessional rate of @ 4% and if the manufactured goods are stock transferred then input tax will be reversed at the same rate which is paid on purchases i.e. applicable rate @ 4% as per the provision of the Act.

The Committee desired the department to reconcile with PAG Office and settle the matter under the intimation to the Committee

[40] 2 13 3 Short levy of lump sum tax on works contract

Under the HVAT Act and the rules framed thereunder, a contractor liable to pay tax may in respect of a works contract awarded to him for execution in the State, pay in lieu of tax payable by him under the Act on the transfer of property (whether as goods or in some other form) involved in the execution of works contract, a lump sum tax calculated at four per cent of the total valuable consideration receivable for the execution of the contract.

During test check of the records of the offices of DETC (ST) Faridabad (East) and Panchkula between December 2007 and April 2008, we noticed that four contractors who had opted for lump sum payment of tax, received payment of Rs 16.54 crore for execution of works contracts during the period between April 2003 and March 2006. The AAs while finalising the assessments between May 2006 and May 2007 levied tax at the rate of two per cent instead of correct rate of four per cent which resulted in short levy of tax of Rs 33.10 lakh. Additionally interest amounting to Rs 30.46 lakh under Section 14 (6) of the HVAT Act was also leviable on default in tax demand for the period between May 2004 and May 2007.

After we pointed out these cases between December 2007 and April 2008, the DETC (ST) Panchkula created additional demands of Rs 5.03 lakh in March 2009. DETC (ST) Faridabad (East) stated between December 2009 and January 2010 that the cases had been sent to DETC cum RA Faridabad for taking suo motu action in June and August 2008. We have not received report on recovery and final reply in respect of Faridabad cases including action taken to levy of interest (August 2010).

We pointed out the matter to the ETC, Excise and Taxation Department in April and June 2008 and reported to the Government in February 2010. We are yet to receive their reply (August 2010).

The Department in its written reply stated us under —

1 M/s Maharia Raj (J V) 726/Sector 7 Faridabad (East) TIN No 06731215303 AY 2003-04

It is submitted that in light of the clarification issued by the Financial Commissioner and Principal Secretary to Govt. of Haryana vide Memo No. 2192 dated 24.07.2007, the case was sent to DETC-cum Revisional Authority for revising the case. Meanwhile dealer premanded the case back to assessing Authority for framing de novo assessment. Accordingly a de novo assessment in the case was framed on 28.06.2010 and the entire GTO was taxed @4% and thereby creating a total demand of Rs 37,19,76/- (Tax Rs 18,59,638 + Intt Rs 18,59,638/ + interest

of Rs 18 59 638/) The dealer is not traceable in Faridabad Both the sureties stand cancelled Recently an information has been gathered by this office that the dealer is about to receive a payment from the National Highway Authority of India The NHAI has been requested to remit the amount to the department If any is payable to the dealer

Hence in the light of above mentioned facts the para may be dropped

3 M/s Windroz India Pvt Ltd Faridabad (East), TIN No 06771210528, AY, 2003 04

In this connection it is submitted that the assessment order of M/s Windroz India Pvt Ltd Faridabad holding TIN 06771210528 for the assessment year 2003-04 was revised by the then Dy Excise & Taxation Commissioner Cum Revisional Authority vide his orders dated 25 04 2011 by creating an additional demand of Rs 2 99 584/

The Committee desired that the facts of these cases may be got verified and reconciled with the PAG Office, under intimation to the Committee

[41] 2 14 3 Underassessment of tax due inadmissible deduction from gross turnover

Under Section 2 (ze) (ii) of the HVAT Act the transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract where such transfer is for cash deferred payment or other valuable consideration and such transfer shall be deemed to be a sale of those goods by the person making the transfer Under the provisions of HVAT Act tax is leviable at every successive stage and deemed sale is also taxable in the hands of the contractor A works contractor may either pay lump sum tax at the rate of four per cent of gross receipts of works contract or pay tax on value of goods involved in the execution of works contract Thus the deductions for labour and other service charges are to be made from total contract value for determining sale value of goods sold for levy of tax

2 14 3 1 During test check of the records of the office of DETC (ST) Panipat in January 2010 we noticed that the dealer company (contractor) was engaged in building construction and did not opt for lump sum payment of tax The contractee supplied material valued as ₹ 9 72 crore to the contractor for use in the execution of works and the cost was recovered from contractor through works bills during the years 2006 07 and 2007 08 The dealer had not claimed any ITC The AA while finalising the assessments in January and March 2009 omitted to levy tax on deemed sale of material valued as ₹ 9 72 crore and allowed other miscellaneous deduction of ₹ 3 47 crore from the GTO This resulted in underassessment of tax of ₹ 1 65 crore due to inadmissible allowance of deductions aggregating to ₹ 13 19 crore Additionally interest amounting to ₹ 79 66 lakh under Section 14 (6) of the HVAT Act was also leviable for non payment of tax for the period between November 2006 and March 2009

After we pointed out these cases in January 2010 the ETO Panipat stated in January 2010 that the matter was being examined We have not received final reply (August 2010)

The Department in its written reply stated as under —

M/s Lord Shiva Construction Co Panipat TIN No 06872612414 AY 2006-07 & 2007 08

It is intimated that in reply to audit para it is submitted that the case was sent of DETC Cum Revisional Authority Panipat vide this office memo no 422/w 1 dt 10 05 2010 for taking suo moto action as per law The Revisional Authority Panipat Remanded the case back to the

assessing authority vide order dated 22 03 2012 with the directions to decide the case after through examination. The assessing authority has decided the case vide order dated 28 02 2014 creating an additional demand of Rs 352602/- in A Y 2006 07 and allowed refund of Rs 793014/- in A Y 2007 08 after proper examination of the case. Copy of assessment order (remand case) dated 28 02 2014 is enclosed for your kind perusal.

Keeping in view of the above facts and circumstance of the case the audit para may please be dropped.

The Committee desired that the department should check the matter in detail and submit the revised reply to the Committee

[42] 2 14 3 2 During test check of the records of the office of DETC (ST) Panipat in December 2009 we noticed that the dealer company (contractor) opted to pay lump sum tax in respect of one project only out of seven projects executed during 2005 06 received payment of ₹ 82 88 crore (normal contracts ₹ 77 99 crore lump sum contract ₹ 4 89 crore) during the year 2005 06. The contractor claimed a deduction of ₹ 2 31 crore (out of normal contracts receipts of ₹ 77 99 crore) on account of contractee tax. The AA while finalising the assessment in March 2009 allowed deduction of ₹ 2 31 crore from the GTO on account of contractee tax amount included in gross receipts not leviable to tax as it would be double taxation. As no such tax namely contractee tax was neither levied nor collected under any provision of the Act the deduction allowed was therefore inadmissible. Inadmissible allowing of deduction of ₹ 2 31 crore resulted in underassessment of VAT of ₹ 17 41 lakh.

After we pointed out the case in December 2009 the AA stated in January 2010 that the case was being re-examined. We have not received final reply (August 2010).

The Department in its written reply stated as under —

M/s Larson & Turbo Ltd , ECC Panipat, TIN No 06262609597 AY 2005 06

It is intimated that the assessment order dated 10 03 2009 was revised by the Revisional Authority. The Revisional Authority remanded the case for de novo assessment vide order dated 10 01 2012. The Assessing Authority framed the assessment in remand case. The issue of deduction of Rs 2 31 Crore out of the Gross receipt of Rs 77 79 Crore on account of tax has been examined thoroughly by the Assessing Authority. The Assessing Authority on examination of the copy of work contract has found that contracts allotted to the dealer were inclusive of tax. In order to avoid double taxation the tax of Rs 2 31 Cr has rightly been deducted from the Gross Turnover. The Assessing Authority has also held that the dealer has maintained separate account for the State of Haryana and other states. Hence in view of the above there is no illegality in the assessment order. Hence the para may please be dropped.

The Committee desired the department to reconcile the para with PAG Office and settle the matter under intimation to the Committee

[43] 2 15 1 Evasion of value added tax due to

2 15 1 1 Suppression of purchases and sales

Under Section 38 of the HVAT Act if a dealer has maintained false or incorrect accounts or documents with a view to suppress his sales purchases or stock of goods or has concealed any particulars or has furnished to or produced before any authority any

account return document or information which is false or incorrect in any material particular such authority may direct him to pay by way of penalty in addition to the tax to which he is assessed or liable to be assessed a sum thrice the amount of tax which would have been avoided had such account return document or information as the case may be been accepted as true and correct. In order to prevent the tax evasion by fraudulent means VAT provides for introduction of Tax Information Exchange System for proper tracing of inter State sales transactions. Further with a view to detect evasion of VAT by claiming fraudulent ITC by issuing forged tax invoices or fictitious accounting of goods neither purchased nor sold etc the ETC issued instructions in March 2006 for cross verification of all purchase/sale transactions totaling more than ₹ one lakh from a single VAT dealer in a year.

During test check of the records of the office of DETC (ST) Faridabad (West) in May and June 2008 we noticed that the department failed to implement comprehensive computerised system and the AAs had also not conducted cross verification of the transactions (even within their district jurisdiction) before finalising the assessments. We conducted cross verification of transactions of sales and purchases in May and June 2008 and noticed that four dealers sold goods valued as ₹ 8.07 crore to nine dealers of Faridabad and two dealers purchased goods valued as ₹ 40.14 lakh from two dealers of Faridabad during the year 2004-05. These dealers had not shown these sales and purchases transactions in their accounts as well as in the quarterly returns submitted to the department. Failure of the AAs to cross verify the transactions of sales and purchases before finalising the assessments between December 2006 and March 2008 inspite of ETC directions of March 2006 which consequently led to evasion of VAT amounting to ₹ 40.01 lakh. Additionally penalty amounting to ₹ 1.20 crore was also leviable on suppression of sales and purchases.

After we pointed out these cases in May and June 2008 the ETO cum AA Faridabad (West) re assessed three cases and levied VAT and penalty amounting to ₹ 22 lakh and ₹ 65.99 lakh respectively in June 2009 and March 2010. ETO Faridabad stated (February and March 2010) that statutory notice was issued and served upon a dealer for re assessment and re assessment proceedings were initiated in one case under Section 17 of HVAT Act. We have not received report on recovery in respect of three dealers and final reply in the remaining cases (August 2010).

The Department in its written reply stated as under —

1 M/s Shiva Trade Center, Faridabad (W) TIN No 06651322920(1322902) AY 2004-05

In response to audit memos it is stated that the re assessment proceedings have been decided vide Assessing Authority order dated 24.06.2009. All the four firms have been considered and purchases made by these firms added in the GTO penal proceedings under section 38 of HVAT have also been taken against the firm in the same order and in order dated 16.03.2010 on the basis of information received later on. So it is requested that the objection may be dropped.

2 M/s Raj Industrial Corp Faridabad (W), TIN No 06701319384, AY 2004-05

The case has been reassessed vide Assessing Authorities orders dated 26.02.2010 creating an additional demand of Rs 1,49,01,307/-. The firm is closed. Both the sureties have

also closed their business since 31 03 2006 and the proprietors were not traceable at Faridabad Notices were pasted at last known address of the dealer and sureties Hence the para may please be dropped

3 M/s Yogesh Steel Corporation Faridabad(W) TIN No 06721321572 AY 2004 05

It is intimated that the re assessment has been made vide Assessing Authority's order dated 30 03 2010 and additional demand of Rs 54 13 040/- under Haryana Value Added Tax Act has been created Efforts are being made to recover the arrear

4 M/s Chawla Enterprises Faridabad(W) TIN No 06761318252 AY 2004 05

In reply to the audit objection it is intimated that the above case had been re assessed and tax and penalty had been imposed on the dealer Adjournment by the order the dealer went in appeal before Haryana Tax Tribunal Chandigarh The appeal is pending before Haryana Tax Tribunal Chandigarh

5 M/s Muskan Trading Co TIN No 06041322916 AY 2004 05

In reference to your letter No RAW/ST/2009 10/PDP 141E/1863-64 dated 18 02 2010 para No 9(c) of M/s Muskan Trading Co for assessment year 2004 05 as per your audit objection a notice in form of N3 alongwith a detail notice for suppression of sales was served upon the dealer but the dealer has submitted reply that they outset deny the sales and stated that they have not made any sales to M/s Shiva Trade Centre and as the sale worth Rs 20 39 532/- was conveyed a notice The dealer has also demanded that the bill or invoice or any C-4 or any other documentary evidence may be provided to him so that they can cross examine and reply of the notice under Section 38 After that a memo was sent to Sh VK Beniwal ETO cum Assessing Authority of ward No 9 and the facts that the purchases were worth Rs 20 39 532/- shown by M/s Shiva Trade Centre is not a sale of M/s Muskan Trading Company and it was conveyed to Assessing Authority that M/s Shiva Trade Centre as wrongly claimed/shown purchases from M/s Muskan Trading Co to avoid the taxation Therefore the action under Section 38 is to be taken by the Assessing Authority of Ward No 9 in case of M/s Shiva Trade Centre now penalty under Section 38 on the amount of Rs 20 39 532/- for wrong claim of input tax has been levied on M/s Shiva Trade Center by Assessing Authority Sh VK Beniwal of Ward No 9 Therefore you are requested to drop the para in case of M/s Muskan Trading Co as penalty u/s 38 can be levied only on one dealer and the penalty 38 has already been levied of M/s Shiva Trade Centre which can be examined from the file of M/s Shiva Trade Centre Hence the para may please be dropped

6 M/s Shivda Associates N G Faridabad TIN No 06291316910 AY 2004 05

It is intimated that the case has been remanded by the Jt ETC(A) Faridabad vide orders dated 21 09 2010 and the same was decided by the Assessing Authority vide order dated 17 08 2012 In the meantime the written submission of the dealer was received along with the list of purchases in form of LP 7 in which purchases from M/s Ayushi Steel Co Faridabad have been duly shown On examination of LP 7 It was revealed that since the dealer has shown purchases from M/s Ayushi Steel Co Faridabad and suppression of these purchases is not established Therefore notice of suppression is vacated and the said purchases are the part of turnover has already been shown in original returns Hence the para may please be dropped

The Committee desired that the department should pursue the case pending in the Haryana Tax Tribunal, Chandigarh vigorously and thereafter action to recover the amount from the owners and sureties of the firm be taken accordingly under intimation to the Committee

[44] 4.3 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2010 in respect of State Excise amounted to ₹ 84.96 crore of which ₹ 29.63 crore were outstanding for more than five years. The following table depicts the position of arrears of revenue during the period 2005-06 to 2009-10

(₹ in crore)

Year	Opening balance of arrears	Amount collected during the year	Closing balance of arrears	State Excise receipts	Percentage of column 4 to column 5	Percentage of realisation of arrears (Col 3 to col 2)
1	2	3	4	5	6	7
2005-06	35.83	0.61	39.56	1106.86	4	2
2006-07	39.56	0.78	42.26	1217.10	3	2
2007-08	42.26	2.57	52.31	1378.81	4	6
2008-09	52.31	8.36	46.61	1418.53	3	16
2009-10	46.61	2.75	84.96	2059.02	4	6

We observed that arrears of revenue had increased from ₹35.83 crore at the beginning of the year 2005-06 to ₹ 84.96 crore (137 per cent) at the end of the year 2009-10. The percentage of realisation of arrears to the arrears at the beginning of the year ranged between two and 16 per cent during the years 2005-06 to 2009-10. Though the actual receipts increased by 86 per cent (from ₹1106.86 crore in 2005-06 to ₹ 2059.02 crore in 2009-10) the arrears outstanding was increased by 137 per cent (from ₹ 35.83 crore as on 1 April 2005 to ₹ 84.96 crore as on 31 March 2010).

The Government may advise the Excise and Taxation Department to take effective steps for collecting the arrears promptly to augment Government revenue.

The department in its written reply stated as under —

State Excise

From the presual of figures pointed out in the para it is clear that the outstanding amount i.e. the arrears of excise receipts for the year 2009-10 is 4% of the total excise receipt of Rs. 2059.02 crore. Hence there is no increase in percentage turn. However directions have been issued to the concerned DETC s to make vigours efforts to recover the outstanding amount.

Out of total arrear in revenue of Rs 84.96 Crores Rs 7.58 crores have been recovered upto 12.01.2015 leaving a balance of Rs 77.38 crores. The reason wise breakup of balance arrear are as under —

(Amount in Crore)

1	Under Staty	1.35
2	Under Installments	0.69
3	Interstate arrear	8.87
4	Inter district	5.95
5	Property attached	6.76
6	Writting off	0.21
7	Net recoverable	53.55
Total		77.38

Recovery of arrears is a countinuous process. Efforts for recovery are reviewed each months by the officers of the department at Head Office as well as it district level.

The Committee desired that the department should make sincere and vigorous efforts to recover the outstanding arrears from the concerned dealers as well as sureties of the firm, under intimation to the Committee.

[45] 4.5.2 Position of Audit Reports

During the last five years (including the current year s report) audit through its Audit Reports had pointed out non/short recovery of excise duty license fee penalty non recovery of cost of supervisory staff posted at the distillery etc with revenue implication of ₹14.48 crore in 11 paragraphs (including one review). The Department/Government had accepted all the audit observations involving ₹ 14.48 crore and recovered ₹ 38.91 lakh till 31 March 2010. The details are shown in the following table.

Year of Audit Report	Paragraphs included		Paragraphs accepted		Amount recovered	
	(₹ in crore)				(₹ in lakh)	
	Number	Amount	Number	Amount	Number	Amount
2005-06	1 (Review)	4.77	1	4.77	1	15.69
2006-07	2	0.48	2	0.48	1	1.25
2007-08	2	1.23	2	1.23	1	3.11
2008-09	4	2.35	4	2.35	4	8.83
2009-10	2	5.65	2	5.65	2	10.03
Total	11	14.48	11	14.48	9	38.91

We observed that the recovery in respect of the accepted cases was only three per cent. The slow progress of recovery even in respect of accepted cases is indicative of failure on the part of the heads of offices/department to initiate action to recover the Government dues promptly. We recommend that the Government may revamp the recovery mechanism to ensure that at least the amount involved in accepted cases are promptly recovered.

We recommend that the Government may revamp the recovery mechanism to ensure that at least the amount involved in accepted cases are promptly recovered.

The Department in its written reply stated as under —

Para is informative and suggestive only.

The Committee desired that some concrete steps should be taken by the department to recover the balance amount under intimation to the Committee

[46] 4.7 Results of audit

Test check of the records of the offices of DETC (Excise) relating to State Excise conducted in audit during the year 2009-10 revealed non/short recovery of excise duty, license fee and penalty etc. amounting to ₹3.95 crore in 377 cases which fall under the following categories:

(₹ in crore)

Sr No	Category	Number of cases	Amount
Excise and Taxation Department (State Excise)			
1	Non recovery of penalty on illicit liquor	83	2.64
2	Non/late deposit of license fee and loss of interest	200	0.88
3	Non imposition of penalty	12	0.11
4	Miscellaneous irregularities	82	0.32
Total		377	3.95

During the year 2009-10 the department accepted underassessment and other deficiencies of ₹3.76 crore involved in 251 cases of which 224 cases involving ₹3.59 crore had been pointed out during 2009-10 and the remaining in the earlier years. The department recovered ₹21.65 lakh in 42 cases during the year 2009-10 of which 15 cases involving ₹4.84 lakh related to the year 2009-10 and balance to the earlier years.

A few illustrative audit observations involving Rs. 5.65 crore are mentioned in the succeeding paragraphs.

The Department in its written reply stated as under —

Out of total 377 cases involving an amount of Rs. 3.95 crore have been reviewed with the following results —

Number of cases	Amount pointed out by Audit (Rs in lakhs)	Result of Review
186	115 58	Settled with demand
9	5 16	Settled without demand
182	275 19	Cases are under review with A G Audit
377	395 93	

The Committee desired the department to reconcile the cases which are under review with the PAG Office under intimation to the Committee

[47] 4 9 1 Non recovery/levy of penalty on illicit liquor owners

Under Section 61 and 61 A of the Punjab Excise Act 1914 as applicable to the State of Haryana penalty not less than ₹ 50 and not more than ₹ 500 per bottle of 750 ml is leviable on the offender for possession of illicit liquor. The Act further provides that if penalty is not paid within the 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 date of order of confiscation. The auction amount after deducting the expenditure incurred on it shall be adjusted towards the payment of penalty and the excess amount if any shall be refunded to the owner. The unrecovered amount of penalty if any shall be recoverable as arrears of land revenue.

4 9 1 1 During test check of the records of the offices of DETC (Excise) Fardabad Kurukshetra and Panchkula in July 2009 we noticed that the department had detained 1 07 436 bottles of illicit country liquor and confiscated 13 vehicles in 13 cases during road checking between April and June 2008. The department after giving reasonable opportunity decided these cases and imposed penalty of ₹ 2 62 crore between April 2008 and May 2009. Neither the defaulters paid the penalty nor did the department initiate any action to recover the amount by auctioning the confiscated vehicles even after lapse of period of seven to 20 months. This resulted in non recovery of penalty of ₹ 2 62 crore. After we pointed out these cases in July 2009 DETC (Excise) Panchkula stated in June 2010 that recovery proceedings were being initiated by way of auctioning nine vehicles to recover penalty of ₹ 1 45 crore. DETCs (Excise) Fardabad and Kurukshetra stated in January and June 2010 that efforts were being made to recover the penalty of ₹ 1 17 crore from four offenders. We have not received further report on recovery (August 2010).

The Department in its written reply stated as under —

Out of total 13 cases involving an amount of Rs 2 62 crore Rs 1 33 crore have been recovered and efforts are being made to recover the balance amount of Rs 1 29 crore.

The department should accelerate the pace of recovery and progress of recovery be intimated to the Committee

[48] 4 9 1 2 During test check of the records of the office of DETC (Excise) Ambala in May 2009 we noticed that in 21 cases 89 563 bottles of illicit country liquor were detained between July 2008 and March 2009 The department had seized vehicles in 20 cases The department neither imposed minimum penalty of ₹ 44 78 lakh nor initiated any action to recover the amount even after a lapse of three to 12 months This resulted in non levy/recovery of minimum penalty of ₹ 44 78 lakh

After we pointed out the case in May 2009 ETC Haryana stated in December 2009 that DETC (Excise) Ambala had imposed penalty of ₹ 45 39 lakh in all the cases between May and August 2009 and recovered ₹ 1 28 lakh in two cases in May and August 2009 Efforts were being made to recover the balance amount of ₹ 44 11 lakh We have not received further progress of recovery (August 2010)

We pointed out the matter to the ETC Excise and Taxation Department in August and September 2009 and reported to the Government in February 2010 we are yet to receive their reply (August 2010)

The department in its written reply stated as under —

Out of total 21 cases involving an amount of Rs 44 78 lakh Rs 37 34 lakh have been recovered and efforts are being made to recover the balance amount of Rs 7 44 lakh

The Committee desired that sincere and vigorous efforts may be made by the department to recover the remaining balance amount and inform the Committee accordingly

[49] 4 9 2 Short/non recovery of license fee and interest

Under the HLL Rules read with the State excise policy for the years 2006 07 to 2008 09 every successful allottee of retail licensed liquor outlet shall be required to deposit a security equal to 20 per cent of the annual license fee of the licensed outlet out of which five per cent of the license fee has to be deposited on the day of draw of lot five per cent within seven days of the allotment/draw of lot on or before 31 March of the year whichever is earlier and remaining 10 per cent by 7th April of the respective year The balance 80 per cent shall be payable in eight equated instalments starting from April to November of the respective year In the year 2008 09 the remaining 80 per cent was to be paid in nine equated instalments Failure to pay equated monthly instalments renders him liable to pay interest at the rate of one and a half per cent per month for the period from the first day of the month to the date of payment of the instalment or any part thereof In case the allottee fails to make payment of security deposit equal to 20 per cent of annual license fee and defaulted in payment of eight/nine equated instalments of license fee alongwith interest the licensed 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 In such events the DETC (Excise) may re allot it at the risk and cost of the original allottee by seeking prior permission of the Financial Commissioner

4 9 2 1 During test check of the records of four offices of DETC (Excise) between August and December 2008 we noticed that 25 retail outlets were auctioned in February and March 2007 for ₹ 6 95 crore for the year 2007 08 Out of 25 successful bidders 22 bidders did not deposit the security amount in full and the remaining three licensees failed to pay monthly instalments of license fee in full by the due date Of the total license

fee of ₹ 6.95 crore the allottees deposited security amounting to ₹ 72.75 lakh and monthly instalments amounting to ₹ 4 lakh. Thus the allottees did not deposit the balance amount of ₹ 6.18 crore. The department cancelled their retail liquor outlets between April and August 2007 and forfeited the entire amount of security. These retail liquor outlets were re-auctioned between May and October 2007 for the remaining period for ₹ 4.36 crore at the risk and cost of original licensees. However the department did not initiate any action to recover the differential amount of license fee of ₹ 1.83 crore from the original allottees. This resulted in non realisation of Government revenue of ₹ 1.83 crore.

