

**Report of the
Comptroller and Auditor General of India**

**Government of the Union Territory of Puducherry
Report No. 2 of 2026**

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PREFACE

This Report for the period ended March 2024 has been prepared for submission to the Lieutenant Governor under Section 49 of the Government of Union Territories Act, 1963.

The Report contains significant results of the Compliance Audit of the Departments of the Government of Union Territory of Puducherry under the General, Social and Economic (including Revenue) Service Sectors including Departments of Adi-Dravidar Welfare & Scheduled Tribes Welfare, Backward Classes & Minorities Welfare, Higher & Technical Education, Local Administration, Public Works, Revenue & Disaster Management, Rural Development, Tourism and Transport Departments.

The instances mentioned in this Report are those, which came to notice in the course of test audit for the period 2023-24 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 2023-24 are also included, wherever necessary.

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

OVERVIEW

OVERVIEW

This Report contains three Subject Specific Compliance Audits on (i) implementation of Mahatma Gandhi National Rural Employment Guarantee Act in the UT of Puducherry, (ii) implementation of Jal Jeevan Mission, (iii) E-Way bill system under Goods and Services Tax and eight compliance audit paragraphs.

The overall receipts and expenditure of Union Territory of Puducherry for the year 2023-24 was ₹ 12,183 crore¹ and ₹ 12,224 crore² respectively.

We observed several deficiencies in critical areas, which had adverse impact on effective functioning of Government Departments. Key audit findings contained in this report are as under:

Implementation of Mahatma Gandhi National Rural Employment Guarantee Act in the UT of Puducherry

Audit noticed that the UT Government did not frame Rules to carry out the provisions of MGNREG Act, as required in the Act. The baseline survey as per guidelines was not conducted. No separate Annual Development Plan and Labour Budget were prepared at the Gram Panchayat/Block/District level. There were gaps in the projected and actually generated person days and the Department failed to make projections of person days required so as to give 100 days of employment to all the willing Households. The UT Government did not release its proportionate share of ₹ 3.68 crore towards material component during 2022-24 and ₹ 1.24 crore diverted from material to administrative component which resulted in reduced execution of material works and non-creation of durable assets.

The employment generated was much less than the guaranteed 100 days of wage employment and average person days generated were 16.02, 19.61 and 41.69 respectively in the three blocks during the years 2021-24. Only 82 Households were given 100 days of employment in all the three blocks.

Major portion of works executed were desilting and deepening of water bodies resulting in non-creation of durable assets. There were shortfalls in conduct of inspection of works by District Programme Officer. Social Audit was not conducted since the inception of the scheme. No grievance redressal mechanism, such as complaint register, was maintained for resolving complaints.

(Paragraph 2.1)

¹ Revenue receipts - ₹ 10,042 crore; Recovery of Loans and Advances - Nil; Public Debt receipts - ₹ 1,269 crore and Public Account receipts - ₹ 872 crore.

² Revenue expenditure - ₹ 10,066 crore and Capital expenditure (inclusive of Public Account Disbursements) - ₹ 2,158 crore.

Implementation of Jal Jeevan Mission

Audit noticed that though all the 1,14,969 households in the two districts of the UT of Puducherry were provided with Functional Household Tap Connections, as per the e-Jalsakthi portal, scrutiny of records of 26 sampled villages showed that 3,459 households out of 24,927 households did not have Functional Household Tap Connections as of March 2024. The Functional Household Tap Connections were installed outside houses, near doorsteps, instead of the recommended delivery points at kitchen, washing/bathing area and toilet.

Delay in submission of proposals and unutilised funds led to receipt of only ₹ 9.53 crore from GoI during 2019-24, as against allocation of ₹ 55.19 crore. Out of 92 works approved under JJM, five works were not taken up, 81 works were completed and six works are pending completion. It was observed that no water meters were installed in the UTP either at water source (borewells, sumps, tanks) or households connected with FHTCs. Non-installation of water meters at both source and delivery point resulted in the absence of measurement of water supplied, thereby precluding consumption-based billing, which could have reduced water wastage and encouraged efficient water usage.

Despite groundwater being the sole source of drinking water in the Districts of Puducherry and Karaikal and even though it is classified as critical, no rainwater harvesting systems were implemented including in areas facing severe water shortages in summer.

Under AAP 2022-23, seven water augmentation works were taken up (*i.e.*, one year before the closure of mission). Delay in according expenditure sanction coupled with slow progress of works resulted in non-completion of these works even after three years of approval, thereby defeating the objectives of JJM.

Inadequate coverage of water quality testing was also observed. The percentage of test conducted across CPs, excepts Kottucherry and Nedungadu, ranged between 15 *per cent* and 35 *per cent*, indicating gaps in monitoring, particularly at the end user consumption level. Further, test reports revealed instances of chemical contamination in the supplied water beyond the permissible limits.

In the 10 CPs, 204 OHTs and 120 sumps were available for water storage and distribution. However, scrutiny of record of nine CPS revealed inadequate maintenance, as 11 OHTs and sumps were not cleaned even once during 2019-20 to 2023-24, while 135 out of 204 OHTs were cleaned only one to four times during the period. These lapses indicated non-adherence to CPHEEO norms and posed potential risks to water quality and public health.

Eighty to hundred *per cent* beneficiaries in three out of 26 villages surveyed reported dry connections and non-supply of water.

(Paragraph 2.2)

E-Way Bill System under Goods and Services Tax

The Subject Specific Compliance Audit (SSCA) on E-Way Bill System (EWB) under GST was undertaken to examine whether EWB mechanism was functioning in protecting revenue interest of the Government and to examine whether the preventive/enforcement activities of the Department in enforcing EWB mechanism were efficient and effective.

Audit observed certain deficiencies in the EWB system as it allowed generation of EWBs by nil filers and non-filers of GST returns, by cancelled taxpayers and by composition taxpayers making interstate supplies. The system also allowed generation of multiple EWBs for single invoices, payment of taxes in deviation of applicable tax rates to the HSN codes declared in EWBs. These deficiencies had a consequential impact of non/short discharge of tax liability and potential risk of passing on ineligible ITC. Audit also observed cases where EWBs were generated but the transactions were not reported in GSTR-1 returns, transactions were reported in GSTR-1 without generating EWBs, transactions were reported in GSTR-1 without payment of tax in GSTR-3B, taxpayers availing ITC without inwards EWBs and movement of prohibited goods through EWBs.

Further, the operational preparedness of the Department for enforcement functions could be further strengthened and deficiencies relating to non-utilisation of available resources *viz.*, analytical reports and MIS reports. Audit also observed that Proper Officers were not following the due process in assessment and collection of Government dues during interception of vehicles. Audit also encountered scope limitation due to non-production of documents/information related to cancelled EWBs, time extended EWBs and EWBs rejected by the recipient etc. Further, records/data pertaining to details of booked cases or the related files, patrolling of vehicles, manpower and conduct of inspection etc., were also not furnished to Audit.

(Paragraph 3.7)

Audit Paragraphs

Land acquired at a cost of ₹ 13.46 crore for Indira Gandhi College of Arts and Science, Puducherry remained unutilised for over 15 years due to absence of approach road, leaving the objective unfulfilled.

(Paragraph 2.3.1)

Due to non-provision of necessary funds by the Adi-Dravidar Welfare and Scheduled Tribes Welfare Department, incomplete structure of a Multipurpose Hall constructed upto grade beam level at a cost of ₹ 4.46 crore has remained incomplete for the past four and a half years, rendering the expenditure unfruitful.

(Paragraph 2.3.2)

Hostel constructed for Other Backward Classes girls remained unutilised, since inauguration, due to its isolated location resulting in unfruitful expenditure of ₹ 1.98 crore and additional expenditure of ₹ 0.93 crore towards construction of compound wall and cost escalation.

(Paragraph 2.3.3)

Imprudent planning of PWD in construction of Western bypass (Phase-I - Reach-II) in Karaikal resulted in infructuous expenditure of ₹ 2.64 crore.

(Paragraph 2.4.1)

Due to failure on the part of PWD which led to foreclosure of the work of Development of Pathways and Ghat along Godavari River in Yanam, the UT of Puducherry could not avail GoI funds to the tune of ₹ 2.31 crore.

(Paragraph 2.5.1)

Short collection of Motor Vehicles tax and penalty for heavy passenger motor vehicle with contract carriage permits amounting to ₹ 14.30 crore.

(Paragraph 3.8.1)

Short collection of stamp duty and registration fees of ₹ 36.90 lakh due to misclassification of conveyance deeds as cancellation deeds.

(Paragraph 3.8.2)

Failure to ensure recovery of the concessional stamp duty availed by the women beneficiaries, by violating the conditions resulted in non-remittance of stamp duty of ₹ 10.83 lakh.

(Paragraph 3.8.3)

CHAPTER I

INTRODUCTION

CHAPTER I

INTRODUCTION

1.1 About this Report

This Report of the Comptroller and Auditor General of India (CAG) on Government of the Union Territory (UT) of Puducherry relates to matters arising from Compliance Audit of selected programmes and activities of Government Departments.

The primary purpose of the Report is to bring important results of audit to the notice of the UT Legislature. Auditing Standards require that the materiality level for reporting should commensurate with the nature, volume and magnitude of transactions. The audit observations are expected to enable the Executive to take corrective action as also to frame policies and directives that will lead to improved management of the organisations, thus, contributing to better governance.

Compliance Audit refers to examination of the transactions relating to expenditure, receipt, assets and liabilities of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by the competent authorities are being complied with.

This Chapter presents the profile of audited entities, authority for audit besides the planning and extent of audit and follow-up on the previous Audit Reports. Chapter II contains audit observations arising out of Compliance Audit of Government Departments. Chapter III contains the audit observations arising out of audit of Revenue Receipts and Chapter IV contains findings arising out of Commercial and Trading Activities of Government.

1.2 Profile of audited entities

There are 42 Departments in the Union Territory headed by Development Commissioners/Secretaries, who are assisted by Directors and sub-ordinate officers. There are 13¹ Government Companies and 72 Autonomous Bodies.

The entities in UT of Puducherry are audited by the Principal Accountant General (Audit-II), Tamil Nadu and Puducherry.

¹ Includes one non-working PSE (PELECON).

The comparative position of receipts of the UT Government and expenditure incurred by the UT Government during the year 2023-24 and in the preceding two years are given in **Tables 1.1** and **1.2**.

Table 1.1: Comparative position of receipts

	(₹ in crore)		
Receipts	2021-22	2022-23	2023-24
Revenue receipts	7,859	9,635	10,042
Tax revenue	3,236	3,574	3,889
Non-tax revenue	2,184	1,964	2,535
Grants-in-Aid and contributions	2,439	4,097	3,618
Capital receipts	Nil	Nil	Nil
Recovery of loans and advances	Nil	Nil	Nil
Public Debt receipts	2,516	1,271	1,269
Public Account receipts	568	1,030	872
Total receipts	10,943	11,936	12,183

(Source: Finance Accounts of respective years)

Table 1.2: Comparative position of expenditure

	(₹ in crore)		
Expenditure	2021-22	2022-23	2023-24
Revenue expenditure			
General services	2,787	2,915	3,107
Social services	2,761	3,379	3,813
Economic services	3,200	2,675	3,146
Grants-in-Aid and contributions	Nil	Nil	Nil
Total	8,748	8,969	10,066
Capital expenditure			
Capital expenditure	163	317	439
Loans and Advances disbursed	Nil	Nil	Nil
Repayment of Public Debt	891	1,472	957
Contingency Fund	Nil	Nil	Nil
Public Account disbursements	567	827	762
Total	1,621	2,616	2,158
Grand Total	10,369	11,585	12,224

(Source: Finance Accounts of respective years)

1.3 Authority for audit

The authority for audit by the Comptroller and Auditor General of India is derived from Article 149 of the Constitution of India and the CAG's (Duties, Powers and Conditions of Service) Act, 1971. CAG conducts audit of expenditure and receipts of the Departments in the UT of Puducherry under Sections 13² and 16³ of CAG's (DPC) Act. CAG is the sole auditor in respect of three Autonomous Bodies, which are audited under Sections 15⁴ and 19(2)⁵ of CAG's (DPC) Act. In addition, CAG conducts audit of 70 other Autonomous/ Local Bodies, under Section 14⁶ of CAG's (DPC) Act, which are substantially funded by the Government.

