

CHAPTER-I

General

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General

Yamuna Expressway Industrial Development Authority (YEIDA) was established (April 2001) by the Government of Uttar Pradesh (GoUP) under Section 3 of the Uttar Pradesh Industrial Area Development Act, 1976 to implement the Yamuna Expressway project and for allied development in the region. The main objective of YEIDA is to secure planned development of its industrial development area falling under six districts (Gautam Buddha Nagar, Bulandshahr, Aligarh, Hathras, Mathura and Agra) of the State. YEIDA prepares development plan(s), acquires and develops land and allots developed land for industrial and other land uses. YEIDA also regulates erection/construction of buildings and setting up of industries in its jurisdiction.

The Board of YEIDA is the apex governing body. The Chief Executive Officer (CEO) appointed by GoUP is a whole-time officer of YEIDA, who carries out day-to-day affairs of YEIDA with the help of other officers.

Audit of YEIDA, since its inception in April 2001, had remained outside the purview of the Comptroller and Auditor General of India (CAG). In January 2018, GoUP appointed CAG as the sole auditor of YEIDA and entrusted audit of all activities and accounts from the year 2005-06 onwards.

The performance audit assesses the performance of YEIDA in various spheres of its functioning such as preparation of plan(s), acquisition of land, development of land, construction of properties, pricing of properties, allotment/sale of properties, regulation of construction activities and internal control systems for the period 2005-06 to 2020-21.

The contents of this Performance Audit Report have been arranged under seven chapters. Chapter-I describes entrustment of audit, audit objectives, audit criteria, audit scope and audit methodology. The other six chapters contain audit findings on various aspects of functioning of YEIDA. Audit observations included in the aforesaid chapters include instances of loss of revenue to YEIDA, short recoveries, undue benefits to allottees and avoidable/ excess expenditure having money value of ₹ 8,125.52 crore.

Introduction

1.1 The Government of Uttar Pradesh (GoUP) conceived (2001) a project for construction of an Expressway, namely Taj Expressway, to (i) provide a fast-moving corridor to minimise the travel time from Delhi to Agra; (ii) connect the main townships/commercial centers on the eastern side of river Yamuna; (iii) open up avenue for industrial and urban development of the region; and (iv) provide the base for convergence to tourism and other allied industries.

To implement the Taj Expressway project and allied development in the region, GoUP established (April 2001) the Taj Expressway Industrial Development Authority under Section 3 of the Uttar Pradesh Industrial Area Development Act, 1976 (UPIAD Act, 1976). GoUP renamed (July 2008) Taj Expressway as Yamuna Expressway and Taj Expressway Industrial Development Authority as Yamuna Expressway Industrial Development Authority (YEIDA).

YEIDA was constituted with the objective to construct the expressway between Noida and Agra with private participation and investment on the lines of the Noida Toll Bridge model. In addition to above, YEIDA was required to acquire land, prepare master plan for the land adjoining the expressway, develop a township and roadside amenities, co-ordinate with various Government departments and agencies and operate the fund created for this purpose. Thus, YEIDA was responsible for implementation of the Yamuna Expressway project as well as for development of township along the area adjoining the Yamuna Expressway.

YEIDA invited (November 2002) offers from interested parties of national/international repute for development of Techno-Economic Feasibility Report (TEFR) and Detailed Project Report (DPR); arrangement of finances; and construction and operation of a six-lane super expressway between Noida and Agra under Public-Private Partnership (PPP) mode. Jaiprakash Industries Limited (JIL) was selected as the Concessionaire for execution of the project and Concession Agreement was executed on 7 February 2003 for concession period of 36 years. The 165 kms long Yamuna Expressway was opened for public use in August 2012.

The industrial development area of YEIDA covers 1,187 villages with aggregate land of 2,68,862 hectare in six districts (Gautam Buddha Nagar, Bulandshahr, Aligarh, Hathras, Mathura and Agra) of the State. Out of the total area of 2,68,862 hectare, YEIDA has prepared Master Plan (Phase-I) 2031 for an area of 58,397 hectare covering 171 villages of Gautam Buddha Nagar and Bulandshahr districts which was approved by the Board of YEIDA on 19 August 2013 and by GoUP on 8 October 2013. YEIDA has identified four urban centres (one urban centre each in Aligarh, Mathura, Agra and Hathras districts) for development in the second phase. Out of the aforesaid four urban centres, Master Plans of two urban centres, viz., Tappal-Bajna urban centre covering an area of 11,104 hectare in Aligarh and Mathura districts and Raya urban centre covering an area of 9,366 hectare in Mathura district were approved by the Board of YEIDA on 14 December 2015 and by GoUP on 8 May 2017. Maps of area covered under Master Plan (Phase-I) 2031 and urban centres proposed in Phase-II are given in **Appendix-1.1** and **1.2** respectively.