After we pointed out these cases between August and December 2008 DETCs (Excise) stated in September and December 2009 that notices were being issued to recover the amount of ₹ 1.83 crore from the concerned allottees. We have not received further report on recovery (August 2010).

The department in its written reply stated as under —

Out of total 25 cases involving an amount of Rs. 1.83 crore Rs. 0.03 crore have been recovered and efforts are being made to recover the balance amount of Rs. 1.80 crore.

The Committee desired the all out efforts may be made to recover the balance amount under intimation to the Committee

[50] 4.9.2.2 During test check of the records of five offices of DETC (Excise) between May 2007 and July 2009 we noticed that retail liquor outlets for the sale of country liquor/Indian Made Foreign Liquor (IMFL) were allotted to 23 licensees for ₹ 5.57 crore. The licensees failed to pay monthly instalments of license fee for the period between April 2006 and December 2008 in full by the prescribed dates. Of the total license fee of ₹ 5.57 crore the licensees had paid only license fee of ₹ 5.04 crore. Thus the allottees did not deposit the balance amount of ₹ 52.17 lakh. The DETCs (Excise) however did not initiate action to cease/seal the vends for non deposit of monthly instalments in full by the end of the month and levy interest for belated payment of the license fee. This resulted in short recovery of license fee of ₹ 52.17 lakh besides interest of ₹ 15.41 lakh.

After we pointed out these cases between May 2007 and July 2009 DETCs (Excise) Karnal and Kurukshetra stated in December 2009 that license fee of ₹ 8.17 lakh (including interest of ₹ 3,000) had been recovered from four licensees between January 2008 and August 2009 and efforts were being made to recover the balance amount of ₹ 8.33 lakh. DETC (Excise) Ambala stated in December 2009 that recovery proceedings under the Land Revenue Act had been started in five cases involving revenue of ₹ 4.93 lakh. DETCs (Excise) Bhiwani and Kaithal stated in October and December 2009 that efforts were being made to recover the balance amount of ₹ 30.77 lakh. We have not received further progress of recovery of license fee and interest (August 2010).

The department in its written reply stated as under —

Out of total 23 cases involving an amount of Rs. 67.58 lakh (License fee and interest) Rs. 18.02 lakh have been recovered and efforts are being made to recover the balance amount of Rs. 49.58 lakh.

The Committee desired the all out efforts may be made to recover the balance amount, under intimation to the Committee

[51] 4 9 2 3 During test check of the records of the offices of DETC (Excise) Jind and Karnal in July 2009 we noticed that 28 licensees had paid the monthly instalments of license fee amounting to ₹ 2 69 crore for the period between April and December 2008 after the prescribed dates. The delay ranged between 21 to 245 days. The DETC (Excise) however did not initiate any action to cease/seal the vends for non deposit of monthly instalments by the end of the month and to levy interest for belated payments of license fee. This resulted in non levy of interest of ₹ 7 71 lakh.

After we pointed out these cases in July 2009 DETC (Excise) Jind stated in November 2009 that interest of ₹ 57 881 had been recovered from two licensees in September 2009 and efforts were being made to recover the balance amount of ₹ 3 55 lakh. DETC (Excise) Karnal stated in December 2009 that notices were being issued to the defaulters to recover the outstanding amount. We have not received further progress of recovery of interest (August 2010).

We pointed out the matter to the ETC Excise and Taxation Department between July 2007 and September 2009 and reported to the Government in February 2010 we are yet to receive their reply (August 2010).

The department in its written reply stated as under —

Out of total 28 cases involving an amount of Rs 7 71 lakh Rs 1 94 lakh have been recovered and efforts are being made to recover the balance amount of Rs 5 77 lakh.

The Committee desired the all out efforts may be made to recover the balance amount under intimation to the Committee

[52] 5 3 Analysis of arrears of revenue

A Passengers and goods tax

The arrears of revenue relating to PGT as on 31 March 2010 amounted to ₹ 64 50 crore of which ₹ 28 32 crore (44 per cent) were outstanding for more than five years. The following table depicts the arrears of revenue during the period 2005 06 to 2009 10.

(₹ in crore)

Year	Opening balance of arrears	Amount collected	Closing balance of the arrears	Actual receipts	Percentage (Col 3 to Col 2)	Percentage of closing balance of arrears to actual receipts (Col 4 to Col 5)
1	2	3	4	5	6	7
2005 06	52 06	11 29	36 00	757 60	22	5
2006 07	36 00	10 09	51 97	738 41	28	7
2007 08	51 97	22 28	48 55	379 39	43	13
2008 09	48 05	11 52	58 08	370 29	24	16
2009 10	58 08	16 88	64 50	391 45	29	15

We observed that arrears of revenue of PGT had increased from ₹ 52.06 crore at the beginning of the year 2005-06 to ₹ 64.50 crore (24 per cent) at the end of the year 2009-10. The percentage of realisation of arrears to the arrears outstanding at the beginning of the year ranged between 22 and 43 per cent during the years 2005-06 to 2009-10. Though the actual receipts were decreased by 48 per cent (from ₹ 757.60 crore in 2005-06 to ₹ 391.45 crore in 2009-10) the arrears of revenue were increased by 24 per cent (from ₹ 52.06 crore as on 1 April 2005 to ₹ 64.50 crore as on 31 March 2010).

The Government may advise the Excise and Taxation Department to take effective steps for collecting the arrears promptly to augment Government revenue.

B Taxes on vehicles

The Department intimated that there was an arrears of revenue of Rs. 3.69 crore as on 31 March 2009. Year-wise details of information regarding arrears of revenue viz. arrears pending at the beginning of the year, arrears added and collected during the year and arrears pending at the end of the year for the period 2005-06 to 2009-10 is not available with the Department. Thus the Department had not maintained a centralised database regarding arrears of revenue at the apex level for monitoring and expediting the progress of recovery of arrears.

The Department in its written reply stated as under —

Out of total arrear of Rs. 64.50 crore, Rs. 27.23 crore have been recovered upto 12.01.2015, leaving a balance of Rs. 37.27 crore. The reason-wise balance arrear are as under —

(Amount in crore)

1	Interstate arrear	0.03
2	Net recoverable	37.24
Total		37.27

Recovery of arrears is a continuous process. Efforts for recovery are reviewed each month by the officers of the department at Head Office as well as at district level.

The Committee desired that sincere and vigorous efforts may be made to recover the balance amount at the case for writing off the amount and the Committee may be informed accordingly.

[53] 5.5.2 Position of Audit Reports

During the last five years (including the current year's report) audit through its Audit Reports had pointed out non/short levy/realisation of PGT, non levy of interest on delayed/non payment of tax, non/short realisation of permit fee/token tax/bid money etc. with revenue implication of ₹ 39.82 crore in 22 paragraphs (including one review). Of these the Department/Government had accepted audit observations in 19 paragraphs (including one review) involving ₹ 19.09 crore and recovered ₹ 1.33 crore. The details are shown in the following table —

A Passengers and goods tax

Year of Audit Report	Paragraphs included		Paragraphs accepted		Amount recovered	
	(₹ in crore)				(₹ in lakh)	
	No	Amount	No	Amount	No	Amount
2005 06	1 (Review)	11 10	1	11 10	1	0 92
2006 07	1	1 12	1	1 12	1	57 22
2007 08	3	1 47	3	1 47	3	25 19
2008 09	1	0 99	1	0 99	1	4 52
2009 10	1	0 65	1	0 65	1	6 32
Total	7	15 33	7	15 33	7	94 17

B Taxes on vehicles

Year of Audit Report	Paragraphs included		Paragraphs accepted		Amount recovered	
	(₹ in crore)				(₹ in lakh)	
	No	Amount	No	Amount	No	Amount
2005 06	3	18 69	2	0 24	1	0 53
2006 07	3	1 20	2	0 55	2	18 64
2007 08	5	3 16	4	1 53	1	5 07
2008 09	2	0 63	2	0 63	2	7 78
2009 10	2	0 81	2	0 81	2	7 22
Total	15	24 49	12	3 76	8	39 24

We observed that the recovery of accepted cases in respect of PGT and Taxes on vehicles was six and 10 per cent respectively. The slow progress of recovery even in respect of accepted cases is indicative of failure on the part of the heads of offices/departments to initiate action to recover the Government dues promptly.

We recommend that the Government may revamp the recovery mechanism to ensure that at least the amount involved in accepted cases are promptly recovered.

The department in its written reply stated as under —

Para is informative and suggestive only.

The Committee desired that the efforts may be made to recover the balance amount under intimation to the Committee.

[54] 5.7 Results of audit

Test check of the records in the offices of Transport Excise and Taxation and Agriculture departments relating to revenue received from taxes on vehicles taxes on goods and passengers and other tax receipts during the year 2009-10 revealed non/short recovery of tax/duty fees and penalty etc amounting to ₹ 3.64 crore in 2,598 cases which fall under the following categories —

(₹ in crore)

Sr No	Category cases	Number of	Amount
A Transport Department (Taxes on vehicles)			
1	Non/short recovery of token tax in respect of stage carriage buses	661	1.06
2	Short charging of permit/countersignature fees from owners of heavy/light transport vehicles	63	0.02
3	Non recovery of bid money	20	0.31
4	Non/short realisation of registration fee and token tax on vehicles transferred from other States	277	0.06
5	Miscellaneous irregularities	213	0.18
Total		1,234	1.63
B Excise and Taxation Department (Taxes on goods and passengers)			
1	Non recovery of passengers tax from bus owners of co operative societies/educational institutions	557	1.35
2	Non recovery of goods tax	786	0.39
3	Miscellaneous irregularities	15	0.02
Total		1,358	1.76
C Excise and Taxation Department (Entertainment duty and show tax)			
1	Non recovery of entertainment duty	3	0.04
D Agriculture Department (Purchase tax on sugarcane)			
1	Non deposit of purchase tax	3	0.21
Grand total		2,598	3.64

During the year 2009-10 the departments accepted underassessment and other deficiencies of ₹ 2.06 crore involved in 1,272 cases of which 1,258 cases involving ₹ 2.01 crore had been pointed out during 2009-10 and balance in the earlier years. The departments recovered ₹ 19.33 lakh in 138 cases during the year 2009-10 of which 124 cases involving ₹ 14.46 lakh related to the year 2009-10 and balance to the earlier years.

A few illustrative audit observations highlighting irregularities involving financial effect of ₹ 1.46 crore are mentioned in the succeeding paragraphs.

The department in its written reply stated as under —

PGT

All the 1358 cases involving an amount of Rs 1 76 crore have been reviewed with the following results —

- (i) 724 cases involving an amount of Rs 1 12 crore have been settled with demand
- (ii) 10 cases involving an amount of Rs 0 07 crore have been settled without demand
- (iii) 624 cases involving an amount of Rs 0 57 crore are under review with A G (A)

Entertainment

All the 3 cases involving an amount of Rs 0 04 crore have been reviewed with the following results —

- (i) 1 case involving an amount of Rs 0 03 crore settle without demand
- (ii) 2 cases involving an amount of Rs 0 01 crore are under review with A G (A)

The department should accelerate the pace of recovery and the progress of recovery be intimated to the Committee

[55] 5 9 1 3 City bus operators

Section 9 (2E) of the PPGT (Haryana Amendment) Rules 2004 as inserted with effect from 24 February 2004 provides that the holders of permit for plying buses on the roads within the municipal corporation limit in Gurgaon and Faridabad districts are required to pay passengers tax at the rates prescribed for ordinary half body and ordinary full body buses at ₹ 4 200 and ₹ 7 000 per month respectively

During test check of the records of offices of DETC (PGT) Faridabad (East) Faridabad (West) and Gurgaon between October and December 2009 we noticed that 35 private bus operators who were granted permits for plying buses in city areas did not deposit the monthly passengers tax for different periods between April 2008 and March 2009. The department however did not take action to realise the tax from the defaulting bus owners. This resulted in non/short realisation of tax of ₹14 66 lakh. Additionally interest amounting to ₹ 8 21 lakh was also leviable for the period between April 2008 and December 2009.

After we pointed out the cases between October and December 2009 DETCs (PGT) Faridabad (East and West) and Gurgaon stated in December 2009 and January 2010 that notices would be issued to the owners of vehicles to recover the dues and amount recovered would be intimated. We have not received further progress of recovery (August 2010).

We pointed out the matter to the ETC Excise and Taxation Department between February 2008 and February 2010 and reported to the Government in February and March 2010. We are yet to receive their reply (August 2010).

The department in its written reply stated as under —

Out of total 35 cases involving amount of Rs 22 87 lakh 7 cases have been decided and amount of Rs 4 79 lakh have been recovered. The concerned DETCs have been directed to recover the remaining amount at the earliest.

The Committee desired that the department should give directions to the concerned DETCs to recover the remaining amount at the earliest under intimation to the Committee

REVENUE DEPARTMENT

[56] 3 4 Rerenue impact of the Audit

3 4 1 Positon of Inspection Reports

The performance of the Revenue Department to deal with the irregularities detected in the course of local audit conducted during the year 2008 09 and the corresponding figures for the preceding four years is tabulated below

(in crore)

Year	Units audited			Cases accepted		Recovery made during the year	
	Number	Number of cases	Amount	Number	Amount	Cases	Amount
2004 05	179	4 153	6 53	1 225	4 88	18	0 05
2005 06	179	8 349	22 10	5 878	13 19	108	0 07
2006 07	179	3 476	8 99	2 352	6 67	104	0 03
2007 08	180	85 543	44 43	2 136	6 04	240	0 07
2008 09	180	1 157	6 50	310	1 90	7	0 01
Total	897	1 02 678	88 55	11 901	32 68	477	0 23

We observed that the recovery in respect of accepted cases during the years 2004 05 to 2008 09 was only one *per cent*

The department in its written reply stated as under —

This Para is relates to Position of Inspection Reports

Observation of P A G has been noted and the recovery in respect of accepted cases is being expedited

It is therefore requested that this para may be dropped

The Committee desired the department to make the strenuous and vigorous efforts to recover the balance outstanding amount and position of recovery be intimated to the Committee on quarterly basis

The Committee further desired the department to evolve a mechanism to penalize the person who makes deed without proper evaluation of the property

[57] 3 4 2 Position of Audit Reports

During the last five years (including the current year s report) audit through its Audit Reports had pointed out non/short levy/realisation of SD and RF evasion due to non execution of conveyance deeds non presentation of documents for registration misclassification of

documents incorrect grant of exemptions/remissions application of incorrect rate etc with revenue implication of Rs 57.59 crore in 17 paragraphs (including two reviews). Of these the Department/Government had accepted audit observations in 17 paragraphs (including two reviews) involving 46.12 crore and recovered 26.53 lakh. The details are shown in the following table —

Year	Paragraphs Included (₹ in crore)		Paragraph accepted		Amount recovered (₹ in lakh)	
	Number	Amount	Number	Amount	Number	Amount
2005-06	3	7.25	3	7.25	1	11.42
2006-07	3	0.34	3	0.34	1	1.31
2007-08	4	1.70	4	1.70	1	0.87
	1 (Review)	24.69	1	15.11		
2008-09	5	0.76	5	0.76	1	1.43
2009-10	1 (Review)	22.85	1	20.96	1	11.50
Total	17	57.59	17	46.12	5	26.53

We observed that the Revenue Department had recovered only Rs 26.53 lakh out of accepted cases amounting to Rs 46.12 crore during the years 2005-06 to 2008-09. Thus the recovery in respect of the accepted cases was very low (0.6 per cent). The slow progress of recovery even in respect of accepted cases is indicative of failure on the part of the heads of offices/department to initiate effective action to recover the Government dues promptly.

We recommend that the Government may revamp the recovery mechanism to ensure that at least the amount involved in accepted cases are promptly recovered.

The department in its written reply started as under —

This Para relates to Position of Audit Reports

Noted the slow progress of recovery is being expedited

It is therefore requested that this para may be dropped

The committee desired the department to make the strenuous and vigorous efforts to expedite the recovery of the balance outstanding amount and position of recovery be intimated to the Committee

[58] 3.6.8 Absence of mechanism to detect evasion of stamp duty by not presenting documents for registration

As per proviso (3) to Section 33 (2) of the IS Act, the State may determine what offices shall be deemed to be public offices and who shall be deemed to be persons in charge of public offices. Further Section 73 also provides that every public officer having in his custody

any records documents and proceedings etc the inspection whereof may tend to secure any duty or to prove or lead to the discovery of any fraud or omission in relation to any duty shall at all reasonable times permit any person authorised by the Collector to inspect for such purpose the records documents and proceedings etc All Government offices and Government undertakings are generally public offices but the Revenue Department had not inspected any offices so far We observed that the Revenue Department did not have any system to periodically collect information from various departments to ensure that the documents (agreements contracts leases conveyance deeds etc) are properly registered and realisation of proper SD and RF

The department in its written reply started as under —

This para is relates to Absence of mechanism to detect evasion of stamp duty by not presenting documents for registration

In this regard general instruction will be issued again to concerned Department

It is therefore requested that this para may be dropped

During the oral examination of departmental representatives, the Committee observed that this matter relates to revenue loss of the State Government Thus the Committee desired the department to enquire about this matter and responsibility needs to be fixed in this matter and its report be sent to the Committee accordingly

[59] 3 6 8 1 Contracts for collection of toll by private entrepreneurs

Under Section 2 (16) (c) of the IS Act lease means a lease of immovable property and includes any instrument by which tolls of any description are let a *patta* a *kabuliyat* or other undertaking in writing not being a counterpart of a lease to cultivate occupy or payor deliver rent for immovable property Any instrument of toll contract is chargeable to SD as an instrument of lease deed at the prescribed rates The expenses on SD are to be borne by the lessee in the case of a lease or agreement to lease under Section 29 (c) of the IS Act Section 17 (1) (d) of the IR Act provides that lease of immovable property from year to year or for any term exceeding one year or reserving a yearly rent is to be registered compulsorily SD on lease deed is chargeable at the prescribed rates for a consideration equal to the amount or value of fine premium or advance in addition to the amount of the average annual rent reserved and on the basis of the period of lease As per Article 35 (a) (ii) of Schedule 1 A of the IS Act the rates of SD in the case of lease of one year to five years is 1.5 per cent of the amount of the annual average rent We collected the information from the office of the Managing Director Haryana State Roads and Bridges Development Corporation Limited Panchkula in March 2010 and noticed that the corporation entered into agreements with 49 entrepreneurs between June 2004 and March 2009 for collection of toll (toll contracts) for the periods ranging between one year and two years between June 2004 and June 2010 on different roads near borders of the State for the total consideration of Rs 107.23 crore As per clause number 31 of the agreement the entrepreneur/agent shall bear and pay the SD in respect of these agreements as per IS Act These toll contracts were required to be registered compulsorily as lease deeds in the offices of concerned SRs None of these agreements for

collection of tolls were registered With the concerned registering authorities as the corporation accepted the agreements on non judicial stamp paper of Rs 100 in each case In accordance With the terms of the lease SD due on these agreements worked out to Rs 1 61 crore on total consideration of contracts amounting to Rs 107 23 crore but SD paid by the entrepreneurs on all these toll contracts was Rs 4 900 This deprived the Government of revenue of Rs 1 68 crore (SD Rs 1 61 crore RF Rs 6 63 lakh)

The department in its written reply started as under —

This para relates to Contracts for collection of toll by private entrepreneurs The position of this para is as under —

The Haryana State Roads and Bridges Development Corporation Limited Panchkula Rs has recovered and deposited Rs 68 32 lacs under head 0030 stamp and registranon in shape of Stamp Duty in 26 cases Efferts are being made to recover the balance amount of Stamp duty in 23 cases

In addition to the above it is stated that as per provision of section 17 of the Indian Stamp Act 1899 stamp duty is payable at the time or before the execution of any instrument and registration is payable under section 80 of registration Act 1908 on the presentation of the document for registration but cases mentioned in para were not presented for registration

It will be pertinent to mention that it has already been written to all concerned Department/corporations/public enterprises that such agreements /lease have to be compulsory registered and SD and RF have to be paid as provision of stamp/registration law Now again all the concerned are instructed accordingly

It is therefore requested that this para may be dropped

The Committee desired that sincere and vigorous efforts may be made to recover the amount under intimation to the Committee

[60] 3 6 8 3 Sale of industrial units through public auction by Haryana Financial Corporation (HFC)

Under Section 2 (10) of the IS Act conveyance includes a conveyance on sale and every instrument by which property whether movable or immovable is transferred *inter vivos* and which is not otherwise specifically provided for by Schedule I A Section 17 of the IR Act stipulates that conveyance is a compulsorily registrable document

We collected the information from the office of the HFC Chandigarh in May 2010 and noticed that mortgaged properties of 131 defaulting Sick industrial units were sold by the HFC through auction between April 2004 and March 2009 for the consideration of Rs 30 08 crore These deeds were required to be registered with the registering authorities but the purchasers had not registered these conveyance deeds Non execution of conveyance deeds of industrial units sold by the HFC deprived the Government of revenue of Rs 1 74 crore (SD Rs 1 66 crore RF Rs 8 18 lakh)

After we pointed out the case in May 2010 the Revenue Department stated in July 2010 that the HFC had been requested to send their reply with reference to the deficient amount We are yet to receive their further reply (August 2010)

The department in its written reply started as under —

This para relates to sale of industrial units through public auction by Haryana Financial Corporation (HFC). The position of this para is as under —

Out of 133 cases the Haryana Financial Corporation (HFC) has recovered Rs 93.66 lacs in shape of stamp duty and registration fees in 77 cases. Efforts are being made to recover the balance amount of stamp duty and registration fee in 56 cases. As reported by HFC the Branch Managers have been strictly advised to strongly pursue the cases for execution of sale deeds where the auction purchasers have not executed sale deeds in respect of the properties purchased from the corporation.

Efforts are being made to recover the balance amount of stamp duty by the Haryana Financial Corporation.

In addition to the above it is stated that as per provision of section 17 of the Indian Stamp Act 1899 stamp duty is payable at the time or before the execution of any instrument and registration is payable under section 80 of Registration Act 1908 on the presentation of the document for registration but cases mentioned in para were not presented for registration.

It will be pertinent to mention that it has already been written to all concerned Department/corporations/public enterprises that such agreements/lease have to be compulsory registered and SD and RF have to be paid as per provision of stamp/registration law. Now again all the concerned are instructed accordingly.

It is therefore requested that this para may be dropped.

The Committee desired the department to make the strenuous and vigorous efforts to expedite the recovery of the balance outstanding amount and position of recovery be intimated to the Committee.

[61] 3.6.10 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

In order to check evasion of SD in sale deeds the Government issued instructions in November 2000 to all registering authorities in the State to the effect that land sold within municipal limits and near the residential areas in villages with an area of less than 1,000 square yards or in case where purchasers are more than one and the share of each purchaser is less than 1,000 square yards be valued at the rate fixed for the residential property of that locality for the purpose of levying SD. The Government constituted Evaluation Committees from time to time for fixation of minimum market value of properties in various areas of the State for the guidance of registering authorities and a copy of these rates is supplied to them by the Department. The Evaluation Committees have also fixed separate rates for prime land. Under Section 47-A of the IS Act if the registering officer while registering any instrument relating to transfer of any property 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 and the proper duty payable.