The financial statements of the Government Companies (as defined in Section 2(45) of the Companies Act, 2013) are audited by Statutory Auditors, who are appointed by CAG as per the provisions of Section 139(5) or (7) of the Act. The Statutory Auditors are required to submit a copy of the Audit Report to CAG, which among other things, include financial statements of the Company as per Section 143(5) of the Act. These financial statements are subject to supplementary audit to be conducted by CAG within 60 days from the date of receipt of the Audit Report under the provisions of Section 143(6) of the Companies Act, 2013.

1.4 Planning and conduct of audit

Audit process starts with the assessment of risks faced by various Departments, Corporations and Government Companies based on expenditure incurred, revenue collected, criticality, complexity of activities, level of delegated financial powers, assessment of overall internal controls and concerns of stakeholders. Previous audit observations are also considered in this exercise. Based on this risk assessment, the frequency and extent of audit are decided. An annual audit plan is formulated to conduct audit on the basis of such risk assessment.

² Audit of (a) all expenditure from the Consolidated Fund of UT having a Legislative Assembly, (b) all transactions relating to the Contingency Fund and Public Accounts and (c) all trading, manufacturing, profit and loss accounts, balance sheets and other subsidiary accounts kept in Government Departments.

³ Audit of all receipts, which are payable into the Consolidated Fund of UT having a Legislative Assembly.

⁴ Audit of accounts of a body or authority to which grant or loan is given from Consolidated Fund of UT for any specific purpose.

⁵ Audit of the accounts of Corporations (not being companies) established by or under law made by Parliament.

⁶ Audit of all receipts and expenditure of a body/authority substantially financed by grants or loans from the Consolidated Fund of UT having a Legislative Assembly.

After completion of audit of each unit, Inspection Reports (IRs) containing audit observations are issued to the Heads of the Department, Corporations and Companies. The Departments, Corporations and Government Companies are requested to furnish replies to the audit observations within one month of receipt of IRs. Whenever replies are received, audit observations are either settled or further action for compliance is advised. Important audit observations arising out of these IRs are processed for inclusion in the Audit Report of CAG of India, which is submitted to the Lieutenant Governor of UT of Puducherry under Article 151 of the Constitution of India and Section 49 of the Union Territories Act, 1963.

1.5 Response to Audit

1.5.1 Inspection Reports

A review of Inspection Reports (IRs) issued up to 31 March 2024 revealed that 3,364 paragraphs relating to 728 IRs remained outstanding at the end of September 2024 (**Appendix 1.1**).

Large pendency of IRs was indicative of the fact that Heads of Offices and Heads of Departments did not initiate appropriate and adequate action to rectify the defects, omissions and irregularities pointed out in the IRs.

1.5.2 Audit Paragraphs

Eleven Audit Paragraphs including three Subject Specific Compliance Audits viz., (i) Implementation of Mahatma Gandhi National Rural Employment Guarantee Act in the UT of Puducherry, (ii) Implementation of Jal Jeevan Mission in the UT of Puducherry, (iii) E-Way Bill System under Goods and Services Tax (GST) which were forwarded demi-officially to the Secretaries of the Departments concerned between June 2025 and August 2025 to send their responses within four weeks. Replies of Heads of Department and the views expressed by the representatives of the Government during Exit Conferences/ Exit meetings were also considered while finalising the Report.

1.5.3 Recommendations

This Report contains specific recommendations on a number of issues involving non-observance of the prescribed internal procedure and systems, compliance with which would help in promoting good governance and better oversight on implementation of departmental programmes and objectives at large. The UT Government is requested to take cognizance of these recommendations and take appropriate action in a time bound manner.

1.6 Follow-up on the Audit Reports

The Public Accounts Committee (PAC) of the Legislature of the UT of Puducherry prescribed a time limit of three months from the date of placement of the Audit Reports in Legislature to the Departments for furnishing replies on the audit observations included in the Audit Reports indicating the corrective action taken or proposed to be taken by them. The position of pendency of paragraphs/recommendations, for which replies and Action Taken Notes (ATNs) were not received is shown in **Table 1.3**.

Table 1.3: Explanatory notes not received (as of March 2025)

Year of the Audit Report	Date of placement of Audit Report in the UT Legislature	Number of audit paragraphs in Audit Report			Number of audit paragraphs for which explanatory notes were not received		
		Civil	Revenue	Commercial	Civil	Revenue	Commercial
2017-18	30.03.2020	8	3	1	6	3	1
2018-19	02.09.2021	5	2	1	5	2	--
2019-20	29.08.2022	6	--	--	6	--	--
2020-21	23.03.2023	6	1	--	6	1	--
2021-22	12.02.2025	4 + 2 [#]	3	1	4 + 2 [#]	3	1
Total		29 + 2[#]	9	3	27 + 2[#]	9	2
Grand Total		41+2[#]			38+2[#]		

Includes two stand-alone Performance Audit Reports viz., PA on SWM and PA on PHIMHS

From **Table 1.3**, it could be seen that out of 41 audit paragraphs and two Performance Audits, explanatory notes to 38 audit paragraphs and two Performance Audits were awaited (July 2025).

The status of PAC discussion in respect of Reviews/Paragraphs present in the Audit Reports is shown in **Table 1.4**.

Table 1.4: Reviews/Paragraphs appeared in Audit Reports vis-a-vis yet to be discussed (as of March 2025)

Period of the Audit Report	Number of audit paragraphs appeared in Audit Report				Number of audit paragraphs yet to be discussed
	Civil	Revenue	Commercial	Total	
2017-18	8	3	1	12	43 audit paragraphs yet to be discussed
2018-19	5	2	1	8	
2019-20	6	-	-	6	
2020-21	6	1	-	7	
2021-22	4 + 2 [#]	3	1	8 + 2 [#]	
Total	29 + 2[#]	9	3	41 + 2[#]	

From **Table 1.4**, it could be seen that, 43 audit paragraphs in the Audit Reports for the period from 2017-18 to 2021-22 are yet to be discussed by PAC.

The compliance position of various Departments to PAC recommendations is shown in **Table 1.5**.

Table 1.5: Compliance to PAC Reports

Year of the PAC Report	Total number of PAC Reports	Total number of recommendations in PAC Report			Number of recommendations where ATNs not received		
		Civil	Revenue	Commercial	Civil	Revenue	Commercial
Up to 2010-11	15	984	50	101	210	12	30
2011-12	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2012-13	1	119	14	21	48	11	15
2013-14	2	84	18	25	65	10	22
2014-15	2	76	31	36	39	17	18
Action Taken Reports on PAC recommendations not received during 2015-16 to 2023-24							
Total	20	1,263	113	183	362	50	85
Grand Total		1,559			497		

As of March 2025, ATNs in respect of 497 recommendations made by PAC pertaining to Audit Reports for the period 1988-89 to 2008-09 are still pending. In respect of PAC Reports from the year 2009-10 to 2016-17, the ATNs on the recommendations of PAC are awaited.

1.7 Scope of this Report

This Report of the CAG relates to matters arising from the Audit of nine Government Departments. Chapter II includes two Subject Specific Compliance Audits (SSCA) viz., (i) Implementation of Mahatma Gandhi National Rural Employment Guarantee Act in the UT of Puducherry, (ii) Implementation of Jal Jeevan Mission in the UT of Puducherry. Chapter III discusses the trend of revenue receipts and response of the Departments/ Government towards audit and one Subject Specific Compliance Audit on E-Way Bill System under GST. Chapter IV gives an introduction on Public Sector Enterprises. Apart from the above, there are also eight Audit paragraphs. These are discussed in Chapters II and III. The audit observations discussed in the paragraphs in the chapters are observed from the test-check of records in the selected offices.

CHAPTER II

COMPLIANCE AUDIT

CHAPTER II

COMPLIANCE AUDIT

This Chapter contains the results of Compliance Audit of various departments of the Government, their field formations and Autonomous Bodies. Instances of lapses in the management of resources and deficiencies in observance of the norms of regularity, propriety and economy are presented in the succeeding paragraphs.

RURAL DEVELOPMENT DEPARTMENT

2.1 Subject Specific Compliance Audit on Implementation of Mahatma Gandhi National Rural Employment Guarantee Act in the UT of Puducherry

2.1.1 Introduction

2.1.1.1 *Background of Mahatma Gandhi National Rural Employment Guarantee Act*

Government of India (GoI) enacted the National Rural Employment Guarantee Act, 2005, which was subsequently renamed as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) (hereafter referred as the Act) in October 2009. The mandate of the Act is to enhance the livelihood security of the households in rural areas of the country by providing at least 100 days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work.

Government of Puducherry notified the Scheme ‘The National Rural Employment Guarantee Scheme, Puducherry’ in May 2008 (hereafter referred as UT Scheme) as required under Section 4 of the Act.

There are two Districts in the UT of Puducherry viz., Puducherry and Karaikal which include four regions viz., Puducherry, Karaikal, Mahe and Yanam. Out of 12.48 lakh population in the UT (2011 census), 3.95 lakh (31.70 per cent) are living in the rural areas. Both Puducherry (except urban regions viz., Mahe and Yanam) and Karaikal Districts were notified under the Act.

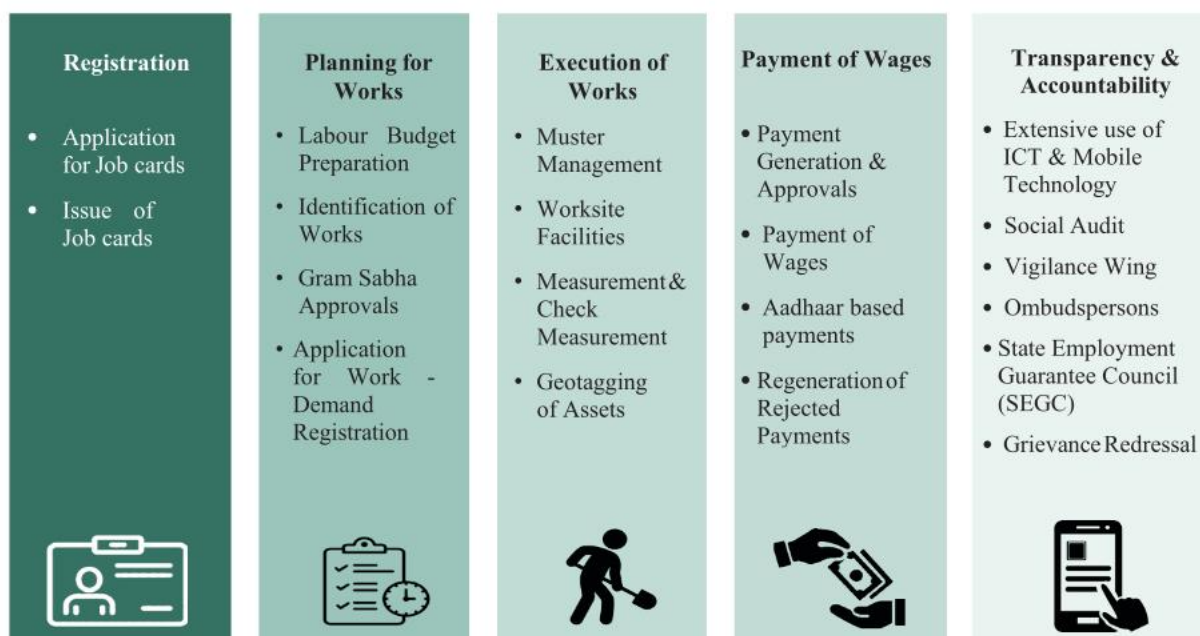
2.1.1.2 Goals of the Act

- Social protection for the most vulnerable people living in rural India by providing employment opportunities.
- Livelihood security for the poor through creation of durable assets, improved water security, soil conservation and higher land productivity.
- Drought-proofing and flood management in rural India.
- Empowerment of the socially disadvantaged, especially women, Scheduled Castes (SCs) and Scheduled Tribes (STs) through the process of a rights-based legislation.
- Strengthening decentralised, participatory planning through convergence of various anti-poverty and livelihood's initiatives.
- Deepening a democracy at the grassroots by strengthening Panchayati Raj Institutions
- Effecting greater transparency and accountability in governance.