Role of Infrastructure and Industrial Development Department

1.2 YEIDA functions under the administrative control of Infrastructure and Industrial Development Department (IIDD) of GoUP. IIDD formulates industrial and infrastructure development policies and strategies of GoUP for creating an enabling environment for promoting industrial growth in the State. IIDD performs its functions relating to development of industrial areas through seven¹ Industrial Development Authorities (IDAs) constituted under the UPIAD Act, 1976. YEIDA is one of the seven IDAs. In respect of YEIDA, IIDD is responsible for:

¹ New Okhla Industrial Development Authority (NOIDA), Greater Noida Industrial Development Authority (GNIDA), Yamuna Expressway Industrial Development Authority (YEIDA), Uttar Pradesh Expressways Industrial Development Authority (UPEIDA), Gorakhpur Industrial Development Authority (GIDA), Satharia Industrial Development Authority (SIDA) and Uttar Pradesh State Industrial Development Authority (UPSIDA).

- making rules for carrying out the purposes of UPIAD Act, 1976;
- approval of regulations framed by YEIDA for administration of its affairs;
- issuing directions to YEIDA from time to time for efficient administration of UPIAD Act, 1976;
- requiring YEIDA to furnish reports, returns and other information;
- ensuring implementation of Master Plan by YEIDA; and
- ascertaining that development works have been carried out in accordance with the Master Plan.

Functions of YEIDA

1.3 As per Section 6 of the UPIAD Act, 1976, the objective of YEIDA is to secure planned development of the industrial development area for which YEIDA is responsible for performing the following functions:

- preparing a plan for development of the industrial development area;
- demarcating and developing sites for industrial, commercial and residential purposes in accordance with the plan;
- acquiring land for development of the industrial development area;
- providing infrastructure for industrial, commercial and residential purposes;
- providing amenities;
- allocation and transfer, either by way of sale or lease or otherwise, plots of land for industrial, commercial or residential purposes;
- regulating the erection of buildings and setting up of industries; and
- laying down the purpose for which a particular site or plot of land shall be used, namely for industrial or commercial or residential purpose or any other specified purpose in such area.