During the course of review we observed that the registering authorities had not evolved any system for detection of undervaluation in the cases wherein SD on the land sold less than 1 000 square yards was not levied as per rates fixed for residential properties, and SD was levied/assessed on consideration of immovable properties less than its market value in the same locality fixed by the Collector/Evaluation Committee

3 6 10 1 During test check of the records of 109 registering offices in 20 districts 10 between July 2005 and February 2010 we noticed that 1 613 sale deeds 11 of plots registered between April 2004 and March 2009 with an area less than 1 000 square yards and in other registered cases where purchasers were more than one and the share of each purchaser was less than 1 000 square yards The deeds were liable to be assessed for Rs 123 34 crore based on the rates fixed for residential areas and SD of Rs 6 89 crore (including RF) was chargeable However the registering authorities assessed the deeds for Rs 39 52 crore based on the rates fixed for agricultural land and levied SD of Rs 2 26 crore (including RF) The registering authorities had not gone through the contents of the deeds wherein it was clearly stated that sale deeds of plots presented for registration were less than 1 000 square yards or share of each purchasers (in cases where purchasers were more than one) was less than 1 000 square yards and registered these documents based in the rates fixed for agricultural land instead of rates fixed for residential land in violation of Government instructions issued in November 2000 Further the registering authorities did not refer these deeds after registration to the Collectors for determining the value or consideration of the Immovable properties and duty payable thereon This resulted in short levy of SD and RF amounting to Rs 4 63 crore

After we pointed out these cases between July 2005 and February 2010 62 registering authorities stated (between April 2009 and April 2010) that 1 150 cases involving revenue of Rs 3 46 crore had been sent to the Collectors for determination of value of properties and duty payable thereon We have not received further progress of recovery and reply in respect of remaining 463 deeds from registering authorities (August 2010)

[62] 3 6 10 2 During test check of the records of the offices of 90 registering authorities in 20 districts 10 between May 2006 and February 2010 we noticed that 457 instruments of conveyance were registered between April 2005 and March 2009 The registering authorities were required to determine the consideration for levy of SD on the basis of market value fixed by the Collector/Evaluation Committee at the time of registration of documents but registered these documents on stamp papers valued as Rs 6 05 crore on the basis of the consideration set forth in the instruments The market value of these properties in conveyance deeds fixed by the Collectors on the basis of minimum market value however worked out to Rs 181 27 crore on which SD of Rs 10 61 crore (including RF) was leviable Non reckoning of the market value of the immovable properties by registering authorities resulted in short levy of SD of Rs 4 56 crore (including RF)

After we pointed out these cases between May 2006 and February 2010 79 registering authorities stated (between April 2009 and April 2010) that 365 cases involving revenue of Rs 3 98 crore had been sent to the Collectors for determination of value of immovable properties and proper duty payable thereon We have not received further report and reply in the remaining cases (August 2010)

The department in its written reply stated as unders —

This para relates to 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

In this regard directions have been issued to all the Deputy Commissioners for strict compliance of Government instructions

3 6 10 (3 6 10 1)

The latest position of this para is as under —

	No of cases	Amount (in lacs)
1 Amount Recovered by the department	142	35 14
2 Amount dropped by Collectors	282	77 31
3 Amount dropped by A G	120	17 42
4 Pending in various courts of Collectors u/s47 A	315	104 94
5 Balance cases/ Amount for recovery	721	227 34
Total	1579	462 15

All the Deputy Commissioners of the State have been impressed upon vide ACS & FCR D O letter No 5172 STR 3 2013/19679 to 19699 dated 22 11 2013 & D O letter No 6518 STR 3 2014/3023 to 3032 dated 21 2 2014 to look into the matter at personal level and to instruct the authorities concerned to pay special heed to decide these cases expeditiously and make strenuous efforts to recover the balance amount in a time bound manner and not to treat such cases in a casual manner as a matter of routine. They have also been impressed upon to hold special campaigns to dispose of the court cases and to affect recovery in revenue as well as in public interest

The latest position of this para is as under —

	No of cases	Amount (in lacs)
1 Amount Recovered by the department	40	27 00
2 Amount dropped by Collectors	85	86 47
3 Amount dropped by A G	3	1 02
4 Pending in various courts of Collectors u/s 47 A	96	100 27
5 Balance cases/ Amount for recovery	337	349 28
Total	561	537 31

All the Deputy Commissioners of the State have been impressed upon vide ACS & FCR D O letter No 5172 STR 3 2013/19679 to 19679 dated 22 11 2013 & D O letter No 6518 STR 3 2014/3023 to 3032 dated 21 02 2014 to look into the matter at personal

level and to instruct the authorities concerned to pay special heed to decide these cases expeditiously and make strenuous efforts to recover the balance amount in a time bound manner and not to treat such cases in a casual manner as a matter of routine. They have also been impressed upon to hold special campaigns to dispose of the court cases and to affect recovery in revenue as well as in public interest.

The Committee desired the department to make the strenuous and vigorous efforts to recover the balance outstanding amount and position of recovery be intimated to the Committee on quarterly basis

[63] 3.6.11 Absence of time limit for disposal of undervaluation cases referred to the Collector

Under Section 47 A of the IS Act, if the registering officer has reasons 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 the consideration and the proper duty payable. Thereafter, the Collector, after issue of notice to the concerned person, is required to conduct summary enquiry as he may deem proper and assess the amount of deficient duty recoverable from the person concerned after determining the value of property. The cases so referred to the Collector are entered in register in Form 3 maintained in the office of the Collector. The adjudication orders are also entered in this register. After their finalisation, these adjudication cases are returned to the concerned registering officer who will watch the recovery of deficient duty. We observed that no time limit had been prescribed for disposal of such cases under adjudication.

During test check of the Reference Register of seven Collectors, 12 we noticed that 1,163 cases involving SD of Rs. 5.34 crore out of 2,488 cases involving revenue of Rs. 11.42 crore referred between 2004-05 and 2008-09 by 21 SRs/JSRs were pending adjudication. Delay in deciding the cases resulted in delay in realisation of the revenue and in certain cases the possibility of recovering the dues may become remote.

After we pointed out these cases between April and October 2009, the Revenue Department stated in July 2010 that a strict time limit could not be fixed for disposal of such cases being court cases involving legal procedures under Stamp Act. However, instructions had been issued to the field functionaries to decide these cases in the earliest possible time.

The Government may consider fixing norms for finalisation of cases of undervaluation referred to the Collector for adjudication.

The department in its written reply stated as under —

This para relates to Absence of time limit for disposal of undervaluation cases referred to the collector. The position of this para is as under —

Observation noted. For persuasion of such cases, general instructions have already been issued to all Deputy Commissioners by the Department to dispose of such cases in a time bound manner.

The Committee desired the department to issue the directions to concerned Collectors to determine the value and finalize these cases in a time bound manner under intimation to the Committee

[64] 3 6 12 Short levy of stamp duty and registration fee due to misclassification of documents

Section 2 (10) of the IS Act provides that conveyance includes conveyance on sale and every instrument by which property whether movable/immovable is transferred *inter vivos* and which is not otherwise specifically provided for by schedule I A of the Act. Section 54 of the Transfer of Property Act 1882 defines sale as transfer of ownership in exchange for a price paid or promised or part paid or part promised. The classification of an Instrument depends upon the nature of the transaction recorded therein. In case possession of the property is handed over after receipt of the full amount of consideration or promise to pay consideration later on, the instrument becomes a conveyance deed and SD becomes leviable under the IS Act.

3 6 12 1 During test check of the records of 19 registering offices 13 between July 2007 and January 2010 we noticed that 50 instruments conveying possession and transfer of property after receipt of full consideration of 84.99 crore to the vendees were executed between April 2006 and March 2009. Since the vendors received full amount in lieu of the property sold and the possession of the immovable property was also handed over to the purchasers in all the cases, the deeds were liable to be treated as conveyance deeds and SD of Rs. 5.89 crore was leviable. However, the registering authorities misclassified and registered these instruments as agreements charging SD between Rs. 3 and Rs. 100 in each case which was incorrect. This resulted in short realisation of SD of Rs. 5.89 crore.

After we pointed out these cases between July 2007 and January 2010, the registering authorities stated (between May 2009 and February 2010) that 16 cases involving SD of Rs. 5.77 crore were referred to the Collectors for determination of value of properties and proper SD payable thereon and notices were issued for recovery of Rs. 4.08 lakh in 14 cases. We have not received further report on recovery and action taken (August 2010).

3 6 12 2 During test check of records of the offices of five SRs/JS Rs. 14 between January and September 2009 we noticed that eleven collaboration agreements having transaction value zero were registered between September 2007 and March 2009 in respect of land on which SD of Rs. 100 each (nine deeds) and Rs. 1,500 each (two deeds) was levied as applicable in the case of an agreement not involving sale of land. Scrutiny of these agreements further revealed that the owners of land authorised the developers to take possession of the land with the right to construct, develop and deal with the land in accordance with the terms and conditions of the agreements. In exchange of the consideration, the owners of land were entitled to a part of the developed land. The developers were entitled to dispose off their shares of developed land in such a manner as they deemed fit without requiring any consent from the owners. Hence, the development right/collaboration agreements were conveyance of right to develop, construct and sell the property and were liable to pay SD on sale of property in respect of the developers' share of land. However, as per rates fixed by the Collector applicable in the concerned areas, total value of land transferred to the developers worked out to Rs. 5.68 crore. Misclassification of these sale deeds resulted in short levy of SD of Rs. 47.13 lakh and RF of Rs. 68,000.

After we pointed out these cases between January and September 2009, SRs Farukhnagar, Gurgaon and Tauru stated (November 2009 and February 2010) that six cases (Rs. 27.52 lakh) had been sent to the Collectors for determination of value of properties and

proper duty payable thereon. We have not received further report on action taken and reply from JSR Dharuhera and Manesar (August 2010)

This para relates to Short levy of stamp duty and registration fee due to misclassification of documents. The position of this para is as under —

	No of cases	Amount (in lacs)
1 Amount Recovered by the department	8	2.31
2 Amount dropped by Collectors	5	1.60
3 Amount dropped by A G		
4 Pending in various courts of Collectors u/s47 A	4	1.16
5 Balance cases/ Amount for recovery	33	583.71
Total	50	588.71

All the Deputy Commissioners of the State have been impressed upon vide ACS & FCR D O letter No 5172 STR 3 20 13/19679 to 1969 dated 22 11 2013 & D O letter No 6518STR 3 2014/3023 to 3032 dated 21 02 2014 to look into the matter at personal level and to instruct the authorities concerned to pay special heed to decide these cases expeditiously and make strenuous efforts to recover the balance amount in a time bound manner and not to treat such cases in a casual manner as a matter of routine. They have also been impressed upon to hold special campaigns to dispose of the court cases and to affect recovery in revenue as well as in public interest.

3.6.12.2 This para relates to development rights/collobration agreement

The latest position of para No. 3.6.12.2 is as under —

	No of cases	Amount (in lacs)
1 Amount Recovered by the department		
2 Amount dropped by Collectors		
3 Amount dropped by A G		
4 Pending in various courts of Collectors u/s47 A	10	45.23
5 Balance cases/ Amount for recovery	1	1.90
Total	11	47.13

Now the Government has amended schedule 1 A of Indian Stamp Act 1899 vide Government notification dated 1st October 2013. In Article 5 after clause (c) New clause (d) added for this purpose and as per Article 5 clause (d) stamp duty is leviable on development rights/ collobration as a conveyance under article No. 23 on the market value of the property mentioned in agreement.

The Committee desired the department to make the strenuous and vigorous efforts to recover the balance outstanding amount and position of recovery be intimated to the Committee within a period of four months

[65] 3 6 13 Delay in implementation of enhanced rates of registration fee

As per notification issued in November 2006 the Government revised the rates of RF with effect from 6 November 2006. The RF was leviable at the prescribed rates subject to a minimum of Rs 1.75 and maximum of Rs 500 upto 5 November 2006 and thereafter at the revised rates subject to a minimum of 50 and maximum of Rs 15,000 depending upon the value of the consideration of the document.

During test check of the records of 72 JSRs/SRs of 13 districts 15 (between April 2007 and February 2008) we noticed that the registering authorities registered 5,341 instruments relating to immovable properties between 6 November and 8 December 2006 and charged RF amounting to Rs 26.15 lakh at the pre revised rates instead of Rs 1.39 crore at the revised rates. This resulted in short realisation of RF of Rs 1.13 crore.

After we pointed out these cases between April 2007 and February 2008 the department stated (between July 2009 and February 2010) that a sum of 11.50 lakh had been recovered in 609 cases between April 2008 and December 2009. Notices had been issued between July 2009 and January 2010 by seven SRs/JSRs to recover the amount of Rs 9.21 lakh in 479 cases and efforts were being made by 37 SRs/JSRs to recover the amount of 46.24 lakh in 2,192 cases. The remaining 15 SRs/JSRs stated (between April 2009 and February 2010) that the recovery of Rs 19.78 lakh in 965 cases was not justified as the revised rates were adopted from the date on which copy of notification was received. The reply of the registering authorities is contrary to the clarification issued by the Government in May 2008 since the notification regarding enhancement in the rates of RF was applicable from 6 November 2006. The Government further directed (May 2008) the Registrars to recover the differential amount in case the documents had been registered by charging RF at the pre revised rates. The Revenue Department stated in July 2010 that strenuous effort was being made for the early recovery. We have not received further report on action taken and any report on recovery (August 2010).

The department in its written reply stated as under —

This para relates to Delay in implementation of enhanced rates of registration fee. The position of this para is as under —

No of	Amount cases	(in lacs)
1 Amount Recovered by the department	1495	28.03
2 Amount dropped by Collectors	1	0.05
3 Amount dropped by A G	353	5.41
4 Pending in various courts of Collectors u/s 47 A	227	8.01
5 Balance cases/ Amount for recovery	3266	64.66
Total	5341	106.11

All the Deputy Commissioners of the state have been impressed upon vide ACS & FCR D O letter No 5172 STR 3 2013/19679 to 19699 dated 22 11 2013 & D O letter No 6518 STR 3 2014/3023 to 3032 dated 21 02 2014 to look into the matter at personal level and to instruct the authorities concerned to make strenuous efforts to recover the balance amount in a time bound manner

The Committee desired the department to make the strenuous and vigorous efforts to recover the balance outstanding amount and position of recovery be intimated to the Committee

[66] 3.6.14 Evasion of stamp duty due to undervaluation of immovable property

Sections 27 and 64 of the IS Act provide that consideration and all other facts and circumstances affecting the chargeability of any instrument with duty or the amounts of duty with which it is chargeable should be fully or truly set forth therein. The IS Act further 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 Rs 5 000 per instrument. With a view to curb evasion of SD due to undervaluation of immovable property Revenue Department issued instructions in November 1992 that all the deed writers should be asked to submit a copy of the agreement to sell to each SR immediately after it was entered into the register of deedwriters. In case the agreement pertains to property situated in the jurisdiction of some other SR it should be transmitted to the concerned SR. In case any deed writer is not found doing so his license should be cancelled immediately. Revenue Department clarified in July 1993 that cases wherein the seller and purchaser had registered sale deeds for a lesser amount than the specified amount agreed upon in agreement to sell by them should be treated as evasion of SD instead of undervaluation of properties. Such cases should not be referred to the Collector under Section 47 A of the Act for determination of the value of the property.

During test check of the records of 34 offices of SRs/JSRs in 15 districts 16 between September 2006 and February 2010 we noticed that 99 conveyance deeds were registered between June 2004 and March 2009 on account of sale of immovable properties. The total value of properties set forth in all these conveyance deeds was Rs 15.91 crore. Further we cross verified these deeds with the agreements executed between the concerned parties between February 2004 and March 2009 and recorded with the various document writers and noticed that the total sale value of the agreements worked out to 35.62 crore. Thus the conveyance deeds were got executed and registered at a consideration less than that agreed upon between the affected parties. Undervaluation of immovable properties in conveyance deeds resulted in evasion of SD of Rs 77.13 lakh (including RF). Additionally penalty of Rs 4.95 lakh for undervaluation made with intent to defraud the Government was also leviable.

After we pointed out these cases between September 2006 and February 2010 JSRs Behal and Rajaund stated that notices had been issued to recover the amount of Rs 11.51 lakh in six cases. SRs Bahadurgarh, Beri and Charkhi Dadri stated that efforts were being made to recover the amount of Rs 1.71 lakh in six cases. Fourteen SRs/JSRs¹⁷ stated (between April 2009 and May 2010) that 33 cases involving revenue of Rs 27.78 lakh had been sent to the Collectors for determination of value of properties and proper duty payable.

thereon. The reply of the 14 SRs/JSRs is not correct as the value of the property had already been agreed upon between the parties and there was no need to refer the cases to the Collector for decision. We have not received any report on recovery and reply from the remaining registering authorities (August 2010).

The department in its written reply stated as under —

This para relates to Evasion of stamp duty due to undervaluation of immovable property. The position of this para is as under —

	No of cases	Amount (in lacs)
1 Amount Recovered by the department	14	10 55
2 Amount dropped by Collectors	8	2 89
3 Amount dropped by A G		
4 Pending in various courts of Collectors u/s 47 A	15	10 60
5 Balance cases/ Amount for recovery	59	54 44
Total	96	78 48

All the Deputy Commissioners of the state have been impressed upon vide ACS & FCR D O letter No 5172 STR 3 2013/1 9679 to 19699/dated 22 11 2013 & Rs D O letter No 6518 STR 3 2014/3023 to 3032/dated 21 02 2014 to look into the matter at personal level and to instruct the authorities concerned to pay special heed to decide these cases expeditiously and make strenuous efforts to recover the balance amount in a time bound manner and not to treat such cases in a casual manner as a matter of routine. They have also been impressed upon to hold special campaigns to dispose of the court cases and to affect recovery in revenue as well as in public interest.

The Committee desired the department to make the strenuous and vigorous efforts to recover the balance outstanding amount and position of recovery be intimated to the Committee.

[67] 3 6 15 Non levy of stamp duty on collusive decrees 18

Under Section 17 of the IR Act non testamentary instruments transferring or assigning any decree or order of a Court or any award when such decree or order or award purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, of the value of Rs 100 and upwards, to or in immovable property are compulsory registrable documents. Thus, a compromise decree 19 which is not bonafide, is liable to be charged as an instrument of conveyance. The FCR issued instructions in September 1996 to all the registering authorities that mutated property registered on the basis of a compromise decree which is not bonafide is liable to be charged as an instrument of conveyance as per Schedule 1 A of the IS Act. The SRs were asked to carefully examine each document so as to ensure that there is no deliberate attempt for evasion of SD and the same is properly stamped under the Act.

During test check of the records of offices of seven SR/JSR between July 2007 and October 2009 we noticed that 14 compromise decrees which were not bonafide were registered between February 2007 and March 2009 without any consideration therein. These parties obtained collusive decrees to evade SD and RF. The registering authorities did not comply with the instructions of the FCR issued in September 1996 and did not levy SD and RF in 13 deeds without confirming the facts that properties mutated were executed between blood relations and levied SD and RF of Rs 45 000 (instead of Rs 11 01 lakh leviable) in one deed of Sohna. These decree deeds were liable to be assessed for Rs 7 69 crore based on the rates fixed by the Collector and accordingly SD and RF of Rs 43 21 lakh was chargeable. This resulted in non levy of SD and RF of Rs 42 76lakh.

After we pointed out these cases between July 2007 and October 2009 five SRs/JSRs²² stated (between August 2009 and February 2010) that 11 cases involving revenue of Rs 38 52 lakh had been sent to the Collector for decision. We have not received further report and reply from SR Rania and Sirsa (August 2010).

The department in its written reply started as under —

This para relates to Non levy of stamp duty on collusive decrees. The position of this para is as under —

	No of cases	Amount (in lacs)
1 Amount Recovered by the department	1	0 66
2 Amount dropped by Collectors	2	3 58
3 Amount dropped by A G		
4 Pending in various courts of Collectors u/s 47 A		
5 Balance cases/ Amount for recovery	11	38 47
Total	14	42 76

All the Deputy Commissioners of the State have been impressed upon vide ACS & FCR D O letter No S172 STR 3 2013/19679 to 19699 dated 22 11 2013 & D O letter No 6S18 STR 3 2014/3023 to 3032 dated 21 02 2014 to look into the matter at personal level and to instruct the authorities concerned to pay special heed to decide these cases expeditiously and make strenuous efforts to recover the balance amount in a time bound manner and not to treat such cases in a casual manner as a matter of routine. They have also been impressed upon to hold special campaigns to dispose of the court cases and to affect recovery in revenue as well as in public interest.

The Committee desired the department to make the strenuous and vigorous efforts to recover the balance outstanding amount and position of recovery be intimated to the Committee

TRANSPORT DEPARTMENT

[68] 1 2 1 Failure of senior officials to enforce accountability and protect the interest of the State Government

A brief introduction about the various stages of action on the audit observations/ recommendations is mentioned below —

The Principal Accountant General (Audit) Haryana (PAG) conducts periodical inspection of the Government departments to test check the transactions and verify the maintenance of the important accounts and other records as prescribed in the rules and procedures. These inspections are followed up with the inspection reports (IRs) incorporating irregularities detected during the inspection and not settled on the spot which are issued to the heads of the offices inspected with copies to the next higher authorities for taking prompt corrective action. The heads of the offices/Government are required to promptly comply with the observations contained in the IRs, rectify the defects and omissions and report compliance through initial reply to the PAG within six weeks from the date of issue of the IRs. Serious financial irregularities are reported to the heads of the departments and the Government. Some of these are reported through Report of the Comptroller and Auditor General of India (Audit Report) to the State Legislature every year. The departments are requested to submit their replies to the Public Accounts Committee (PAC) which examines them in their meetings and give their reports to the State Legislature.

IRs issued upto December 2009 disclosed that 5 122 paragraphs involving Rs 1 507 03 crore relating to 2 460 IRs remained outstanding at the end of June 2010 as mentioned below along with the corresponding figures for the preceding two years—

	June 2008	June 2009	June 2010
Number of outstanding IRs	3 642	2 868	2 460
Number of outstanding audit observations	6 329	6 553	5 122
Amount involved (Rs in crore)	6 451 39	8 663 68	1 507 03

The detail of the IRs and audit observations outstanding as on 30 June 2010 and the amount involved are mentioned below —

Tax on Vehicles value involved	Number of outstanding IRs	Number of outstanding audit observations	money (Rs in crore)
	268	363	7 22

Even the first replies required to be received from the heads of offices within six weeks from the date of issue of the IRs were not received for 159 IRs issued upto December 2009. This pendency of the IRs due to non receipt of the replies is indicative of the fact that the heads of offices and heads of the departments failed to initiate action to rectify the defects, omissions and irregularities pointed out by the PAG in the IRs.

It is recommended that the Government may take suitable steps to install an effective procedure for prompt and appropriate response to audit observations. The Government may take action against officers/officials who fail to send replies to the IRs/paragraphs as per

the prescribed time schedules and also fail to take action to recover loss/outstanding demand in a time bound manner

The department in its written reply stated as under —

Reply of Rs and observations relating to this department is being submitted well in time as all RTAs/RRAs are being directed by the Headquarter from time to time to comply with the observations. A audit committee meeting was also held in the year 2013 and 2014 at Ambala and Sirsa in which 19 and 55 paras were settled/removed respectively. The following steps have also been taken to recover the outstanding amount —

- 1 D O letters from the Department are being written to settle the outstanding paras from time to time
- 2 The audit paras are being discussed in the monthly meeting of RTAs
- 3 VAHAN and SARATHI software is being updated by the NIC to charge the free and taxes as laid down in the rules/instructions issued by the department from time to time so that no short levy of tax/fee may be charged in future
- 4 Officials found guilty in charging fee and taxes are being chargesheeted by the department. In this regard officials of Gurgaon, Jind and Hisar have been charge sheeted under rule 8/7
- 5 The review meeting are being convened by AG (Audit) alongwith the auditors of the Department for the settlement of old outstanding paras

The Committee desired that strenuous and vigorous efforts be made to recover the balance amount at the earliest under intimated to the Committee

[69] 1 2 5 Follow up on Audit Reports summarised position

According to the instructions issued by the Finance Department in October 1995 and reiterated in July 2001, the administrative departments were to initiate suo moto positive and concrete action on all paragraphs and reviews featuring in the Audit Report (Revenue Receipts) regardless of whether the cases were taken up for examination by the PAC or not. They were also to furnish detailed notes duly vetted by Audit indicating the remedial action taken or proposed to be taken by them within three months of the presentation of the Audit Reports to the Legislature.

The position of paragraphs which have appeared in the Audit Reports and those pending discussion as on 30 June 2010 is mentioned in Annexure I. One hundred twenty one paragraphs pertaining to the period 2004-05 to 2008-09 were pending for discussion by the PAC. The Administrative Departments had failed to submit action taken notes (ATNs) in respect of 72 (out of 121) paragraphs within three months from the date of presentation of the Audit Reports to the Legislature.

Further, the response of the Administrative Departments towards the recommendations of the PAC was not encouraging as 573 recommendations pertaining to the period 1977-78 to 2003-04 were still pending for want of final action by the concerned departments (Annexure II).

The department in its written reply stated as under —

Reply of outstanding paras/ ATNs and PAC paras is being submitted regularly by this office well in time. Beside this the RTAs and RAs have been directed to take remedial action on the outstanding paras to avoid recurrence of the same in future. Beside this the RTAs and RAs have been directed to recover the outstanding amount under Land Revenue Act.

The Committee would like to know about the latest position of submission of replies of outstanding Action Taken Notes

[70] 5 3 (B) Analysis of arrears of revenue (Taxes on Vehicles)

The Department intimated that there was an arrears of revenue of Rs. 3.69 crore as on 31 March 2009. Year wise details of information regarding arrears of revenue viz. arrears pending at the beginning of the year, arrears added and collected during the year and arrears pending at the end of the year for the period 2005-06 to 2009-10 is not available with the Department. Thus the Department had not maintained centralised database regarding arrears of revenue at the apex level for monitoring and expediting the progress of recovery of arrears.