2.1.1.3 Overview and process

An overview of the implementation of the MGNREGA and the process is detailed in the **Chart 2.1**.

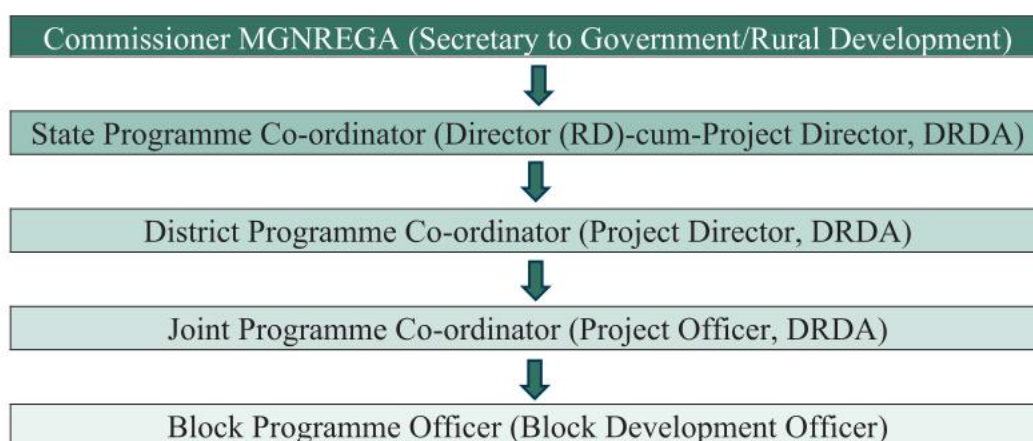
Chart 2.1: MGNREGA implementation process



2.1.1.4 Organisational Structure

The Organisational structure for the implementation of the Scheme at the UT, District and Block levels is given in the **Chart 2.2**.

Chart 2.2: Organisational structure for the implementation of the Scheme



DRDA: District Rural Development Agency

(Source: Information furnished by the Rural Development Department, Puducherry)

2.1.2 Audit Framework

2.1.2.1 Audit Objectives

The objectives of the Subject Specific Compliance Audit on the implementation of MGNREGA in the UT of Puducherry were to assess whether:

- the planning process and financial management practices were adequately geared towards achieving the goals of the Act, while adhering to relevant rules and regulations.
- Employment was adequately generated, leading to social protection and livelihood security as envisaged.
- durable and useful assets were created and maintained in compliance with rules and regulations, while ensuring convergence with other programmes/schemes.
- appropriate and adequate monitoring, social audits and grievance redressal systems were in place to achieve greater transparency and accountability.

2.1.2.2 Audit Scope and Methodology

An Entry Conference was held on 03 July 2024 with the Secretary to Government (Rural Development), Government of Puducherry, wherein the audit objectives, criteria, scope and methodology of the Subject Specific Compliance Audit (SSCA) were discussed. The SSCA covered the period 2021-22 to 2023-24. The field audit was carried out from July to November 2024, through scrutiny of records/documents at the UT, District, Block (including the Gram Panchayats (GPs)) levels. In this SSCA, the two Districts *i.e.*, Puducherry and Karaikal covering three Blocks *viz.*, Ariyankuppam, Villianur and Karaikal (two Blocks from Puducherry District

and one Block from Karaikal District) and 18 GPs¹ (six GPs from each selected Block) were selected for the field audit. Sampling of the GPs was done based on expenditure incurred using Probability Proportional to Size without Replacement method.

Out of total 3,770 works taken up during 2021-24 involving money value of ₹ 97.09 crore, 180 works (10 works from each of the 18 selected GPs) involving a money value of ₹ 17.77 crore were selected for Joint Physical Verification. Besides, a beneficiary survey among 216 registered workers (12 beneficiaries from each of the 18 selected GPs) were also carried out. The results of beneficiary survey have been included as findings. An Exit Conference was held on 15 May 2025 with the Secretary to Government (Rural Development), Government of Puducherry, wherein the audit findings of the SSCA were discussed. The Government replies (August 2025) to the report have been suitably incorporated in the relevant paragraphs.

2.1.2.3 Audit Criteria

Audit Criteria adopted for the SSCA are:

- Mahatma Gandhi National Rural Employment Guarantee Act, 2005, Operational Guidelines 2013, Amendments thereto and Rules issued under the Act;
- Annual Master Circulars issued by the Ministry of Rural Development (MoRD), GoI;
- National Rural Employment Guarantee Scheme, Puducherry, 2008; and
- GOs, Circulars and Instructions, Guidelines etc., issued by the GoI and the UT Government from time to time.

2.1.2.4 Acknowledgement

Audit acknowledges the co-operation extended by the Directorate of Rural Development Department, District Rural Development Agency, Puducherry, and all the three Block Development Offices viz., Ariyankuppam, Villianur and Karaikal during the conduct of this SSCA.

2.1.2.5 Audit Constraints

The methodology adopted to arrive at the budgeted person days and works proposed could not be examined in Audit as the maintenance of records² was

¹ Six GPs from each selected Block.

² Files relating to preparation of Labour Budgets and its approval by MoRD, preparation of proposal for release of administrative funds and material funds, employment register etc.

poor. Hence, Audit used the data available in the NREGASoft³ portal and Audit conclusions have been made mainly based on the replies furnished by the Department/Blocks.

2.1.3 Audit Findings

2.1.3.1 Non-compliance with provisions of the Act and the Operational Guidelines

Non-compliance with various provisions of the Act and the Operational Guidelines, 2013 (Guidelines) is enumerated in **Table 2.1**.

Table 2.1: Non-Compliance to Act and MGNREGA Scheme Guidelines

Non-compliance to the provisions of the Act/Guidelines	Impact	Reply and rebuttal
Section 32 of the Act read with Para 2.4.2 of MGNREGA Operational Guidelines, 2013: Non-framing of Rules for the implementation of the Act		
The UT Government did not frame Rules to carry out the provisions of the Act such as procedure for payment of unemployment allowance, the manner of utilisation of State Employment Guarantee Fund (SEGF), constitution of Grievance Redressal mechanism etc.	Non-formulation of rules had resulted in non-formulation of the SEGF and absence of mechanism for the payment of unemployment allowance etc.	Government replied (August 2025) that the formal notification of the Rules under section 32 of the MGNREGA has not been undertaken in the UT and assured that steps are being taken to formulate and notify the rules in alignment with central guidelines.
Section 12(1) of the Act: Non-constitution of the State Employment Guarantee Council		
The UT Government did not re-constitute State Employment Guarantee Council (SEGC) since September 2022 for the purposes of regular monitoring and reviewing the implementation of the Act at the State level.	The non-re-constitution of the SEGC had resulted in execution of similar nature of works, inadequate monitoring of the scheme, non-dissemination of information of the Act, reviewing the monitoring and redressal mechanisms from time to time, as discussed in this Report (<i>vide Paragraphs 2.1.4, 2.1.6, 2.1.7, 2.1.8 and 2.1.9</i>).	Government replied (August 2025) that action is being taken to constitute the SEGC and the proposal is under consideration of the competent authority for approval.
Para 4.4.3 of Guidelines: Non-formation of District level Technical Committees		
District level Technical Committees envisaged to guide the implementation of the Act were not constituted.	In the absence of District level Technical Committees, schedule of rates for common tasks under MGNREGA were not prepared.	Government replied (August 2025) proposal for setting up of Quality Monitoring Committee for MGNREGA is under process and once established this Committee will function as District level Technical Committee for MGNREGA.

³ NREGASoft portal is a local language enabled workflow-based e-Governance system and is available in offline as well as online mode to capture all the activities under NREGA at Center/State/District/Block and Panchayat level.

Non-compliance to the provisions of the Act/Guidelines	Impact	Reply and rebuttal
Section 21 of the Act read with Para 12.3.1 of Guidelines: Non-constitution of State Employment Guarantee Fund		
The UT Government had neither established the SEGF, which would consist of the cost of unemployment allowance, one-fourth of the material cost and administrative expenses of the SEGC nor SEGF Rules have also been formed.	Non-constitution of SEGF and non-framing of Rules indicated absence of a comprehensive framework to effectively manage the receipt, transfer and utilisation of financial resources under the Scheme to meet out the cost of unemployment allowance and UT share of material cost. Para on Non-release of UT share towards material component has been commented (Paragraph 2.1.5.2).	Government replied (August 2025) necessary proposal under submission for seeking SEGF.
Para 7.16.1 of the Guidelines: Shortfall in the uploading of geo-tagged photos on completion of the works		
Though the works were stated to have been completed as per the NREGASoft portal, the stage three photos had not been uploaded in the portal.	Violation of scheme guidelines: Our Audit also showed that the photos of earlier stages were not used to draw an assurance on the execution of work.	Government replied (August 2025) that due to constraints such as limited technical manpower etc., the geo-tagged stage III photos could not be completed within the time limit, however, instructions have been issued to Block level to upload pending stage III photographs.
Para 8.9 of the Guidelines - Non-coverage of workers under Janashree Bima Yojana		
MGNREGA workers were not covered under the Janashree Bima Yojana and the Rashtriya Swasthya Bima Yojana schemes in any of the Blocks which provides life coverage and disability benefits to the rural people.	The non-provision of insurance schemes to MGNREGA workers may likelihood to expose them to financial instability during emergencies.	BDOs replied that no instructions were received from the District/directorate level agencies to cover the workers under these insurance schemes. Government replied (August 2025) directions are being issued to the field functionaries to identify active MGNREGA workers and co-ordinate with the concerned departments to facilitate their enrolment under the available insurance and health benefit schemes.

(Source: Guidelines/Act/Government reply)

2.1.4 Planning

Effective planning is the backbone of the implementation of the Act. It involves a decentralised, bottom-up approach to ensure that local needs are reflected in the implementation of the scheme.

Audit analysed availability of institutional mechanisms and the process of planning for the implementation of the scheme at the GPs, Blocks and at the District level and the findings are discussed in the succeeding paragraphs.

2.1.4.1 Non-conduct of baseline survey

Para 6.2 of the Guidelines stipulates that a survey of job card holders was to be mandatorily conducted in every GP to prepare a baseline to assess the quantum and timing of demand for employment in the GP. The baseline survey was to be done in 2012-13, so that the surveys for all the GPs can be completed in 2013-14 itself.

Audit observed that baseline survey was not conducted as required. Government replied (August 2025) that the baseline survey has not been conducted in the UT due to administrative and resource constraints. It was assured that the matter is now being actively pursued, and discussions are underway with the National Institute of Rural Development and Panchayati Raj (NIRDPR), Hyderabad, to undertake the baseline survey in a comprehensive and scientific manner across all rural Blocks of the Union Territory.

2.1.4.2 Preparation of Labour Budget/Annual Development Plan

Chapter 3 of the Guidelines describes the steps required for setting up of systems to accurately record the demand for work by the wage-seekers and to make prior assessment of the quantum of works likely to be demanded. This matching of demand and supply of work forming the basis of planning under the MGNREGA, is to be achieved through the preparation of a Labour Budget (LB)⁴.

Further, Paragraph 6.3 of the Guidelines provides that the projects to be taken up as part of the LB should emerge from an integrated plan for local development. The Annual Development Plan (ADP) has to be consolidated at District level, based on inputs from Block level and GP.

When the files and the connected records relating to LB and ADP were requested, the DRDA did not produce any records and stated that the District level plans/LB had been prepared, approved and submitted to the GoI in time for the release of central share.

In the absence of ADP, the Department could not ascertain the actual labour demand, identify works to meet the estimated labour demand or estimate the cost of works and wages and benefits expected in terms of employment generated along with the physical improvements. Thus, the Department failed to identify the needs and resources of different stakeholders as prescribed in the

⁴ Includes (i) the anticipated quantum of demand for work, (ii) the precise timing of the demand for work and (iii) a plan that outlines the quantum and schedule of works to be provided to those who demand works.

guidelines *ibid* which had resulted in meagre execution of material works in the GPs and non-creation of any durable assets.