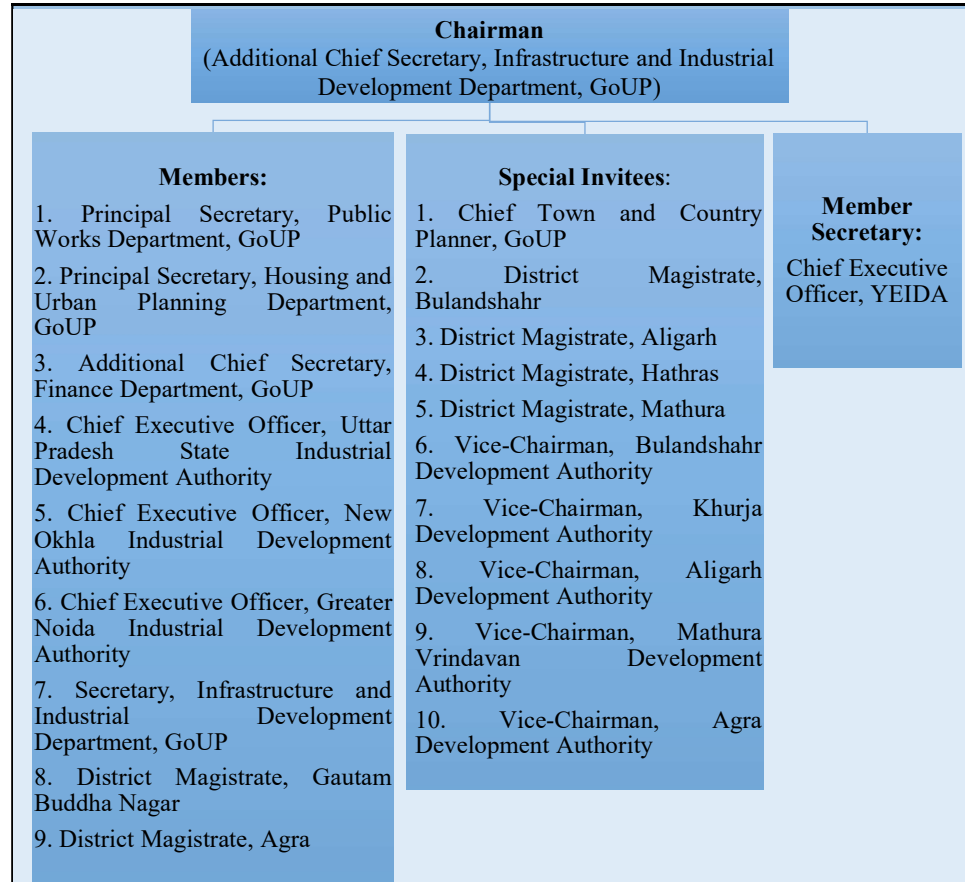
Management of YEIDA

1.4 Section 3 of the UPIAD Act, 1976 provides that the Authority constituted for the purposes of this Act shall be a body corporate consisting of 11 members (including Chief Executive Officer as Member Secretary and five members to be nominated by GoUP). Out of these, Secretary, Industries Department, GoUP or his nominee not below the rank of Joint Secretary shall be the *ex officio* Chairman. Section 4 of the UPIAD Act, 1976 provides that the Chief Executive Officer (CEO) of the Authority shall be appointed by GoUP. Accordingly, GoUP constituted (April 2001) YEIDA consisting of 11 members. Subsequently, the Board of YEIDA in its 51st meeting held on 15 September 2014 decided to include 10 officers² as special invitees to the Board in order to have better co-ordination with the concerned Districts/Authorities.

The members and special invitees of the Board of YEIDA as of December 2022 are depicted in **Chart 1.1**.

² Chief Town and Country Planner, GoUP; District Magistrate of Bulandshahr, Aligarh, Hathras and Mathura districts and Vice Chairman of Bulandshahr Development Authority, Khurja Development Authority, Aligarh Development Authority, Mathura Vrindavan Development Authority and Agra Development Authority.

Chart 1.1: Members of Board of YEIDA



Source: Minutes of 75th Board meeting held on 2 December 2022

Section 5 (1) of the UPIAD Act, 1976 provides that subject to such control and restrictions as may be determined by general or special orders of GoUP, YEIDA may appoint such number of officers and employees as may be necessary for the performance of its functions and may determine their grades and designations.

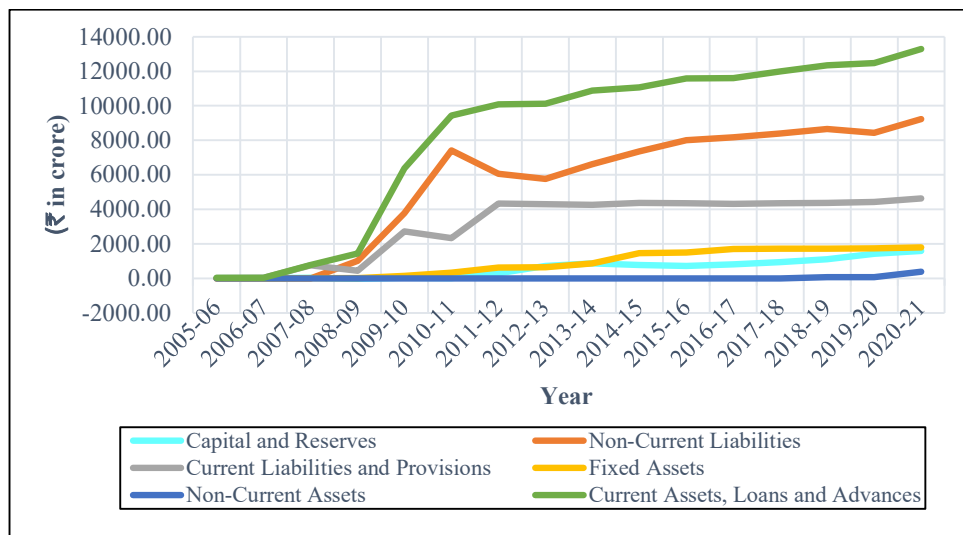
The CEO is a whole-time officer of YEIDA, who carries out day-to-day affairs with the help of Additional Chief Executive Officers (ACEOs), Officers on Special Duty (OSD), General Managers and other officers of YEIDA.