The Department in its written reply stated as under —

It is a continue process of audit and recovery thereof. In this regard new paras are added and deleted where the recovery/compliance has been made. Being a continuous process department has maintained a detail of these paras.

The Committee desired that the latest position of recovery of arrears of revenue be supplied to the Committee as well as to the PAG Office accordingly

[71] 5 10 1 1 Private service vehicles

Transport Commissioner Haryana, Chandigarh issued instructions in May 2000 that the vehicles designed to carry more than six passengers excluding driver in the name of company/firm shall be registered under the category of transport vehicle only under the Motor Vehicles Act, 1988 (MV Act). These vehicles will be registered as a transport vehicle by the RTA/District Transport Officers (DTOs) concerned and will pay road tax at the rate of Rs. 400 per seat per annum besides charging permit fee as required under the provisions of the Act/Rules. In cases when such vehicles are required to be registered as private vehicles (non transport vehicles) it shall be done after obtaining approval from the Transport Commissioner office and after the applicant declares by way of an affidavit that the vehicle shall be put to use only for personal use.

During test check of the records of the Registering Authorities (Motor Vehicles) (MVs) Ballabgarh and Faridabad in January and February 2010 we noticed that 157 vehicles having seat capacity of more than six persons excluding driver were got registered in the name of companies/firms as private service (non transport) vehicles during the year 2008-09. The registering authorities (MVs) had neither complied with the instructions of the Transport Commissioner in May 2000 to register such vehicles under the category of transport vehicles by the RTA concerned nor obtained affidavits from these vehicle owners declaring the use of the vehicles for their personal use only and also obtaining prior approval from the Transport Commissioner office. The registering authorities (MVs) charged lump sum/one time tax amounting to Rs. 20.10 lakh at the time of registration of these vehicles. Since these vehicles were required to be registered as transport vehicles token tax amounting to Rs. 65.94 lakh

was recoverable. This resulted in short realisation of token tax of Rs. 45.84 lakh besides permit fee.

After we pointed out the cases in January and February 2010, the registering authorities (MVs) Ballabgarh and Faridabad admitted the audit observations and issued notices to the vehicle owners to recover the outstanding amount of token tax of Rs. 45.84 lakh. We have not received report on recovery of token tax and action taken to levy permit fee (August 2010).

The Department in its written reply stated as under —

During the test check of the record of Registering Authority Ballabgarh and Faridabad AG Audit have pointed out that 157 vehicles having seating capacity of more than 6 passengers excluding driver were registered in the name of company/firm as private service (Non Transport) vehicles during the year 2008-09.

In this regard it is intimated that the vehicles registered by Registering Authority Ballabgarh and Faridabad having seating capacity of 6+1 and for which the authority is competent to register the said vehicles. The AG Audit Haryana has pointed out that the vehicles are having more than 6 seats excluding driver that is wrong. In this regard some copies of screen report/registration certificate are enclosed for the verification of seating capacity of 7 persons including driver in respect of vehicles having registration numbers HR 29 T 1170, HR 29 T0888, HR 29T 2017, HR 29T 1919, HR 29T 2434, HR 29T 2434, HR 29T 2463, HR 29T 1467, HR 29T 2900, HR 29T 1800 and HR 29T 1111 by RA Ballabgarh and Registration No. HR 51 AD 9153, HR 51 AD 0287, HR 51 AD 7772, HR 51 AC 3255, HR 51 AC 5797, HR 51 AC 5766, HR 51 AC 6225, HR 51 AE 0726, HR 51 AE 0618, HR 51AB 4164, HR 51 AB 5195, HR 51AB 5194, HRAB 5194, HR51AD 9039, HR 51AB 4347, HR 51AB 4283 registered by RA Faridabad. The vehicles having seating capacity of six seats excluding driver can be registered in the name of company/firm under the Motor Vehicle Act, 1988 and Registering Authority Ballabgarh and Faridabad are competent to register the said vehicles.

It also clarifies that the vehicles having seating capacity of six persons excluding driver can be registered in the name of firm/company in both ways i.e. as Non Transport vehicles and Transport Vehicles depending upon the use of the vehicles as declared by the owner of the vehicle. The vehicle mentioned in the annexure by the AG (Audit) Haryana having shown more than six seats excluding driver which is not correct as the vehicle registered by the Registering Authorities Ballabgarh and Faridabad having seating capacity of seven persons including driver. Some of the affidavit from RA Ballabgarh has also been obtained that vehicle has been used for personal purposes only.

Keeping in view the position explained above PAC is requested to drop this para.

The Committee desired the department to reconcile the para with PAG Office under intimation to the Committee.

[72] 5.10.1.2 Stage carriage bus owners

Under Section 3 (1) of the PMVT Act, token tax on a stage carriage bus plying for hire and use for the transport of passengers shall be leviable at the rate of Rs. 550 per seat per annum subject to a maximum of Rs. 35,000 per vehicle per annum. Further, Section 9 of the

Act provides that in case of omission to comply with the provisions the licensing officer may impose a penalty which may extend to twice the amount of tax due

During test check of the records of eight offices of the Secretary RTA between September 2008 and August 2009 we noticed that 110 buses of the co operative transport societies plied as stage carriages during the period April 2007 to March 2009. However token tax was either not deposited or deposited short by the societies. No action was taken by the RTAs to recover the tax. This resulted in non/short realisation of token tax of Rs 22.95 lakh. Additionally maximum penalty of Rs 45.90 lakh was also leviable.

After we pointed out the cases between September 2008 and August 2009 six RTAs stated between November 2009 and February 2010 that Rs 5.23 lakh had been recovered in 27 cases between October 2008 and February 2010 and efforts were being made to recover the balance amount of Rs 11.56 lakh. RTA Panipat stated in August 2009 that notices would be issued to the concerned parties to recover the amount of Rs 2.50 lakh. We have not received the report on recovery and penalty of Rs 3.66 lakh (August 2010).

The Department in its written reply stated as under —

Out of Rs 26.98 amount of Rs 20.93 lacs have been recovered and efforts are being made to recover the outstanding amount. Beside this Secretary RTA Jind has intimated that tax of one vehicle amounting to 28600/- has been exempted as bus has been sold out by the owner on 1.7.2006.

In this case the vehicle having Registration No. HR 61 1296, HR 61 0525, HR 46 2282, HR 61 2699 has already been sold by the vehicle owner and NOC was issued to Nagaland on dated 30.8.2006, 17.9.2004, 25.8.2004 and 24.12.2007. Thus an amount of Rs 114400 is not recoverable as pointed out by AG.

Keeping in view the maximum recovery has been made PAC is requested to drop this para.

The Committee desired that all out efforts may be made to recover the balance amount in a time bound manner and the position of recovery be intimated to the Committee on quarterly basis.

[73] 5.10.1.3 City bus owners

As per notification issued in March 2004 under Section 3 (1) of the PMVT Act, a stage carriage or contract carriage plying under a permit issued under Faridabad and Gurgaon city Private Bus Service Scheme 2004 is required to pay token tax prescribed for a half body bus and for a full body bus at the rate of Rs 18,000 and Rs 30,000 per annum respectively.

During test check of the records of the offices of Secretary RTA Faridabad and Gurgaon in June and July 2009 we noticed that 70 private bus operators who were granted permits for plying buses in city areas did not deposit token tax for different periods between April 2008 and March 2009. No action was taken by the RTAs to recover token tax from the defaulting bus owners. This resulted in non/short realisation of token tax of Rs 10.08 lakh. Additionally maximum penalty of Rs 20.16 lakh was also leviable.

After we pointed out the cases in June and July 2009 the Secretary RTAs Faridabad and Gurgaon stated in January 2010 that a sum of Rs 1.94 lakh had been recovered in 13 cases between June and December 2009 and efforts were being made to recover the

balance amount of Rs 8 14 lakh We have not received any report on recovery of balance amount and action taken to levy penalty (August 2010)

We pointed out the matter to the STC Transport Department between October 2008 and February 2010 and reported to the Government in February and March 2010 we are yet to receive their reply (August 2010)

The Department in its written reply stated as under —

Amount of Rs 6 90 lacs relates to Secretary RTA Gurgaon Out of which an amount of Rs 5 24 lacs have been recovered and efforts are being made to recover the rest of the outstanding amount Rs 1 13 lacs In this case an amount of Rs 0 52 lacs is not recoverable as in these cases NOCs have been issued on 12 9 06 4 7 07 and 30 6 08

An amount of 5 72 lacs relates to RTA Faridabad out of which an amount of Rs 1 22 lacs have been recovered However 29 city bus service are not found plying on their routes and not traceable and registration of these buses have been cancelled on 4 3 2013 The Collector Faridabad has also been requested to recover the outstanding amount from the concerned under land revenue act on dated 12/16 5 2014

Keeping in view the action taken as stated above PAC is requested to drop this para

The Committee desired the department to make strenuous and vigorous efforts to recover the balance outstanding amount and position of recovery be intimated to the Committee on quarterly basis

[74] 5 11 Non realisation of additional fee for retention of choice registration mark

We noticed that the Department did not observe provisions of the Government notification in the cases at the time of allowing the registration of choice numbers which resulted in non levy of additional fee of Rs 2 25 lakh

As per notification issued by the Government in December 2005 under Section 65 of the MV Act and the Haryana Motor Vehicles Rules 1993 framed thereunder the registering authority shall allot to the owner of non transport vehicle a registration mark of his choice on payment of prescribed additional fee However if the motor vehicle with choice registration mark is being transferred in the name of other person the same may be allowed by the registering authority on payment of additional fee as prescribed

During test check of the records of four registering authorities (MVs) between May 2009 and March 2010 we noticed that in 34 cases the motor vehicles with choice registration marks were transferred in the name of other persons during the year 2008 09 Registering authorities transferred the vehicles with choice registration marks without charging the additional fee as prescribed This resulted in non realisation of additional fee of Rs 2 25 lakh

We pointed out these cases between May 2009 and March 2010 four registering authorities 13 (MVs) stated in March 2010 that a sum of Rs 5 000 had been recovered in one case of Sonipat in January 2010 and notices had been/would be issued to recover the balance amount of Rs 2 20 lakh We have not received further report on recovery of balance amount (August 2010)

We pointed out the matter to the STC Transport Department in November 2009 and March 2010 and reported to the Government in May 2010 we are yet to receive their reply (August 2010)

The Department in its written reply stated as under —

Out of total amount of Rs 2.25 lakh amount of Rs 30500/ and 20000/ have been recovered by RA Jagadhri and Sonapat. Registration no. of two vehicles have been cancelled by the RA Sonapat. Three notices have been given to the concerned vehicle owner by RA Jagadhri. Notice have also been issued by the RA Palwal to the concerned. The concerned authorities have been directed to recover the outstanding amount vide this office letter dated 17.3.11. 6-6.11.27.12.11.23.1.12.23.7.12.15.11.12.10.1.13.12.11.13.10.1.14.23.5.14 and 1.7.14. It is also brought to your kind notice that the vehicles are personal vehicles and they have been charged the fee of preferential number at the time of registration of vehicle. Whereas at the time of transfer of these vehicle the choice number fee was not realized. But at present the said fee is not payable at the time of transfer of vehicle having preferential number as per notification dated 13.3.2014. However Efforts are being made to recover the amount. Hence PAC is requested to drop the para.

The Committee desired that the department should take steps for writing off the amount and the Committee may be informed accordingly

FINANCE DEPARTMENT

[75] 6 2 11 Non raising of demand of guarantee fee

As per the Co operative Department instructions dated 11 March 2003 the guarantee fee is chargeable from the Haryana State Co operative Agriculture and Rural Development Bank Limited Panchkula at the rate of 0.1 per cent from August 2001 to March 2007 and thereafter at the rate of two per cent of the amount of loans/funds raised

During the course of review we observed that no system was adopted in the Co operative Department to monitor the deposit of guarantee fee by the loanee. The FD had no centralised monitoring mechanism to ensure timely recovery and deposit of the guarantee fee.

We collected the information from the office of the Managing Director Haryana State Co operative Agriculture and Rural Development Bank Limited Panchkula in June 2009 and noticed that the Government guaranteed loans of ₹1 478.24 crore during the years 2004-05 to 2008-09. Failure of the Co operative Department to maintain the relevant registers of the guarantees given and the guarantee fee etc. resulted in non raising/realisation of demand of the guarantee fee of ₹12.46 crore from the bank as per details given below:

(₹ in crore)

Year	Date of issue of sanction order (Between)	Amount of loan drawn	Amount of guarantee fee due but not deposited
2004-05	June 2004 to February 2005	448.35	0.45
2005-06	April 2005 to January 2006	233.88	0.23
2006-07	June 2006 to January 2007	218.14	0.22
2007-08	October 2007 to March 2008	229.06	4.58
2008-09	July 2008 to March 2009	348.81	6.98
Total		1 478.24	12.46

After we pointed out the Financial Commissioner and Principal Secretary Co operation Department Chandigarh stated in March 2010 that the Managing Director Haryana State Co operative Agriculture and Rural Development Bank Limited Panchkula was directed to deposit the guarantee fee of ₹12.46 crore at the earliest.

The Government may direct the administrative departments to maintain the prescribed register properly to ensure timely assessment and demand of guarantee fee.

The Department in its written reply stated as under —

Due to poor recoveries and poor financial position of the HSCARD Bank the Bank was allowed for making the payment of guarantee fee @ 0.1%. But the Bank could not deposit the

outstanding guarantee fee of Rs 12.46 crore. In view of the audit objection after obtaining the approval of Finance Department Council of Ministers (CMM) regarding exemption in making the payment of guarantee fee the Administrative Department had issued order vide Memo No. 834 C 8 2012 dated 12.03.2012 and a copy of the same was also endorsed to Principal A.G. (Audit) Haryana and one copy of the said order was personally handover to the officers of Principal A.G. (Audit) Haryana in the meeting held on 14.08.2012 under the chairmanship of Principal Secretary Finance. After discussion in the meeting it was agreed to drop this Audit para on the basis of order issued by the Cooperation Department.

As stated in previous Para a detailed reply of Audit para 6.2.11 and 6.2.10 alongwith copy of notification/order issued by the both the Administrative Departments have already been sent to Principal Accountant General (Audit) Haryana vide office letter No. 3/41/2009 III ERAMU(FD) dated 22.10.2012 and reply of this Para sent vide above referred letter dated 22.10.2012 may be treated as final reply of this Audit Para. However a copy of the detailed reply of Para 6.2.11 alongwith order issued by Administrative Department (Cooperation) is enclosed. Hence this Audit Para may be dropped.

The Committee desired that the department should make all out efforts to deposit the guarantee fee of Rs 12.46 crore from the Director, Haryana State Co-operative Agriculture and Rural Development Bank Limited Panchkula at the earliest under intimation to the Committee

TOWN AND COUNTRY DEPARTMENT

[76] 6.1 Results of audit

Test check of the records in departmental offices relating to Finance Urban Development Mines and Geology Co operation Public Works {Public Health (Water Services and Sanitation) Irrigation and Buildings and Roads} Forest Food and Supplies Agriculture and Industries conducted in audit during the year 2009-10 revealed underassessments of tax and loss of revenue amounting to 348.76 crore in 2,208 cases which fall under the following categories

Sr No	Category	Number of Cases	Amount
B	Urban Development		
1	Non-collection of external development charges/ infrastructure development charges and interest thereon	14	73.00
2	Short recovery of license fee and conversion charges	12	11.00
3	Miscellaneous irregularities	9	57.00
Total		35	141.00

The Department in its written reply started as under —

During the year 2009-10 the department accepted underassessment and other deficiencies of 132.13 crore involved in 452 cases of which 427 cases involving 130.64 crore had been pointed out during 2009-10 and the remaining in the earlier years. The Departments recovered 2.51 crore in 27 cases during the year 2009-10 of which two cases involving 1.02 crore related to the year 2009-10 and balance to the earlier years.

After the issue of draft paragraphs and review the department further recovered 81.35 lakh in four cases (including two cases of review 72.45 lakh).

A review of Receipts from guarantee fee involving 193.61 crore and a few illustrative audit observations involving 3.57 crore are mentioned in the succeeding paragraphs.

During the oral examination of the Urban Local Bodies Department held on 4th February 2015 the Principal Secretary to Government Haryana Urban Local Bodies department informed the Committee that now this para does not relate to their department and it relates to Town and Country Planning Department. The Committee therefore decided to take up the para with the Town and Country Planning Department in future.

[77] 6 4 1 Non recovery/realization of licence fee

Non compliance of provisions of the HDRUA Act/Rules by the Director Town and Country Planning Haryana (DTCP) in some cases resulted non recovery/realisation of licence fee of Rs 2 72 crore

Under Rule 12 of the HDRUA Rules 1976 the licence granted shall be valid for a period of two years from the date of its grant during which period all development works in the colony shall be completed and certificate of completion obtained from the Director. In case a coloniser fails to complete the development works within the specified period for reasons beyond his control he may apply to the Director for renewal of licence at least thirty days before the expiry of the licence on payment of renewal fee at the rate of 10 per cent of prescribed license fee. Further Rule 18 of the Rules *ibid* provides that the Director can cancel the licence in case the execution of the layout plans and the construction or other works is not proceeding according to the licence granted under Rule 12 or is below specification or is in violation of the provisions of this Rule or any of law or rules for the time being in force after giving reasonable opportunity.

During test check of the records of the DTCP in November 2008 we noticed that the Director granted licences to two colonisers in January 2006 for the development of areas (9 718 acre) in Gurgaon and Sonipat for the period of two years and colonisers paid licence fee of 13 55 crore. These colonisers had not completed the development works upto January 2008. Neither the colonisers had applied for renewal of licences nor did the department initiate any action i.e. to issue notices or cancel the licences under the provisions of the Rules. The omission to do so resulted in non recovery of licence fee for renewal of licence of 1 36 crore (10 per cent of licence fee of 13 55 crore).

After we pointed out this case in November 2008 the Director stated in January 2010 that licence of Gurgaon coloniser was renewed in November 2009 and the licensee deposited Rs 1 80 crore (including interest of 33 34 lakh) against licence fee of Rs 1 22 crore pointed out in audit. The coloniser of Sonipat had not applied for renewal of licence fee and notice was being issued. We have not received further report in this case (August 2010).

The Department in its written reply started as under —

The renewal of license case mentioned in the CAG report is concerned with the License No 447 of 2006 dated 27 1 2006 granted for setting up a Residential Plotted Colony over an area of 7 acres at village Rasoi Distt Sonipat being developed by M/s Ansal Properties & Infrastructure Pvt Ltd.

The applicant has submitted the application for renewal of license on 24 12 2007 i.e. 30 days prior to the expiry of license for renewal of license from 26 01 2008 to 26 01 2009 and again submitted the application for renewal of license on 10 06 2010 for renewal from 26 1 2009 to 26 1 2012. Applicant has deposited Rs 1387680/- and Rs 3396208/- on account of renewal of license fee alongwith 18% interest on delayed payment. An amount of Rs 187460/- is still available in excess with the department. The renewal of the license was delayed because the licensee has not fulfilled the requisite formalities now the license has been renewed and the payment of EDC/IDC has also been fully paid by the licensee. PAC is requested to drop this para.

The Committee would like to know as to what mechanism has been derived by the department for prompt and timely renewal of licences of the colonizers in the State. Complete details may be furnished to the Committee within a period of three months.

[78] 6 4 2 Under Section 3 (1) of the HDRUA Act 1975 read with Rule 3 of the HDRUA Rules 1976 any owner of land desiring to convert his land into a colony may apply to the Director for the grant of licence to develop a colony in the prescribed form and pay for it such fee and conversion charges as may be prescribed. The Government revised the rates of licence fee in respect of residential (plotted) residential (group housing) and commercial colonies in April 2008.

During test check of the records of DTCP in August 2009 we noticed that five owners of land applied (between December 2006 and January 2008) for conversion of their land in Faridabad and Gurgaon. The colonisers paid licence fee amounting to 54.32 crore between December 2007 and April 2008. The department had proposed to revise the licence fee in November 2007 which after approval in December 2007 was notified in April 2008. The department issued letter of intents (LOIs) to the colonisers between 13 December 2007 and 2 April 2008 without inserting a condition for payment of differential amount of licence fee as revision of rates was under consideration before or at the time of grant of licence. However the department granted approval for licences in May and July 2008 on the basis of licence fee received at pre revised rates along with the applications though the revised rates have been applicable from April 2008. The negligence on the part of the Department to insert a clause in the LOI to recover the differential amount of the licence fee as a result of revision of the rates deprived the Government of revenue of 1.36 crore.

After we pointed out this case in August 2009 the department stated in January 2010 that though the licences were granted in May and July 2008 but the licensees had made the compliance of LOI within prescribed period and deposited the fee and charges as per the terms and conditions of the LOI. Thus licence fee as applicable on the date of issue of LOI was charged correctly. The fact remains that though the department was aware of the revision in the rates of the licence fee it failed to protect the Government revenue.

We pointed out the matter to the department in November and December 2009 and reported to the Government in May 2010. We are yet to receive their reply (August 2010).

The Department in its written reply started as under —

The licence fee as applicable on the date of issue of LOI was charged correctly. There is no loss to the State Exchequer. The Act/Rules directs the Director Town and Country Planning Harvana to levy fee and charges as prescribed in the Rules.

However it is submitted that Hon ble C M has approved the 2% increase in the license fee on 4.12.2007 on file and the same was submitted to Finance Deptt for internal concurrence. Thereafter Finance Department vide their U.O. No. 11/64/2005 5FD III/10(2007) dated 1.1.2008 had given the concurrence with the condition that the approval of Council of Ministers (CMM) may be obtained in the matter. Accordingly the matter was placed before the Council of Ministers in its meeting held on 4.2.2008 wherein the proposal of the Department to increase the license fee to the tune of 2% was approved. The draft notification for amendment in

Haryana Development and Regulation of Urban Areas Rules 1976 was submitted to the Law and Legislative Deptt For vetting of draft publication and the draft notification for inviting the suggestions and objections was published on 4 3 2008 The final notification of license fee was issued vide notification No DS 08/1637 dated 16th April 2008 Thus the Deptt is not liable to levy the license fee which was not notified and prescribed in the Act/Rules Moreover the LOIs issued on and after the notification dated 16th April 2008 was issued with revised license fee even though they had applied much prior to issuance of revised notification

It is also mentioned here that the reply of the para has already been submitted to the Principal Accountant General (Audit) Haryana vide this office memo No DTCP/ACCTTS / 2010/7398 dated 29 06 2010 in reference to their memo no Revenue/1 2DP 35/2009 10/63 dated 18 05 2010 (photo copy enclosed) PAC is requested to drop this para

The Committee desired that the department should take a legal opinion of the L R in these cases before issuance of notice and collection of the balance amount

FOREST DEPARTMENT

[79] 6.1 Results of Audit

Test check of the records in departmental offices relating to Finance Urban Development Mines and Geology Co operation Public Works {Public Health (Water Services and Sanitation) Irrigation and Buildings and Roads} Forest Food and Supplies Agriculture and Industries conducted in audit during the year 2009-10 revealed underassessments of tax and loss of revenue amounting to Rs 348.76 crore in 2,208 cases which fall under the following categories

Sr No	Category	Number of Cases	Amount
F	Forest		
1	Miscellaneous Irregularities	395	2.02

During the year 2009-10 the department accepted underassessment and other deficiencies of ₹ 132.13 crore involved in 452 cases of which 427 cases involving ₹ 130.64 crore had been pointed out during 2009-10 and the remaining in the earlier years. The Departments recovered ₹ 2.51 crore in 27 cases during the year 2009-10 of which two cases involving ₹ 1.02 crore related to the year 2009-10 and balance to the earlier years.

After the issue of draft paragraphs and review the department further recovered ₹ 81.35 lakh in four cases (including two cases of review ₹ 72.45 lakh).

A review of **Receipts from guarantee fee** involving ₹ 193.61 crore and a few illustrative audit observations involving ₹ 3.57 crore are mentioned in the succeeding paragraphs.

The Department in its written reply stated as under —

6.1 Result of Audit Miscellaneous Irregularities

There are 24 paras which involve 395 cases of miscellaneous irregularities amounting to Rs 2.02 crore which are the cases of recoveries.

It is stated that these paras are related to outstanding recoveries and revised every year by the audit parties and it is a regular practice in every department. The sum involved in these cases have been revised/amended from Rs 2.02 crore to Rs 1.823 crore due to written off by the govt acceptance of appeal court cases etc. Out of 395 cases involving the sum of Rs 1.823 crore 330 cases of Rs 1.01 crore have been disposed off while 65 cases involving a sum of Rs 0.813 crore are in process.