Government replied (August 2025) that approved Shelf of projects at Grama Sabha along with resolution was uploaded in the NREGASoft portal at Block level which was consolidated as District as well as State DPC/SPC as proposal for LB every year.

The reply is not tenable as scheme guidelines mandates preparation of separate ADPs at GP level by following necessary steps prescribed in the guidelines. Audit further verified the LB details available in the NREGASoft portal and found that most of the GPs have not entered the labour projection and work projection details in the portal in violation of the guidelines.

2.1.4.3 Gap in the projected and achieved person days

In the absence of physical records relating to preparation of LB, Audit analysed the data available in the NREGASoft portal and observed variations between the projected and actually generated Person Days (PDs) during 2021-24 as discussed below.

The District-wise⁵ PDs generated against the projected PDs for SC/ST and others during 2021-24 as per the NREGASoft portal are as given in the **Appendix 2.1** and **Table 2.2**.

Table 2.2: Person Days projected and generated

Categories	PDs projected	PDs generated	Shortfall	(in lakh)
				Shortfall (in per cent)
SC	11.63	10.50	1.13	9.72
ST	0.13	0.09	0.04	30.77
Others	26.24	25.74	0.50	1.90
Total	38.00	36.33	1.67	4.39

(Source: Data furnished by the Department)

It was noticed that the PDs generated were lesser than PDs projected during the period 2021-22 to 2023-24, in each of the categories viz., SC, ST and others. The variation ranged between 1.90 *per cent* in the category “Others” and 30.77 *per cent* in respect of STs.

Though the Department projected 38 lakh PDs during 2021-24 and achieved 36.33 lakh PDs (96 *per cent*), the actual generation of PDs on an average in all the three Blocks⁶ during 2021-24 were only 27.28 PDs per household. This indicated that the Department failed to make projections of PDs required so as

⁵ Puducherry and Karaikal.

⁶ Ariyankuppam, Villianur and Karaikal.

to give 100 days of employment to all the willing households (HHs) as per the objective of the scheme.

Government replied (August 2025) that variations in monthly PDs are influenced by seasonal factors, climatic conditions and agricultural cycles. However, efforts are being taken to smoothen the employment curve by advance planning of shelf of projects, spreading out of works over financial year and aligning implementation with local demand pattern to ensure more uniform distribution of work opportunities.

2.1.5 Financial Management

The MGNREGA is a centrally sponsored demand driven employment programme, which is implemented on a cost sharing basis between GoI and the UT Government as shown in the **Table 2.3**.

Table 2.3: Funding pattern under MGNREGA

Details of component	Central share	UT share
Wages for unskilled manual workers	100 per cent	Nil
Wages for skilled and semi-skilled workers	75 per cent	25 per cent
Cost of material	75 per cent	25 per cent
Unemployment allowance	Nil	100 per cent
Compensation for delay in payment of wages	Nil	100 per cent
Administrative Expenditure	100 per cent	Expenditure of SEGC, if any

(Source: MGNREGA Guidelines)

2.1.5.1 Funds released and expenditure incurred under MGNREGA

The funds released and expenditure incurred there against during 2021-24 are given in the **Table 2.4**.

Table 2.4: Receipt and Expenditure details under MGNREGA during 2021-24

(₹ in crore)													
Year	OB	Grants-in-Aid from GoI			Other Receipts	Loans from other Schemes	Total Receipts	Expenditure				Total Expenditure	Closing Balance
		Wage	Material	Admin	Bank Interest + others			Wage	Material	Admin	Repayment of loan		
	1	2	3	4	5	6	7=2+3+4+5+6	8	9	10	11	12=8+9+10+11	13=(1+7)-12
2021-22	2.17	13.09	0.00	0.00	0.00	1.64	14.73	13.09	0.47	2.01	1.20	16.77	0.13
2022-23	0.14	18.70	3.73	0.56	0.05	0.55	23.59	18.61	1.94	1.67	0.20	22.42	1.31
2023-24	1.33	52.60	7.30	1.07	0.05	0.50	61.52	52.69	2.10	2.75	0.45	57.99	4.86
Total		84.39	11.03	1.63	0.10	2.69	99.84	84.39	4.51	6.43	1.85	97.18	

(Source: Data furnished by the Department)

Audit scrutinised the financial data provided by the Department and the observations are discussed in the succeeding paragraphs.

2.1.5.2 Non-release of the UT share

Government of India had clearly stated in its fund sanction orders that the expenditure of material component including wages of skilled and semi-skilled labour would be shared between the Central and UT in the ratio of 75:25. Further, the UT Scheme also provided that the UT Government shall release the proportionate amount to the District Programme Co-ordinator within 15 days from receipt of GoI funds for operating the District Employment Guarantee Fund.

It was noticed that no funds towards material component were released by GoI to UT in 2021-22. As against the release of ₹ 3.73 crore in 2022-23 and ₹ 7.30 crore in 2023-24 released by GoI, the UT Government did not release its proportionate share of ₹ 1.24 crore and ₹ 2.43 crore.

Government replied (August 2025) that due to fiscal constraints and delays in internal approvals, the matching UT share could not be released in timely manner.

2.1.5.3 Funds under administrative component

(i) Diversion of funds from material component to administrative component

Government of India released ₹ 11.03 crore towards material component during 2022-23 and 2023-24, however, expenditure incurred on the material component was only ₹ 4.51 crore. Though GoI had released ₹ 1.63 crore only towards administrative component during the same period, expenditure incurred on the same was ₹ 4.51 crore. Thus, it is evident from the above that funds intended for material component has been diverted to administrative component, which resulted in reduced execution of material works.

The Government while accepting the Audit observation (August 2025) stated that such diversion was not in accordance with the prescribed financial norms of the scheme. However, steps are being taken to ensure this does not happen in future.

(ii) Excess expenditure of Administrative Fund by the UT

As per Para 12.5.2 and 12.5.3 of Guidelines, GoI provides up to six *per cent* of the total expenditure incurred on the scheme in a Financial Year as administrative expenses to enable the UT for augmenting human resources and developing capacity for critical activities. The expenditure should be tracked and monitored to identify deviation and ensure that the administrative expenditure remains within six *per cent* limit.

The details of administrative funds received from the GoI and the expenditure at the UT level during the period 2021-24 are given in the **Table 2.5**.

Table 2.5: Details of administrative funds received from the GoI

(₹ in crore)

Year	Total Expenditure incurred for unskilled wages	Expenditure (skilled/ semi skilled + Material + Other expenditure)	Total Expenditure incurred	Total Administrative expenditure incurred	Administrative fund eligible for release (upto six per cent of total expenditure)	Total Administrative fund received from GoI	Percentage of Administrative fund incurred to Total Expenditure	Short release of Administrative fund by GoI
	A	B	C=A+B	D	E	F		
2021-22	13.73	0.47	14.20	2.01	0.85	0	14.15	0.85
2022-23	21.75	1.94	23.69	1.67	1.42	0.56	7.05	0.86
2023-24	48.85	2.10	50.95	2.75	3.06	1.08	5.40	1.98
Total	84.33	4.51	88.84	6.43	5.33	1.64	7.24	3.69

Note: Expenditure in Columns A and B include arrear paid next year
(Source: Expenditure details are taken from Annual Accounts)

It could be seen from **Table 2.5** that the total administrative expenditure incurred during 2021-24 was ₹ 6.43 crore (7.24 per cent) against the eligible expenditure of ₹ 5.33 crore (six per cent of the total expenditure) thereby incurring an excess expenditure to the tune of ₹ 1.10 crore.

Government replied (August 2025) that the administrative expenditure exceeds six per cent due to the increased honorarium liabilities of MGNREGA functionaries.

(iii) *Short release of Administrative Fund by the GoI*

As the UT is eligible for up to six per cent of the total expenditure as administrative expenditure, it was eligible for GoI share of ₹ 5.33 crore towards administrative fund during 2021-24. However, an amount of ₹ 1.64 crore only was actually received though actual administrative expenditure was more than six per cent i.e., ₹ 6.43 crore. Further, during 2021-22, no administrative fund was received from the GoI. The inadequate release of administrative fund from GoI had led to diversion of funds from other schemes/material accounts towards administrative fund for making salary payment to the MGNREG scheme staff.

Government replied (August 2025) that frequent requests were sent to GoI for release of administrative funds.

2.1.5.4 *Delay in payment of wages and compensation for the delay in the payment of wages to the workers*

Section 3(3) of the Act mandates that workers are entitled to being paid on a weekly basis and in any case within a fortnight of the date on which work was done.

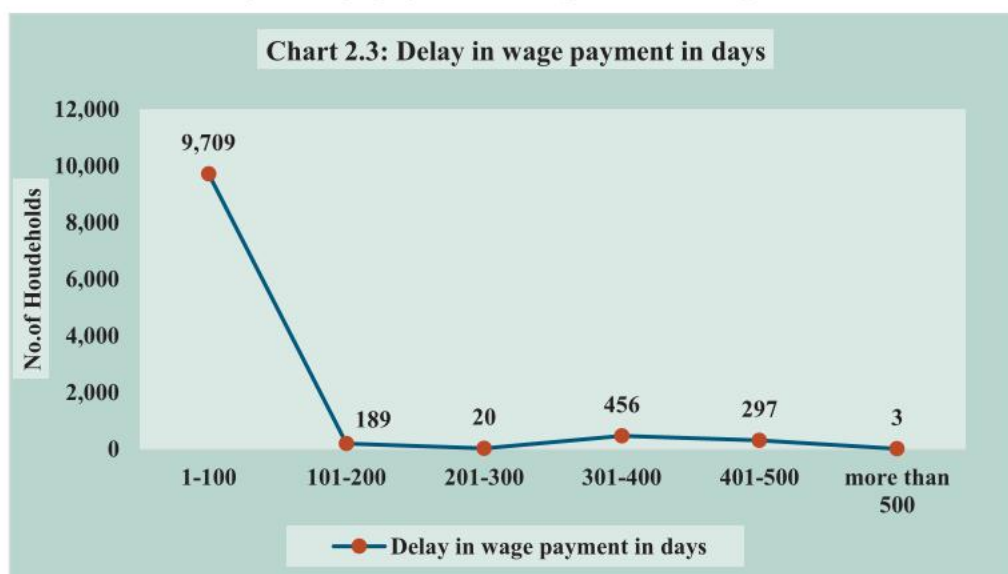
Scrutiny of data available in the NREGASoft portal revealed that out of 8.76 lakh transactions involving ₹ 95.43 crore during 2021-24 in all the three Blocks, 1.70 lakh transactions involving ₹ 22.11 crore were delayed beyond admissible days.

Government replied (August 2025) that the delay occurred mainly due to late sanction of wage payments by the Ministry, particularly when the labour budget ceiling was exceeded. As a result, transactions remained pending for want of wage funds.

The reply is not acceptable as the delay in payment was noticed in all months. It was also noticed that the GoI is releasing funds periodically as seen from fund sanction orders.

Further, Section 29(1) of the Act provides that in case the payment of wages is not made within fifteen days from the date of closure of the muster roll, the wage seekers shall be entitled to receive payment of compensation for the delay at the rate of 0.05 *per cent* of the unpaid wages per day.

Audit analysed the muster rolls and wage payment records available on the NREGASoft portal covering 180 selected works in three Blocks and revealed that out of 1.47 lakh transactions, 0.27 lakh transactions amounting to ₹ 3.68 crore were disbursed to beneficiaries after the prescribed 15-day period. The details of delayed wage payment in respect HHs are given in **Chart 2.3**.



(Source: NREGASoft portal)

From **Chart 2.3**, it could be seen that total of 10,674 HHs received delayed payment ranging from one to more than 500 days. This delay resulted in payment of compensation for delay to the tune of ₹ 4.55 lakh⁷, which remains to be disbursed to the affected beneficiaries.

⁷ Total delay in number of days x wages x 0.0005.

Government replied (August 2025) that on receipt of funds under SEGF from the GoP, the compensation for delay will be settled to the beneficiaries.