Financial position and working results of YEIDA

1.5 The financial position and working results of YEIDA as per the financial statements³ for the period 2005-06 to 2020-21 are detailed in **Appendix-1.3** and **1.4** and illustrated in **Charts 1.2** and **1.3** below:

³ The financial statements of YEIDA prepared on cash basis of accounting up to the year 2015-16 were audited by the Local Fund Audit Department. Subsequently, GoUP entrusted (July 2017/January 2018) the audit of YEIDA to CAG from the year 2005-06 onwards and YEIDA submitted its revised financial statements prepared on accrual basis of accounting for the years from 2005-06 onwards to CAG.

Chart 1.2: Financial Position of YEIDA



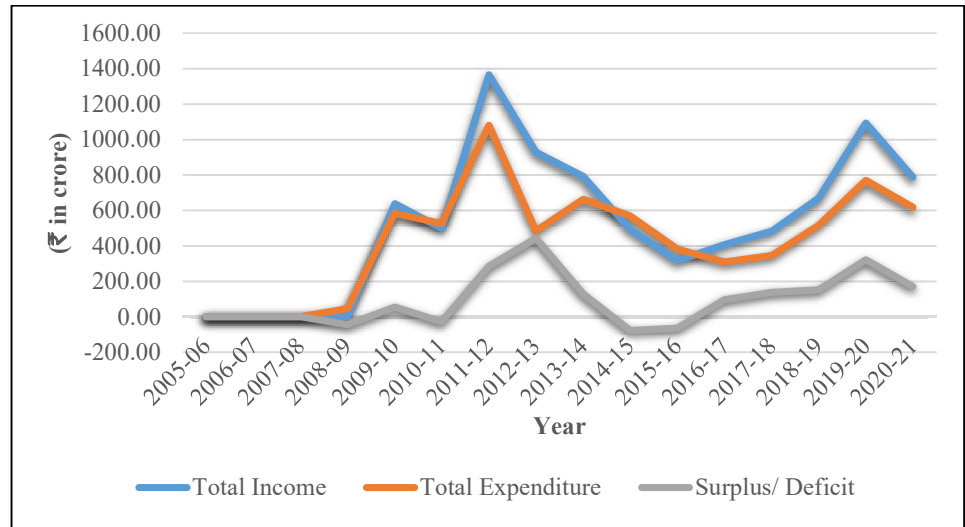
Source: Financial statements of YEIDA for the period 2005-06 to 2020-21

An analysis of the financial position of YEIDA during the period 2005-06 to 2020-21 revealed the following:

- Growth and expansion:** YEIDA has experienced substantial growth over the 16-year period. Total assets/liabilities increased from ₹ 30.93 crore in 2005-06 to ₹ 15,456.62 crore in 2020-21, representing a compound annual growth rate (CAGR) of approximately 47 per cent.
- Capital structure:** YEIDA's capital fund has remained constant at ₹ 20 crore since 2007-08. However, reserves and surplus have shown significant improvement, moving from a deficit of ₹ 0.95 crore in 2005-06 to a surplus of ₹ 1,572.65 crore in 2020-21. This indicates improved profitability and retention of earnings, strengthening YEIDA's financial position.
- Debt profile:** Non-current loan funds peaked at ₹ 4,750 crore in 2010-11 and have since decreased to ₹ 2,015.34 crore in 2020-21. Further, long-term liabilities have steadily increased from ₹ 3.80 crore in 2008-09 to ₹ 7,015.78 crore in 2020-21.
- Asset composition:** Inventories and fixed assets have grown from ₹ 0.31 crore in 2005-06 to ₹ 13,838.51 crore in 2020-21 indicating significant infrastructure development.
- Liquidity position:** While current assets significantly outweigh current liabilities, indicating strong liquidity, it's important to note that a large portion of current assets is tied up in inventories. Cash and cash equivalents, though stood at ₹ 762.09 crore in 2020-21, have fluctuated over the years.

Thus, while YEIDA has demonstrated strong growth and an improving financial position, careful management of its substantial assets, liabilities, and ongoing development activities is essential to ensure long-term financial sustainability and effective fulfilment of its mandate.