The details of pending cases are as follows —

Abstract of pending cases

Department	Court case	Waive Off case	PAG/ T O	Untraced	Total
39	6	11	7	2	65

Hence the department is making continuous efforts to recover the outstanding recoveries.

Keeping in view above situation this para may please be dropped.

The Committee desired that balance amount be recovered and the amount which is to be waived off that should be done under intimation to the Committee

CO OPERATION DEPARTMENT

[80] 6.1 Results of audit

Test check of the records in departmental offices relating to Finance Urban Development Mines and Geology Co operation Public Works {Public Health (Water Services and Sanitation) Irrigation and Buildings and Roads} Forest Food and Supplies Agriculture and Industries conducted in audit during the year 2009-10 revealed underassessments of tax and loss of revenue amounting to ₹ 348.76 crore in 2,208 cases which fall under the following categories

Sr No	Category	Number of Cases	Amount
D Co operation			
1	Non/Short Recovery of dividend on share capital	33	2.38
2	Non/short recovery of audit fees	140	0.10
Total		173	2.48

During the year 2009-10 the department accepted underassessment and other deficiencies of ₹ 132.13 crore involved in 452 cases of which 427 cases involving ₹ 130.64 crore had been pointed out during 2009-10 and the remaining in the earlier years. The Departments recovered ₹ 2.51 crore in 27 cases during the year 2009-10 of which two cases involving ₹ 1.02 crore related to the year 2009-10 and balance to the earlier years.

After the issue of draft paragraphs and review the department further recovered ₹ 81.35 lakh in four cases (including two cases of review ₹ 72.45 lakh).

A review of Receipts from guarantee fee involving ₹ 193.61 crore and a few illustrative audit observations involving ₹ 3.57 crore are mentioned in the succeeding paragraphs.

The Department in its written reply stated as under —

The co-operative Societies registered under The Haryana cooperative Societies Act 1984 are liable to pay dividend and audit fee as per provisions of the said act and norms fixed by the R C S Haryana from time to time.

1. The Co-operative Institutions where the Government share capital is invested may declare dividend as per Rule 72 of the Co-operative Societies Rules 1989 according to which in co-operative societies the dividend shall exceed 10% per annum of the paid up share capital.
2. The Audit fees is initially assessed on the basis of annual statement prepared by the society and after availability of audited profit & loss a/c the audit fee is re-assessed and difference of audit fee is recovered accordingly.

Name of departments and nature of irregularity	Number of cases	Amount in Lacs	Recovered amount in Lacs	Wrong assessment	Balance in Lacs
Short/non recovery of dividend on share capital	33	238 31	56 55	151 37	30 39
Non/short Recovery of audit fees	140	9 54	8 83	0 11	0 60
Total	173	247 85	65 38	151 48	30 99

Note 2 Non/Short Recovery of Audit Fees

No of cases	Amount due	Recovery	Wrong Assessment	Balance
140	9 54	8 83	0 11	0 60

Almost the entire amount due has been recovered. Out of total recoverable amount of Rs 9 54 lacs an amount of Rs 8 83 lacs has been recovered and Rs 0 11 lacs has been wrongly assessed by AG party in respect of Labour Construction Cooperative Societies in Charkhi Dadri circle because the AG party assessed the audit fee on the basis of 5% of profit whereas the recovery of said audit fee has been made on the maximum basis as per rates fixed by the RCS. Only an amount to tune of Rs 0 60 lacs is pending which is not possible to recover because the said amount relates to some Labour & Construction Cooperative Societies and Transport Cooperative Societies which are under liquidation and the whereabouts of the members of the same are not known. Hence it is requested that paras may be dropped please.

The Committee desired that if the recovery is not possible then the proposal for writing off the amount be sent to the Government under intimation to the committee.

IRRIGATION DEPARTMENT

[81] 6 1 Results of audit

Test check of the records of departmental offices relating to Finance Urban Development Mines and Geology Co operation Public Works {Public Health (Water Services and Sanitation) Irrigation and Buildings and Roads} Forest Food and Supplies Agriculture and Industries conducted in audit during the year 2009 10 revealed under assessments of tax and loss of revenue amounting to Rs 348 76 crore in 2208 cases which fall under the following categories —

Sr No	Category	Number of Cases	Amount
(ii) Irrigation and Building and Roads			
1	Miscellaneous irregularities	162	0 23

The Department in its written reply started as under —

Test check of the records of departmental offices relating to Finance Urban Development Mines and Geology Co operation Public Works {Public Health (Water Services and Sanitation) Irrigation and Buildings and Roads} Forest Food and Supplies Agriculture and Industries conducted in audit during the year 2009 10 revealed under assessments of tax and loss of revenue amounting to Rs 348 76 crore in 2208 cases which fall under the following categories —

E Public Works Department

Sr No	Name of Department	Nature of Cases	Number of Irregularities	Amount
1	Irrigation and Buildings and Roads	Miscellaneous Irregularities	162	0 23

During the year 2009 10 the department accepted under assessment and other deficiencies of Rs 132 13 crore involved in 452 cases of which 427 cases involving Rs 130 64 crore had been pointed out during 2009 10 and the remaining in the earlier years. The departments recovered Rs 2 51 crore in 27 cases during the year 2009 10 and balance to the earlier years.

After the issue of draft paragraphs and review the department further recovered Rs 81 35 lakh in four cases (including two cases of review Rs 72 45 lakh).

A review of Receipts from guarantee fee involving Rs 193 61 crore and a few illustrative audit observations involving Rs 3 57 crore are mentioned in the succeeding paragraphs.

The Audit inspection during 2007 09 regarding difference of payment into treasury 162 No cases amounting to Rs 0 23 crore (Rs 23 00 lakh) were found during the inspection out of which only 44 No cases relates to the Irrigation & Water Resources Department Panchkula amounting to Rs 17 74 lakh only. Out of these 44 No cases

total sum of Rs 17 74 lakh has already been cleared till date as under

Sr No	Name of audit Unit	Para No	No of Cases	Amount in Lakhs	Status	Remarks
1	EE Mech Divn Hisar	1	3	6 64	The amount on account of rate of trucks has been cleared and the dozer is Still to be auctioned	Details (F/A)
2	EE Mech Divn Karnal	1	4	2 01	The said amount is Clear	Details (F/B)
3	EE Mech Divn Karnal	2	37	9 09	The said amount is Clear	Out of which CTR of amount Rs 4 Lakhs is to reconciled Reconciliation of CTR is recurring process and the department is Making good efforts for its reconciliation with other Department (Detail F/C)
Total		4	44	17 74		

The amount has been cleared out of which Current Treasury Receipt (CTR) of Rs 4 lacs is to be reconciled Reconciliation of CTR is recurring process and the department is a making good efforts for its reconciliation with others Departments

So that Para may kindly be dropped

The Committee desired that the department should reconcile the Para with PAG Office and settle the matter under intimation to the Committee

MINES & GEOLOGY DEPARTMENT

[82] 6.1 Results of audit

Test check of the records in departmental offices relating to Finance Urban Development Mines and Geology Co operation Public Works {Public Health (Water Services and Sanitation) Irrigation and Buildings and Roads} Forest Food and Supplies Agriculture and Industries conducted in audit during the year 2009-10 revealed underassessments of tax and loss of revenue amounting to 348.76 crore in 2,208 cases which fall under the following categories

Sr No	Category	Number of Cases	Amount
C	Mines and Geology		
1	Non recovery of royalty and interest	185	0.36
2	Non recovery of interest on late deposit of contract money	46	5.00
3	Miscellaneous irregularities	26	0.06
Total		257	5.42

During the year 2009-10 the department accepted underassessment and other deficiencies of 132.13 crore involved in 452 cases of which 427 cases involving 130.64 crore had been pointed out during 2009-10 and the remaining in the earlier years. The Departments recovered 2.51 crore in 27 cases during the year 2009-10 of which two cases involving 1.02 crore related to the year 2009-10 and balance to the earlier years.

After the issue of draft paragraphs and review the department further recovered 81.35 lakh in four cases (including two cases of review 72A5 lakh).

A review of Receipts from guarantee fee involving 193.61 crore and a few illustrative audit observations involving 3.57 crore are mentioned in the succeeding paragraphs.

The Department in its written reply started as under —

- o As per AG (Audit) report the para suggests 257 cases involving amount of Rs 5.42 crore however the same requires certain corrections. The audit party took recovery of Rs 3.74 Cr for 18 cases of district Bhiwani. The amount involved in these cases is 374 Lacs instead of 3.74 Cr. Further this figure had been taken twice by Audit party under different sub paras i.e. 6.1 (2) and 6.1 (3).
- o Hence an amount of Rs 8.84 crores in 240 cases is to be treated in this para.
- o Out of Rs 8.84 crores an amount of Rs 2.11 Crores has already been recovered.
- o Now a sum of Rs 6.73 crores on account of non recovery of royalty and interest interest on late deposit of contract money and licence fee of stone crushers is recoverable from ex contractors Brick Kiln owners and stone crusher owners for which efforts are being made to recover the balance amount.

- Out of this balance amount of Rs 6 73 crores an amount of Rs 6 54 crores involved in 20 cases is
- related with stone/sand contract of Bhiwani and Narnaul (i.e. Rs 4 58 crores in 11 cases of Narnaul and Rs 1 96 crores in 9 cases of Bhiwani)
- Efforts are being made to recover this amount as arrears of land revenue. Notices of recovery are being issued to the concerned ex Contractors. Recovery Certificates have been issued in 8 cases of Bhiwani and 5 cases of Narnaul
- In 1 case of Kurukshetra Recovery Certificate has been issued and efforts are being made to recover the balance amount of Rs 5 72 lacs
- The balance amount of Rs 13 28 lacs is related with royalty and interest of BKO. Some of the Brick Kilns are lying closed. Efforts are being made to recover this balance recoverable amount

Para No. 6.1 Result of Audit

Sr No	Nature of Irregularities	No of cases	Period	Amount due (Rs in crore)	Amount recovered (Rs in crore)	Amount Balance (Rs in crore)
1	Non Recovery of royalty and interest	185	2009 10	0 36	0 24	0 12
2	Non recovery of interest on late deposit of contract money	47	2009 10	8 45	1 86	6 59
3	Miscellaneous irregularities	8	2009 10	0 03	0 01	0 02
TOTAL		240		8 84	2 11	6 73

Sr No	Name of District	Year	No of Paras	No of cases	Amount due (Rs in Lacs)	Recovered (Rs in Lacs)	Balance	Remarks
1	AME Gurgaon	2009 10	1	2	0 37	0 37	Nil	
2	AME Fardabad	2009 10	1	10	2 16	1 51	0 65	
3	M O Rohtak	2009 10	1	91	17 38	10 23	7 15	
4	M O Jind	2009 10	1	13	2 38	1 26	1 12	
5	M O YamunaNagar	2009 10	1	5	0 75	0 24	0 5	
6	M O Ambala Cantt	2009 10	1	8	1 54	0 78	0 76	
7	AME Sonapat	2009 10	1	12	2 77	1 69	1 08	
8	M O Kurukshetra	2009 10	2	8	1 49	1 49	Nil	
9	M O Panchkula	2009 10	1	6	1 17	0 98	0 19	
10	AME Panipat	2009 10	1	13	2 65	2 45	0 20	
11	M O Sirsa	2009 10	1	1	0 20	0 20	Nil	
12	M O Hisar	2009 10	1	9	1 67	1 67	Nil	
13	M O Narnaul	2009 10	2	7	1 33	1 05	0 28	
Total				185	35 86	23 92	11 94	

2 Para No 6 1 Non recovery of interest on late deposit of contract money

Sr No	Name of District	Year	No of Paras	No of cases	Amount due (Rs in Lacs)	Recovered (Rs in Lacs)	Balance	Remarks
1	M O Jind	2009 10	1	17	0 23	Nil	0 23	
2	M O Kurukshetra	2009 10			6 18	0 46	5 72	
3	M O Narnaul	2009 10	1	12	465 00	7 15	457 85	
4	AME Bhiwani	2009 10	1	17	374 00	178 20	195 80	
Total				46	845 41	185 81	659 60	

3 Para No 6 1 Miscellaneous irregularities

Sr No	Name of District	Year	No of Paras	No of cases	Amount due (Rs in Lacs)	Recovered (Rs in Lacs)	Balance	Remarks
1	Director Mines & Geology Haryana Chandigarh	2009 10	1	8	2 60	1 20	1 40	
Total			1	8	2 60	1 20	1 40	

The Committee desired to make strenuous and vigorous efforts to recover the balance amount under intimation to the Committee

[83] 6 6 Non recovery of royalty and interest

The Mines and Minerals (Development and Regulation) Act and Punjab Minor Mineral Concession Rules provide for levy of royalty on mineral removed from leasehold area and levy of interest on belated payment of royalty

We noticed that the Department did not observe the provisions of the above Rules in 133 cases which resulted in non realisation of royalty/interest of ₹ 29 08 lakh

Rule 24 of the Punjab Minor Mineral Concession Rules 1964 as applicable to the State of Haryana provides that brick kiln owners shall pay annual amount of royalty at the prescribed rate in advance by 30th April of every year State Government revised the rates of fixed royalty of various categories of brick kiln owners from June 2005 In case of default interest at the rate of 24 per cent per annum is chargeable for the period of default Brick kiln owners register is maintained at each mining office for levy and collection of royalty The permits of such brick kiln owners are required to be cancelled by the department who do not pay royalty 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/ Mining Officers are responsible for monitoring recovery of outstanding dues

During test check of records of five offices of Assistant Mining Engineer/ Mining Officer between November 2008 and November 2009 we noticed that 133 brick kiln owners were issued permits between April 2006 and April 2007 for the period of two years The brick kiln owners were required to pay royalty for the years 2007 08 and 2008 09 by 30 April 2007 and 30th April 2008 respectively Though a period ranging between 18 and 33 months had elapsed upto December 2009 yet royalty of ₹19 44 lakh was neither paid by the brick kiln owners nor was it demanded by the Assistant Mining Engineers/Mining Officers No action to cancel the

permits and/or to recover the dues as arrears of land revenue was taken. Lack of action on the part of the department resulted in non realisation of revenue of ₹ 29.08 lakh (including interest of ₹ 9.64 lakh).

After we pointed out these cases between November 2008 and November 2009, the Assistant Mining Engineers/Mining Officers stated between August 2009 and January 2010 that royalty of ₹ 2.32 lakh (including interest of ₹ 70,240) had been recovered in 1 case between December 2008 and December 2009 and notices had been issued or efforts were being made to recover the balance amount of ₹ 26.76 lakh from the brick kiln owners.

We have not received further progress of recovery in these cases (August 2010). We pointed out the matter to the Director, Mines and Geology Department between December 2008 and December 2009 and reported to the Government in March 2010. We are yet to receive their reply (August 2010).

The Department in its written reply started as under —

Out of the total amount of Rs. 29.08 lacs (Royalty of Rs. 19.44 lacs and interest of Rs. 9.64 lacs) involved in 133 cases, an amount of Rs. 15.87 lacs (Rs. 12.23 lacs on account of royalty and Rs. 3.64 lacs on account of interest) has already been recovered from BKO. Now an amount of Rs. 13.21 lacs (Rs. 7.21 lacs on account of royalty and Rs. 6.00 lacs on account of interest) are to be recovered. Some of the Brick Kilns are lying closed. Efforts are being made to recover the balance amount.

Para No. 6.6 Non recovery of royalty and interest 2009-10

Sr No	Name of district	No of Cases	Amount of royalty due	Amount of interest due	Amount of royalty recovered (Rs in lacs)	Amount of interest recovered	Amount of royalty Balance	Amount of interest Balance	Remarks
1	M O Ambala	9	1 35 000	83 700	98100	13808	36900	69892	
2	M O Jind	15	2 22 000	1 23 180	180000	43320	42000	79860	
3	M O Fardabad	7	1 05000	44 100	60000	26400	45000	17700	
4	M O Rohtak	91	13 17 000	6 45 120	780000	244800	537000	400320	
5	M O Sonapat	11	1 65 000	68 400	105000	35408	60000	32992	
Total		133	19 44 000	9 64 500	1223100	363736	720900	600764	

The Committee would like to know the latest position in this regard. The Committee further desired that the matter may be reconciled with P.A.C. Office under intimation to the Committee.

PUBLIC HEALTH DEPARTMENT

[84] 6.1 Results of audit

Test check of the records in departmental offices relating to Finance Urban Development Mines and Geology Co operation Public Works {Public Health (Water Services and Sanitation) Irrigation and Buildings and Roads} Forest Food and Supplies Agriculture and Industries conducted in audit during the year 2009-10 revealed underassessments of tax and loss of revenue amounting to ₹ 348.76 crore in 2,208 cases which fall under the following categories

(₹ in crore)			
Sr No	Category	Number of Cases	Amount
(i) Water services and sanitation			
1	Loss due to non levy of charges on unmetered supply of water to industrial institutions/ commercial connections	417	1.33
2	Miscellaneous irregularities	602	0.72
Total		1,019	2.05

During the year 2009-10 the department accepted underassessment and other deficiencies of ₹132.13 crore involved in 452 cases of which 427 cases involving ₹ 30.64 crore had been pointed out during 2009-10 and the remaining in the earlier years. The Departments recovered ₹2.51 crore in 27 cases during the year 2009-10 of which two cases involving ₹1.02 crore related to the year 2009-10 and balance to the earlier years.

After the issue of draft paragraphs and review the department further recovered ₹ 81.35 lakh in four cases (including two cases of review ₹ 72.45 lakh).

A review of Receipts from guarantee fee involving ₹193.61 crore and a few illustrative audit observations involving ₹ 3.57 crore are mentioned in the succeeding paragraphs.

The department in its written reply stated as under —

All out efforts have been made for the recoveries and with respect to loss due to non levy of charges on un metered supply to industrial institutions/commercial connections an amount of Rs. 0.86 crore stands recovered against Rs. 1.33 crore. With respect to Miscellaneous irregularities Rs. 0.43 crores stands recovered against Rs. 0.72 crores.

The division wise details are given as under —

(Rs in lacs)

(ii) **Loss due to non levy charges on un metered supply of water to Industrial institution /commercial connection**

Sr No	Name of Divin	Para No	Cases	Total Amount	Cleared case	Amount Cleared	Balance Case	Balance Amount
1	No 2 Sirsa	1		38 94		4 71		34 23
2	Tosham	1	32	8 56	0	0 43	32	8 13
3	Charkhi Dadri	1	26	7 98	10	6 44	16	1 54
4	No 1 Rewari	1	31	9 14	7	5 59	24	3 55
5	No 2 Bhiwani	1	312	66 88	192	66 88	120	0 00
6	Hansi	1	16	1 48	16	1 48	0	00 0
Total			417	132 98	225	85 53	192	47 45

The Executive Engineer PHE Division No 2 Sirsa has intimated that a special committee of 2 No S D Es & 2 No JEs was constituted under the Chairmanship of Sh Nathu Ram SDE PHE Sub Division No 1 Ellenabad to survey/verify the 117 No connections of Ellenabad Town & 18 No connections of Kalanwali Towns. The committee has submitted his detailed report after verifying/surveying all the connections physically as pointed out in the para and town wise report is as under

Ellenabad Town

All the committee members visited the Grain Market Ellenabad on dated 17 07 2014 & checked all the 117 No water supply connections physically & found that all are the domestic connections. Because these connections were given to the residents living in houses constructed on first floor of the shops in Grain Market Ellenabad. The water is actually used for domestic purpose. Therefore these connections can not be termed as commercial connections. Moreover these connections were given from the back side streets of Grain Market Ellenabad whereas shops are inside the Mandi. These connections were entered in separate ledger which was wrongly considered as commercial ledger by the Audit Party.

Hence all the above 117 No connections as pointed in the para may be considered as domestic connections and the para may be got dropped.

Kalanwali Town

All the committee members visited in Kalawanwali Town on dt 26 07 2014 and checked/ verified all the 18 No connections.

Out of total payment of Rs 544320/- Rs 471189/- has been recovered of 11 No connections out of which 4 No connections are domestic connections and they have deposited their bills at the domestic rates. 5 No cases of are not ready to deposit their bills at the commercial rates as their water connections are used for domestic purposes only & one case is related to commercial connection for service station which is not ready to

deposit the bill and connection of all the 6 No cases have been disconnected 1 No case is pending in the civil court & payment can only be effected after decision of the Hon ble Court

The Executive Engineer PHE Division Tosham has intimated that the record of his office has been scrutinized in connections with the above subjected para on account of non recovery of water charges at flat rate @ Rs 1000/ per month for 32 Nos connections to Industrial/ Commercial/ Institutional have been wrongly included in the audit para of village Tosham The total Nos of connections included in the para are 32 out of which 25 Nos water connections relate to Tosham Village which have been wrongly included in the para and 7 Nos water connections relate to SDE PHESD Bawani Khera out of which 4 Nos connections relates to villages of PHESD Bawani Khera which have wrongly been included in the para

Tosham is a village as per Haryana Govt Gazette notification No 15/21/97 2A dt 02 03 2000 The rates for water supply in the Rural area was RS 20/ per month for all type of water connections

From the above it is clear that 25 Nos water connections of the village Tosham have been wrongly included as commercial/industrial/institutional by the Audit in the year 2009 10 while the policy for Rural area for commercial /industrial/institutional has been notified in the year 2012

The remaining 7 Nos connection relate to Bawani Khera Sub Division Out of which 4 Nos water connections have been released in the villages of the Bawani Khera Sub Division which have also been included wrongly as commercial/industrial/institutional and remaining 3 Nos connections have been installed in the Bawani Khera Town and the consumers have installed meters and recovery of water charges is being made regularly

From the above it is clear that out of 32 Nos connections 29 Nos connections relate to rural area (Villages) and have been wrongly included in the para and it is not possible to recover the water charges of these connections @ 1000/ per month from the consumers of the Rural area The 3 remaining Nos connections in the Bawani Khera Town are paying water charges as per readings of meters installed by them and recovery is being made regularly from the consumers

(Rs in lacs)

(iii) Miscellaneous irregularities

Sr No	Name of Divin	Para No	Cases	Total Amount	Cleared case	Amount Cleared	Balance Case	Balance Amount
1	No 2 Sirsa	2	26	2 75	0	0 00	26	2 75
2	No 2 (P) Nuh	1	1	0 29	1	0 28	0	0 01
3	No 2 Bhiwani	2	413	47 08	205	27 00	208	20 08
4	Hansi	2	162	22 25	140	15 32	22	6 93
Total			602	72 37	345	42 60	257	29 77

The Committee desired that effective steps should be taken by the department to recover the amount from the concerned Divisions under intimation to the Committee

[85] 6.5 Non recovery of water charges

The Department did not observe the provisions of Government order of November 2006 in 224 cases which resulted in non recovery of water charges of ₹ 56.54 lakh

As per Haryana Government Urban Development Department order dated 10 November 2006 all the existing water supply un metered connections in commercial institutional or industrial establishment shall be converted into metered connections by the occupants in a period of three months from the date of order otherwise the rate charged shall be minimum of ₹ 1 000 per month and as assessed by the concerned Executive Engineer of the Public Health department

During test check of records of the offices of four 7 Executive Engineer of Public Health Engineering Division for the years from 2006-07 to 2008-09 in August 2009 we noticed that there were 224 un metered water supply connections of commercial institutional and industrial establishments as of 10 November 2006. All these existing un metered connections were required to be converted into metered connections by the occupants of these establishments by 10 February 2007. Neither the occupants of these establishments had got their un metered connections converted into metered connections even up to March 2009 nor the department had taken efforts for installing meters. Further the department had not raised water charges at the prescribed minimum rate. This resulted in non recovery of water charges at minimum rate aggregated to ₹ 56.54 lakh for the period between December 2006 and March 2009.

After we pointed out these cases in August 2009 the Executive Engineer Public Health Division No. 2 Sirsa stated in January 2010 that ₹ 26.154 had been recovered and final notices were being issued to recover the balance amount of ₹ 33.84 lakh. The Executive Engineers Public Health Engineering Division Charkhi Dadri Rewari and Tosham (Bhiwani) stated in January 2010 that notices had been issued to the concerned parties to recover the outstanding amount of ₹ 22.44 lakh. We have not received further report on recovery in these cases (August 2010).

We pointed out the matter to the Chief Engineer Public Health Department in September 2009 and reported to the Government in March 2010 we are yet to receive their reply (August 2010).

The department in its written reply stated as under —

Efforts have been made for the recovery of water charges and an amount of Rs. 11.01 lacs stands recovered out of Rs. 56.64 lacs pointed out in the para. Recovery with respect to

divisions at Charkhi Dadri and No 1 Rewari are satisfactory. However, recovery with respect to Nos 2 Sirsa and Tosham cannot be made due position explained in the reply of para No 6 1.