2.1.5.5 Transactions relating to rejected and pending regeneration

Audit analysed the data in NREGASoft portal relating to the generation of Fund Transfer Orders and the status of payments made to the workers in all the Blocks. During the Audit period, it was found that out of 8,49,971 transactions processed, of which 7,623 have been rejected. Out of the rejected transactions, 7,457 have been regenerated and the balance of 166 transactions were pending regeneration amounting to ₹ 1.65 lakh. Thus, it is construed that though the work was done by the workers, payment was not made to the beneficiaries resulting in financial hardship.

2.1.5.6 Non-availability of mechanism for payment of unemployment allowance

As per Para 3.5(i) of the MGNREGA Guidelines, if employment is not provided within fifteen days of application, the applicant is entitled to daily unemployment allowance. Further, UT Government must specify the rate of allowance, frame rules for its payment and make necessary budgetary provisions as per guidelines.

Audit noticed that UT has not framed any rules or specified the rate for unemployment allowance since the inception of the scheme resulting in non-payment of unemployment allowance to eligible beneficiaries. Additionally, the provision for automatic generation of payment orders, as required under Para 3.5(iv) was not implemented in the NREGASoft portal.

Audit observed that the physical records such as demand register for the employment demanded and offered were not maintained in any of the selected GPs. Audit analysed data downloaded from the NREGASoft portal regarding employment demand and provision for the 18 selected GPs. The analysis revealed that 21,861 households had demanded employment during the period 2021-24 but were not provided with the required number of PDs. This resulted in non-payment of unemployment allowance to the tune of ₹ 1.97 crore⁸.

Government replied (August 2025) that a proposal has been submitted to the Government for allocation of funds under the State Employment Guarantee Fund (SEGF). Upon receipt of the SEGF funds, a formal mechanism will be put in place for payment of unemployment allowance.

⁸ No. of days employment not provided x per day wage rate x 0.25.

2.1.5.7 Non-deduction of TDS under GST from the payments made for material procurement under Material Component works - ₹ 2.56 lakh

Section 51 of the CGST Act, read with CGST Rule 66 provides for deduction of TDS under GST at the rate of two *per cent* (CGST and SGST - one *per cent* each) on payments made to the supplier of taxable goods and/or services, where the total value of such supply under an individual contract exceeds ₹ 2.50 lakh.

Audit noticed that though all the Blocks had made payments to the vendors to the tune of ₹ 127.94 lakh in respect of 15 works during 2021-22 to 2023-24, TDS to the tune of ₹ 2.56 lakh was not deducted while making payments.

Government replied (August 2025) that necessary instructions have been issued to the contractors who failed to deduct TDS, directing them to remit the TDS amount at their level along with the applicable fine.

2.1.6 Issue of job cards and Information, Education and Communication Activities

MGNREGA is a demand driven public wage employment programme where jobs offered whenever there is a demand for work. As on 25 July 2024, there were 76,548 HHs with 1,14,334 registered workers in the UT of Puducherry. However, in the sampled 18 GPs, there were 12,013 HHs with 16,609 registered workers.

Audit analysed the data of all the three Blocks in the UT of Puducherry in respect of conduct of Information, Education and Communication (IEC) activities, processes of issuance of job cards as prescribed in the guidelines, and the findings are discussed in the succeeding paragraphs.

2.1.6.1 Non-conduct of door-to-door surveys

Para 3.1.1(ii) of the Guidelines provides that a door-to-door survey should be undertaken by each GP every year to identify eligible HHs which had been missed out and wish to be registered under the Act.

However, Audit noticed that no such a door-to-door survey was conducted by the Block officials, since inception of the scheme in 2008.

Government replied (August 2025) that DRDA is in the process of obtaining detailed cost estimates for conducting door-to-door survey from National Institute of Rural Development (NIRD), Hyderabad. Further, upon receipt of these details necessary approval will be sought from the competent authority and survey will be initiated.

2.1.6.2 Non-conduct of IEC activities under MGNREGA

As per Para 5.4.2 of the Guidelines, the UT should develop an IEC Plan on MGNREGA with a focus on reaching out to the registered workers as well as

other groups who could benefit from MGNREGA. The IEC plan should clearly indicate UT, District, Block and local level activities.

Audit noticed that neither any IEC plans had been prepared nor any activities were conducted at the UT, District, Block and local level. Due to non-conduct of IEC activities, the beneficiaries remained unaware of the timelines for payment of wages and provision of unemployment allowance due to them.

During the beneficiary survey, it was also found that most of the beneficiaries were unaware about their entitlements and rights as per the Act/scheme guidelines as stated below:

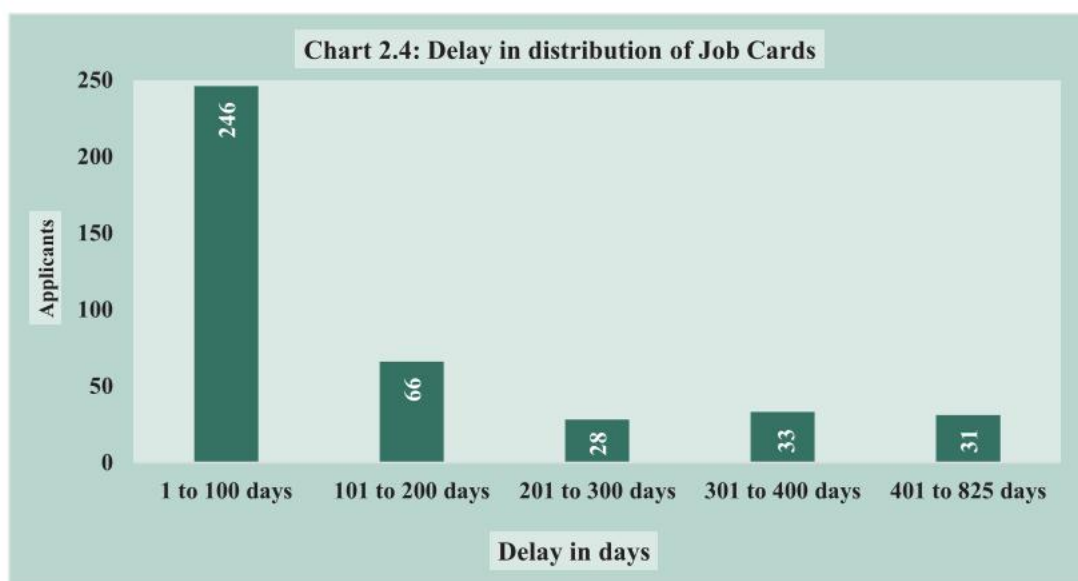
- 44 (20.37 *per cent*) beneficiaries were not aware of the entitlement of their wages (Para 5.4 of the guidelines).
- 40 (18.52 *per cent*) beneficiaries were not aware of the timelines of payment of wages (Para 5.4 of the guidelines).
- 11 (5.09 *per cent*) beneficiaries were not aware that minimum 100 days of employment was to be provided during a financial year (Para 5.4 of the guidelines).
- 25 (11.57 *per cent*) beneficiaries stated that holding of Gram Sabha meetings was not suitably advertised in the Villages and 21 (9.72 *per cent*) beneficiaries stated that they had not attended the Gram Sabha Meetings held (Para 5.4 of the guidelines).
- 173 (80.09 *per cent*) beneficiaries stated that they were not aware about unemployment allowance and 198 beneficiaries stated that though they have requested for employment, no dated receipts were provided to them by the GPs for recording the demand.

Government replied (August 2025) that due to limited administrative funds, full-scale IEC activities could not be undertaken.

2.1.6.3 Delay in issue of new job cards to the registered persons

Para 3.1.5(i) of the Guidelines provides that if a household is found to be eligible for registration, the GPs has to issue new job card within a fortnight after the date of receipt of the application.

However, it was noticed that from April 2021 to July 2024, in the selected 18 GPs, out of 1,364 job cards issued, 404 applicants received job cards with a delay ranging from one day to 825 days, as depicted in **Chart 2.4**.



(Source: NREGASoft portal)

Government replied (August 2025) that the delay in issuing job cards was primarily due to administrative constraints, shortage of field-level staff, and periodic technical issues in the MIS portal which affected timely processing and verification of applications.

2.1.6.4 Periodical updation/revision of job cards not done in the Blocks

As per Para 3.1.5(xiv) of the Guidelines, the GPs will undertake an annual updating exercise of job cards. Further, Para 3.1.5(xiii) of the guidelines provides that the job cards shall be valid for a period of five years and will have provision for the addition/deletion of members eligible to work.

However, Audit noticed that neither annual updation nor revision of job cards had been carried out by any of the Blocks, as envisaged in the guidelines.

Government replied (August 2025) that a door-to-door survey is proposed to be conducted in collaboration with NIRDPR.

2.1.7 Employment generation in the Blocks

The main objective of the Act is to provide minimum 100 days of guaranteed wage employment every year to willing HHs whose adult members volunteer to do unskilled manual work. The status of employment generation in the Blocks during 2021-24 are given in **Table 2.6**.

Table 2.6: Status of employment generation in the Blocks during 2021-24

Name of the Block	2021-22			2022-23			2023-24		
	THH	TPG	APG	THH	TPG	APG	THH	TPG	APG
Ariyankuppam	12,547	1,70,906	13.62	15,548	2,79,649	17.99	20,618	8,48,568	41.16
Villianur	14,647	2,75,081	18.78	15,571	3,16,297	20.31	19,764	8,61,054	43.57
Karaikal	11,189	1,68,723	15.08	11,190	2,33,620	20.88	12,114	4,79,105	39.55
Total	38,383	6,14,710	16.02	42,309	8,29,566	19.61	52,496	21,88,727	41.69

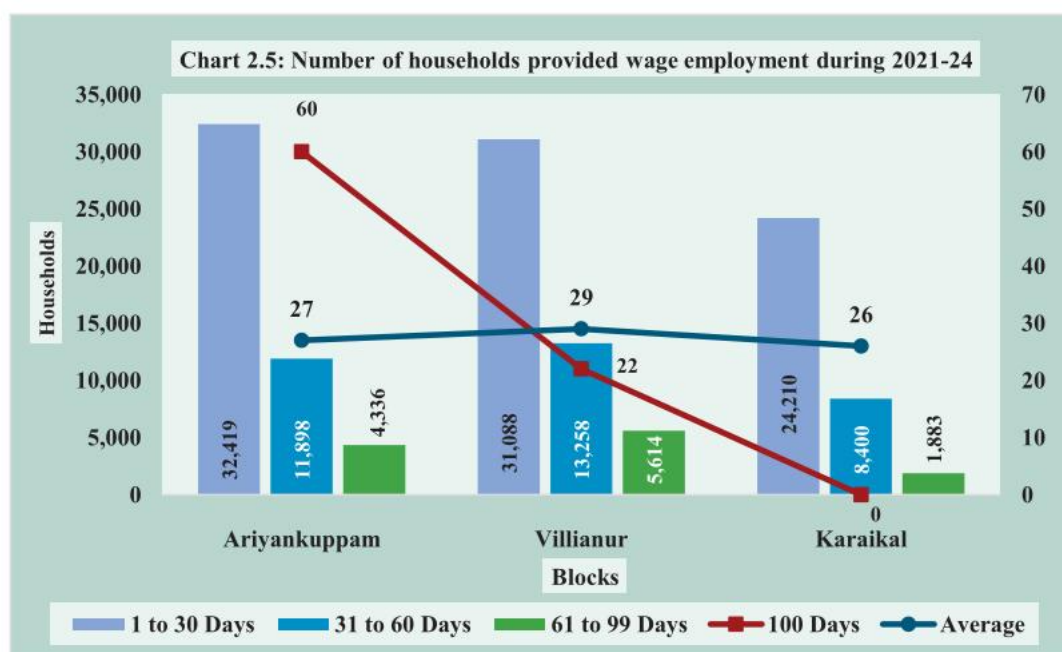
THH-Total Households TPG-Total Person days Generated APG-Average Person days Generated
(Source: NREGASoft portal)

It could be seen from **Table 2.6** that the Average Person Days generated from the three Blocks were 16.02, 19.61 and 41.69 per HH during the years 2021-22 to 2023-24 respectively. Though the Average PDs generated per household increased from 16.02 in 2021-22 to 41.69 in 2023-24, it remained far below the guaranteed 100 days of wage employment. The reasons for low PDs generated were attributed to lesser number of works executed and greater number of job card holders across all the three Blocks.

