

**Report of the
Comptroller and Auditor General of India
on
Compliance Audit
for the year ended 31 March 2020**



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Madhya Pradesh
Report No. 6 of the year 2022

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Compliance Audit**

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Preface

This Report of the Comptroller and Auditor General of India for the year ended 31 March 2020 has been prepared for submission to the Governor of Madhya Pradesh under Article 151 of the Constitution of India for being laid in the State Legislature.

This Report contains significant findings of audit of receipts and expenditure of Departments of Government of Madhya Pradesh. Audit has been conducted under the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

The instances mentioned in this Report are those, which came to notice in the course of test audit for the period 2019-20 as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports; instances relating to the period subsequent to 2019-20 have also been included, wherever necessary.

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

CHAPTER - I

OVERVIEW

CHAPTER I OVERVIEW

1.1 About this Report

This Report of the Comptroller and Auditor General of India (CAG) contains matters arising from Compliance Audit of five Departments, out of the nine audited Departments from amongst the 21 Departments of the Government of Madhya Pradesh (GoMP), falling under the purview of the Office of Accountant General (Audit-II).

The primary purpose of this Report is to bring to the notice of the State Legislature, significant results of Compliance Audit. The findings of audit are expected to enable the Executive to take corrective action, to frame appropriate policies as well as issue directives, that will lead to improved financial management of organisations, and contribute to better governance.

This Chapter explains the planning and coverage of audit, response of the Departments and Government to audit findings and follow-up action on previous Audit Reports.

1.2 Office of the Accountant General (Audit-II)

There are 54¹ Departments functioning under the Government of Madhya Pradesh. These Departments are headed by Additional Chief Secretaries/ Principal Secretaries, who are assisted by Heads of the Departments and subordinate officers under them.

The Office of Accountant General (Audit-II), Bhopal conducts the audit of 21 out of the 54 Departments. Besides, it also audits 56 Public Sector Undertakings, five Autonomous Bodies and two Statutory Corporations.



The Audit offices were restructured in June-July 2020, whereupon the concept of Audit Management Group (AMGs) was introduced.

After restructuring of the Audit Offices, the office of Accountant General (Audit-II), Bhopal is entrusted with the following departments:

¹ In these 54 Departments, Department of Commercial Taxes, Registration and Stamps Department and Excise Department are treated as single Department, as all of them are functioning under the aegis of the Department of Commercial Taxes for administrative purposes. However, Audit considers them as separate Departments based on their functioning and have been shown separately wherever referenced, in this Audit Report.

Key Departments	Audit Management Group (AMG)
Forest & Environment, Science & Technology	AMG-I
Urban Local Bodies, Transport, Culture, Tourism	AMG-II
State Finance, Commercial Taxes, Mineral Resources, Industries, Commerce	AMG-III
Public Works, Public Health, Energy, Power	AMG-IV

Audit of the Departments under these Groups includes audit of Administrative Offices of the State Government Departments, their subordinate offices, Public Sector Enterprises, Local Bodies and Autonomous Bodies under the administrative control of the Departments.

1.3 Expenditure details of the Auditee Departments

Expenditure of Departments

A summary of the expenditure incurred by the various Departments of Government of Madhya Pradesh falling within the audit purview of the Office of Accountant General (Audit-II), Bhopal, during the three-year period 2017-18 to 2019-20, is given in **Table 1.1** below:

Table 1.1: Expenditure of Departments under audit purview of Office of AG (Audit –II), Bhopal

(₹ in crore)				
S. No.	Name of the Department	2017-18	2018-19	2019-20
1.	Forest	2,277.47	2,437.90	1,993.88
2.	Science and Technology	211.53	175.73	70.97
3.	Urban Development and Housing	5,177.94	5,739.50	4,608.33
4.	Transport	87.35	82.32	85.50
5.	Culture	278.97	230.07	147.73
6.	Tourism	270.21	170.53	155.40
7.	Commercial Tax	181.35	209.04	199.96
8.	State Excise	1,515.68	1,715.27	1,819.40
9.	Registration and Stamps	354.72	102.05	115.35
10.	Mineral Resources	32.66	684.01	740.64
11.	Industrial Policy and Investment Promotion	1,014.16	767.22	850.43
12.	Micro, Small and Medium Enterprises	987.10	780.85	817.98
13.	Finance	9,654.14	12,280.90	12,288.40
14.	Cottage and Rural Industry	211.44	191.84	121.60
15.	Planning, Economics and Statistics	253.13	228.95	211.27
16.	Energy	18,065.71	12,682.46	8,177.02
17.	New and Renewable Energy	151.09	257.92	109.26
18.	Public Works	8172.00	8,647.47	7,886.39
19.	Public Health Engineering	2,323.66	2,530.04	2,990.54
20.	Environment	0.00	54.74	27.15
21.	Spirituality	220.91	189.06	55.08
22.	Civil Aviation	36.66	27.79	26.84
23.	Overseas Indian	0.00	0.39	0.05
Total		51,477.88	50,186.05	43,499.17

Source: Data collected from Finance and Appropriation Accounts of GoMP for the relevant years.

Tax Revenue

Details of tax revenue mobilised by some of the State Government Departments under the various heads of revenue during the period 2017-18 to 2019-20 are given in **Table 1.2** below:

Table 1.2: Details of tax revenue raised

(₹ in crore)				
S. No.	Head of Revenue	2017-18	2018-19	2019-20
1.	State Goods and Services Tax	8,696.12	18,508.49	20,447.78
2.	Taxes on Sales, Trades, etc.	14,984.04	9,903.20	11,257.71
3.	State Excise	8,245.01	9,542.15	10,829.35
4.	Registration and Stamps	4,788.51	5,277.99	5,568.60
5.	Taxes on Vehicles	2,691.62	3,008.26	3,251.23
Total		39,405.30	46,240.09	51,354.67

Source: Finance Accounts of Government of Madhya Pradesh for the respective years

1.4 Authority for Audit

The CAG's authority for audit is derived from Articles 149 and 151 of the Constitution of India and CAG's (Duties, Powers and Conditions of Service) Act, 1971 (DPC Act). The CAG audits the Government Departments and Public Sector Enterprises as per the following provisions:

- Audit of expenditure of the Departments is carried out under Section 13 of the DPC Act;
- Supplementary Audit of financial statements of Government Companies is carried out in accordance with the provisions of Section 143(6)(a) of the Companies Act, 2013;
- Audit of Receipts of the Departments is carried out under Section 16 of the DPC Act;
- Financial audit of Autonomous Bodies (ABs) is carried out as per Sections 19(2)² and 19(3)³ of the DPC Act; and

Principles and methodologies for various audits are prescribed in the Auditing Standards and the Regulations on Audit and Accounts, as well as guidelines, manuals and instructions by or on behalf of the CAG.

1.5 Planning and Conduct of Audit

During the year 2020-21, the office of Accountant General (Audit-II), Bhopal conducted compliance audit of 130 units out of a total of 2,264 auditable units. This Report features findings on six⁴ audit topics under five departments in the form of six audit paragraphs (Para 2.1 to 6.6 *supra*).

² Audit of accounts of Corporations (not being Companies) established by or under law made by the Parliament in accordance with the provisions of the respective legislations.

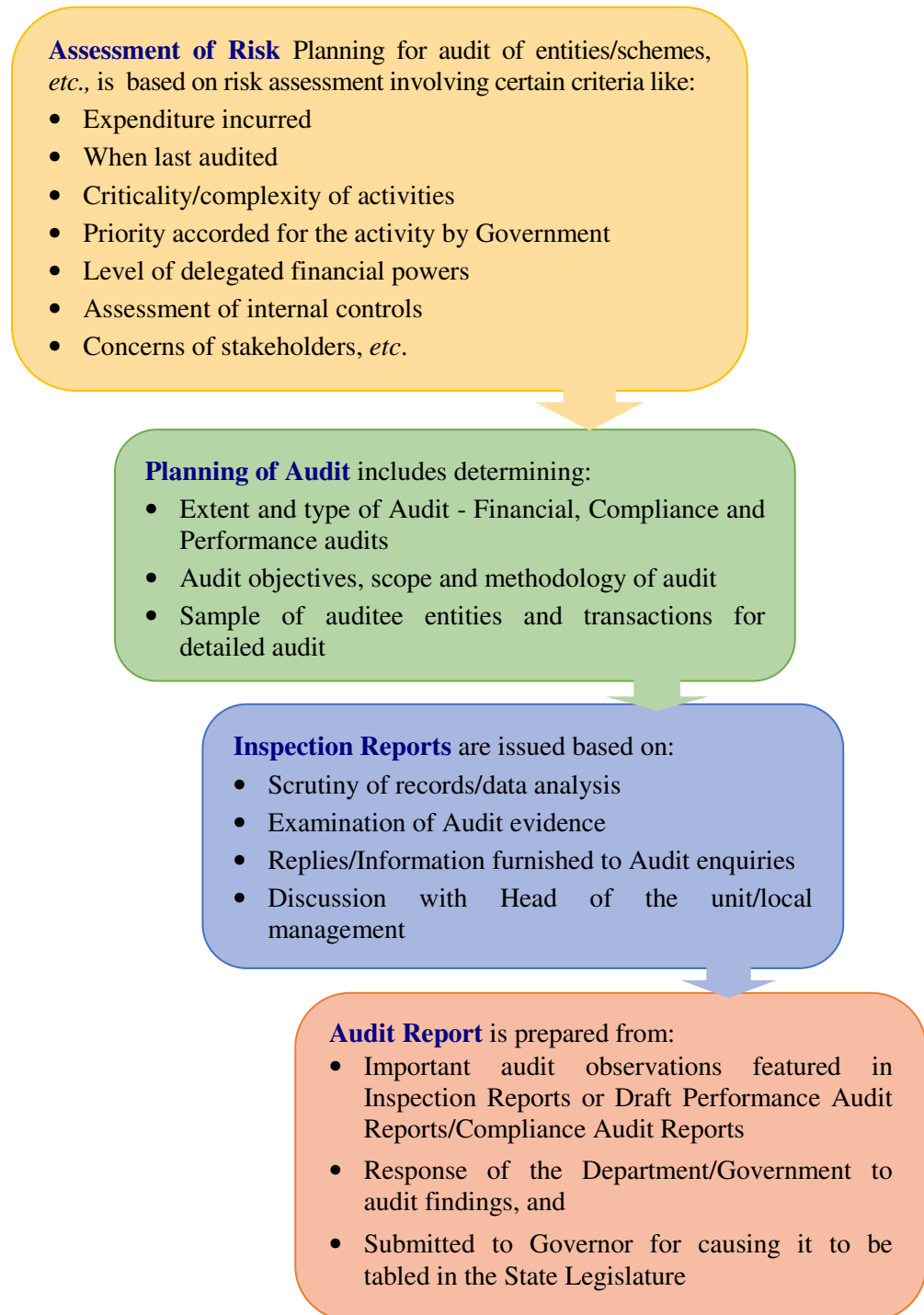
³ Audit of accounts of Corporations (not being Companies) established by or under law made by the State Legislature in accordance with the provisions of respective legislations.

⁴ Out of the six, one Audit topic related to Mineral Resource Department was deferred from Audit Report 2018-19 to this Report.

Compliance audit is an independent assessment of whether a given subject matter (an activity, financial or non-financial transaction, information in respect of an entity or a group of entities) complies in all material respects with the applicable laws, rules, regulations, established codes *etc.* and the general principles governing sound public financial management and the conduct of public officials.

The following flowchart depicts the process of planning, conduct of audit and reporting the results of audit:

Chart 1.1: Planning, conduct of audit and reporting



After completion of compliance audit of each unit, an Inspection Report (IR) containing audit findings is issued to the head of the unit with a request to furnish replies within one month of receipt of the IR. Whenever replies are received, audit findings are either settled or further action for compliance is advised. Significant audit observations pointed out in these IRs, which require attention at the highest level in Government, are issued as Draft Paragraphs/ Performance Audits/Compliance Audits to the Government for their response, before possible inclusion, after due consideration of the responses, in the Audit Reports. These Audit Reports are submitted to the Governor of Madhya Pradesh under Article 151 of the Constitution of India for causing them to be laid on the Table of the State Legislature.

1.6 Response of Departments to Audit findings

1.6.1 Response to previous Inspection Reports

Heads of Offices and next higher authorities are required to respond to the observations contained in IRs and take appropriate corrective action. Audit observations communicated in IRs are also discussed at periodical intervals in meetings at District/State levels by officers of the Accountant's General office with officers of the Departments concerned.

As of 31 March 2021, a total of 7,118 Departmental IRs and 37,044 paragraphs (excluding PSUs) pertaining to previous years were pending settlement as detailed below in **Table 1.3**.

Table 1.3: Details of outstanding (O/s) IRs/paragraphs at the end of March 2021

S. No.	Name of the Department	O/s IR	O/s Paras
1.	Forest	203	2,174
2.	Science and Technology	10	56
3.	Urban Development and Housing	1,582	8,868
4.	Transport	595	3,303
5.	Culture	105	334
6.	Tourism	4	31
7.	Commercial Tax	1,555	9,707
8.	State Excise	451	1,831
9.	Registration and Stamps	824	2,440
10.	Mineral Resources	355	2,101
11.	Industrial Policy and Investment Promotion	5	19
12.	Micro, Small and Medium Enterprises	23	117
13.	Finance	290	730
14.	Cottage and Rural Industries	9	30
15.	Planning, Statistics and Economics	101	373
16.	Energy	52	87
17.	New and Renewable Energy	5	17
18.	Public Works	332	2,677
19.	Public Health and Engineering	562	1,950
20.	Environment	37	121
21.	Spirituality	3	7
22.	Civil Aviation	15	71
23.	Overseas Indian	0	0
Total		7,118	37,044

Lack of action on IRs and audit paragraphs is fraught with the risk of perpetuating serious financial irregularities pointed out in these reports. It may also result in dilution of internal controls in the governance process, inefficient and ineffective delivery of public goods/ services, fraud, corruption and loss to public exchequer. Therefore, the State Government needs to institute an appropriate mechanism to review and take expeditious action to address the concerns flagged in these IRs and audit paragraphs.

1.6.2 Response of the Government to Audit observations

All Departments are required to send their responses to Draft Audit Paragraphs proposed for inclusion in CAG's Report within six weeks of their receipt. During April 2020 to July 2021, six Draft Compliance audit paragraphs were forwarded to the Additional Chief Secretaries/Principal Secretaries/Secretaries of the Departments concerned, drawing their attention to the audit findings and requesting them to send their response within six weeks. It was brought to their personal attention that these paragraphs were likely to be included in the Audit Report of the CAG of India, which would be placed before the State Legislature and it would be desirable to include their comments/responses to the audit findings. Despite this, the replies of three⁵ Draft Paragraphs have not been received as on the date of finalisation of this Report. The responses of the Government, wherever received, have been appropriately incorporated in the Report.

1.6.3 Response of the Government to Audit Paragraphs that featured in earlier Audit Reports

Administrative Departments are required to submit Explanatory Notes on paragraphs and Performance Audits included in Audit Reports, within three months of their presentation to the State Legislature, duly indicating action taken or proposed to be taken. For this purpose, the Departments are not required to wait for any notice or call from the Public Accounts Committee.

As of 31 March 2021, Explanatory Notes were yet to be received from seven Departments in respect of 59 paragraphs that featured in the Audit Reports for the years 2013-14 to 2017-18. Details are given below in **Table 1.4**.

Table 1.4: Pending departmental replies on the paragraphs included in CAG Audit Report

Year of Audit Report	Department	Departmental replies pending as of 31.03.2021	Date of presentation in the State Legislature	Due date for receipt of Departmental Replies
2013-14	State Excise	03	22 July 2015	20 October 2015
2014-15	Forest	01	17 March 2016	16 June 2016
2015-16	Registration and Stamps	13	24 March 2017	22 June 2017
	State Excise	07		
	Commercial Tax	12		
2016-17	State Excise	01	10 January 2019	10 April 2019
	Commercial Tax	08		
	Registration and Stamps	04		

⁵ Commercial Tax, Forest and Registration and Stamps Department.

2017-18	Forest	03	21 September 2020	20 December 2020
	Public Works	02		
	Transport	02		
	Urban Development and Housing	03		
Total		59		

1.6.4 Response of the Government to recommendations of the Public Accounts Committee

Administrative Departments are required to submit Action Taken Notes (ATNs) on the recommendations of the Public Accounts Committee (PAC) within six months from the date of receipt of the recommendations. As of 31 March 2021, 237 ATNs in respect of various Departments of the Government of Madhya Pradesh were yet to be received. Details are given in **Annexure 1.1**.

1.6.5 Response of the Government to recommendations of the Committee on Public Sector Undertakings (CoPU)

As of 31 March 2021, a total of 369 IRs and 2,347 paragraphs of the PSUs pertaining to previous years were pending settlement, whereas, Explanatory Notes in respect of seven paragraphs of the Audit Reports for the period from 2016-17 to 2018-19 have not been received as per the details given in the **Table 1.5** below.

Table 1.5 Details of Paragraphs to which Explanatory Notes were not received

Name of the Department	2016-17 (No. of paragraph and Para no.)	2017-18 (No. of paragraph and Para no.)	2018-19 (No. of paragraph and Para no.)
Industrial Policy and Investment Promotion	1 (3.9)	--	--
Public Works	1 (3.1)	1 (4.1)	--
Energy	--	3 (2.1, 2.2, 2.3)	--
Finance	--	1 (5.1)	--
Forest	--	--	--
Tourism	--	--	--
Total	02	05	--

After issue of Recommendation Reports⁶ by the CoPU, the Action Taken Notes in respect of 16 of the Audit Reports (33 ATNs and 154 paragraphs) for the period 1973-74 to 2014-15 pertaining to seven departments were not received as of March 2021 as detailed in **Annexure 1.2**.

1.7 Significant audit observations

Compliance audit of the Departments of Government of Madhya Pradesh, brought out instances of non-compliance with applicable rules, codes and manuals, lapses in management of public resources and failure to adhere to norms of propriety.

This Report contains findings of six Compliance Audits pertaining to five Departments of the State Government during 2019-20.

⁶ Received between December 2004 to March 2021 in this Office.

1.7.1 Assessment and Implementation of Market Value Guidelines in Madhya Pradesh (Registration and Stamps Department) (Reference para: 2.1)

Audit of the Department of Registration and Stamps through a test-check of selected four District Registrars and 10 Sub Registrar Offices, had brought out shortcomings in the functioning of the various Committees as to collection of property data and analysis of the data for determining the Market Value Guidelines. Further, the Department did not develop the specified module in SAMPADA for generating report on transactions which occurred at higher consideration against guidelines value and necessary assistance could not be provided to registering office in data analysis to assess prevailing market rates of property. There were instances of short realisation of Stamp Duty and Registration Fees on account of under-valuation of market value of land and building, and application of incorrect rate of Stamp Duty showing improper implementation of Market Value Guidelines rates. Instances were also observed resulting in short realisation of Registration Fees on agreements of development of land and lacuna in the valuation of piecemeal sale of the roadside properties. These shortcomings involved an overall revenue impact of ₹ 4.49 crore.

1.7.2 Audit on Regular and Deemed Assessed Cases (Commercial Tax Department) (Reference para: 3.1)

Audit of the Commercial Tax Department, which was carried out through a test-check of assessment records in 14 selected Offices, revealed various instances where the Assessing Authorities had not complied with the provisions of the Acts/Rules in determining the correct taxable turnover of the dealers, allowed excessive Input Tax Rebate against what was admissible, or had either not levied or short levied Entry Tax on entry of goods into the local area. These shortcomings involved an overall revenue impact of ₹ 18.05 crore.

1.7.3 Mining operations in accordance with Mining Plans and Environmental norms (Mineral Resource Department) (Reference para: 4.1)

Audit of selected District Mineral Offices of the Mineral Resources Department brought out the deficiencies in respect of the approval of Mining Plans like non-verification of coordinates before approval, unavailable, inadequate or wrong coordinates of mines and weak system of preparation and approval of Mining Plans. Department did not monitor the mandatory submission of monthly and yearly returns by the lessees to verify the quantity of excavated minerals and has also not provided online facility for filing of quarterly returns by the registered carrier owners to prevent suspected illegal mining and transportation of minerals. There was shortfall both in inspections of mines/quarries by the Mining Inspectors as well as assessment of quantity produced and dispatched from mines. Production of minerals before obtaining necessary clearances and excess production of minerals over and above the limits prescribed in Mining Plans, Environmental Clearances and Consents to Operate were found. Excess/unauthorised quantities of minerals resulted in short/non-recovery of ₹ 394.22 crore as un-imposed penalty. Further, in 885 cases of leases in 13 District Mining Offices, audit found, through use of GIS tools, various irregularities in respect of excavation outside legal boundaries,

etc. Suspected illegal mining was observed in 159 cases in un-allotted mines in seven Districts with the help of remote sensing imagery integrated with GIS, showing weak control of the Department over mining activities.

1.7.4 Construction and Up-gradation of National Highways (Public Works Department) (Reference para: 5.1)

Audit scrutinised 43 works in five National Highways Divisions and office of the Chief Engineer (National Highways) pertaining to construction and up-gradation of National Highways for the period 2017-18 to 2019-20. Audit noticed deficiencies in preparation of estimates viz. incorrect estimation, provision of unwarranted items and non-inclusion of essential items in the estimates, invitation of tender on inflated estimates, adoption of incorrect rate, *etc.*

Audit also noticed irregularities pertaining to inadmissible and excess payment of price adjustment to the contractor, non-deductions of advances and royalty, delay in completion of works, *etc.*

Multiple issues affecting the level of Quality Assurance to be derived, such as non-conducting of mandatory tests, not carrying out tests of road works from Departmental laboratory and non-availability of equipment in district-level laboratories were also noticed.

1.7.5 Construction of roads through the Central Road Fund (Public Works Department) (Reference para: 5.2)

Audit scrutinised 40 agreements of Central Road Fund in 11 Public Works Divisions and office of the Engineer-in-Chief, Public Works Department pertaining to construction of roads through the Central Road Fund for the period 2017-18 to 2019-20. Audit noticed deficiencies in planning and estimations, viz., lack of planning and co-ordination among Departments, incorrect estimation of earth work, provisioning for excess thickness of bitumen, non-inclusion of road safety measures, invitation of tender on inflated estimates, *etc.*

Audit also noticed irregularities pertaining to execution of work beyond specification, irregular foreclosure of contracts, delay in execution, undue benefit to contractors, execution of below specification works, *etc.*

1.7.6 Audit on “Construction of buildings by Madhya Pradesh Housing and Infrastructure Development Board” (Urban Development and Housing Department) (Reference para: 6.1)

During the period covered under Audit (2015-16 to 2019-20), the Annual Housing Programme was prepared and submitted with a delay ranging from one to six months. This resulted in reduction of actual available time for implementation. Due to inadequate survey and investigation before estimation of works, variations of 2.31 to 24.63 *per cent* from the estimated cost were noticed in 12 works of six Divisions, while in individual items of work, these variations were between 16 and 4,512 *per cent*. In five cases, the Board had acquired disputed land, which is still not in the possession of the Board, while an amount of ₹ 4.94 crore was already paid for the land. It was noticed that no demand survey had been conducted before launching of the projects, which resulted in piling up of unsold properties valuing ₹ 167.43 crore.

Hard rock excavated from controlled blasting used in construction was not regulated as per the Schedule of Rate, resulting in excess payment of ₹ 6.66 crore to the contractor. Payment for embankment work was not regulated at the applicable rate, resulting in excess payment of ₹ 0.58 crore to the contractor. In four works of three divisions, the amendments issued up to the date of issue of NIT were not adopted, and payment at original rates were made to the contractor, which resulted in excess payment of ₹ 0.75 crore.

In five works of two Divisions, the quantity of some items had increased from 17.76 *per cent* to 4,492.67 *per cent* against the estimated quantity and same was paid to the contractors, contrary to the terms of the agreement. This resulted in excess payment of ₹ 20.89 crore to the contractors.

1.8 Acknowledgement

The Office of the Accountant General (Audit-II), Madhya Pradesh wishes to acknowledge the co-operation and assistance rendered by the officials of the Registrations and Stamps Department, Commercial Tax Department, Mineral Resources Department, Public Works Department and Urban Development and Housing Department of the State Government during the course of audit of the respective Departments.

CHAPTER - II
REGISTRATION AND
STAMPS
DEPARTMENT

CHAPTER II

REGISTRATION AND STAMPS DEPARTMENT

2.1 Introduction

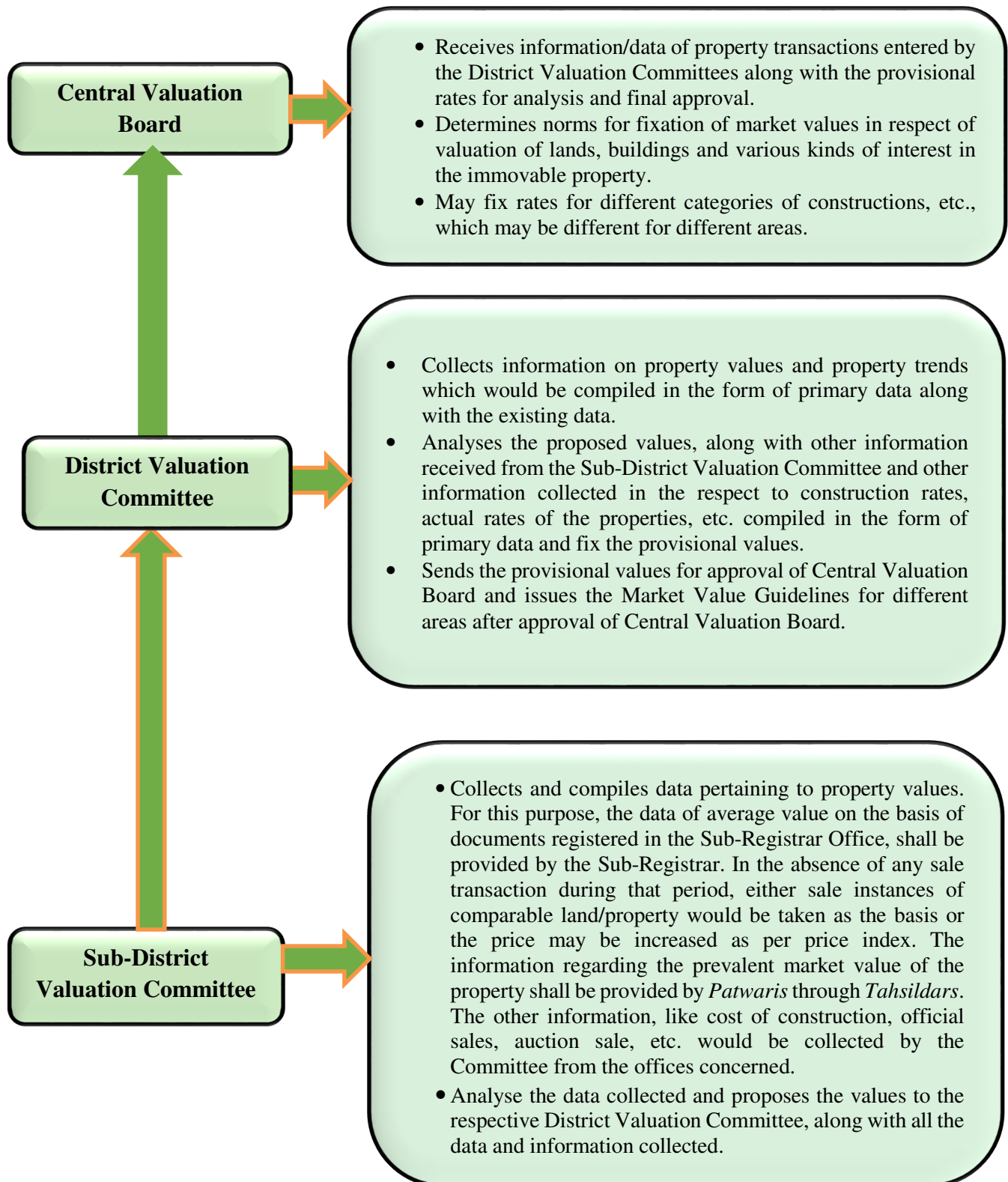
The Department of Registration and Stamps (Department) is one of the major revenue earning Departments of the Government of Madhya Pradesh (GoMP). It is tasked with the registration of documents and is responsible for determining and collecting Stamp Duty and Registration Fees on registration of various documents/instruments by the general public. The Department enforces administration of the Indian Stamp (IS) Act, 1899 and the Registration Act, 1908, as amended from time to time and rules framed thereunder. Further, for the e-Registration and e-Stamping of properties in the State, a software named “SAMPADA” (Stamp and Management of Property and Documents Application) was launched w.e.f. 01 August 2015. The facilities, such as valuation of property situated anywhere in the State, calculation of Stamp Duty and Registration Fees chargeable on different types of documents and slot booking in the Offices of Sub-Registrars are also available through the SAMDAPA software.

Under Section 75, read with Section 47-A of the Indian Stamp Act, 1899, the State Government has notified the Madhya Pradesh Preparation and Revision of Market Value Guidelines (MVG) Rules, 2018¹, prescribing the procedure for preparation of MVG and determining rates for valuation of property for the purpose of registration of property documents.

The MVG are the set of values of immovable properties in different villages, Municipalities, and Corporations in the State, arrived at by the Central Valuation Board (CVB) on the basis of recommendations given by the Sub-District Valuation Committee (SDVC) and the District Valuation Committee (DVC) formed in the State in terms of the MVG Rules. The various Committees, the Board and their respective roles for the preparation of MVG is given in **Chart 2.1**.

¹ MVG Rules, 2018 were issued in suppression of MGV Rules, 2000 and amendments thereto.

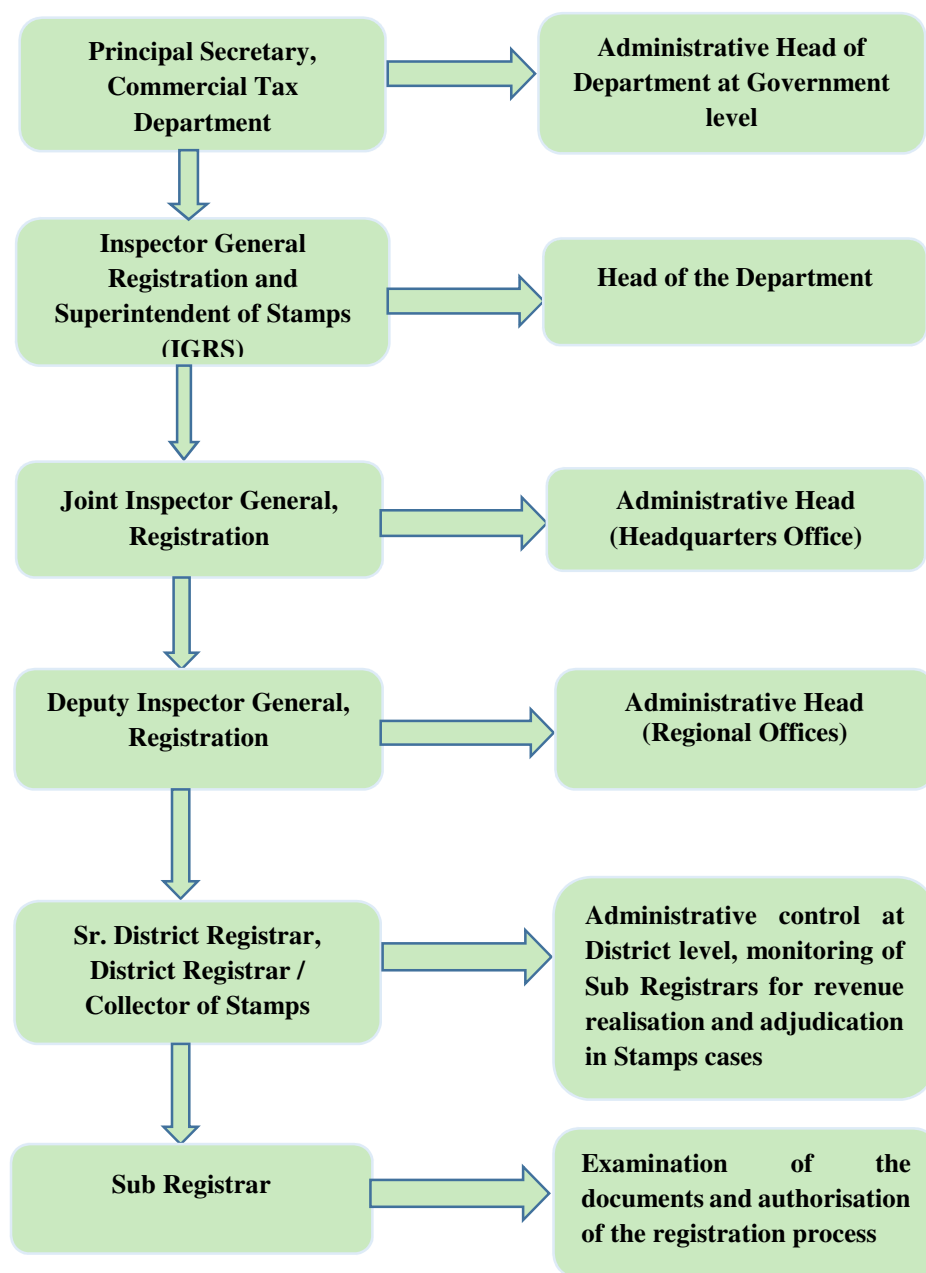
Chart 2.1: The functions and role of Central Valuation Board and various other Committees in formulation of Market Value Guidelines in the State



2.2 Administrative Structure

The Department of Registration and Stamps is headed by Principal Secretary, at Government level. The Inspector General, Registration and Superintendent of Stamps, Madhya Pradesh (IGRS) is the Head of the Department. One Joint Inspector General Registration (JIGR), one Deputy Inspector General Registration (DIGR), one Joint Director (Finance), two Sr. District Registrars (SDR) and one Accounts Officer (AO) work at the Headquarters Office. The Department has four Regional Offices located at Bhopal, Gwalior, Jabalpur and Indore, working under four Zonal DIGRs. There are 51 District Registrar (DR) Offices and 234 Sub-Registrar (SR) offices in the State. The Organogram of the Department, along with functions at different levels, is given in **Chart 2.2**.

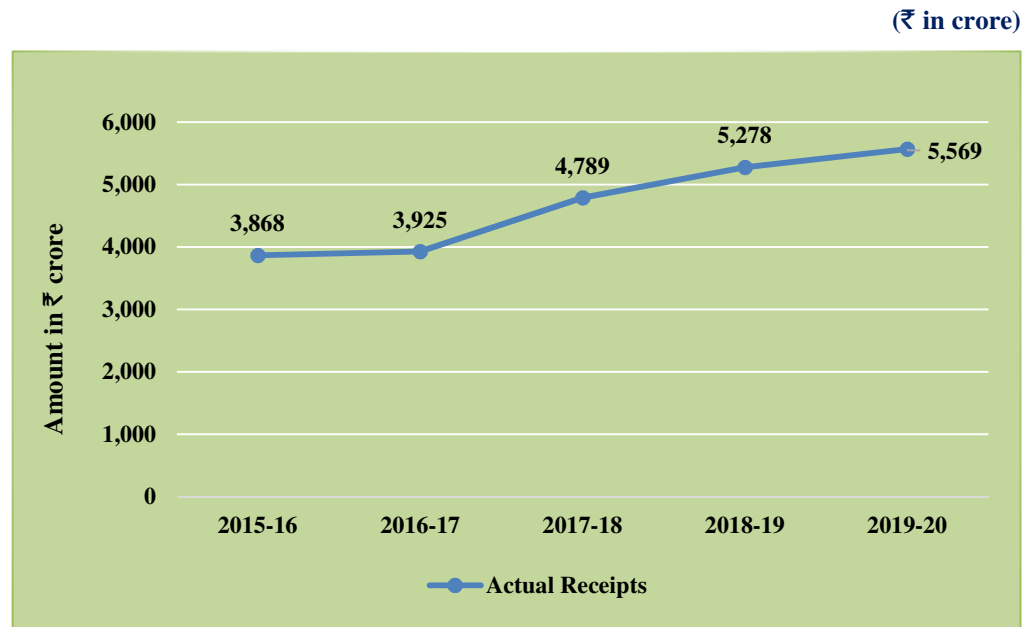
Chart 2.2: Organisational Setup



2.3 Trend of Receipts

The trend of the Actual Receipts from Stamp Duty (SD) and Registration Fees (RF) during the period 2015-16 to 2019-20, for the last five financial years, is shown in the **Chart 2.3**.

Chart 2.3: Stamp Duty and Registration Fee Receipts



Source: Finance Accounts of GoMP

It can be seen from the above Chart that since 2016-17, there has been a constant increasing trend in the actual receipts² of the Department. The receipts in the year 2018-19 increased by 10.2 *per cent* as compared to 2017-18. The receipts further increased by 5.5 *per cent* during the year 2019-20 as compared to that of 2018-19.

2.4. Audit Objectives, Criteria and Methodology

2.4.1 Audit Objectives

The Audit was conducted with a view to ascertaining whether:

- the assessment criteria and valuation methods used in the preparation of Market Value Guidelines were adequate and were revised timely to ensure optimum revenue realisation; and
- the system devised in the Department to ensure proper implementation of Market Value Guidelines, vis-à-vis the prescribed Rules and Regulations, was effective in optimising revenue collection.

2.4.2 Audit Criteria

Audit criteria used for conducting the audit are as follows:

² Actual Receipts are the figure shown under the Head (0030) viz. Stamp Duty and Registration Fees, of the Finance Accounts Statement No. 14 of the relevant year.

- MP Preparation and Revision of Market Value Guidelines Rule, 2000 and 2018;
- MP Determination of Market Value of Instruments and Disposal of Unduly Stamped Instruments Rules, 2018;
- Indian Stamp Act, 1899 and Registration Act, 1908 and Rules thereunder;
- Notifications, Circulars, Orders and Market Value Guidelines issued from time to time by the Government and Department regarding valuation of property;
- Madhya Pradesh Municipalities Act, 1961; and
- Madhya Pradesh *Upkar Adhiniyam*, 1982.

2.4.3 Audit Methodology

Audit of the Department of Registration and Stamps was conducted between September 2020 and November 2020 through a test-check of the relevant records and transactional data of MVG preparation and implementation, covering a period of three years from April 2017 to March 2020 in the office of SDVCs and DVCs. Records of CVB for preparation and approval of MVG were also scrutinised. The Entry conference and Exit conference were conducted on 07 October 2020 and 09 December 2021 respectively.

Keeping in mind the Corona pandemic, and the consequent constraints, IGR Office, four³ out of 51 DR Offices and 10⁴ out of 234 SR Offices (under the four selected DR Offices), were selected for audit on the basis of financial criticality of revenue receipts, professional judgement and logistic issues. The audit of online documents registered in selected 10 SR Offices, covering a period of three years from April 2017 to March 2020, was also undertaken. In all, Audit test-checked five different categories⁵ of instruments covering Agreements, Conveyances, Deposits of Title deeds, Gift and Lease deeds (a total of 5,993 instruments against the total 4,57,323 registered instruments) in the 10 selected SR Offices between April 2017 and March 2020. Further, 2,501 instruments registered in eight⁶ SR Office having market value or consideration value of property as one crore and above during April 2018 to June 2018 were also selected for audit for analysing the impact of delay in implementation of MVG for the year 2018-19.

2.5 Results of Audit

The basic records relating to preparation of MVG were examined at the SDVCs, DVCs and CVB. The test-check of 5,993 instruments had brought out instances

³ DR: Bhopal, Gwalior, Indore and Jabalpur.

⁴ SR: Bhopal I, Bhopal II, Bhopal III, Gwalior I, Gwalior II, Indore I, Indore II, Indore III, Jabalpur I and Jabalpur II.

⁵ Agreement, Conveyance, Deposit of Title deeds, Gift and Lease deed.

⁶ SR: Gwalior I, Gwalior II, Indore I, Indore II, Indore III, Indore IV, Jabalpur I and Jabalpur II.

of short levy of Stamp Duty and /or Registration Fees, in 90 cases involving an amount of ₹ 4.49 crore, as detailed in **Table 2.1** below:

Table 2.1: Categories of Audit Observations on Stamp Duty and Registration Fee receipts

Sl. No.	Audit Observations categories	(₹ in crore)	
		No. of cases	Amount
1.	Undervaluation of properties	38	3.18
2.	Short levy of Registration Fees	44	0.40
3.	Foregoing of incremental revenue due to splitting and selling of Road side properties to same person in very short interval	08	0.91
Total		90	4.49

The above systemic issues relating to assessment and revision of value of properties, non-compliance to Rules and short realisation of Stamp Duty and/or Registration Fees due to under valuation of properties were noticed during audit and discussed in the succeeding paragraphs. There may be similar irregularities, errors/omissions in other units under the Department but not covered in the test-audit. Department may, therefore, examine all the units to ensure that the MVG are prepared as per provisions of Market Value Guidelines Rules, valuation of properties are determined according to the provisions of MVG *Upbandh* and taxes are levied as per provisions of the Acts and Rules.

2.6 Audit on “Assessment and Implementation of Market Value Guidelines in Madhya Pradesh”

Audit findings

With a view to assess whether the assessment criteria and valuation methods were adequate to capture values that were reasonably close to the actual transaction values that prevailed in the market, audit test checked the quantum and the process of analysing and revising the MVG proposals by the various Committees. The irregularities observed in functioning of the CVB/DVCs/SDVCs are depicted in the paragraphs below.

2.6.1 Approval of MVG proposals by the CVB

As per the MVG Rules, 2018, the CVB was required to receive information/data of property transactions entered by the DVCs along with the provisional rates for analysis and final approval. Audit conducted a comparative study of MVG of the four selected DROs. The summarised position of the quantum of proposals received, approved, denied, *etc.* by the CVB for finalisation of MVG for the year 2017-18 to 2019-20 is given in **Table 2.2** below:

Table 2.2: Details of quantum of proposals considered and approved by Central Valuation Board

District	Year	Total proposals sent to CVB	Approved as it is by CVB	Denied by CVB	Approved with partial modification
Indore	2017-18	194	188	5	1
	2018-19	283	36	247	0
	2019-20	201	0	201	0
Bhopal	2017-18	44	24	20	0
	2018-19	11	11	0	0
	2019-20	24	24	0	0
Jabalpur	2017-18	176	176	0	0
	2018-19	108	108	0	0
	2019-20	617	0	617	0
Gwalior	2017-18	314	314	0	0
	2018-19	238	238	0	0
	2019-20	109	0	109	0
Total		2,319	1,119	1,199	1

It can be seen from the above table that a total 2,319 proposals relating to insertion/deletion of new/old colonies in the MVG, regularisation of illegal colonies and revision in value of properties *etc.*, were sent for approval by the DVCs during the period 2017-18 to 2019-20. Out of which, 1,119 proposals were approved for 2017-19. No proposal was approved by CVB out of 927 proposals received during 2019-20 from DVC Indore, Jabalpur and Gwalior. Out of 927 proposals, 831 proposals pertained to upward revision in the rates/value of properties based on the registered sale value of properties prevailing during the year in the respective location. Audit further observed that during 2019-20, the rates for valuation of property for registration were uniformly reduced by 20 *per cent* for all the locations in the State though the SDVCs/DVCs recommended upward revision of rate in MVG for 831 locations ranging from 1.74 to 16.13 *per cent* in the four districts. Although the revenue of the Department increased as compared to the year 2018-19, the fact remains that the decision of GoMP of 20 *per cent* reduction of rates for the MVG of 2019-20, was not based on any detailed analysis by the CVB.

The Department in Exit Conference responded that it will look further into the matter (December 2021).

2.6.2 Anomalies in data collection and analysis of property data values by the Sub-District Valuation Committee

As per MVG Rule 4(4), the SDVCs were required to collect and compile data pertaining to property values on the basis of average value of documents registered in the SR Offices, as well as analyse the data so collected and forward the property values to the respective DVC along with data and information so collected. The information regarding the prevalent Market Value of the property may be provided by *Patwaris* through *Tahsildars*. The other information, like

cost of construction, sales, etc. were to be collected by the Committee from the Offices concerned.

Test-check of MVG records of selected four SDVCs out of total 227 SDVCs, revealed that during audit period, though the sale transactions were made and registered in the selected units, neither the data pertaining to sale transactions (property values) were taken into consideration nor the information regarding the prevalent market value of the properties were sought by SDVCs from *Patwaris* through *Tahsildars* for assessment of the MVG for all the test-checked years.

Further, the information relating to cost of construction, official sales, auction sale, etc. were also not collected by the SDVCs from the Offices concerned. As a consequence of non-inclusion of sale transactions in considering the MVG proposals, the rates derived by SDVCs of the MVG were not likely to be reasonably close to the actual transaction values that prevailed in the market.

From the test-check of 770 conveyance instruments out of total 821 registered conveyance instruments, (included in the total 5,993 selected instruments) having market value or consideration value of properties of ₹ one crore or more in the year 2018-19 in 10 SR offices of selected four Districts, it was observed that in respect of 316 Conveyance instruments:

- 113 instruments were registered more than 1 and upto 20 *per cent* above MVG rates;
- 86 instruments were registered more than 20 and upto 50 *per cent* above MVG rates;
- 43 instruments were registered more than 50 and upto 80 *per cent* above MVG rates;
- 12 instruments were registered more than 80 and upto 100 *per cent* above MVG rates; and
- 62 instruments were registered more than 100 *per cent* above MVG rates.

The details are in **Annexure 2.1**.

The Department in Exit Conference stated that it will look into the matter (December 2021).

Further reply is awaited (February 2022).

2.6.3 Absence of database and data analysis of higher consideration of property against guidelines value

As per Rule 4(2) of MVG Rules, the DVC would collect information on property values and property trends which would be compiled in the form of primary data along with the existing data, analyse the proposed values and notify the provisional values and invite the suggestions of the public thereon to consider them for approval of CVB.

Audit had pointed out the issue relating to absence of data analysis module for calculation and generation of report of property transactions registered at higher considerations against guidelines value in the Performance Audit on e-SAMPADA (Paragraph no. 2.4.26 of CAG Audit Report No. 5 on Revenue Sector for the year ended 31 March 2016, GoMP). Therein, the Department had assured that the Audit Observation had been noted as a suggestion to be implemented during the next version of SAMPADA.

During the present audit, it was noticed that even after a lapse of more than four years since the Department's assurance (May 2016), the module has not been developed in the software for transmitting the required data to the DVC in respect of transactions where the consideration was higher than the MVG as per Annual Statement of Rates (ASR). Further, the registering authorities still had to rely on manual calculations instead of system generated valuations through the module.

The Office of IGR replied that, development of SAMPADA software was done on the basis of System Requirement Studies (SRS) and guideline module is functioning in accordance with SRS. Guidelines are prepared by the DVC and forwarded to CVB. In this process, the data for analysis is obtained through the system itself and is made available to all the registering authorities.

The fact remains that the module for transmitting the required data to the DVC in respect of transactions, where the consideration was higher than the Market Value/ Guidelines could not be developed and implemented by the Department in spite of the assurance given in May 2016.

2.6.4 Deficiencies in the working of the Committees and Sub Committees

With a view to assessing whether the MVG values were revised timely, as per the procedure prescribed, to ensure optimum revenue realisation, audit scrutinised the process of convening the meetings of the various Committees and observed delays, absence of norms for meetings, etc. as depicted in para **2.6.4.1** and **2.6.4.2** below:

2.6.4.1 Delays in submission of MVG proposal and its approval

As per the Rule 5 of MVG Rules, 2018, MVG were to be revised annually from 01 April of every financial year. However, Audit observed that MVG Rules did not specify any time schedule/limit for commencing and concluding the process of preparation of MVG by any of the Committees involved in the process.

Every year, the Office of IGR issued instruction specifying the time schedule for completion of various stages involved in the preparation and finalisation of MVG. The time taken by various Committees in sending and further forwarding the MVG proposal to the next higher level during the past three years is detailed in the **Table 2.3** below:

Table 2.3: Details of MVG proposals submission by various Committees and its approval

Year	Due date of submission of MVG proposal by SDVCs to DVCs	Delay in submission of MVG proposals by SDVCs (in days)				Due date of submission of MVG proposals by DVCs to CVB	Delay in submission of MVG proposals by DVCs (in days)				Due date of implementation of MVG as per MVG Rules/ Actual date of implementation of MVG	Delay of MVG implementation as per MVG rules (in days)
		Bhopal	Indore	Gwalior	Jabalpur		Bhopal	Indore	Gwalior	Jabalpur		
2017-18	30/12/2016	14	33	Not sent	53	28/02/2017	22	24	23	24	01/04/2017 01/04/2017	No delay
2018-19	10/05/2018	01	12	No delay	No delay	20/05/2018	02	18	09	05	01/04/2018 01/07/2018	91
2019-20	31/12/2018	60	60	36	59	15/06/2019	No delay	10	09	No delay	01/04/2019 01/07/2019	91

Audit noticed delays in preparation and sending of MVG proposals as detailed below:

- Delay in sending proposals by SDVCs to the respective DVCs ranged between 14-53 days for the year 2017-18, 1-12 days for the year 2018-19 and 36-60 days for the year 2019-20.
- Delay by the DVCs in finalising the proposals received from the SDVCs and forwarding it to CVB ranged between 22-24 days in 2017-18, 2-18 days in 2018-19 and 0-10 days in the year 2019-20.
- As per the rules, the MVG has to be implemented w.e.f. 01 April of every year. Audit observed that though, MVG for the year 2017-18 was implemented on time but time extension up to 28 June was granted for MVG approval for the years 2018-19, and 2019-20. Consequently, in both these years, the MVG was implemented with a delay of 91 days from the stipulated date of implementation as per MVG rules. Further, for the year 2019-20, the *Upbandh*⁷ which forms the integral part of MVG was made applicable from 01 April 2019 even when the MVG for that year was implemented from 01 July 2019.

The Department in Exit Conference responded that it will look further into the matter (December 2021).

2.6.4.2 Non-fixation of norms for convening the Meeting of Committees

As per MVG Rule 5, MVG should be revised timely so that it can be implemented from 01 April of every financial year. For the same, at each level, respective Committees are expected to conduct Meetings in a systematic manner and at appropriate times, so as to enable the Board to take their decision finally.

⁷ *Upbandh* are the detailed conditions and explanations to various categories of property and their valuation under different locations and actual conditions, in addition to the values as mentioned in the Market Value Guidelines.

Test-check of records of selected four DVCs revealed that no time schedule for conducting Meetings at any level of Committees was prescribed under any of Rules and Regulations. Consequently, during the test-checked years of 2017-20, the Meetings were found to have been held randomly in all the SDVCs, DVCs and CVB as given in **Table 2.4** below:

Table 2.4: Details of Meetings of SDVC, DVC and CVB during 2017-18 to 2019-20

Year	Dept.	Details	District				Total
			Bhopal	Indore	Jabalpur	Gwalior	
2017-18	SDVC	No. of Meetings	03	01	03	Not Held	07
		No. of proposals prepared	44	194	170	01	409
	DVC	No. of Meetings	02	02	01	01	06
		No. of proposals considered and forwarded to CVB	44	194	176	314	728
	CVB	No. of Meetings				02	02
		No. of proposals approved	24	189	176	314	703
2018-19	SDVC	No. of Meetings	03	01	03	Not Held	07
		No. of proposals prepared	24	283	83	01	391
	DVC	No. of Meeting	02	02	01	01	06
		No. of proposals considered and forwarded to CVB	11	283	108	238	640
	CVB	No. of Meetings				02	02
		No. of proposals approved	11	36	108	238	393
2019-20	SDVC	No. of Meetings	03	01	03	01	08
		No. of proposals prepared	375	201	375	01	952
	DVC	No. of Meetings	02	01	02	03	08
		No. of proposals considered and forwarded to CVB	24	201	617	109	951
	CVB	No. of Meetings				04	04
		No. of proposals approved	24	0	0	0	24

SDVC Meetings: It can be seen from the Table that in the four selected Districts during the period 2017-18 to 2019-20, a total of 22 meetings of the SDVC were convened and 1,752 proposals were considered for the revision of MVG. It was observed that the SDVC meetings of Gwalior District were not held during 2017-18 and 2018-19 and MVG proposals were sent to DVC. For 2019-20, one meeting was held in January 2019 and one proposal was considered.

DVC Meetings: There were at least 15,529 locations (in the four selected districts) where rates were to be revised every year as per MVG. Against these, the DVCs received only 1752 proposals made by the SDVCs and forwarded a total of 2,319 proposals to CVB during 2017-18 to 2019-20. In respect of the remaining locations, no revision in rates was proposed/effectuated.

Further, it was observed that though the MVG was supposed to be implemented from 1 April annually, some of the DVC Meetings, for finalisation of MVG were held in the months of May and June across all the four selected districts⁸. Thus, the DVCs failed to convene timely meetings for assessment of rates due to which the possibility that the Government had lost out on additional revenue, through timely increase of the MVG rates, cannot be ruled out.

The process of estimation involves analysis of past trends from data available within the Department, coupled with gathering and utilisation of information on present trends based on development in each area. Further, the minutes of meetings were examined by Audit and it was observed that minutes did not include any deliberation on fixation of rates. Hence, Audit could not derive assurance that the market rates arrived at during the deliberations were based on a holistic assessment covering all relevant factors.

The Department in Exit Conference responded that it would look into the matter (December 2021).

Further development is awaited (February 2022).

2.6.5 Deficiencies in the execution of MVG

With a view to assess whether the Department has devised a system to ensure proper implementation of MVG and the prescribed Rules and Regulations, were effective in optimising revenue collection, Audit assessed the different categories of instruments *vis.* conveyance, lease, deposit of title deed, and gift, developer agreement etc. The various deficiencies as to irregular rate formulation, short realisation of Stamp Duty and Registration Fees, and lacuna in the rules are depicted in para 2.6.5.1, 2.6.5.2, 2.6.5.3 and 2.6.5.4:

2.6.5.1 Fixation of common rates for land without taking into account nature of land and its end-use

As per MVG Rule 6(1), while working out the values of land, the Committee shall take into account the classification/nature of land (irrigated/unirrigated, diverted/non-diverted) and use of land (residential/commercial/industrial, etc.).

Test-check of records pertaining to MVG of selected four DR and 10 SR Offices, revealed that in case of Indore district, in spite of different classification/nature of land and its end-use, the MVG rates of irrigated and non-irrigated land (in case of rural areas) and rates of residential and commercial land (in case of urban areas) were kept same in most of the areas for the period from 2017-18 to 2019-20.

⁸ 1. **Bhopal and Indore:** Some meetings for the year 2017-18 to 2019-20 were held in May and June 2020.
2. **Jabalpur and Gwalior:** Some meetings for the year 2019-20 were held in May and June 2020.

This indicates that the rates were not fixed on a rational basis or by following due processes such as analysis of the area based on classification of land and its end use.

The Department in Exit Conference responded that it would look further into the matter (December 2021).

2.6.5.2 Short realisation of Stamp Duty and Registration Fees of ₹ 3.18 crore due to under-valuation of market value of property

The various provisions of Stamp Act 1899, Registration Act, 1908 and *Upbandh* of MVG provide for determination of market value of agriculture land, buildings and plots, *etc.* during valuation of properties.

Under Section 48-B of Indian Stamp (Madhya Pradesh Amendment) Act, 2016 (inserted on 23 October, 2017), where the deficiency of Stamp Duty is noticed from a copy of any instrument, the Collector may, by order, require the production of the original instrument from a person in possession or in custody of the original instrument for the purpose of satisfying himself as to the adequacy of amount of duty paid thereon. If the original instrument is not produced before him within the period specified in the order it shall be presumed that the original document is not duly stamped, and the Collector may proceed in the manner provided in Section 40 for the recovery of deficit Stamp Duty and Penalty.

Prior to 23 October 2017, under Section 47-A of Indian Stamp Act, 1899, if the Registering Officer, while registering any instrument, finds before registering such instruments, that the market value of any property set forth was less than the market value shown in the MVG, he should refer the same to the Collector of Stamps for determining the correct market value of such property and duty leviable thereon.

Audit test-checked 5,191 out of 9,176 selected documents under four categories of instruments *viz.* conveyance, lease, deposit of title deed and gift, against total 4,46,616 registered instruments between April 2017 and March 2020 in 10 selected SR Offices.

It was observed that in 38 instruments under nine SROs⁹, the Market Value as per Market Value Guidelines worked out to ₹ 113.86 crore. However, the SRs registered those instruments by considering their market value as ₹ 82 crore only. The SRs did not adhere to the various provisions of *Upbandh* of MVG prescribed for determination of Market Value of agriculture land, buildings and plots, *etc.* Also, the SRs did not refer these instruments to the Collector of Stamps for determination of correct value of properties and duty leviable thereon. This resulted in short levy of Stamp Duty of ₹ 2.81 crore and

⁹ SR Bhopal I, Bhopal II, Bhopal III, Gwalior I, Gwalior II, Indore I, Indore II, Jabalpur I and Jabalpur II.

Registration Fees of ₹ 0.37 crore aggregating to a revenue loss of ₹ 3.18 crore to the Government as detailed in **Annexure 2.2**.

The Department stated (December 2021) that recovery of ₹0.15 crore had been effected in seven cases under four¹⁰ SRs at the instance of Audit, while recovery notices for an amount of ₹2.75 crore had been issued in another 19 cases under seven¹¹ SRs. In nine cases under three¹² SRs, the DRs in course of re-assessment, accepted the assessments previously made by the SRs as correct while no action had been intimated in respect of the remaining three cases under one SR¹³ (February 2022).

In respect of the nine cases, the DRs while accepting the assessments done by the SRs, failed to take into account the various factors for determining the correct land valuation such as the location, the nature and end-use of the land and its proximity to roads/highways. Thus, the revised orders passed by the DRs wherein they accepted the assessments previously done by the SRs were deficient to that extent. In respect of the 19 cases where recovery notices had been issued, a report on recovery is awaited (February 2022).

2.6.5.3 Short realisation of Registration Fees on agreements relating to development of land by the builders/developers

Article 6(d)(i) of Schedule I-A to the Indian Stamp (Madhya Pradesh) Amendment Act, 2014 provided that if an agreement relating to the development of land has the stipulation that after development, such developed property or part thereof shall be held/ sold by the developer, either severally or jointly with the owner, duty shall be levied treating this transaction as the conveyance¹⁴ at the rates given therein. Further, as per Article-1 of the Registration Act, 1908, the Registration Fee shall be calculated at the rate of 0.8 *per cent*¹⁵ of the amount on which the Stamp Duty is chargeable.

Audit had previously pointed out the issue of short realisation of registration fee on developer agreements in the CAG Audit Report No. 05 on Revenue Sector for the year ended 31 March 2016, GoMP. Therein, the Department had accepted the irregularities in the objected cases and assured to take appropriate action. However, during the course of audit, similar irregularities had been found to be persisting.

¹⁰ SR Bhopal II, Indore I, Indore II and Jabalpur I.

¹¹ SR Bhopal I, Bhopal II, Bhopal III, Gwalior I, Gwalior II, Indore I and Jabalpur I.

¹² SR Indore I, Jabalpur I and Jabalpur II.

¹³ SR Gwalior-II.

¹⁴ The Stamp Duty shall be levied at the rate of five *per cent* on the market value of only that portion of the entire land, which is proposed to be developed, which is proportionate to the developed property to be held/sold by the developer jointly or severally, or at the rate of 2.5 *per cent* on the market value of the entire land proposed to be developed, whichever is higher.

¹⁵ The Notification of the State Government came into force from 15 August, 2014.

Audit test-checked 802 out of total 904 developer agreements against the total 10,707 agreements/memorandum of agreements registered between April 2017 and March 2020, in the 10 sampled SR Offices and found that in 44 developer agreements under seven SRs¹⁶, the Stamp Duty was charged on ₹ 100.81 crore at the rate of 2.5 *per cent* of Market Value proposed to be developed, against which, Registration Fees of ₹ 80.65 lakh was chargeable at the rate of 0.8 *per cent*. However, the SRs charged Registration Fees of ₹ 40.41 lakh at the rate of 0.4 *per cent*. This resulted in short levy of Registration Fees of ₹ 40.24 lakh as detailed in **Annexure 2.3**.

Audit further observed that in the above cases, the calculation was done by the SAMPADA software and due to incorrect mapping of business rules and absence of second level verification by SRs, the software calculated RF at half of the prescribed rate in all the cases in which SD was calculated at half of the rate prescribed. Thus, in the absence of remedial action by the Department despite being pointed out in previous Report, irregularity persisted.

The Department stated (December 2021) that recovery of ₹ 0.22 crore had been done in 13 cases under four¹⁷ SRs at the instance of Audit while recovery notices for an amount of ₹ 0.05 crore has been issued in two cases by SR Gwalior I and Indore III. In 29 cases, the DR, Bhopal in course of re-assessment, accepted the assessments previously made by the SRs as correct.

The re-assessment done by DR Bhopal (wherein he accepted the previous incorrect assessment made by the SRs) is not acceptable because Registration Fee was not charged at the prescribed rate of 0.8 *per cent* on the amount on which Stamp Duty was charged in accordance with the provisions of Article-1 of the *ibid* Act.

2.6.5.4 Absence of control mechanism to detect the piecemeal sale of roadside properties

As per Clause 1 of MVG *Upbandh* every year the value of the land situated on the National Highway, State Highway, Major District Road and other District Road or their bypass, except in areas/villages where the value of Land on the road is determined separately, will be considered 100 *per cent*, 50 *per cent* and 20 *per cent* more than the value fixed for the agriculture land. For the land which is situated 20 meters away from the road, the rate of land adjoining the road will be accepted for the entire area of that land.

Audit test-checked 5,993 selected conveyance instruments, against total 3,22,648 registered instruments between April 2017 and March 2020 in 10 SR Offices. It was observed that in eight conveyance instruments under three SRs,

¹⁶ SR Bhopal I, Bhopal III, Gwalior I, Indore I, Indore II, Indore III and Jabalpur I.

¹⁷ SR Indore I, Indore II, Indore III and Jabalpur I.

the road side land was sold by the owner by splitting it to in two pieces (one part treated as on road and the remaining part treated as outside the road) to the same purchaser in a very short time leading to foregoing of incremental revenue amounting to ₹ 0.91 crore as detailed in **Annexure 2.4** and accordingly, valuation of outside road land was done without adding the higher rates for highways and other roads, as the case may be. Thus, registration of roadside land in piecemeal manner within a short period resulted in under valuation of aggregated land and consequent short realisation of SD and RF.

The Department stated (December 2021) that Revenue Recovery Certificate has been issued in three cases (one case of SR Bhopal III, two cases of Indore II) and one case of SR Indore III is pending for disposal. Further, in the Exit Conference (December 2021), it was stated that Department in future will move towards GIS based system where real time visualisation of location and its valuation would be possible to reflect actual market rate.

2.6.6 Conclusion

Audit of the Department of Registration and Stamps through a test-check of selected IGR, DRs and SDR Offices has brought out significant shortcomings as mentioned below:

- Audit observed that the Committees did not function as envisaged in Rules as to collection of property data, analysis of the data;
- Audit observed that there were delays in forwarding the MVG to the District Valuation Committee and to the Central Valuation Board in time. As a consequence of the delay in finalisation and submission of proposals from the Sub-Committees, the Department could not approve and implement the annual Market Value Guidelines from 01 April every year as envisaged in the Rules. Further, the Department did not develop the specified module in SAMPADA for generating report on transactions occurred at higher consideration against guidelines value and necessary assistance could not be provided to registering office in data analysis to assess prevailing market rates of property; and
- There were instances of short realisation of Stamp Duty and Registration Fees on account of under-valuation of market value of land and building, and application of incorrect rate of Registration Fees showing improper implementation of MVG rates. Instances were also observed resulting in short realisation of Registration Fees on agreements of development of land and lacuna in the valuation of piecemeal sale of the roadside properties.

CHAPTER - III
COMMERCIAL TAX
DEPARTMENT

CHAPTER III

COMMERCIAL TAX DEPARTMENT

3.1 Introduction

The Commercial Tax Department (Department) accounts for the highest revenue receipts of the Government of Madhya Pradesh. The Department collected revenue on goods and services under the Madhya Pradesh Value Added Tax Act, 2002 (MPVAT Act), the Central Sales Tax Act, 1956 (CST Act), the Entry Tax Act, 1976 (ET Act), the Madhya Pradesh Professional Tax Act, 1995 and the Madhya Pradesh *Vilasita, Manoranjan, Amod Evam Vigyapan Kar Adhiniyam*, 2011 till enactment of Madhya Pradesh Goods and Service Act, 2017 (GST Act) with effect from 01 July 2017.

Since the enactment of GST Act in the State, the existing taxpayers of the State under the earlier Acts are being transitioned to GST by registration under GST System Portal.

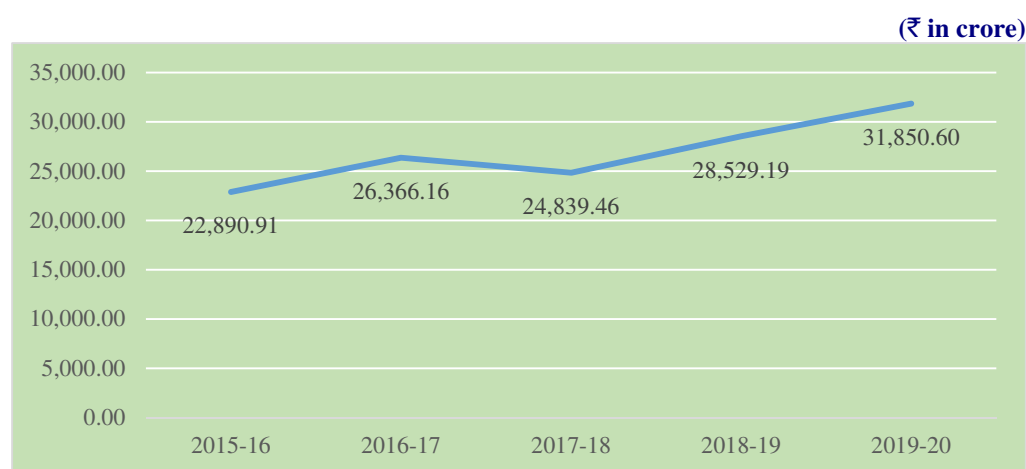
3.2 Tax Administration

The Principal Secretary, Commercial Tax Department is the Administrative Head of the Department at the Government level. The Commercial Tax Department functions under the overall control of the Commissioner of Commercial Tax, who is assisted by an Additional Commissioner of Commercial Tax (ACCT), Deputy Commissioners (DCCT), Assistant Commissioners, Commercial Tax Officers (CTO), Assistant Commercial Tax Officers and Inspectors of Commercial Tax in the performance of such functions as may be assigned under the Act.

3.3 Trend of Receipts

The trend of revenue receipts of Commercial Tax Department from taxes on sales, trades, etc., taxes on goods and passengers, and State Goods and Service Tax (SGST) for the period from 2015-16 to 2019-20 is given below in **Chart 3.1**.

Chart 3.1: Commercial Tax Receipt



Source: Finance Accounts of Government of Madhya Pradesh for respective years

As can be seen from the Chart above, the increase in revenue¹ of the Commercial Tax Department during the period 2017-18 to 2019-20 has been quite substantial. During the five-year period 2015-20, there has been an increase in revenue from Commercial Tax from year-to-year except for a decline of 5.79 *per cent* during 2017-18 compared to the previous year. The increase in revenue is mainly attributable to increase in the SGST component, which increased from ₹ 8,696.12 crore to ₹ 18,508.49 crore (112 *per cent*) during 2017-18 to 2018-19 and further increased to ₹ 20,447.78 crore (10 *per cent*) during 2018-19 to 2019-20.

3.4 Audit Objectives and Methodology

3.4.1 Audit Objectives

- Taxable turnover was computed correctly after allowing admissible deductions and appropriate rates of tax had been applied; and
- Input Tax Rebate was claimed and allowed properly.

3.4.2 Audit Methodology

Audit of Commercial Tax Department was carried out during September 2020 to November 2020 and covered the Value Added Tax (VAT)/ Central Sales Tax (CST) assessments for the three-year period 2015-16 to 2017-18 (upto first quarter)². Audit was conducted through a test-check of the assessments and other related records in 14 selected Offices³ (four Divisional, one Regional and nine Circle Offices) out of 115⁴ Offices. Information was also collected from the Office of the Commissioner, Commercial Tax Department.

Keeping in mind the Covid-19 pandemic, the selection of units was done⁵ on the basis of financial criticality and professional judgement, as well as logistical issues. The objective of the Audit was to gain assurance that the taxes were assessed, levied, collected, and accounted for in accordance with the relevant Acts, Codes and Manuals, and that the interests of the Government were safeguarded. The Assessing Authorities (AAs) in the 14 selected Offices (**Annexure 3.1**), provided to Audit a total of 43,385 completed assessment cases for the period 2015-16 to 2017-18 for scrutiny.