Chart 1.3: Working results of YEIDA



Source: Financial statements of YEIDA for the period 2005-06 to 2020-21

An analysis of the working results of YEIDA during the period 2005-06 to 2020-21 revealed the following:

- Revenue from properties:** The revenue from properties (sale of developed land and constructed properties) has been the primary source of revenue, fluctuating significantly over the years. It peaked at ₹ 712.27 crore in 2011-12 and reached ₹ 695.81 crore in 2019-20 before declining to ₹ 434.86 crore in 2020-21. The surplus from properties has been volatile, ranging from a loss of ₹ 7.98 crore in 2008-09 to a high of ₹ 240.32 crore in 2019-20.
- Urban services:** Revenue from urban services has grown from ₹ 0.09 crore in 2008-09 to ₹ 75.04 crore in 2020-21, primarily driven by fees and charges. However, expenditure on these services has also increased from ₹ 0.25 crore in 2010-11 to ₹ 70.88 crore in 2020-21. The surplus from urban services was negative in 2013-14 and 2014-15.
- Overall operational performance:** The surplus from operations has generally been positive since 2009-10, with significant fluctuations. It peaked at ₹ 289.05 crore in 2019-20 but decreased to ₹ 149.43 crore in 2020-21.
- Administrative income and expenditure:** Administrative income, primarily from interest and penalties, has been substantial but volatile. It peaked at ₹ 595.90 crore in 2011-12 and stood at ₹ 277.80 crore in 2020-21. However, administrative expenditure has also been high ranging between ₹ 0.43 crore in 2005-06 and ₹ 455.60 crore in 2011-12. The administrative expenditure stood at ₹ 256.24 crore in 2020-21.
- Surplus/ Loss:** The total surplus transferred to General Reserve has been positive since 2011-12 barring two years viz., 2014-15 and 2015-16. It reached a high of ₹ 442.61 crore in 2012-13 before declining to ₹ 170.99 crore in 2020-21.

Thus, while YEIDA has demonstrated potential for significant revenue generation and surplus creation, the volatility in its financial performance underscores the need for better financial management.

Entrustment of audit

1.6 Audit of YEIDA, since its inception in April 2001, had remained outside the purview of the Comptroller and Auditor General of India (CAG) despite it being a Government entity. Request for audit, though sought for through repeated references by the CAG's organisation between June 2012 and April 2017, was not acceded to. It was only in July/August 2017 that GoUP entrusted audit of YEIDA and three⁴ other Industrial Development Authorities to the CAG with immediate effect. Later (January 2018), GoUP appointed CAG as the sole auditor of all Industrial Development Authorities under IIDD to audit all activities and accounts from the year 2005-06 onwards. Prior to entrustment of audit of YEIDA to CAG, Local Fund Audit Department, GoUP was conducting audit of YEIDA.

Status of finalisation of accounts

1.7 GoUP entrusted (January 2018) audit of YEIDA to CAG beginning from the year 2005-06. YEIDA submitted (November 2022 to June 2024) its financial statements for the years 2005-06 to 2022-23 to office of the Accountant General (Audit-II), Uttar Pradesh, Lucknow for audit after lapse of more than four years since entrustment of audit to CAG. Separate Audit Reports on the financial statements of YEIDA for the years 2005-06 to 2012-13 have been issued and finalisation of Separate Audit Reports for the years 2013-14 to 2021-22⁵ is under progress (June 2024).

Yamuna Expressway project

1.8 As discussed in **Paragraph 1.1**, GoUP conceived (2001) the Yamuna Expressway project and established (April 2001) YEIDA to anchor development of the project.

The Yamuna Expressway project was implemented as a Public-Private Partnership (PPP) project. YEIDA invited (November 2002) offers from interested parties of national/ international repute for preparation of Techno-Economic Feasibility Report (TEFR) and Detailed Project Report (DPR); arrangement of finances; and construction and operation of a six lane super expressway between Noida and Agra. Jaiprakash Industries Limited was selected as the Concessionaire for execution of the project and Concession Agreement was executed on 7 February 2003 for concession period of 36 years.

The salient features of the Yamuna Expressway project were as follows:

- The bid variable *i.e.*, the parameter on the basis of which the financial bids were to be evaluated was the concession period to be specified in years, months and days.
- Jaiprakash Industries Limited (JIL) was selected as the Concessionaire for execution of the project (preparation of Techno-Economic Feasibility Report and Detailed Project Report; arrangement of finances; and construction and operation of a six lane super expressway between Noida and Agra) as it had quoted the least concession period of 36 years.

⁴ New Okhla Industrial Development Authority (NOIDA), Greater Noida Industrial Development Authority (GNIDA) and Uttar Pradesh State Industrial Development Authority (UPSIDA).