Audit further found several discrepancies in the generation of employment for the willing HHs as discussed in the succeeding paragraphs.

2.1.7.1 Provision of 100 days employment

The period-wise employment provided per HH in the three Blocks during 2021-22 to 2023-24 is given in **Chart 2.5**.



(Source: NREGASoft portal)

It could be seen from **Chart 2.5** that in respect of Ariyankuppam Block, 32,419 HHs were given employment for 1 to 30 days, 11,898 HHs were given employment for 31 to 60 days, 4,336 HHs were given employment for 61 to 99 days and only 60 HHs were given employment for 100 days.

In respect of Villianur Block, 31,088 HHs were given employment for 1 to 30 days, 13,258 HHs were given employment for 31 to 60 days, 5,614 HHs were given employment for 61 to 99 days and only 22 HHs were given employment for 100 days.

In respect of Karaikal Block, 24,210 HHs were given employment for 1 to 30 days, 8,400 HHs were given employment for 31 to 60 days, 1,883 HHs were given employment for 61 to 99 days and no HHs were given 100 days of employment. Further, it was noticed that the average PDs generated were 27, 29 and 26 respectively for Ariyankuppam, Villianur and Karaikal Blocks.

Government replied (August 2025) that lower average of days is primarily due to limited demand for work raised by HHs, migration of rural labour and seasonal factors affecting the willingness of beneficiaries to participate in the manual work. Further, Government attributed the fact that timely availability of funds and delays in approval of LBs have also affected the consistent generation of work.

The reply is not acceptable as it was found that the demand from the workers were not recorded properly by the GP and Employment not provided as demanded. Further, the results of beneficiary survey also attributed need for more employment.

2.1.7.2 Employment demanded and provided in selected GPs

Audit examined the employment demands raised by HHs in 16 sample GPs (data not available for two GPs) for the period 2021-24. The details of demands raised and employment provided are given in **Table 2.7**.

Table 2.7: Employment demanded and provided

Year	Employment Demanded		Employment provided		Employment provided with shortfall within (b)		Nil Employment provided	
	(a)		(b)					
	No. of HHs	Total number of PDs	No. of HHs	Total number of PDs	No. of HHs	Shortfall in number of PDs	No. of HHs	Total number of PDs
2021-22	7,314	1,72,193	6,514	1,12,482	6,104	49,443	800	10,268
2022-23	7,151	1,81,196	6,296	1,19,732	6,064	51,382	855	10,082
2023-24	8,090	4,82,955	7,563	3,28,508	7,511	1,43,252	527	11,195
Total	22,555	8,36,344	20,373	5,60,722	19,679	2,44,077	2,182	31,545

(Source: NREGASoft portal)

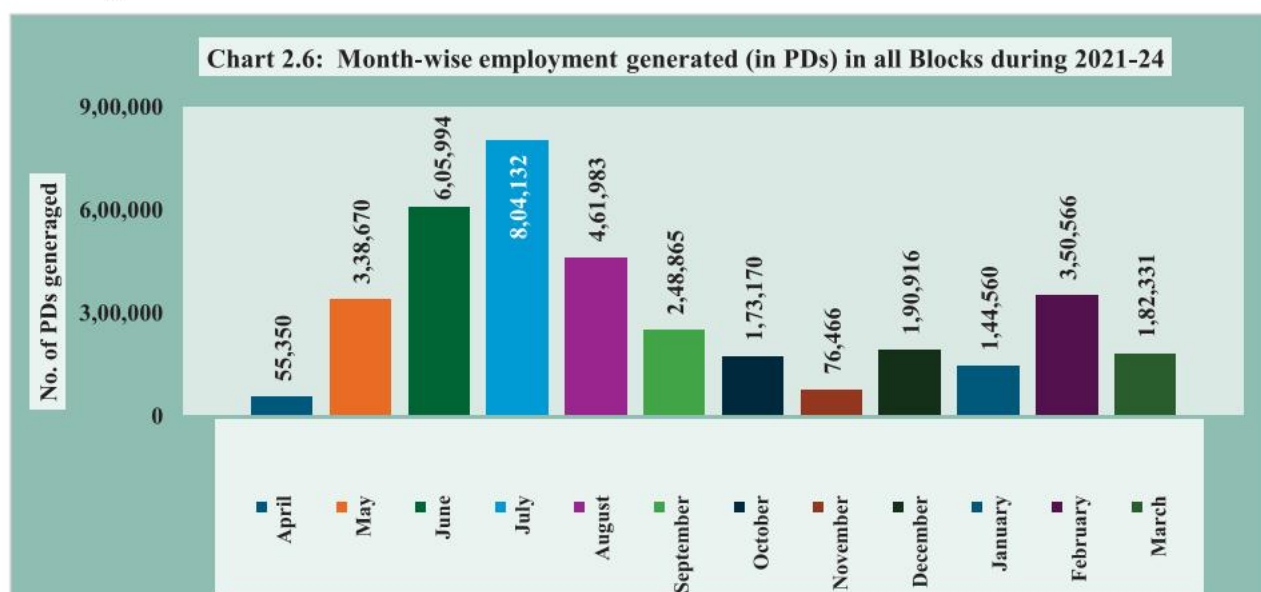
It could be seen from **Table 2.7**, a total of 8,36,344 PDs were demanded by 22,555 beneficiary households. However, only 5,60,722 PDs were provided, resulting in a shortfall of 2,75,622 PDs (32.96 per cent). Additionally, 2,182 HHs did not receive any employment over the entire three-year period.

Audit observed that in the UT, mechanism for automatic registration of demand such as kiosks, Interactive Voice Response System and mobile/telephone-enabled registrations had not been established (November 2024). Further, dated receipt for work applications were not issued as required under Box No. 7 and 8 of the Guidelines.

Despite the legal guarantee of employment provided under the Act, a significant number of HHs either received employment or provided with fewer PDs. This resulted in a substantial loss of 2.76 lakh PDs, and thereby depriving rural HHs of timely and adequate wage employment.

2.1.7.3 Month-wise employment generation in the Blocks

Audit analysed the month-wise data available in the NREGASoft portal on employment generated in all the GPs in all the three Blocks during 2021-24 and found that generation of employment was not uniform across the months as given in the **Chart 2.6**.



(Source: NREGASoft portal)

From **Chart 2.6**, it is evident that PDs generated were highly uneven, with peak activity concentrated during the months of June to August and October to January witnessed significantly low employment levels. This irregular pattern led to uneven wage distribution, adversely affecting the financial stability of HHs dependent on MGNREGS employment.

2.1.7.4 GPs with Nil employment generated

In the Ariyankuppam Block, out of 39 GPs, in respect of six GPs employment was not provided to the 2,869 registered HHs in 2021-22. Similarly, in the Villianur Block, out of 42 GPs, 16 GPs had not provided employment to the 5,097 registered HHs in 2021-22, 2022-23 and 2023-24 respectively.

Government replied (August 2025) that out of 108 GPs in the UT, 93 have Gram Rojgar Sahayak (GRS) in position, while 15 posts are currently vacant. Efforts are underway to fill these vacancies to strengthen implementation at the GP level.

2.1.7.5 Shortfall in employment provided to differently abled persons.

Para 9.3.9 of the Guidelines provides that there should be a special drive to identify all the persons with disability and other vulnerable persons and provide 100 days of work to each of the HH that they belong to in all the villages within a specified timeframe.

However, it was noticed that no special drive had been conducted to identify the persons with disability and other vulnerable persons within the villages in any of the Blocks. Further, out of 2,848 registered differently abled persons, only 1,381 persons (48.49 *per cent*) with 38,355 PDs were provided employment during the period 2021-22 to 2023-24 as detailed in the **Appendix 2.2**.

2.1.8 Execution of Works

One of the objectives of MGNREGA is to create durable assets to strengthen the livelihood resource base of the rural poor. The discrepancies noticed in respect of the execution of works and creation of durable assets in the UT of Puducherry are discussed in the succeeding paragraphs.

2.1.8.1 Deficiencies in formulation of Schedule of Rates for MGNREGA works

As per the provisions of the Act (*vide* para 17 and 18 of Schedule-1), the UT Government shall link the wages, without any gender bias, with the quantity of work done and paid according to the rural schedule of rates fixed after conducting time and motion studies for different types of work and different seasons and revisions periodically. A separate Schedule of Rates (SoRs) shall be finalised for women, the elderly, people with disabilities and people with debilitating ailments so to improve their participation through productive work.

Audit observed that a separate rural SoRs for three items *viz.*, Jungle Clearance, Earthwork and Extra lift for the year 2021-22 were formulated based on the Work Time and Motion Studies (WT&MS) report furnished (February 2022) by the Puducherry Technological University (PTU), which was followed during

2022-23 for preparation of estimates under the scheme and for all other works/items, Puducherry SoRs had generally been followed. The DRD had requested (December 2023) PTU to revise the SoRs for the year 2023-24. However, the PTU has not responded so far (June 2025).

It was observed that adoption of the Puducherry SoRs for MGNREGA works had resulted in preparation of work estimates at lesser project costs. An analysis of MGNREGA work based on estimate prepared with PSR and Rural SoR is given in **Table 2.8**.

Table 2.8: Work ID-2332/Bahour East GP/Ariyankuppam Block

Sl. No.	Item of work	Quantity of work to be done (in cum/sqm)	Estimate prepared as per PSR			Estimate as per Rural SoR		
			Labour co-efficient*	Required PDs	Estimate Amount @ ₹ 273/day	Labour co-efficient*	Required PDs	Estimate Amount @ ₹ 273/day
1	Earth work	10,620	0.6099	6,477	17,68,221	0.813	8,634	23,57,082
2	Jungle clearance	12,600	0.0178	224	61,152	0.030	378	1,03,194
3	Extra lift	10,620	0.1813	1,925	5,25,525	0.218	2,315	6,31,995
Total				8,626	23,54,898	-	11,327	30,92,271

* Labour co-efficient is the standardised amount of labour required to complete a specific unit of work (Source: Analysis done by Audit)

It could be seen from **Table 2.8** that, had the Rural SoRs been formulated, the estimate costs worked out and sanctioned cost would have been higher and consequently would have resulted in generation of more PDs in each of the works executed.

It was also noticed that no separate SoRs were finalised for women, elderly people and persons with disabilities to improve their participation, as prescribed in the guidelines. The non-creation of separate SoRs for women, elderly people, etc., had resulted in preparation of work estimates at lesser project costs and eventually in under payment of wages as the actual working efficiency of these privileged categories of people would be lesser than the normal male workers.

2.1.8.2 Delay in completion of works

Audit observed that a major number of works, which were originally proposed in the annual plans for which Work IDs had been generated were not actually executed. Further, out of the executed works in the three Blocks during 2021-24, several works are still in progress without completion.

Audit observed that out of 3,770 works for which work IDs were generated, 1,849 works were completed which included nine ineligible⁹ works. Of the

⁹ Installation of memorial plaques incurring an expenditure of ₹ 8.09 lakh.

remaining 1,921 works, 1,754 works were not taken up and 167 works were ongoing (₹ 13.88 crore). Further, 54 works relating to 2021-22 and 2022-23 on which an expenditure of ₹ 1.01 crore had been incurred, remained incomplete as of November 2024.

Further, though 1,849 works were completed, Project Completion Reports (PCR) were not recorded in the Works Register in any of the Blocks during 2021-24 as mandated in the guidelines.

The failure to execute the approved and sanctioned works reflects deficiencies in planning, monitoring and implementation at the Block level which resulted in loss of PDs to the UT. Urgent remedial measures are required to prevent recurrence and to ensure optimal utilisation of sanctioned resources.

Government replied (August 2025) that steps are being taken to improve demand forecasting, ensure timely approvals and fund flow, and align work execution with seasonal work availability to avoid such delays in the future.