Out of the total assessment cases, Audit scrutinised 12,610 assessment cases, across all the 14 selected Offices and deficiencies wherever noticed have been brought out in the ensuing paragraphs, by aggregating audit observations of similar nature.

Audit findings were benchmarked against the criteria sourced from MPVAT Act, 2002, ET Act, 1976, and the CST Act, 1956, as well as Rules, and instructions, circulars/exemption notifications issued by the State Government from time to time.

¹ The Departmental revenue figures are the aggregate figures accounted under the heads (0006) - State Goods and Services Tax (SGST), (0040) - Taxes on Sales, Trades, etc, viz VAT, and (0042) - Taxes on Goods and Passengers, viz. Entry Tax.

² GST Act was implemented w.e.f. 01 July 2017.

³ **DCCT:** Bhopal II, Gwalior I, Indore I and Satna; **ACCT:** Gwalior I; **CTO:** Dewas, Gwalior I, Indore XIII, Jabalpur II, Mandideep, Ratlam I, Shivpuri, Ujjain I and Waidhan.

⁴ Out of the total 131 units, 16 units were unrelated to the Audit topic.

⁵ Out of 83 Offices which were due for audit in 2019-20.

3.5 Result of Audit

Audit scrutiny brought out instances of deviations/non-compliance with the relevant Acts/Codes/Manuals leading to short levy of tax and inadmissible/excess Input Tax Rebate, including penalty (wherever applicable) in 137 cases involving an amount of ₹ 18.05 crore, as detailed in **Table 3.1**.

Table 3.1: Audit observation Categories on revenue receipts

(₹ in crore)

Sl. No.	Audit Observation Categories	No. of Audit Observations	Amount
1.	Incorrect determination of Turnover	38	2.55
2.	Allowance of Input Tax Rebate without proper verification	53	13.83
3.	Allowance of excess Input Tax Rebate	18	0.51
4.	Non-levy or short levy of Entry Tax	20	0.62
5.	Application of incorrect rate of Tax	3	0.14
6.	Other incorrect deductions and adjustments	5	0.40
	Total	137	18.05

There may be similar irregularities, errors or omissions in other units under the Department but not covered in the test-audit. The Department may, therefore, examine all the units to ensure that taxes are levied as per provisions of the Acts and Rules.

Audit Findings

Audit findings regarding non-compliance to various provisions of the Act/ Rules are discussed in the following paragraphs.

3.6 Under assessment of tax due to incorrect determination of Turnover

As per Section 2(z) of the Madhya Pradesh VAT Act, 2002 (MPVAT Act), the Dealer's turnover in relation to any period means the aggregate of sale prices received or receivable by a dealer in respect of any sale or supply of goods made during that period, excluding the amount of sales returned within the prescribed period. For the purpose of determining Taxable Turnover (TTO), the MPVAT Act provides⁶ for the deduction of the sale price of tax paid goods, tax free goods and the amount of tax, from the turnover, if included in the aggregate of sale prices. As per applicable provisions⁷, discount at the time of sale, as evident from the invoice, shall be excluded from the sale price but any *ex-post facto* grant of discount or incentives or rebate or rewards and the likes, shall not be excluded.

⁶ Under Section 2(x) of MPVAT Act.

⁷ Under Section 2(v) (iii) of MPVAT Act.

Test-check of assessment records of 12,610 cases in 14 selected offices revealed that in 38 cases across 10 offices, the AAs determined less taxable turnover amounting to ₹ 28.94 crore in respect of 35 dealers resulting in underassessment of tax to the tune of ₹ 2.55 crore due to the reasons given in **Table 3.2**.

Table 3.2: Details of incorrect determination of turnover

(₹ in crore)

Sl. No.	Gist of Audit Observation	No. of cases	GTO determinable	GTO determined	Short determination	Under assessment
1.	The AAs did not include the sale value of movable assets and scrap in Gross Turnover (GTO) of the dealers.	10	73.28	67.74	5.54	0.59
2.	The AAs determined less sale value than what was entered in the Audited accounts of the dealers.	06	13.76	12.91	0.85	0.13
3.	GTO of goods listed under Section 9A is to be considered on the basis of weight and volume. The AAs considered less volume of Section 9A goods (sand, metal etc.) than what was actually determinable.	06	15.51	6.89	8.62	0.43 ⁸
4.	The AAs, in assessments pertaining to works contract cases, determined less taxable turnover than what was actually determinable based on the consumption of materials.	06	15.19	9.30	5.89	0.66
5.	As per Section 2(x)(ii) read with Section 2(y) of the Act, in relation to “tax-paid” goods which have been purchased in intra-State trade, no further incidence of tax is applicable other than at the first point. The AA incorrectly allowed deduction of a portion of taxable turnover, treating the goods as “tax-paid” goods.	01	9.26	9.14	0.12	0.04
6.	The AAs incorrectly allowed the dealers to claim deduction on taxable turnover, treating them as “earthwork” instead of taxable sale.	02	1.37	0.00	1.37	0.07

⁸ Tax is calculated at ₹ 35 per Cu.M. as notified by the Government. Short determination of volume was 1,23,180.35 Cu.M.

Sl. No.	Gist of Audit Observation	No. of cases	GTO determinable	GTO determined	Short determination	Under assessment
7.	The AAs incorrectly treated taxable turnover as GTO and allowed deduction of tax on the same, resulting in under assessment.	03	7.52	7.01	0.51	0.05
8.	A dealer submitted 'nil' returns for eight consecutive tax periods. The AA accepted the returns and determined Nil GTO without any requisite evidence.	02	4.58	0.00	4.58	0.37
9.	As per Section 9C transporters are liable to pay VAT on freight charges levied for transport of cement and clinker. The AAs, while assessing VAT on freight charges on cement transported, considered less quantity of cement than what was actually carried by the transporters, resulting in underassessment.	01	0.61	0.30	0.31	0.04
10.	The AA failed to take into account the opening stock and closing stock of a car dealer while determining the taxable sale resulting in under assessment.	01	154.00	152.85	1.15	0.17
Total		38	295.08	266.14	28.94	2.55

In all the above cases, the AAs concerned failed to determine the correct taxable turnover at the time of assessment, resulting in under assessment of tax to the tune of ₹ 2.55 crore. The details are given in **Annexure 3.2**.

On this being pointed out (March 2021), in one case (Sl. No. 7 of the table above), the CTO, Waidhan stated (November 2020) that the amount mentioned in the audit observation was not the taxable sales amount but the gross sales amount. In the remaining cases, the AAs concerned stated (September 2020 to November 2020) that action would be taken after verification.

The reply of CTO, Waidhan is not acceptable as the CTO failed to take into account the purchase lists and the Profit and Loss Accounts of the assessee at the time of assessments even though the documents were available with him.

No further reply has been received from the Commercial Tax Department, Government of Madhya Pradesh (March 2022).

3.7 Inadmissible/excess Input Tax Rebate

As per Section 14 of MPVAT Act, a purchasing registered dealer, on fulfilment of certain conditions⁹, shall claim or be allowed, Input Tax Rebate (ITR) of the amount of input tax. Further, no input tax rebate shall be claimed or be allowed if the bill, invoice, or cash memorandum does not indicate separately the amount of tax collected by the selling registered dealer and Tax Identification Number (TIN) of purchasing registered dealer. Further, in no case shall the amount of ITR on any purchase of goods exceed the amount of tax actually paid under the Act into the Government Treasury in respect of such purchase of goods.

Also, as per Section 18 read with Rule 21(9) of the Act *ibid*, no Return shall be treated complete unless details of purchases and sales, as required in the prescribed form are furnished in the Return. Further, Section 21(2) of the MPVAT Act stipulates that if under-assessment of tax is attributable to the assessee, minimum penalty of three times of tax so assessed, is to be imposed.

Section 26A of the Act stipulates that no ITR will be allowed on some class of goods (such as soyabean, mustard, cotton, and *til* seeds).

The Commissioner, Commercial Tax had also issued instructions in August 2014 to all the Circle Offices¹⁰ that the amount of mismatch should be reconciled before allowing Input Tax Rebate to purchasing dealer.

In order to ensure seamless match of ITR of the purchasing dealer with the tax returns of the selling dealer, the Commercial Tax Department, Madhya Pradesh uses a VAT Information System (VATIS) where all details such as output tax paid by selling dealer and ITR claimed by purchasing dealer can be matched using reports in Form 75¹¹.

3.7.1 Allowance of ITR without proper verification

Scrutiny of Assessment records of all the sampled 12,610 cases in the 14 selected offices revealed that in 53 cases across 11 offices, the AAs at the time of assessment (April 2018 to March 2020) allowed ITR of ₹ 23.81 crore against purchase of ₹ 262.53 crore. Cross-verification of the information available in VATIS revealed that against the ITR of ₹ 23.81 crore claimed by the dealers, the selling dealers disclosed output tax of ₹ 20.35 crore (against sale of ₹ 208.83 crore). Despite the information relating to purchase and sale being readily available with the AAs, they failed to match the ITR claims with the output tax at the time of assessments. This resulted in excess claim of ITR amounting to ₹ 3.46 crore. Further, for deliberate misstatement of ITR claims by the dealers, minimum penalty of ₹ 10.37 crore was also leviable. Details are given in **Annexure 3.3**.

The Department stated (June 2021) that the mismatch as pointed out by Audit based on information collated from VATIS may not be accurate due to

⁹ If a registered dealer purchases any goods specified in Schedule II within the state of Madhya Pradesh from another such dealer after payment of input tax, other than those specified in Part III and Part IIIA of the said Schedule, he shall claim or be allowed, in such manner and within such period as may be prescribed, ITR of the amount of such input tax.

¹⁰ Vide circular no.147/2014-15/30/15/667 dated 21 August 2014.

¹¹ Form 75 in VATIS lists out purchase details of a dealer who is claiming ITR along with seller's details.

erroneous entries being made by dealers in the VATIS software. However, the Department stated that all the cases as pointed out by Audit would be scrutinised in detail.

The reply is not acceptable as VATIS software has been created to ensure proper matching of ITR claims with output tax to prevent loss to the exchequer due to incorrect/excess claims. The Department has also not brought out specific instances in support of its claim that VATIS data is erroneous. Further, the AAs, without analysing the reasons for the mismatch in VATIS accepted the ITR claims.

3.7.2 Allowance of excess ITR against provision

Test-check of all the sampled 12,610 assessment records in 14 selected offices revealed that in 18 cases across seven offices, the AAs allowed excess ITR claims in respect of 14 dealers than what was allowed as per the provisions of the MPVAT Act. The details are given in **Table 3.3**.

Table 3.3: Details of allowance of excess input credit

(₹ in crore)

Sl. No.	Audit Observation	No. of Audit Observations	Amount involved
1.	The AAs allowed ITR on purchase of <i>til</i> seeds against the provision of Section 26A.	01	0.02
2.	Section 14(6) lists out instances under which ITR is not allowed such as missing TIN, invoices etc. The AAs allowed ITR on the basis of incomplete details such as missing TIN, invoices etc. against the provisions of Section 14(6).	08	0.29
3.	Section 14(1) lists out the conditions under which the ITR can be allowed. The AAs allowed ITR to the dealers on inter-State sale or on evaporation loss in petrol/diesel in contravention to the provisions of Section 14(1) resulting in excess claim.	04	0.07
4.	The AAs allowed ITR on excess purchase than what was recorded in the audited accounts.	03	0.09
5.	ITR is only allowed when the items purchased are disposed of through re-sale. In DCCT office, Satna, one dealer purchased goods and disposed of a part of the goods otherwise than by way of sale (stock transfer). The AA incorrectly allowed the dealer to claim ITR on the portion of goods disposed of through stock transfer.	02	0.04
Total		18	0.51

Thus, due to non-adherence to the MPVAT provisions, the AAs, in 18 cases, allowed incorrect/excess ITR of ₹ 0.51 crore to the dealers. The details of audit observations, replies of the AAs concerned and audit comments thereon, are given in **Annexure 3.4**.

The Department stated (June 2021) that the cases would be examined by checking all connected records such as bills, payments, ledger transactions etc.

3.8 Entry Tax not levied/ short levied

The ET Act, 1976 as well as Rules and notifications issued thereunder, stipulate that Entry Tax is leviable at the specified rates on the goods entering into local area for consumption, use or sale therein. Further, Section 4A of ET Act stipulates that enhanced rate of Entry Tax is leviable on notified¹² goods.

Test-check of all the sampled 12,610 assessment records in the 14 selected offices revealed that in 20 cases across nine offices, Entry Tax on goods, like paints, thinners, transformers, mobiles, coal, chemical, oil etc. was either not levied or short levied as per details given in **Table 3.4**.

Table 3.4: Details of short levy/non-levy of Entry Tax

(₹ in crore)

Sl. No.	Audit Observation Categories	No. of Audit Observations	Money Value
1.	Schedule-II goods are those which after entry into local area are meant for sale, consumption, or use. It was seen that the AAs did not levy ET on Schedule II goods after their entry into local area.	10	0.26
2.	Entry tax on coal is to be levied at three per cent. It was seen that the AAs applied entry tax on coal at one <i>per cent</i> instead of three <i>per cent</i> resulting in short levy of entry tax.	02	0.05
3.	Transformers/PP woven bags have been notified for enhanced levy of entry tax at 5 <i>per cent</i> (Section 4A). The AAs applied entry tax at two <i>per cent</i> on transformers and one <i>per cent</i> on PP woven bags resulting in short levy of entry tax.	02	0.03
4.	The AAs while determining entry tax did not: • Include freight charges in the GTO (two cases); • Include purchase value of machine in GTO (one case); and • Determined less purchase value than what was actually applicable (three cases). These resulted in incorrect/short levy of entry tax.	06	0.28
Total		20	0.62

Thus, failure of the concerned AAs to levy entry tax at correct rates as per the provisions of the Act resulted in non/short levy of entry tax amounting to ₹ 0.62 crore. The details are given in **Annexure 3.5**.

The Department accepted the facts (July 2021) in respect of the cases pointed out at Sl. No. 3 in **Table 3.4** above. In respect of the other cases, the Department stated that the cases would be re-examined.

3.9 Short levy of VAT due to application of incorrect rate of tax

As per Section 9 of MPVAT Act 2002, there shall be levied on goods specified in Schedule II, tax at the rate mentioned in the corresponding entry and such tax shall be levied on the taxable turnover of a dealer.

Scrutiny of all the sampled 12,610 assessment records in 14 selected offices revealed that in three assessed cases across three offices¹³, the AAs applied

¹² Goods such as transformer, PP woven bags, etc., which have been notified by the State Government to be taxed at enhanced rates.

¹³ ACCT Gwalior I, CTO Jabalpur II and CTO Ratlam I.

incorrect rate of tax on old furniture, cement, and explosives respectively. This resulted in short levy of tax of ₹ 0.14 crore. The case wise details of audit observations, short realisation of revenue, replies of the AAs concerned and audit comments thereon, are given in **Annexure 3.6**.

On this being pointed out, the concerned AAs stated (October 2020) that action would be taken after verification.

No reply has been received from the Commercial Tax Department, Government of Madhya Pradesh (March 2022).

3.10 Incorrect deductions and adjustments of tax against TDS and declarations

As per Section 26 of the MPVAT Act, the person responsible for making payment to any dealer for the sale or supply of any goods, shall before making payment, deduct an amount equal to the amount payable by the purchaser to the dealer by way of tax. On deduction of the amount, the person making such deduction shall issue to the dealer a certificate in prescribed form (Form 31/32) and shall deposit the amount in Government Treasury and such payment shall constitute a good and sufficient discharge of the liability of the dealer to pay tax in respect of such transaction and the amount so paid shall be adjusted by him in prescribed manner.

The State Government vide notification dated December 2010, exempted Schedule II goods entering into a local area for sale (by a registered dealer) from Entry Tax if they are sold by him to any other dealer. The exemption will be subject to a declaration issued by the purchasing dealer that the goods will be utilised for consumption/use in manufacture of other goods.

Test-check of all the sampled 12,610 assessment records in 14 selected offices revealed that in five assessed cases, across three offices¹⁴, the concerned AAs:

- In two cases, incorrectly allowed adjustment of tax deducted at source amounting to ₹ 0.20 crore without TDS forms or improper TDS forms;
- In two cases, allowed excess exemption of Entry Tax amounting to ₹ 0.17 crore on goods sold against declarations;
- In one case, allowed exemption from payment of tax to a dealer for sale of goods outside the local area. The claim of sale was not supported by proof, but the AA accepted the claim and allowed exemption, resulting in non-levy of tax amounting to ₹ 0.03 crore.

This resulted in non-levy of tax of ₹ 0.40 crore. The details are mentioned in **Annexure 3.7**.

The Department stated (July 2021) that action would be taken after verification.

3.11 Conclusion

Audit of the Commercial Tax Department, which was carried out through a test-check of assessment records in 14 selected Offices, revealed various instances where the AAs had not complied with the provisions of the

¹⁴ DCCT Satna, CTO Waidhan and CTO Ujjain I.

Acts/Rules in determining the correct taxable turnover of the dealers, allowed excessive ITR against what was admissible, or had not/short levied Entry Tax on entry of goods into the local area. These shortcomings involved an overall revenue impact of ₹ 18.05 crore.

CHAPTER - IV
MINERAL
RESOURCES
DEPARTMENT

CHAPTER IV

MINERAL RESOURCES DEPARTMENT

4.1 Introduction

Minerals are unique endowments of nature and can be judiciously exploited for the economic and social development of nations. These endowments being finite and non-renewable, need to be systemically and scientifically exploited else it may cause various irreparable social, economic and ecological losses.

With a view to ensure sustainable development of minerals, environment, and ecology, the Government of India enacted the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957 (amended in 2020). Subsequently, the Mineral Concession Rules (MCR), 1960 were framed for conservation and systematic development of minerals and for regulating the grant of permits, licenses and leases.

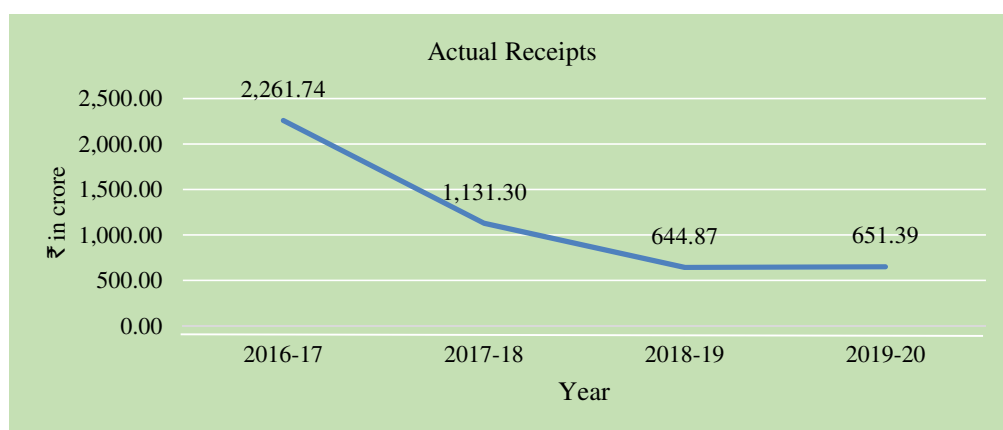
The Government of Madhya Pradesh (GoMP) framed the Madhya Pradesh Minor Mineral Rules, 1996 and thereafter the Madhya Pradesh Minerals (Prevention of illegal Mining, Transportation and Storage) Rules, 2006. These provide the necessary powers to the State Government to take suitable actions for preventing, controlling and checking of mining without lawful authority and environmental pollution. Besides, the State Government had also promulgated its Mineral Policy, 2010 to ensure proper exploitation of the mineral resources for optimum and sustainable development of the State.

4.2 Tax Administration

The Mineral Resources Department functions under the overall charge of the Principal Secretary, Mineral Resources Department, GoMP. The Director, Geology and Mining (DGM) is the head of the Department who is assisted by Deputy Directors at Headquarters and at regional levels, at Gwalior, Indore, Jabalpur and Rewa. The Collector is the administrative head at District level and departmental officials, like District Mining Officers (DMOs), Assistant Mining Officers (AMOs) and Mining Inspectors (MIs), assist him in the discharge of his duties. The DMOs/AMOs and MIs are responsible for assessment, levy and collection of royalty and other mining receipts. In all the 51 districts of the State, mining branches are working under the directions of the Collectors.

4.3 Trend of Receipts

The Trend of Receipts of the Mineral Resources Department during the last four years is shown in **Chart 4.1**.

Chart 4.1: Trend of Receipts (Minor minerals)

Source: Finance Accounts of Government of Madhya Pradesh

It can be seen from the above Chart that during the period 2016-17 to 2018-19, the receipts from minor minerals are showing a downward trend. There has been a decline of 71.20 *per cent* between 2016-17 and 2019-20.

4.4 Audit Objectives and Methodology

4.4.1 Audit Objective

The Audit was conducted with a view to ascertaining whether the Mining leases were operating as per prescribed Mining Rules and Regulations and penal provisions were invoked wherever necessary.

4.4.2 Audit Methodology

In the 51 District Mining Offices of the State, 6,456 quarry leases¹ were allotted up to the year 2018-19 of which 3,951 are working and 2,505 are non-working units. These 51 Offices were segregated as High, Medium and Low risk category on the basis of revenue receipts and other risks. Thereafter for detailed audit scrutiny, out of 27 selected Offices, 11 from High risk (60 *per cent* of total high risk units), 11 from Medium risk (50 *per cent* of medium risk), and five from Low risk categories (40 *per cent* of total low risk units) were selected through stratified random sampling. In addition to the above, one Apex unit, *i.e.*, Director, Geology and Mining Department, Bhopal was also selected for Audit.

In the 27 selected DMOs 3,574 quarry leases were allotted during the audit period out of which 2,054 are working and 1,520 are non-working. Audit checked records relating to 1,210 (847 working and 363 non-working leases) *i.e.*, around 18.74 *per cent* of the total quarry leases of the State allotted up to 2018-19. The records in the Office of the Director, Geology and Mining Department, Bhopal and 27 selected DMOs were examined during August 2019 to January 2020, covering the period from 2016-17 to 2018-19². Joint Physical

¹ Quarry Lease means a mining lease for minor minerals.

² For commenting over systemic issues, the relevant data for the year 2019-20 was also called for from the selected DMOs and has been suitably incorporated in the Report.

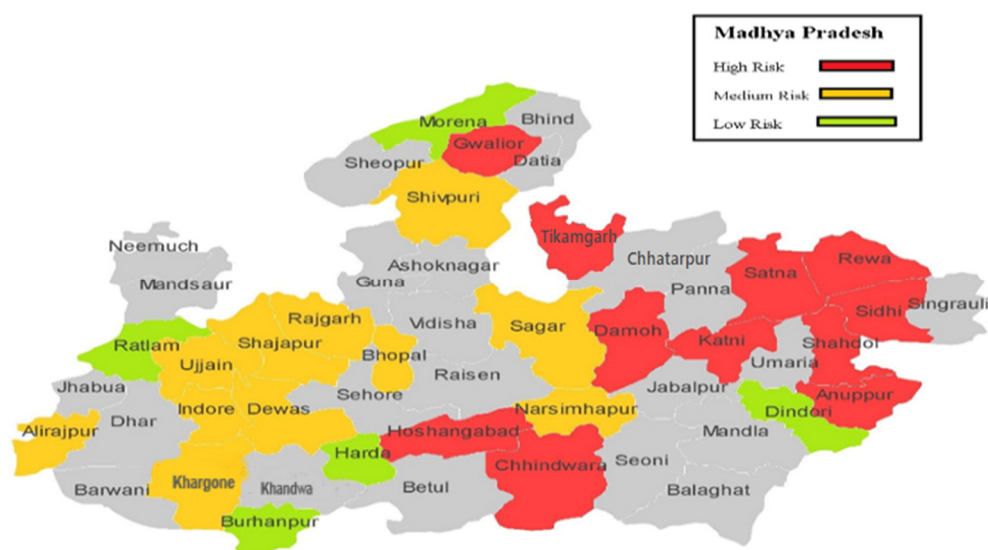
Inspection of 37 mines in 20³ out of 27 sample selected Districts was also conducted.

During audit, records and compliance were checked with respect to the following provisions:

- MMDR Act, 1957;
- Mines Act, 1952;
- MP Minor Mineral Rules, 1996;
- Mineral Concession Rules, 1960;
- Mineral (Prevention of Illegal Mining, Transport and Storage) Rules, 2006;
- Mineral Conservation and Development Rules, 2017;
- Notification issued by Ministry of Environment, Forest and Climate Change;
- Circulars and directions issued by Directorate of Geology and Mining; and
- Mining Plans, Environmental Clearance and Consent to Operate issued by State Environment Impact Assessment Authority (SEIAA) and Madhya Pradesh Pollution Control Board (MPPCB) respectively.

Audit also made use of satellite imagery through Geographic Information System (GIS). Coordinates of 1,467 quarry leases provided by the Department have been geo-referenced with the help of Google Earth. The satellite images (during the period January 2016 to March 2019) obtained from Google Earth were analysed to search for any unusual activities relating to mining and observations based on this technique has been separately discussed in the report.

Geographical coverage of 27 selected units and their risk perception is shown in the map below:



³ Alirajpur, Anuppur, Bhopal, Chhatarpur, Chhindwara, Damoh, Dewas, Indore, Katni, Narsinghpur, Rajgarh, Ratlam, Rewa, Sagar, Satna, Shahdol, Shajapur, Shivpuri, Sidhi and Ujjain.

4.5 Present enforcement mechanism and various agencies/authorities entrusted with the task of ensuring that mining leases operate as per the prescribed procedures

Ministry of Environment, Forest and Climate Change (MoEFCC)

The MoEFCC issued notification (January 2016) regarding obtaining of mandatory Environmental Clearance (EC) before starting mining activities for minor minerals. Further, the Environment Impact Assessment (EIA) notification, 2006, issued by the MoEFCC provides mandatory submission of half yearly compliance reports to the regulatory authority concerned, on 01 June and 01 December of each calendar year.

The Directorate of Geology and Mining

The Directorate of Geology and Mining, GoMP had issued instructions (2019) for recovery of 100 *per cent* of the value of additional mined minerals in excess of the quantity of mineral prescribed in the Mining Plan and EC.

State Environment Impact Assessment Authority (SEIAA) and District Environment Impact Assessment Authority (DEIAA)

As per the terms and conditions of the EC issued by SEIAA to the lessee, the plantation proposed in Mining Plan should be carried out along with the mining activities, and the project proposer would have to maintain the plants for five years. Further, as per the condition laid down in the EC orders of the project proposer, the lessee concerned will have to work according to the terms and conditions of the Mining Plans, otherwise the EC granted by DEIAA/SEIAA shall be deemed to have been cancelled.

Further, SEIAA had laid down certain specific conditions in the EC at the time of granting it, and Para (A) of these conditions, categorically states “that the entire area shall be fenced first before starting mining activity”.

Madhya Pradesh Pollution Control Board (MPPCB)

MPPCB has been vested with the authority and responsibility to grant permission like Consent to Establish (CTE) and Consent to Operate (CTO) for mining operations under the respective Act. Before commencing mining operations, the consent of air and water needs to be obtained from MPPCB and the conditions prescribed in the consent have to be complied with.

4.6 Processes involved in commencing mining operations

The process of getting a mining lease involves the following:

Stage 1	The lessee applies for a mining lease by submitting a detailed Mining Plan prepared by Recognised Qualified Person (RQP). The plan <i>inter alia</i> includes location, coordinates, extraction plan, environmental plan, and mine closure plan.
Stage 2	The Department verifies the plan and approves the same.
Stage 3	The lessee applies for EC from SEIAA.
Stage 4	Once EC is granted, the lessee applies for CTE from Pollution Control Board.
Stage 5	After a certain period since getting the CTE, the lessee applies for CTO from Pollution Control Board.
Stage 6	The lessee can commence operations as per the approved plan.

4.7 Audit on “Mining operations in accordance with Mining Plans and Environmental norms”

Audit Findings

Audit issues emanating from the audit of the Department have been brought out in the ensuing paragraphs.

4.7.1 Mining Plans

Mining Plan is a pre-requisite to the grant and renewal of lease/license/working permission for quarrying of minor minerals. It is to be prepared by a Recognised Qualified Person (RQP) and approved by the Department. Quarrying operations shall have to be carried out as per approved Mining Plan. Every Mining Plan must have a Mine Closure Plan. Madhya Pradesh Minor Mineral Rules, 1996, also contained provisions for preparation of Environmental Management Plan (EMP), prevention and control of air, water and sound pollution during mining operation, environment protection measures and land reclamation etc.

Further, MoEFCC, also notified (January 2016) the requirement for obtaining prior EC for minor minerals project having lease area equal to or less than five hectares (Ha.).

As per Rule 42 of Madhya Pradesh Minor Mineral Rules, 1996 and Guidelines issued by DGM (September 2015), any minor mineral lease will not be sanctioned unless its Mining Plan is prepared by the RQP and duly approved by the Director or Regional Head.

According to Rule 27 of the Madhya Pradesh Minor Mineral Rules, 1996, after the grant of a quarry lease is notified, the Competent Authority⁴ shall make arrangements for survey and demarcation of the area and grant possession as per approved Mining Plan. The lessee shall erect and maintain boundary pillars on each corner of the boundary line. Sub Rule 5 of Rule 30 also stipulates that the lessee shall commence the mining operation only after demarcation and possession as per approved Mining Plan. For proper identification of location of the mine, a minimum of three mining coordinates are required to be shown in the Mining Plan.

Further, as per Rule 30(20)(a)(b)(c) of the Madhya Pradesh Minor Minerals Rules, 1996 the lessee is required to submit monthly, half yearly and yearly returns of the mineral excavated/removed/consumed to the Collector and Rule 5-A of MP Minerals (Prevention of Illegal Mining, Transport and Storage) Rules, 2006 stipulates submission of returns by the registered carrier owner.

Issues arising out of non-compliance with the regulatory framework have been discussed in the subsequent paragraphs.

4.7.1.1 Mining Plans approved without proper coordinates

As per Rule 22 (5) (i) of MCR, 1960, the Mining Plan shall incorporate plan of the lease hold area showing the nature and extent of the mineral body, spot or spots where the mining operations are proposed to be based on the prospecting data gathered by the applicant or any other person.

⁴ Anuppur, Bhopal and Harda.

Further as per Rule 48 of M.P. Minor Mineral Rules, 1996, an environmental plan shall be prepared by a recognised person, which shall contain a map showing the boundaries of the sanctioned area, details of the measurements of the pit already excavated in the sanctioned area and details of mining concessions located within a radius of 100 meters of this area.

- A.** Audit detected 87 improper co-ordinates of mining areas that were either wrong or were overlapping or outside the boundary of the State. Details of these 87 cases observed by Audit have been detailed in the GIS section of the report (reference para 4.7.7). This indicates that co-ordinates shown in Mining Plans were not being closely inspected by the Mining Department or the SEIAA or MPPCB before grant of permission.
- B.** Audit scrutiny of approved mining plans in 25 districts revealed that in respect of 345 approved mining plans in 13 districts, coordinates of sanctioned lease area, required for demarcation of boundary and identification of exact location, were not found recorded. Of these, in respect of 138 Mining Plans, even the minimum three coordinates were not mentioned.

In the absence of the minimum required coordinates, Audit was unable to map these coordinates on GIS application and consequently, could not ascertain area actually excavated in the mines. Unavailability of coordinates impedes the ability of the Department to identify actual boundary within which mining has to be restricted.

The Department stated in the Exit Conference (October 2020) that necessary corrective measures would be taken. Further based on the audit observations, the Department stated that at present all Mining Plans are approved only after verification of the coordinates.

4.7.1.2 Non-implementation of Mine Closure Plan

Rule 26 of Mineral Conservation & Development Rules, 2017, states that the holder of a mining lease shall have the responsibility to ensure that the protective measures including reclamation and rehabilitation works have been carried out in accordance with the approved Mine Closure Plan or with such modifications as approved by the competent authority.

Audit scrutinised the case files of the lessees and found that in five quarry leases in three⁵ out of 27 DMOs, lessees closed the mining activities but the final mine closure was not done as per Mine Closure Plan. As per Mine Closure Plan, the mine closure would have involved backfilling⁶, leveling, fencing and plantation activities. Non-compliance to the Mine Closure Plan and non-completion of the mine closure activities portends risk to accidental loss of human life, together with the associated environmental consequences.

The Department in its reply (October 2020) stated that action would be taken after verification of the cases as pointed out by Audit.

⁵ Anuppur, Bhopal and Harda.

⁶ Backfilling means refilling an excavated hole.

4.7.2 Inadequate monitoring

4.7.2.1 Non-submission of returns by lessee

Rule 30(20)(a)(b)(c) read with Rule 30(27) of the Madhya Pradesh Minor Minerals Rules, 1996 requires every lessee of a quarry lease to furnish monthly, half yearly and yearly returns to the DMO in prescribed forms on the specified dates failing which, the lessee is liable for payment of penalty not exceeding double the amount of annual dead rent.

Audit scrutiny of the District wise details of submission/non-submission of returns provided by DMOs revealed that in respect of the year wise sanctioned leases, only 75,249 monthly and 4,791 yearly returns were submitted as against the 1,52,570 monthly and 12,771 annual returns actually due for submission by the lease holders as detailed in **Table 4.1**.

Table 4.1: Non-Submission of returns by quarry lease holder

Years	No. of quarry Leases	Returns due		Returns submitted		Non-submission of returns		Percentage of non-submission or returns	
		Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly
2016-17	2,755	33,060	2,755	16,329	953	16,731	1,802	50.61	66.41
2017-18	3,189	38,268	3,189	17,654	1,147	20,614	2,042	53.87	64.03
2018-19	3,493	41,847	3,493	19,657	1,181	22,190	2,312	53.03	66.19
2019-20 ⁷	3,334	39,395	3,334	21,609	1,510	17,786	1,824	45.15	54.71
Total		1,52,570	12,771	75,249	4,791	77,321	7,980	50.68	62.49

The DMOs did not monitor the receipt of returns, and also failed to initiate any action against such lessees. In the absence of submission of prescribed returns by the lessees, the Department was not in a position to verify the quantity of minerals excavated, and to assess the amount of royalty payable against the mineral by the lessees.

The Department stated (October 2020) that instructions had been issued to the DMOs to initiate action against the lessees. Further, the Department is gradually developing a module on *e-khanij* portal and after development of module, lessees would not be able to get the e-TP (electronic transit pass) generated if they do not submit the returns in prescribed time.

The Department started a return module for quarry leases in June 2020. Further development on the progress made regarding e-TP via the online platform is awaited (March 2022).

4.7.2.2 Non-Submission of returns by registered carrier owners

Rule 5-A of MP Minerals (Prevention of Illegal Mining, Transport and Storage) Rules, 2006, requires online registration of carriers for transportation of minerals. Mines and Mineral Dealers will transport the minerals from license holder registered carriers only. Rule 5-A(5) also stipulates that owner of the registered carrier will maintain the information of each round and submit online

⁷ Audit was done for the period 2016-17 to 2018-19, thereafter for the year 2019-20, information was collected from 27 DMOs.

quarterly returns to concerned Collector office by the 10th of the following month.

An online portal *e-Khanij* was developed by the National Informatics Centre (NIC) for the use of Mining Department for issue of Reconnaissance Permit, Prospecting License for Mining Lease or Quarry Lease and registration of vehicles with Department for transportation of minerals. It also generates various MIS reports to watch over the mining operations.

Audit noticed that the *e-Khanij* portal did not have a provision for submission of returns by the registered carrier owners. As a result, owners of registered vehicles could not file returns on the portal.

This issue was highlighted in the Report of the Comptroller and Auditor General of India (Audit Report No. 01 of the year ending 31 March 2017). The Department, in response, had stated (March 2018) that the module was being developed on *e-Khanij* portal for submission of online quarterly returns by registered vehicle owners, which would be completed by March 2018. However, despite a lapse of more than four years, the same had not been developed (March 2022).

Consequently, due to non-availability of the provision for submission of returns in the *e-Khanij* portal, the authenticity of the quantity of mineral excavated/transported by the carriers could not be assessed by the Department.

The Department stated in the Exit Conference (October 2020) that action for creating a mechanism for submission of these returns on Department's *e-Khanij* portal, is under process.

Further development in this regard is awaited (March 2022).

4.7.2.3 Non submission of environmental compliance reports

Environment Impact Assessment (EIA) notification, 2006, issued by the MoEFCC provides mandatory submission of half yearly compliance reports to the regulatory authority concerned, on 01 June and 01 December of each calendar year.

Audit examined the files of mining leases and observed that in 24⁸ DMOs, 188 lease holders had not submitted the yearly, as well as half yearly, compliance reports on EC during the period of lease. Therefore, there was a complete absence of system where neither the lease holders submitted returns to relevant authorities, nor did the concerned authorities make any effort to seek accountability from these lessees.

Government accepted the fact and stated in Exit Conference (October 2020) that Department would monitor these through monthly reviews.

⁸ Alirajpur, Anuppur, Bhopal, Burhanpur, Chhatarpur, Damoh, Dewas, Dindori, Gwalior, Harda, Indore, Katni, Khargone, Morena, Rajgarh, Ratlam, Rewa, Sagar, Satna, Shajapur, Shahdol, Shivpuri, Sidhi and Ujjain (Hoshangabad, Chhindwara and Narsinghpur did not provide the information).

4.7.3 Functioning of the Mining Inspector and the District Task Force Committees

4.7.3.1 Inadequate Inspections by Mining Inspectors

As per the orders of the Director, Geology and Mining, Madhya Pradesh (June 1977), Mining Inspectors (MIs) are required to inspect mines in their area once in every six months during each year.

Audit analysed the information about conduct of inspections by MIs and found that in 27 DMOs, there was a shortfall in inspection to be done by the MIs ranging between 53 *per cent* and 62 *per cent* of quarry leases. The details are shown in **Table 4.2**.

Table 4.2: Shortfall in inspection of quarry leases by Mining Inspectors

Year	Total number of quarry leases in test-checked DMOs	Total Inspections to be conducted as per norms	Number of inspections conducted as per the information provided	Shortfall in Inspection	Percentage of Shortfall in inspection
2016-17	2,755	5,510	2,310	3,200	58.07
2017-18	3,189	6,378	2,443	3,935	61.70
2018-19	3,493	6,986	2,864	4,122	59.00
2019-20 ⁹	3,334	6,657	3,120	3,537	53.13

Source: Information provided by the DMOs

The lack of inspections by MIs against the prescribed norms is likely to have the following adverse impacts: -

- Non-verification of the actual quantity of minerals being excavated and dispatched and that entered in the production/dispatch registers resulting in under reporting of mineral excavated.
- Non-compliance to Environment Management Plan, Mining Plan/scheme and other conditions of operation of mining lease not being detected in time and prevented, causing damage to environment and livelihood of nearby inhabitants.

Government stated in the Exit Conference (October 2020) that minor mineral mines have increased manifold and it has become difficult to control them. Department was trying to increase the number of Mining Officers and Mining Inspectors to overcome the problem.

The reply is not acceptable as the Department had a sanctioned strength of 112 MIs, against which the available manpower is 98 (12.5 *per cent* deficit). The percentage shortfall in inspections (53 *per cent* in 2019-20) is very high vis-à-vis the available manpower indicating thereby that the MIs have not performed their duties efficiently.

⁹ Audit was done for the period from 2016-17 to 2018-19, thereafter for the year 2019-20, the information was collected from the 27 DMOs.

4.7.3.2 Non-measuring of mine pits by MIs

As per Section 8 of The Mines Act, 1952, an inspector after giving a notice, may enter the mine and may survey, level or measure the mine for the purpose of surveying, leveling or measuring any or output there from and as per Section 3(1)(b)(ii), the depth of the excavation measured from its highest to lowest point nowhere to exceed six meters.

Audit analysed the information provided by the DMOs and noticed that in 14¹⁰ out of 27 DMOs, measurement of mines was not taken periodically by the MIs to ascertain the following:

- Mining do not extend below superjacent¹¹ ground,
- The depth of the excavation measured from its points nowhere exceeds six meters.

Thus, due to non-measuring of mine pits by MIs periodically, the Department was unable to assess the adverse impact of mining and or ensure proper assessments and collection of revenue.

The Department in its reply (October 2020) stated that instructions had been issued (September 2020) to DMOs for periodic inspection and measurement of mines.

No further improvement in the number of inspections was evident as per the records of the Department (March 2022).

4.7.3.3 Shortfall in assessments of leases

As per the instructions issued by the Directorate in September 2005, assessment of royalty of every lessee shall be done once in every six months, and the process of assessment should be completed within one month from the date of completion of six-monthly periods.

Audit analysed the information provided by the DMOs and noticed that in 27 DMOs, there were shortfalls in assessments ranging from 38 *per cent* to 48 *per cent* during audit period as shown in **Table 4.3** below:

Table 4.3: Shortfall in periodical assessments of quarry leases

Assessment Year	No. of leases	No. of assessments due	No. of assessments done	No. of assessments not done	Percentage of shortfall
2016-17	2,755	5,510	3,353	2,157	39.15
2017-18	3,189	6,378	3,434	2,944	46.16
2018-19	3,493	6,984	3,605	3,379	48.38
2019-20	3,334	6,657	4,120	2,537	38.11
Total	12,771	25,529	14,512	11,017	

Source: Information provided by the DMOs

¹⁰ Alirajpur, Annupur, Chhatarpur, Chhindwara, Dindori, Gwalior, Katni, Morena, Narsinghpur, Ratlam, Sagar, Satna, Shahdol and Shivpuri.

¹¹ Lying below.

No records were maintained by the Department for monitoring the timely assessments of records of lessees. Hence, Audit could not ascertain the status of assessments and notices issued by DMOs to lessees for assessment of records.

Thus, due to non-completion of timely assessments, the Department was not in a position to verify the correctness of extraction and dispatches of minerals. As a result, possibility of leakage of revenue cannot be ruled out.

The Department while accepting the audit observation (October 2020) stated that they had already initiated the action for the same and a proposal has been sent to the State Government in respect of Staff shortage.

Further development in this regard is awaited (March 2022).

4.7.3.4 Short fall in Task Force Committee meetings

As per order of State Mineral Resources Department (March 2006), District Task Force (DTF) was to be constituted at the District level and the DTF should hold monthly meetings to discuss cases related to illegal mining and find solutions to prevent illegal mining and transportation of minerals in the State. The DTF was to submit all its findings to the State Level Task Force (SLTF). The DTF comprised of the District Collector, the Superintendent of Police, the Divisional Forest Officer (DFO), the RTO, member of District Pollution Control Board and the DMO.

Audit test-checked the records relating to the District Task Force Committee and noticed that in 27 DMOs (2016-17 to 2019-20), regular monthly meetings were not held.

There was shortfall in Task Force Committee meetings ranging from 83 *per cent* to 95 *per cent* during audit period as shown in **Table 4.4** below:

Table 4.4: Shortfall in Task Force meetings

Year	Task force meeting due	Task force meeting held	Shortfall in meeting	Percentage of shortfall in meeting
2016-17	324	41	283	88.27
2017-18	324	43	281	83.64
2018-19	324	23	301	94.75
2019-20 ¹²	324	54	270	83.33

Source: Data provided by DMOs

The DTF was supposed to compile and review the cases/information pertaining to illegal mining and transportation and apprise the SLTF about the action taken. However, in the absence of regular monthly meetings, the objective of formation of task force committees to ensure the prevention of illegal mining and transportation in the state could not be achieved. Although some meetings were held, no action was taken by the Department or the SLTF on the decisions taken in the meetings.

¹² Audit was done for the period from 2016-17 to 2018-19, thereafter for the year 2019-20, the information was collected from the 27 DMOs.

The Department stated (October 2020) that DTFs had been constituted in all districts and instructions had also been issued to the DTFs (September 2020) to organise regular meetings.

4.7.4 Unlawful excavation of minerals before obtaining necessary Environmental clearances

According to Section 25 of The Water (Prevention and Control of Pollution) Act, 1974 and Section 21 of The Air (Prevention and Control of Pollution) Act, 1981, before starting any activities or for setting up of an industrial plant/ activities, the CTE and CTO shall be granted by the MPPCB only after fulfillment of all the pre-requisite conditions. Application for renewal of consent has to be submitted six months before expiry of validity period.

In compliance to notification issued by the MoEFCC (January 2016) regarding obtaining of mandatory EC before starting mining activities for minor minerals, DGM issued an order (July 2016) that mines cannot be operated in the absence of EC.

As per Rule 26 of MP Minor Mineral Rules, 1996, where an excavation lease is granted or renewed, within three months of the order granting the lease, the lease agreement is executed under the Indian Registration Act, 1908 and where such agreement is not executed in the aforesaid period, the order of sanctioning the lease is deemed to have been cancelled.

Audit findings regarding non-compliance of the above norms are discussed in the succeeding paragraphs:

4.7.4.1 Illegal extraction of minerals without EC

As per Rule 53 of the MP Minor Mineral Rules, 1996, whenever any person is found extracting or transporting minerals otherwise than in accordance with the rules, shall be presumed to be a party to the illegal mining/transportation, and the district administration shall impose a minimum penalty of 30 times the royalty of illegally extracted/ transported minerals.

Audit scrutiny revealed that in respect of one case in DMO Satna, a lessee carried out excavation and mining of stone before the grant of EC. The lessee was granted EC in August 2016, but during the five months from April 2016 till the grant of EC, the lessee was operating illegally without EC and without registration of the leased area. During this period, the lessee extracted 6,726 Cu.M. of stone having royalty value of ₹ 0.06 crore.

Further, information relating to the quantity of minerals extracted was obtained from monthly manual returns. Due to the non-availability of a mandatory provision relating to EC, the illegal mining carried out without EC by the lessee escaped the notice of the Department.

This not only affected the mineral revenue of the State but also resulted in violation of the environmental norms. Additionally, the Department failed to levy minimum penalty of ₹ 2.01 crore for such illegal extraction.

The Department in its reply (October 2020) stated that at the instance of Audit, it had now been ensured that no e-TP can be issued without obtaining EC. The reply is silent on the action to be taken against the concerned lessee for the illegal extraction.

4.7.4.2 Extraction of minerals before and without renewal of CTOs

Audit observed that in 44 cases under nine DMOs¹³ lessees carried out mining operations and excavated 3.38 lakh Cu.M. of stone, 0.89 lakh Cu.M. of river sand and 0.27 lakh Cu.M. of *murram*¹⁴ having royalty¹⁵ value of ₹ 4.40 crore without obtaining CTO regarding air and water from MPPCB as detailed in **Annexure 4.1**.

In 80 cases under 15 DMOs¹⁶, the lessees carried out excavation of 5.87 lakh Cu.M. of stone, 0.12 lakh Cu. M. of flagstone, 0.17 lakh Cu.M. of *murram* and 0.38 lakh MT of Dolomite having royalty value of ₹ 6.59 crore without renewal of CTOs as detailed in **Annexure 4.2**.

Further, in one case under DMO, Morena, Audit observed that a lessee had started extraction of boulders even during the CTE period when he was not authorised to operate. During this period, the lessee extracted 7,885 Cu.M. of boulders and was even issued transit pass (TP) for transportation of the extracted minerals in contravention to the provisions of the Water (Prevention and Control of Pollution) Act and the Air (Prevention and Control of Pollution) Act.

The Department failed to cross-check the details of illegal extraction of minerals from monthly returns (manual) and the information available on e-*Khanij* Portal consequently the Department failed to realise penalty of ₹ 329.70 crore from the defaulting lessees.

The Department in its reply (October 2020) stated that it has now been ensured that no e-TP can be issued without renewal of CTOs.

The reply is however silent on the action to be taken for illegal extraction of minerals without valid CTOs.

4.7.4.3 Extraction of minerals before Registration of lease

As per Rule 26 of MP Minor Mineral Rules, 1996, where a quarry lease is granted or renewed, within three months of the order granting the lease, the lease agreement is to be executed under the Indian Registration Act, 1908 and where such agreement is not executed in the aforesaid period, the order of sanctioning the lease is deemed to have been revoked. As per Section 21(5) of MMDR Act 1957, whenever any person raises, without any lawful authority, any mineral from any land, the State Government may recover from such person the mineral so raised, or, where such mineral has already been disposed of, the price thereof, and may also recover from such person, rent, royalty or tax, as the case may be, for the period during which the land was occupied by such person without any lawful authority.

Audit scrutinised the case files of the lessees and noticed that in one case under DMO, Ratlam the lessee was allotted (26 July 2018) a stone mining lease¹⁷ of 3.75 hectare for ten years (18 December 2017 to 17 December 2027). However,

¹³ Damoh, Dindori, Gwalior, Indore, Khargone, Morena, Shahdol, Shajapur and Shivpuri.

¹⁴ A form of laterite used in construction of road surfaces.

¹⁵ Royalty for Stone - ₹ 100 per Cu.M., Sand - ₹ 100 per Cu.M., Murram - ₹ 50 per Cu.M., Flagstone - ₹ 300 per Cu.M. and Dolomite - ₹ 75 per MT.

¹⁶ Alirajpur, Annuppur, Chhatarpur, Dewas, Dindori, Harda, Indore, Morena, Ratlam, Rewa, Satna, Shahdol, Shajapur, Sidhi and Ujjain.

¹⁷ Located in Bibaddoh, Ratlam district.

the lessee registered the lease on 14 February 2019 *i.e.*, after a delay of more than three months. During the period from 25 January 2019 to 13 February 2019, (before the registration of lease) the lessee carried out extraction of 5,200 Cu.M. of stone. This irregular action of the lessee attracts penalty of ₹ 0.16 crore (@ ₹ 300 per Cu.M.) under section 21(5) of the MMDR Act, 1957.

The Department in its reply (November 2020) stated that, notice had been issued to the lessee for imposition of penalty.

Further details regarding recovery of penalty are awaited from the Department (March 2022).

4.7.5 Excess production of minerals over the limit prescribed in Mining Plans, EC and CTOs

The Directorate of Geology and Mining directed (June 2018) its subordinate offices to issue show cause notice and initiate action in the cases of violation of Mining Plan, Environment Protection Act (EPA) and Environment Clearance. Further, in compliance with Honourable Supreme Court order dated August 2017, the Department issued instructions to all DMOs (May 2019) that mining without permission or excavation in excess of the quantity prescribed in Mining Plan, environmental clearance and forest permission will be considered as illegal mining and recovery of 100 *per cent* value of extra excavated mineral to compensate for environmental damage as a result of illegal mining should be made.

The audit findings on the instances of violation of these rules/orders are discussed in succeeding paragraphs.

4.7.5.1 Excess extraction of minerals beyond the limit prescribed in the Mining Plans

Audit observed from the lease records that in 47 cases in 18¹⁸ DMOs mining lease holders excavated 10.46 lakh Cu.M. of minerals in excess of what was prescribed in the approved Mining Plans.

For excess extraction beyond prescribed limits, penalty amounting to ₹ 30.90 crore was to be realised from the lessees. The details are in **Annexure 4.3**.

4.7.5.2 Excess extraction beyond the limit prescribed in ECs

Audit observed from the records relating to leases that in respect of eight¹⁹ DMOs, 10 mining lease holders excavated 2.21 lakh Cu.M. of minerals in excess of limits prescribed in the ECs.

For excess extraction beyond prescribed limits, penalty amounting to ₹ 6.14 crore was to be realised from the lessees. The details are in **Annexure 4.4**.

¹⁸ Alirajpur, Anuppur, Dewas, Dindori, Gwalior, Indore, Katni, Khargone, Morena, Rajgarh, Ratlam, Rewa, Satna, Shahdol, Shajapur, Shivpuri, Sidhi and Ujjain.

¹⁹ Alirajpur, Bhopal, Dindori, Indore, Narsinghpur, Satna, Shivpuri and Sidhi.

4.7.5.3 Excess extraction over and above the limit prescribed in the CTO given by the Pollution Control Board

Audit observed that in respect of nine²⁰ DMOs, 22 mining lease holders excavated 7.82 lakh Cu.M. of minerals in excess of limits prescribed in the CTO issued by District Pollution Control Boards.

For excess extraction beyond prescribed limits, penalty amounting to ₹ 25.31 crore was to be realised from the lessees. The details are in **Annexure 4.5**.

The Department in response to all the three types of cases pointed out by Audit stated (October 2020) that checks had been put in place in the e-portal from March 2019 at the instance of Audit and limit on quantity of minerals to be extracted had been entered in the portal. The e-TP are presently generated only for the lowest of the three quantities. Further, the Department had also assured appropriate action in all these cases.

Further development in this regard is awaited (March 2022).

4.7.6 Joint Physical Inspections

4.7.6.1 Illegal excavations of minerals

Audit observed that the Department was not making use of modern technology, such as remote sensing or GIS mapping for keeping a watch over the mining of minor minerals.

Further, there were several lacunae in physical inspections conducted by MIs as already indicated in para 4.7.3.

In order to get a perspective on the mining activities and adherence to Acts/rules by the mining lease holders, Audit conducted Joint Physical Inspections of 37 sites under 20²¹ DMOs, along with the staff of the concerned DMOs (between August 2019 and January 2020).

Two cases of suspected illegal excavation were found during joint physical inspection:

- In one case under DMO, Anuppur, Audit noticed (November 2019) extraction outside the lease area and same was brought to the notice of the DMO and was subsequently inspected by the Departmental Surveyor on 05 November 2019. During investigation and upon measurement by Departmental Authorities, excavation outside the lease was found. A case of mining without lawful authority was registered (07 November 2019) by the Department against the lessee in the Collector's Court.

²⁰ Anuppur, Bhopal, Chhatarpur, Damoh, Gwalior, Indore, Katni, Ratlam and Sidhi.

²¹ Alirajpur, Anuppur, Bhopal, Chhatarpur, Chhindwara, Damoh, Dewas, Indore, Katni, Narsinghpur, Rajgarh, Ratlam, Rewa, Sagar, Satna, Shahdol, Shajapur, Shivpuri, Sidhi and Ujjain. In three DMOs. (Burhanpur, Harda and Khargone) where pilot study was done, were not covered under JPI. Joint Physical Inspection of mines in DMO, Dindori, Gwalior, Hoshangabad and Morena could not be carried out, due to other engagements of the respective DMOs (Dindori, Gwalior), incessant rain in the District Hoshangabad and inadequate security guard and staff for the Inspection (Morena).

The Collector, Anuppur in his order (May 2020), acknowledged the fact that illegal mining had happened at the Jointly Inspected site and also stated that the activity had not been undertaken by the lessee but by other persons.

- Audit noticed during audit (January 2020) in another case under DMO, Ratlam that a stone mining lease of two hectare area located in Village Abupura, District Ratlam was sanctioned for five years from 24 November 2017 to 23 November 2022 by the Collector Ratlam. The Regional Director, Geology and Mining, Indore approved the Mining Plan on 31 October 2017 and granted permission for production of 33,950 Cu.M. of stone per year for five years. During the Joint Inspection (January 2020) conducted with the Mining Inspector of DMO, Ratlam, upon measurement of mine area it was observed that the lessee had excavated beyond the depth of six meters without any prior permission of the authority (163.58 meters in length, 91.139 meters in width as well as average nine meters depth).

The Department accepted the Audit Observation in the Exit Conference (October 2020) and assured that Departmental Officers would again inspect the mining sites and action would be taken against the concerned lessees.

Further development in this regard is awaited (March 2022).

4.7.6.2 Absence of Barrier Zone

Mining Plan for minor mineral is prepared under the Rule 42 of M.P. Minor Mineral Rules, 1996. Rule 44 (3)(b) provides that the dumps shall be properly secured and shall be suitably terraced and stabilised through vegetation or otherwise. Further, the General conditions laid down in Mining Plan and DEIAA's sanction order stipulates that an un-mineable portion of lease area (referred as Barrier zone) of 7.5 meter of average perimeter along lease boundary needs to be reserved for plantation purpose.

Provision of Barrier Zone in Mining Plan was meant to maintain an effective green belt around the lease. In 15 out of 37 quarry leases under eight DMOs²² jointly inspected with the Departmental Staff, Audit observed that average perimeter of 7.5 meters along lease boundary was not excluded as reserved for plantation. Had regular inspection of the leases after approval of the Mining Plans been carried out, deviations from approved Mining Plans would have been noticed and the Department could have taken action as envisaged in the rule to have an effective green belt to safeguard the environment.

The Department stated in the Exit Conference (October 2020) that after physical verification of the sites if it was found that the prescribed 7.5-meter barrier zone was not left by the lessee, then as counter measure, it would be maintained by backfilling the area by 7.5 meter. Notices would be issued for violations and corrective measures would be taken in those cases.

Further development in this regard is awaited (March 2022).

4.7.6.3 Lack of Plantations and Fencing of mines

As per the terms and conditions of the EC issued by SEIAA to the lessee, the plantation proposed in Mining Plan should be carried out along with the mining activities, and the project proposer would have to maintain the plants for five

²² Alirajpur, Anuppur, Damoh, Dewas, Indore, Rajgarh, Ratlam and Shajapur.

years. Further, as per the condition laid down in the orders of the project proposer, the lessee concerned will have to work according to the terms and conditions of the Mining Plans, otherwise the EC granted by DEIAA/SEIAA shall be deemed to have been cancelled.

Further, SEIAA had laid down certain specific conditions in the EC at the time of granting it and Para (A) of these specific conditions, categorically states “that the entire area shall be fenced first before starting mining activity”.

The National Green Tribunal, Bhopal Bench, had also ordered (September 2016) that it was necessary to have fencing around all the mines. Further, the conditions contained in the CTE and CTO obtained from the Pollution Control Board should also be fully complied with.

During Joint Inspection in 20 DMOs with the Departmental Officials it was noticed that in 22 cases in 12²³ DMOs, the lessees did not follow the *ibid* instructions regarding plantation and fencing around the mines.

The Department accepted the facts and stated in Exit Conference (October 2020) instructions for spot inspections have been issued and the Mining Plans would be approved only after verification of sites. The Department would also issue notices for violations.

Further development in this regard is awaited (March 2022).

4.7.7 Findings on the basis of application of Geographic Information System (GIS)

For this audit, mining coordinates for the mines, allotted upto 2018-19, in 25 Districts were obtained from the DMOs concerned and the coordinates of mines under 13 Districts where at least 60 *per cent* coordinates were made available to Audit were plotted on the Google Earth software.

After plotting these coordinates, audit observed the following issues.

4.7.7.1 Incorrect and overlapping coordinates

- Audit observed 22 wrong coordinates in the approved Mining Plans of seven DMOs which were not plottable, as these were having values beyond the valid range of latitude and longitude. In two Districts, three coordinates were plotted out of the geographical boundary of State.
- In 175 cases under 13 Districts, excavation activities in the areas adjacent to quarry leases beyond the allotted/permmissible area was observed.
- In 163 cases, the allotted lease area of mines as computed from the measurement function of Google Earth was found to be more than that was mentioned in Mining Plans.
- Overlapping coordinates were observed in 65 cases where plotted mines were found to be lying over one another.
- In 138 cases, only one or two coordinates were available in Mining Plans, whereas, minimum three coordinates are required to plot an area.

²³ Alirajpur, Anuppur, Bhopal, Dewas, Indore, Rajgarh, Ratlam, Rewa, Shajapur, Shivpuri, Sidhi and Ujjain.

The summarised position of observations is given in **Table 4.5**.

Table 4.5: Details of irregularities found after plotting of coordinates

Name of DMO	Total no. of leases allotted	Coordinates of the leases provided by the Department	Excavation outside legal boundary	Coordinates showing larger area than allocated	No plantation	Wrong/ outside State/ District	Over-lapped	One /two co-ordinates
			(A)	(B)	(C)	(D)	(E)	(F)
Bhopal	208	140	12	14	37	3	18	0
Burhanpur	66	66	10	14	31	0	6	17
Chhatarpur	470	366	35	27	121	10	25	41
Damoh	43	37	3	5	14	1	0	13
Dewas	121	85	12	6	23	0	1	2
Dindori	54	52	5	8	33	0	1	0
Harda	46	44	1	20	26	1	0	0
Hoshangabad	59	57	33	21	45	0	0	0
Indore	200	157	19	6	28	0	0	15
Morena	129	81	2	5	23	0	1	2
Rajgarh	105	95	19	15	35	0	2	3
Shivpuri	88	81	13	4	49	3	5	5
Ujjain	223	206	11	18	82	4	6	40
Total	1,812	1,467	175	163	547	22	65	138

Source: Data provided by the DMOs

Thus, the lessees were not complying with terms and conditions with regard to environmental safeguards envisaged in EC and Mining Plans and the Department failed to enforce compliance of the Act and norms envisaged in EC and Mining Plans.

Some of the illustrative examples of the above irregularities are given below along with the satellite images:

- **Irregular grant of larger mining area than what was applicable**

Audit plotted the co-ordinates²⁴ of leased areas as per approved Mining Plans and observed that in the instant case, the area²⁵ under mining was 9.41 Ha. as against 2 Ha. which was to be allotted to the lessee as per Mining Plan. Thus, the Mining Department irregularly allotted additional 7.41 Ha. to the lessee as shown in **Image 4.1**.

²⁴ Co-ordinates as per approved plan: (23°20'25.14"N, 75°51'37.27"E), (23°20'26.66"N, 75°51'39.04"E), (23°20'40.67"N, 75°51'39.63"E), (23°20'37.21"N, 75°51'26.83"E).

²⁵ The area under the mining was calculated from Google Earth using latitude and longitude.

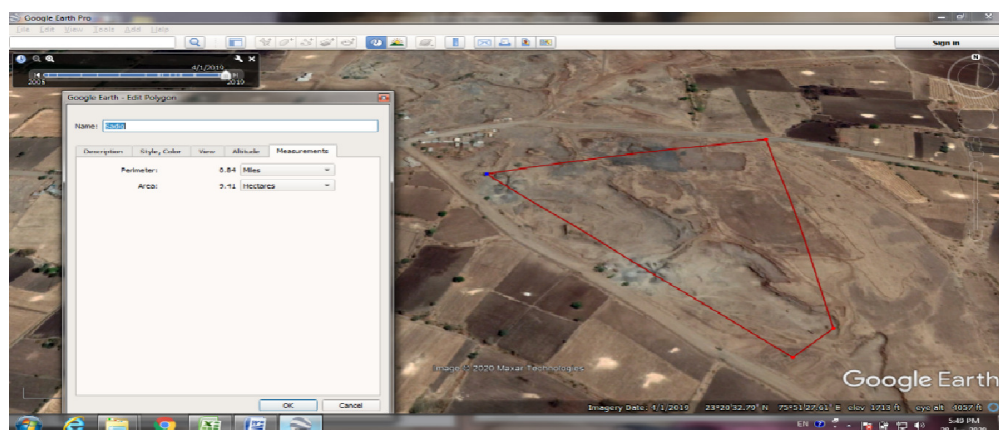
Image 4.1: Showing larger Mining area than allotted

Photo dated: 01 April 2019

Tehsil Ghatia, Ujjain

- **Overlapping coordinates**

The approved Mining Plan(s) should contain accurate co-ordinates of the area proposed for mining. Any activity in a non-approved area is illegal and can invoke various provisions under the Acts/rules.

Audit examined the co-ordinates as per approved plans and observed that in three cases, the approved mining areas were overlapping on one another as shown in **Image 4.2**. This indicates that the Department did not verify the coordinates before approving plans. In such a situation the fact that the lessees may have been carrying out activities in non-approved areas/zones cannot be ruled out.

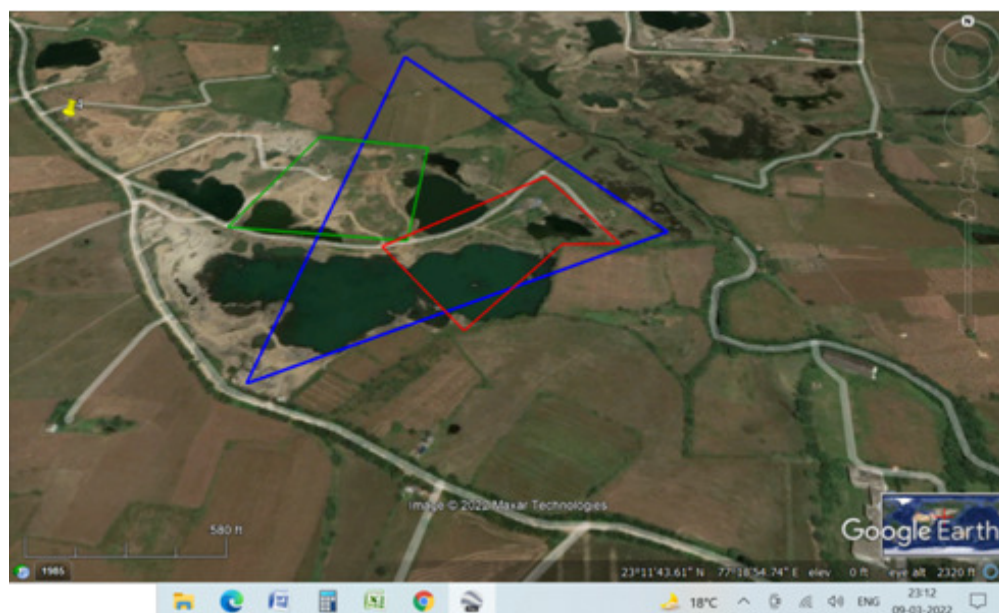
Image 4.2: Showing Mining areas were overlapping on one another

Photo dated: December 2018

3.000 Ha. with Arvind Agrawal, Bhopal (Red color), 4.000 Ha. with Mahakal stone crusher, Bhopal (Green color) and 4.000 Ha. with Manoj Bansal, Bhopal (Blue color)

The Department in its reply stated (October 2020) that physical verification of cases as pointed out by Audit would be carried out and in all such cases if evidence of illegal mining or other discrepancies were detected then corrective measures would be taken and cases would be registered against those lessees for illegal mining.

Further development in this regard is awaited (March 2022).

4.7.7.2 Non-adherence to Mining Plan norms (plantations not carried out)

As per the conditions stipulated in the EC/Mining Plans, the lease holders are required to undertake plantations in the barrier zone. Plantation work was not carried out as per SEIAA norms given in EC and Mining Plans in 547 cases.

In the instant case, it can be seen that plantation work was not carried out as per EC and Mining Plan. In fact, absence of plantation is evident in all the other cases/images as shown in **Image 4.3** of this paragraph.

Image 4.3: Showing plantations not carried out

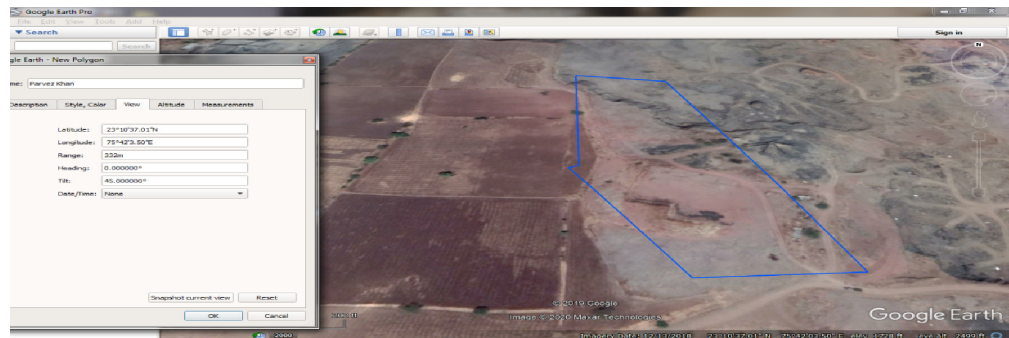


Photo dated: 13 December 2018

Village Jalala Khedi, Ujjain 2 Ha.

4.7.7.3 Illegal Mining in violation of EC/Mining Plan norms

During the course of Audit, the Department could furnish co-ordinates in respect of only 1,467 approved mining areas as against the total number of 1,812 leases approved by the Department across the State. Reasons for non-availability of the co-ordinates or non-furnishing of the co-ordinates for the remaining 345 mining areas were not provided.

To verify the genuineness of coordinates and also to examine if unauthorised mining activities were being carried out in the State, Audit mapped all the 1,467 mining co-ordinates (provided by the Department) through satellite imagery on “Google Earth”. In addition, Audit also checked for activities beyond the mapped/approved coordinates, especially in river in sanctuaries and in areas where specific activities are banned. This involved extensive search of locations in 13 districts²⁶ out of 25 districts across the State through satellite imagery.

Audit detected at least 159 sites²⁷ across seven districts where illegal mining was being carried in violation of the Act/rules as detailed in **Table 4.6**.

²⁶ Bhopal, Burhanpur, Chhatarpur, Damoh, Dewas, Dindori, Harda, Hoshangabad, Indore, Morena, Rajgarh, Shivpuri and Ujjain.