The division wise position of recovery is as under

(Rs in lacs)

Sr No	Name of Divin	Para No	Cases	Total Amount	Cleared case	Amount Cleared	Balance Case	Balance Amount
1	Charkhi Dadri	1	26	6 94	10	6 67	16	0 27
2	No 1 Rewari	1	31	7 89	7	4 34	24	3 55
3	No 2 Sirsa	1	135	33 84	11	4 71	124	29 13
4	Tosham	1	32	7 60	0	0 00	32	7 60
Total			224	56 27	25	11 01	199	40 55

The Committee desired that constant efforts should be made by the department to recover the balance amount of Rs 40 55 lacs under intimation to the Committee

APPENDIX

Statement showing the outstanding observations/recommendations of the Public Accounts Committee of the Haryana Vidhan Sabha on which the Government is yet to take final decisions

Sr No	Name of department	Paragraph	Brief subject
1	2	3	4
			9th Report
1	Industries	5(2)	Credit facilities for development of small industries
			14th Report
2	Industries	16	Purchase of Cotton Yarn
			16th Report
3	Industries	2(a)&(d)	Subsidy of setting up industries Units in selected Backward areas (Cases of M/s B K Steel Rolling Mill) Tohana and M/s Modern Industries Charkhi Dadri
			18th Report
4	Co-operation	39	Co operative Consumer Stores
			22nd Report
5	Industries	10 (ii)	Industrial Estate
6	Irrigation	20	Penal recovery of cost of coal issued to Kiln Contractors in excess requirement
7	Revenue	40	Non levy of registration fee
8	Excise and Taxation	54	Shortfall in duty
9	Excise and Taxation	56	Recovery due from contractor
			23rd Report
10	Food and Supplies	35	Haryana State Federation of Consumer Co operative Wholesale Stores Limited Chandigarh
11	Excise and Taxation	47	Uncollected Revenue
12	Excise and Taxation	55	Result of test audit in general
13	Excise and Taxation	57	Failure to initiate action to recover the licence fee
14	Excise and Taxation	59	Loss of duty on excess wastage in bottling operation
			25th Report
15	Colonization	9	Encroachment of Land
16	Colonization	11	Recoveries from plot holders
17	Fisheries	31	Development of Fisheries
18	Excise and Taxation	54	Un collected revenue
19	Excise and Taxation	58	Incorrect computation of tax on interstate sales
20	Excise and Taxation	67	Irregular allowance for wastage

1	2	3	4
21	Excise and Taxation	69	Failure to enforce licence condition 26th Report
22	Revenue	10	Gratuitous relief for crops/houses damaged
23	Irrigation	22	Faulty measurement of work resulting in over payment
24	Excise and Taxation	49	Uncollected revenue
25	Excise and Taxation	61	Duty not recovered on spirit loss in bottling operation in excess of norms
26	Excise and Taxation	63	Non recovery of licence fee and interest 28th Report
27	PW (B&R)	14	Shortage of Steel
28	Excise and Taxation	41	Registration of dealers under Sale Tax Act
29	Excise and Taxation	44	Non recovery of licence fee and interest 29th Report
30	Forest	8	Forestation Social Forestry & including Rural fuel wood plantation and farm forestry
31	Irrigation	17	Excess issue of coal
32	Excise and Taxation	47	Non levy of penalty
33	Excise and Taxation	50	Non levy of penalty
34	Excise and Taxation	51	Non levy of penalty
35	Excise and Taxation	53	Interest not charged
36	Revenue	62	Results of Audit
37	Revenue	63	Under valuation of immovable property
38	Mines and Geology	71	Results of Audit
32nd Report			
39	Industries	4	Development of small industries
40	Irrigation	12	Misappropriation
41	Irrigation	20	Shortage of Stores
42	Revenue	25	Inadmissible payment
43	Town and Country Planning (HUDA)	36	Loss due to defective storage of Cement
44	Mines and Geology	47	Uncollected revenue
45	Mines and Geology	48	Results of Audit
46	Excise and Taxation	61	Uncollected revenue
47	Excise and Taxation	69	Irregular levy of tax at concessional rate
34th Report			
48	Development and Panchayat	8	Irregular and wasteful expenditure on books
49	Revenue	29	Land reforms
50	Revenue	30	Compensation to landowner
51	Revenue	31	Consolidation of holdings
52	Food and Supplies	47	Under storage of wheat
53	Mines and Geology	55	Uncollected revenue
54	Excise and Taxation	63	Uncollected revenue

1	2	3	4
55	Excise and Taxation	66	Short levy/non levy of purchase tax
56	Excise and Taxation	69	Non levy of penalty
57	Excise and Taxation	70	Non filling the quarterly returns
58	Irrigation	72	Arrears of revenue
59	Irrigation	74	Non raising of demand
60	Chief Electrical Inspector	78	Uncollected revenue
61	Chief Electrical Inspector	80	Arrears of electricity duty
62	Revenue	83	Results of Audit
63	Revenue	84	Under valuation of immovable property
36th Report			
64	Local Self Government	3	Non recovery of Government Government dues
65	Food and Supplies	7	Loss due to storage of wheat
66	Transport	9	Irregular payment of overtime allowance
67	Industries	13	Non utilization of loan
68	Revenue	18	Inadmissible gratuitous relief
69	Public Health	23	Construction of a water tank
70	Haryana State Lotteries	25	Suspended misappropriation of Government money
71	PW (B&R)	29	Excess measurement
72	Revenue	43	Results of Audit
73	Revenue	46	Misclassification of instruments
74	PW (B&R)	51	Results of Audit
75	Excise and Taxation	53	Uncollected Revenue (P G T)
76	Excise and Taxation	54	Uncollected Revenue (State Excise)
77	Excise and Taxation	58	Result of Audit (Sales Tax)
38th Report			
78	Renewable Energy	16	Evaluation and monitoring
79	Medical and Health	18	Stores and Stock
80	Irrigation	32	Surplus material
81	Irrigation	36	Shortage of tiles
82	Public Health	41	Excess payment to the contractor
83	Public Health	42	Excess Payment
84	Mines and Geology	50	Results of Audit
85	Mines and Geology	51	Receipts from Mines and Minerals
86	Agriculture	56	Interest not charged on belated payments
87	PW (B&R)	61	Arrears of rent
88	Revenue	64	Results of Audit
89	Revenue	68	Misclassification of Instrument
90	Excise and Taxation	71	Uncollected revenue

1	2	3	4
91	Excise and Taxation	79	Suppression of purchases
92	Excise and Taxation	81	Irregular stay of tax and interest
93	Excise and Taxation	87	Recovery at the instance of Audit
40th Report			
94	Town and Country Planning	19	Delay in land acquisition cases
95	Public Health	33	Stores and stock
96	Public Health	34	Injudicious purchases
97	PW (B&R)	37	Extra payment due to incorrect entries in Measurement Books
98	PW (B&R)	38	Avoidable extra expenditure due to retendering
99	Co operation	41	Embezzlement
100	Food and Supplies	47	Damage caused to wheat in Storage
101	Supplies and Disposal	49	Extra expenditure due to retendering
102	Excise and Taxation	51	Uncollected Revenue (Sales Tax)
103	Excise and Taxation	52	Uncollected Revenue (State Excise)
104	Excise and Taxation	55	Delay in re assessment of remand cases
105	Excise and Taxation	57	Appeals entertained without deposit of tax
106	Excise and Taxation	60	Loss of revenue due to delays in assessment and demand of tax
107	Excise and Taxation	66	Incorrect deduction on account of sales to registered dealers
108	Excise and Taxation	68	Non levy of penalty
109	Excise and Taxation	69	Interest not charged
110	Excise and Taxation	74	Non recovery of duty on wastage in excess norms
111	Excise and Taxation	75	Interest not charged
112	Revenue	79	Outstanding Inspection Reports
113	Revenue	80	Results of Audit
114	Revenue	81	Under valuation of immovable property
115	Revenue	82	Misclassifications of instruments
116	Revenue	83	Irregular grant of exemption
117	Revenue	84	Non/Short levy of stamp duty
118	Revenue	85	Irregular registration of supplementary deeds
119	Revenue	87	Evasion of stamp duty and registration fee through power of attorney
120	Revenue	89	Embezzlement of Government revenue
121	Mines and Geology	93	Outstanding Inspection Reports
122	Mines and Geology	94	Results of Audit

1	2	3	4
42nd Report			
123	Irrigation	13	Jawahar Lal Nehru Lift Irrigation Scheme
124	Food and Supplies	42	Loss due to negligence
125	Public Health	60	Inflated/Fictitious measurement
126	PW (B&R)	71	Shortage of tools and Plant
127	Revenue	101	Outstanding Inspection Reports
128	Revenue	103	Results of Audit
129	Revenue	104	Irregular exemption of stamp duty
130	Excise and Taxation	108	Uncollected Revenue
131	Excise and Taxation	109	Frauds and evasion of taxes
132	Excise and Taxation	113	Delay in taking up of appeal cases
133	Excise and Taxation	115	Stay of Sales Tax demands by the Appellate Authorities
134	Excise and Taxation	116	Recovery of Demands in arrears under Sales Tax
135	Excise and Taxation	118	Non recovery of arrears due to delay in assessment
136	Excise and Taxation	119	Failure to verify the genuineness of dealers/sureties
137	Excise and Taxation	120	Irregular grant of exemption certificate
138	Excise and Taxation	121	Delay in initiating/non pursuance of recovery proceedings
139	Excise and Taxation	125	Application of incorrect rate of tax
140	Excise and Taxation	126	Non/Short levy of interest
141	Excise and Taxation	127	Results of Audit
142	Excise and Taxation	129	Loss of revenue due to re auction of vends
143	Excise and Taxation	130	Short recovery of composite fee
144	Excise and Taxation	131	Non recovery of license fee and interest
145	Excise and Taxation	132	Loss due to non observance of prescribed procedure regarding auction of vends
146	Excise and Taxation	134	Non recovery of penalties
147	Excise and Taxation	136	Uncollected Revenue
148	Excise and Taxation	138	Results of Audit
149	Excise and Taxation	139	Under assessment due to irregular grant of exemption to non manufacturers
150	Excise and Taxation	142	Under assessment due to short levy of purchase tax and incorrect deduction
151	Excise and Taxation	144	Short levy of penalty
152	Excise and Taxation	145	Results of Audit
44th Report			
153	Public Health	3	Sub Standard execution of work
154	Irrigation	12	Surplus materials
155	Irrigation	17	Shortage of T & P articles
156	Social Welfare	23	Payment of pension to ineligible persons

1	2	3	4
157	Social Welfare	26	Liberation of scavengers
158	Rural Development	36	Integrated Rural Development Programme
159	Town and Country Planning	41	Functioning of State Planning Planning Cell
160	Town and Country Planning	43	Avoidable payment of interest Planning
161	Revenue	46	Mewat Development Board
162	Mines and Geology	48	Uncollected Revenue
163	Mines and Geology	50	Results of Audit
164	Mines and Geology	53	Short Calculation of interest
165	Mines and Geology	54	Uncollected Revenue
166	Mines and Geology	56	Results of Audit
167	Mines and Geology	57	Non realisation of contract money and interest
168	Mines and Geology	58	Non recovery of dead rent and interest thereon
169	Mines and Geology	59	Interest not charged on delayed payments
170	Mines and Geology	60	Uncollected revenue
171	Mines and Geology	61	Results of Audit
172	Mines and Geology	62	Non recovery of contract money and interest
173	Mines and Geology	63	Non recovery/Short recovery of royalty
174	Mines and Geology	64	Interest not charged
175	Revenue	66	Uncollected Revenue (Land Revenue)
176	Revenue	67	Results of Audit
177	Revenue	68	Short levy of Stamp duty
178	Revenue	69	Under valuation of immovable property
179	Revenue	70	Evasion of Stamp duty and registration fee through power of attorney
180	Revenue	71	Irregular exemption of Stamp duty and registration fee
181	Revenue	72	Misclassification of instruments
182	Revenue	73	Uncollected Revenue
183	Revenue	76	Results of Audit
184	Revenue	78	Irregular exemption of stamp duty
185	Revenue	79	Short realization of stamp duty due to under valuation of immovable property
186	Revenue	80	Misclassification of instruments
187	Prohibition Excise and Taxation	92	Uncollected Revenue (Sales Tax)
188	Prohibition Excise and Taxation	95	Non registration of dealers liable to registration
189	Prohibition Excise and Taxation	96	Grant of Certificates of registration without following proper procedure
190	Prohibit on Excise and Taxation	97	Non observance of departmental instructions regarding cross verifications
191	Prohibition Excise and Taxation	98	Non observance of prescribed procedures for receipt and issue of declaration forms

1	2	3	4
192	Prohibition Excise and Taxation	99	Non observance of prescribed procedures for receipt and issue of declaration forms
193	Prohibition Excise and Taxation	100	Irregular deduction allowed against stolen forms
194	Prohibition Excise and Taxation	101	Incorrect deduction from turnover
195	Prohibition Excise and Taxation	102	Incorrect levy of Concessional rate of Tax
196	Prohibition Excise and Taxation	103	Other points of interest
197	Prohibition Excise and Taxation	106	Results of Audit
198	Prohibition Excise and Taxation	107	Interest not charged
199	Agriculture	108	Non recovery of purchases tax and interest
200	Agnculture	109	Non recovery of purchase tax and interest
46th Report			
201	Housing	6	Loss owing to construction of houses on unapproved layout plan
202	PW (B&R)	25	Short receipt of material
203	PW (B&R)	27	Procurement of sub standard cement
204	Irrigation	34	Procurement of sub standard cement
205	Haryana State Lotteries	36	Appointment of main stockists
206	Haryana State Lotteries	37	Loss due to excess claims of Prize winning tickets
207	Haryana State Lotteries	40	Other points of interest
208	Prohibition and Excise	41	Arrears in revenue
209	Prohibition and Excise	42	Results of Audit
210	Commercial Taxes	43	Arrears in revenue
211	Commercial Taxes	46	Outstanding inspection reports and audit observations
212	Commercial Taxes	47	Results of Audit
213	Commercial Taxes	48	Sales Tax Check Barriers
214	Commercial Taxes	50	Short levy of Purchases Tax
215	Commercial Taxes	51	Non/Short levy of interest and penalty
216	Commercial Taxes	52	Results of Audit
48th Report			
217	Agriculture	4	Arrears in revenue
218	Animal Husbandry	8	Frauds and evasion of taxes/duties
219	Mines and Geology	14	Arrears in revenue
220	Mines and Geology	15	Outstanding inspection reports and audit observations
221	Transport	20	Outstanding audit objections in internal audit
222	Housing	27	Avoidable liability of interest
223	Education	29	Purchases without assessment of requirement
224	PW (B&R)	31	Irregular/Excess expenditure on execution of works
225	Excise and Taxation	33	Arrears in revenue
226	Excise and Taxation	37	Results of Audit

1	2	3	4
227	Excise and Taxation	43	Irregular deduction allowed against invalid declaration forms
228	Excise and Taxation	44	Loss of revenue due to defray in finalization of assessment
229	Excise and Taxation	45	Non levy of interest and penalty
50th Report			
230	Finance (Lotteries)	3	Printing of lottery tickets
231	Industries	5	Capital investment subsidy
232	Industries	6	Irregular release/non recovery of assistance
233	Social Welfare	8	Panjin Plants
234	Home (Jail)	9	Injudicious purchase
235	Irrigation	18	Stores and Stock
236	Irrigation	21	Physical verification
237	Irrigation	22	Surplus materials
238	Town and Country Planning	24	Construction of Building and Roads by HUDA
239	Town and Country Planning	25	Construction of Building
240	Town and Country Planning	26	Test check of records relating to construction of roads
241	Town and Country Planning	27	Other points of interest
242	Town and Country Planning	28	Non recovery of compounding fee
243	Town and Country Planning	29	Avoidable payment of interest
244	Transport	32	Purchase of Sub standard tubes of butyl rubber
245	Forest	36	Generation of employment
246	Forest	38	Alkali/saline land plantation
247	PW (B&R)	47	Construction of major building including Staff Quarters
248	PW (B&R)	49	Execution of works without technical sanction of cost estimates
249	PW (B&R)	52	Undue financial favour to the contractors
250	PW (B&R)	57	Reimbursement claims
251	PW (B&R)	58	World Bank and Asian Development bank loan
252	PW (B&R)	60	Execution
253	PW (B&R)	61	Release of advances not covered by agreement
254	PW (B&R)	63	Excess payment of price increase on diesel
255	PW (B&R)	65	Irregular adjustment of expenditure
256	Rural Development	77	Other points
257	Rural Development	78	Non recovery/non adjustment of advances to Ex Sarpanches
258	Rural Development	79	Non recovery of misutilised subsidy
259	Town and Country Planning	80	Non levy of Penalty
260	Town and Country Planning	81	Non recovery of auction money

1	2	3	4
261	Town and Country Planning	82	Non transfer of developed sectors
262	Transport	87	Avoidable payment of compensation due to incorrect filing of affidavit before the Tribunal
263	Revenue	92	Arrears in revenue
264	Revenue	93	Frauds and evasion of taxes/duties
265	Revenue	94	Results of Audit
266	Revenue	95	Internal Audit
267	Revenue	96	Results of Audit
268	Revenue	97	Stamp duty and Registration Fees
269	Revenue	98	High pendency of cases of undervaluation with Collectors
270	Revenue	99	Misclassification of instruments
271	Revenue	100	Short levy of stamp duty
272	Revenue	101	Pre audit of registrable documents
273	Revenue	102	Arrears in Revenue
274	Revenue	103	Frauds and evasion of taxes/duties
275	Revenue	104	Results of Audit
276	Revenue	105	Outstanding audit objections in Internal Audit
277	Revenue	106	Results of Audit
278	Revenue	107	Short recovery of stamp duty on mortgage deed
279	Revenue	108	Evasion of stamp and registration fees through power of attorney
280	Revenue	109	Evasion of Stamp Duty
281	Chief Electrical Inspector	110	Arrears in revenue
282	Mines and Geology	112	Results of Audit
283	Animal Husbandry	115	Frauds and evasion of taxes/duties
284	Excise and Taxation	116	Arrears in revenue
285	Excise and Taxation	118	Under assessment due to inadmissible deduction from turnover
286	Excise and Taxation	120	Under assessment due to irregular deduction allowed against invalid declaration forms and non/short levy of purchase/sales tax
287	Excise and Taxation	122	Under assessment
288	Excise and Taxation	124	Under assessment due to application of incorrect rates of tax
289	Excise and Taxation	125	Non/short levy of purchase tax
290	Excise and Taxation	126	Results of Audit
291	Excise and Taxation	127	Internal control mechanism of receipts from distilleries and breweries
292	Excise and Taxation	128	Low yield of spirit
293	Excise and Taxation	129	Loss of spirit due to re distillation

1	2	3	4
294	Excise and Taxation	133	Interest short charged
295	Excise and Taxation	134	Short realization of composite fee
296	Revenue	135	Results of Audit
297	Revenue	137	Arrears in revenue
298	Mines and Geology	139	Arrears in revenue
299	Agriculture	141	Arrears in revenue
300	Agriculture	142	Results of Audit
301	Agriculture	143	Non recovery of purchase tax and interest
302	Finance (Lotteries)	146	Results of Audit
52nd Report			
303	Education	6	Extra expenditure on purchase of paper
304	Agriculture	15	Non recovery of principal and interest from Sugar Mills
305	Irrigation	39	Miscellaneous Public Works Advances
306	PW (B&R)	43	Miscellaneous Public Works Advances
307	PW (B&R)	44	Stores and Stock
308	PW (B&R)	46	Short receipt of material
309	Town & Country Planning	51	Excess payment of land compensation due to partial implementation of Supreme Court's Judgment
310	Town & Country Planning	52	Avoidable payment of interest due to abnormal delay in processing of land award cases
311	Town & Country Planning	53	Non recovery of rent from the lessees due to non observance of conditions of lease deed
312	Town & Country Planning	54	Recovery due from Junior Engineer owing to mis appropriation of material
313	Housing	56	Delayed disbursement of loan to the beneficiaries led to avoidable liability of interest
314	Housing	58	Infructuous expenditure due to construction of retaining wall without requirement
315	Social Welfare	60	Embezzlement of Rs 3.99 lakh
316	Food and Supplies	63	Possibility of pilferage of four thousand quintals of wheat
317	General	65	Write off of losses etc
318	Animal Husbandry	67	Arrears in revenue
319	Revenue	69	Results of Audit
320	Revenue	71	Evasion of Stamp Duty due to under valuation of immovable property
321	Power (Chief Electrical Inspector)	74	Levy and collection of Electricity Duty
322	Power (Chief Electrical Inspector)	76	Non charging of electricity duty on extended load
323	Power (Chief Electrical Inspector)	77	Short realization of electricity duty due to application of incorrect rates
324	Power (Chief Electrical Inspector)	78	Electricity duty not charged after expiry of exemption period

1	2	3	4
325	Transport	79	Results of audit
326	Haryana State Lotteries	86	Results of audit
327	Haryana State Lotteries	87	Short deposit of sale proceeds of Lottery tickets
328	Agriculture	88	Arrears in revenue
329	Agriculture	89	Results of Audit
330	Excise and Taxation	94	Arrears in revenue
331	Excise and Taxation	95	Arrears in assessment
332	Excise and Taxation	96	Frauds and evasions of taxes/duties
333	Excise and Taxation	97	Results of Audit
334	Excise and Taxation	101	Under assessment due to non levy of tax on branch transfers/consignment sale
335	Excise and Taxation	102	Under assessment due to non submission of declaration forms
336	Excise and Taxation	104	Arrears in assessments
337	Excise and Taxation	105	Evasion of tax due to suppression of purchases
338	Excise and Taxation	106	Under assessment due to incorrect deduction allowed against invalid declaration forms
339	Excise and Taxation	107	Incorrect levy of concessional rate of tax
340	Excise and Taxation	108	Inadmissible deduction from turnover
341	Excise and Taxation	109	Non levy of purchase tax
342	Excise and Taxation	112	Non levy of tax
343	Excise and Taxation	114	Under assessment due to excess rebate
344	Excise and Taxation	115	Non levy of penalty
345	Excise and Taxation	116	Non reconciliation of revenue deposits into treasury
346	Excise and Taxation	117	Results of Audit
347	Excise and Taxation	118	Short/non recovery of passenger tax
54th Report			
348	Revenue	17	Inadmissible payment of cash compensation to manufacturing units/industry owners
349	Revenue	18	Fictitious payment of gratuitous relief
350	Revenue	19	Drawal of funds without requirement
351	PWD (B&R)	22	Avoidable payment of interest
352	Irrigation	24	Failure of the Sprinkler Irrigation Scheme and wastage of Government funds
353	Agriculture	30	General
354	Education	31	Nugatory expenditure due to payment of idle wages
355	Town and Country Planning	34	Non utilization of land
356	Town and Country Planning	35	Loss due to non recovery of rebate
357	Printing and Stationery	36	Pilferage of Paper
358	Animal Husbandry	47	Fraud and evasion of taxes/duties

1	2	3	4
359	Chief Electrical Inspector	48	Arrear in revenue
360	Revenue	49	Arrear in revenue
361	Revenue	50	Results of Audit
362	Revenue	51	Results of Audit
363	Revenue	52	Non/Short recovery of Stamp duty
364	Revenue	53	Incorrect exemption of Stamp duty
365	Revenue	54	Evasion of stamp duty due to undervaluation of immovable property
366	Revenue	55	Short levy of stamp duty due to misclassification of instruments
367	Revenue	56	Incorrect refund of Stamp duty
368	Revenue	57	Evasion of stamp duty and registration fees through power of attorney
369	Revenue	58	Short recovery of stamp duty on exchange deeds
370	Revenue	59	Results of Audit
371	Revenue	60	Internal Controls in Land Revenue Department for recovery of dues treated as arrears of land revenue
372	Revenue	61	Procedure for receipt and disposal of revenue recovery cases
373	Revenue	62	Return of RRCs
374	Excise and Taxation	64	Arrears in revenue
375	Excise and Taxation	65	Arrears in assessment
376	Excise and Taxation	67	Results of Audit
377	Excise and Taxation	68	Disposal of appeal cases
378	Excise and Taxation	69	Delay in finalizing assessments
379	Excise and Taxation	70	Delay in finalization of remand cases
380	Excise and Taxation	72	Recovery certification cases
381	Excise and Taxation	73	Incorrect levy of concessional rate of tax
382	Excise and Taxation	74	Incorrect deduction allowed against invalid declaration forms
383	Excise and Taxation	75	Inadmissible deduction from turnover
384	Excise and Taxation	76	Short levy of tax on sales to Non government bodies
385	Excise and Taxation	77	Excess refund due to incorrect exemption from payment of tax
386	Excise and Taxation	78	Under assessment due to excess rebate
387	Excise and Taxation	79	Results of Audit
388	Excise and Taxation	80	Incorrect levy of entertainments duty
389	Transport	81	Results of Audit
390	Irrigation	84	Recovery of water rates from canal water
391	Irrigation	85	Arrears of revenue
392	Irrigation	86	Less measurement of area irrigated