2.1.8.3 Non-creation of durable assets

Para 1.2 and 7.1.3 of the Guidelines provide that creation of durable assets is one of the goals and objective of the Scheme. On scrutiny of the data available in the NREGASoft portal related to the category-wise works executed at the GPs level in all the three Blocks revealed the following shortcomings in the execution of different categories of works as detailed in **Table 2.9**.

Table 2.9: Category of works taken up for execution during 2021-24

(₹ in crore)

Blocks	Category A		Category B		Category C		Category D	
	Works	Expr.	Works	Expr.	Works	Expr.	Works	Expr.
Ariyankuppam	161	21.46	1	--	--	--	184	16.29
Villianur	201	25.84	--	--	--	--	92	9.99
Karaikal	1,373	23.50	--	--	--	--	4	0.004
Total	1,735	70.80	1	--	--	--	280	26.284

(Source: NREGASoft portal)

It could be seen from **Table 2.9** that out of 2,016 works taken up for execution, 1,735 works (86 *per cent*) were executed under Category A¹⁰, only one work was executed under Category B¹¹, no works were executed under Category C¹² and 280 works were executed under Category D¹³. The Block-wise/sub-category-wise breakup of the works executed are given in **Appendix 2.3**.

¹⁰ Public Works related to Natural Resources Management.

¹¹ Individual Assets for vulnerable sections.

¹² Common infrastructure for NRLM compliant Self-Help Groups.

¹³ Rural Infrastructure.

Audit observed that 1,579 works on desilting and 263 works on deepening of various water bodies were executed, incurring an expenditure of ₹ 47.41 crore and ₹ 34.28 crore respectively (as of July 2024). Thus, durable assets were not created even after incurring a total expenditure of ₹ 81.69 crore.

An examination of the Gram Sabha resolutions of Karaikal Block showed that it resolved to execute 56 works (as detailed in **Appendix 2.4**) during 2021-24. However, the same were not carried out. Further, during Joint Physical Verification (JPV) of all the Blocks, out of the selected 180 works (completed/ongoing), 130 works only were taken up for execution, of which 127 works were of desilting, deepening, clearing jungle and strengthening of bund related works and thus no durable assets had been created.

A comparison was made with the data available in the NREGASoft portal for the type of works executed within Category ‘A’ (completed/ongoing) in the Puducherry/Karaikal Districts with the types of works executed within Category ‘A’ in the neighbouring Districts of Tamil Nadu State under the scheme which are adjoining to the Puducherry and Karaikal Districts and had similar geographical conditions. The results of the analysis are summarised in **Table 2.10**.

Table 2.10: Comparison with category ‘A’ works executed in the neighbouring Districts

(in per cent)						
District	Drought proofing	Micro irrigation works	Renovation of traditional water bodies	Water conservation and water harvesting	Land development	Other works
Puducherry	0.00	17.68	56.35	25.41	0.55	0.00
Tamil Nadu Districts adjoining to Puducherry District						
Cuddalore	14.07	45.11	10.50	15.88	0.00	14.43
Villupuram	3.43	0.16	0.11	95.63	0.64	0.04
Karaikal	1.67	0.00	98.11	0.00	0.22	0.00
Tamil Nadu Districts adjoining to Karaikal District						
Mayiladuthurai	6.90	25.27	00.17	67.47	0.06	0.13
Nagappattinam	4.41	29.73	00.45	65.28	0.00	0.12

(Source: NREGASoft portal)

It could be seen from **Table 2.10** that 56.35 *per cent* and 98.11 *per cent* of the works executed in the Puducherry and Karaikal Districts under the Category ‘A’ respectively are under renovation of traditional water bodies which mainly included works relating to the desilting/deepening of channels/rivers/lakes/ponds only. However, in the neighbouring Districts, water conservation and water harvesting works which includes construction of check dams, water absorption trenches etc., were mainly executed and only a meagre number of works under renovation of water bodies were taken up.

As the geographical location of both Puducherry/Karaikal Districts and the neighbouring Districts are similar, executing of similar types of works in the UT requires attention for creation of durable assets.

2.1.8.4 Wage-material ratio of the works executed under MGNREGA in the Blocks

Para 12.1.1 of the Guidelines provided that the 60:40 ratio for wage and material costs should be maintained for all the works taken up by the GPs. Thus, the expenditure per person-day generation of wage employment should have wage and material costs in the proportion of 60:40.

As per NREGASoft portal, the wage-material ratio for the works taken up in all the three Blocks during 2021-24 are given **Appendix 2.5**.

It could be seen from **Appendix 2.5** that the material component utilised for the works executed during the above period ranged between 0.07 *per cent* and 14 *per cent* of the total expenditure with the average Labour Material ratio of 96:4 during 2021-24 in the UT. It implies that none of the Blocks had taken any major works under the scheme, which require materials, so as to create valuable assets during the above period.

Further, it could be seen from NREGASoft portal that only 120 material works¹⁴ were taken up in all the three Blocks during the year 2021-24. The poor wage material ratio highlights that, most of the works were executed without utilising materials such as cement, steel, bitumen etc., which resulted in non-creation of durable assets.

2.1.8.5 Analysis of geo-tagged photographs of selected works

Para 7.16.1 of the Guidelines provides that the geo-tagged time-stamped photographs of the site before the start of work, at the intermediate stage and after its completion should be uploaded onto NREGASoft portal for ensuring transparency, accountability and verifiability in the execution of works.

Audit analysed the geo-tagged photographs of the 87 works of the selected 180 works using Python assisted Structural Similarity Index Measure (SSIM)¹⁵ to detect cases with minimal or no visible change between the three stages of work and further confirmed by manual analysis.

¹⁴ Mainly gravel road works.

¹⁵ A perceptual metric that evaluates image similarity based on luminance, contrast and structural features making it a reliable tool for identifying inconsistencies in visual documentation aligned with human perception.

In this connection, audit noticed the following discrepancies:

(i) Out of the above 87 works, nine works¹⁶ falling within the 0.00–0.05 SSIM score range, which highlights no noticeable visual change between the stages of work raising concerns about the authenticity, accuracy and reliability of the photographic documentation. Sample images are shown in **Pictures 2.1 and 2.2**.



Pictures 2.1 and 2.2: Desilting of Pudhunilathu voikal at Vanjoor Village Panchayat in T.R. Pattinam, Vanjoor GP, Karaikal Block (2502001010/WH/GIS/3978 2023-2024)

(Source: Bhuvan- MGNREGA portal)

(ii) It was noticed that in 44 works, though the work name was stated as deepening/desilting of various water bodies, the image analysis of these works were highlighted that only shrub removal was carried out in these work sites which are actually included in the negative list of the operational guidelines. Sample images shown as **Picture 2.3**.

Stage 1 (before)



Stage 2 (during)



Stage 3 (after)

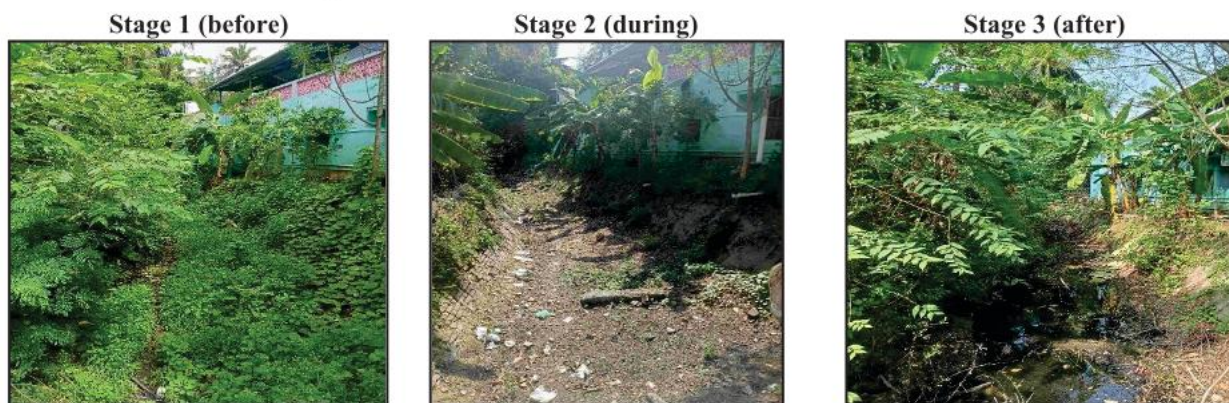


Picture 2.3: Deepening of Sooramangal Eri East side in Sooramangalam VP, Ariyankuppam Block, Puducherry (2501003038/WH/GIS/4466 2023-2024)

(Source: Bhuvan-MGNREGA portal)

¹⁶ 2501003038/WC/GIS/4465, 2501003015/WC/GIS/4765, 2501001002/FP/GIS/3403, 2502001002/WH/GIS/2734, 2502001004/WH/GIS/4369, 2502001004/WH/GIS/3166, 2502001004/WH/GIS/1569, 2502001005/WH/GIS/1520 and 2502001010/WH/GIS/3978.

(iii) In two works it was noticed that the similar images were uploaded for all the three stages as **Pictures 2.4** and **2.5**.



Picture 2.4: Desilting of Potta vaikal at Neravy south Village Panchayat in Neravy Commune, Karaikal (2502001004/WH/GIS/4369 2023-2024)



Picture 2.5: Desilting of Potta vaikal at Neravy East Village Panchayat in Neravy Commune, Karaikal (2502001004/WH/GIS/3166 2022-2023)

(Source: Bhuvan-MGNREGA portal)

2.1.8.6 Non-convergence of MGNREGA with other Central/State Schemes

Para 15 of the Operational Guidelines provides that the objectives of MGNREGA viz., creation of durable assets and securing livelihood of rural households can be facilitated through convergence of MGNREGA works with resources of other programmes/schemes available with Panchayats and other line Departments.

Audit noticed that the UT Government had not taken any concrete steps to achieve inter departmental convergence of MGNREGA works with other line Departments and the required institutional arrangements were also not established.

Government replied (August 2025) that steps have been initiated to utilise MGNREGA for permissible convergence activities.

2.1.8.7 *Non-implementation of the Project UNNATI*

The Project ‘UNNATI’ intends to upgrade the skill-base of the MGNREGA workers and thereby improve their livelihoods, so that they can move from the current partial employment to full employment and thereby reduce their dependence on MGNREG Scheme.

It was noticed that in the UT of Puducherry, though 82¹⁷ HHs completed 100 days of work during 2021-24 and were eligible under the Project UNNATI, none of the HHs were identified by the Department for implementing the scheme and no trainings were imparted to these eligible beneficiaries which had resulted in the denial of intended benefits of the scheme to these beneficiaries.

Government replied (August 2025) that eligible beneficiaries is being identified age-wise and training on skill will be imparted.

2.1.8.8 *Non-providing of work site facilities*

Para 7.12 of the Guidelines provides that work site facilities (Medical aid, drinking water and shade) are to be provided at the worksite to the workers under the Scheme. However, during the beneficiary survey, it was found that work site facilities were not provided as per the guidelines as stated below:

- 72 (33.33 *per cent*) beneficiaries stated that no shades were available in the work sites.
- 62 (28.70 *per cent*) beneficiaries stated that no drinking water facilities were provided to them during work hours.
- 87 (40.27 *per cent*) beneficiaries stated that no first aid medicines were available in the work sites.

2.1.9 *Shortfall in required manpower at GP level*

Para 18(2) and 18(4) of guidelines states that the UT has to ensure that at least one GRS is deployed in every GP and Community Resource Persons may be attached to the Village Panchayats, to provide additional support. Audit noticed that as against the requirement of 108 GRS in all GPs, only 93 GRS were appointed leaving vacancy¹⁸ of 15 GRS. Further, Community Resource Persons were also not attached to the GPs for providing additional support. Moreover, Mates¹⁹ were also not appointed in any of the three Blocks, which resulted in extra workload on the GRS, which was also one of the reasons attributable for non-taking up of greater number of works in many of the GPs.

¹⁷ Ariyankuppam - 60 HHs and Villianur - 22 HHs.