²⁷ Audit detected 296 cases of suspected illegal mining; however, to counter the impact of not having co-ordinates of all the 1,812 sites, we have limited our observation to 159 cases.

Table 4.6: Statement showing illegal mining areas

Name of district	Total approved Mining Plans	Total mining areas detected	Illegal mining areas
Burhanpur	66	71	5
Dewas	121	124	3
Dindori	54	55	1
Harda	46	75	29
Hoshangabad	59	103	44
Morena	129	163	34
Ujjain	223	266	43
Total	698	857	159

Specific cases of suspected illegal mining are discussed in the following paragraphs.

A. Sand Mining in the Chambal River in Morena District

As per Section 29 of the Wildlife Protection Act, 1972, removal of forest produce from a sanctuary is prohibited without a valid permit from the competent authority.

The Chambal Wildlife Sanctuary is a tri-State sanctuary covering, Madhya Pradesh, Uttar Pradesh and Rajasthan and runs along the Chambal River. It is endowed with rich and diverse flora and fauna and is also home to one of the most critically endangered species of crocodile – the *Gharial*.

Sand mining is a major threat²⁸ to the sanctuary as it not only degrades critical habitats for sand nesting species but also affects the morphology of the river and its water retaining properties.

The Honourable Supreme Court in its order²⁹ (2012) prohibited mining in any area unless prior EC is obtained from SEIAA. The order was further reiterated by the NGT in its judgement³⁰ dated 2013 wherein it clearly stated that mining cannot be carried out without prior EC from the MoEFCC/SEIAA.

In response to an audit query (August 2020) the Department stated (August 2020) that they had not allotted/approved any sand mining leases in the district of Morena.

Audit carried out detailed exploration of mining sites in the State through satellite imagery and observed that widespread sand mining activities are being carried out within the Chambal Wildlife Sanctuary (along the river). Audit could detect at least 27 mining sites along the river where sand mining was being carried out.

In one of the cases, a satellite image showing mining being carried out in river Chambal is shown in **Image 4.4**.

²⁸ As per Section 5.3 of the Management Plan prepared by the DFO, Morena District.

²⁹ SLP (C) NO. 19628-19629 OF 2009 (Deepak Kumar Vs. State of Haryana).

³⁰ OA No. 171 of 2013.

Image 4.4: Showing Sand Mining in Chambal River in Morena District

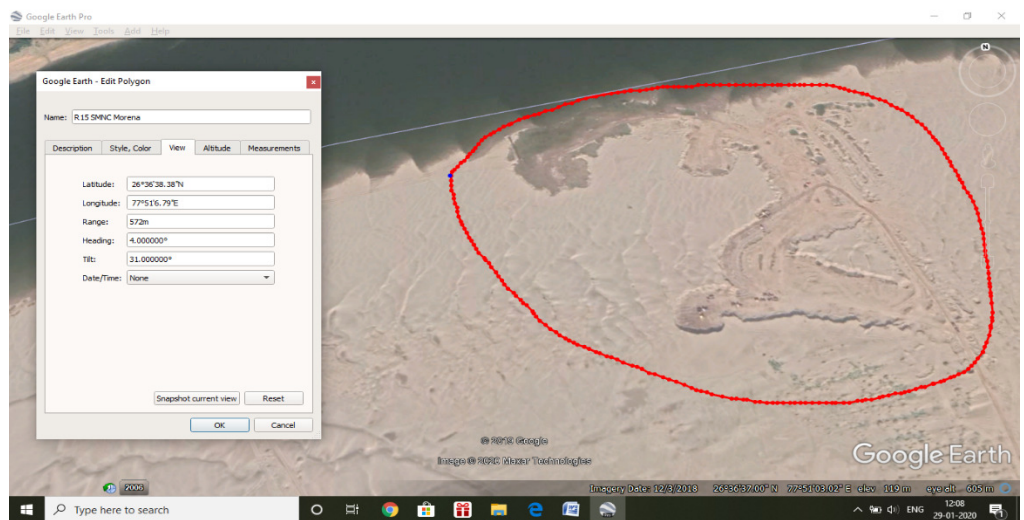


Photo dated: 12 March 2018

**Chambal River, District Morena
(Latitude- 26°36'38.38"N Longitude- 77°51'6.79"E)**

Thus, the Mineral Resources Department as well as the Forest Department failed to detect the illegal mining going on inside the sanctuary.

B. Sand mining in the Narmada River

The MoEFCC issued guidelines in 2016 for sustainable sand mining. Section (m) of the “General approach to sustainable sand and gravel mining” of the *ibid* guidelines, provides that sand mining depth should be restricted to three meter and distance from the riverbank should be 3 meter or 10 *per cent* of the river width, whichever is less. The MP Sand Mining Policy 2015 also reiterates this fact.

Based on examination of the satellite imagery, Audit could assess that in several cases, sand mining has been going on inside the river Narmada in violation of the mining policy. In the instant case (**Image 4.5**), it can be seen that sand mining is being carried out through dredge pumps inside the Narmada River. Sand pile and sand transport can also be seen in the image.

Image 4.5: Showing Illegal sand mining in River Narmada, District Harda

Photo dated: 08 February 2019

Village, Daiyat, District Harda (Latitude-22°30'6.65"N Longitude- 77°3'9.07"E)

In another case (**Image 4.6**), sand mining is being carried out deep inside the river by creating sand bunds in the river. Trucks and boats can be seen on these bunds for transporting the illegally mined sand.

Image 4.6: Showing sand mining is being carried out deep inside the River Narmada by creating Sand bunds in the River

Photo dated: 06 January 2016

Village Satdev, District Harda (Latitude- 22°34'30.32"N Longitude- 77°11'43.09"E)

C. Sand mining in the Ken River

It can be seen from the **Image 4.7 and 4.8** two images taken for the same location in Ken River on two different dates (December, 2017 and January 2019) that sand mining is being carried out inside the Ken River. Transport vehicles can also be seen plying in the middle of the River bed.

Image 4.7 and 4.8: Showing sand mining is being carried out inside the Ken River



Photo dated: 17 December 2017
(Latitude- 25°04'37.96"N
Longitude- 80°19'10.03"E)



Photo dated: 03 January 2019
(Latitude- 25°04'35.20"N
Longitude- 80°19'10.37"E)

The **Images 4.7 and 4.8** shown above give an indication as to the extent of sand mining in the State which is going on without following due approvals from the Department and in complete violation of all laid down Acts/rules/guidelines. The Department on its part has failed to monitor the situation where rampant extraction of river sand is going on across the State. This not only impacts the river health, but also affects the aquatic life being supported by the river.

Apart from violation of the EPA and the related environmental issues, these activities also have a bearing on the local communities' well-being.

The images were conveyed to the Department (between February 2020 and June 2020) and the issues were accordingly pointed out. The Department in its reply stated (October 2020) that it had made a plan as per Enforcement and Monitoring of Sand Guidelines, 2020 of Government of India, and implemented a pilot project covering major sand Districts like Hoshangabad, Bhind, Harda and Sehore wherein Department is going to take help of tools like RFID tagging, geo-fencing of mines, hidden camera, *etc.* to curb illegal mining.

Further development in this regard is awaited (March 2022).

4.7.8 Conclusion

The audit of the Mining Department revealed the following issues:

- There were deficiencies in the approval of Mining Plans like non-verification of coordinates before approval, unavailable, inadequate or wrong coordinates of mines and weak system of preparation and approval of Mining Plans.
- Department did not monitor the mandatory submission of monthly and yearly returns by the lessees to verify the quantity of excavated minerals and had also not provided online facility for filing of quarterly returns by the registered carrier owners to prevent suspected illegal mining and transportation of minerals.

- There was shortfall in inspections of mines/quarries by the MIs as well as shortfalls in assessment of quantity produced and dispatched from mines. This rendered the system vulnerable to leakage of revenue.
- Production of minerals before obtaining necessary clearances and excess production of minerals over and above the limits prescribed in Mining Plans, ECs and CTOs were found.
- In 1,110 cases of leases in 13 DMOs, Audit observed, through use of GIS tools, various irregularities such as excavation outside legal boundaries, allotted lease area was more than what was mentioned in the Mining Plans and Plantation was not being done by the lessees.

CHAPTER - V
PUBLIC WORKS
DEPARTMENT

CHAPTER V

PUBLIC WORKS DEPARTMENT

5.1 Audit of “Construction and Up-gradation of National Highways by Public Works Department”

5.1.1 Introduction

In Madhya Pradesh, construction and up-gradation of National Highways are carried out by the National Highway Divisions of Public Works Department, Madhya Pradesh Road Development Corporation and National Highway Authority of India. There are 8,858 km of National Highways passing through Madhya Pradesh, of which 3,808 km National Highways length is under the jurisdiction of the Chief Engineer (National Highways), Madhya Pradesh Public Works Department, 1,198 km under the Madhya Pradesh Road Development Corporation and the remaining length of 3,852 km is under the National Highways Authority of India.

The Public Works Department is headed by Principal Secretary at the Government level. The Engineer-in-Chief is the Head of the Department, who is assisted by 11 Chief Engineers¹. The Chief Engineer (National Highway) is responsible for construction/up-gradation, and overall monitoring of the National Highways, allotted to the Public Works Department in the State. The Chief Engineers (National Highways) is further assisted by one Superintending Engineer at Headquarters and six Executive Engineers at Division level in the Bhopal, Gwalior, Jabalpur, Indore, Rewa and Sagar districts.

5.1.2 Budget allotment and expenditure

The funds for construction and up-gradation of National Highways in the State are provided by the Ministry of Road Transport & Highways, Government of India to the Regional Officer concerned of the State.

During the period 2017-18 to 2019-20, an allocation of ₹ 2,986.65 crore was made for construction of National Highways by Public Works Department, all of which was spent. The allocation increased by 194 *per cent* from ₹ 474.80 crore in 2017-18 to ₹ 1,396.50 crore in 2019-20.

5.1.3 Audit Approach

This audit was conducted between August to November 2020 with a view to ascertaining whether applicable codal and contractual provisions have been followed by the Public Works Department while preparing the estimates and during execution of construction and upgradation works of National Highways.

Audit findings were benchmarked against the criteria derived from provisions of Madhya Pradesh Works Department Manual, Indian Road Congress specifications, instructions issued by the Ministry of Road Transport & Highways and the State Government, approved designs and specifications as

¹ Two at headquarters and nine in the Zonal Offices at Bhopal, Gwalior, Indore, Jabalpur, Rewa, Sagar, Ujjain, Bridge Bhopal and National Highways Bhopal.

prescribed in the Detailed Project Reports for construction of roads, and terms and conditions of contracts.

Audit scrutinised the records relating to construction and up-gradation of National Highways in five² Public Works Department (National Highways) Divisions out of six at Bhopal, Gwalior, Indore, Rewa and Sagar for the period 2017-18 to 2019-20. The records of the Chief Engineer (National Highways) were also scrutinized. A total of 50 road and bridge works were taken up by five Divisions during 2017-18 to 2019-20. Out of these, in seven works, the expenditure incurred was 25 *per cent* or less against the contract amount. The remaining 43 works (25 completed and 18 ongoing) were selected for audit scrutiny in the five selected Divisions, of which 25 agreements were in Engineering Procurement and Construction³ mode, 16 were in Standard Bidding Document⁴ mode and two were in Percentage Rate Contract⁵ mode.

Audit Findings

5.1.4 Deficiencies in preparation of estimates

Audit noticed deficiencies in preparation of estimates *viz.* incorrect estimation, provision of unwarranted items and non-inclusion of essential items in the estimates, invitation of tender on inflated estimates, adoption of incorrect rate as discussed below:

5.1.4.1 Preparation of estimates without requisite survey and investigation

The specification of Indian Road Congress-Special Publication 19⁶ stipulates two stages of pre-requisite activities⁷ namely feasibility study and detailed engineering and plan of construction by the Public Works Department. The estimates of the road works were essentially based upon these prerequisite activities and tenders were floated on the basis of these estimates.

During the test-check of records, the Department did not provide feasibility study and detailed survey and investigation reports relating to estimates of road works. Thus, it could not be verified that the estimates were prepared with proper feasibility study and detailed survey and investigation.

² Audit of Public Works Department (National Highway) Dn. Jabalpur was not carried out as only one road work was executed during 2017-18 to 2019-20.

³ The Engineering Procurement and Construction contract means assigning the responsibility for investigations, design and construction to the contractor for a lump sum price determined through competitive bidding. Each item of work is further sub-divided into stages and payment based on output specifications and performance standard is to be made for each completed stage of work.

⁴ In Standard Bidding Document (item rate tenders), contractors are required to quote rate for each individual items of work on the basis of bill of quantities.

⁵ In Percentage Rate Contract, contractors are required to quote rate as overall percentage above or below the total estimated cost.

⁶ Indian Road Congress-Special Publication 19 is a Manual for survey, investigation and preparation of road projects issued by Indian road Congress in 2001.

⁷ Pre-requisite activities, include conducting of traffic survey, pavement design, collection of hydrological, physical and foundation data from concerned authorities, soil and material survey and identification of quantum of land acquisition.

In 13 works of five Divisions⁸, Audit noticed instances of increase in cost due to deviations from original specifications/estimates such as addition of new bridge works, increase in size of drains, construction of additional retaining wall(s), construction/raising of retaining wall(s) and increase in depth of foundation, *etc.* These indicate that the estimates were not based on actual survey and investigation. Thus, incorrect estimates led to increase in the amount of contract by ₹ 79.21 crore (**Annexure 5.1**).

Similarly, in four works at Indore and Sagar Divisions, Audit noticed that incorrect estimation led to decrease in scope of work amounting to ₹ 9.85 crore, as detailed in **Annexure 5.1**.

In reply, the Government stated (November 2021) that the cost of work increased due to several reasons, like demand of local public and public representatives for additional drains and widening of existing roads, difference in technical decisions taken by the engineers of consultancy and departmental officials during preparation of Detailed Project Report and implementation of project, additional works required due to additional protection work suggested by Bina Refinery, and estimate for some of the works on standard bidding document being prepared by the Departmental officials with limited resources based on available data. The Department did not furnish any reply as regards the decrease in scope of work.

The reply is not acceptable because the Detailed Project Report was prepared by the consultant after survey and investigations and approved by the Chief Engineer (National Highways). Further, the Department should have consulted Bina Refinery over the overlapping issues before finalization of the estimate. Preparation of estimates by the departmental officials based on available data itself indicates that the pre-requisite activities were either not carried out or carried out inadequately.

5.1.4.2 Non-inclusion of essential items and provision of unwarranted items / quantities in the estimates

For National Highway works in Madhya Pradesh, the technical sanctions are accorded by Ministry of Road Transport & Highways on the basis of recommendations of the Public Works Department, which in turn are based on detailed estimates and Detailed Project Reports prepared by the Department.

During scrutiny of nine works in three Divisions⁹, juxtaposing original estimates with the revised estimates (where deviations were more than 10 *per cent*) and their execution, Audit noticed that 64 important items related to road safety, structural and other items of road works, *viz.* Reinforced Cement Concrete crash barrier, Reinforced Cement Concrete railing, construction of embankment, *etc.*, were not included in the estimates but were later executed (treating them as essential items). These amounted to an additional expenditure of ₹ 21.03 crore as detailed in **Annexure 5.2**.

In reply, the Government stated (November 2021) that estimates of the works implemented on Standard Bidding Document/ Percentage Rate Contract were prepared by Departmental officials with limited resources/ technical expertise/

⁸ Bhopal, Gwalior, Indore, Rewa and Sagar.

⁹ Indore, Rewa and Sagar.

manpower/ equipment without engaging any consultants. This necessitated the need for inclusion of safety items during execution, which were not included in the original estimates. Detailed Project Reports of the works being implemented on Engineering Procurement and Construction mode were prepared by the consultants. Estimates prepared for the DPRs are not the part of the EPC agreement.

The above reply itself indicates that Detailed Project Reports were prepared without detailed survey and investigation. Besides, nowhere in the Agreement, it is mentioned that the Detailed Project Reports are not a part of Engineering and Procurement Contract.

At the same time, in 22 works in all five Divisions, in all the cases where deviations were more than 10 *per cent* from the original estimates, Audit noticed that out of 97 items, 66 items amounting to ₹ 46.26 crore were executed in lesser quantities than what was specified (**Annexure 5.3**) while 31 items valuing ₹ 8.23 crore were not executed at all (**Annexure 5.4**).

A few specific illustrations related to unwarranted items included in the estimates of road works are given below:

- For heavy traffic conditions, Clause 6.2.5 of the Indian Road Congress Specification-58 provides use of dowel bars of 32 mm and 38 mm diameter across transverse joints for load transfer in Cement Concrete pavement.

In six road works of Bhopal, Rewa and Indore Divisions (Sl. Nos. 3,5,7,25,59 and 60 of **Annexure 5.3**), Audit noticed that provision of 4,881.96 MT dowel bar of 38 mm diameter was made in the Cement Concrete pavement. However, the contractor had constructed the Cement Concrete pavement slab only with 3091.13 MT dowel bar of 32 mm diameter. This led to excess estimation of ₹ 7.75 crore.

In reply, the Government stated (November 2021) that 38 mm diameter steel reinforcement for dowel bars is only the recommended diameter in the specifications issued by the Indian Road Congress, which is only for general guidance. Dowel bars of 32 mm diameter were provided in accordance with designs prepared by the Design Director and reviewed by the Proof Consultant in accordance with Article-10 of the Engineering, Procurement and Construction Contracts.

The reply itself indicates that the Cement Concrete road/pavement could have been constructed with 32 mm dowel bars (as was also provided in the Indian Road Congress), but the Department failed to take this into account while preparing the estimates, which resulted in excess estimation to that extent.

- An item of removal of unserviceable soil with disposal up to 1000 metre and another item of soil obtained from borrow pits including all lead and lift was included in the estimates of two works of Bhopal and Sagar. Further, there was another item of transportation (including loading and unloading) for the same quantities which was also included in the estimate. Since the loading, unloading and transportation of soil was already included in the first item, therefore the second item was not required, and

it was also not executed. Thus, inclusion of unwarranted item of transportation including loading and unloading in the estimate resulted in inflated estimation of ₹ 1.70 crore as detailed in Sl. Nos. 1 and 4 of **Annexure 5.4**.

- Two items (2.4 and 2.5 of Schedule of Rate) pertaining to “dismantling of flexible pavement and dismantling of Cement Concrete pavement” were provisioned in the estimates of six works (Sl. Nos. 5, 27, 28, 30, 31 and 32 of **Annexure 5.4**) amounting to ₹ 4.15 crore, which includes disposal of dismantled material up to the lead of 1000 metres, stacking serviceable and unserviceable materials separately, and issue of useable material to the contractor at a prescribed rate. It was however noticed that these items were not executed by the contractor as detailed measurements of stacking of serviceable and unserviceable materials and issuance of excavated materials and its recovery from the contractors were not found in the records. This indicates that the structures were not to be dismantled. Since the work was not done, thus inclusion of unwarranted item of dismantling of flexible pavement and Cement Concrete pavement in the estimate resulted in inflated estimation of ₹ 4.15 crore.

In reply, the Government stated (November 2021) that disposal of excavated soil up to the lead of two kms and construction of embankment with approved material from borrow area were proposed in the original estimate. Possibly, the engineer of consultant (Detailed Project Report) would have ascertained that the excavated soil from roadway cutting was not useful for construction of the embankment and therefore proposed the use of suitable soil from the borrow areas.

The reply is not acceptable because inclusion of the item for transportation of soil in the estimate was unnecessary as the rate of the item (soil obtained from borrow pits) was inclusive of all leads and lift.

5.1.4.3 Invitation of tender on inflated estimates

The Schedule of Rates for Road and Bridge works is published and revised by Public Works Department from time to time. The Schedule of Rates published in 2014 was revised in 2016 and was effective from 06.06.2016. It was further revised in 2017 and became effect from 29.08.2017. In the Schedule of Rates of 2016 and 2017, the rates of items were reduced from 2014 and 2016, respectively.

The tenders for four road works (Engineering Procurement and Construction mode) of Bhopal Division as detailed in **Annexure 5.5** were floated on 08/09/2017, 06/11/2017 and 07/11/2017 after the new Schedule of Rates had come into existence. The new Schedule of Rates applicable from 29/08/2017 should have been taken into consideration for these tenders. Against this, Audit noticed that tenders were invited on the estimates prepared on the basis of old Schedule of Rates applicable from 06/06/2016.

Similarly, estimate of one work in Sagar Division was prepared on the basis of the Schedule of Rates effective from 03/11/2014. A new Schedule of Rate had already come into effect from 06/06/2016 in which the rates of items were reduced from previous Schedule of Rate of 2014. However, the tender for the work was floated on 30/07/2016 (*i.e.*, after 54 days of implementation of new

Schedule of Rate on 06/06/2016), based on the old Schedule of Rates of 03/11/2014.

Thus, preparation of the estimates on the basis of old Schedule of Rates and non-application of the current Schedule of Rates resulted in inflated estimation amounting to ₹ 58.48 crore as detailed in **Annexure 5.5**.

In reply, the Government stated (November 2021) that the tender for the work had been invited as per the sanction received from the Ministry of Road Transport & Highways on the basis of estimate prepared with Schedule of Rate applicable from June 2016. It is a herculean task to get the approval of revised estimate from the Ministry of Road Transport & Highways on the basis of revised Schedule of Rate every year. Once administrative approval from the Ministry is obtained, bids are invited on the basis of the approval of the Ministry. Further, the rates taken in the Schedule of Rates, 2017 were reduced by 10 *per cent* (approximately) as compared to the Schedule of Rates, 2016 and if the tenders were invited on the Schedule of Rates, 2017, then the Goods and Service Tax would have to be paid to the contractor separately.

The reply is not acceptable because according to Government's order (February 2013), if new Schedule of Rates is issued after the technical /administrative approval and before invitation of tender, the tender should be invited in accordance with the rates mentioned in the new Schedule of Rates. In a similar instance for Bhopal-Sanchi Section¹⁰, tenders were invited within eight days (on 05/09/2017) of issuance of a new Schedule of Rates (29/08/2017). Further, a circular (November 2018) issued by the Ministry of Road Transport & Highways has permitted the payment of Goods and Service Tax in Engineering and Procurement Contracts on those works which were to be completed on 01/07/2017. On this ground, Goods and Service Tax was paid in an Engineering, Procurement and Construction Contract¹¹ for which tender was invited on estimated cost based on Schedule of Rates issued on 06/06/2016.

5.1.4.4 Adoption of incorrect rate for items in the estimate

As per para 2.017 of Madhya Pradesh Works Department Manual, after completion of survey and final alignment inspected and approved by Executive Engineer, plans and estimates shall be prepared and submitted to higher authorities for sanctions.

In two road works of two Divisions (Engineering Procurement and Construction mode), Audit noticed that the rate of construction of embankment was taken incorrectly in the sanctioned estimates. During scrutiny it was also noticed that in these works (**Table 5.1**) an additional lead¹² of 10 km and 15 km, respectively were added in the item "Construction of embankment with soil obtained from borrow pits with all lifts and leads". Since the lift and lead was already included in the item, providing for

¹⁰ Bhopal-Sanchi-Sagar Section from km 175 to km 187/6 (Sagar Division), tender (₹ 49.06 crore) was invited on 05/09/17 on new Schedule of Rate with effect from 29/08/17.

¹¹ Indore-Betul road from km 182 to 266/6 on National Highway 59 A (Indore Division), tender was invited on old Schedule of Rate with effect from 06/06/2016.

¹² As per para 1.3 of subhead 1.0 of Central Public Works Department specifications, lead is the distance of carriage measured over the shortest practical route or route approved by Engineer-in-Charge along with the reason.

additional lead was incorrect. This has resulted in inflated estimation of ₹ 8.11 crore as shown in **Table 5.1** below:

Table 5.1: Statement showing adoption of incorrect rate for item in road works

₹ in lakh

Sl. No.	Division	Name of Road	Schedule of Rate/ Item No.	Item name	Tender percentage	Quantity of item (in cum)	Rate taken	Rate to be taken	Total value of item executed	Excess Amount (after deduction of tender <i>per cent</i> mentioned in col. 6 from col. 10)
1	2	3	4	5	6	7	8	9	10=(8-9)×7	11
1	Sagar	Sanchi-Vidisha-Sagar Road km 81 to km 175	2014/ 3.13	Construction of embankment with soil obtained from borrow pits	23.44 below	4,91,507	293	178	565.23	432.74
2	Indore	Indore-Betul Road km 182 to km 266/6	2016/ 3.10		31.05 below	4,63,987.90	278.15	160	548.20	377.99
		Total								810.73

In reply, the Government stated (November 2021) that as per Indian Road Congress Specification-37, design in flexible pavement subgrade material should not be less than 8 California Bearing Ratio material. This type of material is not easily available due to presence of forest land. Hence the rate was taken for subgrade material, including lead, for estimation purpose only. In case of Engineering and Procurement Contracts, engineering is supposed to be done by the participating bidder before procurement, *i.e.*, fixing bid price. Hence, the amount of estimate may not have any impact on the bid prices quoted by bidder based on their own economical design.

The reply is not acceptable because there is no provision in the Schedule of Rates for inclusion of extra lead in any item as all the items in the Schedule of Rates are completed items, inclusive of all leads and lift. Further, estimates are prepared and recommended by the Department in the first place and are based on the Schedule of Rate of the Department. Though, the rate for the item 'construction of embankment' was ₹ 160 per Cu. M. in the Schedule of Rates, the Department still adopted a higher rate of ₹ 278.15 per Cu. M. without any specific reason.

5.1.4.5 Improper preparation of proposal for sanction of road works leading to withdrawal of work

Clause 2.111 of Madhya Pradesh Works Department Manual states that in compliance of the Forest (Conservation) Act 1980, all proposals for diversion of forest land to any non-forest purpose would require the prior approval of the Central Government. Further, Ministry of Road Transport & Highways instructed (April 2016) that the projects having 90 *per cent* land available are to be taken up for National Highway works under Engineering Procurement and Construction projects.

Clause 8.3.3 and 8.3.4 of the Agreement provided that notwithstanding anything to the contrary contained in the Agreement, the authority may at any time withdraw any work forming part of this Agreement and in the event of withdrawal of works, the contract price shall be reduced by an amount equal to 90 *per cent* of the value of the works withdrawn.

In two works under Rewa and Indore Divisions, estimates of works of widening of existing roads passing through the forest area¹³ were prepared.

As per the letters of the Ministry of Road Transport & Highways (April 2019 and March 2020), at the time of sanction of estimates and signing of the Agreement with the contractor the State Government had informed the Ministry that the entire required land was available for execution of the work. In February 2019 (Rewa Division) and January 2020 (Indore Division), the State Government had re-submitted the request to withdraw the work of widening of roads due to non-diversion of forest land *i.e.*, non-availability of land. In both these cases, the Ministry reprimanded the Department for not bringing out the facts regarding diversion of forest land correctly at the time of sanction stage. It clearly indicates that proposal for sanction of the estimates for widening of the roads was prepared without requisite approval of diversion of land from Ministry of Environment, Forest and Climate Change.

In another work at Indore, the road length was reduced by 100 meters. As per the letter of the Executive Engineer, National Highway Division, Indore (June 2017), the work of widening of 4.5 km of Indore-Ahmedabad Road (km 05 to km 9.50) was awarded to a contractor. But, during execution it was found that the actual length of the road was 4.4 km instead of 4.5 km.

In all these cases, negative Change of Scope amounting to ₹ 38.97 crore was proposed by the Divisions. Due to this, the Department had to bear 10 *per cent* of the value of work withdrawn, as the agreement clause stipulated that only 90 *per cent* of the cost may be reduced from the works so withdrawn. This has resulted in avoidable extra burden to the exchequer amounting to ₹ 3.90 crore. Details are shown in **Table 5.2** below:

Table 5.2: Statement showing extra burden to the exchequer due to withdrawal of works from original scope of work

(₹ in lakh)

Sl. No.	Division	Name of the work	Total road length (Km)	Length not widened (Km)	Amount of negative Change of Scope	Extra burden (10 <i>per cent</i> of negative Change of Scope)
1	Rewa	Bameetha- Satna Road	97.84	17.91	3,013.57	301.36
2	Indore	Indore-Betul Road km 182 to 266/6	81.60	4.75	826.50	82.65
3	Indore	Indore-Ahmedabad Road km 05 to 9.50	4.50	0.01	56.45	5.64
Total					3,896.52	389.65

¹³ 1. Out of total road length of 97.84 km, 17.908 km was passing through forest area (Rewa Division),
2. A length of 4.75 km, out of total road length of 81.60 km, was passing through forest area (Indore Division).

Although, the Ministry of Road Transport & Highways has approved the negative Change of Scope in the case of Rewa, it clearly stated that any loss to the Government due to negative Change of Scope shall be borne by the State Government.

The Department could have avoided the expenditure of ₹ 3.90 crore, had it not prepared the proposal for construction of the roads before obtaining the requisite approval from the MoEF&CC. Further, the main purpose of widening of roads was defeated due to non-widening of roads in few Kms.

In reply, the Government stated (November 2021) that the Bameetha-Satna Road was initially under Madhya Pradesh Road Development Corporation. It could not initiate the work in the absence of diversion of forest land. Later, this work was transferred to the Public Works Department National Highway Zone after approval of bids of the above work in 2018. However, necessity of diversion of forest land was realised at later stage. In the case of Indore-Betul Road, it was stated that the road is under consideration for conversion into four-lane road. Up-gradation of the stretches concerned shall be done at the time of conversion of the road into four lanes. The competent authority, Ministry of Road Transport & Highways, has accorded approval on deletion of work of realignment and overlay on the existing road.

The reply however does not answer the fact as to how the execution of works had been started in both the cases without obtaining permission from the Forest Department.

5.1.5 Deficiencies in Contract Management

The issues related to contract management are discussed in the succeeding paragraphs.

5.1.5.1 Undue financial aid to the contractor

As per Clause 13.1.1 of the contract agreement, the Authority may make modifications to the works by requesting the contractor to submit a proposal for Change of Scope involving additional cost or reduction in cost. Clause 13.1.2 of the agreement stipulated that Change of Scope shall mean (a) change in specifications of any item of works or (b) omission of any work from the scope of the project or (c) any additional work.

As per the sanctioned estimate and agreement of three completed road works¹⁴, 500 mm of sub-grade (embankment) was to be constructed by soil with lime stabilisation. But the contractor had constructed the sub-grade with soil having CBR¹⁵ greater than 10 *per cent* obtained from borrow pits (soil brought from outside / borrow area which is cheaper than soil with lime stabilisation). The rates of lime stabilisation for improving sub-grade as per Schedule of Rates, 2013 and 2014 were ₹ 463 per Cu. M. and ₹ 475 per Cu. M., respectively. Clause 13.1.2 of the agreement also stipulated that change of scope shall mean change in specification of any item of a work.

¹⁴ 1. Vidisha Bypass Road (Bhopal),
2. Khurai Bypass Road, and
3. Sagar Chatarpur Road km 88 to 130 (Sagar).

¹⁵ California Bearing Ratio (CBR) denotes strength of soil.

The respective Authority's Engineers sent a proposal to the Chief Engineer, National Highway Bhopal for negative Change of Scope of ₹ 11.77 crore due to non-execution of soil with lime stabilisation in construction of sub-grade as detailed in **Table 5.3** below:

Table 5.3: Undue financial aid to the contractor due to non-consideration of negative change of scope of work

(₹ in lakh)

Sl. No.	Name of work/Division	Work to be executed	Work executed	Quantity of item (Cu. M.)	Rate of column 4	Rate of column 5	Undue aid to contractor
1	2	3	4	5	6	7	8=5×(6-7)
1	Vidisha By pass road (Bhopal)	Const. of Sub- grade from soil with lime stabilisation	Const. of Sub- grade with Material Obtained from Borrow Pits	1,09,892.23	₹ 475/Cu. M.	₹ 178/Cu. M.	326.38
2	Khurai Bypass Road (Sagar)			79,894	₹ 463/Cu. M.	₹ 154/Cu. M.	246.87
3	Sagar-Chatarpur road km 88 to 130			1,95,363	₹ 463/Cu. M.	₹ 154/Cu. M.	603.67
Total							1,176.92

The Chief Engineer, Regional Office (MoRTH), Bhopal is the final authority for all matters relating to acceptance of Change of Scope in the work. However, the Chief Engineer, National Highway did not send the proposal of negative Change of Scope amounting to ₹ 11.77 crore (received from the Authority's Engineer) to the Chief Engineer, Regional Office (MoRTH) for consideration and consequently final payments were made to the contractors without reducing the amount arising out of negative change of scope. This resulted in undue financial aid to the contractor amounting to ₹ 11.77 crore.

In reply, the Government stated (November 2021) that construction of sub-grade was proposed with lime stabilization in the estimates for the projects on Engineering, Procurement and Construction Contract mode. However, prospective bidders should have liberty to design the sub-grade in economical manner under value engineering practice to lower the bid price in the competitive bidding.

Reply is not acceptable because as per Clause 13.1.2 of the agreement, the change of scope includes change in specifications of any item of works. Here, provision for construction of sub-grade was made in the estimates as well as in the Agreements by soil with lime stabilization. The contractor constructed the sub-grade by using other specification where soil obtained from borrowed area was used. Thus, due to change in specification, resultant financial implication should have been taken into consideration. This fact was further substantiated by the Authority's Engineer's letter to the Chief Engineer, National Highway proposing (January 2018) change of scope of work.

5.1.5.2 Observations on Price Adjustment

Price Adjustment is the adjustment of contract price for increase or decrease in rates and price of labour, cement, steel, plant, machinery and spares, bitumen, fuel and lubricants, and other materials.

A. Inadmissible payment of price adjustment to the contractor

Clause 13.4 of General Conditions of Agreements (Standard Bidding Document mode) stipulates that for all contracts up to 12 months, the rates and price quoted by the bidder shall be fixed for the duration of the contract and shall not be subject to adjustment on any account for contracts.

In four road works out of the seven Standard Bidding Document works of two Divisions¹⁶, Audit noticed that works were awarded for completion within 12 months. Thus, in these agreements, provision of price adjustment to the contractor was not applicable. However, price adjustment was still applied, and the contractor was paid accordingly. This resulted in excess payment to the contractor amounting to ₹ 4.45 crore. Details are shown in **Table 5.4**.

Table 5.4: Details of amount of price adjustment paid to contractor

(₹ in lakh)

Sl. No.	Name of Division	Name of work	To be completed within months	Amount of Price Adjustment
1	Rewa	Improvement of Satna Bypass	11	149.54
2	Rewa	Improvement of Bhargava Bypass	11	125.15
3	Rewa	Improvement of Sajjanpur Bypass	11	131.17
4	Sagar	Sagar-Chhatarpur section km 3/8 km to km 08	12	39.07
Total				444.93

Government stated (November 2021) that recovery of payment of excess price adjustment had been proposed from the final bill of the contractor.

B. Excess payment on account of price adjustment

As per Clause 19.10.4 of the Engineering, Procurement and Construction Agreement, the contract price shall be adjusted for increase or decrease in rates and price of labour, cement, steel, plant, machinery and spares, bitumen, fuel and lubricants, and other material. Further, all base indexes will correspond to the prices of the index on the base date. Clause 28.1 stipulated that “Base Date” is the last date of the calendar month, which precedes the bid due date by at least 28 days.

In eight roads of four Divisions¹⁷, Audit noticed that while calculating the price adjustment, the Divisions had taken wrong base date for price index in respect of bid due date as detailed in **Annexure 5.6**. Thus, due to incorrect approach in arriving at price variation, excess payment amounting to ₹ 6.42 crore was made to the contractors.

In reply, the Government stated (November 2021) that recovery of excess payment on account of price adjustment shall be made from the final bills of the contractors.

C. Non-adjustment of negative price adjustment

According to Clause 47.1 of the General Conditions of Standard Bidding Document contract, and formula given in contract data, the price adjustment

¹⁶ Rewa and Sagar.

¹⁷ Bhopal, Gwalior, Indore, and Rewa.

shall be adjusted for increase/decrease in rates and price of labour, material, fuels, and lubricants.

During scrutiny of price adjustment of Indore-Betul road (km 266/8 to 278/2) in Indore Division, Audit noticed that the Department had calculated recovery of price adjustment of ₹ 42.90 lakh due to decrease in the rate and price of bitumen, steel, other material, plant and machinery and lubricants but the same was not recovered from the contractor.

In reply, the Executive Engineer stated (October 2020) that the payment made to the contractor on account of price adjustment will be checked and recovery will be made. There has been no further update on recoveries made till date (February 2022).

5.1.5.3 Excess payment due to inclusion of incorrect item in the Agreement

The Schedule of Rate of Public Works Department includes two items of mild steel, viz. “supply, fitting and placing mild steel in sub-structure” (Schedule of Rate item No.13.8) and “provision of mild steel as a dowel bar in Cement Concrete roads” (Schedule of Rate item No. 6.12). The difference between these two items is only that the Schedule of Rate item No.13.8 is to be used in sub-structure and includes fitting, placing and supply of mild steel. In comparison, the Schedule of Rate item No. 6.12 includes only the cost of mild steel in dowel bar and tie rod including cradle, laps etc. for cement concrete pavement and excludes fitting and placing. Accordingly, the first item is costlier.

In Item Rate Contract (Standard Bidding Document), payment to the contractor was to be made for the item executed by the contractor. During scrutiny of estimates and payment made to the contractor for construction of Cement Concrete road in five Standard Bidding Document Contracts, as detailed in **Annexure 5.7**, of Rewa Division, Audit noticed that an item “supply, fitting and placing mild steel in sub-structure” (Schedule of Rate item 13.8) was wrongly provided for Cement Concrete road in the estimate as well as in the agreements. In these cases, 721.252 MT dowel bars¹⁸ (Schedule of Rate item No. 6.12) was used in the construction of Cement Concrete roads. However, payment was made for Schedule of Rate item No. 13.8 which was costlier than dowel bar. This resulted in excess payment to the contractor amounting to ₹ 46.19 lakh as detailed in **Annexure 5.7**.

In reply, the Government stated (November 2021) that recovery has been proposed in the final bill of the contractor.

5.1.5.4 Non-deduction of advances and royalty

A. Short recovery of secured advance amounting to ₹ 79.47 lakh

Clause 51.3 of the agreement provided that advance payment made to the contractor shall be repaid from each succeeding monthly payments to the extent materials have been incorporated into the works.

¹⁸ Dowel bars enable good riding quality to be maintained by preventing faulting at the joints in Cement Concrete road.

During scrutiny of work of Satna Bypass Road of Rewa Division, Audit noticed that secured advance amounting to ₹ 229.47 lakh for the material brought to the site was made to the contractor. Against the secured advance, ₹ one crore and ₹ 50 lakh was recovered from 3rd and 5th Running Bills respectively, but advance amounting to ₹ 79.47 lakh was not recovered from the contractor although the work had been completed.

In reply, the Government stated (November 2021) that recovery had already been proposed in the final bill of the contractor.

B. Non-recovery of interest on mobilisation advance

As per Clause 19.2.1 of the agreement, mobilisation advance to the contractor would be deemed as interest bearing advance at Bank Rate, to be compounded annually or on simple interest as the case may be. The interest would be recovered along with the recovery of mobilisation advance in equal installments as per provisions.

During scrutiny of records relating to Rewa-Sirmour Road of Rewa Division and Indore-Betul Road km 148 to km 181 of Indore Division, Audit noticed that mobilisation advance amounting to ₹ 10.66 crore (₹ 5.76 crore and ₹ 4.90 crore) was given to contractors and was recovered from the Running Bills, but interest thereon amounting to ₹ 71.86 lakh (₹ 50.04 lakh and ₹ 21.82 lakh, respectively) was not recovered.

In reply, the Government stated (November 2021) that recovery had been already proposed in the final bill of the contractor.

C. Short deduction of royalty

As per Minor Mineral Rules, 1996 and orders of Government of Madhya Pradesh, Public Works Department (February 2003), the final bill of contractors shall be paid for the work only upon production of No Dues Certificate of royalty issued by Mining Department, failing which, the royalty will be deducted from the bills and deposited in the Mining head concerned.

During scrutiny of the bills of 19 works (Nine completed and 10 ongoing), Audit noticed that contractors did not produce No Dues Certificate of royalty issued by Mining Department. Therefore, the charges of royalty should have been deducted from the contractors' bills. It was also noticed that against ₹ 33.72 crore to be deducted on account of royalty for material consumed in the work, only ₹ 11.20 crore was deducted from the bills of the contractor. This resulted in short deduction of royalty amounting to ₹ 22.52 crore as detailed in **Annexure 5.8**.

In reply, the Government stated (November 2021) that in Bhopal Division, the matter related to royalty was in the Arbitration Tribunal. In the case of Sajjanpur - Bargawan bypass road, necessary deduction had been made from the final bill of the contractor while in the remaining cases, no dues certificates from the Mining Department would be obtained before making payment of final bills or before refund of performance security to the contractors.

5.1.5.5 Delay in completion of work

As per Clause 10.5 of Engineering Procurement and Construction agreement, a contractor shall be entitled to extension of time, if reasons for delay viz.

delay in providing the land, environmental clearance or approval of Railway Authority, occurrence of a Force Majeure event, any other cause etc., are attributable to the Authority/Department. Further, as per Clause 28.1 of Standard Bidding Document, the engineer shall extend the intended completion date if compensation event¹⁹ occurs or a variation is issued which make it impossible for completion to be achieved by the intended completion date without the contractor taking steps to accelerate the remaining works and which would cause the contractor to incur additional cost.

During the scrutiny of 43 works (25 completed and 18 ongoing), Audit noticed that only three works were completed on time whereas the median²⁰ delay in completed works was of 370 days, while in on-going works, it was 387 days, as detailed in **Annexure 5.9**. The reasons for delays were utility shifting, land acquisition, encroachment and change in drawing and design and other reasons²¹.

The time extension was granted by the competent authority for the above reasons which were not attributable to the contractor. It was the responsibility of the Department to provide site free from all hindrances to contractors. In 14 cases, the Department failed to co-ordinate with other Departments to timely complete the work of utility shifting. Further, the Department should have accorded the timely approval of the drawings and designs submitted by the contractor, for timely completion of the works. However, in seven cases, the Department could not approve the drawings and design on time, resulting in delay.

While granting the time extension in eight works, MoRTH also stated in its letter that the State Government (Madhya Pradesh Public Works Department) was responsible for these delays and financial implication shall be borne by it and the cost payable to Authority's Engineers for extended period shall be adjusted from the agency charges payable to the State Government. Further, as per Ministry of Road Transport & Highways order (October 2018), the period of Authority's Engineers agreement was to be automatically extended in consonance with civil construction agreements. Thus, due to time extension granted to contractor, the contract period of Authority's Engineers also increased having a financial implication of ₹ 16.05 crore and additional financial burden of ₹ 11.00 crore paid to the contractor on account of price adjustment in the extended period (**Annexure 5.9**). Since the delay was attributed to the Madhya Pradesh Public Works Department, it will have to bear the cost of payment made to Authority's Engineers for extended period and price adjustment paid to contractor.

¹⁹ The following are compensation events unless they are caused by the contractor. a) employer does not give access to part of site, b) modifies the schedule of other contractors in a way by the Engineer which affect the work c) delay in issuing drawing and specification of work by the Engineer, d) the engineer does not approve a subcontract to be let within 15 days, e) adverse ground condition, f) other contractors, public authorities, utilities or the Employer does not work within the dates etc.

²⁰ The median is the middle number in a sorted, ascending or descending, list of numbers and can be more descriptive of that data set than the average.

²¹ Change in alignment, deletion of toll plaza, slow progress in one work, raising of Finished Road Level, raising of guard wall, standing crops.

In reply, the Government stated (November 2021) that the projects were delayed due to delay in land acquisition, removal of encroachments and utility shifting and COVID-19, all of which were beyond the control of the Department to some extent. The Revenue Department and local district administration tried hard to avoid delay in land acquisition and removal of encroachment; however, public resistance and law and order problems were major hurdles in timely land acquisition. Further, the Department also stated that the MoRTH was also responsible up to some extent for delay in publication of notifications for land acquisition, payment of compensation to the beneficiaries and approval of utility shifting estimates. Unforeseen utilities found during implementation were also a reason for delay in utility shifting.

The reply is not acceptable because evidences of the efforts made for getting the utilities shifted, expediting land acquisition and removal of encroachment were not available in the records. Moreover, the reply is silent on the delays caused due to change in drawing and design and change in alignment.

5.1.5.6 Non-recording of detailed measurement of executed work of Engineering, Procurement and Construction contracts

According to Para 4.017 of the Madhya Pradesh Works Department Manual, the Measurement Book is the most important record to be maintained for a work. It is the basis of all the accounting of work done and it must contain the complete detail of measurements recorded at site, so as to be conclusive evidence in any court of law. Para 4.023 of the Manual further stipulates that every measurement at the time it is taken must be recorded directly in the Measurement Book and in no other book.

The MoRTH (Planning Zone) issued instructions (07 January 2019) to all Principal Secretaries/Secretaries of States regarding maintenance of relevant site records, viz. Level Book, Log Book of road roller, Material Register, *etc.*, and further directed all executing agencies engaged in implementation of projects of National Highway and various Central Road Sector Schemes to ensure strict compliance of the relevant stipulations of the Works Manual / codes applicable and agreement conditions for the particular agency (*i.e.*, State Public Works Department, National Highways Authority of India, *etc.*).

During the scrutiny of 25 road works on Engineering Procurement and Construction mode across all five Divisions selected for audit, Audit noticed that abstract of quantity and detailed measurements of executed works were not recorded in the Measurement Books in contravention of the instructions *ibid*. In the absence of detailed measurement in the Measurement Books, Audit could not ascertain whether works were executed as per approved drawings / design or cross-section of the road, or not.

In reply, the Government stated (November 2021) that records are maintained at the site in accordance with MoRTH circular (January 2019). However, detailed measurements of every item are not being recorded in the Measurement Books. Stage progress in accordance with Schedule-H for payment is being recorded in the Measurement Book. It was further added that as per Manual for Procurement of Works 2019, detailed measurements of work done in a lump sum contract are not required to be recorded, except in respect of additions and omissions.

The reply is not acceptable because MoRTH had clearly instructed to ensure strict compliance of the relevant stipulations of the Works Department Manual of State Public Work Department which stipulates that every measurement, at the time it is taken, must be recorded directly in the Measurement Books. Further, in Chapter-3 of the Manual quoted above, there is no mention that measurement should not be recorded for work done in Engineering, Procurement and Construction mode. In fact, Para 6.5.2 of the said Manual stipulates that measurements of all items having financial value shall be recorded in the Measurement Books and/or Level Field Books.

5.1.6 Quality Assurance

Audit noticed multiple issues affecting the level of Quality Assurance to be derived, such as non-conducting of mandatory tests, not carrying out tests of road works from Departmental laboratory and non-availability of equipment in district-level laboratories.

5.1.6.1 Non-conducting of mandatory test of road works

As per Clause 902.1 of specification of Quality Control for Road Works of Ministry of Road Transport & Highways and Clause 7.1.1 of Indian Road Congress-Special Publication 11, all works shall be constructed to the specified lines, grades, cross-sections and dimensions shown on the drawing or as directed by the Engineer. The objective is to achieve a well-built pavement conforming to the required horizontal and vertical profile, design thickness of different pavement courses and stipulated standards of riding quality.

For achievement of the above objective, the Department was to ensure that all three mandatory tests, viz. horizontal alignment test, surface level test and surface regularity test of pavement course, were conducted at each layer of pavement course.

Scrutiny of records regarding these three mandatory tests of 33 road works across all five Divisions (excluding 10 bridge works out of total 43 works audited), revealed that only one test (surface level test) out of three was conducted for three²² road works of two Divisions. In the remaining road works, none of the three tests were carried out. Thus, the riding quality requirements and longevity of the roads were not assured.

In reply, the Government stated (November 2021) that MoRTH had decided to perform Network Survey Vehicle²³ Tests and Falling Weight Deflect-meter²⁴ Test for all stretches of national highways. The Network Survey Vehicle Test has been performed on 1,153 kms. Finalization of agency for balance length of Network Survey Vehicle and Falling Weight Deflect-meter Tests, by which

²² Mihona-Lahar-Daboh and Daboh-Bhander Road (Gwalior), Satna Bela Road (Rewa)

²³ Network Survey Vehicle mounted with equipment such as Laser based automatic crack detection, high resolution digital cameras and in vehicle data processing software to accurately measure pavement surface properties such as cracking, potholes, leveling, rutting and roughness.

²⁴ Falling Weight Deflect-meter testing is a non-destructive testing method that simulates the loading of a moving wheel and measures the pavement response at the point of loading and at various offsets from the load.

conformity of horizontal and vertical profiles with the specifications can be ascertained, is in progress.

The reply is silent as to why the mandatory tests were not conducted.

5.1.6.2 Test of road works from Departmental laboratory

As per orders of Government of Madhya Pradesh, Public Works Department, Bhopal (06 September 2019), minimum 10 *per cent* mandatory test of road works were to be conducted from Departmental laboratory to ensure the quality of road works. Audit noticed that no tests were got conducted from Departmental laboratory.

Further, from the information of test equipment provided by five laboratories (three Regional cum District Laboratories and two District Laboratories), Audit noticed that there was shortage of crucial testing equipment, *viz.*, core cutting machine for test of concrete core drilling, CBR Machine for testing of California Bearing Ratio value, slump cone to measure the consistency and workability of fresh concrete, and indirectly, the water-cement ratio of the concrete mix. Audit noticed that 36 to 49 *per cent* testing equipment were not available in three laboratories. Details of shortages are given in **Annexure 5.10**.

In Sagar District laboratory, five equipment were in unserviceable condition since one year, but no efforts were made to get them repaired. Bhopal and Indore Divisions had sent requirement of equipment (in March 2018 and February 2019 respectively) to Bhopal Circle-2 and SEs Indore Zone. The Chief Engineer (Public Works Department) North Zone, Gwalior²⁵ had also sent an estimate for required equipment to the Engineer-in-Chief (Public Works Department) in March 2019. No further follow up on this matter was found on record.

In reply, the Government stated (November 2021) that the mandatory tests were being carried out in accordance with the specifications. There is shortage of equipment in Departmental laboratories. In future, it will be ensured to perform at least 10 *per cent* mandatory tests from the Departmental laboratories.

5.1.7 Monitoring

Deficiencies noticed by Audit in the monitoring and review of road works are discussed in the succeeding paragraphs.

5.1.7.1 Monitoring of road works at Division level

As per Madhya Pradesh Works Department Manual, the Executive Engineer in-charge of a Division is responsible for the execution and arrangement of all works within his Division. It was further emphasized (November 2011²⁶) that he will carry out frequent inspections of works and periodical inspections as provided in the Manual.

²⁵ The Regional cum District laboratory, Gwalior is under Chief Engineer (Public Works Department) North Zone, Gwalior where all tests related to road works of Public Works Department including National Highway roads are conducted.

²⁶ Government of Madhya Pradesh / Public Works Department /No. 2001/19/Pla./2011-12-6381 dated 30/11/2011.

During the scrutiny of records, Audit noticed that the inspection notes of Executive Engineers and their compliance reports were not available in the Divisions. This shows that the required inspections may not have been conducted by the Executive Engineers and indicated possible lack of monitoring at the Divisional level. This also indicated sub-optimal quality control checks of road works.

In reply, the Government stated (November 2021) that inspection notes of Executive Engineers and their compliance would be maintained for effective monitoring of the work in future.

5.1.7.2 Monitoring of road works at Apex level

As per Clause 11.4 of the contract, the authority (Chief Engineer) may inspect the progress and quality of the construction and issue appropriate directions to the Authority's Engineers and the contractor for taking remedial action. Further, the Government of Madhya Pradesh, Public Works Department has clearly instructed (November 2011), that Chief Engineer will regularly inspect the work under his jurisdiction and issue Inspection Report and ensure its compliance. Government of Madhya Pradesh, Public Works Department stipulated (April 2016) that Chief Engineers shall tour the sites of their zone for at least eight days in one month to ensure the desired quality of the work.

According to the above instructions, total 288 days were to be used for inspection by the Chief Engineer during 2017-18 to 2019-20. However, Chief Engineer (National Highway) visited the work sites for inspection of 29 works on 64 days only against total 43 works (25 completed and 18 ongoing) during the period. Further, vide inspection notes where inspection had been done, the Chief Engineer had issued several directions regarding quality and progress of work to the field staff. However, the compliance/follow-up reports on the Chief Engineer's inspection notes were not found in the records. The Chief Engineer (National Highways) conducted review meeting of all the Executive Engineers every month to review the issues related to ongoing and completed works. However, minutes of the meetings were not found prepared or maintained. Hence, Audit could not verify whether the instructions of the Chief Engineer were followed or not.

In reply, the Government stated (November 2021) that the number of inspection notes of the Chief Engineer would be increased and their compliances would be obtained from the Executive Engineers concerned.

The current monitoring mechanism of the Department is thus not adequate.

5.1.8 Conclusion

During the audit of National Highways, Audit noticed deficiencies in preparation of estimates based on unrealistic survey and estimation data, shortcomings in contract management, as well as quality assurance and monitoring, which have been elucidated above. Audit conclusions, based on the audit findings, are given below:

- The estimates were not prepared realistically. Inadequate surveys and investigations led to inflated estimates which included many unwarranted items. Necessary items were omitted at the time of preparation of estimates

which were subsequently included during execution, leading to cost overrun;

- Contractual provisions were not adhered to in some cases. Also, the management of contracts was deficient as several road works were completed with delays ranging from two to 36 months due to delays in utility shifting, delays in approving drawings and designs, and delays in acquisition of required land. There were instances of undue financial aid to the contractors including inadmissible payment of price adjustment;
- Quality Control could not be ensured as mandatory quality tests were not conducted for maintaining stipulated standards of riding quality of road. Quality test of road works were not carried out from Departmental laboratories either. Further, these laboratories were ill-equipped to carry out these tests;
- Monitoring of the works was poor. Works were not inspected by Executive Engineers as well as by the Chief Engineer in accordance with the specified frequency. Compliance of instructions issued in inspection note was not reported by field staff. Minutes of review meetings on road works were not prepared. Compliance reports of Chief Engineer's instructions were not prepared or available either, indicating gaps in monitoring.

5.2 Audit of “Construction of roads through the Central Road Fund by Public Works Department”

5.2.1 Introduction

In Madhya Pradesh, the Public Works Department is one of the main implementing agencies for construction of roads, bridges and building works. The share of Public Works Department (Bridge & Roads) is about 77 *per cent* of road length while Madhya Pradesh Road Development Corporation constructs about 18 *per cent* of road length and National Highway Authority of India constructs about five *per cent* of road length.

The Public Works Department has two wings, Public Works Department (Bridge & Roads) and Public Works Department (Project Implementation Unit). The Bridge & Roads wing is engaged in construction, up-gradation and maintenance of roads and bridges, and upgradation and maintenance of buildings. The Project Implementation Unit wing is responsible for construction of buildings in the State. The Public Works Department is headed by a Principal Secretary at the Government level. The Engineer-in-Chief is the Head of the Department. There are 11 Chief Engineers²⁷, two at Headquarters office and nine at different Zones, 17 Superintending Engineers at the Circle levels and 69 Public Works Divisions headed by the Executive Engineers for execution of works.

The Government of India provides financial assistance to the State Governments for construction and maintenance of the roads and bridges through Central Road Fund, National Bank for Agriculture and Rural Development, etc.

The Government of India enacted (November 2000) the Central Road Fund Act, 2000 to create a Central Fund for development of roads by levying cess at ₹ one per litre²⁸ on high speed diesel and petrol. As per Central Road Fund (State Roads) Rules, 2007, later modified in July 2014 (Central Road Fund Rules, 2014), the funds shall be placed with the Ministry of Road Transport & Highways, Government of India for construction and development of State roads, excluding rural roads.

The allocation of Central Road Fund shall be made on the basis of 30 *per cent* weightage to fuel consumption and 70 *per cent* weightage to the geographical area of the States. Funds are allocated to States annually and released in quarterly installments linked to submission of Utilisation Certificates.

5.2.2 Audit Approach

Audit was conducted with the objective of assessing whether all applicable codal and contractual provisions of Madhya Pradesh Works Department Manual, specifications of Indian Road Congress and Central Road Fund Rules 2007 and 2014 under Central Road Fund Act 2000 issued by the Ministry of Road Transport & Highways and State Government have been followed while preparing the estimates and during execution of the work.

²⁷ Two at Headquarters and nine in the Zonal Offices at Bhopal, Gwalior, Indore, Jabalpur, Rewa, Sagar, Ujjain Bridge Bhopal and National Highways Bhopal.

²⁸ Central Road Fund cess changes from time to time. It is levied at the rate of ₹ nine per litre on petrol and diesel (July 2019).

The Compliance Audit, covering the period 2017-18 to 2019-20, was conducted from August to November 2020. Audit scrutinised all the 40 works²⁹ in 11³⁰ selected Divisions out of 20 Divisions where works under Central Road Fund were being carried out. In addition, the records of the Apex office, *i.e.*, the office of the Engineer-in-Chief, Public Works Department, Bhopal was also test-checked.

Audit findings related to deficiencies in planning and estimation, execution, quality control and monitoring were noticed, which are given in succeeding paragraphs.

5.2.3 Deficiencies in Planning and Estimation

Road construction requires proper planning and execution of work as per specifications issued by the Indian Road Congress/ Ministry of Road Transport & Highways and implementation of critical safety standards, where the estimated cost is the driver of the cost quoted by the contractor. Audit observed multiple cases of deficiency in planning and estimations, *viz.* lack of planning and co-ordination among Departments, incorrect estimation of earth work, provisioning for excess thickness of bitumen, non-inclusion of road safety measures, invitation of tender on inflated estimates, *etc.*, which resulted in higher outgo of funds, which could have been saved otherwise. These are discussed in the succeeding paragraphs from 5.2.3.1 to 5.2.3.3.

5.2.3.1 Lack of planning

Rule 5 (1) of the Central Road Fund Rules, 2014 prescribes that the Central Government shall identify and prioritise the projects, schemes or activities for release of Funds in consultation with the executive agencies and the executive agencies shall observe the criteria and furnish necessary details of the projects, schemes or activities, as specified under these rules, to the Central Government to facilitate identification and prioritisation of the schemes.

Audit noticed that no state-wide planning was made for selection of roads / areas for taking up the construction works. Further, there was no co-ordination between the Department and other agencies, *viz.*, Town and Country Planning Department, State Planning Commission and Economics and Statistics Department, which are exclusively engaged in the planning for creating infrastructure in the State.

It was observed that selection of roads was done by the Department on *ad hoc* basis. No documents, such as index map, scope of the work and estimated cost of the project based on the actual requirement were available with the Department. This indicated that the proposals for constructions /up-gradation of roads were not prepared in compliance with the Rule 5 (1) of the Central Road Fund Rules.

²⁹ Out of 40 works, 27 works were awarded between 2017-18 and 2019-20. Of these 27 works, only 10 works were completed on time. Remaining 13 works out of 40 works were awarded between 2015-16 and 2016-17. Out of these 13 works, five works were still not complete (November, 2020), while eight works were completed between 2017-18 and 2020-21.

³⁰ Ashoknagar, Betul, Chhindwara, Gwalior, Hoshangabad, Indore Dn. No. 1 and 2, Raisen, Ratlam, Satna and Ujjain.

In reply, the Government stated (October 2021) that proposals by the Department are sent only for existing roads and therefore the index map *etc.*, are not so relevant. The Government further added that the State sends the proposals to the Government of India and the Government of India out of their own consideration and judgment, sanctions some of the proposals sent by the State.

The reply is not acceptable because no details of the proposal sent to Government of India were found in the records of the Department.

5.2.3.2 Award of works without land acquisition and shifting of utility services

Audit noticed that in contravention of the Rules 6 and 7 *ibid*, in three works of three Divisions³¹, proposals of roads amounting to ₹ 235.12 crore were forwarded to the Ministry of Road Transport & Highways without completing land acquisition and removing utilities as detailed in **Annexure 5.11**. The award of these works without land acquisitions and shifting of utility services led to the works being delayed by 337 to 365 days.

In reply, the Government stated (October 2021) that the State does not have the knowledge of which proposals sent by it shall be sanctioned by the Government of India and therefore it is not prudent to first acquire land and shift the utilities prior to sanction. The State in all cases after sanction gives Administrative Approval for required land acquisition and shifting of utilities out of the State budget as per the Central Road Fund Rules. Shifting of utilities and acquiring land sometimes in habitation areas takes time due to involvement of other agencies and local resistance.

The response substantiates the Audit contention that for proposals selected by the Department, encumbrance free land, though a prerequisite as per Rule 6 of the Central Road Fund Rules, 2014, was not ensured.

5.2.3.3 Improper estimation

Audit noticed instances of improper estimations which are described below:

A. Improper estimation of earthwork

An order (March 2017) of Public Works Department, Government of Madhya Pradesh states that approval of the Government shall be needed in cases where earthwork quantity exceeds 30 *per cent* from the original provisioned quantity.

In eight works pertaining to Ratlam and Ujjain Divisions, it was noticed that the executed quantities of the item 'Excavation in soil and Construction of embankment' increased between 80 and 266 *per cent* as against the estimated quantities, which resulted in extra cost of ₹ 3.78 crore as detailed in **Annexure 5.12**. However, in none of these cases, the approval of the Government was obtained as required.

Audit also noticed that in one work in Indore-1 Division³², the existing road underwent bituminous renewal three years ago with sub-base and base course

³¹ Executive Engineer, Gwalior, Executive Engineer, Ashoknagar and Executive Engineer, Indore-1.

³² Construction of Tarana-Mangaliya-Vyaskhedi Road under Central Road Fund, Length-32.60 km, Agt. 03/CRF/2015-16.

material having California Bearing Ratio³³ value of more than 20. But, instead of using this soil obtained from roadway cutting, the item of Construction of embankment by the soil obtained from borrow area³⁴ was provided in the estimate and was executed accordingly by the Executive Engineer. Thus, non-utilisation of the already available base course material in the estimate resulted in inflated estimation and avoidable expenditure of ₹ 1.83 crore³⁵.

In reply, the Government stated (October 2021) that the existing roads in most of the cases do not have the required sub grade California Bearing Ratio, required width and height of embankment and therefore the construction methodology is to cut the existing road and spread the material in the designed width, and compact and further add additional layers of selected soil (having California Bearing Ratio more than seven) over this.

The reply is not acceptable because the road had undergone renewal only three years ago with subgrade material having CBR greater than 20. Therefore, the contention that the material obtained from excavation being unsuitable is incomprehensible.

B. Non-inclusion of road safety measures in the estimates

According to Rule 3 of Central Road Fund Amendment Rules, 2016, 10 per cent of the fund shall be earmarked for road safety works (other than Rural Roads) out of the fund allocated. As per Rule 2 (i) (gb) the road safety works means works on State roads for rectification of identified road accident black spots (based on road accident or fatality data) or the works based on the recommendations of specialised bodies or expert committees set up for this purpose.

Further, the Metal Beam Crash Barrier shall be provided with minimum length of 600 mm at the hazardous locations as per Clause 7.18 of Indian Road Congress Special Publication 73.

Audit noticed that during the years 2017-18 to 2019-20, ₹ 1,990.75 crore was sanctioned by the Government of India for 40 works out of 69³⁶ works and according to rules *ibid*, ₹ 199.08 crore was to be included in the estimates for road safety works. However, no such provisions were made in the estimates. It was further noticed that ₹ 3.34 crore was spent on road safety in one work under Executive Engineer, Ujjain and three works under Executive Engineer, Gwalior, as detailed in **Annexure 5.13**, without making any provision in the estimates and without obtaining Technical Sanction from the competent authority.

In reply, the Government stated (October 2021) that Road Safety measures include Road Marking, Signages, Crash Barriers, Speed Breakers, Rumble

³³ California Bearing Ratio – a measure to gauge the strength of the soil.

³⁴ “Borrow area” means the area from which material is excavated to be used as fill material in another area.

³⁵ (Quantity of soil obtained from excavation - Quantity of excavated soil utilised) × Rate of executed item = Avoidable expenditure
(120882.714 cum - 59832.77 cum) × ₹ 300 = ₹ 1,83,14,983.

³⁶ During the years 2017-18 to 2019-20, total 69 works amounting to ₹ 4,255.27 crore were sanctioned for Madhya Pradesh by the Government of India.

strips, etc. The provision for these items have been made in the estimates as per the requirements of specific work.

The reply is not acceptable because the road safety measures were not included in the estimates of the cases pointed out by Audit.

C. Provision of excess thickness of Bituminous Concrete

As per Indian Road Congress Specification 37, a 20 mm thickness of Bituminous Concrete shall be applicable for roads with traffic of two Million Standard Axle³⁷ (msa) and California Bearing Ratio of seven *per cent*.

In two works³⁸ pertaining to Ratlam Division, the Executive Engineer had prepared estimates and provisioned the thickness of 30 mm Bituminous Concrete instead of 20 mm Bituminous Concrete, although the traffic count of these roads was two msa. This provision and execution of Bituminous Concrete in a thickness of 30 mm instead of 20 mm resulted in extra cost of ₹ 2.70 crore³⁹.

In reply, the Government stated (October 2021) that there is no provision in the specifications/codes to provide a bituminous concrete layer of thickness less than 30 mm.

The reply is incorrect because Para 10.1: Bituminous Surfacing with Granular Base and Granular Sub-base of IRC Specification 37 prescribes 20 mm thickness of BC for the roads having traffic of two msa with CBR material, four to 15 *per cent* to be designed on plate 2 to plate 8, respectively.

5.2.4 Contract Management

Audit scrutinised 40 agreements of Central Road Fund in the sampled 11 Public Works Divisions. Irregularities related to execution of work beyond specification, irregular foreclosure of contracts, delay in execution, undue benefit to contractors, execution of below specification works, etc. were observed which have been discussed in the paragraphs 5.2.4.1 to 5.2.4.6.

5.2.4.1 Excess payment on account of Price Adjustment

A. Adoption of incorrect base indices

As per Clause 47 of the agreement, the contract price shall be adjusted for increase or decrease in the rates of components in accordance with the principle, procedure and formula given in the agreement.

The “base year” for Wholesale Price Index was changed from year 2004-05 to 2011-12 in April 2017. In order to maintain continuity in the time series data on Wholesale Price Index, the office of the Economic Adviser⁴⁰ provided

³⁷ The number of commercial vehicles that would be plying on the road during its designed life. Commercial vehicles are those vehicles whose weight is more than three Tons.

³⁸ Construction of Mawta-Kalukheda-Dhodhar-Kalaliya Fanta Ringnod Road, Agt. 01/Central Road Fund/2018-19 and Hasanpallya (State Highway-31) to Sarsi Badawada (State Highway-17) Jaora Ujjain-road, Agt. 01/ CRF/2019-20.

³⁹ Provision of Bituminous Concrete 10,551.75 cum (thickness 30 mm) at the rate of ₹ 7,699 per cum = ₹ 8,12,37,923
To be provided 10,551.75 cum (thickness 20 mm) = ₹ 8,12,37,923 × 0.02/0.03 = ₹ 5,41,58,615. Extra cost ₹ 2,70,79,308.

⁴⁰ Ministry of Commerce & Industry, Government of India.

‘linking factors’ so that the new series of price indices may be compared with the earlier one. The series was to be used from April 2017 onwards.

Audit noticed that in 12 works of four Divisions⁴¹, which were awarded before April 2017, an excess payment of ₹ 12.47 crore was made to contractors concerned, due to the incorrect adoption of Wholesale Price Index 2011-12 instead of Wholesale Price Index 2004-05 for calculation of price adjustment of cement and steel components as detailed in **Annexure 5.14**.

In reply, the Government stated (October 2021) that the linking factor has been approved by the Government of Madhya Pradesh, and that the price variation paid in all such contracts shall be reviewed and the adjustment shall be made either way as per the Government order.

B. Inadmissible payment of Price Adjustment beyond stipulated time of completion

As per Clause 47.1 of the agreement, no Price Adjustment shall be paid to the work carried out beyond the stipulated time for reasons attributable to the contractor.

In one work⁴² pertaining to Hoshangabad Division, the intended completion period was 24 months including rainy season, but the work was not completed after expiry of 24 months. The delay in work was attributable to the contractor as the contract was terminated (October 2019) by the Department on account of the contractor’s failure to carry out the obligations under the contract, both in terms of failure in performance and stipulated time of completion. As such, price adjustment for aforesaid period was not admissible. However, the Department paid Price Adjustment of ₹ 68.42 lakh to the contractor for the period beyond the stipulated date of completion.