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393	Irrigation	88	Excess credit to an industrial unit
394	Irrigation	90	Short recovery of lease rent
395	Agriculture	91	Arrears in revenue
396	Agriculture	92	Results of Audit
397	Agriculture	93	Non recovery of purchase tax and interest
398	Mines and Geology	97	Arrears in revenue
399	Mines and Geology	98	Results of Audit
400	Mines and Geology	99	Short recovery of contract money and interest
56th Report			
401	Education	4	Nutritional support to Primary Education
402	Forest	5	Rehabilitation of common lands in Aravalli Hills
403	Medical and Health	6	Working of Medical and Health Department including Manpower Management
404	Medical and Health	7	Hospitals and dispensaries
405	Medical and Health	9	Hospital Waste Management
406	Medical and Health	11	Outstanding Inspection Reports
407	Finance	14	Overpayment of pensionary benefits
408	Home	18	Stores and Stock
409	Prohibition Excise and Taxation	20	Fraudulent draws and embezzlement of Government money
410	Revenue	21	Loss of interest due to delayed refund of unspent amount
411	Revenue	22	Excess payment of Gratuitous Relief
412	Irrigation	34	Undue retention of heavy Cash balances
413	Co operation	37	Loss due to negligence and improper maintenance of cold storage plant
414	Supplies and Disposal	42	Extra expenditure due to Disposal finalization of tenders after validity period
58th Report			
415	Forest	3	Rehabilitation of common lands in Aravalli Hills
416	Excise and Taxation	4	Arrears in revenue
417	Excise and Taxation	5	Arrears in assessment
418	Excise and Taxation	6	Frauds and evasions of taxes/duties
419	Excise and Taxation	8	Results of Audit
420	Excise and Taxation	9	Cross verification by Audit
421	Excise and Taxation	10	Incorrect deduction from turnover
422	Excise and Taxation	12	Non levy of purchase tax
423	Excise and Taxation	13	Non recovery of tax
424	Excise and Taxation	15	Non/short levy of purchase tax

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425	Excise and Taxation	16	Non levy of tax
426	Excise and Taxation	17	Results of Audit
427	Excise and Taxation	18	Short realization of passenger tax
428	Mines and Geology	19	Arrears in revenue
429	Mines and Geology	20	Results of Audit
430	Mines and Geology	21	Receipts from Mines and Minerals
431	Mines and Geology	22	Non/Short recovery of dead rent royalty and interest
432	Mines and Geology	23	Non/Short recovery of royalty from Brick Kiln Owners
433	Mines and Geology	24	Non recovery of lease fee on short term permits
434	Mines and Geology	25	Non recovery of interest on belated payments
435	Animal Husbandry	27	Frauds and evasions of taxes/ duties
436	Revenue	29	Results of Audit
437	Revenue	30	Stamp Duty and Registration Fees
438	Agriculture	31	Arrears in revenue
439	Agriculture	32	Results of Audit
440	Transport	33	Results of Audit
441	Transport	34	Non deposit of token tax
442	Irrigation	36	Results of Audit
443	Co operative	38	Results of Audit
444	Finance	39	Non charging of interest and penal interest
445	Finance	40	Loans to Municipal Councils/Municipal Committees
446	Forest	41	Short Recovery of royalty on forest produce
447	Power	43	Arrears in revenue
448	General	44	Results of Audit
449	Education	46	Working of Education Department (Primary Education Wing including Manpower Management
450	Education	47	Incentives to Scheduled Castes and weaker section students
451	Education	48	Pass percentage in class V
452	Education	49	Literacy rate
453	Education	50	Internal Audit
454	Education	51	Sanctioned posts and actual strength
455	Education	52	Deployment of teachers beyond norms
456	Education	53	Outstanding inspection reports
457	Education	54	Monitoring and Evaluation
458	Education	55	District Primary Education Programme
459	Education	56	Management cost in excess of norms
460	Education	57	Programme management
461	Education	58	Civil Works

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462	Education	59	Appointment of teachers/instructors/staff
463	Education	60	Training
464	Education	61	Monitoring and Evaluation
465	Medical and Health	66	Manpower position
466	Medical and Health	68	Working of Pandit Bhagwat Dayal Sharma Post Graduate Institute of Medical Sciences Rohtak
467	Medical and Health	69	Implementation of Prevention of Food Adulteration Act
468	Co operative	71	Storage gain on account of moisture in wheat stocks below norms
469	Finance	72	Overpayment of pensionary benefits
470	Irrigation	76	Unauthorized excess execution of work in post tender stage
471	Irrigation	77	Hathnikund Barrage
472	Irrigation	78	Avoidable expenditure due to incorrect sanction of estimates
473	Irrigation	79	Unfruitful expenditure on extension of existing channel
474	Public Health	80	Non responsiveness to Audit findings and observation resulting in erosion of accountability
475	Printing and Stationery	81	Excess payment due to failure in internal control system
476	Printing and Stationery	82	Excess issue of paper to private printers
477	Environment	83	Implementation of environmental Acts and Rules relating to Water Pollution
478	Environment	84	Status of water pollution
479	Environment	85	Treatment of Industrial effluent
480	Environment	86	Domestic sewage treatment plants
481	Environment	88	Environment training education and awareness
482	Environment	89	Monitoring and Evaluation
483	Urban Development	90	Urban Employment Generation Programme
484	Town and Country Planning	93	Non recovery of enhanced compensation of land
485	Food and Supplies	94	Pilferage of large quantity of wheat due to manipulation of weight
486	General	97	Write-off of losses etc
487	Excise and Taxation	101	Arrears in revenue
488	Excise and Taxation	102	Arrears in assessment
489	Excise and Taxation	103	Frauds and evasions of taxes/duties
490	Excise and Taxation	105	Results of Audit
491	Excise and Taxation	106	Evasion in sales tax
492	Excise and Taxation	107	Non compliance of departmental instructions regarding cross verification
493	Excise and Taxation	108	Under assessment of notional sales tax liability computed on taxable turnover

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494	Excise and Taxation	109	Non levy of purchase tax
495	Excise and Taxation	110	Non recovery of tax
496	Excise and Taxation	111	Non levy of interest
497	Excise and Taxation	112	Under assessment due to excess rebate
498	Excise and Taxation	113	Results of Audit
499	Excise and Taxation	114	Short realization of passengers tax towards expenditure
500	Excise and Taxation	115	Non recovery of licence fee
501	Revenue	116	Results of Audit
502	Revenue	117	Short levy of stamp duty on exchange of property
503	Revenue	118	Evasion of stamp duty due to undervaluation of immovable property
504	Revenue	119	Evasion of stamp duty
505	Revenue	120	Short levy of stamp duty
506	Transport	121	Taxes on Motor Vehicles
507	Transport	123	Short realization of permit/countersignature fee
508	Transport	124	Lack of co ordination between Transport and Excise and Taxation Department
509	Transport	125	Non recovery of token tax in respect of Stage carriage buses
510	Finance	126	Results of Audit
511	Forest	129	Results of Audit
512	Forest	130	Loss due to delay in harvesting of poplar trees
513	Forest	132	Absence of physical verification of timer
514	Forest	133	Loss due to excess unit cost
515	Irrigation	135	Results of Audit
516	PW (B&R)	136	Utilization of departmental receipts towards expenditure
517	Co operative	137	Non charging of interest and penal interest
60th Report			
518	Medical and Health	3	Prevention and Control of Diseases
519	Architecture	14	Fraudulent drawals and embezzlement of Government money by a Cashier
520	Animal Husbandry	16	Non recovery of cost of land
521	Co operative	17	Non responsiveness to audit findings and observations resulting in erosion of accountability
522	Education	18	Utilized girls hostel
523	Revenue	24	Fraudulent drawals and embezzlement of Government money
524	Revenue	25	Drawal of funds in advance of requirement
525	Social Welfare	26	Fraudulent payment of Old Age Pension

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526	Town and Country Planning	27	Non-collection of External Development Charges (EDCs)
527	Town and Country Planning	29	Less recovery of plan scrutiny fee
528	Town and Country Planning	30	Avoidable loss due to delay in handling over possession of plots
529	Irrigation	34	Formulation of schemes
530	Irrigation	36	Implementation of schemes
531	Irrigation	39	Land under unauthorized possessions
532	Irrigation	41	Recoverable amount
533	Irrigation	42	Store management
534	Irrigation	43	Complaint Cases
535	Irrigation	44	Introduction of selection grade of Engineers
536	Irrigation	46	Recoverable amount from HUDA
537	Irrigation	51	Monitoring
538	Irrigation	54	Wasteful expenditure on construction of irrigation channels
539	PW (B&R)	63	Extra expenditure
540	PW (B&R)	64	Non responsiveness to Audit findings and observations resulting in erosion of accountability
541	Environment	65	Implementation of Environmental Acts and Rules in regard to Air Pollution and Waste Management
542	Environment	66	Environment laboratories grossly underutilized
543	Environment	67	Status of industrial pollution
544	Environment	68	Stone crushing units
545	Environment	69	Rice shelling units/solvent extraction plants
546	Environment	70	Vehicular pollution
547	Environment	71	Training/mass education programme
548	Environment	72	Waste Management
549	Environment	73	Prosecution under Air Act
550	Agriculture	74	Non recovery of extension fee from allottees
551	Food and Supplies	90	Loss due to delay in supply of wheat to Food Corporation of India
552	Printing and Stationery	90A	Overpayment to private printer
553	Excise and Taxation	95	Arrears in revenue
554	Excise and Taxation	99	Outstanding inspection reports and audit observations
555	Excise and Taxation	101	Results of Audit
556	Excise and Taxation	102	Recovery of sales tax in arrears
557	Excise and Taxation	103	Non recovery due to delay in assessment
558	Excise and Taxation	104	Non-delay in raising of demands for the assessed dues
559	Excise and Taxation	105	Failure to initiate follow up action for recovery of arrears
560	Excise and Taxation	106	Disposal of recovery certificates

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561	Excise and Taxation	107	Demands under stay
562	Excise and Taxation	108	Non inclusion of interest in the demand sent to the liquidator
563	Excise and Taxation	109	Under assessment of notional sales tax liability
564	Excise and Taxation	110	Application of incorrect rate of tax
565	Excise and Taxation	111	Non levy of purchase tax
566	Excise and Taxation	112	Non recovery of tax
567	Excise and Taxation	113	Results of Audit
568	Revenue	114	Results of Audit
569	Revenue	115	Outstanding inspection reports and audit observations
570	Revenue	116	Results of Audit
571	Revenue	117	Short levy of stamp duty on exchange of property
572	Revenue	118	Short levy of stamp duty on plant and machinery
573	Revenue	119	Short levy of stamp duty on lease deed
574	Revenue	120	Embezzlement/evasion of stamp duty
575	Revenue	121	Incorrect exemption of stamp duty
576	Agriculture	122	Results of Audit
577	Agriculture	123	Outstanding inspection reports and audit observations
578	Agriculture	124	Results of Audit
579	Agriculture	125	Non/short recovery of purchase tax and interest
580	Agriculture	126	Non realization of lease money
581	Agriculture	127	Results of Audit
582	Transport	128	Results of Audit
583	Transport	129	Non/short charging of fitness fee (Passing fee)
584	Transport	130	Non realization of fees
585	Home	131	Arrears in revenue
586	Home	134	Arrears in revenue
587	Co operative	136	Results of Audit
588	Co operative	137	Non redemption of Government share capital
589	Forest	139	Outstanding inspection reports and audit observations
590	Forest	140	Results of Audit
61st Report			
591	Development and Panchayats	3	Non responsiveness to audit findings and observations resulting in erosion of accountability
592	PW (B&R)	8	Execution of Works
593	Water Supply and Sanitation	9	Tool and plant returns
594	Public Health	12	Shortage of material
595	Rural Development	15	Allotment of houses to ineligible families
596	Rural Development	16	Other irregularities

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597	Rural Development	22	Reclamation work not taken up for 2½ years
598	Animal Husbandry	24	Non recovery of lease money
599	Town and Country Planning	26	Non recovery of external development charges
600	Food and Supplies	27	Avoidable loss due to delay in disposal of rice
601	General	28	Misappropriations defalcations etc
602	General	31	Lack of accountability
62nd Report			
603	Excise and Taxation	3	Arrears in revenue
604	Excise and Taxation	4	Arrears in assessment
605	Excise and Taxation	5	Frauds and evasions of taxes/duties
606	Excise and Taxation	6	Results of Audit
607	Excise and Taxation	7	Assessment in arrear
608	Excise and Taxation	8	Irregularities in the grant of eligibility certificates
609	Excise and Taxation	9	Incorrect acceptance of applications
610	Excise and Taxation	10	Incorrect determination of zones
611	Excise and Taxation	11	Implementation of the Scheme by Sales Tax Department
612	Excise and Taxation	12	Excess availing of tax deferment
613	Excise and Taxation	13	Irregularities in assessment of exempted/deferred units
614	Excise and Taxation	14	Under assessment due to application of concessional rate of tax
615	Excise and Taxation	15	Under assessment tax due to irregular deduction
616	Excise and Taxation	16	Under assessment of notional sales tax liability
617	Excise and Taxation	17	Non monitoring of exempted/deferred units
618	Excise and Taxation	18	Non levy of purchase tax
619	Excise and Taxation	19	Non levy of tax on lease rent
620	Excise and Taxation	20	Non levy/under assessment of purchase tax due to application of incorrect rate of tax
621	Excise and Taxation	21	Irregular deduction allowed against invalid declaration forms
622	Excise and Taxation	22	Non levy of interest and penalty
623	Excise and Taxation	23	Non raising of demands for interest
624	Excise and Taxation	24	Non realization of tax
625	Excise and Taxation	25	Results of Audit
626	Excise and Taxation	26	Receipts of excise duty from auction of vendors
627	Excise and Taxation	27	Short recovery of licence fee and interest
628	Excise and Taxation	28	Loss of revenue due to re auction of vendors
629	Excise and Taxation	29	Non recovery due to incorrect adjustment of security
630	Excise and Taxation	33	Results of Audit
631	Excise and Taxation	34	Non/short realization of passengers tax

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632	Revenue	36	Results of Audit
633	Revenue	37	Results of Audit
634	Revenue	38	Evasion of stamp duty due to under valuation of immovable property
635	Revenue	39	Non levy of stamp duty on exchange of property
636	Revenue	40	Evasion of stamp duty
637	Revenue	41	Short levy of stamp duty
638	Revenue	42	Inadmissible exemption of stamp duty
639	Transport	43	Non realization of token tax
640	Agriculture	44	Arrears in revenue
641	Agriculture	45	Results of Audit
642	Agriculture	46	Outstanding inspection reports and audit observations
643	Agriculture	47	Non/short recovery of purchase tax and interest
644	Co operation	49	Non redemption of Government share capital
645	Agriculture	50	Recovery from Patedars
646	Medical and Health	56	Manpower
647	Medical and Health	57	Manufacturing and selling units
648	Medical and Health	59	Statistics of prosecutions vis a vis cases filed
649	Social Justice and Empowerment	60	Facilities to handicapped persons
650	Social Justice and Empowerment	61	Budget provision and expenditure
651	Social Justice and Empowerment	62	Identification of persons with disabilities
652	Social Justice and Empowerment	63	Non maintenance of record
653	Social Justice and Empowerment	64	Monitoring
654	Urban Development	66	Non collection of fire tax
655	Education	67	CBI inquiry
656	Finance and Justice	68	Recovery regarding appointment of daily wage workers
657	Forest	69	Felling of Trees
658	Town and Country Planning	70	Exemption of Sales Tax
659	Irrigation	72	Non responsiveness to Audit findings and observations resulting in erosion of accountability
660	Food and Supplies	73	Recovery of amount from the Millers
661	PW (B&R)	76	Non adjustment of storage charges
662	PW (B&R)	77	Irregular/un authorized expenditure of storage charges
663	PW (B&R)	78	Non recovery of difference of sales tax
664	Education	80	Delay in issue of Inspection Reports and settlement of old objections
63rd Report			
665	Excise and Taxation	3	Arrears of revenue
666	Excise and Taxation	4	Evasion of tax
667	Excise and Taxation	5	Results of Audit

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668	Excise and Taxation	6	Position of collection of revenue receipts and arrears
669	Excise and Taxation	7	Delay in finalizaion of remand cases
670	Excise and Taxation	8	Under assessment of tax due to incorrect deduction of subsequent sale under CST
671	Excise and Taxation	9	Under assessment of tax due to inadmissible deduction
672	Excise and Taxation	10	Non levy of purchase tax
673	Excise and Taxation	11	Non levy of interest and penalty
674	Excise and Taxation	12	Non recovery of tax
675	Excise and Taxation	13	Other tax receipts
676	Excise and Taxation	14	Non recovery of penalties
677	Excise and Taxation	15	Non/short realization of passengers tax
678	Excise and Taxation	16	Short/non recovery of entertainment duty
679	Revenue	17	Results of Audit
680	Revenue	18	Evasion of stamp duty due to under valuation of immovable property
681	Revenue	19	Short levy of stamp duty on exchange of property
682	Revenue	20	Evasion of stamp duty on release deeds
683	Revenue	21	Short levy of stamp duty
684	Transport	25	Non deposit of token tax
685	Agriculture	26	Arrears in revenue
686	Agriculture	27	Results of Audit
687	Agriculture	28	Non recovery of purchase tax and interest
688	Co operation	29	Results of Audit
689	Co operation	30	Audit in arrears
690	Co-operation	33	Short levy of audit fee due to incorrect computation of profit
691	Co operation	34	Non deposit of Government share capital
692	Co operation	35	Non redemption of Government share capital due to late fixation of terms and conditions
693	Co operation	36	Non redemption of Government share capital as per terms and conditions
694	Finance	38	Results of Audit
695	Finance	39	Incorrect classification / non collection of guarantee fee
696	Finance	40	Government guarantees
697	Finance	41	Conclusion/Recommendations
698	Urban Development	42	Results of Audit
699	Urban Development	43	Non recovery of 832 supervision charges
700	Forest	44	Results of Audit
701	Power	45	Arrears of Revenue

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702	Mines & Geology	47	Arrears of revenue
703	Mines & Geology	48	Results of Audit
704	Home	49	Arrears of revenue
705	Home	50	Results of Audit
706	Home	51	Results of Audit
707	PW (B&R)	52	Results of Audit
708	Irrigation	54	Results of Audit
709	Medical & Health	55	Results of Audit
710	Animal Husbandry	56	Results of Audit
711	Education (Prathmik Shiksha Pariyojna Parishad)	58	Mis utilization of teaching learning equipment funds
712	Education (Prathmik Shiksha Pariyojna Parishad)	59	Irregular purchase of material
713	Education (Prathmik Shiksha Pariyojna Parishad)	60	Payment of teachers and School grant
714	Public Works (B&R)	61	Deficient agreements
715	Public Works (B&R)	62	Execution of works without technical sanctions
716	Public Works (B&R)	64	Loss due to failure to include sales tax clause in the contract document
717	Public Works (B&R)	65	Supply of Portland pozzolona cement instead of ordinary Portland Cement
718	Revenue	66	Policy for recovery of beneficiaries share not formulated
719	Revenue	67	Inadequate supply of drinking water
720	Food & Supplies	68	(i) Food Security Subsidy and Management of Foodgrain (ii) Financial arrangements
721	Food & Supplies	69	Loss of interest due to delay in deposit of cheques
722	Food & Supplies	70	Loss due to non adherence of the instructions of FCI
723	Food & Supplies	71	Millers had not supplied the rice after milling of paddy
724	Food & Supplies	72	Loss due to damage of wheat
725	Food & Supplies	73	Suspected misappropriation/pilferage of wheat due to short accounting of moisture gain
726	Food & Supplies	74	Supervision mechanism of PDS
727	Food & Supplies	75	Conclusions
728	Finance	76	Mismatch of expenditure data in OTIS database
729	Home	77	Wasteful expenditure on creation of Haryana State Industrial Security Force
730	Forest	79	Nugatory expenditure
731	Transport	81	Avoidable expenditure due to non adjustment of insurance premium
732	Irrigation	83	Lack of response to audit findings and observations resulting in erosion of accountability

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733	General	84	Financial assistance to local bodies and other institutions
734	General	85	Misappropriations defalcations etc
735	General	86	Write off of losses etc
64th Report			
736	Public Health	3	Non recovery of loans and non contribution of share by MCs
737	Public Health	4	Recoverable amount from HUDA
738	Public Health	5	Non completion of sewerage schemes
739	Public Health	6	Yamuna Action Plan
740	Revenue	7	Organizational set up
741	PW(B&R)	8	Over payment to contractors
742	General	9	Financial assistance to local bodies and others institutions
743	General	10	Misappropriations defalcations etc
744	General	11	Write off losses etc
745	Agriculture	12	Arrears of revenue
746	Agriculture	13	Results of Audit
747	Agriculture	14	Results of Audit
748	Agriculture	15	Non/short recovery of purchase tax and interest
749	Transport	18	Cost of collection
750	Transport	19	Results of Audit
751	Transport	20	Replies to Inspection Reports
752	Transport	21	Departmental Audit Committee Meetings
753	Transport	22	Response of the Departments to Draft Audit Paragraphs
754	Transport	23	Results of Audit
755	Transport	24	Short realization of bid money on stage carriage permits
756	Excise and Taxation	25	Arrears of revenue
757	Excise and Taxation	26	Arrears in assessments
758	Excise and Taxation	27	Evasion of tax
759	Excise and Taxation	28	Write off and waiver of revenue
760	Excise and Taxation	29	Results of Audit
761	Excise and Taxation	30	Delay in assessments and their impact on revenue and collection of sales tax demands
762	Excise and Taxation	31	Absence of provisions for finalizing assessments
763	Excise and Taxation	32	Recovery Certificates
764	Excise and Taxation	34	Delay in issue of demand notice
765	Excise and Taxation	35	Delay in finalization of assessment
766	Excise and Taxation	37	Under assessment due to incorrect deduction at first stage

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767	Excise and Taxation	38	Non levy of purchase tax
768	Excise and Taxation	39	Non levy of interest
769	Excise and Taxation	40	Results of Audit
770	Excise and Taxation	41	Short recovery of licence fee and interest
771	Excise and Taxation	42	Non/short realization of passengers tax
772	Revenue	43	Results of Audit
773	Revenue	44	Levy and Collection of Stamp Duty and Registration Fees
774	Revenue	45	Sales and utilization of non judicial stamps
775	Revenue	46	Defects noticed in Sub Registrar Offices
776	Revenue	47	Indents for supply of non judicial stamps
777	Revenue	48	Short receipt of stamps
778	Revenue	49	Non disposal of obsolete/damaged stamps
779	Revenue	50	Evasion of stamp duty due to misclassification of sale deeds into release deeds
780	Revenue	51	Failure to cross verify the transactions
781	Revenue	52	Short levy of stamp duty
782	Revenue	53	Under valuation of immovable properties
783	Revenue	54	Short levy of stamp duty due to incorrect application of rates
784	Revenue	55	Non levy of stamp duty on exchange of property
785	Revenue	56	Incorrect grant of exemption
786	Revenue	57	Incorrect grant of exemption
787	Revenue	58	Misclassification of instruments
788	Revenue	59	Short levy of stamp duty on lease deeds
789	Revenue	60	Short levy of stamp duty
790	Revenue	61	Non/short levy of registration fee
791	Revenue	62	Results of Audit
792	Revenue	63	Failure of senior officials to enforce accountability and protect interest of Government
793	Power	64	Arrears of revenue
794	Health	65	Results of Audit
795	Industries	66	Results of Audit
796	Co operation	67	Non redemption of Government share capital
65th Report			
797	Town and Country Planning	3	Outstanding recovery of Planning water sewerage charges
798	Town and Country Planning	6	Avoidable payments of Planning interest due to delay making payment of enhanced Acquisition to land owners
799	Town and Country Planning	7	Execution of work without Planning technical sanction/ preparation of detailed estimates