⁵ Audit of financial statements of YEIDA for the year 2022-23, received in June 2024, is yet to be taken up (June 2024).

- In return, the Concessionaire was given rights to levy tolls on users of the expressway and rights for development of 2,500 hectare land at five or more locations, of which one location with total area of 500 hectare was to be in Noida or Greater Noida.
- Jaiprakash Industries Limited incorporated (April 2007) Jaypee Infratech Limited as a Special Purpose Vehicle (SPV) for execution of the project.
- Land measuring 1,951.6113 hectare was provided to the Concessionaire for construction of the expressway (including service roads, interchanges, toll plazas and facilities) at premium equivalent to the acquisition cost plus a lease rent of ₹ 100 per hectare per year on lease till the end of the concession period.
- In addition to land for construction of expressway, land measuring 2,470.9696 hectare at five locations, of which one location with total area of 498.9393 hectare was in Noida, was provided to the Concessionaire along the Expressway for commercial, amusement, industrial, institutional and residential development at premium equivalent to the acquisition cost and lease rent of ₹ 100 per hectare per year on lease for a period of 90 years.
- As per the provisions of the Concession Agreement, the project was to be completed within seven years. The progress of the work, however, was adversely affected during the period up to March 2007 due to delay in approval of alignment of the Expressway by YEIDA.
- The 165 kms long Yamuna Expressway was finally opened for public use on 9 August 2012.

Audit of Yamuna Expressway project

1.9 Audit of construction of Yamuna Expressway was earlier conducted during April 2012 to May 2012. During the audit, bid documents, records relating to finalisation and approval of the bid and the Concession agreement of Yamuna Expressway project were examined at the Secretariat of the Infrastructure and Industrial Development Department (IIDD) to ascertain whether the process of selection of the Concessionaire and award of concession was fair, transparent and competitive and risks/ rewards were optimally shared between YEIDA and the Concessionaire and the PPP project and the Concession Agreement were effectively and properly implemented. The audit findings featured in the Audit Report (Economic Sector-Non PSUs), Government of Uttar Pradesh for the year ended 31 March 2013 (Report No.4 of 2014).

Some of the important audit findings are listed below:

- **No mechanism to assess the reasonableness of concessions:** GoUP neither prepared any draft feasibility report to work out a tentative concession period nor made provisions in the bid document regarding termination of concession period as soon as the Concessionaire gets 20 *per cent* Return on Equity (ROE) as was suggested by the Finance Department, GoUP.
- **Non-identification of locations of land parcels and unjustified allotment of land parcel at Noida:** The locations of land parcels for development were not identified by GoUP at the pre-bid stage to enable assessment of the value of land being given as a concession so as to arrive at a reasonable profit margin for the Concessionaire.
- **Ambiguous provisions in the bid:** GoUP took decisions at pre-bid stage which diluted the very spirit of execution of the project on PPP mode, *viz.:*

- The bid document provided an option to the bidders to execute the project either on joint venture basis with 25 *per cent* equity contribution by YEIDA or exclusively by the concessionaire. This provision allowed YEIDA to escape from equity participation, sharing of risks, benefits and responsibilities and was against the principles of PPP as it gave no return to the public sector and allowed bidders 100 *per cent* control over decision-making.
- The bid documents did not require bidders to quote separate concession periods for the two equity options (joint venture with YEIDA or 100 *per cent* exclusively by concessionaire). By not assessing the reasonableness of concession periods for both options, GoUP compromised transparency and accountability in project award and management.
- **Absence of conditions in the bid to allow reasonable margin:** No caps were placed in the bid documents on concession period to ensure that the Concessionaire receives only reasonable return on his investment.
- **Relinquishment of equity participation:** GoUP did not exercise due diligence while approving the decision for relinquishment of equity participation by YEIDA and accepted the Techno-Economic Feasibility Report/Detailed Project Report of the Concessionaire without analysing the financial pros and cons of implementation of the project without equity participation from YEIDA.
- **High Internal Rate of Return (IRR):** GoUP approved the project with 26 *per cent* IRR which was higher than the 20 *per cent* Return on Equity (ROE) considered as reasonable by the Finance Department, GoUP. Further, the possibility that the actual IRR may be higher than estimated IRR of 26 *per cent* cannot be ruled out as the expected cash inflow from sale of all the five land parcels was considered much less than the actual value of the land.
- **Fixation of Higher Toll Rates:** Even though GoUP was aware of the high IRR which excluded income from toll collection, the toll rates were fixed at rates which, after deducting O&M expenses, would give additional income to Concessionaire over and above the IRR of 26 *per cent*.
- **Exemption of stamp duty passed on prior to notification:** GoUP granted stamp duty exemption worth ₹ 9.98 crore to the Concessionaire before issuing the required notification, which was later provided retrospectively. The terms and conditions of the bid document and the Concession Agreement did not provide for any exemption from stamp duty and permitting this concession *post-facto* was undue benefit to the Concessionaire.