Similarly, one work⁴³ in Ujjain was completed on 25.03.2020 with a delay of 316 days. The Chief Engineer, Ujjain wrote to the contractor that due to delay on the latter’s part, the work may be terminated and the contractor may be black-listed. Besides this, the Engineer-in-Chief/ Chief Technical Examiner had also ordered in their inspection report (June 2019) to impose penalty for delay due to slow execution of work by the contractor. However, the final time extension was given by the Chief Engineer (March 2020) without any penalty and the payment of price adjustment of ₹ 1.01 crore was made to the contractor for the work beyond the stipulated time.

In reply, the Government stated (October 2021) that the time extension was granted by the competent authority without penalty. As such, the price variation was given to the contractors as per the provisions of the agreement.

The reply is not acceptable because the sanction of extension of time without penalty, though accorded by the competent authority, itself was irregular in these cases.

⁴¹ Raisen, Ratlam, Ujjain and Indore-1.

⁴² Construction of Bankhedi-Umardha-Mathai-Sandia Road, Agt No. 05/ CRF/2016-17.

⁴³ Construction of Nagda-Berchha-Rajlakhedi-Asawati Road, Agreement No.03/CRF/2017-18.

C. Incorrect calculation of bitumen component for price adjustment

As per Clause 47 of the agreement, the percentage components would govern the price adjustment for the entire contract. As per Ministry of Road Transport & Highways' letter (June 2014), if a cement concrete road is constructed, the bitumen component for calculation of price adjustment should not be taken separately but shall be added under the component "other materials". Component-wise weightage is shown in **Table 5.5**.

Table 5.5: Percentage components for Price Adjustment

Components	Weightage in Percentage	
	For Bituminous Road	For Cement Concrete Road
Cement	5	5
Steel	5	5
Petrol, Oil and Lubricants	5	5
Plant and Machineries	5	5
Bitumen	10	0
Labour	25	25
Other materials	45	55
Total	100	100

In Chhindwara⁴⁴ Division, bitumen was separately included in the "bitumen component" (10 *per cent*) instead of including it in "other materials" components (**Table 5.5**) although it was a cement concrete road. This incorrect adoption of component in the agreement resulted in excess payment of ₹ 57.49 lakh as detailed in **Annexure 5.15**.

In reply, the Government agreed (October 2021) that the percentage of different components (materials) in the works should have been kept as per the logical consumption in Cement Concrete Roads. The EE inadvertently used the components for bituminous roads. However, it is pointed out that no irregularity has been done by the EE as after signing of the contract, both the parties were bound by the provisions therein. In fact, the component of bitumen which is shown as 10 *per cent* should have been kept as 15 *per cent*. It is further stated that the increase in cement prices during the said period is more than the increase in bitumen prices during the same period. Therefore, even if a proper apportioning of components would have been done *ab initio*, more payment was likely to be made to the contractor. Therefore, no loss to the government has been caused by the impugned action of the Executive Engineer.

The reply is not acceptable as prescribed norms had been violated in calculation of price adjustment. Further, the Department has based its argument on the wisdom from hindsight, after knowing the change in component's prices.

⁴⁴ Khamarpani-sawami-Lodhikheda-Raymond chowk Road, Agreement No. 28/MDR/2016-17.

5.2.4.2 Execution of superfluous items

A. Unwarranted provision and execution of levelling course below approach slab, extending undue benefit to the contractor

As per Section 1701 of the Specifications issued by Ministry of Road Transport & Highways Specifications for Road and Bridge Works, the work of structural concrete shall consist of producing, transporting, placing and compacting of structural concrete, including fixing form work, temporary works, etc. The incidental construction which is required to be executed in a defined line and grade as indicated in the drawing and further corrective action required shall be treated as integral part of the execution, which is to be borne by the contractor.

Audit noticed in six Divisions⁴⁵ that contrary to the above provision, a separate item of “levelling course using M 15 grade concrete below approach slab” was provided and paid in 18 out of 24 Central Road Fund works. The expenditure towards the “levelling course”, being part of structural concrete, was required to be borne by the contractor. Thus, executing the “levelling course” as a separate item led to undue benefit to the contractor to the tune of ₹ 1.04 crore as detailed in **Annexure 5.16**.

In reply, the Government stated (October 2021) that the base concrete in M 15 grade is always required to be provided below the approach slab. Therefore, the leveling course is in fact not the course for levelling but is the base concrete for supporting the approach slab. Government further stated that as leveling course concrete M 15 grade below approach slab is not a part of structural concrete so paid separately as per BOQ.

The reply is not acceptable. As it has been said in the reply itself that the base concrete in M 15 is always required below the approach slab, thus, it is construed to be incidental to the item of approach slab. Hence, it should not have been paid separately.

B. Inadmissible payment of Backfilling

According to Clause 304.5.1 of the Specifications issued by Ministry of Road Transport & Highways for Road and Bridge Works, excavation for structures shall consist of the removal of material for the construction of foundations for bridges, culverts, retaining walls, headwalls, cutoff walls, pipe culverts and other similar structures. The work shall include backfilling and clearing up the site and the disposal of all surplus material. The contract unit rate for the items of excavation for structures shall be paid in full for carrying out the required operations, including full compensation for backfilling, clearing up the site and disposal of all surplus material within all lifts and leads up to 1000 metre.

The term “Providing backfilling behind abutment, wing wall and return wall with selected granular material” was applicable for medium / major bridges and not for hume pipe culverts, as these neither have abutments nor returns-wing walls, except head walls and face walls.

⁴⁵ Betul, Indore Dn. No. 1 and 2, Raisen, Ratlam and Ujjain.

Audit noticed in 21 works of seven Divisions⁴⁶ that contrary to the provision of specifications, the item of backfilling was provided and shown executed in back filling behind abutment and wing wall. This item was separately applicable only for medium / major bridges, while for hume pipe culverts, this item was an integral part of execution and incidental to the work. In the above cases, paying it separately resulted in excess payment of ₹ 4.02 crore as detailed in **Annexure 5.17**.

In reply, the Government stated (October 2021) that the payment done for back filling abutment, wing walls and return walls was as per specification.

The reply is not acceptable because inclusion of the above item in the estimate as a separate item was not in conformity with the specification and was not payable.

5.2.4.3 Deviation from specifications

A. Below specification work of Pavement Quality Concrete slab

According to Para 7.1.3 of the provisions of Specification-58 (2015) issued by Indian Road Congress, contraction joints are transverse joints which relieve the tensile stresses in concrete pavements. The spacing of contraction joints should be limited to 4.5 metre to prevent top-down cracking during the night hours. Further, Para 7.2.6 recommends the diameter and the length of the dowel bars to be used in Pavement Quality Concrete slab⁴⁷.

Audit noticed in Raisen and Ashoknagar Divisions, that dowel bars were provided and executed at every expansion joint at the interval of 32 metre instead of 4.5 metre, which was against the provisions of Specification-58 issued by Indian Road Congress. This resulted in substandard execution of Pavement Quality Concrete in three works⁴⁸ which amounted to ₹ 76.01 crore.

In Gwalior⁴⁹ Division, the execution of Pavement Quality Concrete (M 40) of 250 mm slab thickness in 12.96 km of road was constructed without laying of dowel bar of 32 mm diameter which was against the provisions of Specification-58 (2015) issued by Indian Road Congress. This resulted in substandard execution of Cement Concrete pavement in a work amounting to ₹ 9.31 crore⁵⁰.

⁴⁶ Raisen, Ratlam, Ujjain, Indore Division No. 1 and 2, Betul and Chhindwara.

⁴⁷

Slab Thickness (mm)	Diameter of dowel bar (mm)	Length (mm)	Spacing (mm)
250	32	450	300
280	36	450	300
300	38	500	300

⁴⁸

Name of Division	Agt. No.	Executed quantity of PQC in cum	Rate	Amount (₹ in crore)
Raisen	03/CRF/2017-18	21116.70	5555	11.73
Raisen	02/CRF/2017-18	43024.50	5600	24.09
Ashoknagar	04/CRF/2015-16	83468.18	4816	40.19
Total				76.01

⁴⁹ Construction of Shivpuri Loop-Shitla Mata-Chinor-Dabra road.

⁵⁰ M 40 Quantity 17,734.398 cum at the rate of ₹ 5,250 = ₹ 9,31,05,590.

In reply, the Government stated (October 2021) that as per provisions of the Indian Road Congress Specification-58 (2015), dowel bars are to be provided on such roads where the traffic was more than 450 Commercial Vehicles per Day. There has been some confusion about this provision as to whether 450 Commercial Vehicle per Day is to be taken as initial traffic or the projected traffic after 30 years. The reply is however silent on the specific observations regarding (a) provision of dowel bars at 32 m instead of 4.5 m and (b) execution of 12.96 km of road without laying dowel bars which resulted in execution of substandard works in these two cases.

B. Execution contrary to the specifications

According to Para 5.1 of Specification-37 issued by Indian Road Congress, performance of a pavement can be seriously affected if adequate drainage measures (*i.e.*, surface and sub-surface drains⁵¹) which are necessary to prevent the accumulation of moisture in the pavement structure are not considered.

In eight Central Road Fund works in Indore-1 and Ratlam Divisions, the drainage layer⁵² was provided in full length of road but surface drains were neither provisioned nor executed. In the absence of drains there will be water logging on the roads which will result into premature damage of the riding surface and the crust of the road. Thus, the purpose of providing drainage layer will also be defeated. This has resulted in execution of below specification work amounting to ₹ 146.76 crore as detailed in **Annexure 5.18**.

In reply, the Government stated (October 2021) that the provision of surface drainage is not related to the drainage layer in the pavement. The site drains as required to be provided for surface run off. The drains can be provided where inverted levels exist as this provides self-cleansing facility to them.

The reply is not acceptable because specifications do not restrict construction of surface drains for the inverted levels only and provision of surface drain was made in all works in other Divisions.

C. Sub-standard execution of Wet Mix Macadam

As per Clause 406.1 of the Specifications for Road and Bridge Works issued by the Ministry of Road Transport & Highways, Wet Mix Macadam should be laid in one or more layers, as necessary, to lines, grades and cross-sections. The thickness of a single compacted layer shall not be less than 75 mm and up to 200 mm with the approval of the Engineer-in-Charge.

In Ashoknagar⁵³ Division, Wet Mix Macadam was laid in a single layer of 250 mm over the entire bituminous portion of road length, except from Chainages 12,900 m to 17,520 m, instead of multiple layers. This resulted in sub-standard work of ₹ 1.38 crore⁵⁴ as the execution of Wet Mix Macadam was not

⁵¹ Surface Drainage is the removal of excess water from the surface of the land. This normally occurs, or is likely to occur from beneath the pavement because of capillary rise.

⁵² A drainage layer is a layer in the pavement structure that is specifically designed to allow horizontal drainage of water from the pavement structure. The layer is also considered to be a structural component of the pavement and will serve as part of the base or subbase.

⁵³ Construction of Ashoknagar, Nai Sarai to Mohana Road (Agt. 01/Central Road Fund/2017-18).

⁵⁴ Wet Mix Macadam Quantity of 13,014 Cu.M. at the rate of ₹ 1,066.

confirming to the specifications. The provision of one or more layers is included to enable proper compaction for strengthening of the roads. In the absence of proper compaction, possibility of premature failure of the crust cannot be ruled out.

Further, it was found that Wet Mix Macadam course on the road was covered by next bituminous overlay course after a lapse of seven days to 88 days as against the requirement of Indian Road Congress's and MoRTH's specification⁵⁵ of 24 hours. Thus, covering of Water Mix Macadam with such delay has not only resulted in substandard execution of a work of ₹ 1.38 crore but due to this, premature failure of the crust could also not be ruled out.

In reply, the Government stated (October 2021) that the layering was done two times, however measurement was done once based of the initial and final levels.

The reply is not acceptable because in the absence of proper measurements of individual layers, a proper compaction cannot be verified.

D. Extra expenditure due to execution of Crusher Run Macadam

According to Para 4.2.1.1 of Specification-37 issued by Indian Road Congress, sub-base material can comprise of natural sand, *murram*, gravel, laterite, *kankar*, brick metal, crushed stone, crushed slag, crushed concrete or combination thereof. Further, para 4.2.1.2 provides that where the granular sub-base material conforming to the above specifications is not available economically, other granular sub-bases like Water Bound Macadam or Wet Mixed Macadam conforming to Clause 401 of Specifications for Road & Bridges issued by MoRTH, which are economically or locally available, are recommended.

Audit noticed in nine works in five Divisions⁵⁶ that instead of granular subbase (Gr-I) as subbase material, costlier item of Crusher Run Macadam was provided in the estimates and executed. Non-availability of other locally available granular sub-base material (in order to justify the usage of Crusher Run Macadam) was not mentioned in the Detailed Project Reports. A comparison of the Granular Sub-base and Crusher Run Macadam revealed an extra expenditure of ₹ 3.83 crore as detailed in **Annexure 5.19**.

Further, contrary to Engineer-in-Chief's instructions (May 2015) to use the Crusher Run Macadam material in sub-base with maximum aggregate size 37.5 mm, in Indore-1⁵⁷ and Indore-2⁵⁸ Divisions, the work of Crusher Run Macadam was executed with maximum aggregate size of 53 mm, for which payment of ₹ 3.64 crore and ₹ 1.14 crore respectively was made.

⁵⁵ Provision of Para 4.8 and 5 of Indian Road Congress 109, Clauses 406.3.6 and 406.4 of MoRTH, after final compaction of Wet Mix Macadam course, the road should be allowed to dry for 24 hours, and no vehicular traffic shall be allowed on the finished Wet Mix Macadam surfaces. Immediately after which, the next bituminous base or surfacing is required before opening the traffic.

⁵⁶ Ashoknagar, Betul, Indore Division 1 and 2, Ratlam.

⁵⁷ Agt. No. 03/Central Road Fund/2015-16.

⁵⁸ Agt. No. 04/Central Road Fund/2017-18.

Similarly, in Hoshangabad Division, Crusher Run Macadam on a road⁵⁹ (length 4860 metre, width 5.9 metre and thickness 100 mm) was executed in April 2020 and the next layer of Dry Lean Concrete was executed after a lapse of six months, as against the requirement of Clause 407.4⁶⁰ of the Specifications for Road & Bridges issued by the Ministry of Road Transport & Highways. Since the road was not closed to traffic for the entire duration, the Crusher Run Macadam was exposed to traffic which increased the vulnerability of the road to damages.

In reply, the Government stated (October 2021) that the granular sub-base material which was being used in the Department earlier for construction of roads were not found suitable in most of the cases. Under the Indian circumstances a conscious decision was taken by the Department to use only crushed material for granular sub-base, i.e., Crusher Run Macadam.

The reply is not acceptable because in none of the above cases, the non-availability of suitable granular sub-base material was mentioned in the Detailed Project Report as already mentioned above.

5.2.4.4 Execution of excess quantity of Dry Lean Concrete

- Clause 601.6.4 of the Specifications for Road & Bridge Works issued by the Ministry of Road Transport & Highways provides that – “the Dry Lean Concrete shall be laid in such a way that it is at least 750 mm wider on each side than the proposed width including paved shoulders of the concrete pavement. The actual widening shall be decided based on the specifications of the paver, such that the crawler moves on the Dry Lean Concrete, and the cost of extra width shall be borne by the contractor”.

However, Audit observed that in 20 works, payments for ₹ 16.54 crore (Annexure 5.20), for extra width⁶¹ of the Dry Lean Concrete executed, were made to the contractors on the plea of providing workability to the paver machine. This was in contravention of the specifications as it is clearly provided that this extra width would be the responsibility of the contractor and expenditure on it would be borne by him.

Further, out of the 20 works, in one work in Ashoknagar Division⁶², the initial measurement of Dry Lean Concrete was recorded in the Measurement Book as 5500 mm width and accordingly payments were made. However, at the time of final payment, all Chainages were changed to 6500 mm width of Dry Lean Concrete. This resulted in avoidable payment of ₹ 1.81 crore⁶³ for the additional 1000 mm width.

⁵⁹ 2870.40 Cu.M. at the rate ₹ 920 per Cu.M. up to 26th Running Account Bill for Bankhedi-Umardha-Mathai-Sandia Road.

⁶⁰ No vehicular traffic shall be allowed on the finished Crusher Run Macadam surface. Construction equipment may be allowed with the approval of the Engineer.

⁶¹ Extra width means width upto 750 mm on either sides of the road over and above the pavement and paved shoulders.

⁶² Work of Wajidpur-Shadora – Nai Sarai-Miyana road.

⁶³ Total Quantity of Dry Lean Concrete for 6,500 mm width= 39,305.72 cum and excess width of Dry Lean Concrete of 1,000 mm =39,305.72 cum / 6500 × 1000 = 6,047.03 cum at the rate of ₹ 3,000 per cum = ₹ 1,81,41,090.

- According to Clauses 602.16.1 and 601.12 of the Specifications for Road & Bridge Works issued by the Ministry of Road Transport & Highways, the contract unit rate payable for Dry Lean Concrete sub-base and Pavement Quality Concrete shall be for carrying out required operations and incidentals, such as trial length, to complete the work as per specifications. Hence, the rate of trial length is inclusive in the item of Dry Lean Concrete and Pavement Quality Concrete.

Further, according to Clause 601.8.1, the trial length shall be constructed at least 14 days in advance of the proposed date of commencement of work for the Dry Lean Concrete and 30 days for the Pavement Quality Concrete. The Engineer shall also approve the location and length of trial construction which shall be a minimum of 100 m length to be laid in two days for full width of the pavement. The trial length shall be outside the main work. Besides this, Para 4.017 of Madhya Pradesh Works Department manual provides that the measurement book is the basis of all accounts of quantities of work done and it must contain such a complete record of facts as to be conclusive evidence in court of law.

Audit noticed during the scrutiny of Measurement Books of 28 road works that no trial length was executed for any of the works. This was not only contrary to the specifications issued by the Ministry of Road Transport & Highways but also extended undue benefit to the contractors amounting to ₹ 2.55 crore in 28 out of 40 works as detailed in **Annexure 5.21**.

In reply, the Government stated (October 2021) that the construction of Dry Lean Concrete was done as per instructions issued by Engineer-in-Chief, Madhya Pradesh Public Works Department and excess payment if any will be recovered. Further, it also stated that the measurement of trial length is not required to be entered in the Measurement Books. In the case of Ashoknagar the execution of Dry Lean Concrete was actually done for a width of 6500 mm and at the time final bill, the same width was taken into calculation as per actual work done and payment made accordingly. Hence there was no question of extra payment.

The reply is not acceptable because it was irregular to issue instructions against the provisions specified by the MoRTH. Further, the trial length serves as a parameter for the entire road. In the absence of measurements, the quality of the road under construction cannot be ensured. Further, the reply with respect to Ashoknagar is not acceptable because in the measurement book shown to audit, measurement for execution of dry lean concrete in 5500 mm width over the entire road was found recorded by the Sub-Engineer and certified by the Sub-Divisional Officer (and also accepted by the contractor). Hence the final bill, where the measurement was changed to 6500 mm by inserting additional sheets in the measurement book was irregular.

5.2.4.5 Delay in execution

Audit noticed that out of 40 Central Road Fund works in 11 Divisions, 21 works were in progress and 19 works were completed, out of which, six works were completed in time and 13 works were completed with delay of 193 to 500 days. Out of 21 ongoing works, 11 works are running on time and remaining 10 works are delayed between 422 to 822 days, as detailed in

Annexure 5.22. Thus, about 68 *per cent* of completed works involving contract price of ₹ 679.98 crore and 43 *per cent* ongoing works involving contract price of ₹ 446.04 crore were delayed. The main reasons for delays claimed by contractors included shifting of utility services agricultural activities, non-availability of road material, mining permission etc. In terms of the agreements, all such reasons were part of contractors' risk as they were deemed to be aware of the condition of sites including availability of water and road material etc.

Rule 6 (5) (xiii) read with rule 7 (4) of Central Road Fund Rules 2014 stipulates that the sanctioned work should be awarded within four months from the date of Administrative Approval, failing which, the work would be deemed to have been de-sanctioned.

Audit noticed that in nine out of 18 works in four Divisions⁶⁴, the works were not awarded within the specified period of four months from the date of Administrative Approval, as detailed in **Annexure 5.23**. Further, out of these nine works, two works have been completed in time and five works were ongoing whereas two works were completed with delays of 540 and 662 days.

In reply, the Government stated (October 2021) that the delay in road works occurs due to many unforeseen specific site conditions which are usually not in the control of departmental authorities.

The reply is not acceptable as the reasons for delay in individual cases should have been examined so as to complete the works in time and appropriate remedial measures initiated.

5.2.4.6 Mandatory Deductions

A. Interest not recovered on Mobilisation Advance

According to Ministry of Road Transport & Highways (April 2011), Clause 51.1 of Section 3 of Standard Bidding Document amended and appended with Agreement, the Employer shall make advance payment to the Contractor of the amount stated in the Contract Data against the provision by the Contractor with an unconditional Bank Guarantee in a form and by a bank acceptable to the Employer in amount and currencies equal to be at least 110 *per cent* of the advance payment. The Mobilisation Advance would be deemed as interest bearing advance at an interest rate of 10 *per cent* to be compounded quarterly.

In Ashoknagar Division, mobilisation advance of ₹ 6.96 crore was paid (September and November 2017) to the contractor. However, interest amounting to ₹ 1.23 crore on the mobilisation advance at the rate of 10 *per cent* compounded quarterly was not recovered from the contractor. This resulted in undue financial aid and excess payment of ₹ 1.23 crore to the contractor as detailed in **Annexure 5.24**.

In reply, the Government stated (October 2021) that the recovery of interest on mobilisation will be made from the contractor.

⁶⁴ Chhindwara, Indore 1 and 2 and Ratlam.

B. Short deduction of royalty from contractors

As per Schedule of Rates applicable in Public Works Department and provisions of the agreements, the rate of an item to be executed in a work is inclusive of royalty charges. Further, as per Rule 68 (1) of Madhya Pradesh Minor Mineral Rules 1996 and orders of Government of Madhya Pradesh, Public Works Department (February 2003), the final bill of contractors shall be paid for the work only upon production of No Dues Certificate of royalty issued by Mining Department, failing which, the royalty will be deducted from the bills and deposited in the Mining Head.

Audit noticed in 10 agreements in six Divisions⁶⁵, that royalty of minor minerals used in the works was short deducted by ₹ 3.30 crore, as detailed in **Annexure 5.25**.

Further, from the deducted amount of royalty of ₹ 9.80 crore, ₹ 7.87 crore was kept in Civil Deposit head instead of depositing it in the revenue head concerned.

In reply, the Government stated (October 2021) that as a practice to safe guard the Government's interest, amount against royalty charges is being kept in the deposit in respected Divisions till the No Dues Certificate from Mining Department is obtained. The Department is of the view that royalty shall be calculated on compacted quantities.

The reply is not acceptable because No Dues Certificates were not submitted by the contractors. The Department should ensure the deposit of royalty charges in the Government accounts against the minerals consumed in the work before final payment to the contractor. Further, royalty should be calculated on the quantity of minerals brought to the site before their consumption in work.

C. Irregularity in granting Secured Advance

According to Clause 51.4 of the Agreement, secured advance should be paid on imperishable material brought to the site by the contractor for its use in the respective work. The advance shall be paid at the rate of 75 *per cent* of the amount mentioned in the invoice.

Audit noticed that in 12 works in four Divisions⁶⁶, secured advance of ₹ 37.01 crore was paid to the contractor for purchase of perishable items like cement, sand, metal, etc. which were brought to the site by the contractor as detailed in **Annexure 5.26**.

In reply, the Government stated (October 2021) that as per the agreement there is a provision of secured advance on imperishable material brought to the construction sites. Accordingly, the Divisions have paid the secured advance.

The reply is not acceptable because in the cases pointed out secured advance had been paid for perishable materials.

⁶⁵ Betul, Chhindwara, Indore-1, Raisen, Satna and Ujjain

⁶⁶ Askoknagar, Hoshangabad, Ratlam and Ujjain

5.2.5 Quality Assurance and Monitoring Mechanism

Quality control is an important requirement for road constructions for ensuring quality and for creating durable national assets. The effectiveness of quality assurance was analysed with reference to applicable norms. Instances of weak quality control and monitoring mechanism are discussed from para 5.2.5.1 to 5.2.5.6.

5.2.5.1 Failure to conduct required number of tests from NABL

Government of Madhya Pradesh, Public Works Department (September 2013 and January 2016) prescribed that at least 20 *per cent* of the prescribed tests for the works where money value is more than 50 lakh should be tested by National Accreditation Board for Testing and Calibration Laboratories or departmental laboratories at zonal level and the expenditure incurred on such testing should be recovered from the contractors.

Audit noticed that in nine works of four Divisions,⁶⁷ tests as per required frequency of utilised materials (steel and cement) were not conducted by the contractors from the National Accreditation Board for Testing and Calibration Laboratories as detailed in **Annexure 5.27**. In the absence of the mandatory quality checks, the execution of sub-standard works could not be ruled out.

In reply, the Government stated (October 2021) that the required tests were done from National Accreditation Board for Testing and Calibration Laboratories approved labs as per the frequency. Report can be verified from divisional records.

The reply is not acceptable because the test reports from National Accreditation Board for Testing and Calibration Laboratories/departmental laboratories were neither shown to Audit nor were these recorded in the Measurement Books.

5.2.5.2 Non-conducting of plasticity test of Crusher Run Macadam

According to Clause 903.2.1 of the Specifications for Road & Bridge Works issued by the Ministry of Road Transport & Highways, the material utilised in the work of Crusher Run Macadam as a drainage layer should exhibit no plasticity in order to achieve excellent permeability.

Audit noticed in 13 works of six Divisions⁶⁸, that payment of ₹ 37.31 crore was made for the Crusher Run Macadam item without conducting plasticity index test while in 27 out of 40 works plasticity tests of Crusher Run Macadam has been carried out. In the absence of plasticity test of Crusher Run Macadam material, the quality of the material used in work could not be verified and premature failure of the overlay course of the Dry Lean Concrete and Pavement Quality Concrete cannot be ruled out as detailed in **Annexure 5.28**.

In reply, the Government stated (October 2021) that plasticity testing is a basic measure of the nature of fine particles of a soil <0.425 mm. The same was done at site. The Engineer-in-Charge can do this testing without any lab, so it is done at the site and work is accordingly executed.

⁶⁷ Betul, Indore I, Ratlam and Satna.

⁶⁸ Betul, Indore I and II, Raisen, Ratlam and Satna.

The reply is not acceptable because the results of plasticity tests conducted at the site were not found recorded in Measurement Books in accordance with the provisions of Para 4.017 of the Works Department Manual.

5.2.5.3 Laying of Hume Pipe without test results and invoice

As per Note 7 of Chapter 13 of the Schedule of Rates issued by Madhya Pradesh Public Works Department, Sub-Structure, Hume Pipes shall be ISI marked or certified by the Directorate General of Supplies and Disposal. The certificate should invariably be produced to the satisfaction of Engineer-in-Charge before getting the pipes fixed at site.

Audit noticed in 13 works in five Public Works Department Divisions⁶⁹, that the contractor had executed the work of Hume Pipe NP4/pre-stressed concrete pipe amounting to ₹ 8.30 crore. Neither were the original invoice for purchasing the Hume Pipes produced by the contractors to the Department, nor were the test reports of the Hume Pipes before their use in works produced to Audit as detailed in **Annexure 5.29**.

In reply, the Government stated (October 2021) that the test report and invoices of Hume Pipes are available in divisional records, the same can be examined by audit.

The reply is not acceptable because test reports and invoices were neither shown to Audit nor were the details found recorded in MBs as per Para 4.017 of Works Department manual.

5.2.5.4 Rejection of excavated soil without conducting tests

Clause 301.3.11 of the Specifications for Road & Bridge Works issued by the Ministry of Road Transport & Highways mandates that the excavated material should be used for embankment and only in case of non-suitability of excavated material, borrowed material should be utilised. Further, it can only be determined from the tests regarding suitability of excavated material.

Audit noticed in eight works in four Divisions⁷⁰, that 10,14,558 Cu. M. soil was excavated, out of which 5,97,043 Cu. M. was utilised in embankment. Further, for the remaining quantity, separate items for soil from borrow area for constructions of embankment were also provided in the estimates. No results of tests were provided to suggest that the soil was not utilisable. Thus, non-utilisation of excavated soil of 4,17,515 Cu. M. for embankment without conducting California Bearing Ratio test of the soil, resulted in extra avoidable expenditure of ₹ 4.01 crore as detailed in **Annexure 5.30**.

In reply, the Government stated (October 2021) that MoRTH specification provides that the material obtained from roadway cutting excavation of drain and structure can be used/utilised for construction of embankment. Alignment of road of Ujjain and Ratlam passes through black cotton soil and this road was constructed approximately twenty years back with soil having CBR greater than 5. However, the road was subsequently proposed to be constructed as rigid pavement and minimum CBR of eight *per cent* is required. Furthermore, as per crust composition 470 mm crust was also

⁶⁹ Betul, Indore Division I, Raisen, Ratlam and Satna.

⁷⁰ Indore Division I and II, Ratlam and Ujjain.

required to be provided apart from 500 mm subgrade. If all the material obtained from roadway cutting would have been used in embankment construction, it would have resulted in high embankment therefore unsuitable material obtained from roadway cutting was not used.

The Government further stated that in respect of roads of Indore I and II Divisions, excavated material was evidently black cotton soil so it was not used.

The reply is not acceptable because the suitability of soil could have been determined only through tests.

5.2.5.5 Joint Physical Inspection of road



View of Agra-Mumbai National Highway-3 to Kalma-Bhatuni-Kaitha Approach Road

To ensure the quality of works, joint physical inspections were conducted with Executive Engineers, Ujjain and Betul. It was noticed in Ujjain Division (for the work Agra-Mumbai National Highway-3 to Kalma-Bhatuni-Kaitha Approach Road), that joint cutting work with sealing of joints of concrete pavement and finishing of the road work as per Indian Road Congress-

Special Publication-57⁷¹ was not proper and shrinkage cracks were found in some places of upper surface in constructed Pavement Quality Concrete.

In reply, the Government stated (October 2021) that during the course of construction on a few spots, finishing and shrinkage cracks had occurred; the same have been rectified and finished properly as per specifications.

5.2.5.6 Shortfall in monitoring

As per Central Road Fund Rule 9 (2) of 2014, Government of India shall depute an officer or agency as an independent quality monitor to inspect the works every quarter during the execution and to exercise such checks as may be necessary to ensure observance of the time schedule and proper implementation. Further, as per Government of Madhya Pradesh, Public Works Department order (April 2011), it was prescribed that for works amounting to more than ₹ three crore, Superintending Engineer and Chief Engineer shall carry out inspections twice and once in each month respectively.

Based on the information collected from 11 Divisions, it was found that there was a shortfall of inspection of 2772 by Superintending Engineer, 1403 by Chief Engineer and of 123 by Regional Officer during the period 2017 – 2020.

⁷¹ Guidelines on quality systems for Roads.

Inspections were not carried out as per provisions *ibid* as mentioned in **Annexure 5.31**.

In reply, the Government stated (October 2021) that the inspections by Superintending Engineer, Chief Engineer, Chief Technical Officer and Engineer-in-Chief had been done but in many cases inspection notes were not issued by the inspecting officers. Normally the inspection notes are issued when certain observations for rectification or improvement in works are made for the purpose of correction. It is therefore not correct to conclude that the number of inspections were same as the number of inspection notes issued.

The reply is not acceptable because Para 1.090 of Madhya Pradesh Works Department Manual provides that Superintending Engineer/Chief Engineer/Engineer-in-Chief, shall issue inspection notes immediately on completion of the tour. The monitoring mechanism of the Department is thus not adequate.

5.2.6 Conclusion

There were several deficiencies in planning and preparation of estimates, contract management and quality assurance and monitoring. The plan to provide all weather connectivity was adversely affected due to improper planning, unrealistic estimation and awarding works without adhering to the basic requirement of land acquisition or shifting of utilities.

- In many instances it was noticed that the sanctions were not obtained for deviations. Instances of non-recovery of interest on mobilisation advance were also noticed. Excess payments were made on account of inadmissible price adjustments.
- Inordinate delays were noticed in several works. Only six out of 40 works were completed on time and 13 works were completed with delay of 193 to 500 days while 10 out of 21 ongoing works are delayed between 422 to 822 days.

CHAPTER - VI
MADHYA PRADESH
HOUSING AND
INFRASTRUCTURE
DEVELOPMENT
BOARD

CHAPTER VI

MADHYA PRADESH HOUSING AND INFRASTRUCTURE DEVELOPMENT BOARD

6.1 Introduction

The Madhya Pradesh Housing and Infrastructure Development Board (Board) was established in 1960 with the objective of resolving the residential problems of the State and to provide housing facilities for the houseless people. For this purpose, the Board is engaged in construction of housing projects and developing residential plots for the masses. In addition, the construction works of the Central Government, Government of Madhya Pradesh, quasi-Government Institutions, Corporations, Banks, Co-operatives, *etc.* are also carried out by the Board as deposit works.

Since its inception the Board has constructed¹ 1,84,962 houses and developed 1,62,681 plots for different income groups. The Board has also undertaken Projects/Schemes under the re-densification policy initiated by the Government of Madhya Pradesh for adequate land use by the State Government.

6.2 Objectives of Board

The main objectives of the Board are:

- development of housing facilities,
- completion of schemes as per prescribed quality parameters and within time period,
- improvement in infrastructural amenities and houses, colonies and commercial complexes, and
- undertaking of construction projects as Deposit works for various Departments/Institutions.

6.3 Organisational set-up

The Board is managed by a Board of Directors, which is headed by a Chairman appointed by the State Government and includes officials from concerned Departments of State/Central Governments, two Members of Legislative Assembly and two members from Non-Government Organisations. The Commissioner is the Chief Executive Officer at the State level who is assisted by two Additional Commissioners (Chief Engineers), 12 Deputy Commissioners, 30 Executive Engineers and one each of Chief Administrative Officer, Chief Legal Officer, Chief Estate Officer, Chief Audit Officer, Chief Architect and Land Acquisition Officer. The eight Regional offices at Bhopal, Gwalior, Indore, Jabalpur, Rewa, Sagar and Ujjain are headed by Dy. Commissioners. At Division level, there are Executive Engineers and Estate Officers. There are 33 Divisional Offices in the State to execute the works.

¹ Till 31 December 2020.

6.4 Projects undertaken in recent times

The summary of projects taken up by the Board during 2015-2020 are as shown in **Table 6.1**.

Table 6.1: Details of work sanctioned in last five years

(₹ in crore)

Scheme	Year	2015-16	2016-17	2017-18	2018-19	2019-20	Total
Atal Aashray Yojna	No of Projects	7	10	1	1	2	21
	Total no of houses	2,612	2,584	133	42	162	5,533
	Amount	177.22	142.07	9.44	3.37	13.99	346.09
Self-Finance Scheme	No of Projects	10	6	4	1	1	22
	Total no of houses	1,178	605	420	67	73	2,343
	Amount	198.86	103.03	41.63	6.22	9.35	358.8
Deposit works	No of Projects	11	3	4	15	6	39
	Amount	202.09	20.32	34.85	452.03	84.84	794.13
Total	No of Projects	28	19	9	17	9	82
	Total no of houses	3,790	3,189	553	109	235	7,876
	Amount	577.88	265.42	85.92	461.62	108.18	1,499.02

6.5 Audit Approach

The Audit of the Board was conducted from August to December 2020 covering the period 2015-16 to 2019-20 to ascertain whether;

- Planning and estimation for construction of buildings was done adequately,
- The execution of projects was effective and efficient, and
- Necessary quality control mechanisms were in place and compliance to the same was adequate.

Audit findings were benchmarked against the criteria derived from:

- Madhya Pradesh Grih Nirman Mandal Adhiniyam 1972;
- Madhya Pradesh Works Department Manual;
- Schedule of Rates for Building and Roads,
- Directions/Orders/Circulars issued by the Board of Directors from time to time;
- Terms and Conditions laid down in the contract documents; and
- Guidelines regarding registration/allotment of residential properties by Board.

There are nine Circles (eight Civil + one Electrical) having 29 Civil and four Electrical Divisional Offices in the State. Out of these, five Circles (four² Civil

² Circle-1 and 2 Bhopal, Circle-Gwalior, Circle-Jabalpur.

and one³ Electrical) and 12 Divisions (nine⁴ Civil and three⁵ Electrical Divisions) were selected using random sampling method. The Commissioner's Office was also covered under the scope of audit.

An Entry Conference was held (November 2020) with the Commissioner to discuss the Audit Objectives, Scope, Criteria and Methodology of Compliance Audit. An Exit Conference was held on 5 October 2021 with the Commissioner to discuss the audit findings. The responses of the Board have been incorporated appropriately in the report.

6.6 Audit on “Construction of buildings by Madhya Pradesh Housing and Infrastructure Development Board”

Audit Findings

The Audit findings grouped under Planning and Estimation, Execution of Projects, Quality Control Mechanism and Monitoring of the Projects are discussed in succeeding paragraphs.

6.6.1 Planning and Estimation

Planning plays a vital role in the effective implementation of the schemes. Deficiencies observed in planning and estimation of construction of buildings are discussed below:

6.6.1.1 Delay in submission of Annual Housing Plan

Under Section 35 of Madhya Pradesh Grih Nirman Mandal Act 1972, the Board is mandated to prepare and submit the Annual Housing Programme to the Government before the first day of December in each year. For this, the Board was required to assess the appropriate number of projects that could be implemented in part/whole during the ensuing financial year.

During the period covered under Audit (2015-2020), the annual housing programmes were prepared and submitted with delays ranging from one to six months, as detailed in **Table 6.2**.

Table 6.2: Details of delay in preparation of Annual Housing Programme

Year	Date of forwarding/submission to the State Government	Delay in submission by Board (in months)	Date of Approval by Government
2015-16	14/01/2015	1 month 14 days	16/01/2015
2016-17	22/01/2016	1 month 22 days	25/01/2016
2017-18	06/02/2017	2 months 06 days	13/02/2017
2018-19	08/05/2018	5 months 08 days	17/05/2018
2019-20	03/06/2019	6 months 03 days	06/06/2019

(Source: Information furnished by Board)

³ Electric Circle-Bhopal.

⁴ Division no. 1, 2, 3, 4 and 6 of Bhopal, Division no. 1 and 2 Jabalpur, Division no. 1 Gwalior and Morena.

⁵ Bhopal, Gwalior and Jabalpur.

Delay in submission of the Annual Housing Programme by the Board resulted in reduction of actual available time for implementation of the Annual Housing Programme.

In reply, the Board stated (September 2021) that due to delay in Board meetings in year 2018 and 2019, there was delay in approval of annual plans.

6.6.1.2 Improper estimation

According to Paragraph 2.028 of Madhya Pradesh Works Department Manual, an officer according the Technical Sanction to an estimate is responsible for assessing the soundness of design and for incorporating all the items required for inclusion in the estimate with reference to the drawing. The correctness of Detailed Estimates is to be measured by the extent of nominal variation between estimated and actually executed quantities. Any substantial variation between these quantities indicates that estimation was not made accurately.

Out of 41 works of 12⁶ Divisions, in 12 works of six Divisions, Audit observed that there were variations ranging between 2.31 and 24.63 *per cent* from the estimated cost as detailed in **Annexure 6.1**. The variation of individual items ranged between 16 and 4,512 *per cent*. This indicates that proper survey and investigation was not done before estimation.

In reply, the Board stated (September 2021) that variations from estimates were due to changes in actual site conditions. There is a provision of addition and alteration of specification and design in estimates, in Public Works Department Manual and the same was provided in the tender document accordingly.

Proper estimation is part of good planning. The above instances show that estimates were prepared in an *ad-hoc* manner due to which costs of the projects increased and consequently properties remained unsold.

6.6.1.3 Acquisition of disputed land

The Board should plan acquisition of land keeping in mind all the legal aspects and convenience to acquire the same. Before purchasing/acquiring land, the Board should undertake proper survey and investigation of the proposed site(s) and only such land(s) should be purchased/acquired which is readily available and is free from all encumbrances (including encroachment and litigation).

Audit observed five such cases where the Board had acquired disputed land incurring an expenditure of ₹ 4.94 crore, but could not take possession due to encroachment/legal issues, as detailed in **Table 6.3** below:

⁶ Civil Division no.1,2,3,4 and 6 Bhopal, Division no.1 and 2 Jabalpur, Division no.1 Gwalior and Morena, Electric Division Bhopal, Electric Division Jabalpur and Electric Division Gwalior.

Table 6.3: Details of disputed land

Sl. No.	Unit	Area of land	Date of lease	Cost of land (₹ in crore)	Reason for not getting possession
1	Rewa	2.214 ha (Out of 18.101 ha)	30.08.2002	0.80	Encroachment, the case is in the High Court
2	Singrauli	11.99 acre	12.12.2012	3.02	Due to expansion of coal mines by Northern Coalfields Limited
3	Singrauli	10.86 acre	30.07.2012	0.80	Collector cancelled the allotment.
4	Ujjain	21.61 acre	24.05.1997	0.32	Case has been filed by the landowner
5	Division no. 1, Bhopal	10 acre	23.03.2015	1.0	Scheme could not be started due to encroachment on land
Total				4.94	

The Board, in its reply stated (September 2021) that it could not take possession of the land in the above-mentioned cases either due to encroachment or the land being *sub judice*. Further, during the Exit Conference, the Commissioner stated that at present the Board has its own Land Bank which they generally use for development of projects and therefore these issues will not arise in future. On the issue of Singrauli scheme, where some development work was done by the Board, but work had to be stopped due to cancellation of allotment by the Government, the Commissioner stated that the expenditure done on the development would be recovered and correspondence in this regard will be done with the District Collector for the same. In the case of the plot in Division no. 1, Bhopal, the Commissioner stated that in case there is encroachment, responsibility will be fixed. The reply was, however, silent on the plots purchased in other two divisions as pointed out by Audit where there the Board failed to exercise due diligence before purchasing the plots, resulting in acquisition of disputed land(s).

6.6.1.4 Construction of housing projects without assessing demand

The success of any housing project is based on the demand for housing. The Govt. of Madhya Pradesh vide circular dated November 1996 had issued instructions regarding execution/implementation of any scheme only after 50 per cent registration.

It was noticed that the Board did not carry out any demand surveys before launching of the projects. As such, the Board launched and completed schemes without analysis and understanding the market requirements. Non conducting

of the demand surveys before launching of the housing schemes resulted in unsold properties valuing ₹ 167.43 crore, as shown in **Table 6.4** below:

Table 6.4: Details of Unsold Properties in selected Divisions

(₹ in crore)

Sl. No.	Unit	No. of properties Constructed	No. of properties sold	No. of properties unsold	Total cost of unsold properties	Per cent of unsold properties
1	Bhopal-1	52	35	17	5.11	33
2	Bhopal-2	1,355	573	782	96.73	58
3	Bhopal-3	208	159	49	19.11	24
4	Bhopal-4	0	0	0	0	0
5	Bhopal-6	89	34	55	7.15	62
6	Jabalpur-1	0	0	0	0	0
7	Jabalpur-2	318	225	93	13.12	29
8	Gwalior-1	270	218	52	14.04	19
9	Morena	250	84	166	12.17	66
Total		2,542	1,328	1,214	167.43	48

From the above table it could be seen that out of 2,542 properties constructed by the Board during last 5 years, 1,328 properties (52 *per cent* of total constructed properties) could be sold while 1,214 properties valued at ₹ 167.43 crore are lying unsold. Percentage of unsold properties across divisions ranged between 19 and 66 *per cent*. Construction of the properties without proper planning and demand assessment resulted in blockage of Government money. Further, during joint inspection of 118 properties (out of 976 unsold properties) in four⁷ divisions, audit observed that at least five unsold properties under Division 2, Jabalpur were in a dilapidated condition. Thus, Audit is of the view that the unsold properties may enter a state of neglect and dilapidation, causing depreciation in their value in future. This could have been avoided had the Board complied with the Government instructions of November 1996 and ensured that projects/schemes are implemented only after 50 *per cent* registration.

The Board in its reply (December 2020) stated that in compliance with the Board's circular dated 31.05.2019, a project is taken up only after its approval by the Project Appraisal Committee. The reply is silent on Board's failure to adhere to the instructions laid down in the circular dated November 1996. Further, the Board did not detail any plans to ensure disposal of unsold properties.

⁷ Bhopal-Division 2 and Division 3, Gwalior-Division 1 and Jabalpur-Division 2

6.6.2 Execution of projects

6.6.2.1 Excess payment to contractors

Audit test checked 58 works/projects carried out by nine Civil Divisions and observed cases of excess payments/undue benefit to the contractors as detailed in the following paragraphs.

(a) Undue benefit to the contractor due to irregular payment at higher rate

The Schedule of Rates of Public Works Department for Road works (w.e.f. 03 November 2014) specifies the following rates for excavation of hard rock:

Table 6.5: Showing rates of excavation

Item No.	Particular	Unit	Rate (in ₹)
3.6	Excavation in hard rock (Blasting prohibited)	Cu. M.	405
3.7	Excavation in hard rock (controlled blasting) with disposal up to 1,000 meters	Cu. M.	202

In the rate analysis book (data book) for deriving the rates of excavation for Roadway in hard rock (blasting prohibited) with rock breakers (item No. 3.6 of above table), the excavator's working capacity is calculated at 6 Cu. M. in one hour.

We observed that in Agreement No. 6/15-16 (Division no. 4, Bhopal) up to 3rd running bill, contractor had excavated 46,017 Cubic Meter (Cu. M.) of hard rock with manual means (blasting prohibited) up to May 2016. Subsequently, the Executive Engineer had written a letter to the District Magistrate (28 June 2016) seeking permission for controlled blasting. No further correspondence was available in the records, but in the technical note of final bill, it was clearly mentioned that the hard rock and other materials were obtained after excavation with machines and blasting. Thus, despite the contractor having excavated a portion of the hard rock through blasting, the Division made payment for the entire quantity excavated at higher rate by treating it as manual excavation.

This resulted in excess payment of ₹ 6.66 crore⁸ and undue benefit to the contractor to that extent.

The Commissioner accepted the facts stated by Audit during the Exit Conference (October 2021) and instructed the Board to make due adjustments.

8

Total excavated hard rock (Cu. M.)	Hard rock excavated before permission of blasting (Cu. M.)	Hard rock excavated with controlled blasting	Rate difference between item 3.6 & 3.7(D)	Excess payment(C × D)	Tender per cent	Excess payment (in ₹)
(A)	(B)	C=A-B	D	C×D		
4,20,800.23	46,017	3,74,783.23	203(405-202)	7,60,80,996	-12.44	6,66,16,520

(b) Excess payment due to adoption of higher rate

The Schedule of Rates of Public Works Department for Road works (w.e.f. 29 August 2017) provides the following two items for construction of embankment.

Table 6.6: Showing rates of embankment construction

Item No.	Particular	Rate (in ₹)
3.10	Construction of embankment with material obtained from borrow pits with all lifts and lead, transport to site etc.	144
3.11	Construction of embankment with material deposited from road way cutting and excavation from drain and foundation of other structures.	65

If the embankment is constructed using excavated material available at site, then payment was to be made at the rate of ₹ 65 per Cu. M. Payment at the rate of ₹ 144 per Cu. M. was payable only when material is brought from places other than the site of work.

We observed that in Agreement No. 41/18-19 (Division no. 1, Jabalpur), 1,15,279 Cu. M. of Hard Rock was excavated by the contractor which was not issued to the contractor. The same quantity of Hard Rock was utilised for construction of embankment and the payment for embankment work should have been regulated at the rate of ₹ 65 per Cu. M. (for utilisation of excavated materials available at site). But the Division made payment for the item at the rate of ₹ 127.60 per Cu. M.⁹ instead of ₹ 65 per Cu. M. This has resulted in excess payment of ₹ 0.66 crore¹⁰ to the contractor. No reasons for making excess payment were available in the records. The Department in its reply (October 2021) stated that the excavated material was stacked within 1,000 meters and stacks of excavated material to be used in embankment were to be disintegrated into sizes not more than 75 mm. Hence, the item no. 3.11 @ ₹ 65 per Cu. M. was not applicable here as this item does not cover the disintegration of rocks to the required size. The item no. 3.11 only corresponds to spreading the excavated materials, whereas Schedule of Rates item no. 3.10 @ ₹ 144 per Cu. M. includes disintegration of excavated rocks to the required sizes in construction of embankment. Hence, payment to the contractor was made at correct rate and there was no excess payment.

The reply is not acceptable as excavated Hard Rock was neither issued to the contractor nor taken in the Material at Site Account which shows that the excavated Hard Rock was utilised in construction of embankment. Also, the reply appears to be an afterthought as there is no such provision in the Schedule of Rates as mentioned in the reply.

⁹ Rate of ₹ 127.60 Cu. M. was paid instead of ₹ 144 per Cu. M. due to quality related issue.

¹⁰

Quantity (in Cu. M.)(A)	Rate paid (in ₹)(B)	Rate payable (in ₹)(C)	Amount (in ₹) {Ax(B-C)}	Excess payment (in ₹)
1,32,198	127.60	65	82,75,559	66,20,475

(c) Excess payment due to application of incorrect rate

The Schedule of Rates of Public Works Department for Road Works (August 2014) provides the following two items for construction of embankment:

Table 6.7: Showing rates of embankment construction

Item No.	Particular	Rate (in ₹)
3.14	Construction of embankment with material deposited from roadway cutting Construction of embankment with approved material having CBR>5 deposited at site from road way cutting and excavation from drain and foundation of other structures graded and compacted to meet requirement of Table 300-1,300-2 and as per relevant clause of section 300	80
3.19	Construction of rock fill embankment Construction of rock fill embankment with broken hard rock fragment of size not exceeding 500 mm thick including filling of surface voids with stone spalls, blinding top layer with granular material, rolled with vibratory roller, all complete as per clause 313	48

Agreement No. 6/2015-16 of Division no. 4, Bhopal provided for construction of embankment with material deposited from road way cutting (item No. 3.14 of the above table). We observed that the contractor constructed the rock fill embankment using 4,20,374.39 Cu. M. of excavated hard rock. Since the contractor executed the rock fill embankment, he should have been paid at the rate of ₹ 48 per Cu. M. (as provided vide item No. 3.19 of the above table). It was however observed that the Division made payment at the rate of ₹ 80 per Cu. M instead of ₹ 48 per Cu. M. This resulted in excess payment of ₹ 1.18 crore to the contractor¹¹.

On this being pointed out, the Department stated (January 2022) that the excavated rock received were of larger size and were more than 500 mm size. While utilising the rock in preparation of embankment, the rocks were to be broken in the size of less than 500 mm. The larger boulders were broken to the size of less than 500 mm then were used for filling and preparation of embankment. The item 3.19 does not speak for the fragmentation work, whereas the item no. 3.14 clearly speaks for the graded and compacted material.

Reply is not acceptable as rate analysis for rock fill embankment provides additional charges for breaking of rock available at site. But the Division did not consider this aspect and paid higher charges.

¹¹

Embankment Qty.	Rate paid (in ₹)	Rate payable (in ₹)	Rate actually payable (in ₹)	Excess payment (in ₹)
9,765+4,10,609.39 =4,20,374.39	80	48	28.019	1,17,78,554

6.6.2.2 Excess payment due to non-application of applicable rate

As per the Work Agreements and tender acceptance documents, all the amendments issued in Schedule of Rates, up to the date of Notice Inviting Tender were applicable on the works.

We observed that in four works involving three divisions (out of 58 works in nine Divisions), the amendments issued up to the date of issue of NIT were not adopted, and payment at pre-revised rates were made to the contractors, which resulted in excess payment of ₹ 0.75 crore as shown in **Table 6.8**.

Table 6.8: Details of excess payment due to non-application of amended rate

Sl. No.	Agreement No./Unit	Date of NIT	Date of Amend ment	Item No. of Schedule of Rates	Executed Qty. (in cum) (A)	Rate paid (in ₹) (B)	Rate payable (in ₹) (C)	Amount {A×(B-C)}	Excess payment (in ₹)
1	7/16-17 Division no.3, Bhopal	08/07/16	02/12/15	2.28	27,083.38	471	300	46,31,258	41,63,964
2	38/17-18 Division no.2, Jabalpur	25/04/17	02/12/15	2.28	19,553.77	471	300	33,43,695	25,78,657
3	1/16-17 Division no.2, Bhopal	15/01/16	02/12/15	2.28	4,606.09	471	300	7,87,641	6,28,538
4	1/17-18 Division no.3, Bhopal	28/12/16	11/08/16	11.29.02.1	87.04	3,598	2,172	1,24,119	1,03,490
				11.22.2	88.34	3,322	2,356	85,336	71,153
Total									75,45,802

The Board accepted the facts in case of works related to Division no. 3, Bhopal and stated (September 2021) that the due adjustments will be done from the final bills of the contractors. While, in case of Division no. 2, Jabalpur and Division no. 2, Bhopal the Board stated that the work had been executed as per the rates given in SOR.

The reply is not acceptable as all the amendments up the date of issue of NIT are applicable on the works. The Board also did not provide any reason for accepting audit observation in case of one Division while refuting exactly similar observations in case of the other two Divisions (Division no. 2, Bhopal and Division no. 2, Jabalpur).

6.6.2.3 Excess payment due to non-regulating the rates for non-use of specific plant/machinery in the work

Various items of the Schedule of Rates of Public Works Department for Road & Bridge works include rates of various plants and machineries to be used in the work. The Schedule of Rates stipulates that if specified plants and machineries are not used by the contractor, deductions would be made from contractor's bills as per the rates given in Schedule of Rates.

We observed that in eight works of four Divisions (out of 58 works of nine Civil Divisions), as detailed in **Annexure 6.2**, either the contractors had not used the specific plant and machinery in the work or less capacity plant/machinery had been utilised in the work, but no recovery in terms of provision of Schedule of Rates/contract has been made. This has resulted in excess payment of ₹ 0.76 crore to the contractors.

In the Exit Conference (October 2021), the Commissioner stated that generally small contractors participate in small works, and they do not have enough machinery to execute the works. Hence, they generally hire such machinery.

The reply is not acceptable as the Board should have maintained records to establish that the machinery had been hired/utilised by the contractors.

6.6.2.4 Payment beyond the scope of agreement

According to clause-32 of the contract, quantities shown in the tender are approximate and no claim shall be entertained for quantities of work executed being either more or less than those entered in the tender or estimate.

We observed that in five works of two Divisions (out of 58 works of nine Civil Divisions), the quantity of some items consumed/utilised had increased from 17.76 per cent to 4492.67 per cent against the estimated quantity and same was paid to the contractors, even though it was not payable to contractors in terms of above Clause. This shows that the estimates were prepared on very casual basis, without conducting proper survey and investigations. This resulted in execution of work beyond the scope of agreement, with resultant excess payment of ₹ 20.89 crore as detailed in **Annexure 6.3**.

In the Exit Conference (October 2021), the Commissioner accepting the facts, stated that such clause is not practical and should not be there in the Agreement and assured that necessary corrections will be made in future Agreements. The reply is silent on recovery to be effected from the contractors on account of excess payment.

6.6.2.5 Unauthorised expenditure on account of payment for execution of non-approved works

According to clause 20.1 of Contract, all such items which are not included in priced Bill of Quantity (BoQ) shall be treated as extra items.

We observed that in four works of three Divisions (out of 58 works of nine Civil Divisions), some of the non-agreement items were executed without approval of the competent authorities. This has resulted in irregular execution of work amounting to ₹ 12.96 crore as detailed in **Annexure 6.4**.

In the Exit Conference (October 2021), the Commissioner assured us that the Board will check and provide the related sanction documents for the extra items. Further development in this matter is awaited (January 2022).

6.6.2.6 Non/short recovery of royalty charges

According to Agreement, Royalty payable on used minor and major minerals on the works shall be borne by the contractor. If it is found that the contractor had not paid the Royalty to the State Government, the amount of Royalty will be deducted from the running or the final bills of the contractor or any sum due

to the contractor, for remittance to Government. Final bill for the work will be settled only after production of Royalty Clearance Certificate by the Contractor from the Collector of District concerned. Issues pertaining to collection of royalty charges are enumerated in the succeeding paragraphs.

(a) Non/short deduction of royalty

We observed that in 13 works of seven Divisions (out of 58 works of nine Civil Divisions) as detailed in **Annexure 6.5**, royalty charges on the minor and major minerals used in the works were not deducted from the contractors' bills and in two works of one Division as detailed in **Annexure 6.6**, there was short deduction on account of royalty charges. This has resulted in undue financial benefit of ₹ 2.87 crore to the contractors.

In the Exit Conference (October 2021), the Commissioner stated that short deduction of royalty will not happen in future. Instructions will be issued by the Board and royalty will be deducted timely.

The reply was silent on the steps to be taken for recovery of the royalty charges from the contractors concerned.

(b) Payment of final bills without obtaining Royalty Clearance Certificate

In 10 works of four Divisions as detailed in **Annexure 6.7**, contractors' final bills were cleared without receipt of the Royalty Clearance Certificates, which is contrary to the contractual conditions.

In the Exit Conference (October 2021), the Commissioner stated that henceforth instructions will be issued by the Board and royalty will be deducted timely.

6.6.2.7 Undue financial aid to contractor by sanctioning advance payments

According to Agreement, advance to contractors is, as a rule, prohibited and every endeavor should be made to maintain a system, under which no payments are made except for work actually done. There is no provision regarding payment of special advance. Exceptions are, however, permitted in cases where a contractor, whose contract is for finished work, requires an advance on the security of materials brought to site.

We observed that contrary to the provision of contracts, the competent authority had sanctioned special advances of ₹ 6.25 crore to the contractors, as shown in **Table 6.9**:

Table 6.9: Details of advance payment made to contractor

(₹ in crore)

Sl. No.	Agreement No.	Unit	PAC	Amount of advance	Recovered	Balance
1	60/11-12	Division no.6, Bhopal	53.79	4.50	0.05	4.45
2	61/11-12	Division no.6, Bhopal	37.31	1.75	1.75	0.00
Total				6.25	1.80	4.45

These special advances were sanctioned due to paucity of funds with the contractor even when there was no provision for “Special Advance” in the agreement.

In the Exit Conference (October 2021), the Commissioner stated that this being special cases, advances were given to the contractors in the interest of timely completion of works. Remaining amount, if any, would be recovered at the time of final bill. The Commissioner further assured that such issues would not recur in future.

The reply is not acceptable as sanction of “Special Advance” in the above cases was not as per the provisions of the contract and resulted in undue financial aid to the contractors.

6.6.2.8 Short imposition of penalty for delay

In the cases where the work is not completed within the stipulated period of completion along with all such extensions, which are granted to the contractor, the penalty shall be levied on the contractor as per agreement clauses.

We observed in eight works of five Divisions (out of 58 works of nine Civil Divisions), as detailed in **Annexure 6.8**, that there were delays at the part of contractors but instead of imposing the penalty as per terms of contract, nominal penalty was imposed on the contractors. This resulted in non-levy of penalty amounting to ₹ 10.41 crore.

The Board in its reply (September 2021) stated that penalty was imposed by the competent authority as per conditions of contract and wherever delays were attributable to the contractors.

The reply is not acceptable as penalty was not imposed by the Board as per the terms of agreement. Once it is decided that the responsibility of the delay is on the part of the contractor, the penalty on the contractors should be levied as per terms of the contracts, which was not done in these cases and only nominal penalty was imposed on the contractors. It clearly indicates that undue benefit was extended to the contractors by way of imposing meagre penalty amounts.

The Commissioner, in Exit Conference accepted (October 2021) the audit observation. However, the Commissioner/Board was silent on action to be taken to recover the sums short realised by way of penalty.

6.6.2.9 Use of non-specified material

In the contracts, a list of specified brand of Cement, Steel, *etc.* is appended which has to be utilised on the works.

We observed that in 24 works of eight Divisions (out of 58 works of nine Civil Divisions), as detailed in **Annexure 6.9**, contractors had changed the brands specified in the contract and utilised Cement/Steel of other brands, without approval of the competent authority. The Board, however, failed to monitor the performance of the contractors and allowed the contractors to use non-specified materials for execution of the works contracts. In such a situation, the possibility that the contractor was benefited by way of cost difference between the specified brand and utilised brand, and resultant execution of substandard work cannot be ruled out.

The Board in its reply (September 2021) stated that the material of specified brands are only being used in the works. Besides this, items approved by technical committee are being also used in the works.

The reply is not correct as material specified in the contract was not found to be utilised in construction works which should have invariably been utilised in accordance with the agreement.

The Commissioner, in Exit Conference (October 2021), while accepting the issue of use of non-specified materials in the works, stated that the non-specified materials should not have been used in the works, as it indicated going beyond the scope of Agreement. The reply is however silent on action proposed to be taken against the contractors for violation of the terms of the contracts.

6.6.3 Quality Control Mechanism

Quality Control Mechanism ensures utilisation of standard material in construction. Issues related to Quality of construction of projects are given in succeeding paragraphs.

6.6.3.1 Inappropriate Quality Control Mechanism

According to Special Condition of Contract, Building/Work should be periodically inspected jointly by the Contractor and Engineer-in-Charge or their authorised representatives twice a year, out of which one inspection shall take place during rainy months of July-August-September and Inspection Note is to be issued by the Engineer-in-Charge or their authorised representative describing the defects noticed.

It was seen that a Quality control and New Technology Cell has been established in February 2019¹² by the Board. However, no working strength has been sanctioned and the Cell has been working with the staff locally available. The Cell did not make any plan for conducting inspections at regular intervals. There is no mechanism in the Board for submission of any periodic quality control report of constructions to its higher authorities for monitoring and necessary action. We also observed that in 17 works of eight Divisions out of 58 works of nine Civil Divisions, there was provision of six-monthly joint inspections, wherein inspection note should have been issued by the Engineer-in-Charge, but no joint inspection was conducted, as detailed in **Annexure 6.10**. This indicates lack of monitoring and quality control.

The Board in its reply (September 2021) stated that inspections are being done by the Senior Officers to ensure good quality of work. On the basis of Inspection Report submitted by these Officers, the works are being executed ensuring proper quality of construction. Sufficient Officers are being posted in newly established Quality Control Cell in the Board to make it more effective.

The reply is not tenable as the Department failed to produce any inspection note to Audit in support of its claims of having carried out joint inspections.

¹² Vide letter number G-33/PM-1/Board/2019 Bhopal, dated 21 February 2019.

6.6.3.2 Non deployment of technical person for the work

According to General Condition of contract, the contractor shall employ the technical personnel (site engineer, technologist, surveyor, *etc.*) for construction of work and routine maintenance. If the contractor fails to deploy required number of technical staff, recovery as specified in contract, will be made from the contractor.

We observed that in 30 works of nine Divisions out of 81 works of twelve Divisions as detailed in **Annexure 6.11**, no supporting documents were found on record regarding actual deployment of required number of technical personnel on the work. This not only affected the quality and progress of the work but also resulted in undue financial benefit to contractor.

The Board in its reply stated (September 2021) that if contractor does not deploy technical persons as per requirement of Agreement, deductions will be made from the bills of contractor as per conditions of contract.

The reply is not acceptable as no supporting documents were provided to us, such as appointment letter/pay slip/EPF details, *etc.* to show the actual deployment of technical staff.

In the Exit Conference (October 2021), the Commissioner stated that generally, contractors have been deploying technical persons on large type of works but in small works, there can be lacunae. In such cases, all necessary deductions will be made after a review.

6.6.3.3 Establishment of Field laboratory

As per agreement, the contractor had to establish a field laboratory within 30 days from the date of issue of work order. In the case of non-establishment of the field laboratory penalty at the rate of ₹ 25,000 per month of delay, was recoverable from the contractor.

We observed that in 10 works of six Divisions (out of 58 works of nine Civil Divisions), no documents regarding establishment of field laboratory on time, *i.e.*, within 30 days of issue of work order, and its verification by the competent authority was found on record, but no penalty in terms of agreement was imposed on the contractors which resulted in undue financial aid to the contractor amounting to ₹ 0.38 crore as detailed in **Annexure 6.12**. The Commissioner stated during Exit Conference (October 2021) that the documents regarding establishment of Field Laboratory, wherever established, will be provided to Audit. However, the same are still awaited (January 2022).

6.6.3.4 Works executed without approved Design Mix/Job Mix

According to Ministry of Road Transport and Highway specifications, the contractor shall submit the Job Mix formula proposed in the work to the Engineer for approval at least 21 days before the start of the work. It further provides that the contractor shall carry out laboratory trial of design mixes with the materials from the approved sources to be used. The trial mixes shall be made in presence of the Engineer or his representative and the Design Mix shall be subject to the approval of the Engineer.

We observed that in nine works of five Divisions (out of 58 works of nine Civil Divisions), as detailed in **Annexure 6.13**, works valuing ₹ 11.67 crore were executed without approved Job Mix/Design Mix. In the absence of approved Job Mix/Design Mix, possibility of execution of substandard work cannot be ruled out.

In the Exit Conference (October 2021) the Commissioner stated that the Board will get Design Mix/Job Mix approved from the approved sources before execution of items of work as desired in the agreement.

6.6.3.5 Non-conducting the test from approved lab

According to Special Condition of Contracts, contractor is bound to carry out the necessary test of material used in the construction work from the Government Laboratories for ensuring Quality Control. If the contractor fails to do so, then testing charges should be recovered from the running bills/final bill as fixed by the Central Research Laboratory, Madhya Pradesh Public Works Department, Bhopal.

We observed that in 22 works of eight Divisions (out of 58 works of nine Civil Divisions), contrary to the above provisions, utilised materials were tested from the private labs as detailed in **Annexure 6.14**.

The Board in its reply (September 2021) stated that there is a provision (in the conditions of agreements/contracts) for testing of materials in both Government laboratory as well as in accredited testing labs¹³ and the same was done accordingly.

Reply is not acceptable as the contracts clearly stated that testing was to be done only in Government laboratories.

6.6.4 Conclusion

The Department had taken up the projects without survey of the demand for houses in the selected locations. This resulted in many properties of the Board remaining unsold, causing blockage of money and substantial expenditure on maintenance and security of the projects.

Estimates prepared were not realistic which resulted in escalation in the cost of the projects. This resulted in higher prices of residential units which will have to be borne by the buyers. This may be one of the reasons for houses remaining unsold during the past five years.

Huge variations in estimated cost as well as in individual items show that estimates were prepared without proper survey and investigation. Further, rates of substituted items during execution were not regulated which resulted in excess payment to the contractors. Non/short recovery of royalty charges as well as payment of final bills of contractor without obtaining No Royalty Due certificate extended undue benefits to the contractors.

Lacunae in quality control mechanism were noticed. There was no system for submission of quality control reports in the organisation. No joint inspections were carried out by higher authorities of the board. The mandatory tests to be

¹³ Accredited to the National Accreditation Board for Testing and Calibration Laboratories (NABL).

carried out from Government labs were carried out from private labs which may impact the overall quality of the works. In most of the cases neither technical staff had been deployed for the work nor were the field laboratories set up, which may result in execution of sub-standard works.

6.6.5 Recommendations

- In order to reduce the number of unsold properties, demand survey should be conducted before launching of the projects.
- The Department should prepare estimates of projects only after proper survey and investigation in order to mitigate the variation in estimates and actual costs and thereby escalation in the overall cost of the projects.
- Statutory deductions like royalty should be recovered as per the latest orders of the Mining Department before finalisation of the bills of the contractors.
- The Department should put in place a robust quality control mechanism to ensure that the buildings are of the highest possible quality, providing value for money to the buyers.