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800	Town and Country Planning	8	Undue financial aid to Planning contractors
801	Town and Country Planning	9	Occupation of shops by Planning Government departments
802	Town and Country Planning	10	Land under unauthorized Planning possession
803	Food and Supplies	11	Additional Benches not constituted
804	Food and Supplies	12	Non constitution of Circuit Benches
805	Food and Supplies	13	Inadequate infrastructure
806	Food and Supplies	14	State/District Consumer Protection Councils not functional
807	Food and Supplies	15	Consumer club in schools scheme not implemented
808	Food and Supplies	16	Excess consumption of gunny bags
809	Rural Development	17	Misappropriation of wheat under Samporna Grameen Rozgar Yojana
810	Rural Development	18	Advances from former Sarpanches not recovered/adjusted
811	Agriculture	19	Inadmissible payment of special pay
812	Finance	20	Overpayment of pensionary benefits
813	Finance	21	Response of the Departments to Draft Audit paragraph
814	Family welfare	22	Lack of response to Audit findings and observations resulting in erosion of accountability
815	General	23	Financial assistance to local bodies and other institutions
816	General	24	Misappropriations defalcations etc
817	General	25	Write off of losses etc
818	Excise and Taxation	26	Arrears of revenue
819	Excise and Taxation	27	Arrears in assessments
820	Excise and Taxation	28	Evasion of tax
821	Excise and Taxation	29	Write off and waiver of revenue
822	Excise and Taxation	30	Results of Audit
823	Excise and Taxation	31	Disposal of remand cases
824	Excise and Taxation	32	Non levy of penalty
825	Excise and Taxation	33	Delay in deciding cases in revision
826	Excise and Taxation	34	Under assessment due to incorrect deduction from gross turnover
827	Excise and Taxation		Non levy of purchase tax
828	Excise and Taxation	35	Application of incorrect rate of tax
829	Excise and Taxation	36	Irregular refund of tax
830	Excise and Taxation	37	Under assessment due to non levy of surcharge
831	Excise and Taxation	39	Results of Audit
832	Excise and Taxation	40	Non recovery of penalty

1	2	3	4
833	Excise and Taxation	41	Non imposition of fine
834	Excise and Taxation	42	Loss of revenue due to re auction of vend
835	Revenue	43	Results of Audit
836	Revenue	44	Short levy of stamp duty and registration fee
837	Revenue	45	Non realization of stamp duty
838	Revenue	46	Non levy of stamp duty on Exchange of Property
839	Revenue	47	Short levy of stamp duty due to incorrect application of rate of tax
840	Transport	48	Results of Audit
841	Transport	49	Short realization of bid money on stage carriage permits
842	Transport	50	Non recovery of token tax in respect of stage carriage buses
843	Transport	51	Short charging of driving licence fee
844	Transport	52	Short realization of Registration fees
845	Transport	53	Short/non levy of penalty on overloading of vehicles
846	Transport	54	Private Service Vehicles
847	Irrigation	55	Arrear position of Abiana
848	Irrigation	56	Arrear of water charges
849	Irrigation	57	Non/short levy of additional charges/surcharge
850	Irrigation	58	Non/short imposition of penalty for un authorized supply of water to gardens
851	Agriculture	59	Arrear of revenue
852	Agriculture	60	Results of Audit
853	Agriculture	61	Non/short recovery of purchase tax and interest
854	Co operation	62	Results of Audit
855	Co operation	63	Non deposit of dividend on State share capital
856	Co operation	64	Non realization of dividend on share capital of State Government
857	Mines and Geology	65	Arrears of revenue
858	Mines and Geology	66	Arrears of revenue
859	Mines and Geology	67	Non/short recovery of royalty and interest
860	Home	68	Arrears of revenue
861	Power	69	Arrears of revenue
862	Power	70	Outstanding inspection reports and audit observations
863	Power	71	Results of Audit
864	Public Health	72	Results of Audit
865	Finance	73	Results of Audit
866	Forest	74	Results of Audit
867	Health	75	Results of Audit

1	2	3	4
67th Report			
868	Forest	3	Misappropriation Losses defalcations etc
869	Forest	4	Financial Management
870	Forest	5	Selection of villages
871	Forest	6	Implementation of project components/Physical targets and achievements
872	Forest	7	Fire protection measures not taken
873	Forest	8	Community institution strengthening process/Villages Resource Management Committee
874	Forest	9	Expenditure in violation of project guidelines
875	Forest	10	Expenditure in violation of project guidelines/Wasteful expenditure on construction of coffer dam
876	Forest	11	Expenditure on labour on construction works
877	Rural Development	12	Execution of works/Works undertaken
878	Rural Development	13	Execution of works without technical sanctions and splitting of works
879	Rural Development	14	Wasteful expenditure on Below Poverty Line census
880	Housing	15	Financial and physical performance/ Profitability and working results
881	Housing	16	Loss of interest due to delay in transfer of funds to head office
882	Housing	17	Avoidable loss due to delay in deposit of advance tax
883	Housing	18	Non achievement of financial and physical targets of construction of houses
884	Housing	19	Construction of houses without demand survey
885	Housing	20	Utilization of land meant for EWS houses towards LIG houses
886	Housing	21	Extra expenditure due to allotment of work at higher rates
887	Housing	22	Non recovery of compensation from contractors
888	Housing	23	Fire fighting systems remaining non functional
889	Education	24	Misappropriation losses defalcations etc / Write off of losses etc
890	Town & Country Planning	25	Estate Officer HUDA Faridabad
891	PW (B&R)	26	Misappropriation losses defalcations etc / Write off of losses etc
892	PW (B&R)	27	Violation of contractual obligations/undue favour to contractors/avoidable expenditure/inadmissible payment of interest to the entrepreneur
893	PW (B&R)	28	Analysis of outstanding balances
894	Irrigation	29	Misappropriation losses defalcations etc / Write off of losses etc
895	Irrigation	30	Extra/avoidable expenditure on land acquisition

1	2	3	4
896	Irrigation	31	Blocking of funds due to tardy implementation of Hisar Ghaggar drain project
897	Irrigation	32	Miscellaneous Public Works Advances/ Introduction
898	Irrigation	33	Analysis of outstanding balances
899	Irrigation	34	Other points of interest
900	Transport	35	Extra financial burden on State exchequer
901	Public Health	36	Idle investment/idle establishment/blocking of funds/ unfruitful expenditure incurred on electro dialysis based Desalination Plants
902	Finance	37	Overpayment of pensionary benefits
903	Home	38	Inadmissible payment of conveyance allowance to the newly recruited constables during basic training period
904	Co-operation	39	Regulatory issues and others/injudicious payment on account of training and managerial subsidies to self help groups
905	Excise and Taxation	40	Arrears of revenue
906	Excise and Taxation	41	Arrears in assessments
907	Excise and Taxation	42	Evasion of tax
908	Excise and Taxation	43	Write off and waiver of revenue
909	Excise and Taxation	44	Refunds
910	Excise and Taxation	45	Results of Audit
911	Excise and Taxation	46	Evasion of tax by unregistered dealers/Non levy of tax on contractees
912	Excise and Taxation	47	Acceptance of incomplete/ invalid declaration forms
913	Excise and Taxation	48	Acceptance of incomplete/ invalid declaration forms
914	Excise and Taxation	49	Non compliance of departmental instructions regarding cross verification
915	Excise and Taxation	50	Non compliance of departmental instructions regarding cross verification
916	Excise and Taxation	51	Non compliance of departmental instructions regarding cross verification
917	Excise and Taxation	52	Non compliance of departmental instructions regarding cross verification
918	Excise and Taxation	54	Non levy of interest and penalty
919	Excise and Taxation	56	Incorrect allowance of concessional rate
920	Excise and Taxation	58	Under assessment due to application of incorrect rate of tax
921	Excise and Taxation	59	Under assessment due to application of incorrect rate of tax
922	Excise and Taxation	60	Results of Audit
923	Excise and Taxation	61	Uncollected Excise revenue
924	Excise and Taxation	62	Short recovery of licence fee and interest

1	2	3	4
925	Excise and Taxation	63	Non recovery of additional licence fee for lifting of short/ additional quota
926	Excise and Taxation	64	Non imposition/recovery of compounding fee
927	Excise and Taxation	65	Non imposition/recovery of compounding fee
928	Excise and Taxation	66	Results of Audit
929	Excise and Taxation	67	Arrears of revenue
930	Excise and Taxation	68	Non short realization of passengers tax/ Transport co operative societies
931	Excise and Taxation	69	Maxi cabs taxis and auto rickshaws
932	Excise and Taxation	70	City bus service
933	Excise and Taxation	71	Non levy of interest
934	Excise and Taxation	72	Non realization of goods tax and additional tax
935	Excise and Taxation	73	Non registration of maxi cabs
936	Excise and Taxation	74	Non disposal of challans
937	Mines and Geology	75	Non recovery of royalty and interest
938	General	77	Results of Audit
939	Transport	78	Taxes on Motor Vehicles/Short realization of permit and counter signature fee
940	Transport	79	Non realization of token tax from private service vehicles
941	Transport	80	Short realization of bid money on stage carriage permits
942	Agriculture	81	Non recovery of purchase tax and interest
943	Revenue	82	Results of Audit
944	Revenue	83	Short levy of stamp duty due to misclassification of deeds
945	Revenue	84	Irregular exemption of stamp duty & registrar on fee on mortgage deeds executed & registered by the agriculturists
946	Revenue	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
947	Revenue	86	Evasion of stamp duty due to non execution of conveyance deeds
948	Revenue	87	Evasion of stamp duty due to non execution of conveyance deeds
949	Revenue	88	Misclassification of documents
950	Revenue	89	Short levy of stamp duty due to under
951	Revenue	90	Short levy of stamp duty due to under valuation of properties
952	Revenue	91	Unauthorized retention of receipts
68th Report			
953	Agriculture	3	Financial management
954	Agriculture	4	Non preparation of Balance Sheet

1	2	3	4
955	Agriculture	5	Outstanding temporary advances
956	Agriculture	6	Non recovery of miscellaneous advances
957	Agriculture	7	Non recovery of expenditure incurred on the schemes
958	Agriculture	8	Strength of teachers
959	Agriculture	9	Execution of works
960	Agriculture	10	Loss due to non charging of interest from allottees
961	Public Health	11	Misappropriation losses defalcations etc
962	Public Health	12	Avoidable payment of interest
963	Public Health	13	Blocking of funds
964	Public Health	14	Physical targets and achievements
965	Public Health	15	Taking up of schemes without ensuring availability of raw water
966	Public Health	16	Extra burden on State exchequer due to unrealistic estimates
967	Public Health	17	Taking up of schemes without ensuring availability of raw water
968	Public Health	18	Taking up of schemes without ensuring availability of raw water
969	Public Health	19	Delay in commissioning of schemes in the absence of electric connections
970	Public Health	20	Execution of works without technical sanctions and excess expenditure over estimates
971	Public Health	21	Defective execution of work
972	Public Health	22	Excess consumption of pipes
973	Public Health	23	Purchase of cement at higher rates
974	Environment	24	Assessment of waste and risks associated with it
975	Environment	25	Sale of used oil to unauthorized dealer
976	Education	26	Budget provision and expenditure
977	Education	27	Incorrect reporting of enrolment leading to excess claim of central assistance
978	Education	28	Unauthorized utilization of mid day meal packets
979	Education	29	Extra expenditure on uneconomic hiring of vehicles
980	Food and Supplies	30	Loss due to lack of supervision and improper storage of wheat stock
981	Food and Supplies	31	Loss due to non recovery of transportation charges
982	Irrigation	32	Loss of interest due to heavy unspent balance
983	Town and Country Planning	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)
984	Town and Country Planning	34	Extra expenditure on account of delayed payment of land compensation and interest thereon

1	2	3	4
985	Town and Country Planning	35	Unfruitful expenditure on incomplete work
986	Home	36	Misappropriation losses defalcation etc
987	Home	37	Extra expenditure on account of delayed payment of land compensation and interest thereon
988	PW (B&R)	38	Misappropriation losses defalcation etc
989	PW (B&R)	39	Irregular expenditure on operation of excess ex-cadre posts
990	Sports and Youth Affairs	40	Non realization of central share of assistance
991	Revenue	41	Misappropriation losses defalcation etc
992	Health	42	Delay in furnishing utilization certificates
993	Health	43	Misappropriation losses defalcation etc
994	Health	44	Avoidable payment due to non insurance of vehicles
995	Health	45	Unauthorized retention of the departmental receipts outside the Consolidated Fund of the State
996	Health	46	Non responsiveness to audit findings and observations resulting in erosion of accountability
997	Health	47	Follow up on Audit Reports
998	Industries	48	Abstract of performance of the autonomous bodies
999	Printing and Stationery	50	Departmental Commercial Undertakings
1000	Animal Husbandry	51	Misappropriation losses defalcation etc
1001	Women and Child Development	52	Misappropriation losses defalcation etc
1002	Fisheries	54	Non submission of Accounts
1003	Public Relations	55	Misappropriation losses defalcation etc
1004	Rural Development	56	Allotment of houses to ineligible families
1005	Technical Education	57	Misappropriation losses defalcation etc
1006	Urban Local Bodies	58	Delay in furnishing utilization certificates
1007	Urban Local Bodies	59	Non submission of Accounts
1008	Urban Local Bodies	60	Non furnishing of accounts of utilization of grants
1009	Excise and Taxation	61	Arrears of revenue
1010	Excise and Taxation	62	Arrears in assessments
1011	Excise and Taxation	63	Evasion of tax
1012	Excise and Taxation	64	Write off and waiver of revenue
1013	Excise and Taxation	65	Refunds
1014	Excise and Taxation	66	Results of Audit
1015	Excise and Taxation	67	Non levy of interest
1016	Excise and Taxation	68	Non levy of interest and penalty
1017	Excise and Taxation	69	Arrears of sales tax
1018	Excise and Taxation	70	Non inclusion of interest in the demand sent to liquidator
1019	Excise and Taxation	71	Under assessment of tax due to incorrect determination of gross turnover

1	2	3	4
1020	Excise and Taxation	72	Under assessment of tax due to application of incorrect rate
1021	Excise and Taxation	73	Non levy of tax on liquor
1022	Excise and Taxation	74	Results of Audit
1023	Excise and Taxation	75	Non/short realization of passengers tax
1024	Excise and Taxation	76	Non/short realization of passengers tax
1025	Excise and Taxation	77	Non levy/recovery of penalty
1026	Excise and Taxation	78	Non levy/recovery of penalty
1027	Mines and Geology	79	Results of Audit
1028	Transport	80	Lack of control over monitoring of duplicate engine/chassis number
1029	Transport	81	Same registration numbers were allotted to two vehicles
1030	Transport	82	Registration of two or more vehicles with same insurance cover note
1031	Agriculture	83	Arrears of revenue
1032	Agriculture	84	Results of Audit
1033	Agriculture	85	Results of Audit
1034	Revenue	86	Results of Audit
1035	Revenue	87	Short levy of stamp duty due to application of incorrect rates of immovable property
1036	Revenue	88	Non levy of stamp duty on plant and machinery
1037	Finance	89	Non recovery of Loans and interest
1038	Finance	90	Non recovery of loans and interest
1039	Finance	91	Non recovery of interest and penal interest
1040	Finance	92	Non recovery of loans granted in lieu of deferment of sales tax and interest
1041	Finance	93	Non reconciliation of outstanding loans and interest
1042	Home	94	Arrears of revenue
1043	Home	95	Results of Audit
1044	Public Health	96	Results of Audit
1045	PW (B&R)	97	Results of Audit
1046	Irrigation	98	Results of Audit
1047	Power	99	Arrears of revenue
1048	Co operation	100	Results of Audit
1049	Co operation	101	Non deposit of dividend on State share capital
1050	Excise and Taxation	102	Analysis of arrears of revenue
1051	Excise and Taxation	103	Arrears in assessments
1052	Excise and Taxation	104	Performance of assessments
1053	Excise and Taxation	105	Evasion of tax
1054	Excise and Taxation	106	Write off and waiver of revenue

1	2	3	4
1055	Excise and Taxation	107	Refunds
1056	Excise and Taxation	108	Compliance with the earlier Audit Reports
1057	Excise and Taxation	109	Results of Audit
1058	Excise and Taxation	110	Absence of mechanism to verify the tax deposited before allowing input tax credit
1059	Excise and Taxation	111	Absence of a monitoring mechanism to ensure cross verification of purchase transactions
1060	Excise and Taxation	112	Misuse of declaration forms STD IV/VAT DI and C
1061	Excise and Taxation	113	Incorrect allowing of exemption/concession without declarations/documents or against incomplete declaration/documents
1062	Excise and Taxation	114	Non levy of penalty
1063	Excise and Taxation	115	Non levy of penalty
1064	Excise and Taxation	116	Short recovery of lump sum tax on Works contract
1065	Excise and Taxation	117	Excess allowing of input tax credit
1066	Excise and Taxation	118	Underassessment of tax due to allowing of excess benefit of deferment
1067	Excise and Taxation	119	Underassessment of tax due to application of incorrect rate
1068	Excise and Taxation	120	Inadmissible allowing of input tax credit
1069	Excise and Taxation	121	Results of Audit
1070	Excise and Taxation	122	Non/short realization of passengers tax from Co operative Transport Societies
1071	Excise and Taxation	123	Non/short realization of passengers tax from educational institutions
1072	Excise and Taxation	124	Non/short recovery of passengers tax from tax from City Bus Operators
1073	Excise and Taxation	125	Results of Audit
1074	Excise and Taxation	126	Non realisation of differential licence fee
1075	Excise and Taxation	127	Short recovery of licence fee and interest
1076	Transport	128	Loss of revenue due to non levy/collection of passengers tax on students concession passes
1077	Transport	129	Non charging of permit transfer fee
1078	Transport	130	Non realisation of bid money on stage carriage permits
1079	Transport	131	Non/short recovery of token tax from stage carriage bus owners
1080	Transport	132	Short realization of conductor's licence fee
1081	Agriculture	133	Analysis of arrears of revenue
1082	Agriculture	134	Results of Audit
1083	Agriculture	135	Results of Audit
1084	Agriculture	136	Non recovery of interest on purchase tax
1085	Co operation	137	Results of Audit

1	2	3	4
1086 Revenue		141	Absence of database of revenue foregone
1087 Revenue		142	Absence of mechanism to detect availing of irregular exemption by not presenting documents for registration
1088 Revenue		143	Contracts for catching fish from public ponds
1089 Revenue		144	Incorrect grant of exemption on instrument of SEZ/real estate developer
1090 Revenue		145	Exemption of SD on collusive decrees
1091 Revenue		146	Remission of SD on instruments of compensation awards
1092 Revenue		147	Incorrect grant of remission of SD
1093 Revenue		148	Irregular exemption of SD on supplementary deed
1094 Revenue		149	Delay in implementation of enhanced rates
1095 Revenue		150	Evasion of stamp duty due to undervaluation of immovable property
1096 Revenue		151	Loss of stamp duty due to misclassification of documents
1097 Revenue		152	Short levy duty due to application of incorrect rates of immovable property
1098 Revenue		153	General controls
1099 Revenue		154	Audit findings/General controls
1100 Revenue		155	Inadequacy of input controls & validation checks
1101 Revenue		156	Disputed lands and properties
1102 Revenue		157	Non allotment of unique ID number to land owner/cultivator
1103 Revenue		158	Absence of provision in HARIS to capture serial number of stamp papers
1104 Revenue		159	Other points of interest
1105 Medical & Public Health		160	Results of Audit
1106 Home		161	Analysis of arrears of revenue
1107 Power		162	Analysis of arrears of revenue
1108 Animal Husbandry		163	Results of Audit
70th Report			
1109 Health		3	Financial Management
1110 Health		4	Shortage of staff at CHC and PHC level
1111 Health		5	Fraud/misappropriation /embezzlement/losses/over payments
1112 Health		6	Unfruitful expenditure on purchase of food testing equipment
1113 Health		7	Misappropriations losses defalcations etc
1114 Home		8	Financial Management
1115 Home		9	Records of advances not maintained
1116 Home		10	Construction of residential and non residential buildings
1117 Home		11	Delay/non-completion of building works
1118 Home		12	Misappropriations losses defalcations etc

1	2	3	4
1119	Rural Development	13	Financial performance
1120	Rural Development	14	Programme management
1121	Rural Development	15	Abnormal delay in completion of projects
1122	Rural Development	16	Role of Self Help Groups in implementing DDP objectives
1123	Rural Development	17	Execution of works
1124	Rural Development	18	Other topics of interest
1125	Rural Development	19	Maintenance of record
1126	Education	20	Suspected embezzlement
1127	Education	21	Loss due to non utilization of Central grant
1128	Education	22	Loss due to non availing of full Central assistance
1129	Irrigation	23	Parking of funds outside the Government account
1130	Irrigation	24	Misappropriations losses defalcations etc
1131	Administration of Justice	25	Infructuous expenditure on empanelment of advocates
1132	Public Works (B&R)	26	Extra expenditure due to non allotment of work
1133	Industries and Commerce	27	Block of funds
1134	Revenue and Disaster Management	28	Non refund of un utilized balance of CRF
1135	Revenue and Disaster Management	29	Payment of gratuitous relief on contradictory reports
1136	Revenue and Disaster Management	30	Fraud in distribution and double payment of CRF
1137	Excise and Taxation	31	Analysis of arrears of revenue
1138	Excise and Taxation	32	Arrears in assessments
1139	Excise and Taxation	33	Evasion of tax
1140	Excise and Taxation	34	Write off and waiver of revenue
1141	Excise and Taxation	35	Refunds
1142	Excise and Taxation	36	Result of Audit
1143	Excise and Taxation	37	Disposal of attached property
1144	Excise and Taxation	38	Issue of recovery certificates
1145	Excise and Taxation	39	Non recovery of inter district and inter state arrears due to lack of co ordination between the departmental officers and revenue authorities
1146	Excise and Taxation	40	Non recovery of inter-district and inter state arrears due to lack of co-ordination between the departmental officers and revenue authorities
1147	Excise and Taxation	41	Absence of provisions under HVAT Act to entertain appeals only on pre payment of additional demands in dispute
1148	Excise and Taxation	42	Absence of provision regarding allowances in installments in payment of arrears due
1149	Excise and Taxation	43	Disposal of appeal cases by JETCs
1150	Excise and Taxation	44	Non-declaration of arrears under Punjab Land Revenue Act
1151	Excise and Taxation	45	Failure to initiate follow up action for recovery of arrears

1	2	3	4
			within the district
1152	Excise and Taxation	46	Disposal of immovable property during the currency of recovery of arrears
1153	Excise and Taxation	47	Underassessment of tax due to allowing of excess benefit of deferment
1154	Excise and Taxation	48	Incorrect allowing of input tax credit
1155	Excise and Taxation	49	Underassessment of tax due to inadmissible deduction from gross turnover
1156	Excise and Taxation	50	Result of audit
1157	Excise and Taxation	51	Non realization of differential license fee
1158	Excise and Taxation	52	Short recovery of license fee and interest
1159	Excise and Taxation	53	Short recovery of license fee and interest
1160	Excise and Taxation	54	Non recovery of penalty
1161	Excise and Taxation	55	Result of audit
1162	Excise and Taxation	56	Educational institutions
1163	Excise and Taxation	57	Transport co operative societies
1164	Excise and Taxation	58	City bus operators
1165	Revenue	59	Result of audit
1166	Revenue	60	Evasion of stamp duty due to undervaluation of immovable property
1167	Revenue	61	Evasion of stamp duty due to misclassification of documents
1168	Revenue	62	Short levy of stamp duty due to application of incorrect rates of immovable property
1169	Revenue	63	Exemption of stamp duty on collusive decrees
1170	Revenue	64	Irregular exemption of stamp duty
1171	Transport	65	Compliance with the earlier Audit Reports
1172	Transport	66	Result of audit
1173	Transport	67	Non short recovery of token tax
1174	Transport	68	City bus owners
1175	Transport	69	Stage carriage bus owners
1176	Transport	70	Short realization of permit transfer fee
1177	Transport	71	Non realization of additional fee for retention of choice registration
1178	Home	72	Non realization of police cost from Railways
1179	Home	73	Non-existence of system to monitor the raising of claims for incentive money for passport verification reports
1180	Home	74	Delay in submission of inventory of unclaimed vehicles
1181	Home	75	Non short raising of bills
1182	Home	76	Non short raising of bills

1	2	3	4
1183	Home	77	Non disposal of arms and ammunition
1184	Home	78	Non-disposal of condemned vehicles
1185	Public Health	79	Result of audit
1186	Public Health	80	Non recovery of water charges
1187	Mines and Geology	81	Result of audit
1188	Mines and Geology	82	Non recovery of royalty and interest
1189	Forest	83	Result of audit
1190	Co operation	84	Result of audit
1191	Power	85	Analysis of arrears of revenue
1192	Agriculture	86	Analysis of arrears of revenue

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