During the present performance audit records relating to implementation of Yamuna Expressway project were called for examination but the same were not furnished to Audit as reported at **Paragraph 1.13** and Sl. No. 16 of **Appendix-1.5**.

Audit objectives

1.10 The present performance audit was undertaken to holistically examine the working of YEIDA in various aspects of its functioning with an aim to bring to fore inadequacies in its functioning which would enable the Management to take corrective action and bolster its efficiency. Accordingly, the objectives of the performance audit were to ascertain whether:

- land was acquired for legitimate development purposes through lawful process and in accordance with the prescribed procedures;
- development and construction activities were carried out qualitatively in an economic, efficient and effective manner;
- costing of properties was done in accordance with the laid down guidelines and allotment/ sale of properties was done in a fair and transparent manner and in accordance with the prescribed procedures; and
- systems of internal control and redressal of customers' grievances/ complaints were functioning effectively.

Audit criteria

1.11 Following criteria were adopted for audit examination:

- Provisions of the UPIAD Act, 1976 and the National Capital Region Planning Board (NCRPB) Act, 1985 to assess the purpose for undertaking land acquisition;
- Provisions of the Regional Plan 2021 of the NCRPB, Sub-Regional Plan 2021 of GoUP and Master Plan, Zonal Plans, Zoning Regulations and Building Bye-Laws of YEIDA to assess legitimate development purposes of various land acquisitions;
- Provisions of the Land Acquisition Act, 1894, the Uttar Pradesh Land Acquisition (Determination of Compensation and Declaration of Award by Agreement) Rules, 1997 and the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 to assess whether land acquisitions were in accordance with the procedures and methods prescribed under these Acts and Rules;
- Guidelines/instructions from GoUP and the Board/CEO of YEIDA for costing of properties and fixing of premium/reserve price for allotment;
- Work procedure of YEIDA for execution of development works and its accounting to assess whether development cost was recovered through the costing of land;
- Property allotment policies, procedures and terms and conditions of brochures⁶ of schemes issued by YEIDA; and
- Administrative approvals, financial sanctions, technical sanctions, approvals/clearances/No Objection Certificates issued by concerned authorities and Contracts/agreements of YEIDA.

Scope and methodology of audit

1.12 The present performance audit covers the performance of YEIDA in various spheres of its functioning such as preparation of Master/Sector/Zonal Plans, acquisition of land, development of land, construction of properties, pricing of properties, allotment/sale of properties, regulation of construction activities and establishment of industries and internal control systems for the period from 2005-06 to 2020-21.

The sample for detailed examination in respect of land acquisition, contracts/agreements for development/construction works, allotment/sale of properties

⁶ Brochure is a document containing complete terms and conditions for the allotment of properties. Terms and conditions of the brochure are also included in the lease deed.

and sanction of maps was selected on the basis of stratified random sampling which is summarised in **Table 1.1** below:

Table 1.1: Details of sampling

Sl. No.	Particulars	Unit	Population details		Sample details			
			No.	Area/Value	No.	Area/Value	No. (in per cent)	Area/Value (in per cent)
1.	Acquisition of land under provisions of LAA, 1894	Hectare	310	10,344.2671	34	5,162.4999	10.97	49.91
2.	Acquisition of land through direct purchase	Hectare	4,868	2,313.9782	525	521.5065	10.78	22.54
3.	Acquisition of land through resumption	Hectare	334	804.9101	24	361.8330	7.19	44.95
4.	Development/ Construction - Civil works	₹ in lakh	596	2,41,364.27	95	86,330.98	15.94	35.77
5.	Development/ Construction - Electrical works	₹ in lakh	127	32,806.85	28	13,302.18	22.05	40.55
6.	Development/ Construction - Horticulture works	₹ in lakh	210	4,146.46	25	1,088.65	11.90	26.25
7.	Allotment/ sale of residential plots	Sqm	28,073	98,36,640.00	100	2,19,158.00	0.36	2.23
8.	Allotment/ sale of residential flats	Sqm	8,709	4,04,947.57	50	3,542.58	0.57	0.87
9.	Allotment/ sale of commercial plots	Sqm	16	2,036.00	16	2,036.00	100.00	100.00
10.	Allotment/ sale of shops/ showrooms/ offices in shopping complex	Sqm	13	711.43	13	711.43	100.00	100.00
11.	Allotment/ sale of residential township plots	Sqm	14	64,47,828.77	14	64,47,828.77	100.00	100.00
12.	Allotment/ sale of group housing plots	Sqm	5	4,95,722.00	5	4,95,722.00	100.00	100.00
13.	Allotment/ sale of industrial plots	Sqm	2,428	38,55,676.00	64	10,51,070.00	2.64	27.26
14.	Allotment/ sale of mixed land use plots	Sqm	9	23,10,851.00	6	21,47,039.00	66.67	92.91
15.	Allotment/ sale of institutional plots	Sqm	134	14,58,214.00	28	10,94,083.00	20.90	75.03
16.	Allotment/ sale of plots under 25-250 acre plot scheme	Sqm	14	21,06,441.68	9	12,96,668.60	64.29	61.56
17.	Allotment/ sale of plots under special development zone scheme	Sqm	1	1,08,53,327.00	1	1,08,53,327.00	100.00	100.00
18.	Approval of maps	Sqm	44	2,23,66,962.48	22	1,99,24,794.97	50.00	89.08

Source: Information furnished by YEIDA

In addition to above, records related to the concession agreement for implementation of Yamuna Expressway project and records of other wings of YEIDA, viz., Finance, Assets, IT System, Human Resource, Legal, Marketing etc., were also selected for examination during the performance audit.

Audit methodology included:

- explaining the audit objectives and methodology to the Addl. Chief Secretary of the IIDDD, GoUP and the Management of YEIDA in the Entry Conference held on 8 October 2021;
- scrutiny of records, analysis of data, raising audit queries and interaction with the officers of YEIDA to assess its performance;

- issue of draft Performance Audit Report along with recommendations to IIDD, GoUP and YEIDA on 27 September 2022 for obtaining their comments;
- discussion on replies/comments of IIDD, GoUP and YEIDA in Exit Conference held on 21 October 2022; and
- incorporation of replies (November 2022) of YEIDA⁷ and comments/views put forth by IIDD, GoUP/YEIDA in the Exit Conference in the Performance Audit Report.

During finalisation, the Performance Audit Report was revised and issued to IIDD, GoUP on 13 September 2023 for response. IIDD, GoUP again forwarded (October 2023) the replies of YEIDA originally furnished by it in November 2022. The replies have been duly considered and incorporated in the Performance Audit Report.

Scope limitation

1.13 YEIDA had not furnished records relating to implementation of Yamuna Expressway project and certain other records/information relating to acquisition of land, execution of development and construction activities, approval of maps, completion certificates, final bills and measurement books as detailed in **Appendix-1.5** up to closure of audit in April 2022 which adversely impacted the performance audit.

Recommendation No. 1

YEIDA may fix responsibility for not providing records/information during the course of audit.

Contents of the Performance Audit Report

1.14 The contents of this Performance Audit Report have been arranged under seven chapters which are as follows:

- I. General
- II. Planning
- III. Acquisition of land
- IV. Development and construction of properties
- V. Pricing of properties
- VI. Allotment of properties
- VII. Corporate Governance and Internal Control

Chapter I describes entrustment of audit, audit objectives, audit criteria, audit scope and audit methodology. The other six chapters contain audit findings on various aspects of functioning of YEIDA. Chapter VI –Allotment of properties is further divided in two sub-chapters, viz., allotment of residential township and group housing plots and allotment of industrial, institutional, mixed land use and other properties.

The audit observations in aforesaid chapters include instances of loss of revenue to YEIDA, short recoveries, undue benefits to allottees and avoidable/excess expenditure having money value of ₹ 8,125.52 crore.

⁷ IIDD, GoUP forwarded (January 2023) the replies of YEIDA furnished by it in November 2022.

Recommendation No. 2

The audit findings included in the Audit Report were observed in sample cases. YEIDA may examine similar issues in other remaining cases for remedial action.

Acknowledgement

1.15 Audit acknowledges the co-operation and assistance extended by YEIDA during conduct of this Performance Audit.