Bhopal
The 21 June 2022


(BIJIT KUMAR MUKHERJEE)
Accountant General
(Audit II)
Madhya Pradesh

Countersigned

New Delhi
The 23 June 2022


(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

ANNEXURES

Annexure 1.1

(Referred to in paragraph 1.6.4)

List of recommendation reports issued by Public Accounts Committee in respect of which implementation by Department is pending

Year of Audit Report	Legislative Assembly	Public Account Committee Year	Recommendation Report no.	Para Numbers	Total Para
Commercial Tax Department					
1999-00	Twelfth	2005-06	169	2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.9, 2.10, 2.12, 2.13	10
2005-06	Fourteenth	2016-17	383	2.2, 2.3, 2.5, 2.7, 2.8, 2.9, 2.10	07
2005-06	Fourteenth	2016-17	383	5.6	01
2006-07	Fourteenth	2015-16	72	1.4, 2.2, 2.3, 2.4, 2.5, 2.11, 2.12,	07
2007-08	Fourteenth	2016-17	384	2.4, 2.5, 2.6, 2.8, 2.9, 2.13, 2.15, 2.17	08
2008-09	Fourteenth	2016-17	385	2.2, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 2.11, 2.12, 2.13, 2.14, 2.15, 2.17, 2.18,	15
2009-10	Fourteenth	2016-17	388	2.11, 2.12, 2.13, 2.15, 2.16, 2.17, 2.18, 2.20, 2.24, 2.25,	10
2009-10	Fourteenth	2016-17	388	7.2, 7.3	02
2010-11	Fourteenth	2017-18	463	2.9.10, 2.9.13, 2.9.18, 2.9.20, 2.10.7, 2.10.8, 2.10.9, 2.10.10, 2.10.11, 2.10.12, 2.11, 2.12, 2.13, 2.14, 2.15, 2.16, 2.17, 2.18, 2.20, 2.22	12
2010-11	Fourteenth	2017-18	463	7.2, 7.3, 7.5	03
Total					75
Registration and Stamps Department					
1999-00	Twelfth	2005-06	169	6.1	01
2005-06	Fourteenth	2016-17	383	5.2, 5.3, 5.4	03
2006-07	Fourteenth	2015-16	72	5.2, 5.8	02
2007-08	Fourteenth	2016-17	384	5.2.8, 5.2.9, 5.2.11 to 5.2.21, 5.3, 5.5	03
2008-09	Fourteenth	2016-17	385	5.3, 5.4, 5.6, 5.7, 5.8, 5.10, 5.11, 5.12, 5.13, 5.14, 5.17	11

Year of Audit Report	Legislative Assembly	Public Account Committee Year	Recommendation Report no.	Para Numbers	Total Para
2009-10	Fourteenth	2016-17	388	6.2, 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.9, 6.10,	09
2010-11	Fourteenth	2017-18	463	6.7, 6.8, 6.9, 6.10, 6.11, 6.12, 6.13, 6.14, 6.15, 6.16, 6.17, 6.18, 6.19	13
Total					42
State Excise Department					
2005-06	Fourteenth	2016-17	383	3.2, 3.3, 3.5, 3.6, 3.7, 3.8,	06
2006-07	Fourteenth	2015-16	72	3.2	01
2007-08	Fourteenth	2016-17	384	3.2, 3.3, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11	08
2008-09	Fourteenth	2016-17	385	3.3, 3.7, 3.8, 3.11, 3.12, 3.14, 3.15, 3.17, 3.19,	09
2009-10	Fourteenth	2016-17	388	3.2, 3.8.1, 3.8.2, 3.9, 3.10, 3.12, 3.14	06
2010-11	Fourteenth	2017-18	463	3.6, 3.7, 3.8, 3.11, 3.13	05
Total					35
Finance Department					
2006-07	Fourteenth	2015-16	70	7.2	01
Total					01
Mineral Resources Department					
2009-10	Fourteenth	2016-17	386	9.10, 9.12, 9.13, 9.14, 9.15, 9.16, 9.17, 9.18, 9.19	09
2010-11	Fourteenth	2016-17	390	10.6, 10.7, 10.8, 10.9, 10.10, 10.12, 10.13, 10.14, 10.15, 10.16	10
2011-12	Fourteenth	2016-17	393	8.6, 8.8, 8.9, 8.10, 8.11, 8.12, 8.13, 8.14, 8.16, 8.17	10
2013-14	Fourteenth	2017-18	471	7.5, 7.7, 7.8, 7.9, 7.11, 7.12	06
Total					35
Transport Department					

Year of Audit Report	Legislative Assembly	Public Account Committee Year	Recommendation Report no.	Para Numbers	Total Para
2008-09	Fourteenth	2015-16	78	4.3	01
2010-11	Fourteenth	2016-17	391	4.7.7 to 4.7.25, 4.8, 4.9, 4.10, 4.11, 4.12, 4.13	07
2011-12	Fourteenth	2016-17	392	4.7, 4.8, 4.9, 4.10	04
2012-13	Fourteenth	2017-18	469	4.7.7, 4.7.8, 4.7.9, 4.7.10, 4.8, 4.9, 4.10, 4.11, 4.12, 4.13, 4.14	08
2014-15	Fourteenth	2017-18	472	4.3, 4.4, 4.5	03
Total					23
Public Works Department					
2003-04	Fourteenth	2015-16	49	4.2.2, 4.2.3, 4.3.2, 4.3.3	04
2004-05	Fourteenth	2015-16	52	3.2, 4.3.2, 4.3.3, 4.5.3	04
2005-06	Fourteenth	2016-17	360	3.7, 4.1.5, 4.2.5, 4.2.7	04
2007-08	Fourteenth	2017-18	435	4.5.4	01
2010-11	Fourteenth	2016-17	375	3.4.3	01
2011-12	Fourteenth	2017-18	466	2.1	01
Total					15
Forest Department					
2006-07	Fourteenth	2016-17	365	3.2	01
2010-11	Fourteenth	2015-16	83	9.6	01
Total					02
Public Health Engineering Department					
2005-06	Fourteenth	--	364	4.1.3, 4.2.3, 4.3.4, 4.6.4	04
2006-07	Fourteenth	2016-17	367	4.1.1	01
Total					05

Year of Audit Report	Legislative Assembly	Public Account Committee Year	Recommendation Report no.	Para Numbers	Total Para
Urban Development and Housing Department					
2008-09	Fourteenth	2017-18	438	2.2.10	01
2009-10	Fourteenth	2017-18	442	2.1.7	01
2013-14	Fourteenth	--	457	2.1, 3.2.1	02
Total					04
Grand Total					237

Annexure 1.2
(Referred to in paragraph 1.6.5)

List of recommendation reports issued by Committee on Public Undertaking (CoPU) in respect of which implementation by Departments is pending

Year of Audit Report	Legislative Assembly	Recommendation Report No.	Para No.	Total Para
Industrial Policy & Investment Promotion Department				
1999-00	Thirteenth	51	13, 17, 24, 28, 32, 36, 40, 44, 48, 52, 56, 60, 64, 67, 70, 74, 78, 82, 86, 89, 101, 105, 108, 111, 114	25
2003-04	Fourteenth	91	4, 8, 12, 16	4
2004-05	Thirteenth	133	51, 53	2
2004-05	Fourteenth	107	7, 10, 22, 37, 49, 56	6
2004-05	Fourteenth	105	7, 22, 30, 37, 53, 65, 73, 91, 102	9
2004-05	Fourteenth	106	10, 24, 45, 61, 77, 91, 99	7
2005-06	Thirteenth	150	4	1
2005-06	Fourteenth	34	12, 16	2
2007-08	Fourteenth	4	18,36,58	3
2010-11	Fourteenth	68	4	1
2010-11	Fourteenth	67	4	1
2012-13	Fourteenth	157	4	1
2012-13	Fourteenth	156	4, 8	2
2013-14	Fifteenth	6	4	1
Total				65
Energy Department				
2000-01	Fourteenth	48	62	1
2001-02	Fourteenth	102	13, 25, 39, 47, 51, 55, 59, 70, 74, 86	10

Year of Audit Report	Legislative Assembly	Recommendation Report No.	Para No.	Total Para
2009-10	Fourteenth	113	4	1
2009-10	Fourteenth	127	4	1
2009-10	Fourteenth	145	4	1
2010-11	Fourteenth	146	12, 32, 40, 44, 48, 52, 56, 60, 84, 88	10
2010-11	Fourteenth	154	16, 32, 40, 47, 51, 58, 62, 66, 77, 89, 105, 109	12
2010-11	Fourteenth	114	4	1
2011-12	Fourteenth	133	4	1
2011-12	Fourteenth	155	14, 18, 25, 29, 36, 40, 44, 48, 59, 69, 76, 83, 96, 122	14
Total				52
Finance Department				
1973-74	Fifth	8	2, 8	2
1986-87	Eleventh	2	31, 35, 55, 66, 79	5
1987-88	Eleventh	109	10, 16, 21	3
2005-06	Fourteenth	110	25, 29, 33, 37, 41, 53, 60, 64, 76, 80, 84, 88, 100, 15	14
2010-11	Fourteenth	128	27, 34, 42, 46, 72, 76, 88, 92	8
Total				32
Mineral Resources Department				
2011-12	Fourteenth	129	4	1
Total				1
Transport Department				
2010-11	Fourteenth	116	4	1
Total				1

Year of Audit Report	Legislative Assembly	Recommendation Report No.	Para No.	Total Para
Urban Development and Housing Department				
2010-11	Fourteenth	81	4	1
Total				1
Science & Technology Department				
2014-15	Fifteenth	7	4, 8	2
Total				2
Grand Total				154

Annexure 2.1*(Referred to in paragraph 2.6.2)***Statement showing sale deed registered at par and above Market Value Guidelines**

Sl No.	Name of unit	Number of registered instruments above ₹ One crore or more of Market Value/Consideration value in 2018-19	Number of Selected instruments for audit	Number of actual checked instruments by audit	Total Number of instruments registered at higher consideration value than the market value	Percentage at which instruments registered above market value					Percentage of instruments in which registry done above Market Value
						Number of instruments registered at >01 % from MVG rates	Number of instruments registered at >20 % from MVG rates	Number of instruments registered at >50 % from MVG rates	Number of instruments registered at >80 % from MVG rates	Number of instruments registered at >100 % from MVG rates	
1	SR Indore I	239	239	188	77	24	16	11	04	22	40.95
2	SR Bhopal III	57	57	57	31	11	07	04	02	07	54.39
3	SR Bhopal I	41	41	41	18	08	05	00	01	04	43.90
4	SR Bhopal II	156	95	95	47	24	06	12	01	04	49.47
5	SR Indore III	130	90	90	60	18	21	05	03	13	66.67
6	SR Gwalior I	50	50	50	05	04	01	00	00	00	10.00
7	SR Gwalior II	59	59	59	01	00	01	00	00	00	01.69
8	SR Jabalpur I	47	47	47	15	05	07	01	00	02	31.91
9	SR Jabalpur II	40	40	40	14	04	05	01	01	03	35.00
10	SR Indore II	341	103	103	48	15	17	09	00	07	46.60
Total		1,160	821	770	316	113	86	43	12	62	

Annexure 2.2*(Referred to in paragraph 2.6.5.2)***Statement showing short realisation of Stamp Duty and Registration Fees due to under valuation of properties****(Amount in ₹)**

Sl. No.	Name of unit	Total No. of cases registered	No. of cases test checked	No. of cases	Registered value	Leviable	Levied	Difference	Total Amount
						SD	SD	SD	
					Value as per Guideline	Registration Fees	Registration Fees	Registration Fees	
1	SR Bhopal III	26,715	411	7	27,15,34,093	3,70,01,589	2,43,48,172	1,26,53,417	1,38,04,491
					41,56,68,553	33,25,349	21,74,275	11,51,074	
2	SR Indore I	44,279	448	11	16,16,12,820	1,19,35,123	1,12,77,164	6,57,959	8,50,671
					17,12,97,150	35,51,849	33,59,137	1,92,712	
3	SR Bhopal II	36,837	389	2	2,68,63,750	30,46,069	24,00,430	6,45,639	7,18,509
					3,59,72,500	2,87,780	2,14,910	72,870	
4	SR Bhopal I	51,371	700	1	27,24,488	3,44,486	2,59,828	84,658	1,11,208
					36,26,164	1,08,785	82,235	26,550	
5	SR Jabalpur I	24,048	341	3	4,59,26,750	64,11,492	40,66,785	23,44,707	27,71,110
					7,21,67,125	9,15,609	4,89,206	4,26,403	
6	SR Jabalpur II	31,259	461	2	81,39,200	9,82,544	7,72,358	2,10,186	2,76,878
					1,03,42,569	3,10,277	2,43,585	66,692	
7	SR Gwalior II	38,792	477	7	22,95,29,015	1,12,12,071	71,10,577	41,01,494	46,79,340
					27,62,55,740	15,51,692	9,73,846	5,77,846	
8	SR Gwalior I	21,811	507	3	3,21,33,788	92,07,420	30,53,711	61,53,709	71,32,212
					9,69,20,219	15,84,967	6,06,464	9,78,503	

Sl. No.	Name of unit	Total No. of cases registered	No. of cases test checked	No. of cases	Registered value	Leviable	Levied	Difference	Total Amount
						SD	SD	SD	
					Value as per Guideline	Registration Fees	Registration Fees	Registration Fees	
9	SR Indore II	31,840	221	2	4,15,84,200	49,82,788	36,99,903	12,82,885	14,68,534
					5,63,14,406	8,81,856	6,96,207	1,85,649	
Total		3,06,952	3,955	38	82,00,48,104	8,51,23,582	5,69,88,928	2,81,34,654	3,18,12,953
					1,13,85,64,426	1,25,18,164	88,39,865	36,78,299	

Annexure 2.3*(Referred to in paragraph 2.6.5.3)***Statement showing short levy of Registration Fees on Development agreements****(Amount in ₹)**

Sl. No.	Name of unit	No. of cases registered	No. of cases test checked	No. of cases objected	Registered value of entire developed land	Leviable Registration Fees	Levied Registration Fees	Difference
1	SR Bhopal III	672	30	06	12,93,58,838	10,34,871	5,24,243	5,10,628
2	SR Indore I	1099	125	08	44,95,94,417	35,96,755	17,98,882	17,97,873
3	SR Indore II	1,061	49	03	2,14,36,850	1,71,497	85,749	85,748
4	SR Gwalior I	756	63	01	5,49,91,170	4,39,929	2,19,965	2,19,964
5	SR Indore III	1,310	114	02	9,86,20,000	7,88,960	3,95,480	3,93,480
6	SR Jabalpur I	1,217	48	01	5,68,05,000	4,54,440	2,27,220	2,27,220
7	SR Bhopal I	910	153	23	19,72,57,437	15,78,066	7,89,039	7,89,027
Total		7,025	582	44	1,00,80,63,712	80,64,518	40,40,578	40,23,940

Annexure 2.4*(Referred to in paragraph 2.6.5.4)***Statement showing foregoing of incremental revenue of Stamp Duty and Registration Fees due to registration of land in piecemeals****(Amount in ₹)**

Sl. No.	Name of unit	Name of Village, Patwari Halka Number and Khasra Number	Name of Seller	Name of Purchaser	Registration number and Date of documents	Area sold (in Hectare)	Registered Value	Valuation of land, if not splitted	Under Valuation	Leviable	Levied	Difference	
										SD	SD	SD	
										Janpadshulk	Janpadshulk	Janpadshulk	
										Cess on SD	Cess on SD	Cess on SD	
										RF	RF	RF	
1	SR Bhopal III	Khejda Baramad, PHNo.21 9/2/1, 11/1/1A	Smt. Ganga Bai W/o Shri Deelaram	Shri Darvesh Kr. Sharma S/o Shri JC Sharma	MP059712018 A1789229/ 06/12/18 (on State Highway)	0.304	1,60,00,000	4,80,09,000	50,09,000	24,00,450	21,50,000	2,50,450	
		Total					4,30,00,000						
2	SR Indore III	Village-Nipaniya, PHNo.17, 191/2/1/2	Manoj Yadav S/o late Shri Sundarlal Yadav	M/s Oasis Garden and Resort Indore	MP179142017 A1426342/ 26/07/17 (Agra Bombay Road Bypass)	0.213 diverted land	3,50,00,000	9,07,50,000	2,63,50,000	45,37,500	32,20,000	13,17,500	
		Total					6,44,00,000						
3	SR Indore II	Piplya Rau PHNo.33/433/4,	Ramesh Chandra	M/s Vinayak	MP179132017 A1179487/	0.079	1,42,20,000			55,42,000	28,53,000	26,89,000	
										22,16,800	11,41,200	10,75,600	

Sl. No.	Name of unit	Name of Village, Patwari Halka Number and Khasra Number	Name of Seller	Name of Purchaser	Registration number and Date of documents	Area sold (in Hectare)	Registered Value	Valuation of land, if not splitted	Under Valuation	Leviable	Levied	Difference
										SD	SD	SD
										Janpadshulk	Janpadshulk	Janpadshulk
										Cess on SD	Cess on SD	Cess on SD
										RF	RF	RF
		353/3A	Nagwani	Enterprises	06/04/17			11,08,40,000	5,37,80,000	11,08,400	5,70,600	5,37,800
					MP179132017 A1193497/ 17/04/17 (Agra Bombay Road)	0.063	4,28,40,000			5,54,200	2,85,300	2,68,900
										8,86,720	4,56,480	4,30,240
					Total		5,70,60,000			1,03,08,120	53,06,580	50,01,540
		Mirjapur PHno.24	Anil Madan	M/s Eagle Techsec Communi-cations India Pvt. Ltd.	MP179132017 A1345086/ 23/06/17 Indore Bypass Road	0.240	2,02,50,000	5,26,50,000	1,50,75,000	26,32,500	18,78,750	7,53,750
										0	0	0
										5,26,500	3,75,750	1,50,750
										2,63,250	1,87,875	75,375
										4,21,200	3,00,600	1,20,600
										38,43,450	27,42,975	11,00,475
					Total		3,75,75,000					
		Grand Total						20,20,35,000	30,22,49,000	10,02,14,000	2,75,36,247	1,84,67,755

Annexure 3.1*(Referred to in paragraph 3.4.2)***Details of Units and Period for which assessed cases were provided**

Sl. No.	Units	Cases assessed during these year(s) were provided	Total Years
1	DCCT Bhopal II	2018-20	2
2	DCCT Gwalior I	2018-20	2
3	DCCT Indore I	2018-20	2
4	DCCT Satna	2018-20	2
5	ACCT Gwalior I	2017-20	3
6	CTO Dewas	2018-20	2
7	CTO Gwalior I	2018-20	2
8	CTO Indore XIII	2018-20	2
9	CTO Jabalpur II	2018-20	2
10	CTO Mandideep	2018-20	2
11	CTO Ratlam I	2018-20	2
12	CTO Shivpuri	2018-20	2
13	CTO Ujjain I	2018-20	2
14	CTO Waidhan	2017-20	3

2017-20	02 Units
2018-20	12 Units

Annexure 3.2
(Referred to in paragraph 3.6)
Incorrect Determination of Turnover

(Amount in ₹)

Sl. No.	Name of Auditee Unit Dealer	Period of Assessment	GTO/Quantity as per books / records	GTO/Quantity determined by the AA	Under determination of TTO/Quantity	Rate of tax applicable (per cent or per Cu.M.)	Amount of short realisation	Audit Observation	Reply of the Assessing Authority (AA)
1	<u>DCCT Satna</u> Mahakaleshwar Mines and Metals Pvt.Ltd. TIN-23259021164 Case No.CS000000131190	2016-17	36,17,260	Nil	36,17,260	1.5	54,259	The AA did not include sale value of car in computation of GTO.	The AA stated that Action would be taken after verification.
2	<u>CTO Ratlam I</u> M/s Maruti Industries TIN-23031803179 Case No.CS000000858883	2015-16	1,37,23,361	1,25,64,164	11,59,197	1.5	17,388	The AA did not include sale of truck in GTO.	The AA stated that Action would be taken after verification.
3	<u>CTO Ujjain I</u> M/s Dinesh Kumar Sharma TIN-23672605308 Case No.CS0000000958971	2015-16	17,88,54,506	17,21,98,879	66,55,627	14	9,31,787	The AA did not include the sale value of plant and machinery in GTO.	The AA stated that Action would be taken after verification.
4	<u>CTO Jabalpur II</u> M/s Samdariya Builders TIN-23766005933 Case No.CS0000000833866	2016-17	35,38,12,624	34,34,62,405	1,03,50,219	5	5,17,511	The AA did not include sale value of scrap in GTO.	The AA stated that Action would be taken after verification.

Sl. No.	Name of Auditee Unit Dealer	Period of Assessment	GTO/Quantity as per books / records	GTO/Quantity determined by the AA	Under determination of TTD/Quantity	Rate of tax applicable (per cent or per Cu.M.)	Amount of short realisation	Audit Observation	Reply of the Assessing Authority (AA)
5	<u>CTO Jabalpur II</u> Telecommunication Consultants India Ltd. TIN-23605808335 Case No.CS00000001123100	2016-17	4,50,93,869	3,92,83,664	49,30,500 8,79,705	14 5	6,90,270 43,985	The AA did not include sale of machine and scrap in GTO. Hence, VAT section 2(x)(iii) was applied.	The AA stated that Action would be taken after verification.
6	<u>CTO Mandideep</u> M/s EnnKay Engg Unit II TIN- 23159019913. Case No.CS0000000941272	2015-16	2,39,33,297	2,33,27,333	4,28,323 1,77,641	1.5 14	6,425 24,870	The AA did not include the Sale of vehicle and plant machinery values in GTO.	The AA stated that Action would be taken after verification of the case.
7	<u>CTO Dewas</u> Raghu precision Engineering Pvt. Ltd. TIN-23238002160 Case No.CS0000000821205	2015-16	1,11,87,754	1,04,17,859	7,69,895	1.5	11,548	The AA did not include the sale value of vehicle in GTO.	The AA stated that Action would be taken after verification.
8	<u>CTO Dewas</u> Jajoo Hygiene Pvt. Ltd TIN-23619084372 Case No.CS0000000826105	2015-16	5,39,82,356	3,05,91,847	2,33,90,509	14	32,74,671	The AA did not include the sale value of machinery in GTO.	The AA stated that Action would be taken after verification.

Sl. No.	Name of Auditee Unit Dealer	Period of Assessment	GTO/Quantity as per books / records	GTO/Quantity determined by the AA	Under determination of TTO/Quantity	Rate of tax applicable (per cent or per Cu.M.)	Amount of short realisation	Audit Observation	Reply of the Assessing Authority (AA)
9	<u>CTO Jabalpur II</u> M/s Sundar Das Gyanchand and Co. TIN-23435902179 Case No.233/17	2016-17	2,10,03,268	1,98,05,268	11,98,000	1.5	17,970	The dealer did not include sale of dumper and truck in GTO.	The AA stated that Action would be taken after verification.
10	<u>CTO Waidhan</u> Railtech Infraventure Pvt.Ltd. TIN-23589154409 Case No. 543/2017	2016-17	2,76,27,491	2,57,40,649	18,86,842	14	2,64,158	Dealer did not include sale value of machinery in GTO.	The AA stated that Action would be taken after verification.
11	<u>CTO Shivpuri</u> M/s Ishu Motors TIN- 23565705343 Case No. CS0000001397117	2016-17	1,06,87,033	94,87,531	11,99,502	15	1,79,925	The AA had determined less GTO against the turnover certified in Audited Accounts.	The AA stated that Action would be taken after verification.
12	<u>CTO Indore XIII</u> New Look Buildcon Pvt. Ltd TIN-23081204807 Case No.0000000828307	2015-16	1,24,78,545	1,05,22,835	19,55,710	5	97,786	The AA determined less GTO against the turnover certified in Audited Accounts.	The AA stated that Action would be taken after verification.

Sl. No.	Name of Auditee Unit Dealer	Period of Assessment	GTO/Quantity as per books / records	GTO/Quantity determined by the AA	Under determination of TTO/Quantity	Rate of tax applicable (per cent or per Cu.M.)	Amount of short realisation	Audit Observation	Reply of the Assessing Authority (AA)
13	<u>CTO Indore XIII</u> M/s R.S. Electricals and Co. TIN-23201302420 Case No.CS0000001051047	2015-16	2,03,06,343	1,91,42,152	11,64,191	5	58,209	The AA determined less GTO against the turnover certified in Audited Accounts.	The AA stated that Action would be taken after verification.
14	<u>CTO Indore XIII</u> M/s Bharati Enterprises TIN-23581304345 Case No.CS0000000831696	2015-16	49,08,756	46,75,000	2,33,756	5	11,688	The AA determined less GTO against the turnover certified in Audited Accounts.	The AA stated that Action would be taken after verification.
15	<u>CTO Waidhan</u> M/s Amit Traders TIN-23539180313 Case No.CS0000001111324	2016-17	1,39,50,600	1,32,36,529	7,14,071	14	99,970	The AA levied tax and allowed ITR on same amount i.e., ₹ 1,41,42,281, whereas it was evident from Audited Accounts that Sale and Purchase value are different.	The AA stated that Action would be taken after verification.
16	<u>CTO Waidhan</u> M/s Bhairon Service Station TIN-23887302951 Case No. 139/2017	2016-17	7,52,29,789	7,20,25,101	4,53,115 12,39,570 15,12,003	14 27 31	63,436 3,34,684 4,68,721	The dealer took less Sale than the sale actually entered in Trading account in Deemed assessed case.	The AA stated that Action would be taken after verification.
17	<u>CTO Ujjain I</u> M/s Dinesh Kumar Sharma TIN-23672605308	2015-16	27,115 Cu.M. 1,89,80,500	9,396.65 Cu.M. 65,77,655	17,718.35 Cu.M. 1,24,02,845	35/ Cu.M.	6,20,142	The AA assessed less quantity of Section 9A goods (Gitti) but as per royalty amount recorded in Audited Accounts, its value was	The AA stated that Action would be taken after verification.

Sl. No.	Name of Auditee Unit Dealer	Period of Assessment	GTO/Quantity as per books / records	GTO/Quantity determined by the AA	Under determination of TTO/Quantity	Rate of tax applicable (per cent or per Cu.M.)	Amount of short realisation	Audit Observation	Reply of the Assessing Authority (AA)
	Case No.CS0000000958971							calculated to be more (@ 35/Cu.M.).	
18	<u>CTO Ujjain I</u> M/s Shivi Pathak TIN-23772605059 Case No.CS0000001426080	2016-17	4,600 Cu.M. 32,20,000	3,900 Cu.M. 27,30,000	700 Cu.M. 8,57,500	35/ Cu.M.	24,500	The AA assessed less quantity of 9A goods (Gitti) but as per royalty amount recorded in Audited Accounts, its value was calculated to be more	The AA stated that Action would be taken after verification.
19	<u>CTO Jabalpur II</u> Fibertech Infracon Pvt.Ltd. TIN-23129194807 Case No.CS000000143118	2016-17	1,33,851 Cu.M. 9,36,95,700	48,521Cu.M. 3,39,64,700	85,330 Cu.M. 5,97,31,000	35/Cu.M.	29,86,550	The AA levied tax on sale of 48,521 Cu.M. metal whereas it is evident from VATIS report that the dealer had sold 1,33,851 Cu.M metal.	The AA stated that Action would be taken after verification.
20	<u>CTO Gwalior I</u> M/s Peetambra Grit Stone TIN- 23135208115 Case No.CS0000000871660	2015-16	30,582 Cu.M. 2,14,07,400	15,843 Cu.M. 1,10,90,100	14,739 Cu.M. 1,03,17,300	35 /Cu.M.	5,15,865	The AA assessed less quantity of 9A goods (Gitti) but as per royalty amount recorded in Audited Accounts its value was calculated to be more.	The AA stated that Action would be taken after verification.
21	<u>CTO Circle Ujjain I</u> M/s Mahendra Kumar Sethiya TIN-23432606798 Case No.1534/17	2015-16	1,912 Cu.M. 13,38,400	Nil	1,912 Cu.M. 13,38,400	35/Cu.M.	66,920	The AA assessed less quantity of 9A goods (Gitti) but as per royalty amount recorded in Audited Accounts, its value was calculated to be more.	The AA stated that Action would be taken after verification.

Sl. No.	Name of Auditee Unit Dealer	Period of Assessment	GTO/Quantity as per books / records	GTO/Quantity determined by the AA	Under determination of TTO/Quantity	Rate of tax applicable (per cent or per Cu.M.)	Amount of short realisation	Audit Observation	Reply of the Assessing Authority (AA)
22	<u>CTO Gwalior I</u> M/s Peetambra Grit Stone TIN- 23135208115 Case No.AS-1/17	2016-17	23,525 Cu.M. 1,64,67,500	20,744 Cu.M. 1,45,20,800	2,781 Cu.M. 19,46,700	35/Cu.M.	97,335	The AA assessed less quantity of 9A goods (Gitti) but as per royalty amount recorded in Audited Accounts, its value was calculated to be more.	The AA stated that Action would be taken after verification.
23	<u>CTO Ratlam I</u> M/s Engineering Associates TIN- 23259125633 Case No. CS000001138275	2016-17	5,20,67,226	3,33,27,676	11,24,373 1,76,15,177	5 14	56,219 24,66,125	The AA assessed less sale value of material transferred in execution of works contract against the value of material consumed in works contract	The AA stated that Action would be taken after verification.
24	<u>CTO Ratlam I</u> M/s Mahi Enterprises TIN-23533405956 Case No.CS0000001154821	2016-17	92,87,464	37,23,228	42,81,236 12,83,000	5 1.5	2,14,061 19,245	The AA determined less turnover than actual material consumed in works contract and did not include sale of car in GTO.	The AA stated that Action would be taken after verification.
25	<u>CTO Dewas</u> M/s Raja construction TIN- 23849061845 Case No.CS0000000837100	2015-16	51,18,133	25,36,128	25,82,005	14	3,61,481	The AA did not include the value of cement used in construction work in GTO.	The AA stated that Action would be taken after verification.
26	<u>CTO Waidhan</u> M/s Sharda Enterprises TIN-23399150451 Case No. CS0000001111283	2016-17	3,23,96,753	1,78,49,947	63,80,547 81,66,259	5 14	3,19,027 11,43,276	The AA determined less GTO than actual material consumed.	The AA stated that Action would be taken after verification.

Sl. No.	Name of Auditee Unit Dealer	Period of Assessment	GTO/Quantity as per books / records	GTO/Quantity determined by the AA	Under determination of TTO/Quantity	Rate of tax applicable (per cent or per Cu.M.)	Amount of short realisation	Audit Observation	Reply of the Assessing Authority (AA)
27	<u>CTO Gwalior I</u> M/s Vasundhra Construction Co. TIN- 23699129566 Case No.CS0000001234158	2016-17	2,17,50,415	2,03,25,139	14,25,276	14 5	1,31,391	The AA assessed less sale value of material transferred in execution of works contract against the value of material consumed as per Audited Accounts.	The AA stated that Action would be taken after verification.
28	<u>CTO Waidhan</u> M/s Sant Bahadur Singh TIN-23407306610 Case No.CS0000000892120	2015-16	3,13,28,668	1,52,58,247	38,31,896 1,20,05,899 2,32,626	5 14 15	1,91,595 16,80,826 34,894	The AA determined less GTO without any relevant evidence. The assessee is a works contractor, he did not produce the Audited Accounts to certify the opening and closing stock, and as it was not certified that there is closing stock, the total purchases have been taken for the purpose of calculating GTO.	The AA stated that Action would be taken after verification.
29	<u>CTO Waidhan</u> M/s HP Fuel Station TIN-23977306927 Case No.CS0000000963438	2015-16	9,25,93,478	9,13,85,478	12,08,000	31	3,74,480	The AA gave deduction of ₹ 12,08,000 treating Diesel/Petrol as tax paid goods.	The AA stated that Action would be taken after verification.
30	<u>CTO Gwalior I</u> M/s Vijay Kumar Sharma TIN- 23289099537 Case	2015-16	98,10,455	Nil	98,10,455	5	4,90,523	The AA allowed deduction of Mitti, treated it as tax free goods, whereas Mitti is taxable at the rate of five per cent as per entry no. II/II/101.	The AA stated that Action would be taken after verification.

Sl. No.	Name of Auditee Unit Dealer	Period of Assessment	GTO/Quantity as per books / records	GTO/Quantity determined by the AA	Under determination of TTD/Quantity	Rate of tax applicable (per cent or per Cu.M.)	Amount of short realisation	Audit Observation	Reply of the Assessing Authority (AA)
	No.CS0000000851571								
31	<u>CTO Gwalior I</u> M/s Santosh Giri TIN- 23669036740 Case No.CS0000000849177	2015-16	39,20,459	Nil	39,20,459	5	1,96,023	The AA allowed deduction of Mitti treated as tax free goods, whereas Mitti is taxable at the rate of five <i>per cent</i> as per entry no. II/II/101.	The AA stated that Action would be taken after verification.
32	<u>CTO Jabalpur II</u> Evergreen Dealcom Private Limited TIN-23629072246 Case No.CS0000001250141	2016-17	4,32,72,372	3,99,10,359	21,25,660 12,36,353	14 5	2,97,592 61,818	The AA incorrectly gave deduction u/s 2(x)(iii) whereas the turnover is exclusive of tax.	The AA stated that Action would be taken after verification.
33	<u>CTO Waidhan</u> M/s Shiv Traders TIN-23759036634 Case No.CS00000001110733	2016-17	1,05,26,645	97,76,705	7,49,940	14	1,04,992	The AA incorrectly allowed deduction u/s 2(x)(iii).	The AA stated that the amount mentioned in objection is not taxable sales amount rather it is Gross sales amount which is confirmed by point no. 40(a) of form 3CD. The reply is not tenable as the observation has been raised after reviewing purchase lists and P&L account. ITR has also been given to the dealer on net purchase price entered in the account.

Sl. No.	Name of Auditee Unit Dealer	Period of Assessment	GTO/Quantity as per books / records	GTO/Quantity determined by the AA	Under determination of TTD/Quantity	Rate of tax applicable (per cent or per Cu.M.)	Amount of short realisation	Audit Observation	Reply of the Assessing Authority (AA)
34	<u>CTO Waidhan</u> SMJ Eximp Ltd. TIN-23969103446 Case No.CS0000000963966	2015-16	2,13,96,459	2,03,77,550	10,18,909	5	50,945	The AA gave incorrect deduction of section 2(x)(iii).	The AA stated that Action would be taken after verification.
35	<u>CTO Waidhan</u> Coramandal Infrastructure Pvt. Ltd. TIN- 23599125144 Case No.CS0000000964060	2015-16	2,58,41,160	Nil	2,58,41,160	5 14	22,35,517	As per proposal of dealer the work has not yet completed and no consideration was received. The AA determined Nil GTO without seeking any evidence. The dealer also did not submit Books of Accounts for the assessment period.	The AA stated that Action would be taken after verification.
36	<u>CTO Waidhan</u> M/s Coramandal Infrastructure Pvt. Ltd TIN- 23599125144 Case No.CS0000001111229	2016-17	1,99,39,120	Nil	1,99,39,120	5 14	14,47,536	As per proposal of dealer, the work has not yet completed and no consideration was received. The AA determined Nil GTO without seeking any evidence. The dealer also did not submit books of Accounts for the assessment period.	The AA stated that Action would be taken after verification.
37	<u>DCCT Satna</u> M/s Jaypee Sidhi Cement plant (unit of Jayprakash Associates) TIN-23826905284	2016-17	60,67,670	29,87,610	30,80,060	14	4,31,208	The AA levied VAT on 9,921 metric ton cement carried by road as per Section 9(C). Whereas, it is evident from the records that the dealer had transported 20,149	The AA stated that Action would be taken after verification.

Sl. No.	Name of Auditee Unit Dealer	Period of Assessment	GTO/Quantity as per books / records	GTO/Quantity determined by the AA	Under determination of TTO/Quantity	Rate of tax applicable (per cent or per Cu.M.)	Amount of short realisation	Audit Observation	Reply of the Assessing Authority (AA)
	Case No. CS0000001116266							metric ton cement (126 km @ 2.39/km).	
38	<u>DCCT Satna</u> M/s Agrawal Motors Prop Concord Tie up Pvt Ltd. TIN-23667003827 Case No. CS0000001114294	2016-17	1,53,99,71,358	1,52,84,60,101	1,15,11,257	15	17,26,688	As per stock and purchases recorded in the Trading account, goods meant for sale (Op. stock + purchases-closing stock) was found to be more than the sale recorded in the account.	The AA stated that Action would be taken after verification.
Total			2,95,07,94,187	2,66,12,82,639	28,95,11,548		2,55,16,035		

Annexure 3.3*(Referred to in paragraph 3.7.1)***Allowance of Input Tax Rebate (ITR) without proper verification****(Amount in ₹)****Allowance of Input Tax Rebate (ITR) without proper verification in Regular Assessed Cases**

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	ITR allowed by the AA / Amount of ITR as per Report 75	Amount of excess grant of ITR/ <u>Penalty</u>	Audit Observation	Reply of the Assessing Authority (AA)
1	<u>DCCT Div. Satna</u> Mahakaleshwar Mines and Metals Pvt. Ltd. TIN-23259021164 Case No. CS0000001311908	2016-17	2,42,50,392 1,87,88,970	T 54,61,422 P <u>1,63,84,266</u> 2,18,45,688	The AA allowed ITR without matching Form 75. In spite of mismatch found in Form 75 AA allowed ITR without giving any explanation? Also no evidences have been found that AA has verified the calculations, other deficits and had issued Form 15. The AA did not follow the direction issued by Commissioner vide his circular. ITR allowed was against the provision of subsection (6-A) as purchase and sale details were not found uniform.	The AA stated that Action would be taken after verification.
2	<u>DCCT Div. Satna</u> M/s Shri Padma Motors TIN-23396903144 Case No. CS0000001349456	2016-17	4,68,56,615 4,66,00,407	T 2,56,208 P <u>7,68,624</u> 10,24,832	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
3	<u>DCCT Div. Satna</u> Kalptaru Power Transmission Ltd. TIN-2321197002430 Case No. CS0000001114272	2016-17	79,28,770 62,63,433	T 16,65,337 P <u>49,96,011</u> 66,61,348	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.

Allowance of Input Tax Rebate (ITR) without proper verification in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	ITR allowed by the AA / Amount of ITR as per Report 75	Amount of excess grant of ITR/ <u>Penalty</u>	Audit Observation	Reply of the Assessing Authority (AA)
4	<u>DCCT Div. Satna</u> Mahakaleshwar mines and metals Pvt.Ltd. TIN-23259021164 Case No.CS0000001352480	2017-18	14,37,583 7,76,986	T 6,60,597 P <u>19,81,791</u> 26,42,388	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
5	<u>CTO Circle - Shivpuri</u> M/s S.K. Enterprises TIN- 23695702507 Case No. CS0000001396695	2016-17	47,99,769 44,98,472	T 3,01,297 P <u>9,03,891</u> 12,05,188	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
6	<u>CTO Circle- Shivpuri</u> M/s Jai Shiv Medical Store TIN- 23105705111 Case No. CS0000001388104	2016-17	19,83,124 16,54,319	T 3,28,805 P <u>9,86,415</u> 13,15,220	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
7	<u>CTO Circle- Shivpuri</u> M /s Babloo Trading Company TIN- 23115704378 Case No.CS0000008539954	2016-17	8,80,886 6,88,789	T 1,92,097 P <u>5,76,291</u> 7,68,388	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
8	<u>CTO Circle - Shivpuri</u> M /s Vcon Electronics House TIN- 23985701911 Case No.CS0000008540697	2016-17	6,74,143 6,15,497	T 58,646 P <u>1,75,938</u> 2,34,584	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
9	<u>CTO Circle-I Ratlam</u> M/s Speed Wage	2016-17	1,07,36,824 80,75,583	T 26,61,241 P <u>79,83,723</u>	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.

Allowance of Input Tax Rebate (ITR) without proper verification in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	ITR allowed by the AA / Amount of ITR as per Report 75	Amount of excess grant of ITR/ <u>Penalty</u>	Audit Observation	Reply of the Assessing Authority (AA)
	TIN- 23933400662 Case No.CS000000001285301			1,06,44,964		
10	<u>CTO Circle-I Ratlam</u> M/s Global Electronics TIN- 23193404270 Case No.CS00000001341871	2017-18	9,63,237 7,98,188	T 1,65,049 P <u>4,95,147</u> 6,60,196	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
11	<u>CTO Circle-I Ratlam</u> M/s Khandelwal Enterprises TIN- 23959196664 Case No.CS00000001129124	2016-17	10,86,067 5,85,532	T 5,00,535 P <u>15,01,605</u> 20,02,140	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
12	<u>CTO Circle-I Ratlam</u> M/s Mahaveer Traders Petlawad TIN- 23671802051 Case No.CS00000000852612	2015-16	25,06,987 23,61,540	T 1,45,447 P <u>4,36,341</u> 5,81,788	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
13	<u>CTO Circle-I Ratlam</u> M/s Rakesh Kumar Jain TIN- 23531802613 Case No.CS00000000860371	2015-16	7,89,432 1,32,643	T 6,56,789 P <u>19,70,367</u> 26,27,156	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
14	<u>CTO Circle-I Ratlam</u> M/s Shree Ram Medical Agency TIN- 23173402632 Case No.CS00000001124144	2016-17	19,23,201 18,70,328	T 52,873 P <u>1,58,619</u> 2,11,492	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
15	<u>CTO Circle-XIII Indore</u>	2015-16	2,37,514	T 8,584	The AA allowed ITR as claimed by the	The AA stated that Action would be

Allowance of Input Tax Rebate (ITR) without proper verification in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	ITR allowed by the AA / Amount of ITR as per Report 75	Amount of excess grant of ITR/ <u>Penalty</u>	Audit Observation	Reply of the Assessing Authority (AA)
	M/s Bharti Enterprises TIN- 23581304345 Case No.CS0000000831696		2,28,930	P <u>25,752</u> 34,336	dealer without matching Form 75.	taken after verification.
16	<u>CTO Circle-I Ujjain</u> M/s Yogesh Agrawal TIN- 23182608924 Case No.CS0000001456477	2016-17	1,88,850 9,510	T 1,79,340 P <u>5,38,020</u> 7,17,360	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
17	<u>CTO Circle-I Ujjain</u> <u>M/s Malwa Oil Centre</u> TIN- 23432603306 Case No.CS0000001548203	2016-17	4,50,829 3,81,230	T 69,599 P <u>2,08,797</u> 2,78,396	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA in reply mentioned about the first proviso to section 14(6-A) as per which, if a registered selling dealer has furnished the return of a period, the tax in respect of purchases made by selling dealer is deemed to have been paid, unless it is found otherwise. The reply is not tenable as the said proviso contains the word “unless it is found otherwise” so inspite of mismatch from Form 75, the AA had allowed excess ITR.
18	<u>CTO Circle-I Ujjain</u> M/s Mantri Medicoz TIN- 23562605126 Case No.CS0000001314010	2016-17	4,24,091 3,83,245	T 40,846 P <u>1,22,538</u> 1,63,384	The AA allowed ITR as claimed by the dealer without matching Form 75.	
19	<u>CTO Circle-I Ujjain</u> M/s Shaukat Ali Liyakat Ali TIN- 23422605882 Case No.CS0000000775055	2014-15	3,56,404 3,14,083	T 42,321 P <u>1,26,963</u> 1,69,284	The AA allowed ITR as claimed by the dealer without matching Form 75.	
20	CTO Circle-I Ujjain M/s Modi Sales TIN- 23759048371 Case No.CS0000001062810	2015-16	5,98,655 3,90,837	T 2,07,818 P <u>6,23,454</u> 8,31,272	The AA allowed ITR as claimed by the dealer without matching Form 75.	

Allowance of Input Tax Rebate (ITR) without proper verification in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	ITR allowed by the AA / Amount of ITR as per Report 75	Amount of excess grant of ITR/ <u>Penalty</u>	Audit Observation	Reply of the Assessing Authority (AA)
21	<u>CTO Circle-I Ujjain</u> M/s Jagrekha Enterprises TIN-23289115154 Case No.CS0000001084142	2015-16	2,24,293 1,65,028	T 59,265 <u>P 1,77,795</u> 2,37,060	The AA allowed ITR as claimed by the dealer without matching Form 75.	
22	<u>CTO Circle-I Ujjain</u> M/s Amit Traders TIN-23479098839 Case No.CS0000001083937	2015-16	2,98,114 2,30,950	T 67,164 <u>P 2,01,492</u> 2,68,656	The AA allowed ITR as claimed by the dealer without matching Form 75.	
23	<u>CTO Circle-I Ujjain</u> M/s Shanti Developers TIN-23299132516 Case No.CS0000001084954	2015-16	4,95,942 2,90,124	T 2,05,818 <u>P 6,17,454</u> 8,23,272	The AA allowed ITR as claimed by the dealer without matching Form 75.	
24	<u>CTO Circle-I Ujjain</u> M/s Kailash Telecommunication TIN-23612607863 Case No.CS0000001059864	2015-16	1,70,620 82,785	T 87,835 <u>P 2,63,505</u> 3,51,340	The AA allowed ITR as claimed by the dealer without matching Form 75.	
25	<u>CTO Circle-I Ujjain</u> M/s Mahankal Kripa Agency TIN-23469160823 Case No.CS0000001087621	2015-16	11,1970 55,334	T 56,636 <u>P 1,69,908</u> 2,26,544	The AA allowed ITR as claimed by the dealer without matching Form 75.	
26	<u>CTO Circle-I Ujjain</u> M/s Shree Vardhani Matra Chhaya Traders	2015-16	2,87,719 1,74,663	T 1,13,056 <u>P 3,39,168</u> 4,52,224	The AA allowed ITR as claimed by the dealer without matching Form 75.	

Allowance of Input Tax Rebate (ITR) without proper verification in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	ITR allowed by the AA / Amount of ITR as per Report 75	Amount of excess grant of ITR/ <u>Penalty</u>	Audit Observation	Reply of the Assessing Authority (AA)
	TIN-23529075457 Case No.CS00000001064621					
27	<u>CTO Circle-I Ujjain</u> M/s Fantasy NX TIN-23449177800 Case No.CS00000001322762	2016-17	3,56,487 2,76,048	T 80,439 P <u>2,41,317</u> 3,21,756	The AA allowed ITR as claimed by the dealer without matching Form 75.	
28	<u>CTO Circle-I Ujjain</u> M/s India Auto Mobile TIN- 23912606049 Case No.CS00000001425449	2016-17	8,01,903 7,85,149	T 16,754 P <u>50,262</u> 67,016	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA in reply mentioned about the first proviso to section 14(6-A) as per which, if a registered selling dealer has furnished the return of a period, the tax in respect of purchases made by selling dealer is deemed to have been paid, unless it is found otherwise. The reply is not tenable as the said proviso itself says that “unless it is found otherwise”. So inspite of mismatch from Form 75, the AA allowed excess ITR without following the provisions of section 14(6-A) of the Act as well as instruction given vide Commissioner’s circular.
29	<u>CTO Circle-I Ujjain</u> M/s Shri Balaji Machinery TIN- 23429092054 Case No.CS00000001416123	2016-17	1,51,829 1,07,993	T 43,836 P <u>1,31,508</u> 1,75,344	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.

Allowance of Input Tax Rebate (ITR) without proper verification in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	ITR allowed by the AA / Amount of ITR as per Report 75	Amount of excess grant of ITR/ <u>Penalty</u>	Audit Observation	Reply of the Assessing Authority (AA)
30	CTO <u>Circle-I Ujjain</u> M/s Satnam Medical Stores TIN- 23452605138 Case No.CS0000000994829	2015-16	732576 695562	T 37,014 P <u>11,042</u> 1,48,056	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
31	<u>CTO Circle-II Jabalpur</u> M/s Kamakshi Construction TIN-23889121884 Case No.CS0000001299047	2016-17	3,34,652 2,43,454	T 91,198 P <u>2,73,594</u> 3,64,792	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
32	<u>DCCT Div.II Bhopal</u> Satrang Steel and Alloy Pvt. Ltd TIN-23794104571 Case No.CS0000001093253	2016-17	93,25,500 63,74,665	T 29,50,835 P <u>88,52,505</u> 1,18,03,340	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
33	<u>DCCT Div.II Bhopal</u> Satrang Steel and Alloy Pvt.Ltd. TIN23794104571 Case No.CS0000001181696	2017-18	32,41,596 19,27,481	T 13,14,115 P <u>39,42,345</u> 52,56,460	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
34	<u>CTO Circle-Dewas</u> Aradhya Disposal Industries Pvt.Ltd. TIN-23709104442 Case No.CS0000001076865	2016-17	24,37,475 1,55,543	T 22,81,932 P <u>68,45,796</u> 91,27,728	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA replied that Input Tax Rebate was allowed after verification of purchase bills, invoices and bank statements and payment to sellers. The reply is not tenable as the AA did not follow the provisions of Section 14(6A) of the Act as well as instruction issued vide Commissioner's circular.

Allowance of Input Tax Rebate (ITR) without proper verification in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	ITR allowed by the AA / Amount of ITR as per Report 75	Amount of excess grant of ITR/ <u>Penalty</u>	Audit Observation	Reply of the Assessing Authority (AA)
35	<u>CTO Circle-Dewas</u> M/s Yadav Krishi Sewa Kendra,Biaora TIN-23792401833 Case No.CS0000000809844	2015-16	4,74,20,488 4,61,52,574	T 12,67,914 P <u>38,03,742</u> 50,71,656	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that as the ITR is also admissible on dealer's commission, so the assessment is correct. Reply is not tenable as the input tax on dealer's commission is always included in the purchase bills issued by the oil companies so the tax shown in Form 75 are inclusive of input tax on dealer's commission. AA did not follow the provisions of section 14(6A) and instruction issued by the Commissioner's circular in this regard.
36	<u>CTO Circle-Dewas</u> M/s Rohit Traders TIN-23379002043 Case No.CS0000001121398	2016-17	48,68,014 47,17,124	T 1,50,980 P <u>4,52,670</u> 6,03,560	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
37	<u>CTO Circle-Dewas</u> M/s Khandelwal Electrical TIN-23192300507 Case No.CS0000001115982	2016-17	11,38,783 10,55,446	T 83,337 P <u>2,50,011</u> 3,33,348	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
38	<u>CTO Circle-Waidhan</u> M/s RDV automotive TIN-23929137691 Case No.CS00000001111261	2016-17	1,12,92,034 80,19,219	T 32,72,815 P <u>98,18,445</u> 1,30,91,260	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.

Allowance of Input Tax Rebate (ITR) without proper verification in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	ITR allowed by the AA / Amount of ITR as per Report 75	Amount of excess grant of ITR/ <u>Penalty</u>	Audit Observation	Reply of the Assessing Authority (AA)
39	<u>CTO Circle-Waidhan</u> M/s Pragya Battery TIN-23267305329 Case No.CS0000000963151	2015-16	52,59,828 47,54,200	T 5,05,628 P <u>15,16,884</u> 20,22,512	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
40	<u>CTO Circle-Waidhan</u> M/s Shah Traders TIN-23627302415 Case No.CS00000001109975	2016-17	20,49,480 18,63,839	T 1,85,641 P <u>5,56,923</u> 7,42,564	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
41	<u>CTO Circle-Waidhan</u> M/s Shree Sai nath Enterprises TIN-2323177306009 Case No.CS000000001110346	2016-17	39,22,889 38,07,440	T 1,15,449 P <u>3,46,347</u> 4,61,796	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
42	<u>CTO Circle-Waidhan</u> M/s Shree Sai Traders TIN-23297306622 Case No.CS00000001110459	2016-17	8,07,452 6,06,891	T 2,00,561 P <u>6,01,683</u> 8,02,244	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
43	<u>CTO Circle-Waidhan</u> M/s Shringar Shri Sidhi TIN-23079154945 Case No.CS00000001111289	2016-17	18,78,766 17,72,426	T 1,06,340 P <u>3,19,020</u> 4,25,360	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
44	<u>CTO Circle-I Gwalior</u> M/s Peetambra Grit Stone TIN-234135208115 Case No.CS00000000871660	2015-16	2,69,654 2,40,971	T 28,683 P <u>86,049</u> 1,14,732	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.

Allowance of Input Tax Rebate (ITR) without proper verification in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	ITR allowed by the AA / Amount of ITR as per Report 75	Amount of excess grant of ITR/ <u>Penalty</u>	Audit Observation	Reply of the Assessing Authority (AA)
45	<u>CTO Circle-I Gwalior</u> M/s Krishna Traders TIN- 23949030504 Case No.CS0000001093200	2015-16	77,204 0	T 77,204 P <u>2 31 612</u> 3,08,816	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
46	<u>CTO Circle-Mandideep</u> M/s Vinisan Polyfab Udhyog TIN-23114101356 Case No.CS0000000967178	2015-16	55,55,349 42,39,635	T 13,15,714 P <u>39,47,142</u> 52,62,856	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
47	<u>CTO Circle-Mandideep</u> M/s Rajkumar Enterprises TIN-23749014713 Case No.CS0000000924687	2015-16	3,02,942 2,78,377	T 24,565 P <u>73,695</u> 98,260	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
48	<u>CTO Circle-Shivpuri</u> M/s Mittal Sales TIN- 23695703186 Case No. Deemed	2016-17	1,45,58,287 1,38,95,257	T 6,63,030 P <u>19,89,090</u> 26,52,120	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
49	<u>CTO Circle-I Ujjain</u> M/s Mahendra Kumar Sethiya TIN- 23432606798 Case No. Deemed1534/17	2015-16	11,63,939 8,06,500	T 3,57,439 P <u>10,72,317</u> 14,29,756	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
50	<u>CTO Circle-I Gwalior</u> M/s Peetambra Grit Industries TIN- 234135208115 Case No. DeemedAS-I/17	2016-17	2,31,354 1,82,447	T 48,907 P <u>1,46,721</u> 1,95,628	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.

Allowance of Input Tax Rebate (ITR) without proper verification in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	ITR allowed by the AA / Amount of ITR as per Report 75	Amount of excess grant of ITR/ <u>Penalty</u>	Audit Observation	Reply of the Assessing Authority (AA)
51	<u>CTO Circle-I Gwalior</u> M/s Balaji Traders TIN- 23665206126 Case No. Deemed 619/17	2016-17	32,48,197 26,24,671	T 6,23,526 P <u>18,70,578</u> 24,94,104	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
52	<u>CTO Circle-I Gwalior</u> M/s Rajeev Enterprises TIN- 23059151843 Case No. Deemed 604/17	2016-17	52,52,449 8,07,530	T 44,44,919 P <u>1,33,34,757</u> 1,77,79,676	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
53	<u>CTO Circle-Mandideep</u> M/s Chauksey Traders TIN-23759117532 Case No- Deemed	2015-16	7,79,278 7,29,363	T 49,915 P <u>1,49,745</u> 1,99,660	The AA allowed ITR as claimed by the dealer without matching Form 75.	The AA stated that Action would be taken after verification.
Total			Tax <u>Penalty</u> Total	3,45,83,315 <u>10,37,49,945</u> 13,83,33,260		

Annexure 3.4*(Referred to in paragraph 3.7.2)***Allowance of excess input tax rebate against the provision****(Amount in ₹)**

Allowance of excess input tax rebate against the provision in Regular Assessed Cases							
Sl. No	Name of Auditee unit Dealer	Period of Assessment	Commodity	ITR allowed by the AA /ITR as per books of accounts/ITR allowable	Excess grant of ITR	Audit Observation	Reply of the Assessing Authority (AA)
1	ACCT Div.I Gwalior M/s Swami Sarwanand Grah Udyog. TIN- 23045101513 Case No.CS000000104716	2016-17	Oilseed	81,66,476 79,57,901	2,08,575	The State Government vide notification dated April 2012, notified <i>Til</i> for the purpose of deduction of TDS under section 26-A(I). It was further specified under section 26-A(4) of MP VAT Act, 2002, that no input tax rebate shall be claimed or allowed in respect of goods notified under sub-section 1 of section 26-A. The AA Allowed ITR on purchase of <i>Til</i> in contravention of the above provisions.	The AA stated that Action would be taken after verification.
2	DCCT Div.Satna Sasan Power Ltd. TIN-23597305875 Case No.CS0000001095694	2016-17	Electric Generation	12,07,110 2,49,431	9,57,679	The Dealer claimed more ITR than actually charged in Purchase Bill. The AA also allowed the same.	The AA stated that Action would be taken after verification.
3	DCCT Div.Satna Sasan Power Ltd. TIN-23597305875 Case No.CS0000001287254	2017-18	Electric Generation	8,06,832 93,803	7,13,029	The Dealer claimed more ITR than actually charged in Purchase Bill. The AA also allowed the same.	The AA stated that Action would be taken after verification.

Allowance of excess input tax rebate against the provision in Regular Assessed Cases							
Sl. No	Name of Auditee unit Dealer	Period of Assessment	Commodity	ITR allowed by the AA /ITR as per books of accounts/ITR allowable	Excess grant of ITR	Audit Observation	Reply of the Assessing Authority (AA)
4	CTO Circle-II Jabalpur HES Infra Pvt. Ltd. TIN-23989065328 Case No.CS0000001250563	2016-17	Works contract	6,27,441 1,91,882	4,35,559	ITR was allowed on such purchase bills which does not indicate TIN of purchasing dealer.	The AA stated that Action would be taken after verification.
5	CTO Circle-II Jabalpur PCC Infrastructure Pvt. Ltd. TIN-23449175957 Case No.CS0000001249184	2016-17	9A Goods Sand/Metal	47,542	47,542	The AA allowed ITR on section 9A goods whereas these goods are not eligible for ITR in this case (works contract).	The AA stated that Action would be taken after verification.
6	CTO Circle -Waidhan Sinha Infratech Pvt. Ltd. TIN-23597302286 Case No.CS0000001189437	2016-17	Concrete mixer	56,000 0	56,000	Section 14(6)(vi) of MPVAT Act stipulates that no ITR shall be claimed and allowed to a registered dealer in respect of plant and machinery or part thereof as may be notified by the State Government. The State Government vide its notification no.28 dated 17/8/2007, notified concrete mixer machine under section 14(6)(vi). The AA allowed ITR on concrete mixer in contravention of the above provisions.	The AA stated that Action would be taken after verification.

Allowance of excess input tax rebate against the provision in Regular Assessed Cases							
Sl. No	Name of Auditee unit Dealer	Period of Assessment	Commodity	ITR allowed by the AA /ITR as per books of accounts/ITR allowable	Excess grant of ITR	Audit Observation	Reply of the Assessing Authority (AA)
7	CTO Circle- Waidhan Sinha Infratech Pvt. Ltd. TIN-23597302286 Case No.CS0000001189437	2016-17	Works contract	1,77,319 90,559	86,760	The AA allowed ITR on such purchase bills on which TIN of purchasing dealer was not mentioned which was against the provision of section 14(6)(x).	The AA stated that Action would be taken after verification.
8	DCCT Div.I Gwalior Prem Motors Pvt. Ltd. TIN- 23405302881 Case No.CS0000001001707	2016-17	Motor Vehicles & Accessories	67,86,896 64,92,848	2,94,048	The AA allowed ITR on purchase bills on which purchaser's TIN was not mentioned which was against the provision of section 14(6)(x) of MPVAT Act.	The AA replied that ITR cannot be disallowed if the input tax is paid on purchase. Reply is not acceptable in terms of section 14(6)(x) of MP VAT Act.
9	CTO Circle - Waidhan M/s Sant Bahadur Singh TIN-23407306610 Case No.CS0000000892120	2016-17	Works contract	17,33,923 14,50,412	2,83,511	The AA allowed ITR on purchase bills on which TIN of the purchasing dealer was not mentioned which was against the provision of section 14(6)(x).	The AA stated that Action would be taken after verification.
10	CTO Circle-I Ratlam M/s Abhinav Automobiles TIN- 23023401793 Case No.CS0000001124037	2016-17	Diesel, Petrol, Oil	2,12,60,818 2,07,91,473	4,69,345	The AA allowed ITR on opening stock of Petrol, Diesel and Oil.	The AA stated that in the year 2015-16, ITR was not given on Petrol/Diesel assuming the same as tax paid goods. Due to this reason, ITR was allowed on opening stock of 2016-17. The Reply is not tenable because there is no such provision in the act to claim or allow ITR on

Allowance of excess input tax rebate against the provision in Regular Assessed Cases							
Sl. No	Name of Auditee unit Dealer	Period of Assessment	Commodity	ITR allowed by the AA /ITR as per books of accounts/ITR allowable	Excess grant of ITR	Audit Observation	Reply of the Assessing Authority (AA)
							previous year purchases. Secondly, if the goods, had been treated as tax paid goods so tax would have also not been imposed on its sale Also Petrol and Diesel have the tendency to evaporate and as per provision, ITR on Petrol/Diesel is available only on its sale. So by allowing ITR, the dealer could get ITR on evaporated volume also. Further, the AA did not provide AO other evidences related to previous year assessment in support of his reply. So the chances of allowance of double ITR is also there.
11	CTO Circle-II Jabalpur M/s Om Engineering Works TIN-23756105218 Case No.CS0000001250576	2016-17	Iron, Machinery	20,67,656 19,44,899	1,22,757	The AA allowed ITR by reducing CST from total Input Tax but as per the section 14(1)(a)(1a) of MP VAT Act, Input tax actually paid or CST paid or payable, whichever is less, should be allowed as ITR.	The AA stated that Action would be taken after verification.
12	CTO Circle-Waidhan M/s BK Filtration System TIN-23359117766 Case No.CS0000001185072	2016-17	Pollution Equipment	2,14,302 1,36,748	77,554	The AA allowed ITR without considering the provision of section 14(1)(a)(1a).	The AA stated that Action would be taken after verification.

Allowance of excess input tax rebate against the provision in Regular Assessed Cases							
Sl. No	Name of Auditee unit Dealer	Period of Assessment	Commodity	ITR allowed by the AA /ITR as per books of accounts/ITR allowable	Excess grant of ITR	Audit Observation	Reply of the Assessing Authority (AA)
13	CTO Circle-Shivpuri M/s Police Welfare Filling Station TIN- 23895703949 Case No- Deemed	2016-17	Diesel, Petrol	1,82,88,780 1,82,31,719	57,061	The AA allowed ITR on value of shortage of Diesel and Petrol, which was against the provisions of section 14(1AC) of MPVAT Act.	The AA stated that Action would be taken after verification.
14	DCCT Div. Satna Hindalco Industries Ltd. Mahan Aluminium Project TIN-23756306036 Case No.CS0000001077280	2016-17	Aluminums ingot	15,57,34,189 15,52,93,762	4,40,427	The AA reversed ITR on 17.81 <i>per cent</i> stock transfer whereas stock transfer was calculated to be 18.07 <i>per cent</i> .	The AA stated that Action would be taken after verification.
15	DCCT Div. Satna Hindalco Industries Ltd. Mahan Aluminium Project TIN-23756306036 Case No.CS0000001259496	2017-18	Aluminium ingot	2,54,91,258 2,53,15,875	1,75,383	The AA reversed ITR on 32.92 <i>per cent</i> stock transfer whereas stock transfer was calculated to be 33.49 <i>per cent</i> .	The AA stated that Action would be taken after verification.
16	ACCT Div.I Gwalior M/s Moondra Sales Agencies TIN-23335101984 Case No.CS0000001047183	2016-17	Gold & Silver	29,79,241 27,28,875	2,50,366	The AA Allowed excess amount of ITR against purchases certified in the Audited Accounts.	The AA stated that Action would be taken after verification.

Allowance of excess input tax rebate against the provision in Regular Assessed Cases							
Sl. No	Name of Auditee unit Dealer	Period of Assessment	Commodity	ITR allowed by the AA /ITR as per books of accounts/ITR allowable	Excess grant of ITR	Audit Observation	Reply of the Assessing Authority (AA)
17	ACCT Div.I Gwalior M/s Moondra Sales Agencies TIN-23335101984 Case No.CS00000927550	2015-16	Gold & Silver	25,07,325 23,45,490	1,61,835	The AA allowed excess amount of ITR against purchases certified in the Audited Accounts.	The AA stated that Action would be taken after verification.
18	CTO Circle-Ratlam M/s Super Electronics TIN- 23093404907 Case No- 717/17	2016-17	Electronics goods	8,85,388 6,68,772	2,16,616	The AA allowed excess ITR against purchase amount as per the Audited Accounts.	The AA stated that Action would be taken after verification.
Total					50,54,047		

Annexure 3.5
(Referred to in paragraph 3.8)
Entry Tax (ET) not levied/short levied

(Amount in ₹)

Entry tax (ET) was not levied/short levied in Regular Assessed Cases							
Sl. No	Name of Auditee Unit Dealer	Period of Assessment	Commodity Taxable Turnover (TTO) (in ₹)	Rate of tax applicable Applied Rate (Per cent)	Amount of non / short levy of tax	Audit Observation	Reply of the Assessing Authority (AA)
1	DCCT Div. Satna Vindhyaachal Super Thermal Power Project TIN-23077300826 Case No.CS0000001125893	2016-17	Paint, Thinner 3,32,17,220	<u>2</u> 1	3,32,172	The AA levied ET @ one <i>per cent</i> on paint, thinner, etc. whereas these commodities are taxable @ two <i>per cent</i> .	The AA stated that Action would be taken after verification.
2	CTO Circle-Shivpuri M/s Shri Ram Mobile TIN- 23339097980 Case No.CS0000008827388	2016-17	Mobile 42,12,420	<u>2</u> 1	42,124	The AA incorrectly levied ET at the rate of one <i>per cent</i> on purchase of mobile instead of two <i>per cent</i> .	The AA stated that Action would be taken after verification.
3	DCCT Div.-I Gwalior Marbals Vinayak Ltd. Unit II TIN- 23415304185 Case No.CS0000001002759	2016-17	Pet coke 10,11,462	<u>3</u> 0	30,444	The AA allowed deduction of tax paid purchase, whereas it is evident from purchase bill that on these purchases, Entry tax was not paid.	The AA stated that Action would be taken after verification.
4	DCCT Div.-I Gwalior Marbals Vinayak Ltd. Unit II TIN- 23415304185 Case No.CS0000001002759	2016-17	Packing material 73,11,168	<u>1</u> 0	73,112	The AA allowed deduction of tax paid purchase, whereas it is evident from purchase bill that on these purchases Entry tax was not paid.	The AA stated that Action would be taken after verification.

Entry tax (ET) was not levied/short levied in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	Commodity Taxable Turnover (TTO) (in ₹)	Rate of tax applicable Applied Rate (Per cent)	Amount of non / short levy of tax	Audit Observation	Reply of the Assessing Authority (AA)
5	ACCT Div.-I Gwalior M/s Swami Sarwanand Grah Udyog TIN- 23045101513 Case No.CS000000104715	2016-17	Oil 12,41,70,957	$\frac{1}{0}$	12,41,710	The AA allowed incorrect deduction of spot sale.	The AA stated that Action would be taken after verification.
6	ACCT Div.-I Gwalior M/s Anand Oil Corporation TIN- 23665100978 Case No.CS0000000	2016-17	Oil 4,60,05,949	$\frac{1}{0}$	4,60,060	The AA allowed incorrect deduction of out to out sale.	The AA stated that Action would be taken after verification.
7	CTO Circle-I Gwalior M/s Vijay Kumar Sharma TIN- 23289099537 Case No.CS0000000851571	2015-16	Mitti 93,40,622	$\frac{1}{0}$	93,406	The AA did not levy Entry Tax on purchase of soil of ₹ 93,40,622.	The AA stated that Action would be taken after verification.
8	CTO Circle-I Gwalior M/s Santosh Giri TIN- 23669036740 Case No.CS0000000849178	2015-16	Mitti 37,25,610	$\frac{1}{0}$	37,256	The AA did not levy entry tax on purchase of ₹ 37,25,610.	The AA stated that Action would be taken after verification.
9	CTO Circle-I Gwalior M/s R.R. & Sons TIN- 23729104731 Case No.CS0000001082552	2015-16	Machinery 1,49,00,000	$\frac{2}{0}$	2,98,000	The AA did not levy tax on purchase price of machine.	The AA stated that Action would be taken after verification.

Entry tax (ET) was not levied/short levied in Regular Assessed Cases							
Sl. No	Name of Auditee Unit Dealer	Period of Assessment	Commodity Taxable Turnover (TTO) (in ₹)	Rate of tax applicable Applied Rate (Per cent)	Amount of non / short levy of tax	Audit Observation	Reply of the Assessing Authority (AA)
10	CTO Circle-I Gwalior M/s Ajay Katare TIN- 23465206915 Case No.CS0000001093125	2015-16	Cement/Iron Steel 18,78,148	<u>2</u> 0	37,563	The AA allowed deduction of tax paid purchase, however, as per purchase bill, these purchases were verified as entry tax not paid.	The AA stated that Action would be taken after verification.
11	DCCT Div.I Gwalior M/s Marbals Vinayak Ltd. Unit III TIN- 23749023637 Case No.CS0000001278943	2016-17	Pet coke 1,08,66,196	<u>3</u> 1	2,17,324	The AA levied ET at the rate of one <i>per cent</i> on purchase of pet coke instead of three <i>per cent</i> .	The AA stated that pet coke is different from coal and taxable @ one <i>per cent</i> . The reply of the AA was not acceptable because entry no. 5 of Schedule –II of ET Act is “Coal including coke in all its form but excluding charcoal” and the rate is three <i>per cent</i> .
12	DCCT Div.I Gwalior Marbals Vinayak Ltd. Unit II TIN- 23415304185 Case No.CS0000001002759	2016-17	Pet coke 1,28,18,918	<u>3</u> 1	2,56,378	The AA levied ET at the rate of one <i>per cent</i> on purchase of pet coke instead of three <i>per cent</i> .	The AA stated that pet coke is different from coal and taxable @ one <i>per cent</i> . The reply of the AA was not acceptable because entry no. 5 of Schedule –II of ET Act is “Coal including coke in all its form but excluding charcoal” and the rate is three <i>per cent</i> .
13	DCCT Div. Satna Vindhyachal Super Thermal Power project. TIN-23077300826 Case No.CS0000001125893	2016-17	Transformer 52,59,846	<u>5</u> 2	1,57,795	The dealer purchased Transformer from out of state for use and consumption. The AA levied ET @ one <i>per cent</i> whereas enhanced rate of ET was leviable on Transformer as per notification no. 3 dated 17 February 2009, issued under section 4A of the ET Act.	The AA stated that Action would be taken after verification.

Entry tax (ET) was not levied/short levied in Regular Assessed Cases

Sl. No	Name of Auditee Unit Dealer	Period of Assessment	Commodity Taxable Turnover (TTO) (in ₹)	Rate of tax applicable Applied Rate (Per cent)	Amount of non / short levy of tax	Audit Observation	Reply of the Assessing Authority (AA)
14	<u>DCCT Div.-I Gwalior</u> Parvati Sweetners and Power Ltd. TIN- 23729047307 Case No.CS0000000997609	2016-17	<u>PP Woven bags</u> 19,28,412	<u>5</u> 1	77,136	The AA levied ET @ one <i>per cent</i> whereas these goods are taxable @ five <i>per cent</i> as per notification no. A-3-195-05-1-V (14) dated 1 April 2007.	The AA stated that Action would be taken after verification.
15	<u>CTO Circle-I Ujjain</u> M/s Balaji Engineering Works TIN-23462602368 Case No.2428/17	2016-17	<u>Machinery Parts</u> 54,85,045 43,81,131	<u>2</u> 0	1,09,700 43,811	The AA did not levy ET at the rate of two <i>per cent</i> on purchase of machinery parts amounting to ₹ 54,85,045 and incorrectly levied ET at the rate of one <i>per cent</i> instead of two <i>per cent</i> on purchase value of machinery parts of ₹ 43,81,131.	The AA stated that Action would be taken after verification.
16.	<u>CTO Circle-Waidhan</u> M/s Universal Trading Corp. TIN-23647301337 Case No.CS0000001109805	2016-17	<u>HEMM Spares</u> 37,14,011	<u>1</u> 0	37,140	The AA did not include Freight charges in GTO as well as did not deduct excess amount of Purchase price of Inter State Sale.	The AA replied that, no tax shall be levied in respect of goods, which after entry into a local area are sold outside the state that is why it is appropriate to take complete sale value. Reply is not tenable because while determining GTO in the ET case, purchase value is to be taken, therefore it is correct to deduct the purchase price of interstate sale from GTO, as per provision.
17	<u>CTO Circle-II Jabalpur</u> M/s Sundar Das Gyanchand and Co. TIN-23435902179 Case No.233/17	2016-17	<u>JCB</u> 38,12,561	<u>1</u> 0	38,126	The dealer did not include purchase value of JCB machine in GTO.	The AA stated that Action would be taken after verification.

Entry tax (ET) was not levied/short levied in Regular Assessed Cases							
Sl. No	Name of Auditee Unit Dealer	Period of Assessment	Commodity Taxable Turnover (TTO) (in ₹)	Rate of tax applicable Applied Rate (Per cent)	Amount of non / short levy of tax	Audit Observation	Reply of the Assessing Authority (AA)
18	CTO Circle- Waidhan Agraj Infrastructure Pvt. Ltd. TIN-23239107593 Case No.CS0000001106740	2016-17	Cement and Machinery Parts 60,96,293	$\frac{1}{0}$	60,963	The AA determined less purchase value of goods taxable @ two per cent.	The AA stated that Action would be taken after verification.
19	DCCT Div.I Indore JBM Auto Limited TIN-23839049139 Case No.CS0000001070915	2016-17	Motor Vehicle Spares 13,13,83,998	$\frac{1}{0}$	13,13,840	The AA determined less turnover by not including purchase of motor vehicle parts, machinery parts, hardware and barbed wire as verified in Form-49 in VATIS data.	The AA stated that Action would be taken after verification.
20	CTO Circle-I Gwalior Punj Lloyd Limited TIN- 2368530318 Case No.CS0000000862409	2015-16	Machinery Parts 6,40,56,632	$\frac{2}{0}$	12,81,133	The AA determined less turnover against out of State purchase as per used Form-49.	The AA stated that Action would be taken after verification.
Total					61,95,382		

Annexure 3.6

(Referred to in paragraph 3.9)

Application of incorrect rate of tax in Regular Assessed Cases

(Amount in ₹)

Sl. No.	Name of the Auditee Unit Dealer	Period of Assessment	Commodity Taxable Turnover on which incorrect rate applied (in ₹)	Rate of tax applicable Applied Rate (Per cent)	Amount of Short levy of tax	Audit Observation	Reply of the Assessing Authority (AA)
1	CTO Circle-II Jabalpur Dhruv Vinimay Pvt.Ltd. TIN-231259068015 Case No.CS00000001250137	2016-17	Cement 2,97,96,355	14 5	13,08,238	The AA levied tax @ five <i>per cent</i> on whole taxable turnover whereas the dealer had also consumed the 14 <i>per cent</i> commodity in the works contract. Tax is proposed in the ratio of ITR allowed to the dealer i.e., five <i>per cent</i> on ₹ 1,43,11,189 and @14 <i>per cent</i> on ₹ 1,54,85,166/-.	The AA stated that Action would be taken after verification.
2	ACCT Div.-I Gwalior M/s Moondra Sales Agencies TIN-2335101984 Case No.CS0000000927550	2015-16	CCTV Camera, Cooler, Generator, Old Furniture, etc. 3,10,897	14 1.5	38,862	The AA levied tax @ 1.5 sale of old furniture instead of 14 <i>per cent</i> .	The AA stated that Action would be taken after verification.
3	CTO Circle-I Ratlam M/s Ostwal Trading Company TIN-23612900900 Case No.CS00000001278937	2016-17	Explosive 4,94,450	14 5	44,500	The AA applied 5 <i>per cent</i> rate on the sale of explosives whereas explosives are taxable at the rate of 14 <i>per cent</i> .	The AA stated that Action would be taken after verification.
Total				Tax	13,91,600		

Annexure 3.7*(Referred to in paragraph 3.10)***Incorrect Deduction against TDS and Declaration Form in Regular Assessed Cases of VAT and Entry Tax (ET)****(Amount in ₹)**

Sl. No	Name of the Auditee Unit Dealer	Period of Assessment	Detail of admissible deduction Amount (in ₹)	Deduction given by the AA	Amount of Tax on Excess /Incorrect deduction	Audit Observation	Reply of the Assessing Authority (AA)
1	DCCT Div.Satna Kalptaru Power Transmission Ltd. TIN-23297002430 Case No.CS0000001114272	2016-17	TDS Form 79,55,198	98,42,644	18,87,446	The AA adjusted the TDS of ₹ 98,42,644 against the VAT. Audit noticed that the TDS amounting to ₹ 18,87,446 was not allowable as the TIN mentioned in the TDS Form was different from the TIN of the assessee mentioned in the assessment order.	The AA stated that Action would be taken after verification.
2	CTO Circle-I Ujjain M/s Rajesh Agrawal TIN-232726073782 Case No.CS0000001425799	2016-17	TDS Form 8,06,026	8,53,761	47,735	The AA allowed adjustment on TDS Form pertaining to other financial year.	The AA stated that Action would be taken after verification.
3	DCCT Div.Satna Mahakaleshwar Mines and Metals Pvt Ltd. TIN-23259021164 Case No.CS0000001311910	2016-17	Entry Tax (ET) Declaration Form 62,86,16,803	67,43,00,057	13,70,498	The AA gave deduction of ET for ₹ 67,43,00,057, whereas declaration form of only ₹ 62,86,16,803 were found attached with the case. Tax of ₹ 13,70,498 is calculated on ₹ 4,56,83,254 at the rate of three <i>per cent</i> .	The AA stated that Action would be taken after verification.
4	DCCT Div. Satna Mahakaleshwar mines	2017-18	ET Declaration	4,33,54,948	3,42,230	The AA allowed deduction of ET for ₹ 4,33,54,948, whereas dealer had	The AA stated that Action would be taken after

Sl. No	Name of the Auditee Unit Dealer	Period of Assessment	Detail of admissible deduction Amount (in ₹)	Deduction given by the AA	Amount of Tax on Excess /Incorrect deduction	Audit Observation	Reply of the Assessing Authority (AA)
	and metals Pvt.Ltd. TIN-23259021164 Case No.CS0000001352482		<u>Form</u> 3,19,47,274			submitted declaration form of ₹ 3,19,47,274. As a result, tax of ₹ 3,42,230 @ three <i>per cent</i> was short levied.	verification.
5	<u>CTO Circle-Waidhan</u> SMJ Ltd. TIN-23969103446 Case No.CS0000009639966	2015-16	<u>Spot Sale</u> 1,06,55,006	1,06,55,006	3,19,650	The AA allowed deduction of spot sale without any relevant evidence.	The AA stated that Action would be taken after verification.
				Total	39,67,559		

Annexure 4.1*(Referred to in paragraph 4.7.4.2)***Extraction of minerals before obtaining CTOs**

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in Ha.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of the DMOs	Audit's Comment
1	Damoh	Shri Jagdish Patel	Khadheri, Batiyagarh, Damoh	14	1.710	26/09/2017 to 25/09/2027	Gitti	October 2018 to March 2019	6,500	Recovery would be made as per rule.	Final reply is awaited.
2	Damoh	M/s P.V.S. Infra Resources	Padhachir Tedukhedha, Damoh	121, 123, 127, 128, 129, 130	6.000	22/03/2018 to 21/03/2028	Gitti	April 2018 to March 2019	8,080	Recovery would be made as per rule.	Final reply is awaited.
3	Damoh	Shri Jagdish Patel	Khadheri, Batiyagarh, Damoh	15/1	2.000	26/09/2017 to 25/09/2027	Gitti	December 2018 to March 2019	2,800	Recovery would be made as per rule.	Final reply is awaited.
4	Dindori	M/s Anil Buildcon Pvt. Ltd.	Bilaspur, Bahera Mal, Tehsil Dindori,	1453	1.200	14/12/2018 to 13/12/2020 (2 yr)	Gitti	14/12/2018 to 13/12/2020	7,000	DMO stated that EC was obtained by temporary permit holder before started work, royalty paid for total excavated quantity which was used in Government work therefore, penalty is not acceptable.	Temporary permit holder started work before obtaining CTO. Therefore, penalty is leviable.
5	Dindori	Shri Krishna Kumar	Khirsari, Dindori	19/1, 19/2, 19/3	1.000	02/11/2016 to 01/11/2021	Gitti (Stone Boulder)	2016-17	3,425	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be as per rule.	Final reply is awaited.
								2017-18	3,028		
								2018-19	1,877		

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in Ha.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of the DMOs	Audit's Comment
6	Dindori	Shri Bhim Awadhiya	Ganeshpur Dhangaon Raiyat, Dindori,	99	1.000	03/05/2017 to 02/05/2027	Gitti (Stone Boulder)	2017-18	630	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be as per rule.	Final reply is awaited.
								2018-19	1,411		
7	Dindori	Smt. Ashiya Begum	Mehadwani, Shahpura, Dindori	626/1	1.000	29/04/2016 to 28/04/2021	Gitti (Stone Boulder)	2016-17	65	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be as per rule.	Final reply is awaited.
								2018-19	953		
8	Dindori	Shri Tikaram Sahu	Bargaon, Shahpura, Dindori	1683	2.000	11/01/2016 to 10/01/2026	Gitti (Stone Boulder)	2017-18	253	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be as per rule.	Final reply is awaited.
								2018-19	1,282		
9	Dindori	Shri Sandeep Rai	Bardwara, Shahpura, Dindori	62/5, 62/6, 65	2.000	03/03/2017 to 02/03/2027	Gitti (Stone Boulder)	2018-19 (Before 26/01/2019)	1,249	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be as per rule.	Final reply is awaited.
10	Dindori	Shri Rajeev Kumar Sahu	Mohtara, Bajag, Dindori	6/1, 10	1.000	31/03/2018 to 30/03/2028	Gitti (Stone Boulder)	2018-19	926	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in Ha.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of the DMOs	Audit's Comment
										concerned Contractor and recovery would be as per rule.	
11	Dindori	Shri Sumit Khanuja	Jamunia, Dindori	83	2.000	08/02/2016 to 07/02/2026	Gitti (Stone Boulder)	2016-17	3,200	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
								2017-18	2,000		
								2018-19	1,300		
12	Dindori	Smt. Preeti Khanuja	Madiyaras, Dindori	2594/2, 2595/2, 596/2, 2598/2, 2599/2, 2620, 2621, 2623 to 2628, 2609 to 2612	5.610	10/12/2015 to 09/12/2025	Gitti (Stone Boulder)	2017-18 (January 2018 to March 2018)	238	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
								2018-19	6,390		
13	Dindori	Shri Pramod Kumar Sahu	Ratna Maal, Bajag, Dindori	1	2.000	06/04/2017 to 05/04/2027	Gitti (Stone Boulder)	2017-18	580	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
								2018-19	3,760		
14	Dindori	Shri Pramod Kumar Sadhu	Kaonde Riya, Baja, Indore	24	2.000	13/06/2018 to 12/06/2028	Gitti (Stone Boulder)	2018-19	1,149	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in Ha.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of the DMOs	Audit's Comment
										concerned Contractor and recovery would be made as per rule.	
15	Dindori	Shri Mannu Singh	Jamuniya Mall, Dindori	915/1	1.000	04/02/2017 to 03/02/2027	Gitti (Stone Boulder)	2017-18	70	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
								2018-19	834		
16	Dindori	Arun Kumar Gupta Stone Crusher / Shri Arun Kumar Gupta	Shahpura, Shahpura, Dindori	807/2	1.000	09/05/2017 to 08/05/2027	Gitti (Stone Boulder)	2016-17	2,730	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
								2017-18	2,400		
								2018-19	3,109		
17	Dindori	Shri Nawal Singh	Rehangi Mall, Dindori	308/1, 308/3	2.000	11/03/2016 to 10/03/2026	Gitti (Stone Boulder)	2017-18 (Before 19/04/2018)	1,436	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
18	Dindori	Shri Prakash Kumar Rai	Andai, Dindori	37	1.000	05/02/2016 to 04/02/2021	Gitti (Stone Boulder)	2016-17	2,298	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
								2017-18	791		
								2018-19	1,043		

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in Ha.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of the DMOs	Audit's Comment
19	Dindori	Shri Arvind Kumar Vishwakarma	Barkhoh Raiyat, Dindori	127	2.000	30/05/2017 to 29/05/2027	Gitti (Stone Boulder)	2018-19	485	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
20	Dindori	Shri Sumit Khanuja	Jamunia Mall, Dindori	852, 545	3.070	13/03/2018 to 12/03/2028	Gitti (Stone Boulder)	2018-19	1,500	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
21	Dindori	Shri Balmukund	Khudiya Raiyat, Dindori	56	1.000	06/06/2017 to 05/06/2027	Gitti (Stone Boulder)	2017-18	620	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
								2018-19	398		
22	Dindori	Shri Manoj Burman	Sundarpur Raiyat, Dindori	318	1.000	09/06/2016 to 08/06/2026	Gitti (Stone Boulder)	2017-18	975	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
								2018-19	13		
23	Dindori	Shri Pramod Sonapali	Jhanki, Dindori	303	1.000	24/04/2015 to 23/04/2020	Gitti (Stone)	2016-17	876	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to	Final reply is awaited.
								2017-18	218		

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in Ha.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of the DMOs	Audit's Comment
										concerned Contractor and recovery would be made as per rule.	
24	Dindori	Sri Arpit Nayak	Rahangi, Dindori	22	1.000	31/10/2014 to 30/10/2024	Gitti (Stone)	2017-18	292	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
25	Dindori	Shri Chandra Prakash Sharma	Bhardwara Raiyat, Dindori	405/02	2.000	31/03/2018 to 30/03/2028	Gitti (Stone)	2018-19	722	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
26	Dindori	Shri Uday Narayan Sachan	Jhanki, Dindori	322	2.000	24/08/2017 to 23/08/2027	Gitti (Stone)	2016-17	1,020	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
								2017-18	747		
								2018-19	287		
27	Dindori	Shri Suraj Prakash Khatri	Bahera Mal, Dindori	350/1, 350/2, 350/3	1.000	17/05/2017 to 16/05/2027	Gitti (Stone)	2018-19	759	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in Ha.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of the DMOs	Audit's Comment
28	Gwalior	M/s KNR Construction Ltd.	Jiganiya, Gwalior	323 320	3.064 2.000	30/03/2017 to 29/03/2019 (2 yr)	Gitti	30/03/2017 to 29/03/2019	1,74,135	Action would be taken after verification.	Final reply is awaited.
29	Indore	Shri Satish Jaat	Matlabpura, Indore	198/1/1	3.000	13/06/2014 to 12/06/2024	Gitti	01/04/2016 to 31/03/2017	7,200	DMO, did not reply, matter has been brought to the notice of DGM.	Final reply is awaited.
30	Khargone	Shri Aashik S/o Shri Amanulla	Pipalzopa, Kasrawad, Khargone	Survey No. 127	1.200	31/01/2014 to 30/01/2024	Gitti	Before 20/12/2018	3,540	Action would be taken after verification.	Final reply is awaited.
31	Morena	Shri Lokendra Singh	Vandwari, Morena	1539	2.600	16/08/2016 to 15/08/2026	Gitti	01/12/2016 to 08/03/2017 (Before 09/03/2017)	7,885	Action would be taken after verification.	Final reply is awaited.
32	Morena	Shri Devraj Singh	Urhana, Morena	1251	2.500	12/09/2016 to 11/09/2026	Gitti	01/04/2017 to 08/11/2017 (Before 09/11/2017)	5,953	Action would be taken after verification.	Final reply is awaited.
33	Morena	Shri Mohit Sharma	Urhana, Morena	1244	4.000	12/09/2016 to 11/09/2026	Gitti	01/06/2017 to 14/12/2017 (Before 15/12/2017)	755	Action would be taken after verification.	Final reply is awaited.
34	Morena	Shri Kaushlendra	Falooda, Kailaras,	353	4.227	18/12/2016 (Possession	Stone	01/06/2011 to	21,850	Action would be taken after verification.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in Ha.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of the DMOs	Audit's Comment
		Singh Kaurav	Morena			Date) to 31/03/2021		16/05/2017 (Before 17/05/2017)			
35	Shahdol	Shri Rakesh Singh Chandel	Khamraud, Budhar Shahdol	85/1	2.000	15/03/2017 to 14/03/2027	Gitti	Jun-2017	25	Action would be taken after verification.	Final reply is awaited.
36	Shahdol	Shri Rajesh Kumar Tiwari	Charhet, Jaisingh Nagar, Shahdol	2145/1	2.000	03/01/2017 to 02/01/2027	Gitti	Before 16/08/2017	35	Action would be taken after verification.	Final reply is awaited.
37	Shahdol	M/s Sainath Construction, Pro/ Smt Madhuri Singh	Patasi, Sohagpur, Shahdol	116/2	1.000	28/09/2015 to 27/09/2025	Gitti	01/11/2016 to 06/12/2017	399	Action would be taken after verification.	Final reply is awaited.
38	Shahdol	M/s D V Project Ltd., Korba (CG)	Kotma, Sohagpur, Shahdol	486	3.197	27/05/2016 to 26/05/2018	Murum	16/06/2016 to 02/04/2018	27,182	Action would be taken after verification.	Final reply is awaited.
39	Shajapur	Shri Nirbhay Singh Gurjar	Makodi, Gulana, Shajapur	63	2.000	31/03/2016 to 29/03/2026	Gitti	April 2018 to March 2019	3,860	Show cause notice was issued to lessee.	Final reply is awaited.
40	Shivpuri	M/s Om Stone Crusher Pro. Ved Prakash Sharma)	Bamor, Badarwas, Shivpuri	1761/1, 1761/2, 1762/1, 1762/2, 1762/3	2.000	11/8/2016 to 10/8/2026	Gitti	June 2017 to March 2019	22,480	Lessee did not excavate beyond permissible limit and Action would be taken after verification.	Reply is not acceptable. Lessee did not follow the orders of the Hon'ble Supreme Court (August, 2017).
41	Shivpuri	Shri Deepak	Dabradinara, Karera,	213, 213/3,	4.000	14/6/2018	Gitti	Before	6,124	Lessee did not excavate beyond permissible limit	Reply is not acceptable because as

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in Ha.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of the DMOs	Audit's Comment
		Sharma	Shivpuri	215		to 13/6/2028		28/04/2019		and penalty under Section 21 of MMDR Act is applicable on mining without obtaining mineral concession.	per Section 21 of the MMDR Act, 1957, a person shall carry out any mining activity in accordance with the provisions of the Act and rules made there under. Therefore, penalty is leviable.
42	Shivpuri	Shri Subham Bansal	Khudawali, Karera, Shivpuri	1780/3/1	4.000	16/3/2018 to 15/3/2028	Gitti	Before 05/09/2018	2,390	Lessee did not excavate beyond permissible limit and penalty under Section 21 of MMDR Act is applicable on mining without obtaining mineral concession.	Reply is not acceptable because as per Section 21 of the MMDR Act, 1957, a person shall carry out any mining activity in accordance with the provisions of the Act and rules made there under. Therefore, penalty is leviable.
43	Shivpuri	Shri Kale Khan	Sirsona, Karera, Shivpuri	157, 158	5.300	26/10/2015 to 31/3/2020	Sand	01/04/2016 to 31/03/2017	42,470	Instruction would be followed.	Final reply awaited.
44	Shivpuri	Shri Basit Ali	Sinawalkala, Khaniyadhana, Shivpuri	1572, 1614, 1712, 1	5.560	30/12/2015 to 31/3/2020	Sand	01/04/2016 to 31/03/2017	46,748	Instruction would be followed.	Final reply awaited.
Total	09 DMOs				114.992				4,54,750 Cu.M.		

Annexure 4.2*(Referred to in paragraph 4.7.4.2)***Extraction of minerals without renewal of CTOs**

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
1	Alirajpur	Shri Surpal Ajnar	Kandlarao, Jobat, Alirajpur	898, 904, 905, 920	3.490	19/05/2009 to 18/05/19	Gitti	01/09/2018 to 26/02/2019	62,575	Action would be taken after verification.	Final reply is awaited.
2	Alirajpur	Shri Ambe Crusher	Madhupallvi, Sondwa, Alirajpur	12/2	8.000	03/06/2015 to 02/06/2025	Gitti	01/04/2017 to 06/03/2018	95,718	Action would be taken after verification.	Final reply is awaited.
3	Alirajpur	Shri Devendra Singh, Rathwa	Ambadori, Katthiwada, Alirajpur	477	4.440	11/11/1998 to 10/11/2018	Dolomite	11/11/2012 to 10/11/2018	9,380	Action would be taken after verification.	Final reply is awaited.
4	Alirajpur	Shri Deepak Gupta	Ambi, Alirajpur	102, 104, 119	4.500	07/03/2015 to 06/03/2045	Dolomite	31/01/2018 to 31/03/2019	12,070	Action would be taken after verification.	Final reply is awaited.
5	Alirajpur	Shri Shashi Kant	Bari, Alirajpur	535/553	9.610	13/03/2001 to 12/03/2021	Dolomite	01/04/2017 to 31/01/2019	12,629	Action would be taken after verification.	Final reply is awaited.
6	Alirajpur	Shri Hari Narayan Lal Chand	Panwani, Alirajpur	171,178, 179,182, 183,324, 337	8.000	02/07/1999 to 01/07/2049	Dolomite	01/04/2016 to 31/03/2019	3,925	Action would be taken after verification.	Final reply is awaited.
7	Alirajpur	Smt. Sangita	Kolyabayda, Jobat, Alirajpur	279, 280, 281, 283	1.500	03/06/2010 to 02/06/2020	Gitti	01/02/2015 to 17/07/2017	8,098	Action would be taken after verification.	Final reply is awaited.
8	Alirajpur	Smt. Pramila	Kolyabayda, Jobat, Alirajpur	78, 81, 286	0.940	26/11/2010 to 25/11/2020	Gitti	01/02/2015 to 17/07/2017	15,240	Action would be taken after verification.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
9	Alirajpur	Smt. Sarmi	Ambaja, Sondwa, Alirajpur	120, 123	2.000	01/04/2009 to 31/03/2019	Gitti	01/01/2016 to 31/12/2018	4,625	Action would be taken after verification.	Final reply is awaited.
10	Anuppur	Smt. Indrani Singh, W/o Sh. Sudama Singh	Bandhamar, Pushprajgarh, Anuppur	276/2, 277/2	0.809	10/09/2010 to 09/09/2020	Gitti	01/12/2017 to 28/02/2019	210	Action would be taken after verification.	Final reply is awaited.
11	Anuppur	Sh. Neeraj Kumar Soni	Nigwani, Kotma, Anuppur	1316/1	4.500	15/11/2017 to 14/11/2027	Murum	01/02/2019 to 31/03/2019	17,152	Action would be taken after verification.	Final reply is awaited.
12	Anuppur	Sh. Raghuwan Chouksey	Adhwar, Pushprajgarh, Anuppur	106/7	1.619	23/09/2009 to 22/09/2019	Gitti	01/01/2018 to 16/05/2018	10	Action would be taken after verification.	Final reply is awaited.
13	Anuppur	M/s Bajranj Stone Crusher Pro. Sh. Bhimsen Gupta	Bartola, Pushprajgarh Anuppur	356/6, 356/3/2, 356/3 /1	2.306	22/03/2012 to 21/03/2022	Gitti	01/10/2018 to 31/03/2019	2,872	Action would be taken after verification.	Final reply is awaited.
14	Anuppur	M/s Pandey Stone Crusher Pro. Smt. Sudha Pandey	Tiwaritola, Pushprajgarh Anuppur	48 /1	1.011	13/07/2015 to 12/07/2025	Gitti	01/07/2018 to 31/03/2019	4,183	Action would be taken after verification.	Final reply is awaited.
15	Anuppur	M/s Rai Stone Crusher Pro. Smt. Kiran Rai	Dudhmaniya, Pushprajgarh Anuppur	6 /1	1.011	22/04/2015 to 21/04/2025	Gitti	01/06/2017 to 31/03/2019	21,547	Action would be taken after verification.	Final reply is awaited.
16	Anuppur	M/s Santosh Kumar Jaiswal	Vicharpur, Pushprajgarh Anuppur	18	0.748	10/09/2008 to 09/09/2018	Gitti	01/04/2017 to 31/03/2019	1,982	Action would be taken after verification.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
17	Chhatarpur	M/s Vidhyachal Minerals	Nayagaon, Rajnagar, Chhatarpur	873	9.000	09/05/2013 to 08/05/2023	Stone	01/01/2017 to 12/07/2017	2,000	Action would be taken after verification.	Final reply is awaited.
18	Dewas	Maa Laxmi Stone	Jamgod, Dewas	1079, 1080, 1081, 1082, 1086/2	2.770	19/05/2016 to 18/05/2026	Gitti	05/2017 to 08/2017	7,292	Action would be taken after verification.	Reply is not acceptable because it should be monitored earlier, which is not being done. It is brought to the notice of Higher Officers.
19	Dewas	Firoz Patel	Kanhairiya, Tankhurd, Dewas	918	4.000	24/08/2015 to 23/08/2025	Gitti	02/2017 to 05/2018	9,920	Action would be taken after verification.	Reply is not acceptable because it should be monitored earlier, which is not being done. It is brought to the notice of Higher Officers.
20	Dewas	Jeewan Singh	Napakhedhi, Dewas	494/2	1.00	30/04/2011 to 30/04/2021	Gitti	04/2018 to 03/2019	3,740	Action would be taken after verification.	Reply is not acceptable because it should be monitored earlier which is not being done. It is brought to the notice of Higher Officers.
21	Dindori	M/s Maa Bhawani	Dandvidaypur, Dindori	594, 596	0.910	11/11/2016 to 10/11/2021	Gitti (Stone Boulder)	01/11/16 to 15/11/17, 01/11/18 to 31/03/2019	2,271	Contractor has excavated without obtaining CTO due to e/TP facility started on portal, notice was issued to	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
										concerned Contractor and recovery would be made as per rule.	
22	Dindori	M/s Chacha Bhatija	Mohtara, Bajag, Dindori	57	1.000	26/04/2016 to 25/04/2026	Gitti (Stone Boulder)	01/08/2017 to 30/09/2017	720	Contractor has excavated without obtaining CTO due to e/TP facility started on portal, notice was issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
23	Dindori	Shri Sumit Khanuja	Jamunia, Dindori	90	0.870	16/12/2011 to 15/12/2021	Gitti (Stone Boulder)	01/09/2017 to 31/03/2019	1,369	Contractor has excavated without obtaining CTO due to e/TP facility started on portal, notice was issued to concerned Contractor s and recovery would be made as per rule.	Final reply is awaited.
24	Dindori	M/s Maa Sharda Stone Crusher	Kuda, Dindori	537/2	1.000	13/03/2017 to 12/03/2027	Gitti (Stone Boulder)	01/04/2017 to 31/03/2018	300	Contractor has excavated without obtaining CTO due to e/TP facility started on portal, notice was issued to concerned Contractor and recovery would be made as per rule	Final reply is awaited.
25	Dindori	M/s Abhishek	Shahpura,	790/1	0.700	01/10/2013 to	Gitti (Stone	01/04/2017 to	1,090	Contractor has excavated without	Final reply is

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
		Stone Crusher	Dindori			30/09/2023	Boulder)	31/03/2019		obtaining CTO due to e/TP facility started on portal, notice was issued to concerned Contractor and recovery would be made as per rule.	awaited.
26	Dindori	Shri Pratap Singh Dhurvey	Dungariya, Shahpura	81, 82	1.000	17/03/2016 to 16/03/2026	Gitti (Stone Boulder)	01/07/2018 to 31/03/2019	2,080	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice was issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
27	Dindori	Shri Akash Chhawda	Ghanaghat, Dindori	355/1, 355/2	1.300	25/12/2015 to 24/12/2025	Gitti (Stone Boulder)	01/04/2018 to 31/03/2019	344	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice issued to concerned Contractor and recovery would be made as per rule.	Final reply is awaited.
28	Dindori	Shri Prabhat Agrawal	Dhorai, Dindori	90	1.000	12/06/2008 to 11/06/2018	Gitti (Stone Boulder)	01/06/2016 to 31/03/2018	1,847	Contractor has excavated without obtaining CTO due to e-TP facility started on portal, notice was issued to concerned Contractor and recovery would	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
										be made as per rule.	
29	Harda	Sh. Dilip Kaushal	Choukdi, Khirkiya, Harda	508/5	1.581	16/9/2005 to 15/9/2015	Gitti	04/2016 to 03/2019	5,583	Action would be taken after verification.	Final reply is awaited.
30	Harda	Rajesh Sirohi	Dhanawada, Khirkiya, Harda	103/1,2, 94/1	3.500	08/11/2016 to 07/11/2026	Gitti	03/2017 to 15/05/2018	9,300	Action would be taken after verification.	Final reply is awaited.
31	Harda	Hukum Singh Baghel	Bamhangaon, Khirkiya, Harda	¾ k, 3/2 k, 3/1 g, 3/2 kh	4.425	15/12/2016 to 14/12/2026	Stone	01/04/2016 to 15/05/2018	1,725	Action would be taken after verification.	Final reply is awaited.
32	Harda	Rupesh Pathak	Jhiri, Harda	170/7	0.965	30/07/2010 to 29/07/2020	Stone	30/7/2015 to 08/02/2018	500	Action would be taken after verification.	Final reply is awaited.
33	Harda	Jambh Construction	Kharad, Khirkiya, Harda	36	4.856	13/4/2017 to 12/4/2027	Stone	13/4/2017 to 05/08/2018	6,441	Action would be taken after verification.	Final reply is awaited.
34	Harda	Yogesh Pawar	Choukdi, Khirkiya, Harda	443/2	4.047	29/9/2015 to 28/9/2025	Stone	01/04/2018 to 06/01/2019	100	Action would be taken after verification.	Final reply is awaited.
35	Harda	Vikas Pathak	Jamanya, Sirali, Harda	117/119/ 3, 4	0.952	30/07/2010 to 29/07/2020	Stone	17/02/2017 to 07/03/2019	1,000	Action would be taken after verification.	Final reply is awaited.
36	Indore	Som Project Pvt. Ltd.	Rangwasa, Depalpur, Indore	131/1/1/ 2	4.000	31/01/2008 to 29/01/2018 & 31/01/2018 to 29/01/2028	Stone	01/04/2016 to 21/05/2018	66,164	DMO, did not reply. Matter has been brought to the notice of DGM.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
37	Indore	Mahendra Yadav	Badgonda, Indore	287/6/2	1.200	16/12/2010 to 15/12/2020	Stone	04/2016 to 03/2019	7,195	DMO, did not reply. Matter has been brought to the notice of DGM.	Final reply is awaited.
38	Indore	Ganesh Patidar	Jamli, Mahu, Indore	54,55,48 /2,4, 8/3, 56/1,56/2, 51/2, 48/1, 52	3.250	13/10/2009 to 12/10/2019	Stone	04/2018 to 03/2019	9,742	DMO, did not reply. Matter has been brought to the notice of DGM.	Final reply is awaited.
39	Indore	Pawan Mishra	Badgonda, Mahu, Indore	286/3, 285, 782/1/2	2.500	13/07/2014 to 12/07/2024	Stone	01/04/2016 to 28/01/2018	5,990	DMO, did not reply. Matter has been brought to the notice of DGM.	Final reply is awaited.
40	Morena	Sh. Manoj Kumar Sharma	Majra, Jaura, Morena	444	2.000	22/10/2016 to 21/10/2026	Gitti	March 2019	50	Action would be taken after verification.	Final reply is awaited.
41	Morena	Sh. Ramswaroop Gurjar	Chhajed, Jaura, Morena	1078	2.000	29/04/2011 to 28/04/2021	Gitti	29/04/2016 to 15/02/2017	510	Action would be taken after verification.	Final reply is awaited.
42	Morena	Sh. Banwari Lal Gurjar	Burawali, Jaura, Morena	181/1, 188	2.111	10/04/2017 to 09/04/2027	Gitti	10/04/2018 to 31/03/2019	150	Action would be taken after verification.	Final reply is awaited.
43	Morena	M/s Betwa Pulses & Wear Housing Pvt. Ltd.	Padhawali, Jaura, Morena	883	1.500	23/09/2016 to 31/03/2021 (Auction qry)	Flag stone	23/09/2017 to 12/06/2018	665	Action would be taken after verification.	Final reply is awaited.
44	Morena	Sh. Laxman	Racholi, Jaura,	62	2.090	16/08/2016	Flag	16/08/2017	11,600	Action would be	Final reply is

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
		Singh Gurjar	Morena			to 15/08/2026	stone	to 31/03/2019		taken verification. after	awaited.
45	Morena	Sh. Rahul Harshana	Kheriya Chunheti, Jaura, Morena	1	4.000	23/06/2017 to 22/06/2027	Gitti	23/06/2018 to 31/03/2019	17,542	Action would be taken after verification.	Final reply is awaited.
46	Ratlam	M/s V.V.C Real Infrastructure	Khamriya, Alot, Ratlam	775	2.000	06/08/2016 to 05/08/2021	Gitti	06/08/2016 to 30/09/2016, 01/09/2017 to 08/04/2018	3,912	Action would be taken after verification.	Final reply is awaited.
47	Ratlam	Shri Suresh Kumar Patel	Rojana, Ratlam	33/2	3.000	02/08/2016 to 01/08/2026	Gitti	Before 01/05/2018, 21/02/2019 to 06/03/2019	639	Action would be taken after verification.	Final reply is awaited.
48	Ratlam	Shri Afser Ali	Sanvaliya Rundi, Ratlam	3/1/1	4.000	24/11/2011 to 23/11/2021	Gitti	27/08/2017 to 21/01/2018	364	Action would be taken after verification.	Final reply is awaited.
49	Ratlam	Shri Ram Chandra	Rojana, Javara, Ratlam	33/2	3.000	24/11/2011 to 23/11/2021	Gitti	01/11/2016 to 12/05/2017, 16/12/2017 to 31/03/2019	5,423	Action would be taken after verification.	Final reply is awaited.
50	Ratlam	Shri Vikram Singh Rathor	Lunera, Ratlam	117/1	2.000	26/12/2011 to 25/12/2021	Gitti	01/12/2016 to 12/05/2017	28	Action would be taken after verification.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
51	Ratlam	M/s U.V. Infrastructure	Jethana, Piploda, Ratlam	42/1	2.000	24/12/2016 to 23/12/2026	Gitti	08/11/2018 to 31/03/2019	7,419	Action would be taken after verification.	Final reply is awaited.
52	Ratlam	Shri Santosh Kumar	Kharvakala, Alot, Ratlam	4	2.000	05/01/2011 to 04/01/2021	Gitti	01/04/2016 to 31/03/2019	9,018	Action would be taken after verification.	Final reply is awaited.
53	Ratlam	Shri Laxmikant Rathor	Sanvaliya Rundi, Ratlam	3/1/1	2.000	05/01/2011 to 04/01/2021	Gitti	01/01/2017 to 17/03/2017, 01/05/2018 to 03/08/2018	780	Action would be taken after verification.	Final reply is awaited.
54	Ratlam	Shri Bharat Rathor	Sarvani Khurd, Ratlam	4	2.000	01/09/2016 to 31/08/2026	Gitti	01/06/2018 to 31/03/2019	16,639	Action would be taken after verification.	Final reply is awaited.
55	Ratlam	Smt. Arti Rarotiya	Ringnod, Javara, Ratlam	486/1/1/k/1	2.000	13/07/2015 to 12/07/2025	Gitti	01/04/2017 to 31/03/2019	2,173	Action would be taken after verification.	Final reply is awaited.
56	Ratlam	Smt. Sunita Kumawat	Rajpura, Ratlam	2/4/2	1.200	27/11/2016 to 26/11/2026	Gitti	01/12/2018 to 31/03/2019	1,440	Action would be taken after verification.	Final reply is awaited.
57	Ratlam	Moh. Jakir Husain	Banjli, Ratlam	136/1/1/1	1.000	24/11/11 to 23/11/2021	Gitti	01/11/2016 to 11/07/2018	343	Action would be taken after verification.	Final reply is awaited.
58	Ratlam	Smt. Sitara Khan	Kheri, Alot, Ratlam	18	1.000	27/06/2017 to 26/06/2027	Gitti	01/01/2019 to 31/03/2019	1,910	Action would be taken after verification.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
59	Ratlam	Smt. Renuka Rarotiya	Mamatkhera, Piploda, Ratlam	3, 4/8	1.253	01/01/2011 to 31/12/2021	Gitti	01/01/2018 to 31/03/2019	88	Action would be taken after verification.	Final reply is awaited.
60	Rewa	D.L.Mishra	Pahadiya, Raipurkarchuiy, Rewa	1254/3, 1255/4	0.810	29/05/2010 to 28/05/2020	Stone	10/2017 to 12/2018	1,023	Action would be taken after verification.	Final reply is awaited.
61	Rewa	Bhole Stone Crusher	Marha, Huzur, Rewa	542/1, 542/3	1.279	23/01/2014 to 22/01/2024	Gitti	April 2016 to March 2019	7,256	Action would be taken after verification.	Final reply is awaited.
62	Rewa	Jai Bhole Stone Crusher	Marha, Huzur, Rewa	430	1.620	27/10/2014 to 26/10/2024	Gitti	25/07/2017 to 31/03/2019	13,723	Action would be taken after verification.	Final reply is awaited.
63	Rewa	Smt Shyamvati Tiwari	Marha, Huzur, Rewa	566/1, 566/2	1.969	17/11/2015 to 16/11/2025	Gitti	25/11/2017 to 29/02/2018	8,769	Action would be taken after verification.	Final reply is awaited.
64	Satna	M/s Pandey Stone Crusher, Pro.Sh. Rakesh Kumar Pandey	Silauti, Maihar, Satna	52 p	1.984	07/02/2016 to 06/02/2026	Gitti	07/02/2018 to 28/02/2018	1,500	Action would be taken after verification.	Final reply is awaited.
65	Shahdol	M/s Bajranj Stone Crusher, Pro. Sh. Sarvesh Singh	Mau, Beohari, Shahdol	194	1.521	30/05/2010 to 29/05/2020	Gitti	01/09/2016 to 16/05/2017	765	Action would be taken after verification.	Final reply is awaited.
66	Shahdol	M/s Sainath Construction, Pro. Smt	Patasi, Shahdol	116/2 /1	1.000	28/09/2015 to 27/09/2025	Gitti	01/11/2016 to 06/12/2017	1,565	Action would be taken after verification.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
		Madhuri Singh									
67	Shahdol	M/s Shivam Stone Crusher, Pro. Smt Madhu Tiwari	Navalpur, Sohagpur, Shahdol	1366/1/1	4.000	28/10/2015 to 27/10/2025	Gitti	15/11/2016 to 23/10/2017	5,220	Action would be taken after verification.	Final reply is awaited.
68	Shajapur	Shri Rakesh Soliya	Kanja, Shajapur	880/1	3.000	13/04/2015 to 12/04/2025	Gitti	01/04/2018 to 15/05/2018	225	Production of any mineral was not done during August 2018 to March 2019 and in one case, only 38 Cu.M was excavated beyond the limit prescribed in CTO.	Final reply is awaited.
69	Shajapur	Shri Abhay Kumar Jain	Bhilwariya, Shajapur	697/3	2.000	17/01/2016 to 16/01/2026	Gitti	01/08/2018 to 17/01/2019	4,625	Production and transportation of any mineral was not done during August 2018 to February 2019.	Final reply is awaited.
70	Shajapur	Shri Jai Prakash	Kanja, Shajapur	881/1	2.000	28/08/2014 to 27/08/2024	Gitti	01/03/2018 to 31/05/2018	66	Production of any mineral was not done during August 2018 to March 2019.	Final reply is awaited.
71	Sidhi	Santosh Kumar Singh	Hatwakhas, Sinhwal, Sidhi	794	2.000	16/09/2010 to 15/09/2020	Stone	April 2017 to February 2018	52,531	MP, EC and CTO would be produced after getting from lessee.	Reply is not acceptable as the regular returns are not being submitted by the lessee neither the measurement of pit

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
											heads being done nor the check posted are made. Due to which, it is not possible to find out that the same quantity is produced by lessee as shown in the returns.
72	Sidhi	Vinod Singh	Jhariya, Bahari, Sidhi	100	4.000	18/03/2008 to 17/03/2018	Stone	February 2016 to February 2017	3,500	MP, EC and CTO would be produced after getting from lessee.	Reply is not acceptable as the regular returns are not being submitted by the lessee neither the measurement of pit heads being done nor the check posted are made. Due to which, it is not possible to find out that the same quantity produced by lessee as shown in the returns.
73	Sidhi	Sh. Vijay Kumar Sharma	Paipkhra, Sidhi	103, 106	2.600	11/01/2017 to 10/01/2027	Gitti	January 2017 to March 2019	910	MP, EC and CTO would be produced after getting from lessee.	Reply is not acceptable as the regular returns are not being submitted by the lessee neither the measurement of pit heads being done

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
											nor the check posted are made. Due to which, it is not possible to find out that the same quantity produced by lessee as shown in the returns.
74	Ujjain	Raghvendra Singh	Bandarwa, Tarana, Ujjain	1508/02, 1508/4	3.000	01/12/2007 to 30/11/2017 & 01/12/2017 to 30/11/2027	Gitti	01/12/2016 to 31/03/2018	2,198	Action would be taken after verification.	Final reply is awaited.
75	Ujjain	Smt. Asha Mahta	Pingleshwar, Ujjain	257, 258, 259	1.809	08/02/2008 to 07/02/2018	Gitti	January 2018	945	Action would be taken after verification.	Final reply is awaited.
76	Ujjain	Karara Construction	Jaswant Nagar, Tarana, Ujjain	35	3.000	28/02/2008 to 27/02/2018 & 28/02/2018 to 27/02/2028	Gitti	01/02/2018 to 31/03/2019	10,666	Action would be taken after verification.	Final reply is awaited.
77	Ujjain	Smt. Asha Mahta	Undasa, Ujjain	818/1, 819/1/2, 820/8, 820/2, 820/3	3.311	20/10/2015 to 19/10/2025	Gitti	01/11/2016 to 31/08/2017	9,391	Action would be taken after verification.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period for which CTO not received	Extraction without CTO (Cu.M.)	Reply of DMOs	Audit's Comment
78	Ujjain	Mahakal Stone Crusher	Najarpur, Ghatiya, Ujjain	1210/1	1.000	08/01/2012 to 07/01/2022	Gitti	April 2016 to March 2019	4,885	Action would be taken after verification.	Final reply is awaited.
79	Ujjain	Satyanarayan	Dabalagori, Ujjain	145	3.000	14/06/2014 to 13/06/2024	Gitti	January 2017 to March 2019	21,374	Action would be taken after verification.	Final reply is awaited.
80	Ujjain	Sh. Amit Gupta	Chakjairampur, Ujjain	174/1, 174/4	1.000	19/04/2010 to 18/04/2020	Gitti	April 2016 to March 2018	3,948	Action would be taken after verification.	Final reply is awaited.
Total	15 DMOs				201.157				6,16,703 Cu.M. 38,004 MT		

Annexure 4.3

(Referred to in paragraph 4.7.5.1)

Excess extraction of minerals beyond the limit prescribed in the Mining Plans

(Amount in ₹)

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	Alirajpur	Shri Surpal Ajnar	Khandlarao, Jobat, Alirajpur	898, 904, 905, 920	3.490	03/11/2009 to 02/11/2019 (19/05/09 to 18/05/19)	Gitti	2018-19	14,250	1,30,207	1,15,957	300.00	3,47,87,100	Action would be taken after verification.	Final reply is awaited.
2	Anuppur	M/s Sarswati Mining & Stone Crushing, Pro. Rajesh Kumar Jain	Badi Tummi, Pushprajgarh, Anuppur	217/1	1.250	10/10/2016 to 09/10/2026	Gitti	2018-19	23,378	38,300	14,922	300.00	44,76,600	Action would be taken as per rule after verification.	Final reply is awaited.
3	Anuppur	Smt. Indrani Singh W/o Shri Sudama Singh	Bandhamar, Pushprajgarh, Anuppur	276/2, 277/2	0.809	10/09/2010 to 09/09/2020	Gitti	2017-18	5,580	49,180	43,600	300.00	1,30,80,000	Action would be taken after verification.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
4	Anuppur	Shri Niraj Kumar Soni	Nigwani, Kotma, Anuppur	1316 /1	4.500	15/11/2017 to 14/11/2027	Murum	2018-19	15,000	32,558	17,558	150.00	26,33,700	Action would be taken after verification.	Final reply is awaited.
5	Anuppur	Smt. Laxmi Devi Khedia W/o Shri Hari Narayan Khediya	Patna, Pushprajgarh, Anuppur	8/1	0.809	09/04/2014 to 08/09/2024	Gitti	2017-18	5,630	9,670	4,040	300.00	12,12,000	Action would be taken after verification.	Final reply is awaited.
6	Anuppur	M/s Rewa Stone Crusher, Pro. Shri Gaya Prasad Agarwal	Bartola, Pushprajgarh, Anuppur	349	1.618	25/04/2012 to 24/04/2022	Gitti	2018-19	16,800	20,438	3,638	300.00	10,91,400	Action would be taken after verification.	Final reply is awaited.
7	Dewas	Shri Babulal Patwala	Dhamanda, Dewas	37/1	3.740	14/07/2009 to 13/07/2019	Gitti	2016-17	20,000	22,232	2,232	250.00	5,58,000	Action would be taken after verification.	Reply is not acceptable as no monitoring action was taken to ensure excavation as per the Mining

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
															Plan. Due to which, illegal mining is being encouraged. It is brought to the notice of Higher Officials.
8	Dewas	Shri Anil Lathi	Kankariya, Khategaon, Dewas	44/1	0.700	21/10/2010 to 20/10/2020	Gitti	2017-18	3,464	5,120	1,656	250.00	4,14,000	Action would be taken after verification.	Reply is not acceptable as no monitoring action was taken to ensure excavation as per the Mining Plan. Due to which, illegal mining is being encouraged. It is brought to the notice of Higher Officials.
							Gitti	2018-19	3,464	9,740	6,276	250.00	15,69,000		
9	Dewas	Shri Jitendra Singh Parihar	Vijaypur, Dewas	8	1.000	24/03/2016 to 23/03/2026	Gitti	2017-18	9,894	20,244	10,350	250.00	25,87,500	Action would be taken after verification.	Reply is not acceptable as no monitoring action was taken to ensure excavation

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
															as per the Mining Plan. Due to which, illegal mining is being encouraged. It is brought to the notice of Higher Officials.
10	Dindori	Shri Arun Kumar Gupta	Shahpura, Dindori	807/2	1.000	09/05/2017 to 08/05/2027	Gitti (Stone Bolder)	2018-19	2,850	3,109	259	400.00	1,03,600	Action would be taken as per rule after verification.	Final reply is awaited.
11	Gwalior	Shri Ram Niwash Sharma	Parsen, Gwalior	4157, 4158, 4174, 4175	3.000	23/04/2010 to 22/04/2020	Gitti (Stone Bolder)	2018-19	98,931	2,00,000	1,01,069	200.00	2,02,13,800	Action would be taken after verification.	Final reply is awaited.
12	Gwalior	Shri Anurag Singh Kushwah	Padampur Khediya, Murar, Gwalior	364	1.000	29/04/2014 to 28/04/2024	Gitti (Stone Bolder)	2017-18	13,429	24,405	10,976	200.00	21,95,200	Action would be taken after verification.	Final reply is awaited.
								2018-19	13,429	18,622	5,193	200.00	10,38,600		
13	Gwalior	M/s Emrald Industries/ Shri Anil	Sumarpada, Gwalior	169	2.440	17/07/2012 to 16/07/2022	Gitti (Stone Bolder)	2018-19	3,45,450	4,30,064	84,614	200.00	1,69,22,800	Action would be taken after verification.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
		Bhansali													
14	Gwalior	Shri Bhure Singh Yadav	Jiganiya, Tappa Murar, Gwalior	319, 320	2.000	06/12/2014 to 05/12/2024	Gitti (Stone Bolder)	2017-18	25,173	1,78,539	1,53,366	200.00	3,06,73,200	Action would be taken after verification.	Final reply is awaited.
15	Gwalior	M/s Maa Pitambra Granites/ Shri Virendra Singh Gurjar	Turakpura, Gwalior	159/2 (205)	1.735	03/08/2015 to 02/08/2025	Gitti (Stone Bolder)	2017-18	20,000	54,210	34,210	200.00	68,42,000	Action would be taken after verification.	Final reply is awaited.
16	Gwalior	M/s Rajawat Stone Industry/ Shri Ram Naresh Singh Parmar	Lakhanpura, Dabra, Gwalior	8,9	3.400	08/03/2011 to 07/03/2021	Gitti (Stone Bolder)	2017-18	75,000	99,155	24,155	200.00	48,31,000	Action would be taken after verification.	Final reply is awaited.
17	Indore	M/s Agarwal Enterprises	Kesrivardi, Mhow, Indore	228	1.193	03/03/2016 to 02/03/2026	Gitti	2018-19	9,690	12,110	2,420	400.00	9,68,000	DMO, did not reply, matter is brought to the notice of	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
														DGM.	
18	Katni	Madhya Pradesh State Mining Corporation	Paraswada, Barhi, Katni	358	15.00	30/11/2015 to 29/11/2025	Sand	2016-17	1,20,000	1,40,171	20,171	500.00	1,00,85,500	Action would be taken after verification.	Final reply is awaited.
19	Khargone	Smt.Vinita Agarwal W/o Shri Baban Agarwal	Rangaon, Khargone	3/1	1.652	16/05/2017 to 15/05/2027	Gitti	2018-19	19,400	23,048	3,648	300.00	10,94,400	Action would be taken after verification.	Audit would be intimated after verification in cas and 100 per cent value of excess excavated mineral should be recovered after verification. Final reply is awaited.
20	Morena	Shri Aashish Mudgal S/o Shri Rambrij Mudgal	Gadager, Morena	962, 964, 971, 972, 984	0.047, 0.335, 0.141, 0.099, 0.418	23/11/2016 to 22/11/2026	Flag Stone	2018-19	2,500	2,975	475	500.00	2,37,500	Action would be taken after verification.	Final reply is awaited.
21	Morena	Shri Sandeep	Kisroli, Kailaras,	735	4.000	01/05/2010 to	Gitti	2017-18	15,000	16,221	1,221	200.00	2,44,200	Action would be taken after	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
		Singh Dhakad, S/o Shri Shyamlal Dhakad	Morena			30/04/2020								verification.	
22	Rajgarh	Anita Goyal	Pachore, Pachore, Rajgarh	648/1/2	0.512	30/09/2016 to 29/09/2026	Gitti	2017-18	1,995	8,263	6,268	303.80	19,04,218	Action would be taken after getting opinion from DGM.	Final reply is awaited.
								2018-19	1,995	10,167	8,172	303.80	24,82,654		
23	Ratlam	M/s V.V.C. Real Infra-structure	Khamriya, Alot, Ratlam	775	2.000	06/08/2016 to 05/08/2021	Gitti	2016-17	27,210	28,112	902	300.00	2,70,600	Action would be taken after verification.	Final reply is awaited.
								2018-19	23,013	44,480	21,467	300.00	64,40,100		
24	Ratlam	Shri Mohabbat Ali	Namli, Ratlam	143/1	1.000	14/11/2016 to 13/11/2026	Gitti	2018-19	10,925	17,115	6,190	300.00	18,57,000	Action would be taken after verification.	Final reply is awaited.
25	Ratlam	Shri Kailash Kumawat	Sarwani Khurd, Ratlam	1	1.900	21/10/2015 to 20/10/2025	Gitti	2017-18	5,700	10,355	4,655	300.00	13,96,500	Action would be taken after verification.	Final reply is awaited.
26	Ratlam	Shri Suresh Kumar	Rojana, Javara,	33/2	3.000	02/08/2016 to	Gitti	2018-19	19,000	31,923	12,923	300.00	38,76,900	Action would be taken after	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
		Patel	Ratlam			01/08/2026								verification.	
27	Rewa	Shri Shankar Datt Shukla	Jonhi, Hujur, Rewa	144/1/1,114/1/2, 144/1k,144/3	1.868	30/03/2017 to 29/03/2027	Gitti	2018-19	15,909	16,531.25	622.25	200.00	1,24,450	Action would be taken after verification.	The reply is not acceptable, as the excavation was not ensured as per the quantity indicated in the MP and EC.
28	Rewa	Shri Ramakant Pandey	Pathargadhi, Hujur, Rewa	126/1	1.199	13/10/2014 to 12/10/2024	Gitti	2017-18	6,772	8,129	1,357	200.00	2,71,400	Action would be taken after verification.	The reply is not acceptable, as the excavation was not ensured as per the quantity indicated in the MP and EC.
								2018-19	6,772	8,148	1,376	200.00	2,75,200		
29	Rewa	M/s K V Tecno	Saradman, Hanumana, Rewa	74/1	4.260	25/10/2017 to 24/10/2027	Gitti	2018-19	1,25,286	2,02,909.7	77,623.7	200.00	1,55,24,740	Action would be taken after verification.	The reply is not acceptable, as the excavation was not ensured as per the quantity indicated in the MP and EC.
30	Rewa	Shri Jai Gurudev	Sakarwat, Huzur,	563/1	2.383	22/12/2013 to	Gitti	2017-18	8,000	10,970	2,970	200.00	5,94,000	Action would be taken after	The reply is not acceptable, as the

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
		Stone	Rewa			21/12/2023								verification.	excavation was not ensured as per the quantity indicated in the MP and EC.
31	Rewa	Shri Akash Singh Chauhan	Harraha, Maunganj, Rewa	29/1	0.809	05/02/2004 to 04/02/2024	Gitti	2018-19	3,998	5,186	1,188	200.00	2,37,600	Action would be taken after verification.	The reply is not acceptable, as the excavation was not ensured as per the quantity indicated in the MP and EC.
32	Rewa	Shri Amit Kumar Singh	Lodhi, Hanumana, Rewa	508/3	2.000	08/06/2016 to 07/06/2026	Flag Stone	2017-18	4,200	5,719	1,519	1,000.00	15,19,000	Action would be taken after verification.	The reply is not acceptable, as the excavation was not ensured as per the quantity indicated in the MP and EC.
33	Rewa	M/s Tathagat Stone Crusher	Sumeda, Huzur, Rewa	101, 102, 377, 378	4.991	22/12/2013 to 23/12/2023	Gitti	2017-18	27,930	37,580	9,650	200.00	19,30,000	Action would be taken after verification.	The reply is not acceptable, as the excavation was not ensured as per the quantity indicated in the

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
															MP and EC.
34	Satna	M/s Swami Nilkanth Stone Crusher	Bathiya, Maihar, Satna	720, 721, 722	1.902	21/07/2010 to 20/07/2020	Gitti	2017-18	12,257	27,291	15,034	200.00	30,06,800	Action would be taken after verification.	Final reply is awaited.
35	Satna	M/s Prabhat Stone Crusher	Kakalpur, Amarpatan, Satna	547	0.457	28/11/2011 to 27/11/2021	Gitti	2017-18	3,800	9,628	5,828	200.00	11,65,600	Action would be taken after verification.	Final reply is awaited.
								2018-19	3,278	4,630	1,352	200.00	2,70,400		
36	Satna	Shri Shailendra Sharma, Patna Stone Mines	Patna, Nagod, Satna	60/6, 60/8	2.090	28/09/2017 to 27/09/2027	Gitti	2018-19	10,000	10,100	100	200.00	20,000	Action would be taken after verification.	Final reply is awaited.
37	Shahdol	Shri Shiv Shakti Stone Crusher, Pro. Smt. Rajshree Singh	Mau, Beohari, Shahdol	194	1.214	31/05/2010 to 30/05/2020	Gitti	2018-19	11,260	18,900	7,640	300.00	22,92,000	Action would be taken after verification.	Final reply is awaited.
38	Shahdol	Shri Rajesh	Sonaha,	172/	1.416	15/04/2015	Gitti	2017-18	10,000	16,096	6,096	300.00	18,28,800	On extracting	Final reply is

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
		Kedia	Burhar, Shahdol	8		to 14/05/2025								the report of production done in the year 17-18 from the portal by the lessee, the mining done by him was found to be 11,842 Cu.M., while calculating on the basis of calendar year 2016/17 and 18/19 did not exceed the mining permission.	awaited.
39	Shahdol	M/s Tirupati Buildcon Pvt. Ltd. Shri Pawan Kumar	Lalpur, Sohagpur, Shahdol	2098/1	4.000	09/01/2018 to 08/01/2028	Gitti	2018-19	10,000	23,430	13,430	300.00	40,29,000	Action would be taken after verification.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
		Singhanian													
40	Shajapur	Shri Rakhab Chandra Jain	Majhniya, Shajapur	581	4.000	20/11/2015 to 19/11/2025	Gitti	2017-18	30,000	48,611	18,611	900.00	1,67,49,900	Lessee paid royalty as per rules, although lessee excavated beyond the limit prescribed in CTO. Therefore, action would be taken after getting opinion from DGM.	Final reply is awaited.
								2018-19	30,000	56,760	26,760	1100.00	2,94,36,000		
41	Shajapur	Shri Jitendra Singh Mewada	Konta Dakshin, Mohan Badodiya, Shajapur	555	5.200	01/07/2015 to 31/03/2020	Sand	2017-18	13,000	35,667	22,667	900.00	2,04,00,300	Lessee paid royalty as per rules, although lessee excavated beyond the limit	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
														prescribed in CTO. Therefore, action would be taken after getting opinion from DGM.	
42	Shivpuri	M/S JaiSiddh Baba Stone Crusher	Bamour, Badarwas, Shivpuri	1722, 1725, 1726	1.800	03/8/2017 to 02/8/2027	Gitti	2017-18	11,020	12,415	1,395	220	3,06,900	Wrong entry of production has been made by the computer operator on portal. Lessee requested to submit manual returns.	The reply is not acceptable. The above amount is recoverable. Final reply is awaited.
43	Sidhi	Shri Santosh Singh	Hatwakhas, Sihawal, Sidhi	794	2.000	16/09/2010 to 15/09/2020	Gitti	2018-19	56,840	1,01,565	44,725	303.80	1,35,87,455	Action would be taken after getting records from lessee.	Reply is acceptable as regular returns are not being submitted by all the lessees and

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
															neither the measurement of volumetric / pit head is being done and the check posts are also not made, due to which it is not possible to find out the same quantity of mineral has been excavated by the lessee as mentioned in the returns, hence, no system has been set up by the department to check the exact quantity of mineral excavation by the lessees. As a result, illegal mining happened

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
															which will also affect the environment.
44	Sidhi	Shri Rajshila, Stone Crusher	Akla, Bahri, Sidhi	41, 57, 70, 71	3.020	01/06/2017 to 31/05/2027	Gitti	2018-19	63,504	65,582	2,078	303.80	6,31,296	Action would be taken after getting records from lessee.	Reply is acceptable as regular returns are not being submitted by all the lessees and neither the measurement of volumetric / pit head is being done and the check posts are also not made, due to which it is not possible to find out the same quantity of mineral has been excavated by the lessee as mentioned in the returns, hence, no system has been

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
															set up by the department to check the exact quantity of mineral excavation by the lessees. As a result, illegal mining happened which will also affect the environment.
45	Sidhi	Shri Ganesh Pratap Singh	Barmani, Gopadbanas, Sidhi	1284, 1285, 1287	1.500	26/11/2015 to 25/11/2025	Gitti	2017-18	8,820	12,918	4,098	303.80	12,44,972	Action would be taken after getting records from lessee.	Reply is acceptable as regular returns are not being submitted by all the lessees and neither the measurement of volumetric/pit head is being done and the check posts are also not made, due to which it is not
							Gitti	2018-19	8,820	10,883	2,063	303.80	6,26,739		

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
															possible to find out the same quantity of mineral has been excavated by the lessee as mentioned in the returns, hence, no system has been set up by the department to check the exact quantity of mineral excavation by the lessees. As a result, illegal mining happened which will also affect the environment.
46	Sidhi	Shri Amit Singh	Hardi, Sihawal, Sidhi	79	2.370	16/05/2011 to 15/05/2021	Gitti	2018-19	9,690	64,053	54,363	303.80	1,65,15,479	Action would be taken after getting records from	Reply is acceptable as regular returns are not being submitted by all

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
														lessee.	the lessees and neither the measurement of volumetric/pit head was being done nor the check posts were made, due to which it is not possible to find out the same quantity of mineral has been excavated by the lessee as mentioned in the returns, hence, no system has been set up by the department to check the exact quantity of mineral excavation by the lessees. As a result, illegal

Sl. No.	Name of DMO	Name of Lessee	Village, Tehsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of mineral	Period of extraction	Extraction as per Mining Plan (Cu.M.)	Extraction by Lessee (Cu M.)	Quantity of excess extraction (Cu.M.) (Col. 11-10)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
															mining happened which will also affect the environment.
47	Ujjain	Smt. Asha Mehta	Undasa, Ujjain	818/1, 819/1/2, 820/8, 820/2, 820/3	3.311	20/10/2015 to 19/10/2025	Gitti	2018-19	14,193	15,363	1,170	303.80	3,55,446	Action would be taken after verification.	Reply is acceptable because no monitoring action was being taken to ensure the excavation according to the Mining Plan, due to which, illegal mining was being encouraged. It is brought to the notice of the Government. Final reply is awaited.
Total 18									14,73,499	25,19,798	10,46,299		30,90,30,549		

Annexure 4.4*(Referred to in paragraph 4.7.5.2)***Excess extraction beyond the limit prescribed in Environment Clearances****(Amount in ₹)**

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per Mining Plan (in Cu. M.)	Extraction allowed as per EC (in Cu. M.)	Extraction by lessee (in Cu. M.)	Excess Quantity of extraction (in Cu. M.)	Value of extracted Mineral (per Cu. M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col. 14 x 15)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	Alirajpur	Shri Ambe Crusher	Madhu pallvi, Sondwa, Alirajpur	12/2	8.00	03/6/2015 to 02/06/2025	Gitti	2017-18	1,17,600	1,00,000	1,15,129	15,129	300.00	45,38,700	Action will be taken after verification.	Final reply is awaited.
2	Bhopal	Vishal Shivhare	Dillod, Barasia	81	3.900	15/04/2010 to 14/04/2020	Gitti	2016-17	90,583	30,875	45,100	14,225	180.00	25,60,500	Action will be taken after verification.	Reply is acceptable as regular returns were not being submitted by all the lessees and the check posts were also not made, due to

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per Mining Plan (in Cu. M.)	Extraction allowed as per EC (in Cu. M.)	Extraction by lessee (in Cu. M.)	Excess Quantity of extraction (in Cu. M.)	Value of extracted Mineral (per Cu. M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col. 14 x 15)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
																which, it is not possible to find out whether the same quantity of mineral was being excavated by the lessee as mentioned in the returns. Hence, no system has been set up by the Department to check the exact quantity of mineral

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period of Extract-ion	Extract-ion allowed as per Mining Plan (in Cu. M.)	Extract-ion allowed as per EC (in Cu. M.)	Extract-ion by lessee (in Cu. M.)	Excess Quantity of extract-ion (in Cu. M.)	Value of extract-ed Mineral (per Cu. M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col. 14 x 15)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
																excavation by the lessees.
3	Dindori	Shri Ramesh Purushwani	Bataudha, Dindori, Dindori	155, 156	2.000	28/01/2011 to 27/01/2021	Gitti (Stone Bolder)	2016-17	7,716	4,500	6,553	2,053	400.00	8,21,200	Action will be taken after verification.	Final reply is awaited.
								2017-18	7,716	4,500	7,523	3,023	400.00	12,09,200		
4	Dindori	Shri Krishna Kumar	Khirsari, Dindori, Dindori	19/1, 19/2, 19/3	1.000	02/11/2016 to 01/11/2021	Gitti (Stone Bolder)	2016-17	2,631	2,631	3,424	793	400.00	3,17,200	Action will be taken after verification.	Final reply is awaited.
								2017-18	2,631	2,631	3,028	397	400.00	1,58,800		
5	Dindori	Shri Pramod Kumar Sahu	Ratna Mall, Bajag, Dindori	1	2.000	06/04/2017 to 05/04/2027	Gitti (Stone Bolder)	2018-19	3,420	3,420	3,760	340	400.00	1,36,000	Action will be taken after verification.	Final reply is awaited.
6	Indore	Sh. Satish Jat	Matlab pura, Mhow, Indore	198/ 1/1	3.000	13/06/2014 to 12/06/2024	Gitti	2017-18	N/A	18,000	75,621	57,621	400.00	2,30,48,400	DMO, did not reply, matter is brought to the notice of DGM.	Reply of the HM was not given by the Mining officer. A letter has been written
								2018-19	25,000	18,000	18,996	996	400.00	3,98,400		

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per Mining Plan (in Cu. M.)	Extraction allowed as per EC (in Cu. M.)	Extraction by lessee (in Cu. M.)	Excess Quantity of extraction (in Cu. M.)	Value of extracted Mineral (per Cu. M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col. 14 x 15)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
																to the DGM for reply. Action is awaited at their level.
7	Narsinghpur	Sh. Mithilesh Rajput	Bakori, Narsinghpur	17/2	2.000	22/02/2017 to 22/02/2027	Gitti	2018-19	11,760	11,760	19,874	8,114	303.80	24,65,033	Related action is to be taken by the lessee. For which letter has been issued.	Excavation should not be done beyond the prescribed limit. If the mineral has been excavated more than the prescribed limit, then the imposition of penalty should be

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period of Extract-ion	Extract-ion allowed as per Mining Plan (in Cu. M.)	Extract-ion allowed as per EC (in Cu. M.)	Extract-ion by lessee (in Cu. M.)	Excess Quantity of extract-ion (in Cu. M.)	Value of extract-ed Mineral (per Cu. M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col. 14 x 15)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
																ensured as per the rules.
8	Satna	M/s Sharda Stone Crusher, Pro. Smt. Usha Singh, W/o Sh. Amar Singh Chouhan	Bathiya, Maihar, Satna	937, 938, 939	1.463	19/04/2012 to 18/04/2012	Gitti	2017-18	1,03,652	50,027	94,100	44,073	200.00	88,14,600	Action will be taken after verification.	Final reply is awaited.
9	Shivpuri	Raghvendra Singh Tomar	Bamor, Badarwas, Shivpuri	1582	2.000	03/12/2015 to 02/13/2025	Gitti	2018-19	9,211	4,000	72,300	68,300	220.00	1,50,26,000	DMO, Shivpuri stated that wrong entry of production has been made on the portal. Monthly returns were	Reply is not acceptable. The affidavit of the lessee cannot be considered as conclusive evidence because the

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per Mining Plan (in Cu. M.)	Extraction allowed as per EC (in Cu. M.)	Extraction by lessee (in Cu. M.)	Excess Quantity of extraction (in Cu. M.)	Value of extracted Mineral (per Cu. M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col. 14 x 15)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
															submitted with actual monthly production of 950 Cu.M.	said affidavit is given after issuing the audit memorandum. Therefore, inform the Audit by making the above entry on the e-Khanij Portal. It is brought to the notice of Government
10	Sidhi	Smt. Sushila Tiwari	Jharia, Bahari, Sidhi	21	1.500	04/01/2017 to 03/01/2027	Gitti	2017-18	11,760	2,376	4,996	2,620	303.80	7,95,956	Information is obtained from the lessee and provided to	Reply is acceptable as regular returns were
								2018-19	11,760	2,376	6,054	3,678	303.80	11,17,376		

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per Mining Plan (in Cu. M.)	Extraction allowed as per EC (in Cu. M.)	Extraction by lessee (in Cu. M.)	Excess Quantity of extraction (in Cu. M.)	Value of extracted Mineral (per Cu. M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col. 14 x 15)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
															audit.	not being submitted by all the lessees, due to which, it is not possible to find out whether the same quantity of mineral was being excavated by the lessee as mentioned in the returns. Hence, no system has been set up by the

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per Mining Plan (in Cu. M.)	Extraction allowed as per EC (in Cu. M.)	Extraction by lessee (in Cu. M.)	Excess Quantity of extraction (in Cu. M.)	Value of extracted Mineral (per Cu. M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col. 14 x 15)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
																Department to check the exact quantity of mineral excavation by the lessees.
Total										2,55,096	4,76,458	2,21,362 Cu.M.		6,14,07,366		

Annexure 4.5*(Referred to in paragraph 4.7.5.3)***Excess extraction over and above the limit prescribed in CTO given by Pollution Control Board****(Amount in ₹)**

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in Hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per CTO (in Cu.M.)	Extraction by Lessee (in Cu.M.)	Excess quantity of extraction (in Cu.M.)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	Anuppur	M/s Sarswati Stone Crusher Pro. Rajesh Kumar Jain (6498)	Baditummi, Pushprajgarh, Anuppur	237/1	2.200	04/10/2016 to 03/10/2026	Gitti	2017-18	40,465	70,565	30,100	300.00	90,30,000	Action will be taken after verification.	Final reply is awaited.
								2018-19	30,487	40,400	9,913	300.00	29,73,900		
2	Bhopal	Yawar Mohammad Khan	Hinouti Sadak, Bhopal	856, 857, 858, 889/2, 860	4.000	18/09/2009 to 17/09/2019	Gitti	2017-18	6,100	22,235	16,135	220.00	35,49,700	Action would be taken according to the instructions of the HOD.	Final reply is awaited.
								2018-19	6,100	38,445	32,345	250.00	80,86,250		
3	Chhatarpur	Shri Ramesh Pathak	Patharia, Chhatarpur,	199/1/1	4.000	11/10/2010 to 10/10/2020	Gitti	2017-18	26,000	31,554	5,554	300.00	16,66,200	The recovery Action will be taken after	Final reply is awaited.
								2018-19	26,000	84,635	58,635	300.00	1,75,90,500		

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in Hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per CTO (in Cu.M.)	Extraction by Lessee (in Cu.M.)	Excess quantity of extraction (in Cu.M.)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
														verification.	
4	Chhatarpur	Smt. Sawitri Mishra	Parwa, Rajnagar, Chhatarpur	1288	4.000	03/06/2010 to 04/06/2020	Boulder	2016-17	4,000	9,000	5,000	300.00	15,00,000	The recovery Action will be taken after verification.	Final reply is awaited.
								2018-19	4,000	46,217	42,217	300.00	1,26,65,100		
5	Chhatarpur	Shri Avinash Shrivastav	Nowgaon, Chhatarpur	60	4.000	30/06/2009 to 29/06/2019	Gitti	2018-19	30,000	51,746	21,746	300.00	65,23,800	The recovery Action will be taken after verification.	Final reply is awaited.
6	Chhatarpur	Smt Usha Dwivedi	Parwa, Rajnagar, Chhatarpur	1288	3.000	03/06/2010 to 02/06/2020	Boulder	2016-17	4,000	6,590	2,590	300.00	7,77,000	The recovery Action will be taken after verification.	Final reply is awaited.
								2018-19	4,000	8,423	4,423	300.00	13,26,900		
7	Chhatarpur	Shri Deep Singh	Mudwura, Nowgaon, Chhatarpur	1/2/2	2.200	14/09/2009 to 13/09/2019	Boulder	2018-19	2,000	5,770	3,770	300.00	11,31,000	The recovery Action will be taken	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in Hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per CTO (in Cu.M.)	Extraction by Lessee (in Cu.M.)	Excess quantity of extraction (in Cu.M.)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
														after verification.	
8	Damoh	Shri Sanjay Kumar Chaurasiya	Devdara, Patiyagarh, Damoh	2	4.000	10/10/2016 to 09/10/2026	Gitti	2018-19	18,000	46,791.40	2,8791.40	303.80	87,46,827	Action will be taken as per rule.	Final reply is awaited.
9	Gwalior	M/s Tejwant Jain	Billaua, Dabara, Gwalior	3717/2	2.000	30/08/2010 to 29/08/2020	Gitti (Stone Boulder)	2018-19	12,000	40,100	28,100	200.00	56,20,000	The recovery Action will be taken after verification.	Final reply is awaited.
10	Gwalior	M/s Jay Sidh Baba Stone Company/ Ravindra Singh Yadav	Billaua, Dabara, Gwalior	3921	1.730	10/01/2015 to 09/01/2025	Gitti (Stone Boulder)	2016-17	566	2,850	2,284	200.00	4,56,800	The recovery Action will be taken after verification.	Final reply is awaited.
								2017-18	566	63,362	62,796	200.00	1,25,59,200		
								2018-19	566	383,23	37,757	200.00	75,51,400		
11	Gwalior	Shri Balram Singh Yadav	Billaua, Dabara, Gwalior	3921	1.500	13/04/2014 to 12/04/2024	Gitti (Stone Boulder)	2017-18	1,800	24,130	22,330	200.00	44,66,000	The recovery Action will be taken after verification.	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in Hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per CTO (in Cu.M.)	Extraction by Lessee (in Cu.M.)	Excess quantity of extraction (in Cu.M.)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
12	Indore	Atul Construction	Rangwasa, Depalpur, Indore	125/1/3	2.300	10/07/2011 to 09/07/2021	Gitti	2018-19	10,000	11,936	1,936	400.00	7,74,400	DMO, did not reply, matter is brought to the notice of DGM.	Final reply is awaited.
13	Indore	Balveer singh Parmar	Sejwani, Depalpur, Indore	284/1/1/1	2.022	12/06/2011 to 11/06/2021	Gitti	2016-17	1,000	9,960	8,960	400.00	35,84,000	DMO, did not reply, matter is brought to the notice of DGM.	Final reply is awaited.
								2017-18	1,000	23,465	22,465	400.00	89,86,000		
14	Indore	Prithwi Infrastructure	Jamanya Jagir, Mhow, Indore	3	3.980	13/10/2011 to 12/10/2021	Gitti	2017-18	9,649	14,693	5,044	400.00	20,17,600	DMO, did not reply, matter is brought to the notice of DGM.	Final reply is awaited.
								2018-19	9,649	38,760	29,111	400.00	1,16,44,400		
15	Indore	Agrawal Enterprises	Kesarvardi, Mhow, Indore	223, 224, 227	1.400	11/08/2010 to 10/08/2020	Gitti	2017-18	5,000	12,765	7,765	400.00	31,06,000	DMO, did not reply, matter is brought to the notice	Final reply is awaited.
								2018-19	5,000	6,119	1,119	400.00	4,47,600		

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in Hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per CTO (in Cu.M.)	Extraction by Lessee (in Cu.M.)	Excess quantity of extraction (in Cu.M.)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
														of DGM.	
16	Indore	Priti Agrawal	Badgonda, Mhow, Indore	289/1/1, 289/1/2	1.700	18/06/2009 to 17/06/2019	Gitti	2016-17	500	19,480	18,980	400.00	75,92,000	DMO, did not reply, matter is brought to the notice of DGM.	Final reply is awaited.
								2017-18	500	6,070	5,570	400.00	22,28,000		
17	Indore	Pawan Mishra	Badgonda, Mhow, Indore	286/3, 285, 782/1/2	2.500	13/07/2014 to 12/07/2024	Gitti	2018-19	7,500	13,215.55	5,715.55	400.00	22,86,220	DMO, did not reply, matter is brought to the notice of DGM.	Final reply is awaited.
18	Indore	Dharti Highway	Pendmi, Indore	98/1, 98/2/1, 98/2/3	4.900	24/12/2016 to 23/12/2026	Gitti	2017-18	20,520	72,812	52,292	400.00	2,09,16,800	DMO, did not reply, matter is brought to the notice of DGM.	Final reply is awaited.
								2018-19	20,520	2,18,280	1,97,760	400.00	7,91,04,000		
19	Katni	Pramod Patel	Dadar Sinhudi, Dhimarkheda, Katni	362, 363, 432	1.200	15/10/2011 to 14/10/2021	Gitti	2018-19	5,000	6,067	1,067	500.00	5,33,500	The recovery Action will be taken	Final reply is awaited.

Sl. No.	Name of DMO	Name of Lessee	Village, Tahsil & District	Khasra No.	Area (in Hect.)	Lease Period	Name of Mineral	Period of Extraction	Extraction allowed as per CTO (in Cu.M.)	Extraction by Lessee (in Cu.M.)	Excess quantity o extraction (in Cu.M.)	Value of extracted Mineral (per Cu.M.)	Recovery with reference to Supreme court order, 100 per cent value of extra excavated Mineral (Col.12 x 13)	Reply of DMOs	Audit's Comment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
														after verification.	
20	Katni	Shri Ajay Singh	Bichhpura, Barhi, Katni	1051, 1054	1.900	02/08/2008 to 01/08/2018	Gitti	2017-18	20,000	23,060	3,060	500.00	15,30,000	The recovery Action will be taken after verification.	Final reply is awaited.
21	Ratlam	Shri Vikaram Singh Rauthor	Lunera, Ratlam	117/1	2.000	26/12/2011 to 25/12/2021	Gitti	2018-19	2,500	3,645	1,145	300.00	3,43,500	Action would be taken after verification.	Final reply is awaited.
22	Sidhi	Ajay Pratap Singh	Katarwar, Kusumi, Sidhi	1443	1.300	10/05/2011 to 09/05/2021	Gitti	2016-17	7,320	10,323	3,003	303.80	9,12,311	The recovery Action will be taken after verification.	Final reply is awaited.
								2017-18	7,320	10,221	2,901	303.80	8,81,324		
Total					8.042				3,49,628	11,32,008	7,82,380		25,31,08,232		

Annexure 5.1*(Referred to in paragraph 5.1.4.1)***Incorrect estimation in absence of requisite survey and investigation****(Amount in ₹ crore)**

Sl. No.	Division	Name of work	Mode of contract	Reason for deviation from estimate	Amount
Details of increase in cost due to deviation from original estimates					
1	Bhopal	Biaora-Maksudangarh road	EPC	Upgradation of approaches to old Parvati river bridge	0.80
				Bina refinery pipe protection work	3.47
2	Rewa	Satna Bypass	SBD	Construction of new seven No. of culverts	5.91
				Construction of retaining wall	0.94
3	Rewa	Satna-Bela road	EPC	Construction of pipe culvert, protection of main carriage way, Change in ROB, Const. of Retaining wall & Rigid pavement	11.17
4	Rewa	Rewa-Sirmour road	EPC	Widening of 4 nos. of existing Reinforced Cement Concrete (RCC) culverts & one minor bridge.	1.83
5	Sagar	ROB on Sagar-Chhatarpur road	EPC	Increase in size of drain	0.70
6	Sagar	Vidisha-Sagar road km 81 to km 175	EPC	Widening was not feasible thus new bridge was constructed, widening of 21 no. of HP culvert	6.70
7	Sagar	Sagar-Bina road km 01 to 49/4	EPC	Construction of additional retaining wall and decrease in width of 05 no. of bridges	1.21
8	Indore	H/L bridge across Khudel Nalla	SBD	Increase in foundation level by 2.5 m.	1.39
9	Indore	Indore-Betul road km182 to km 266/6	EPC	Construction of 04 no. of new minor bridge	6.49
10	Gwalior	Daboh-Bhander-UP	EPC	Re-construction of minor bridge 28.7 at km	1.04

Sl. No.	Division	Name of work	Mode of contract	Reason for deviation from estimate	Amount
		border road		Widening of road to 4 lane in place of white topping in the existing width	7.35
11	Gwalior	Porsa-Ater-Bhind road	EPC	Construction of RCC drain in length of 16000 RMt	13.73
12	Gwalior	Morena- Ambah- Porsa road	EPC	Repairing of ROB in place of White topping over ROB Construction of RCC drain in length of 12000 RMt	1.49 10.30
13	Gwalior	Mihona Bypass end to Lahar Bypass Start	EPC	Widening of existing road in Lahar town	4.69
				Total	79.21
Details of decrease in cost due to deviation from original estimates					
14	Sagar	Bhopal Sanchi section km 175 to km 187/6	SBD	Change in length of minor bridge	1.77
15	Sagar	H/L bridge Sagar-Chhatarpur road at km 188/4	SBD	Change in drawing design and span arrangement of bridge construction	1.48
16	Sagar	Reconstruction of 29 No. of culverts and minor bridge Sagar Chhatarpur road	SBD	Deletion of 02 no. of minor bridges	5.80
17	Indore	Indore Betul road km 78 to km 92	SBD	Reconstruction of narrow culvert and minor bridge, construction of High level in place of submersible	0.80
				Total	9.85

Annexure 5.2*(Referred to in paragraph 5.1.4.2)***Non-inclusion of essential items / quantities in the estimates****(Amount in ₹ lakh)**

Sl. No.	Dn.	Name of Road	SOR Item No.	Name of essential Items	Unit	Qty. of item in estimate	Revised Qty. from original estimate	Diff. in quantity of item	Rate of items	Amount	Essentiality of items
1	Sagar	Const. of Bridges at Km 84/6.	8.2	RCC crash barrier		0	90	90	3,467	3.12	Road Safety
2	Sagar	Const. of Bridges at Km 84/6.	2.3 (iii)	Dismantling of stone masonry in lime mortar	Cum	0	132.12	132.12	276	0.36	For start of work
3	Sagar	Const. of Bridges at Km 84/6.	2.3 (i)	Dismantling of lime concrete		0	76.52	76.52	202	0.15	For start of work
4	Sagar	Const. of Bridges at Km 84/6.	12.39	HYSD bar (foundation)		0	1.935	1.935	75,306	1.46	For construction of structure
5	Sagar	Const. of Bridges at Km 84/6.	13.6	HYSD bar (structures)		0	5.756	5.756	75,415	4.34	For construction of structure
6	Sagar	Const. of Bridges at Km 84/6.	8.11	Road marking		0	53	53	636	0.34	Road Safety
7	Sagar	Const. of Bridges at Km 84/6.	8.21 (B)	Metal beam barrier		0	530	530	5,971	31.65	Road Safety
8	Sagar	Const. of Bridges at Km 84/6.	12.38	PCC M 15 levelling course		0	12.74	12.74	4,268	0.54	For construction of structures
9	Sagar	Const. of Bridges at Km 84/6.	14.1	20 mm fiber board		0	61.27	61.27	418	0.26	Road Safety
10	Sagar	Const. of Bridges at Km 84/6.	8.7	Painting two coats in new concrete surface		0	226.38	226.38	51	0.12	Road Safety
11	Sagar	Const. of Bridges at Km 85/6.	2.3	Dismantling of concrete slab		0	13.332	13.332	323	0.04	For start of work
12	Sagar	Const. of Bridges at Km 85/6.	2.3	Dismantling of stone paving		0	48.884	48.884	202	0.10	For start of work

Sl. No.	Dn.	Name of Road	SOR Item No.	Name of essential Items	Unit	Qty. of item in estimate	Revised Qty. from original estimate	Diff. in quantity of item	Rate of items	Amount	Essentiality of items
13	Sagar	Const. of Bridges at Km 85/6.	2.3	Dismantling of concrete		0	33.93	33.93	276	0.09	For start of work
14	Sagar	Const. of Bridges at Km 85/6.	21.4 (iii)	Dismantling of flexible pavement		0	92.625	92.625	237	0.22	For start of work
15	Sagar	Const. of Bridges at Km 85/6.	8.11	Road marking		0	62	62	636	0.39	Road Safety
16	Sagar	Const. of Bridges at Km 85/6.	8.21 (B)	Metal beam barrier		0	570	570	5,971	34.03	Road Safety
17	Sagar	Const. of Bridges at Km 85/6.	8.7	Painting two coats in new concrete surface		0	126.38	126.38	51	0.06	Road Safety
18	Sagar	Bhopal Sanchi section km 175 to km 187/6	8.25	Metal beam crash barrier A type-A, "W"		1,000	17,860	16,860	3,300	556.38	Road Safety
19	Sagar	Bhopal Sanchi section km 175 to km 187/6	6.16	P/L factory made CC paver blocks		2,400	9,212	6812	625	42.58	For construction of footpath
20	Sagar	Reconstruction of 29 No. Culverts	12.1 I b (ii)	Excavation for structure ordinary soil 3 m to 6 m		2,851.071	8,400.624	5,549.553	150	8.32	For construction of structure
21	Sagar	Reconstruction of 29 No. Culverts	12.1 II b (ii)	Excavation for structure ordinary rock 3 m to 6 m		0	2,895.681	2,895.681	104	3.01	For construction of structure
22	Sagar	Reconstruction of 29 No. Culverts	12.3	Providing plain cement concrete M 15		839.996	980.728	140.732	5,000	7.04	For construction of structure
23	Sagar	Reconstruction of 29 No. Culverts	12.8 (I)	Providing and laying PCC grade M 20		685.398	2,751.997	2,066.599	5,700	117.80	For construction of structure
24	Sagar	Reconstruction of 29 No. Culverts	IV (A)	RCC grade M 30		2,626.83	6,534.885	3,908.055	6,800	265.75	For construction of structure
25	Sagar	Reconstruction of 29 No. Culverts	12.31	Placing un-coated HYSD		384.946	620.426	235.48	62,000	146.00	For construction of structure
26	Sagar	Reconstruction of 29 No. Culverts	13.6 I (A)	Plain/RCC in sub structure height up to		1,049.934	1,751.25	701.316	6,000	42.08	For construction of structure

Sl. No.	Dn.	Name of Road	SOR Item No.	Name of essential Items	Unit	Qty. of item in estimate	Revised Qty. from original estimate	Diff. in quantity of item	Rate of items	Amount	Essentiality of items
				5 m							
27	Sagar	Reconstruction of 29 No. Culverts	IV (A)	RCC grade M 30 height up to 5 m		322.8	1,914.803	1592.003	6,700	106.66	For construction of structure
28	Sagar	Reconstruction of 29 No. Culverts	14.1 III (A)	Furnishing and placing RCC, height 5 m to 10 m		2,067.545	2,859.86	792.315	7,400	58.63	For construction of structure
29	Sagar	Reconstruction of 29 No. Culverts	14.17 II	Filler joint, providing and fixing 20 mm		825.37	2,582.272	1,756.902	419	7.36	For construction of structure
30	Sagar	Reconstruction of 29 No. Culverts	5.6 A (I)	BC, using 100-120 TPH, Grading II		873.826	1,005.386	131.56	9,000	11.84	For construction of structure
31	Sagar	Reconstruction of 29 No. Culverts	5.11	Mastic Asphalt providing and laying 25 mm		4,860.12	5,990.583	1,130.463	600	6.78	For construction of structure
32	Sagar	Reconstruction of 29 No. Culverts	14.7	Construction of RCC railing of M 30		666	1,010.032	344.032	2,074	7.14	For road safety
33	Sagar	Reconstruction of 29 No. Culverts	4.11	Wet Mix Macadam		7,387.19	8,304.884	917.694	1,450	13.31	For construction of road crust
34	Sagar	Reconstruction of 29 No. Culverts	3.12	Const. of embankment with material obtained from borrow pits		43,006.8	62,180.398	19,173.598	160	30.68	For construction of road crust
35	Sagar	Const. of H/L bridge over Bawna river	12.1	Excavation for Structure II Ordinary Rock (i) Depth 3 m to 6 m		69.05	272.87	203.82	329	0.67	For construction of structure
36	Sagar	Const. of H/L bridge over Bawna river	12.1	(ii) Depth Above 6 m		79.45	797.22	717.77	492	3.53	For construction of structure
37	Sagar	Const. of H/L bridge over Bawna river	12.2	Add extra item if dewatering Ordinary rock		79.45	797.22	717.77	75	0.54	For construction of structure

Sl. No.	Dn.	Name of Road	SOR Item No.	Name of essential Items	Unit	Qty. of item in estimate	Revised Qty. from original estimate	Diff. in quantity of item	Rate of items	Amount	Essentiality of items
38	Sagar	Const. of H/L bridge over Bawna river	12.3	Providing M 15 nominal mix in foundation		17.184	59.94	42.756	4,299	1.84	For construction of structure
39	Sagar	Const. of H/L bridge over Bawna river	12.4	Sand filling in foundation Box filling		1875.93	2,561.35	685.42	1,800	12.34	For construction of structure
40	Sagar	Const. of H/L bridge over Bawna river	12.8	P/L Plain/ RCC in foundation Grade M 30		785.95	856.782	70.832	5,337	3.78	For construction of structure
41	Sagar	Const. of H/L bridge over Bawna river	13.6	Plain/ RCC in sub-structure) above 10 m		59.14	91.476	32.336	5,999	1.94	For construction of structure
42	Sagar	Const. of H/L bridge over Bawna river	13.1	Supplying, fitting and fixing elastomeric bearing		1,24,800	2,34,000	1,09,200	0.78	0.85	For construction of structure
43	Sagar	Const. of H/L bridge over Bawna river	14.1	Furnishing and Placing (i) M 35 RCC/PSC Grade		457.8	661.495	203.695	6,481	13.20	For construction of structure
44	Sagar	Const. of H/L bridge over Bawna river	5.6	BC (iv) for Grading-II (30-45) mm thickness		129.56	145.53	15.97	7,669	1.22	For construction of structure
45	Sagar	Const. of H/L bridge over Bawna river	5.2	Tack coat		2,367.4	7,276.85	4,909.45	14	0.69	For construction of bituminous road
46	Rewa	Bhargava Bypass	3.10	Embankment Const. with material obtained from borrow pits		0	43,570	43570	144	62.74	For construction of road crust
47	Rewa	Bhargava Bypass	3.7	Removal of unserviceable soil		0	15,293.31	15,293.31	45	6.88	For construction of road crust
48	Rewa	Bhargava Bypass	14.4	Providing and laying CC wearing course M 30		0	36	36	10,392	3.74	For construction of CC road

Sl. No.	Dn.	Name of Road	SOR Item No.	Name of essential Items	Unit	Qty. of item in estimate	Revised Qty. from original estimate	Diff. in quantity of item	Rate of items	Amount	Essentiality of items
49	Rewa	Bhargava Bypass	9.2	Laying hume pipe 1000 mm dia		0	20	20	5,668	1.13	For construction of culvert
50	Rewa	Bhargava Bypass	9.8	Providing PCC M 15		0	174.72	174.72	4,353	7.61	For construction of structure
51	Rewa	Bhargava Bypass	12.8 A(E)	RCC grade M 25		0	4,400	4,400	4,456	196.06	For construction of structure
52	Rewa	Bhargava Bypass	8.25	Metal Beam crash Barrier		0	620	620	3,406	21.12	Road Safety
53	Rewa	Suhagi Bypass	12.8	Providing and laying (A) PCC M 15		140	168	28	4,572	1.28	For construction of structure
54	Rewa	Suhagi Bypass	13.8	Supply, fitting and placing Mild steel		9.38	15.54	6.16	48,370	2.98	For construction of CC road
55	Rewa	Suhagi Bypass	13.7	Providing HYSD bar		1.113	13.52	12.407	48,936	6.07	For construction of structure
56	Rewa	Suhagi Bypass	14.6	(A) PCC M 15 in substructure		31.5	70	38.5	4,918	1.89	For construction of structure
57	Rewa	Sajjanpur Bypass	3.10	Embankment Const. with material obtained from borrow pits		0	32,199.45	32,199.45	144	46.37	For construction of road crust
58	Indore	Indore-Betul Road km 148 to km 181	8.8 (i)	Retro- reflectorised Traffic signs 90 cm equilateral triangle		0	114	114	3,291	3.75	Road Safety
59	Indore	Indore-Betul Road km 148 to km 181	8.3 (iii)	60 cm circular		0	21	21	2,962	0.62	Road Safety
60	Indore	Indore-Betul Road km 148 to km 181	8.5	Direction and Place Identification signs upto 0.9 sqm size board.		0	148.08	148.08	6,641	9.83	Road Safety

Sl. No.	Dn.	Name of Road	SOR Item No.	Name of essential Items	Unit	Qty. of item in estimate	Revised Qty. from original estimate	Diff. in quantity of item	Rate of items	Amount	Essentiality of items
61	Indore	Indore-Betul Road km 148 to km 181	8.7	Direction and Place Identification signs more than 0.9 sqm size board.		0	9.6	9.6	11,603	1.11	Road Safety
62	Indore	Indore-Betul Road km 148 to km 181	8.17	Road Delineators Supplying and installation of		0	180	180	224	0.40	Road Safety
63	Indore	Indore-Betul Road km 148 to km 181	8.25	Metal Beam Crash Barrier		0	4,770	4,770	3,406	162.47	Road Safety
64	Indore	Indore-Betul Road km 148 to km 181	8.28	Road Markers/Road Stud with Lense Reflector		0	3,253	3,253	545	17.73	Road Safety
Total										2,103.01	

Annexure 5.3*(Referred to in paragraph 5.1.4.2)***Provision of unwarranted quantity of items in the estimates****(Amount in ₹ lakh)**

Sl. No.	Dn.	Name of Road work	SOR Item No.	Name of Unwarranted/ Superfluous Items in the estimate	Name of item actually executed	Qty. of item in estimate	Qty. actually executed	Diff. in quantity of item	Rate of items taken in original estimate	Rate of item actually executed	Diff. in rate	Amount
1	Bhopal	Vidisha By-Pass road	4.2 & 3.13	Lime stabilization for improving subgrade	Const. of embankment with approved material having CBR>10 obtained from borrow pits.	1,09,892.23 cum	1,09,892.23	0	475	178	297	326.38
2			3.12	Embankment construction with material obtained from borrow pits	Same as per estimate	4,38,401.03 cum	3,10,218	1,28,183	168	168	--	215.35
3		Shujalpur-Ashta Section	6.12	38 mm dia dowel bar	32 mm dia dowel bar	1,387.65 MT	950.41	437.24	43,621	43,621	--	190.73
4		Maksudangar h-Sironj section	6.12	38 mm dia dowel bar	32 mm dia dowel bar	921.79 MT	653.63	268.16	39,259	39,259	--	105.28
5		Khilchipur Jirapur road	6.12	38 mm dia dowel bar	32 mm dia dowel bar	561.26 MT	157.87	403.39	43,621	43,621	--	175.97
6	Rewa	Satna Bypass	8.1 B	Cast in situ CC M 20	Same as per estimate	20,000 MT	10,000	10,000	229	229	--	22.90
7			13.8	Supply, fitting and placing Mild steel	Dowel bar	586 MT	184	402	53,744	--	--	216.05
8			4.15	Construction of median and Island	Same as per estimate	4,500 cum	3,296	1,204	151	--	--	1.82

Sl. No.	Dn.	Name of Road work	SOR Item No.	Name of Unwarranted/ Superfluous Items in the estimate	Name of item actually executed	Qty. of item in estimate	Qty. actually executed	Diff. in quantity of item	Rate of items taken in original estimate	Rate of item actually executed	Diff. in rate	Amount
9			12.8	Providing and laying plain/RCC (A)PCC M 15	Same as per estimate	1,700 cum	856	844	5,080	--	--	42.88
10			12.8	(B) PCC M 20	Same as per estimate	6,000 cum	3,093	2,907	5,583	--	--	162.3
11			8.27	Providing and laying reinforced CC pipe 300 mm dia	Same as per estimate	10,750 MT	225	10,525	1,618	--	--	170.29
12			12.1	Excavation for structure Depth upto 3 m	Same as per estimate	19,932 cum	7,549	12,383	58	--	--	7.18
13			4.1	GSB	Same as per estimate	2,718 cum	10,92	1,626	849	--	--	13.8
14		Bhargava Bypass	12.8	P/L plain/RCC (A) PCC M 15	Same as per estimate	1,510 cum	550	960	5,080	--	--	48.77
15			12.8	(B) PCC M 20	Same as per estimate	6,493 cum	742	5,751	5,583	--	--	321.08
16	Rewa		13.8	Supply, fitting and placing Mild steel	Dowel Bar	708.19 MT	202	506.19	53,744	--	--	272.05
17		Suhagi Bypass	12.8	Providing and laying plain/RCC (B) PCC M 20	Same as per estimate	602 cum	490	112	5,025	--	--	5.63
18		Sajjanpur Bypass	12.8 B	P/L plain/ reinforced cement concrete with PCC Grade M 20	Same as per estimate	6,020 cum	3,387.018	2,632.982	5000	--	--	131.65
19			13.8	Supply, fitting and placing Mild steel	Dowel Bar	656.60 MT	195.52	461.08	50,000	--	--	230.54

Sl. No.	Dn.	Name of Road work	SOR Item No.	Name of Unwarranted/ Superfluous Items in the estimate	Name of item actually executed	Qty. of item in estimate	Qty. actually executed	Diff. in quantity of item	Rate of items taken in original estimate	Rate of item actually executed	Diff. in rate	Amount
20			6.16 (i)	P/ CC paver blocks. 100mm thick CC paver blocks of M 35 grade	Same as per estimate	14,000 sqm	1434	12,566	840	--	--	105.55
21		Gangeo Bypass.	12.8 A	P/L plane/ reinforcement PCC M 15	Same as per estimate	604 cum	513	91	4,572	--	--	4.16
22			13.8	Supply, fitting and placing Mild steel	Dowel Bar	283 MT	132	151	48,370	--	--	73.04
23		Rewa-Sirmour road	6.12	38 mm dia dowel bar	32 mm dia dowel bar	469.64 MT	236	233.64	39,259			91.72
24		Sagar-Chhatarpur road km 88 to km 130	4.3 & 3.12	Lime stabilization for improving subgrade	Construction of embankment with approved material having CBR>10 obtained from borrow pits.	1,95,363 cum	1,95,363	0	463	154	309	603.67
25	Sagar	Khurai Bypass	4.3 & 3.12	Lime stabilization for improving subgrade	Construction of embankment with approved material having CBR>10 obtained from borrow pits.	79,894 cum	79,894	0	463	154	309	246.87
26		Reconstruction of 29 No. Culverts	2.3	Dismantling of structures (A) Lime concrete grade M 10	Same as per estimate	225.34 cum	6.66	218.68	300	300	Nil	0.66
27			2.3	(B) Lime concrete grade M 15 & 20	Same as per estimate	1,179.13 cum	563.367	615.76	380	380	Nil	2.34

Sl. No.	Dn.	Name of Road work	SOR Item No.	Name of Unwarranted/ Superfluous Items in the estimate	Name of item actually executed	Qty. of item in estimate	Qty. actually executed	Diff. in quantity of item	Rate of items taken in original estimate	Rate of item actually executed	Diff. in rate	Amount
28			2.3	(C) M 20 & above	Same as per estimate	1,608.07	1,436.331	171.74	990	990	Nil	1.7
29			12.5	Providing and filling Annular space	Same as per estimate	1,668.12 cum	1,212.211	455.91	5,000	5,000	Nil	22.8
30			14.1	II A M 30	Same as per estimate	556.8 cum	225.027	331.77	7,400	7,400	Nil	24.55
31			13.10 (A)	Back filling	Same as per estimate	8,396.78 cum	6,266.093	2130.7	1,000	1,000	Nil	21.31
32			13.11	Providing and laying	Same as per estimate	2,082.37 cum	1,708.277	374.09	1,241	1,241	Nil	4.64
33			14.21	Strip seal Expansion	Same as per estimate	332 RM	192	140	12,000	12000	Nil	16.8
34			14.9	Drainages spouts	Same as per estimate	198 No.	168	30	1,327	1,327	Nil	0.4
35			14.11	RCC approach slab	Same as per estimate	809.67 cum	721.108	88.562	8,900	8,900	Nil	7.88
36			15.1	Providing and laying	Same as per estimate	1,318.82 cum	491.519	827.3	2,259	2,259	Nil	18.69
37			15.5	Providing and laying filter	Same as per estimate	1,511.59 cum	1,090.019	421.57	1,400	1,400	Nil	5.9
38			4.12	Crusher run macadam	Same as per estimate	11,613.3 cum	5,477.09	6,136.2	1,100	1,100	Nil	67.5
39			5.1	Prime coat	Same as per estimate	50,651 sqm	23,949.2	26,702	36	36	Nil	9.61
40			5.2 (I)	Providing @ 0.25 kg	Same as per estimate	98,221.5 sqm	18,966.43	79,255	13	13	Nil	10.3
41			5.5 II	Dense graded bituminous	Same as per estimate	1,524.49 cum	1,352.285	172.21	8,000	8,000	Nil	13.78
	Sagar	Reconstruction of 29 No. Culverts										

Sl. No.	Dn.	Name of Road work	SOR Item No.	Name of Unwarranted/ Superfluous Items in the estimate	Name of item actually executed	Qty. of item in estimate	Qty. actually executed	Diff. in quantity of item	Rate of items taken in original estimate	Rate of item actually executed	Diff. in rate	Amount
42			15.8	(C) cement concrete M 15	Same as per estimate	281.2 cum	198.487	82.713	5,100	5,100	Nil	4.22
43			5.8	Open graded premix surfacing	Same as per estimate	32,453.5 sqm	11,496.32	20,957	122	122	Nil	25.57
44			5.10 B	Seal coat	Same as per estimate	32,453.5 sqm	11,496.32	20,957	50	50	Nil	10.48
45		H/L bridge over Bawna river	12.1	Ordinary soil Depth above 06 m	Same as per estimate	693.34 cum	265.69	427.65	560	560	Nil	2.39
46			12.2 (i) C	Above 6 m depth (100% Extra)	Same as per estimate	693.34 cum	265.69	427.65	75	75	Nil	0.32
47			12.5	Providing & filling Annular Space Around footing	Same as per estimate	156.76 cum	29.508	127.252	4,800	4,800	Nil	6.11
48			12.3	Supplying fitting and placing uncoated HYPSD	Same as per estimate	63.567 cum	48.097	15.47	72,500	72,500	Nil	11.22
49			13.7	Supplying , fitting and placing HYPSD bar reinforcement in substructure	Same as per estimate	49.103 Tonne	27.45	21.653	75,000	75,000	Nil	16.24
50		Sagar	13.1 A	Back filling behind abutment, wing wall and return well	Same as per estimate	2,857.86 cum	1,427.31	1,430.55	980	980	Nil	14.02
51			13.1 A	For Box Abutment	Same as per estimate	501.7 cum	98.4	403.3	1,000	1,000	Nil	4.03
52			4.1	Granular Sub base	Same as per estimate	1549 cum	1,235.59	313.41	800	800	Nil	2.51

Sl. No.	Dn.	Name of Road work	SOR Item No.	Name of Unwarranted/ Superfluous Items in the estimate	Name of item actually executed	Qty. of item in estimate	Qty. actually executed	Diff. in quantity of item	Rate of items taken in original estimate	Rate of item actually executed	Diff. in rate	Amount
53			4.11	Wet Mix Macadam	Same as per estimate	1,733.23 cum	719.47	1,013.76	1,500	1,500	Nil	15.21
54			5.5 ii	Dense Graded Bituminous (i) for Grading II	Same as per estimate	194.33 cum	168.84	25.49	7,800	7,800	Nil	1.99
55			5.1	Prime coat	Same as per estimate	4,778.9 sqm	2,814.18	1,964.72	35	35	Nil	0.69
56		Indore Ahmedabad Road km 5.0 to km 9.5	6.12	38 mm dia dowel bar	32 mm dia dowel bar	302.60 MT	214.642	87.958	61,069	61,069	Nil	53.72
57		Thikri Anjad Road	6.12	38 mm dia dowel bar	32 mm dia dowel bar	1,239.02 MT	878.58	360.44	43,621	43,621	Nil	157.23
58			3.13	Construction of Embankment with Material Deposited	Same as per estimate	19,720	7,028.970	12,691.030	90	90	Nil	11.42
59	Indore		4.18	Crusher Run Macadam Base Providing	Same as per estimate	11,669.600	9,276.920	2,392.680	1,350	1,350	Nil	32.3
60		Indore- Betul road Km 266/8 to 278/2	4.12	WMM	Same as per estimate	7,830	6,359.48	1,470.52	1,450	1,450	Nil	21.33
61			5.1	Prime coat Providing and applying primer coat with bitumen emulsion	Same as per estimate	34,800	28,504.000	6,296.000	32	32	Nil	2.01

Sl. No.	Dn.	Name of Road work	SOR Item No.	Name of Unwarranted/ Superfluous Items in the estimate	Name of item actually executed	Qty. of item in estimate	Qty. actually executed	Diff. in quantity of item	Rate of items taken in original estimate	Rate of item actually executed	Diff. in rate	Amount
62			5.9	Proving and laying surface dressing as wearing course in single	Same as per estimate	34,800	28,504	6,296.000	40	40	Nil	2.52
63			5.2	Providing and applying tack coat with bitumen emulsion using (i) at the rate of 0.25 kg per sqm normal bitumen surfaces	Same as per estimate	1,16,000	96,869	19,131.000	12	12	Nil	2.3
64		Indore- Betul road Km 266/8 to 278/2	5.6	Dense graded Bitumen Macadam Proving and laying dense bituminous	Same as per estimate	12,760	10,905	1,855.000	6,400	6,400	Nil	118.72
65			5.8	Bituminous Concrete Proving and laying bituminous concrete using	Same as per estimate	4,640	3,838.750	801.250	8,100	8,100	Nil	64.9
66			4.15	Construction of shoulders with approved material or selected soil including excavation all lifts	Same as per estimate	16,074.120	2,610.720	13,463.400	225	225	Nil	30.29
Total												4,626.26

Annexure 5.4*(Referred to in paragraph 5.1.4.2)***Unwarranted/ superfluous items provisioned in the estimate but not executed at all****(Amount in ₹ lakh)**

Sl. No.	Dn.	Name of Road work	SOR Item No.	Name of Unwarranted/ Superfluous Items in the estimate	Qty. of item in estimate	Rate	Amount
1	Bhopal	Vidisha Bypass road	1.1	Transportation and stacking loose moorum/sand/earth i/c loading unloading	90,541.80 cum	80	72.43
2	Rewa	Satna Bypass	12.1	Excavation for structure Depth upto 3 m	20,400 cum	128	26.11
3			4.1	Granular Sub base	2,550 cum	849	21.64
4	Sagar	Khurai Bypass	3.9	Loading and unloading (transportation) of loose moorum/sand/earth	1,09,890 cum	89	97.80
5		Vidisha-Sagar road km 81 to 175	2.4	Dismantling of flexible pavement	70,000 sqm	281	196.70
6		Reconstruction of 29 No. Culverts	12.4	sand filling	2,147.38 cum	2,000	42.95
7			12.8	providing and laying (II) PCC M 25	336.47 cum	6,000	20.19
8			12.8	(V) PCC grade M 15	437.616 cum	7,000	30.63
9			13.6 V(A)	Plain/RCC sub structure RCC grade M 35 height 5 m to 10 m	10.29 cum	7,250	0.75
10			14.1	I A furnishing and placing M 25	185 cum	7,250	13.41
11			14.1	II B M above 10 m	362.544 cum	7,500	27.19
12			4.17	Footpath and separation	999 sqm	479	4.79
13			12.7 B	Random rubble masonry	338.30 cum	5,300	17.92

Sl. No.	Dn.	Name of Road work	SOR Item No.	Name of Unwarranted/ Superfluous Items in the estimate	Qty. of item in estimate	Rate	Amount
14		Const. of H/L bridge over Bawna river	4.1	Granular Sub base	929.5 cum	849	7.89
15			12.2 (i) A	Add extra for dewatering in excavation in soil	1,107.77 cum	50	0.55
16			12.2 (i) B	Beyond 3.0 m depth upto 6.0 m (75 per cent extra)	1,038.71 cum	70	0.73
17			8.24 (i)	Provision of an Reinforced cement concrete crash M 20 grade concrete	157.6 MT	5,000	7.88
18			14.2	Providing and applying 2 coats of water base cement pain	3,440.08 MT	60	2.06
19			2.3 B	B rubble stone masonry in cement mortar	752 cum	280	2.11
20			5.3 (ii)	Tack coat	3,238.9 sqm	20	0.65
21			5.6 (iv)	Bitumen Concrete Grading-II (30-45) mm thickness	33.096 cum	8,500	2.81
22			5.8 (ii)	OGPC	1,540 sqm	150	2.31
23	Sagar	Const. of H/L bridge over Bawna river	5.10 (ii)	Seal Coat	1,540 sqm	155	2.39
24			8.34	Providing and fixing guard stones 220 x 1000 mm	196 Each	260	0.51
25			9.4 B	Proving and Laying RCC hume pipe 1200 mm dia	20 RMt	8,000	1.6
26			14.1 a	Furnishing and Placing Reinforced/ Pre-stressed (i) for Solid slab Superstructure	8.75 cum	7,800	0.68
27	Gwalior	Upgradation of Porsa	2.4	Dismantling of flexible pavement	36,498 cum	228	83.22

Sl. No.	Dn.	Name of Road work	SOR Item No.	Name of Unwarranted/ Superfluous Items in the estimate	Qty. of item in estimate	Rate	Amount
28		Ater Bhind road	2.5	Dismantling of CC pavement.	2,100 cum	968	20.33
29		Morena- Ambah- Porsa road	2.4	Dismantling of flexible pavement	26,741 cum	228	60.97
30			2.5	Dismantling of CC pavement.	962.5 cum	968	9.32
31		Mihona Bypass end to Lahar Bypass	2.4	Dismantling of flexible pavement	19,321.15 cum	228	44.05
Total							822.57

Annexure 5.5*(Referred to in paragraph 5.1.4.3)***Invitation of tender on inflated estimates****(Amount in ₹ crore)**

Sl. No.	Name of Division	Name of work	Date of NIT	Cost of work as per SOR 2016/2014	Cost of work as per SOR 2017/2016	Difference in cost of work
1	Bhopal	Shujalpur to Ashta Road	07/11/17	185.04	170.04	15.00
2	Bhopal	Pachore- Shujalpur Road	07/11/17	144.55	132.08	12.47
3	Bhopal	Khilchipur –Jirapur Road	08/09/17	77.30	67.96	09.34
4	Bhopal	Biaora-Maksudangarh Road	06/11/17	199.57	180.12	19.45
5	Sagar	Reconstruction of 29 No. Culverts and Minor Bridges Sagar – Chhatarpur Road	30/07/16	34.46	32.24	2.22
Total				640.92	582.44	58.48

Annexure 5.6*(Referred to in paragraph 5.1.5.2)***Excess payment on account of price adjustment****(Amount in ₹ lakh)**

Sl. No.	Name of Dn.	Name of road work	Bid due date	Base date taken	Base date to be taken	Price adjustment Paid	Price adjustment to be paid	Excess payment
1	Bhopal	Maksudangarh-Sironj road	26/02/18	31/12/17	31/01/18	696.72	536.41	160.31
2	Rewa	Bameetha-Panna-Nagod-Satna road	20/02/18	31/12/17	31/01/18	553.68	454.81	98.87
3	Rewa	Satna-Bela road	27/11/17	01/10/17	31/10/17	474.66	426.17	48.49
4	Indore	Indore Betul road Km 182 to 266/6	13/02/17	31/12 16	31/01/17	767.10	647.82	119.28
5	Gwalior	Morena- Ambah- Porsa road	29/05/18	30/04/18	31/05/18	566.29	495.78	70.51
6	Gwalior	Porsa Ater Bhind road	29/05/18	30/04/18	31/05/18	662.22	581.62	80.60
7	Gwalior	Mihona Bypass to Lahar Bypass	07/03/18	31/01/18	28/02/18	427.75	411.23	16.52
8	Gwalior	Daboh- Bhander-UP Border Road	07/03/18	31/01/18	28/02/18	667.39	619.97	47.42
Total						4,815.81	4,173.81	642

Annexure 5.7*(Referred to in paragraph 5.1.5.2)***Excess payment due to application of incorrect items****(Amount in ₹)**

Sl. No.	Name of Road	Item included in estimate	Item actually executed	Executed quantity (in MT)	Rate ¹ actually Paid	Rate to be paid as per SOR	Diff. in rate	Excess payment
1	Satna Bypass	Supply, fitting and placing Mild steel	Providing dowel bar	184.000	48,000	43,621 ²	4,379	8,05,736
2	Bhargava Bypass	Supply, fitting and placing Mild steel	Providing dowel bar	200.360	50,000	43,621	6,379	12,78,096
3	Suhagi Bypass	Supply, fitting and placing Mild steel	Providing dowel bar	09.380	48,370	39,259 ³	9,111	85,461
4	Sajjanpur Bypass	Supply, fitting and placing Mild steel	Providing dowel bar	195.452	50,000	43,621	6,379	12,46,788
5	Gangeo Bypass	Supply, fitting and placing Mild steel	Providing dowel bar	132.060	48,370	39,259	9,111	12,03,199
Total				721.252				46,19,280

¹ Rate quoted by contractor against the item Supply, fitting and placing Mild steel

² SOR 2016

³ SOR 2017

Annexure 5.8
(Referred to in paragraph 5.1.5.4)
Short deduction of royalty

(₹ in lakh)

Sl. No.	Division	Name of work	Completion date of work	Final/RA bill paid on	Amount to be deducted	Amount deducted	Short deduction
1	Bhopal	Vidisha Bypass	15/11/17	Nov/ 2018	112.53	70.33	42.20
2	Sagar	Khurai Bypass Road	30/06/17	09/03/20	78.65	40.17	38.48
3	Sagar	Vidisha Sagar road Km 81 to 175	Ongoing	08/08/20	451.04	133.94	317.10
4	Sagar	Sagar-Bina road Km 1 to 49/4	Ongoing	26/10/20	167.77	79.76	88.01
5	Sagar	High Level Bridge over Dhasan river at Km 146/8-10	30/06/20	15/07/20	9.05	7.43	01.62
6	Sagar	H/L Bridge at Km 128/8-10 Bhopla-Sanchi-Sagar Road	20/11/18	09/04/19	7.83	00.00	07.83
7	Rewa	Bhargava Bypass section	31/05/19	06/07/20	70.67	52.14	18.53
8	Rewa	Sajjanpur Bypass Section	31/08/19	27/01/20	94.45	57.63	36.82
9	Rewa	Bameetha-Panna-Nagod-Satna	Ongoing	10/07/20	179.53	103.20	76.33
10	Rewa	Rewa-Sirmour section	Ongoing		402.08	80.00	322.08
11	Rewa	Satna-Bela section	Ongoing	30/08/20	411.77	35.00	376.77
12	Indore	Km 129 to 147 of NH 59A	30/06/17	30/07/18	85.80	10.23	75.57
13	Indore	Indore Betul Road Km 148 to km 181	31/01/19	06/07/20	90.03	40.00	50.03
14	Indore	Indore Betul Road Km. 266/8 to 278/2	10/06/17	30/03/17	39.09	00.00	39.09
15	Indore	Indore Betul road H/L bridge across Khundel Nalla	22/10/18	02/01/18	5.29	00.00	05.29
16	Gwalior	Morena- Ambah- Porsa road	Ongoing		217.94	17.30	200.64
17	Gwalior	Porsa Ater Bhind road	Ongoing		320.13	27.90	292.23
18	Gwalior	Mihona Bypass to Lahar Bypass	Ongoing		229.03	154.09	74.94
19	Gwalior	Daboh- Bhander-UP Border Road	Ongoing		399.77	211.43	188.34
Total					3,372.45	1,120.55	2,251.90

Annexure 5.9*(Referred to in paragraph 5.1.5.5)***Reason and extra cost for delay in completion of work****(₹ in crore)**

Sl. No.	Division	No. of work	Timely completed	Delayed	Delay for completed works (in days)	Delay as of November 2020 for ongoing works (in days)	Reason for delay	Extra cost paid to consultancy	Extra cost due to price adjustment in extended period.
1	Bhopal	6	2	4	No delay	246, 381, 382, 382 (04 work)	Land acquisition, encroachment, outbreak of COVID-19	2.99	-
2	Rewa	8	0	8	90, 111, 283, 319, 344 (05 Works)	370, 392, 392 (03 Works)	Utility shifting, Land acquisition, encroachment, outbreak of COVID-19, change in drawing and design, other reason ⁴	5.00	2.61
3	Indore	9	1	8	58, 90, 168, 466, 586, 1046 (06 Works)	335, 437 (02 work)	Utility shifting, Land acquisition, encroachment, change in drawing and design, Other reason	0.64	3.69
4	Sagar	16	0	16	277, 316, 350, 391, 394, 556, 655, 715, 746, 869, 1099 (11 work)	267, 544, 587, 600, 699 (05 work)	Utility shifting, Land acquisition, outbreak of COVID-19, change in drawing and design, Other reason	5.08	-
5	Gwalior	4	0	4	-	177, 177, 401, 401 (04 work)	Utility shifting, Land acquisition, outbreak of COVID-19,	2.34	4.70
Total								16.05	11.00

⁴ Change in alignment, deletion of toll plaza, slow progress in one work, raising of FRL, raising of guard wall, standing crops.

Median period of delay for completed works:

Sl.no.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Delay in days	58	90	90	111	168	277	283	316	319	344	350	391	394	466	556	586	655	715	746	869	1046	1099

Median Delay for completed works= (350+391)/2=370.5 days

Median period of delay for ongoing works:

Sl.no.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Delay in days	177	177	246	267	335	370	381	382	382	392	392	401	401	437	544	587	600	699

Median Delay for ongoing works= (382+392)/2=387 days

Annexure 5.10*(Referred to in paragraph 5.1.6.2)***Mandatory test of road works from Departmental laboratory**

Sl. no	District	Type of Laboratory	Required Equipments	Equipment not available in lab (No.)	Shortage (per cent)	Remark
1	Rewa	District	21	10	47.62	-
2	Bhopal	Regional	53	26	49.06	Requirement of equipment was sent on 05.03.2018 to higher authorities.
3	Indore	Regional	53	19	35.85	Requirement of equipment was sent on 21.02.2019 to higher authorities.
4	Sagar	District	21	Not provided	-	5 equipment were unserviceable since one year.
5	Gwalior	Regional	53	Not provided ⁵	-	Estimates for equipment were sent on 25.03.2019 to higher authorities ⁶ .

⁵ Audit specifically requested for information of availability of 53 equipment in the laboratory.

⁶ It could not be ensured in Audit whether the equipment requisitioned were the same equipment for which audit enquired. A letter is issued to the Department (February 2021) to clarify the matter.

Annexure 5.11*(Referred to in paragraph 5.2.3.2)***Award of works without land acquisition and shifting of utility services**

Sl. No.	Name of Divisions	Agt. No.	Name of works	AA of work (in lakh)	Delays of work due to land acquisition and utility services	Remarks
1	EE, PW(B/R) Dn. Ashoknagar	04/CRF/2015-16	Const. of Wajidpur-Shadora-Naisarai-Miyana road	9,440.00	365 days	Non-shifting of utility services, land was not acquired
2	EE PW(B/R) Dn. Gwalior	03/CRF/2015-16	Const. of Makoda-Chimak-Badgaur road	6,900.00	337 days	Non-shifting of utility services, land was not acquired
3	EE PW(B/R) Dn. Indore-1	03/CRF/2015-16	Const. of Tarana-Mangaliya-Vyaskhedi road	7,172.00	Work completed timely	Non-shifting of utility services, land was not acquired
Total		Three works		23,512.00		

Annexure 5.12*(Referred to in paragraph 5.2.3.3)***Improper estimation of earthwork**

Sl. No.	Agt. No./Divisions	SOR[1]/Name of Item	Estimated Quantity(in Cum)	Executed Quantity (in Cum)	Rate in ₹ per cum	Extra cost	Percentage increase
1	2	3	4	5	6	7(=(5-4)*6)	8
1	03/CRF/2017-18, EE PW(B/R) Dn. Ujjain	3.3 Excavation in soil	94,802.20	2,00,168.05	61.50	64,79,999.65	111
2	10/CRF/2017-18, EE PW(B/R) Ujjain	3.10/24 Embankment construction with material obtained from borrow pits	81,619.00	1,47,131.75	150.00	98,26,913.10	80
3	01/CRF/2017-18, EE PW(B/R) Dn. Ratlam	3.3 Excavation in soil	14,200.00	51,976.34	44.45	16,79,158.09	266
4	01/CRF/2017-18, EE PW(B/R) Dn. Ratlam	3.11 Embankment construction with material deposited from roadway cutting	12,780.00	37,932.58	64.00	16,09,765.12	197
5	02/CRF/2017-18, EE PW(B/R) Dn. Ratlam	3.3 Excavation in soil	21,000.00	53,178.74	44.45	14,30,344.77	153
6	02/CRF/2017-18, EE PW(B/R) Dn. Ratlam	3.11 Embankment construction with material deposited from roadway cutting	18,900.00	39,900.66	72.00	15,12,047.52	111
7	05/CRF/2017-18,	3.3 Excavation in	1,05,752.52	2,23,939.47	38.00	44,91,104.10	112

Sl. No.	Agt. No./Divisions	SOR[1]/Name of Item	Estimated Quantity(in Cum)	Executed Quantity (in Cum)	Rate in ₹ per cum	Extra cost	Percentage increase
1	2	3	4	5	6	7(=(5-4)*6)	8
	EE PW(B/R) Dn. Ratlam	soil					
8	01/CRF/2015-16, EE PW(B/R) Dn. Ratlam	3.13 Embankment construction obtained from borrow pits	77,687.30	1,58,912.98	133.00	1,08,03,015.44	105
Total	8 works		4,26,741.02	9,13,140.56		3,78,32,347.79	80 to 266

Annexure 5.13

(Referred to in paragraph 5.2.3.3)

Non-inclusion of road safety measures in the estimates

Sl. No.	Name of Divisions	Agt. No.	Name of works	Quantity (in Mtr)	Rate (₹)	Total Amt.	Vr. no-Date
1	EE PW(B/R) Dn. Gwalior	03/CRF/2015-16	Makoda Chhimak Badgaur Road	800	3,714	2,971,200	34-11/05/2020
		02/CRF/2016-17	Shivpuri Loop Shitla Mata Road	4,066	4,840	19,679,440	26-20/08/2020
		03/CRF/2016-17	Pichhore Indergarh Road	1,147	3,445	3,951,415	18-08/01/2020
2	EE PW(B/R) Dn. Ujjain	10/CRF/2017-18	Tarana to Bichhaod, Nazarpur	1,444	4,731	6,831,564	15-21/06/2020
Total				7,457		3,34,33,619	

Annexure 5.14*(Referred to in paragraph 5.2.4.1)***Excess payment on account of price adjustment (Adoption of incorrect base indices)****(₹ in lakh)**

Sl. No.	Name of Divisions	Agt. No.	Tender opening date	Amount paid for Cement and Steel	Amount of cement and steel to be paid (Recovery)	Total recoverable amount
1	2	4	5	6	7	8
1	EE PW(B/R) Dn. Raisen	07/CRF/2015-16	01/09/15	2.10	-10.28	-12.38
		02/CRF/2017-18	12/01/17	16.82	-28.14	-44.96
2	EE PW(B/R) Dn. Ratlam	01/CRF/2017-18	09/02/17	65.37	-60.03	-125.40
		02/CRF/2017-18	09/02/17	72.77	-71.87	-144.64
		04/CRF/2017-18	19/01/17	93.55	-75.38	-168.93
		05/CRF/2017-18	16/02/17	128.06	-168.92	-296.98
		07/CRF/2017-18	27/02/17	92.22	-50.89	-143.11
		01/CRF/2015-16	27/02/17	11.70	-16.41	-28.11
3	EE PW(B/R) Dn. Ujjain	02/CRF/2015-16	10/11/15	11.79	-6.02	-17.81
		03/CRF/2017-18	20/01/17	131.27	-15.89	-147.16
4	EE PW(B/R) Dn. Indore-I	02/CRF/2017-18	06/02/17	48.50	-30.99	-79.49
		01/CRF/2017-18	06/02/17	17.57	-20.33	-37.90
Total		12 works			-555.15	-1,246.87

Annexure 5.15*(Referred to in paragraph 5.2.4.1)***Incorrect calculation of bitumen components for price adjustment**

Sl. No.	Name of Unit	Name of contractor	Agreement No.	Payment made by the department as per clause 26 of contract			Payment to be made		Excess Payment
				Escalation Component	Weightages (In <i>per cent</i>)	Amount paid (In ₹)	Weightages (In <i>per cent</i>)	Amount (In ₹)	
1	PWD, Chhindwara	M/s Arcons Infrastructures and Const. Pvt. Ltd.	28/MDR/2016-17	Labour	25	60,87,120.00	25	60,87,120.00	0.00
				Cement	5	10,93,563.00	5	10,93,563.00	0.00
				Steel	5	38,28,608.00	5	38,28,608.00	0.00
				Bitumen	10	99,79,964.00	0	0.00	99,79,964.00
				POL	5	61,61,672.00	5	61,61,672.00	0.00
				Plant & machinery	5	-83,926.00	5	-83,926.00	0.00
				Other materials	45	190,38,789.00	55	2,32,69,631.00	-42,30,842.00
Total				100	4,61,05,789.00	100	4,03,56,668.00	57,49,121.00	

Annexure 5.16*(Referred to in paragraph 5.2.4.2)***Unwarranted provision and execution of levelling course below approach slab, extending undue benefit to the contractor**

Sl. No.	Name of Divisions	Agt. No.	Quantity of levelling course (in Cum)	Rate (in ₹)	Amount Paid (in lakh)
1	2	3	4	5	6=4x5
1	EE PW(B/R) Dn. Raisen	02/CRF/2017-18	89.25	3,822.00	3.41
2	EE PW(B/R) Dn. Ratlam	07/CRF/17-18	179.26	4,100.00	7.35
		01/CRF/2017-18	29.16	4,342.28	1.26
		02/CRF/2017-18	62.64	4,342.28	2.72
		05/CRF/2017-18	338.40	4,083.00	13.81
		01/CRF/2015-16	85.57	4,083.00	3.49
		06/CRF/2017-18	158.41	3,000.00	4.75
		01/CRF/2019-20	52.41	3,720.00	1.94
3	EE PW(B/R) Dn. Ujjain	03/CRF/17-18	130.36	3,543.00	4.61
		08/CRF/2017-18	111.00	4,000.00	4.44
		09/CRF/2017-18	29.08	4,885.00	1.42
		10/CRF/2017-18	115.44	3,000.00	3.46
4	EE PW(B/R) Dn. Indore-I	03/CRF/15-16	332.70	4,000.00	13.30
		02/CRF/2017-18	83.49	3,908.00	3.26
		01/CRF/2017-18	23.10	4,205.00	0.97
5	EE PW(B/R) Dn. Indore-II	04/CRF/2017-18	28.90	4,215.00	1.21
6	EE PW(B/R) Dn. Betul	03/CE/2016-17	422.00	4,885.00	20.64
		04/CRF/2016-17	274.10	4,201.00	11.51
18 works			2,545.28		103.55

Annexure 5.17
(Referred to in paragraph 5.2.4.2)
Inadmissible payment of Backfilling

Sl. No.	Name of Divisions	Agreement No.	Qty of Back filling	Rate	Amount Paid
1	2	3	4	5	6=4×5
1	EE PW(B/R) Dn. Raisen	07/CRF/2015-16	1,812.52	700.00	12,68,763.30
		02/CRF/2017-18	4,115.07	504.00	20,73,995.28
		03/CRF/2017-18	820.62	504.00	4,13,592.48
		04/CRF/2015-16	3,205.28	862.00	27,62,951.36
2	EE PW(B/R) Dn. Ratlam	01/CRF/2017-18	478.40	869.34	4,15,892.26
		07/CRF/2017-18	3,239.11	800.00	25,91,284.00
		04/CRF/2017-18	3,309.69	100.00	3,30,968.70
		06/CRF/2017-18	2,768.16	700.00	19,37,712.00
		02/CRF/2017-18	985.73	869.34	8,56,934.52
		01/CRF/2019-20	1,227.81	200.00	2,45,562.00
		05/CRF/2017-18	5,483.19	583.00	31,96,699.77
		01/CRF/2015-16	1,096.17	583.00	6,39,067.11
3	EE PW(B/R) Dn. Ujjain	02/CRF/2015-16	67.96	810.00	55,047.60
		03/CRF/2017-18	2,592.46	625.00	16,20,290.00
4	EE PW(B/R) Dn. Indore-I	03/CRF/2015-16	1,690.16	858.00	14,50,160.71
		02/CRF/2017-18	4,994.66	782.00	39,05,824.12
		01/CRF/2017-18	685.30	841.00	5,76,337.30
5	EE PW(B/R) Dn. Indore-II	04/CRF/2017-18	262.07	843.92	2,21,166.11
6	EE PW(B/R) Dn. Betul	03/CRF/2016-17	8,682.46	978.00	84,91,445.88

Sl. No.	Name of Divisions	Agreement No.	Qty of Back filling	Rate	Amount Paid
1	2	3	4	5	6=4×5
		04/CRF/2016-17	4,623.16	881.00	40,73,003.96
7	EE PW(B/R) Dn. Chhindwara	28/MDR/2016-17	2,885.66	1,056.00	30,47,253.79
Total 21 works			55,025.64		4,01,73,952.25

Annexure 5.18
(Referred to in paragraph 5.2.4.3)
Execution contrary to the specifications

Sl. No.	Name of Divisions	Agreement No.	Name of work	PQC(M 40) (Quantity in Cum)	Cost incurred on PQC (₹ in lakh)
1	EE PW(B/R) Dn. Indore-I	02/CRF/2017-18	Const. of Tillor Khurd Piplada-Tanoriya Road under CRF Length 40.4855 Km	2,301.75	81.25
2	EE PW(B/R) Dn. Ratlam	07/CRF/2017-18	Const. of Khacharod to Betlawadi, Ringniya, Barbodna, Naamli, Dhamnod Road	36,495.57	1,835.73
		01/CRF/2017-18	Const. of Rajakhedi Sarsi Namli Road, Length 28.70 Km	39,141.08	1,992.22
		02/CRF/2017-18	Const. of SH-31 Badayla Chourasi Sadakhedi Gunawad Dhoswas Road 22.80 Km	31,996.07	1,628.55
		04/CRF/2017-18	Const. of Tal-Karwakhedi-Madhopur Asawati Khachrod Badawan Road (Mahidpur-Sitamau Road) length 42.50 Km	50,242.69	2,260.92
		05/CRF/2017-18	Const. of Alote (Nageshwar Teerth) to Patan-Talod- Dungariya- Zutavad- Sagwali Essankhedi Gogapur CC road length 40.80 Km	60,108.58	3,175.54
		06/CRF/2017-18	Const. of Alot Barkheda Sipawara Choumala road length 30 Km	41,390.99	1,945.38
		01/CRF/2015-16	Const. of CC road at Gogapur Taal Alot Suwasra Road under CRF, 24 Km	32,042.69	1,756.90
Total 8 works					14,676.49

Annexure 5.19*(Referred to in paragraph 5.2.4.3)***Extra expenditure due to execution of Crusher-Run-Macadam (CRM)**

Sl. No.	Name of Divisions	Agreement No.	Quantity of CRM/GSB	Rate of CRM	Rate of GSB	Actual expenditure on execution of CRM	Expenditure to be made on execution of GSB	Extra payment	Status of the work as on (December 2020)
1	2	3	4	5	6	7 = 4×5	8 =4×6	9	10
1	EE PW(B/R) Dn. Indore-I	03/G/2015-16	36,486.451	1,000	943	3,64,86,451.00	3,44,06,723.00	20,79,728.00	Final
2	EE PW(B/R) Dn. Indore-II	04/CRF/2017-18	10,133.52 2,373.85	917.26 908	849 849	1,14,51,146.00	1,06,18,757.00	8,32,389.00	Final
3	EE PW(B/R) Dn. Ashoknagar	01/CRF/2017-18	29,882	904	849	2,70,13,328.00	2,53,69,818.00	16,43,510.00	Running
		02/CRF/2018-19	84,843	745	575	6,32,08,035.00	4,87,84,725.00	1,44,23,310.00	Running
4	EE PW(B/R) Dn. Ratlam	01/CRF/2017-18	28,694.158	936.90	849	2,68,83,556.00	2,43,61,340.00	25,22,216.00	Final
		07/CRF/2017-18	28,102.080	880	849	2,47,29,830.40	2,38,58,665.92	8,71,164.48	Final
		02/CRF/2017-18	24,191	936.90	849	2,26,64,547.90	2,05,38,159.00	21,26,388.90	Final
5	EE PW(B/R) Dn. Betul	03/CE/2016-17	96,905	1,000	943	9,69,05,055.00	9,13,81,415.00	55,23,640.00	Final
		04/CE/2016-17	91,839.430	1,033	943	9,48,70,131.00	8,66,04,177.00	82,65,954.00	Final
	09 works	Total				40,42,12,080.30	36,59,23,779.92	3,82,88,300.38	

Annexure 5.20*(Referred to in paragraph 5.2.4.4)***Execution of Dry Lean Concrete (DLC) in excess of the specified width**

Sl. No.	Name of Division	Agt. No.	Quantity of DLC executed in 100 mm thickness (In Sq Mtr)	Width to be taken/Executed width (In metre)	Quantity of DLC Payable	Excess Quantity of DLC	Rate of DLC (in ₹)	Extra cost (₹ in Lakh)
1	2	3	4	5	6	7	8	9=7×8
1	EE PW(B/R) Dn. Raisen	03/CRF/2017-18	10,127.00	5.50/6.50	8,569.00	1,558.00	2,714.00	42,28,412
		04/CRF/2015-16	13,662.37	7.00/8.00	11,954.57	1,707.80	2,396.00	40,91,889
		02/CRF/2017-18	19,055.00	5.50/6.50	16,123.46	2,931.54	2,788.00	81,73,134
		07/CRF/2015-16	6,898.00	5.50/6.50	5,836.77	1,061.23	2,700.00	28,65,332
2	EE PW(B/R) Dn. Ratlam	05/CRF/2017-18	26,136.45	5.50/6.50	22,115.45	4,021.00	2,338.00	94,01,098
		01/CRF/2015-16	15,129.00	5.50/6.50	12,801.46	2,327.54	2,483.00	57,79,282
3	EE PW(B/R) Dn. Indore-I	03/CRF/2015-16	24,685.57	7.00/8.00	21,513.24	3,172.33	2,400.00	76,13,582
		02/CRF/2017-18	20,747.65	5.50/6.50	17,289.70	3,457.95	2,158.00	74,62,256
		01/CRF/2017-18	7,312.55	5.50/6.50	6,187.54	1,125.01	2,101.00	23,63,646
4	EE PW(B/R) Dn. Gwalior	03/CRF/2015-16	28,873.79	5.50/6.50	25,155.46	3,718.33	2,525.00	93,88,778
		03/CRF/2016-17	7,241.36	7.00/8.00	6,278.41	962.95	2,200.00	21,18,490
		02/CRF/2016-17	35,537.42	5.50/7.00	30,606.34	4,931.08	2,350.00	1,15,88,033
5	EE PW(B/R) Dn. Hoshangabad	05/CRF/2016-17	4,611.75	5.50/6.50	3,904.00	707.75	2,102.00	14,87,691
6	EE PW(B/R) Dn. Ashoknagar	04/CRF/2015-16	39,305.72	5.50/6.50	33,258.68	6,047.04	3,000.00	1,81,41,120
7	EE PW(B/R) Dn. Betul	03/CRF/2016-17	47,893.77	5.50/5.90	44,646.73	3,247.04	2,670.00	86,69,597
		04/CRF/2016-17	50,898.00	5.50/6.50	43,067.53	7,830.47	2,443.00	1,91,29,838
8	EE PW(B/R) Dn. Chhindwara	28/CRF/16-17	24,084.38	7.0/8.0	21,073.83	3,010.55	2,484.00	74,78,216
9	EE PW(B/R) Dn. Satna	02/CRF/2017-18	13,401.66	5.50/6.50	11,339.86	2,061.80	2,000.00	41,23,608

Sl. No.	Name of Division	Agt. No.	Quantity of DLC executed in 100 mm thickness (In Sq Mtr)	Width to be taken/Executed width (In metre)	Quantity of DLC Payable	Excess Quantity of DLC	Rate of DLC (in ₹)	Extra cost (₹ in Lakh)
1	2	3	4	5	6	7	8	9=7×8
		01/CRF/2017-18	12,625.37	5.50/6.50	10,683.00	1,942.37	2,200.00	42,73,214
		03/CRF/2017-18	26,032.48	5.50/6.50	14,301.65	11,730.83	2,300.00	2,69,80,898
20 works			Total					16,53,58,113

Annexure 5.21*(Referred to in paragraph 5.2.4.4)***Undue financial benefit to the contractor against non-execution of trial length**

Sl. No.	Name of Divisions	Agreement No.	Trial length to be executed for DLC in 100m (in cum)	undue aid for non-execution of trial length of DLC (in lakh)	Trial length to be executed for PQC in 100m (in cum)	undue aid for non-execution of trial length of PQC (₹ in lakh)	Total undue financial aid (₹ in Lakh)
1	2	3	4	5	6	7	8=5+7
1	EE PW(B/R) Dn. Ratlam	01/CRF/2015-16	55	1.36	148.5	8.14	9.50
		01/CRF/2017-18	55	1.19	148.5	7.56	8.75
		06/CRF/2017-18	55	1.21	148.5	6.98	8.19
		02/CRF/2017-18	55	1.19	148.5	7.56	8.75
		04/CRF/2017-18	55	1.54	148.5	6.68	8.22
		05/CRF/2017-18	55	1.28	148.5	7.85	9.13
2	EE PW(B/R) Dn. Ujjain	02/CRF/2015-16	55	1.40	148.5	7.65	9.05
		03/CRF/2017-18	55	1.45	148.5	6.38	7.83
		08/CRF/2017-18	55	1.32	148.5	7.05	8.37
		09/CRF/2017-18	55	1.29	148.5	7.42	8.72
		10/CRF/2017-18	55	1.10	148.5	8.13	9.23
3	EE PW(B/R) Dn. Indore-I	03/CRF/2015-16	70	1.68	189.0	9.45	11.13
		02/CRF/2017-18	55	1.18	148.5	6.98	8.17
		01/CRF/2017-18	55	1.15	148.5	7.31	8.46
4	EE PW(B/R) Dn. Indore-II	04/CRF/2017-18	55	1.16	148.5	6.95	8.11
5	EE PW(B/R) Dn. Raisen	07/CRF/2015-16	55	1.48	148.5	8.32	9.80
		02/CRF/2017-18	55	1.53	148.5	8.32	9.84

Sl. No.	Name of Divisions	Agreement No.	Trial length to be executed for DLC in 100m (in cum)	undue aid for non-execution of trial length of DLC (in lakh)	Trial length to be executed for PQC in 100m (in cum)	undue aid for non-execution of trial length of PQC (₹ in lakh)	Total undue financial aid (₹ in Lakh)
1	2	3	4	5	6	7	8=5+7
6	EE PW(B/R) Dn. Gwalior	03/CRF/2015-16	55	1.39	154.0	9.47	10.86
		03/CRF/2016-17	55	1.21	154.0	7.93	9.14
		02/CRF/2017-18	80	1.88	224.0	11.76	13.64
7	EE PW(B/R) Dn. Ashoknagar	04//CRF/2015-16	55	1.65	137.5	6.62	8.27
		04/CRF/2017-18	55	1.10	137.5	6.74	7.84
		01/CRF/2017-18	60	1.31	137.5	7.14	8.45
8	EE PW(B/R) Dn. Hoshangabad	05/CRF/2016-17	55	1.15	165.0	9.05	10.20
9	EE PW(B/R) Dn. Betul	03/CRF/2016-17	59	1.56	151.0	8.15	9.72
		04/CRF/2016-17	65	1.58	154.0	7.54	9.13
10	EE PW(B/R) Dn. Satna	02/CRF/2017-18	65	1.30	137.5	6.66	7.96
		03/CRF/2017-18	65	1.49	137.5	7.02	8.51
28 works			1619	38.13	4254.5	216.81	254.97

Annexure 5.22
(Referred to in paragraph 5.2.4.5)
Delay in execution of work

Unit	Agreement No.	Length (in Km)	Completed length (in Km)	Status of work			Total	Contract Amount	PAC (₹ in Lakh)	Total Amount paid	Voucher No./Date
				Delay in Days							
Ratlam	01/2015-16	24	24	Completed timely		Physically completed		3,038	3,600.02	3,170.76	50-15/03/18
Raisen	04/ CRF/2015-16	18.04	18.04	Completed with delay	365			3,512.91	3,981.51	4,227.48	20-18/12/17
Raisen	07/2015-16	10.4	10.4	Completed timely		Physically completed		1,903.05	2,227.5	2,076.71	01-02/07/18
Ujjain	02/CRF/ 2015-16	3.2	3.2	Completed with delay	394			1,626.25	1,563.29	1,486.08	10th & Final bill withheld due to price adjustment factor
Indore-I	03/2015-16	32.6	32.6	Completed timely	-			5,697.47	6,495.33	6,501.99	01-1/02/18
Gwalior	03/CRF/ 2015-16	43.23	26.37	Completed with delay	337			6,453.13	7,548.95	7,250.92	34-11/05/2020
Ashoknagar	04/2015-16	59	59	Completed with delay	365			7,785.02	9,883.11	415.97	13-02/07/2020
	Total (2015-16)	190.47	173.61	5		2	7	30,015.83	35,299.71	25,129.91	
Gwalior	03/2016-17	9.25	9.25	Completed timely	-	-	-	1,060.85	1,338.7	1,683.72	18-08/01/2020
Gwalior	02/2016-17	51.4	46.26		822	Running		7,090.32	8,783.92	9,430.12	26-20/08/2020
Hoshangabad	05/2016-17	33.8	5.408		427	Running		4,911.32	5,883.65	1,608.09	23-04/06/2020
Betul	03/CRF/ 2016-17	83	83	Completed with delay	234			12,463.26	14,492.6	14,423.44	06-24/04/2019

Unit	Agreement No.	Length (in Km)	Completed length (in Km)	Status of work			Total	Contract Amount	PAC (₹ in Lakh)	Total Amount paid	Voucher No./Date
				Delay in Days							
Betul	04/CRF/ 2016-17	72.5	72.5	Completed with delay	374			9,801.34	12,462	13,041.01	01-22/07/2020
Chhindwara	28/CRF/ 2016-17	20.4	20.4	Completed with delay	289			4,905.38	5,690.72	5,883.01	49-19/05/2020
	Total (2016-17)	270.35	185.15	4		2	6	40,232.47	48,651.59	46,069.39	
Ratlam	01/CRF/ 2017-18	28.7	28.7	Completed with delay	244			4,948.10	4,441.56	3,322.01	42-21/03/20
Ratlam	02/17-18	22.8	22.8	Completed timely	-			3,164.72	3,560.28	2,932.7	41-21/03/20
Ratlam	04/17-18	42.5	34.70		501	Running		5,420.64	6,793.11	4,501.59	8-15/09/20
Ratlam	05/17-18	40.8	40.8	Completed timely	-			5,711.79	6,444.54	6,115.16	13-31/07/19
Ratlam	06/17-18	30	30		515	Running		3,912.26	4,796.25	3,948.24	09-04/03/20
Ratlam	07/CRF/2017-18	24.52	24.52	Completed with delay	406			3,671.64	4,291.05	3,678.49	13-18/08/20
Raisen	02/17-18	32.6	30.97		455	Running		4,618.01	4,798.5	5,566.23	33-27/04/20
Raisen	03/17-18	18.5	17.10		422	Running		2,674.29	2,782.34	2,684.17	130-31/07/20
Ujjain	03/CRF/ 2017-18	35.7	35.7	Completed with delay	316			4,884.54	5,646.87	5,330.83	24-29/08/20
Ujjain	08/2017-18	39.6	39.6	Completed timely	-			4,848.68	5,640.79	5,121.51	15-21/06/20
Ujjain	09/CRF/ 2017-18	27.9	27.9	Completed with delay	193			4,215.36	4,687.55	4,782.03	18-24/08/20
Ujjain	10/2017-18	21.2	21.2	Completed timely	-			2,892.20	3,286.73	3,575.93	15-21/06/20

Unit	Agreement No.	Length (in Km)	Completed length (in Km)	Status of work			Total	Contract Amount	PAC (₹ in Lakh)	Total Amount paid	Voucher No./Date
				Delay in Days							
Indore-I	01/17-18	12.125	9.57		540	Running		1,525.76	1,772.59	1,403.17	108-31/07/20
Indore-I	02/17-18	40.485	21.65		662	Running		5,520.94	6,567.32	4,307.8	61-10/11/20
Indore-II	04/CRF/ 2017-18	13.06	13.06	Completed with delay	500			1,257.34	1,457.12	1,168.59	19-16/07/20
Ashoknagar	04/2017-18	44.88	14.36		466	Running		6,955	8,249.82	4,979.32	25-22/07/2020
Ashoknagar	01/2017-18	28.26	9.04		608	Running		1,976.00	2,326.22	2,246.44	12-02/07/2020
Satna	02/CRF/ 2017-18	20.66	20.66	Completed with delay	208			2,474.43	2,956.33	2,618.03	29-27/03/2020
Satna	03/2017-18	46.7	36.89		-	Running		5,798.26	8,412.1	5,010.08	08-12/10/20
Satna	01/2017-18	34.3	20.47		-	Running		4,349.49	4,966.54	2,426.32	29-24/07/20
	Total (2017-18)	605.29	274.94	10		10	20	80,819.45	93,877.61	75,718.64	
Ratlam	01/2018-19	47.5	0		-	Running		3,586.96	4,570.15	663.76	50-10/07/20
Ashoknagar	02/2018-19	50.85	0		-	Running		3,813.00	5,084.65	406.96	23-28/10/2020
	Total (2018-19)	98.35	0			2	2	7,399.96	9,654.8	1,070.72	
Ratlam	01/2019-20	20.9	8		-	Running		2,134.67	2,405.56	174.78	04-15/09/20
Chhindwara	01/CRF/2019-20	14.145	0		-	Running		1,479.00	1,702.54	107.56	20-29/09/20
Chhindwara	02/CRF/2019-20	35	0		-	Running		2,699.00	3,112.69	387.98	14-24/10/20
Chhindwara	03/CRF/2019-20	16	0		-	Running		1,099.00	1,283.37	111.48	59-31/07/20
Chhindwara	04/CRF/2019-20	20.22	0		-	Running		2,659.00	3,087.46	111.48	60-31/07/20
	Total (2019-20)	106.265	0			5	5	10,070.67	11,591.62	893.28	
11 Division				19		21	40 works				

Annexure 5.23*(Referred to in paragraph 5.2.4.5)***Works not awarded in specified period (4 months)**

Sl. No	Name of Divisions	Agt. No.	Name of works	Date of Administrative approval	Work to be awarded within 4 months	Actual work awarded (date of work order)	Delayed from work to be award
1	EE PW(B/R) Dn. Ratlam	01/2018-19	Construction of Mawta-Kalukheda-Dhodhar-Kalaliya Fanta Ringnod Road, Length 47.50 Km	30/03/18	29/07/18	20/09/18	2 months
2	EE PW(B/R) Dn. Indore-I	03/2015-16	Constn. of Tarana-Mangaliya-Vyaskhedi Road	28/10/15	27/02/16	15/03/16	1 month
		02/2017-18	Constn. of Tillor khurd-Piplada-Tanoriya Road	28/11/16	27/03/17	01/07/17	3 months
		01/2017-18	Constn. of Khandel-Semaliya-Shadadeo-Kharadiya-Morodhat-Nemawar Road	28/11/16	27/03/16	01/07/17	3 months
3	EE PW(B/R) Dn. Indore-II	04/2017-18	Barlai Jagir-Mundla Hussain-Dhankhedi Phatta to Dhankhedi-Jaitpura-Dharampuri Road, 13.06 Km under CRF	28/11/16	27/03/17	29/06/17	4 months
4	EE PW(B/R) Dn. Chhindwara	01/CRF/2019-20	Construction of Sargana to umaria road, Length 14.145 Km	08/03/19	07/07/19	25/11/19	4 months
		02/CRF/2019-20	Construction of Umaranala-Mohkhed-Sawari-Mujawar-Moradongri-Umreth-KhirsadhoRoad Length 35.00 Km	08/03/19	07/07/19	25/11/19	4 months
		03/CRF/2019-20	Construction of Rajdongari - Devnala-Chatwa - Pipalpani - Tigaon Road, Length 16.00 Km	08/03/19	07/07/19	25/11/19	4 months
		04/CRF/2019-20	Construction of Ramgarh to Amarwada Road, Length 20.22 Km	08/03/19	07/07/19	25/11/19	4 months
Total 9 works							

Annexure 5.24*(Referred to in paragraph 5.2.4.6)***Statement showing calculation of interest at the rate of 10 per cent Quarterly cumulative Mobilisation Advance**

RA Bills	Voucher No.	Date	Mobilisation Advance	Mobilisation Advance recovery	Balance Mobilisation	Period	Days	Rate of Interest at the rate of 10 per cent	Amount	Interest amount
1	15	14/09/2017	3,47,77,748	0	3,47,77,748	14/09/2017 to 30/09/2017	16	10	3,47,77,748	1,52,450.40
2	3	09/11/2017	0	0	3,47,77,748	01/10/2017 to 27/11/2017	58	10	3,49,30,198.4	5,55,055.21
3	50	28/11/2017	3,47,77,748	0	6,95,55,496	28/11/2017 to 11/12/2017	14	10	6,97,07,946.4	2,67,372.95
4	22	12/12/2017	0	16,00,000	6,79,55,496	12/12/2017 to 29/12/2017	18	10	6,81,07,946.4	3,35,874.80
5	119	30/12/2017	0	14,00,000	6,65,55,496	30/12/2017 to 31/12/2017	2	10	6,67,07,946.4	36,552.30
6	17	18/01/2018	0	0	6,65,55,496	01/01/2018 to 31/03/2018	90	10	6,79,02,801.66	16,74,315.66
10	3	19/04/2018	0	0	6,65,55,496	01/04/2018 to 08/05/2018	38	10	6,95,77,117.32	7,24,364.51
11	11	09/05/2018	0	55,00,000	6,10,55,496	09/05/2018 to 30/05/2018	22	10	6,40,77,117.32	3,86,218.24
12	65	31/05/2018	0	26,00,000	5,84,55,496	31/05/2018 to 30/06/2018	31	10	6,14,77,117.32	5,22,134.42
13	32	30/08/2018	0	10,00,000	5,74,55,496	01/07/2018 to 29/08/2018	60	10	6,31,09,834.49	10,37,421.94
14	38	16/10/2018	0	20,00,000	5,54,55,496	30/08/2018 to 30/09/2018	32	10	6,21,09,834.49	5,44,524.58
15	5	05/11/2018	0	50,00,000	5,04,55,496	01/10/2018 to 15/10/2018	15	10	6,36,91,781	2,61,747.05
16	43	07/12/2018	0	35,11,841	4,69,43,655	16/10/2018 to 04/11/2018	20	10	6,16,91,781	3,38,037.16
17	37	17/12/2018	0	25,48,073	4,43,95,582	05/11/2018 to 06/12/2018	32	10	5,66,91,781	4,97,023.83
18	9	07/03/2019	0	1,00,00,000	3,43,95,582	07/12/2018 to 16/12/2018	10	10	5,31,79,940	1,45,698.47
19	36	22/03/2019	0	50,00,000	2,93,95,582	17/12/2018 to 31/12/2018	15	10	5,06,31,867	2,08,076.17
20	59	28/03/2019	0	16,70,022	2,77,25,560	01/01/2019 to 06/03/2019	65	10	5,20,82,449.67	9,27,495.68
21	16	10/05/2019	0	55,00,000	2,22,25,560	07/03/2019 to 21/03/2019	15	10	4,20,82,449.67	1,72,941.57

RA Bills	Voucher No.	Date	Mobilisation Advance	Mobilisation Advance recovery	Balance Mobilisation	Period	Days	Rate of Interest at the rate of 10 per cent	Amount	Interest amount
22	39	17/06/2019	0	0	2,22,25,560	22/03/2019 to 27/03/2019	6	10	3,70,82,449.67	60,957.45
23	26	27/07/2019	0	22,00,000	2,00,25,560	28/03/2019 to 31/03/2019	4	10	3,54,12,427.67	38,808.14
24	10	22/08/2019	0		2,00,25,560	01/04/2019 to 09/05/2019	39	10	3,66,12,630.51	3,91,203.45
25	35	30/08/2019	0	30,00,000	1,70,25,560	10/05/2019 to 30/06/2019	52	10	3,11,12,630.51	4,43,248.44
26	56	26/10/2019	0	10,00,000	1,60,25,560	01/07/2019 to 26/07/2019	26	10	3,19,47,082.39	2,27,568.26
27	42	13/12/2019	0	30,00,000	1,30,25,560	27/07/2019 to 29/08/2019	34	10	2,97,47,082.39	2,77,096.11
28	47	23/12/2019	0	30,00,000	1,00,25,560	30/08/2019 to 30/09/2019	32	10	2,67,47,082.39	2,34,494.97
29	52	31/12/2019	0	30,25,560	70,00,000	01/10/2019 to 25/10/2019	25	10	2,74,86,241.73	1,88,261.93
30	31	17/01/2020	0	0	70,00,000	26/10/2019 to 12/12/2019	48	10	2,64,86,241.73	3,48,312.22
31	2	13/02/2020	0	20,00,000	50,00,000	13/12/2019 to 22/12/2019	10	10	2,34,86,241.73	64,345.87
32	47	26/02/2020	0	5,00,000	45,00,000	23/12/2019 to 30/12/2019	9	10	2,04,86,241.73	50,514.02
33	2	06/03/2020	0	5,00,000	40,00,000	31/12/2019 to 31/12/2019	1	10	1,74,60,681.73	4,783.75
34	4	27/04/2020	0	0	40,00,000	01/01/2020 to 12/02/2020	43	10	1,81,16,899.52	2,13,431.97
35	35	15/06/2020	0	10,00,000	30,00,000	13/02/2020 to 25/02/2020	13	10	1,61,16,899.52	57,402.66
36	25	22/07/2020	0	0	30,00,000	26/02/2020 to 05/03/2020	9	10	1,56,16,899.52	38,507.42
			0	6,65,55,496		06/03/2020 to 31/03/2020	26	10	1,51,16,899.52	1,07,682.02
			0			01/04/2020 to 14/06/2020	75	10	1,55,33,923.59	3,19,190.21
						15/06/2020 to 30/06/2020	16	10	1,45,33,923.59	63,710.35
						01/07/2020 to 30/09/2020	92	10	1,49,16,824.15	3,75,985.71
						01/10/2020 to 31/10/2020	31	10	1,52,92,809.85	1,22,92,809.90

Annexure 5.25*(Referred to in paragraph 5.2.4.6)***Short deduction of royalty from contractors**

Sl. No.	Name of Divisions	Agreement No	Quantity of Metal used (cum)	Quantity of Sand used (cum)	Royalty amount at the rate of ₹ 100 per cum (In ₹)	Royalty deducted from RA Bill	Short deduction of royalty	Amount of Royalty kept in deposit head/ with the Department
1	EE PW(B/R) Dn. Raisen	03/D/2017-18	57,039.806	16,947.866	73,98,767	31,22,500	42,76,267	31,22,500
		04/CE/2015-16	67,888.327	23,089.233	90,97,756	0	90,97,756	0
2	EE PW(B/R) Dn. Ujjain	08/CRF/2017-18	1,12,222.495	33,742.350	72,50,884.45	72,50,884.00	0.45	72,50,844.00
		09/CRF/2017-18	91,622.337	29,959.828	93,90,416.52	93,90,417.00	-0.48	93,90,417.00
		03/CRF/2017-18	69,212.226	34,606.113	31,97,015.35	31,97,015.00	0.35	31,97,015.00
3	EE PW(B/R) Dn. Indore-I	02/CRF/2017-18	64,334.274	13,656.937	77,99,121.00	74,08,540.00	3,90,581.00	74,08,000.00
4	EE PW(B/R) Dn. Betul	03/CE/2017-18	2,56,428.245	79,112.536	3,35,54,078.00	3,32,63,353.00	2,90,725.00	1,29,75,607.00
		04/CE/2016-17	2,49,396.439	77,703.409	3,27,09,985.00	2,89,69,496.00	37,40,489.00	2,44,79,580.00
5	EE PW(B/R) Dn. Chindwara	28/MDR/2016-17	98,333.968	31,379.190	1,29,71,316.00	21,31,401.00	1,08,39,915.00	1,08,39,915.00
6	EE PW(B/R) Dn. Satna	02/CRF/2017-18	58,981.260	17,319.000	76,30,089.00	32,96,034.00	43,34,055.00	43,34,055
10 works			11,25,459.38	3,57,516.46	13,09,99,428.48	9,80,29,640.00	3,29,69,788.32	7,86,63,878.00

Annexure 5.26
(Referred to in paragraph 5.2.4.6)
Irregularity in grant of secured advance

Sl. No.	Name of Divisions	Agreement No.	Items	Amount paid (₹ in lakh)	Voucher number-Date
1	EE PW(B/R) Dn. Ratlam	07/CRF/17-18	Metal aggregate	203.66	06-05/02/18
		01/CRF/2017-18	Metal aggregate	203.22	05-01/12/17
				237.45	32-04/01/19
		01/CRF/2018-19	Metal aggregate	50.45	50-10/07/20
		01/CRF/2019-20	Metal aggregate	103.23	04-15/09/20
		02/CRF/2017-18	Metal aggregate	174.19	81-21/11/17
				93.60	306-31/03/18
		04/CRF/2017-18	Metal aggregate	587.42	Vide 1st, 2nd, 4th and 7th RA Bill
		05/CRF/2017-18	Metal aggregate	507.95	Vide 1st, 2nd, 4th and 14th RA Bill
		01/CRF/2015-16	Metal, Sand, Cement	148.39	86-14/10/16
		06/CRF/2017-18	Metal aggregate	133.96	83-22/11/17
2	EE PW(B/R) Dn. Ujjain	03/CRF/2017-18	CRM	171.00	105-30/12/17
3	EE PW(B/R) Dn. Hoshangabad	05/CRF/2016-17	CRMB, Metal (40 mm, 20 mm)	331.67	23-04/06/20
4	EE PW(B/R) Dn. Ashoknagar	04/CRF/2017-18	Metal (26.5 mm, 22.4 mm, 11.2 mm) and River Sand	755.27	25-22/07/20
12 works				3,701.46	

Annexure 5.27*(Referred to in paragraph 5.2.5.1)***Failure to conduct required number of tests from NABL (Steel and Cement)**

Sl. No.	Name of Divisions	Agreement No.	Test Frequency (Cement)/Steel	Utilised Quantity of Steel (In MT)	Utilised Quantity of Cement (In MT)	No. of test required of Steel/Cement	20 per cent of Total test required from NABL (Steel/Cement)	Actual test done	Short fall
1	EE PW(B/R) Dn. Ratlam	02/CRF/2017-18	1 test for 50 MT/Every 100 Ton 2 sample	294.24	16,302	6/326	1/65	0	1/65
		01/CRF/2017-18	do	352.14	18,790	8/376	2/75	0	2/75
2	EE PW(B/R) Dn. Indore-1	03/CRF/2015-16	do	521.03	30,646	10/613	2/123	0	2/123
		01/CRF/2017-18	do	171.54	396	4/8	1/2	0	1/2
3	EE PW(B/R) Dn. Betul	03/CRF/2016-17	1 test for 50MT/Every 100 Ton 2 sample	1,660.00	65,615	34/1,312	7/262	0	7/262
		04/CRF/2016-17		1,196.00	62,301	24/1,246	5/249	0	5/249
4	EE PW(B/R) Dn. Satna	02//CRF/2017-18	1 test for 50MT/Every 100 Ton 2 sample	274.39	26,683	6/534	1/107	0	1/107
		03/CRF/2017-18		534.00	27,316	10/546	2/109	0	2/109
		01/CRF/2017-18	1 test for 50MT/Every 100 Ton 2 sample	148.14	14,011	4/280	1/56	0	1/56
09 work				5,151.48	2,62,060	106/5,241	22/1,048	0	22/1,048

Annexure 5.28*(Referred to in paragraph 5.2.5.2)***Non-conducting of the plasticity test of Crusher-Run-Macadam**

Sl. No.	Name of Divisions	Name of contractor	Agreement No.	Amount (₹ in lakh)	Voucher No/- Date
1	EE PW(B/R) Dn. Raisen	M/s AK Builders Pvt. Ltd.	07/CRF/2015-16	160.54	01-02/07/18
		M/s AK Shivhare infra Pvt. Ltd.	02/CRF/2017-18	344.16	33-27/04/20
		M/s A.K Shivhare Infrastructure Pvt. Ltd.	04/CRF/2015-16	227.00	20-18/12/17
2	EE PW(B/R) Dn. Ratlam	M/s Jai Gurudev	07/CRF/2017-18	247.29	13-18/08/20
		M/s Bharti Construction	01/CRF/2017-18	268.83	42-21/03/20
		M/s VVC Real Infra	01/CRF/2015-16	262.51	50-15/3/18
		M/s Latala Construction Co. Jaipur	06/CRF/2017-18	232.02	09-04/03/20
		M/s Bharti Construction	02/CRF/2017-18	226.64	41-21/3/20
		M/s VVC Real Infra	05/CRF/2017-18	380.89	13-31/7/19
3	EE PW(B/R) Dn. Indore-I	M/s Dev Yash Project and Infra	01/CRF/2017-18	110.49	108-31/07/20
4	EE PW(B/R) Dn. Indore-II	M/s KK Gupta const	04/CRF/2017-18	114.51	19-16/7/20
5	EE PW(B/R) Dn. Betul	M/s Tirupati Build-Con Pvt. Ltd.	04/CRF/2016-17	948.70	01-22/07/20
6	EE PW(B/R) Dn. Satna	M/s ABC Associates, Satna	01/CRF/2017-18	208.05	29-24/07/20
13 Works				3,731.63	

Annexure 5.29*(Referred to in paragraph 5.2.5.3)***Laying of Hume Pipe without test results and invoice**

Sl. No.	Name of Divisions	Agreement No.	Quantity executed (in RMt)	Dia of Pipe	Rate	Amount Paid
1	EE PW(B/R) Dn. Ratlam	02/CRF/2017-18	340	1000 mm	5,598.29	19,03,534
			85	1000 mm	11,311.25	9,61,456
			15	1000 mm	22,602.95	3,39,044
		01/CRF/2017-18	170	1000 mm	5,598.29	9,51,709
			82.5	1000 mm	11,311.25	9,33,178
			90	1000 mm	22,602.95	20,34,266
		06/CRF/2017-18	287.5	1000 mm	5,000	14,37,500
			120	1000 mm	10,000	12,00,000
			100	1000 mm	15,000	15,00,000
2	EE PW(B/R) Dn. Raisen	07/CRF/2015-16	175	1000 mm	6,000	10,50,000
			112.5	1000 mm	13,000	14,62,500
			37.5	1000 mm	15,000	5,62,500
			542.5	300 mm	750	4,06,875
		02/2017-18	1800	1000 mm	998	17,96,400
			222.5	1000 mm	5,670	12,61,575
			185	1000 mm	18,270	33,79,950
			202.5	1000 mm	12,000	24,30,000
		04/2015-16	277.5	1000 mm	6,174	17,13,285
			75	1000 mm	12,475	9,35,625
			12.5	1000 mm	24,928	3,11,600

Sl. No.	Name of Divisions	Agreement No.	Quantity executed (in RMt)	Dia of Pipe	Rate	Amount Paid
3	EE PW(B/R) Dn. Indore-1	03/CRF/2015-16	352.5	1000 mm	6,000	21,15,000
			215	1000 mm	12,000	25,80,000
		01/CRF/2017-18	68	1000 mm	5,416	3,68,288
			24	1000 mm	10,943	2,62,632
4	EE PW(B/R) Dn. Betul	03/CE/2016-17	3370	300 mm	3,000	1,01,10,000
			690	1200 mm	9,522	65,70,180
			430	1200 mm	19,198	82,55,140
			90	1200 mm	28,565	25,70,850
		04/2016-17	180	1000 mm	4,913	8,84,340
			32.5	1000 mm	9,926	3,22,595
			60	1000 mm	19,834	11,90,040
			390	1200 mm	6,600	25,74,000
			155	1200 mm	13,300	20,61,500
			115	1200 mm	20,053	23,06,095
5	EE PW(B/R) Dn. Satna	02/DL/CRF/17-18	3045	300 mm	792	24,11,640
			477.5	1000 mm	5,000	23,87,500
			75	1000 mm	11,000	8,25,000
		03/DL/CRF/17-18	3102.5	300 mm	1,280	39,71,200
		01/DL/CRF/17-18	567.5	1000 mm	5,000	28,37,500
			40	1000 mm	10,000	4,00,000
			97.5	1000 mm	15,000	14,62,500
Total		13 works				8,30,36,997

Annexure 5.30*(Referred to in paragraph 5.2.5.4)***Non-utilisation of excavated soil without test results**

Sl. No.	Name of Divisions	Agreement number	Soil received from excavation (cum)	Soil utilised in Embankment construction (cum)	Non utilised soil (cum)	Rate	Avoidable payment (in ₹)
1	2	3	4	5	6	7	8=6×7
1	EE PW (B/R) Dn. Ratlam	01/CRF/2017-18	56,594	37,933	18,661	78.22	14,59,663
		02/CRF/2017-18	56,572	39,901	16,671	78.22	1,30,406
		05/CRF/2017-18	2,23,939.47	1,70,196.52	53,743	73.00	39,23,235
2	EE PW (B/R) Dn. Ujjain	03/CRF/17-18	2,00,168.048	1,37,728.14	62,440	61.32	38,28,821
		08/CRF/2017-18	1,92,348.51	51,547.63	1,40,801	94.00	1,32,35,283
		09/CRF/2017-18	1,22,245.64	90,317	31,929	88.00	28,09,752
3	EE PW (B/R) Dn. Indore-I	03/CRF/2015-16	1,20,882.714	59,832.773	61,050	200.00	1,22,09,988
4	EE PW (B/R) Dn. Indore-II	04/CRF/2017-18	41,808	9,587.87	32,220	76.00	24,48,729.88
Total		8 works	10,14,558	5,97,043	4,17,515		4,00,45,877.88

Annexure 5.31
(Referred to in paragraph 5.2.5.6)
Shortfall in monitoring

Sl. No.	Name of Divisions	Number of Agreements	PAC amount (₹ in Lakh)	Years	Inspection by SE (two inspections per month)			Inspection by CE (one inspection per month)			Inspection By Regional Officer (every quarters during the execution)		
					Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	EE PW(B/R) Dn. Ashoknagar	4	9,883.11	2017-18	24	0	24	12	1	11	4	0	4
				2018-19	24	3	21	12	0	12	4	0	4
				2019-20	24	2	22	12	0	12	4	7	0
			8,249.82	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	1	23	12	0	12	4	0	4
				2019-20	24	4	20	12	0	12	4	5	0
			2,326.22	2017-18	24	1	23	12	1	11	4	0	4
				2018-19	24	2	22	12	0	12	4	0	4
				2019-20	24	3	21	12	1	11	4	6	0
			5,084.65	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	14	10	12	0	12	4	4	0
2	EE PW(B/R) Dn. Betul	2	12,462.70	2017-18	24	25	-1	12	0	12	4	16	0
				2018-19	24	0	24	12	0	12	4	26	0
				2019-20	24	0	24	12	0	12	4	7	0
			14,492.60	2017-18	24	24	0	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4

Sl. No.	Name of Divisions	Number of Agreements	PAC amount (₹ in Lakh)	Years	Inspection by SE (two inspections per month)			Inspection by CE (one inspection per month)			Inspection By Regional Officer (every quarters during the execution)		
					Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall
1	2	3	4	5	6	7	8	9	10	11	12	13	14
				2019-20	24	0	24	12	0	12	4	0	4
3	EE PW(B/R) Dn. Chhindwara	5	5,690.72	2017-18	24	12	12	12	0	12	4	7	0
				2018-19	24	0	24	12	0	12	4	4	0
				2019-20	24	0	24	12	0	12	4	3	1
			3,087.46	2017-18	24	3	21	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			1,283.37	2017-18	24	3	21	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			3,112.69	2017-18	24	4	20	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
4	EE PW(B/R) Dn. Gwalior	3	7,548.95	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	1	23	12	0	12	4	0	4
				2017-18	24	0	24	12	0	12	4	0	4

Sl. No.	Name of Divisions	Number of Agreements	PAC amount (₹ in Lakh)	Years	Inspection by SE (two inspections per month)			Inspection by CE (one inspection per month)			Inspection By Regional Officer (every quarters during the execution)		
					Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall
1	2	3	4	5	6	7	8	9	10	11	12	13	14
			1,338.70	2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			8,783.92	2017-18	24	0	24	12	1	11	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
5	EE PW(B/R) Dn. Hoshanga- -bad	1	5,883.65	2017-18	24	2	22	12	2	10	4	0	4
				2018-19	24	0	24	12	0	12	4	1	3
				2019-20	24	1	23	12	1	11	4	0	4
6	EE PW(B/R) Dn. Indore I	3	6,495.33	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			1,772.59	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			6,567.32	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
7	EE PW(B/R)	1	1,457.12	2017-18	24	0	24	12	1	11	4	0	4
				2018-19	24	0	24	12	2	10	4	0	4

Sl. No.	Name of Divisions	Number of Agreements	PAC amount (₹ in Lakh)	Years	Inspection by SE (two inspections per month)			Inspection by CE (one inspection per month)			Inspection By Regional Officer (every quarters during the execution)		
					Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall
1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Dn. Indore II			2019-20	24	0	24	12	1	11	4	0	4
8	EE PW(B/R) Dn. Ratlam	9	4,291.05	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			2,693.89	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			4,796.25	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			4,570.15	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			6,444.54	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			3,798.02	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
				2017-18	24	0	24	12	0	12	4	0	4

Sl. No.	Name of Divisions	Number of Agreements	PAC amount (₹ in Lakh)	Years	Inspection by SE (two inspections per month)			Inspection by CE (one inspection per month)			Inspection By Regional Officer (every quarters during the execution)		
					Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall
1	2	3	4	5	6	7	8	9	10	11	12	13	14
9	EE PW(B/R) Dn. Raisen	4	6,793.11	2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			4,441.56	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
			3,560.28	2019-20	24	0	24	12	0	12	4	0	4
				2017-18	24	0	24	12	0	12	4	0	4
			3,560.28	2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			2,270.50	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
			4,798.50	2019-20	24	0	24	12	0	12	4	0	4
				2017-18	24	0	24	12	0	12	4	0	4
			2,270.50	2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			4,798.50	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
			4,798.50	2019-20	24	0	24	12	0	12	4	0	4
				2017-18	24	0	24	12	0	12	4	0	4

Sl. No.	Name of Divisions	Number of Agreements	PAC amount (₹ in Lakh)	Years	Inspection by SE (two inspections per month)			Inspection by CE (one inspection per month)			Inspection By Regional Officer (every quarters during the execution)		
					Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall
1	2	3	4	5	6	7	8	9	10	11	12	13	14
10	EE PW(B/R) Dn. Satna	3	2,956.33	2017-18	24	0	24	12	8	4	4	4	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			4,966.54	2017-18	24	0	24	12	9	3	4	6	0
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			5,412.10	2017-18	24	0	24	12	9	3	4	1	3
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
11	EE PW(B/R) Dn. Ujjain	5	1,563.29	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			5,640.76	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			3,286.73	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
			4,687.55	2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4

Sl. No.	Name of Divisions	Number of Agreements	PAC amount (₹ in Lakh)	Years	Inspection by SE (two inspections per month)			Inspection by CE (one inspection per month)			Inspection By Regional Officer (every quarters during the execution)		
					Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall	Required	Inspection Done	Shortfall
1	2	3	4	5	6	7	8	9	10	11	12	13	14
			5,646.87	2019-20	24	0	24	12	0	12	4	0	4
				2017-18	24	0	24	12	0	12	4	0	4
				2018-19	24	0	24	12	0	12	4	0	4
				2019-20	24	0	24	12	0	12	4	0	4
	11 Division	40 Works			2,880	108	2,772	1,440	37	1,403	160	97	123

Annexure 6.1
(Referred to in paragraph 6.6.1.2)

Improper Estimation

Sl. No.	Name of Unit	Agreement No.	PAC (₹ in crore)	Agreement Amount (₹ in crore)	Last bill amount (₹ in crore)	Amount of Extra/excess Qty (₹ in crore)	Contractor Percentage	Amount (₹ in crore)	Variation (in %)
1	Dn. no. 3, Bhopal	8/15-16	48.62	44.18	47.42	9.47	-9.14	8.61	19.49
2	Dn. no. 6, Bhopal	23/16-17	7.16	5.77	5.48	0.77	-19.36	0.62	10.78
		59/11-12	19.74	23.54	23.87	2.85	Item rate	3.40	14.46
		60/11-12	53.79	62.61	55.17	6.27		6.27	11.66
		61/11-12	37.31	39.97	42.10	8.97		8.97	24.04
3	Dn. no. 2, Bhopal	10/14-15	2.47	2.67	2.81	0.17	8	0.18	6.82
4	EE Elc. Dn. Gwalior	16/18-19	2.67	2.53	2.45	0.06	-5.07	0.06	2.31
5	Dn. no. 2, Jabalpur	26/15-16	5.51	4.67	5.39	1.27	-15.3	1.08	23.14
		30/15-16	12.18	9.74	10.70	0.81	-20.05	0.64	6.62
		19/14-15	9.97	9.02	11.19	2.46	-9.54	2.22	24.63
		46/17-18	1.04	0.59	0.78	0.25	-40.99	0.15	23.94
6	Elc. Dn. Jabalpur	115/15-16	3.99	3.77	4.72	0.40	-5.59	0.37	9.94
Total	6 Divisions	12 Agreements						32.57	

Annexure 6.2*(Referred to in paragraph 6.6.2.3)***Details of Excess payment on account of non-utilisation of specific plant/machinery**

No.	Name of Unit	Agreement No.	Item no.	Executed Qty (in cum)	Rate paid (₹)	Rate payable (₹)	Amount (₹)	Contractor percentage	Excess payment (₹)	Remarks
1	Dn. no. 1, Bhopal	5/19/2020	6.1/DLC	128.38	2,199.00	2,049.00	19,257.00	-33.33	12,838.64	Sensor paver not used in DLC work
		1/16/2017	6.4/PQC	2,541.08	5,977.00	5,627.00	8,89,378.00	-16.36	7,43,875.76	Sensor paver not used in PQC work
2	Dn. no. 4, Bhopal	6/15/2016	5.5(a)(ii) DBM	2,444.57	8,621.00	8,198.00	10,34,053.11	-12.44	9,05,416.90	Rate for higher capacity plant was paid
			5.6(a)(v) BC	1,246.69	10,129.00	9,696.00	5,39,816.77	-12.44	4,72,663.56	
		5/13/2014	5.6(a)(ii) DBM	1,132.01	7,415.00	7,032.00	4,33,559.83	-3.7	4,17,518.12	
			5.7(a)(v) SDBC	452.81	8,278.00	7,894.00	1,73,879.04	-3.7	1,67,445.52	
		8/14/2015	5.6(a)(ii) DBM	725.95	7,415.00	7,032.00	2,78,038.85	-9.1	2,52,737.31	
			5.7(a)(v) SDBC	362.98	8,278.00	7,894.00	1,39,384.32	-9.1	1,26,700.35	
3	Dn.no. 1 Jabalpur	41/18-19	3.12/Embankment	1,64,745.17	127.6	97.6	49,42,355.10	-20.22	39,43,010.90	Vibratory roller/motor grader not used
4	Dn. no. 2, Jabalpur	46/17-18	6.8	791.39	2,110.00	1,970.00	1,10,794.60	-40.99	65,379.89	Paver with electronic sensor and Vibratory roller not used
			6.4	1,197.94	4,841.00	4,491.00	4,19,279.00	-40.99	2,47,416.54	

No.	Name of Unit	Agreement No.	Item no.	Executed Qty (in cum)	Rate paid (₹)	Rate payable (₹)	Amount (₹)	Contractor percentage	Excess payment (₹)	Remarks
		38/17-18	6.1	336.21	2,443.00	2,293.00	50,431.95	-22.88	38,893.12	Paver with electronic sensor, vibratory roller not used
			4.1	473.5	849	749	47,349.60	-22.88	36,516.01	Vibratory roller/motor grader not used
			6.3	519.87	5,726.00	5,376.00	1,81,955.90	-22.88	1,40,324.39	Paver with electronic sensor not used
Total	4 Divisions	8 Agreements		1,77,098.55	74,408.60	70,398.60	92,59,533.07		75,70,737.01	

Annexure 6.3*(Referred to in paragraph 6.6.2.4)***Details of payment beyond the scope of agreement**

Sl. No.	Name of Unit	Agreement No.	Payment beyond the scope of agreement (in ₹)
1	Dn. no. 4, Bhopal	Agt. no.6/13-14	2,02,43,744.30
2	Dn. no. 6, Bhopal	Agt. no. 61/11-12	8,96,77,198.00
		Agt. no. 23/16-17	77,21,741.00
		Agt. no. 59/11-12	2,85,44,291.00
		Agt. no. 60/11-12	6,27,40,863.00
Total	2 Divisions	5 Agreements	20,89,27,837.30

Annexure 6.4*(Referred to in paragraph 6.6.2.5)***Statement showing execution of extra item without approval of competent authority**

Sl. No.	Name of Unit	Agreement No.	PAC (₹ in crore)	Work executed without approval (in ₹)
1	Morena	07/18-19	47.82	6,01,14,738.00
		17/19-20	5.95	1,06,174.00
2	Dn. no. 6, Bhopal	61/11-12	37.31	1,35,34,391.00
3	Dn. no. 3, Bhopal	08/15-16	48.62	5,58,12,812.00
Total	03 Division	04 Agreement	139.7	12,95,68,115.00

Annexure 6.5
(Referred to in paragraph 6.6.2.6)
Detailed showing non deduction of royalty charges

Sl. no	Name of Unit	Agreement No.	PAC (₹ in crore)	Status of Work	Qty of metal ₹ 100 per cum	Qty of sand ₹ 100 per cum	Qty of Stone Dust ₹ 100 per cum	Qty of Boulder ₹ 50 per cum	Amount of royalty to be recovered
1	Dn. no. 1, Bhopal	1/15-16	8.39	Completed	2,205.31	5,015.00	227.44	0.00	7,44,775.00
2	Dn. no. 2, Bhopal	36/15-16	106.21	In progress	33,922.96	30,125.77	0.00	0.00	64,04,873.00
		1/16-17	6.72	Completed	1,522.70	1,735.20	0.00	0.00	3,25,792.00
		12/13-14	6.32	Completed	3,619.04	1,809.52	0.00	0.00	5,42,856.00
3	Dn. no. 3, Bhopal	7/16-17	60.12	In progress	15,135.00	56,761.00	0.00	0.00	71,89,597.00
4	Dn. no. 4, Bhopal	6/13-14	17.46	Completed	0.00	0.00	2,130.64	0.00	2,13,064.00
		5/13-14	11.22	Completed	20,500.00	4,500.00	0.00	0.00	25,00,000.00
		4/17-18	0.28	Completed	141.49	111.43	0.00	0.00	25,292.00
5	Dn.no.6, Bhopal	23/16-17	7.15	In progress	2,442.00	2,239.00	0.00	0.00	4,68,100.00
		60/11-12	53.79	In progress	24,045.00	18,934.00	0.00	0.00	42,97,900.00
		61/11-12	37.31	In progress	15,307.12	11,817.00	0.00	862.48	27,55,537.00
6	Division Morena	07/16-17	16.12	In progress	7,547.95	6,169.87	0.00	0.00	13,71,782.00
7	Dn. no. 1, Gwalior	05/16-17	6.14	In progress	1,708.00	1,206.00	0.00	0.00	2,91,400.00
Total	7 Divisions	13 Agreements	337.23						2,71,30,968.00

Annexure 6.6*(Referred to in paragraph 6.6.2.6)***Detailed showing short deduction of royalty charges**

Sl. No.	Name of Unit	Agreement No.	PAC (₹ in crore)	Status of work	Amount of royalty to be recovered (in ₹)	Actual amount of royalty recovered (in ₹)	Short Recovery of royalty amount (in ₹)
1	Division, Morena	8/15-16	15.41	Completed	24,75,124.00	10,01,041.00	14,74,083.00
		7/15-16	2.56	Completed	1,91,307.00	76,522.00	1,14,785.00
Total	1 Division	2 Agreements	17.97		26,66,431.00	10,77,563.00	15,88,868.00

Annexure 6.7*(Referred to in paragraph 6.6.2.6)***Details of works finalized without obtaining No Dues Certificate of royalty**

Sl. No.	Name of Unit	Agreement No.	Item (quantity in cum)			Amount (in ₹)
			Sand	Metal	Agg.	
1	Dn. no. 2, Bhopal	1/16-17	1,735.22	1,522.70	-	3,25,792.00
		12/13-14	1,809.52	3,619.04	-	5,42,856.00
2	Dn. no. 4, Bhopal	6/13-14	6,650.00	10,780.00	2,130.00	19,56,000.00
		5/13-14	4,500.00	20,500.00	-	25,00,000.00
		8/14-15	6,336.89	22,838.40	-	29,17,529.00
		4/17-18	111.43	141.49	-	25,292.00
3	Dn. no. 1, Gwalior	10/18-19	279	332	-	61,100.00
		3/18-19	108	240	-	34,800.00
4	Division, Morena	8/15-16	6,445.31	9,689.12	-	16,13,443.00
		7/15-16	884	1,029.07	-	1,91,307.00
Total	4 Divisions	10 Agreements	28,859.37	70,691.82	2,130.00	1,01,68,119.00

Annexure 6.8*(Referred to in paragraph 6.6.2.8)***Details of short imposition of penalty**

Sl. No.	Name of Unit	Agreement No.	Penalty as per agreement	Contract price (₹ in crore)	Payment of Final bill (₹ in crore)	Date of work order	Period of contract (in months)	Scheduled date of Completion	Actual date of completion	Total Delay (in months)	Delay at the part of contractor	Penalty to be imposed (A) (in ₹)	Penalty imposed (B) (in ₹)	Short penalty (A-B) (in ₹)
1	Dn. no.2, Bhopal	20/16-17	Liquidated damage shall be levied on the contractor @ 0.05% per day for delay limited to maximum of 10% of contract price	4.61		21..11.16	15	21.02.18	19.02.19	12M	2M15D	12,61,108	10,000.00	12,51,108
2	Dn.no.4, Bhopal	6/15-16		23.61	29.02	06.01.16	24	05.01.18	14.12.18	11M	1	35,42,490	10,000.00	35,32,490
3	Dn. no.6, Bhopal	59/11-12		23.54	22.52	08.02.12	24	07.02.14	30.09.16	33M22D	28M9D	2,25,20,000	3,50,000.00	2,21,70,000
4	Dn.no.1, Gwalior	1/16-17		32.52	30.34	02.05.16	24	01.05.18	25.03.19	10M24D	3	1,46,37,645	50,000.00	1,45,87,645
5	Dy. H.C., Gwalior	8/17-18		0.84	0.7	21.04.17	3	26.07.17	10.10.18	13M15D	10D	35,000	5,000.00	30,000
6	Dn. no.2, Bhopal	2/13-14	Liquidated damage shall be levied on by an amount, per week up to 1% of contract price or final work done	6.07	6.72	04.06.13	18	03.12.14	15.11.15	11M12D	3M12D	60,70,000	20,000.00	60,50,000
7	Dn.no.4, Bhopal	6/13-14		18.84	19.9	05.03.14	24	04.03.16	31.12.16	9M27D	8M27D	1,88,46,995	10,000.00	1,88,36,995
8	Dn. no.6, Bhopal	61/11-12		39.97		08.02.12	30	07.08.14	20.06.19	58M13D	51M12D	3,99,88,000	23,00,000.00	3,76,88,000

			amount, whichever is less											
Total	5 Divisions	8 Agreements		150	109.2							10,69,01,238	27,55,000.00	10,41,46,238

Annexure 6.9*(Referred to in paragraph 6.6.2.9)***Statement showing utilisation of non-specified material in the work**

Sl. No.	Name of Unit	Agreement No.	PAC (₹ in crore)	Material (Cement/steel etc.) as per agreement	Material (Cement/steel etc.) actually used
1	Dn. no. 1, Bhopal	1/15-16	8.39	Diamond, Jaypee, Master builder, TATA, Ambuja, ACC, L&T, Modi, Vikram, Prism, ACC and Mycem	KJS and JK Cement
		1/16-17	116.64	SAIL, RNRL, TATA, GOYAL, KAMDHENU	Bansal
2	Dn. no. 2, Bhopal	10/14-15	2.47	JP, Ambuja, ACC, Ultrateck and Mycem	JK
				TATA,JINDAL,SAIL	SS TMT
		1/16-17	6.72	JP/Ultratech/Mycem/Ambuja and ACC	KJS
		2/13-14	6.07	ACC Suraksha, Ultra Rech, Jaypee, MyCem, Modi, Vikram, Prism	Birla Gold
		2/13-14	6.07	SAIL, IISCO, TISCO	Kamdhenu steel, Aditya TMT bar
3	Dn. no. 3, Bhopal	7/16-17	60.12	ACC, Bangur, Mycem, L&T and Reliance	MP Birla
		8/15-16	48.12	ACC, Bangur, L&T , Reliance and Mycem	Birla Gold
		8/15-16	48.12	SAIL, Kamdhenu, TATA, Bansal	Jindal
		1/17-18	8.45	SAIL, JSW, Nakoda, Kamdhenu, Tata and Bansal	SS TMT/Alankar
4	Dn. no. 4, Bhopal	6/15-16	25.46	SAIL, IISCO, TISCO	Nakoda/Bajrang/Unbranded
		6/13-14	17.46	ACC surksha, Ultratech, Jaypee, Mycem, Modi, Vikram, Madhur, Prism	Birla Gold/Lafarge

Sl. No.	Name of Unit	Agreement No.	PAC (₹ in crore)	Material (Cement/steel etc.) as per agreement	Material (Cement/steel etc.) actually used
				SAIL, TISCO, RINL	Sagar TMT/Tirupati/Prakash/Vandana/ SNB Ispat/Hitech
		5/13-14	11.22	SAIL, IISCO, TISCO	MSP Thermax/ Pisanis Industries
		5/13-14	11.22	Diamond, Jaypee, Master Building, TATA, Ambuja (43 Grade), ACC, L&T, Mode, Vikram, Prisms (43 Grade), ACC (Suraksha) and Mycem	JK Lakshmi/Birla
		8/14-15	21..22	Diamond, Jaypee, Master Building, TATA, Ambuja (43 Grade), ACC, L&T, Mode, Vikram, Prisms (43 Grade), ACC (Suraksha) and Mycem	JK Lakshmi/Birla
		4/17-18	0.28	SAIL, IISCO, TISCO	Goyal
5	Dn. no. 6, Bhopal	23/ 16-17	7.15	ACC, Ultratech, Birla, Ambuja, JP&JK	Mycem
		60/11-12	53.79	JP, Ultratech, Mycem, Ambuja, ACC	Prism
		61/11-12	39.97	JP, Ultratech, Mycem, Ambuja, ACC	Prism
6	Division, Morena	7/16-17	16.12	Diamond/JP/Mater Builder/TATA/Ambuja/ACC, L&T, Modi, Prism, Vikram, Mycem	Birla Gold
7	Dn. no. 1, Gwalior	1/16-17	35.59	JK, KJS, Reliance	Birla Gold/Jaypee/Maiher
		5/16-17	6.14	JK, KJS, Reliance	Jaypee
		2/17-18	0.4	JK, KJS, Reliance	Jaypee

Sl. No.	Name of Unit	Agreement No.	PAC (₹ in crore)	Material (Cement/steel etc.) as per agreement	Material (Cement/steel etc.) actually used
		3/18-19	0.42	JK, KJS, Reliance	Jaypee
		14/18-19	2.49	JK, KJS, Reliance	No brand
8	Dn. no.1, Jabalpur	27/15-16	13.02	Steel of TISCO, SAIL, Magnum or ISI approved	Brand name not indicated in the bill. Only MS steel bars and size have been indicated
		25/15-16	1.09	Cement : Diamond, Jaypee, Master builder, TATA, Ambuja, ACC, L&T, Modi, Vikram, Prism, ACC and Mycem	Bills of cement submitted by the contractor do not indicate the Brand name
Total	8 Divisions		544.54		

Annexure 6.10*(Referred to in paragraph 6.6.3.1)***Joint Inspection in terms of contractual provision not conducted**

Sl. No.	Name of Unit	Agreement No.	PAC (₹ in crore)	Period of Contract (in Month)	Agt. Clause	No. of inspections to be conducted	No. of inspections conducted
1	Dn. no. 2, Bhopal	45/15-16	2.64	12	SCC-10	2	0
2	Dn. no. 3, Bhopal	7/16-17	60.12	33	SCC-12	5	0
		8/15-16	48.62	24	SCC-6	4	0
		1/17-18	8.45	23	SCC-10	4	0
3	Dn. no. 4, Bhopal	6/15-16	25.46	24	SCC-10	4	0
		1/16-17	2.97	24	SCC-6	4	0
		4/17-18	0.28	6	SCC-10	1	0
4	Dn. no. 6, Bhopal	23/16-17	7.16	23	SCC-10	4	0
5	Morena Divisions	8/15-16	15.41	18	SCC-6	3	0
		11/17-18	0.93	9	SCC-9	2	0
6	Dn. no. 1, Gwalior	1/16-17	35.59	24	SCC-10	4	0
		10/18-19	0.79	9	SCC-6	1	0
		2/17-18	0.4	9	SCC-6	1	0
7	Dn. no. 1, Jabalpur	7/18-19	3.71	12	SCC-6	2	0
8	Dn. no. 2, Jabalpur	51/17-18	0.24	6	SCC-10	1	0
		30/15-16	12.19	12	SCC-6	2	0
		38/17-18	13.8	15	SCC-6	2	0
Total	8 Divisions	17 Agreements	238.76	283		46	0

Annexure 6.11
(Referred to in paragraph 6.6.3.2)
Non deployment of technical staff

Sl. No.	Name of Unit	Agreement No.	PAC (₹ in crore)	No. of Technical staff to be deployed	No. of Technical staff actually deployed	Short deployment of technical staff
1	Dn. no. 1, Bhopal	1/15-16	8.39	6	0	6
		1-16-17	116.64	7	0	7
2	Dn. no. 3, Bhopal	7/16-17	60.12	6	0	6
		8/15-16	48.62	3	0	3
		1/17-18	8.73	2	0	2
3	Dn. no. 4, Bhopal	6/15-16	25.46	3	0	3
		6/13-14	17.46	1	0	1
		5/13-14	11.22	1	0	1
		8/14-15	21.38	1	0	1
		1/16-17	2.97	2	0	2
4	Dn. no. 6, Bhopal	60/11-12	53.79	1	0	1
		61/11-12	39.97	1	0	1
5	Division, Morena	8/15-16	15.41	6	3	3
		17/19-20	7.40	2	0	2
		7/15-16	2.56	6	0	6
6	Dn. no. 1, Gwalior	1/16-17	35.59	3	0	3
		5/16-17	6.14	2	0	2
		10/18-19	0.79	1	0	1
		8/19-20	0.79	1	0	1

Sl. No.	Name of Unit	Agreement No.	PAC (₹ in crore)	No. of Technical staff to be deployed	No. of Technical staff actually deployed	Short deployment of technical staff
7	EE Elc. Dn. Gwalior	16/18-19	2.67	2	0	2
		4/18-19	0.77	1	0	1
		8/18-19	1.14	1	0	1
		5/18-19	0.62	1	0	1
8	Dn. no. 1, Jabalpur	41/18-19	3.75	2	0	2
		7/18-19	3.71	2	0	2
		31/16-17	4.64	2	0	2
9	Dn. no. 2, Jabalpur	26/15-16	5.52	1	1	0
		30/15-16	12.19	3	1	2
		38/17-18	13.08	2	0	2
		19/14-15	9.97	1	1	0
Total	9 Divisions	30 Agreements	541.49	73	6	67

Annexure 6.12*(Referred to in paragraph 6.6.3.3)***Field laboratory was not established by contractor**

Sl. No.	Name of Unit	Agreement No.	PAC (₹ in crore)	Date of work order	Period of contract (in month)	Field Lab was established (Yes/No)	Penalty @ ₹ 25,000 per month
1	Dn. no. 3, Bhopal	1/17-18	8.45	10.04.17	23	Delayed by 7 months	1,75,000
2	Morena	7/16-17	16.12	31.03.17	27	No	6,75,000
		17/19-20	7.4	03.09.19	14	No	3,50,000
3	Dn. no. 1, Gwalior	14/18-19	2.49	05.03.19	9	No	2,25,000
4	Dn. no. 6, Bhopal	23/16-17	7.16	23.01.17	23	No	5,75,000
5	Dn. no. 1, Jabalpur	3/19-20	7.43	18.12.19	18	On 20.02.20	50,000
		27/15-16	13.02	14.12.15	24	No	6,00,000
		7/18-19	3.71	17.7.18	12	No	3,00,000
6	Dn. no. 2, Jabalpur	26/15-16	5.52	29.07.15	18	No	4,50,000
		38/17-18	13.08	26.08.17	15	No	3,75,000
Total	6 Divisions	10 Agreements	84.38				37,75,000

Annexure 6.13*(Referred to in paragraph 6.6.3.4)***Works executed without approved design mix/job mix****(Amount in ₹)**

Sl. No.	Name of Unit	Agreement No.	Item no.	Particular of Item	Qty. executed without Design mix/Job mix in cum (A)	Rate (B)	Amount (A x B)	Tender %	Value of work	Remark
1	MPHIDB Dn. no. 1, Bhopal	1/15-16	6.1	DLC	221.90	2,714.00	6,02,237	-19.11	4,87,149	Approved Design mix not found
			6.4	PQC	376.12	5,977.00	22,48,069	-19.11	18,18,463	
2	MPHIDB Dn. no. 4, Bhopal	6/15-16	5.5(a)(ii)	DBM	2,444.57	8,621.00	2,10,74,638	-12.44	1,84,52,953	Approved Job mix formula not found
			5.6(a)(v)	BC	1,246.69	10,129.00	1,26,27,723	-12.44	1,10,56,834	
		6/13-14	5.26	M-20	158.83	7,520.00	11,94,402	Item rate	11,94,402	Cement brand was changed during execution but no re-design mix was got approved
			5.27	M-25	760.62	7,381.00	56,14,136		56,14,136	
			5.28	M-30	131.03	7,520.00	9,85,346		9,85,346	
		5/13-14	5.6a(ii)	DBM	1,132.01	7,415.00	83,93,854	-3.7	80,83,282	Work was executed without approved job mix formula
			5.7a(iv)	SDBC	452.80	8,278.00	37,48,278	-3.7	36,09,592	
			5.26	M-20	5,362.83	5,014.00	2,68,89,230	-3.7	2,58,94,328	Cement brand was changed during execution but no re-design mix was got approved
		8/14-15	5.6a(ii)	DBM	725.95	7,415.00	53,82,919	-9.1	48,93,073	Work was executed without approved job/design mix formula
			5.7a(iv)	SDBC	362.98	8,278.00	30,04,748	-9.1	27,31,316	
				PQC	1,375.60	5,482.00	75,41,039	-9.1	68,54,805	
				M-25	1,561.76	5,641.00	88,09,888	-9.1	80,08,188	
				M-25	982.23	5,757.00	56,54,698	-9.1	51,40,121	
3	Division Morena	2/16-17		DLC	310.93	2,714.00	8,43,864	-39.39	5,11,466	
4	Dn. no. 1,	31/16-17		M-25	460.58	6,280.00	28,92,442	-14.85	24,62,915	

Sl. No.	Name of Unit	Agreement No.	Item no.	Particular of Item	Qty. executed without Design mix/Job mix in cum (A)	Rate (B)	Amount (A x B)	Tender %	Value of work	Remark
5	Jabalpur	27/15-16		M-25	535.60	6,280.00	33,63,568	-16.2	28,18,670	
				M-25	702.24	6,434.00	45,18,212	-16.2	37,86,262	
				M-40	519.87	5,726.00	29,76,776	-22.88	22,95,689	
Total	5 Divisions	09 Agreements			19,825.14	1,30,576.00	12,83,66,068		11,66,98,990	

Annexure 6.14*(Referred to in paragraph 6.6.3.5)***Testing of utilised material has not been done in accordance with the clauses of the agreement, in approved labs and in required frequencies**

Sl. No.	Name of Unit	Agreement No.	Item	Required quantity for every test	Qty. utilised	No. of test required	Test (A)	Test charges (B) (in ₹)	Amount (AxB) (in ₹)	Name of Private lab where tests were conducted
1	Dn. no. 1, Bhopal	1/15-16	Steel	20 tonne	82.96 tonne	$82.96/20=4$	4	1,110.00	4,440.00	Marshal and Unique
			Aggregate	45 cum	2,205.31 cum	$2,205.31/45=49$	49	1,070.00	52,430.00	
		5/19-20	Aggregate	45 cum	499 cum	$499/45=11$	11	1,070.00	11,770.00	Krishna Digital
		1/16-17	Steel	20 tonne	3,198 tonne	$3,198/20=160$	160	1,110.00	1,77,600.00	Microtech testing
			Aggregate	45 cum	57,448.45 cum	$57,448.45/45=1277$	1,277	1,070.00	13,66,390.00	
2	Dn. no. 4, Bhopal	6/15-16	Aggregate	45 cum	23,454.73 cum	$23,454.73/45=522$	522	1,070.00	5,58,540.00	Site lab of contractor
			Steel	20 tonne	174 tonne	$174/20=9$	9	1,110.00	9,990.00	
		6/13-14	Aggregate	45 cum	10,780 cum	$10,780/45=240$	240	1,070.00	2,56,800.00	Site lab of contractor
			Steel	20 tonne	938 tonne	$938/20=47$	47	1,110.00	52,170.00	
		5/13-14	Aggregate	45 cum	20,500 cum	$20,500/45=456$	456	1,070.00	4,87,920.00	Site lab of contractor
			Steel	20 tonne	293 tonne	$293/20=15$	15	1,110.00	16,650.00	
		8/14-15	Aggregate	45 cum	22,838 cum	$22,838/45=507$	507	1,070.00	5,42,490.00	Site lab of contractor
			Steel	20 tonne	659 tonne	$659/20=33$	33	1,110.00	36,630.00	
		4/17-18	Steel	20 tone	11,312kg= 11 tone	$11/20=1$	1	1,110.00	1,110.00	Site lab of contractor
			Aggregate	45 cum	141.49 cum	$142/45=4$	4	1,070.00	4,280.00	
3	MPHIDB Dn. no. 3, Bhopal	7/16-17	Steel	20 tonne	941.35 tonne	$941.35/20=47$	47	1,110.00	52,170.00	Venus DCM and RCCPL
			Aggregate	45 cum	15,135 cum	$15,135/45=336$	336	1,070.00	3,59,520.00	
		8/15-16	Steel	20 tonne	1,599.26 tonne	$1,599.26/20=80$	80	1,110.00	88,800.00	Microtech
			Aggregate	45 cum	13,038.87 cum	$13,038.87/45= 290$	290	1,070.00	3,10,300.00	

Sl. No.	Name of Unit	Agreement No.	Item	Required quantity for every test	Qty. utilised	No. of test required	Test (A)	Test charges (B) (in ₹)	Amount (AxB) (in ₹)	Name of Private lab where tests were conducted
		1/17-18	Steel	20 tonne	296.72 tonne	$296/20=15$	15	1,110.00	16,650.00	Venus Lab and Microtech
			Aggregate	45 cum	360.78 cum	$361/45=8$	8	1,070.00	8,560.00	
4	Morena	8/15-16	Aggregate	45cum	9,689.12 cum	$9,689.12/45= 215$	215	1,070.00	2,30,050.00	Pioneer Infra consultants
		7/16-17	Steel	20 tonne	4,34,363kg=434.36 tonne	$434/20=21$	21	1,110.00	23,310.00	Microtech testing
			Aggregate	45 cum	7,547.95 cum	$7,547.95/45= 168$	168	1,070.00	1,79,760.00	
		7/18-19	Aggregate	45 cum	15,974 cum	$15,974/45=355$	355	1,070.00	3,79,850.00	Microtech testing
			Steel	20 tonne	1,195 tone	$1,195/20=60$	60	1,110.00	66,600.00	
		7/15-16	Aggregate	45 cum	1,029.07 cum	$1,029.07/45=23$	23	1,070.00	24,610.00	Venus lab
5	Dn. no. 1, Gwalior	1/16-17	Aggregate	45 cum	17,038 cum	$17,038/45=379$	379	1,070.00	4,05,530.00	Pioneer and Venus lab
			Steel	20 tonne	696.078 tonne	$696.078/20=35$	35	1,110.00	38,850.00	
		5/16-17	Aggregate	45 cum	1,708 cum	$1,708/45=38$	38	1,070.00	40,660.00	Venus and Bhargao lab
			Steel	20 tonne	183.826 tonne	$183.826/20=9$	9	1,110.00	9,990.00	
		10/18-19	Aggregate	45 cum	332 cum	$332/45=7$	7	1,070.00	7,490.00	Aalign Arch testing lab
6	Dn. no. 1, Jabalpur	3/19-20	Aggregate	45 cum	992 cum	$992/45=22$	22	1,070.00	23,540.00	Site lab of contractor
		7/18-19	Aggregate	45 cum	864.597 cum	$864.597/45=19$	19	1,070.00	20,330.00	Site lab of contractor
7	Dn. no. 2, Jabalpur	38/17-18	Aggregate	45 cum	3,888.83 cum	$3,888.83/45=86$	86	1,070.00	92,020.00	Venus lab
8	Dn. no. 2, Bhopal	1/16-17	Aggregate	45 cum	1,487.12 cum	$1,487.12/45=33$	33	1,070.00	35,310.00	Site lab of contractor
			Steel	20 tonne	146 tonne	$146/20=7$	7	1,110.00	7,770.00	
Total	8 Divisions	22 Agreements							60,00,880.00	

GLOSSARY

Glossary of Abbreviations	
AA	Assessing Authorities
AB	Autonomous Bodies
ACCT	Assistant Commissioner Commercial Tax
AMG	Audit Management Group
AMO	Assistant Mining Officers
AO	Accounts Officer
ASR	Annual Statement of Rates
ATN	Action Taken Notes
BoQ	Bill of Quantity
CAG	Comptroller and Auditor General of India
CoPU	Committee on Public Sector Undertakings
CST	Central Sales Tax
CTE	Consent to Establish
CTO	Commercial Tax Officer
CTO (Mining)	Consent To Operate
CVB	Central Valuation Board
Cu.M.	Cubic Meter
DCCT	Deputy Commissioner Commercial Tax
DEIAA	District Environment Impact Assessment Authority
DFO	Divisional Forest Officer
DGM	Director, Geology and Mining
DIGR	Deputy Inspector General of Registration
DMO	District Mining Officer
DPC	Duties, Powers and Conditions of Service
DR	District Registrar
DTF	District Task Force
DVC	District Valuation Committee
EC (Mining)	Environment Clearance
EIA	Environment Impact Assessment
EMP	Environment Management Plan
EPF	Employee Provident Fund
ET	Entry Tax
e-TP	Electronic Transit Pass
GIS	Geographic Information System
GoMP	Government of Madhya Pradesh
GST	Goods and Service Tax
GTO	Gross Turn Over
IGRS	Inspector General, Registration and Superintendent of Stamps
IR	Inspection Report

ITR	Input Tax Rebate
JIGR	Joint Inspector General Registration
JPI	Joint Physical Inspection
MCR	Mineral Concession Rules
MI	Mining Inspectors
MMDR	Mines and Minerals (Development and Regulation)
MoEFCC	Ministry of Environment, Forest and Climate Change
MP	Madhya Pradesh
MPPCB	Madhya Pradesh Pollution Control Board
MPVAT	Madhya Pradesh Value Added Tax
MVG	Market Value Guidelines
NIC	National Informatics Centre
NIT	Notice Inviting Tender
PAC	Public Accounts Committee
PSU	Public Sector Undertaking
RF	Registration Fees
RFID	Radio-Frequency Identification
RQP	Registered Qualified Person
RRC	Revenue Recovery Certificate
RTO	Regional Transport Officer
SD	Stamp Duty
SDR	Sr. District Registrars
SDVC	Sub-District Valuation Committee
SEIAA	State Environment Impact Assessment Authority
SGST	State Goods and Service Tax
SLP	Special Leave Petition
SLTF	State Level Task Force
SOR	Schedule of Rates
SR	Sub-Registrar
SRS	System Requirement Studies
TDS	Tax Deducted at Source
TIN	Taxpayer Identification Number
TP	Transit Pass
TTO	Taxable Turnover
VATIS	VAT Information System

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