¹⁸ Ariyankuppam: 2, Villianur: 11 and Karaikal: 2.

¹⁹ Person managing the worksite facilities including taking attendance of the workers.

2.1.10 Grievance redressal, monitoring and internal control

Monitoring, evaluation and review of the scheme play a critical role in the success of the MGNREGA. Effective monitoring and evaluation ensure transparency, accountability and efficient use of resources. It was thus imperative to have a robust and efficient monitoring, evaluation and review mechanism of the Scheme.

Audit findings pertaining to the monitoring, evaluation and review of the scheme are discussed below.

2.1.10.1 Shortfall in the conduct of inspections by the PO/DPO

Para 2.2.1(iv) and 2.3.1(viii) of the guidelines provides that the Programme Officer (PO) has to monitor and supervise the implementation of works taken up by the GPs and other implementing agencies within the Block and that the District Programme Co-ordinator (DPC) has to conduct periodic inspections of the works in progress and verification of Muster Rolls.

It was, however, noticed that in the Ariyankuppam and Villianur Blocks, the DPCs as well as the POs of the respective Blocks had not conducted any inspections in the work sites during 2021-24.

Government replied (August 2025) that inspections are being conducted regularly by the PO and DPC. The reply is not acceptable as the records furnished by the Programme Officers stated that a meagre number of inspections only were conducted by the POs and no inspections were conducted by the DPO in the Blocks.

2.1.10.2 Non-availability of Quality Control Mechanism

As per para 7.12.1 of the Annual Master Circular 2019-20, a State Quality Monitoring (SQM) Cell has to be constituted at UT level to monitor and evaluate at least 10 *per cent* of the works executed under the scheme. Audit observed that SQM Cells had not been constituted (November 2024) in the UT under the scheme.

Government replied (August 2025) that a proposal is under submission for setting up of a Quality Monitoring Committee exclusively for MGNREGA.

2.1.10.3 Non-constitution of a three tier Vigilance Mechanism

The guidelines provide that at the UT level, at the District level and at the Local level, Vigilance Cells were to be set-up²⁰. It was, however noticed that no such vigilance mechanism was in existence (November 2024) in the UT at any level

²⁰ For receiving complaints for conducting regular field visits and for taking *suo-moto* action, etc.

of implementation. Thus, due to non-setting up of vigilance cell, the possibility of proactively detecting irregularities in the implementation of the Act could not be ruled out.

Government replied (August 2025) that process of formal constitution of three tier vigilance mechanism is under submission to the competent authority.

2.1.10.4 Non-conduct of Social Audit

Para 13.1.4 of the Guidelines provides that UT Government shall conduct Social Audit once in six months in every GP through people participation with the support provided by an independent Social Audit Organisation.

However, it was observed that no Social Audit was conducted in the UT since inception of the MGNREGA which resulted in non-ensuring of transparency, participation, consultation, accountability and creating awareness amongst the labourers about their rights and entitlements under the Act.

Government replied (August 2025) that training for the Social Audit team is currently in progress. Upon completion of the training, the social audit will be initiated immediately within the current financial year.

2.1.10.5 Implementation and functioning of the Grievance Redressal Mechanism

Section 19 of the Act provides that the UT Government shall determine appropriate grievance redressal mechanisms at the Block and District level for dealing with any complaint in respect of implementation of the Scheme and lay down the procedure for disposal of such complaints. Further, Para 13.13.1(x) of the Guidelines provides that statewide publicity must be made for the grievance redressal at all levels. However, it was noticed that no separate grievance redressal mechanism was available and no statewide publicity was made in the UT of Puducherry.

Further, Section 23(6) of the Act read with Para 13.13.1(iii) of the Guidelines states that every complaint received shall be entered in the Complaint Register. It was, however, noticed that no Complaint Registers were maintained at the GP/Block/District and UT level for monitoring the complaints received and disposed of.

Government replied (August 2025) that the grievance redressal mechanism under MGNREGA is currently functioning at all levels. The reply is not acceptable as no corroborating evidence has been furnished by the Government for the establishment of separate grievance redressal mechanism.

2.1.10.6 Functioning of Ombudsperson

As per the Schedule-I (Sl. No. 30) of the Act read with Para 13.14 of the Guidelines, the UT Government has to establish the office of Ombudsman in the available two Districts for expeditious redressal of grievances regarding implementation of the scheme. However, only one Ombudsperson was appointed since the inception of the scheme in the Puducherry District and no complaints had been received by the Ombudsperson.

Further, it was confirmed in the beneficiary survey that the appointment and functioning of the Ombudsperson was not properly disseminated among the workers and the public.

Government replied (August 2025) that regarding the constitution of the Ombudsman at Karaikal District, the matter has been taken up with the competent authority and necessary action for appointment is under process.

2.1.11 Conclusion

The implementation of the MGNREG Scheme in the UT was deficient in several key areas. The UT Government did not frame Rules to carry out the provisions of MGNREG Act, as required in the Act. The baseline survey, as prescribed in the guidelines, was not conducted. No separate Annual Development Plan and Labour Budget were prepared at the GP/Block/District level. There were significant gaps between the projected and actual PDs generated, indicating that the Department failed to accurately assess and project the labour demand to ensure 100 days of employment to all the willing HHs.

Further, the UT Government did not release its proportionate share of ₹ 3.68 crore towards material component and diverted ₹ 1.24 crore from material to the administrative component leading to inadequate execution of material works and non-creation of durable assets. The lack of rules for payment of unemployment allowance and failure to pay eligible beneficiaries reflect weak compliance with the statutory provisions. Employment opportunities for differently abled persons were insufficient, and no initiatives were taken to identify or include them.

The employment generated under the scheme was much less than the guaranteed 100 days of wage employment. The average PDs generated were 16.02, 19.61 and 41.69 in the three Blocks during the years 2021-24. Only 82 HHs were provided 100 days of employment across all the three Blocks. Most of the works undertaken were limited to desilting and deepening of water bodies resulting in non-creation of durable assets with material expenditure ranging between 0.07 *per cent* and 14 *per cent* as against the prescribed norms of 40 *per cent*.

There were shortfalls in conduct of inspection of works by District Programme Officer. Social Audit was not conducted since the inception of the scheme, and no grievance redressal mechanism, such as complaint register, was maintained for resolving complaints.

Overall, the deficiencies indicate poor planning, weak financial management, and ineffective monitoring, undermining the core objectives of the MGNREG scheme to provide sustainable wage employment and create durable assets.

2.1.12 Recommendations

The Government may

- *Constitute the institutional mechanisms viz., State Employment Guarantee Council, District level Technical Committees and Block Resource Centres as required in the Act and Guidelines.*
- *Establish State Employment Guarantee Fund (SEGF) and frame SEGF Rules to ensure transparency, efficiency and accountability.*
- *Release its proportional share towards material cost, so that material works could be executed under the scheme.*
- *Prepare Labour Budget based on the demand for job and ensure that 100 days of guaranteed wage employment is provided to households.*
- *Take necessary steps to pay the wages on time and pay unemployment allowance to the eligible persons.*
- *Consider executing works which create durable assets like construction of check dams, roads, Anganwadis etc., with the approval of Gram Sabha.*
- *Conduct Social Audit as prescribed in the Act and Guidelines to ensure public accountability in the implementation of the Act and take immediate steps to create a grievance redressal mechanism to resolve complaints.*

LOCAL ADMINISTRATION DEPARTMENT

2.2 Subject Specific Compliance Audit on Implementation of Jal Jeevan Mission in the UT of Puducherry

2.2.1 Introduction

2.2.1.1 Background of Jal Jeevan Mission

Jal Jeevan Mission (JJM) is the flagship scheme launched by Government of India (GoI) in August 2019. It aimed to provide a Functional Household Tap Connection (FHTC) to every rural household in the country through decentralised and integrated water resource management by the Gram Panchayats, with a key focus on water conservation, source sustainability, and rainwater storage. The components of JJM are indicated in **Chart 2.7**.

Chart 2.7: Components of JJM



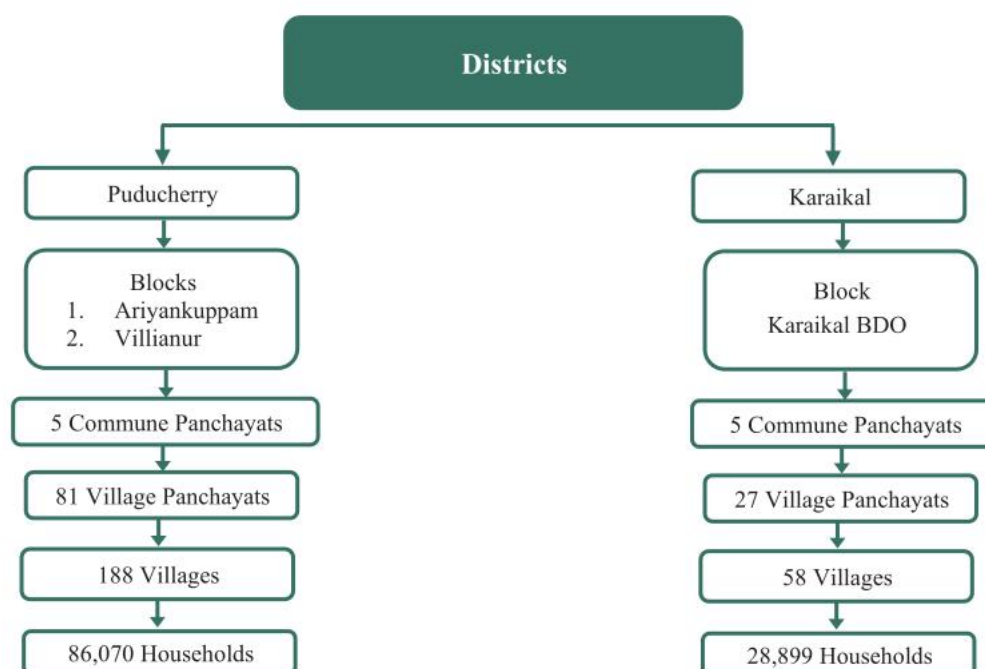
(Source: JJM Guidelines)

The Union Territory of Puducherry (UTP) consists of four geographically unconnected regions viz., Puducherry, Karaikal, Mahe and Yanam and is divided into two Districts of Puducherry and Karaikal. Puducherry District comprises of Puducherry region and the two outlying administrative units of Mahe and Yanam.

The rural areas of UTP are divided into three Blocks viz., Ariyankuppam, Villianur and Karaikal (two in Puducherry and one in Karaikal) under which there are 10 Rural Local Bodies viz., Commune Panchayats (CP) i.e., five each in Puducherry and Karaikal District functioning under the control of Local Administration Department (LAD).

There are 108 Village/Gram Panchayats (GP) (81 GPs in Puducherry and 27 in Karaikal) with 246 Villages (Puducherry - 188 and Karaikal - 58). The rural UTP is depicted in **Chart 2.8**.

Chart 2.8: Rural UTP



(Source: e-jalsakthi portal).

The water supply in rural areas is governed by respective CPs. However, in the urban pockets of CPs, water supply is under the control of divisions of Public Works Department (PWD), Puducherry and Karaikal. There were totally 1,00,321 households as of April 2019 in all 10 CPs, out of which 93,506 were with FHTC before commencement of JJM. During the mission period upto March 2024, number of households increased to 1,14,969.

2.2.1.2 Organisational set up

The Secretary to the Government, the administrative head of the Local Administration Department is the Mission Director, who is assisted by the Director (LAD), who is responsible for overall implementation and monitoring of the JJM Scheme in UTP. The Commissioners of CPs are in charge of the field level implementation of JJM.

The divisions functioning under the PWD, Puducherry and Karaikal were entrusted with the creation of infrastructure relating to water supply for CPs

under JJM. On creation of infrastructure, the same were to be handed over to CPs for further operation and maintenance.

2.2.1.3 *Audit objectives*

Audit objectives were to assess whether:

- the programme objectives (output and outcomes) have been achieved successfully;
- efficient institutional framework is in place for planning, implementation, and post operational management of the schemes;
- financial resources have been employed in an economic and efficient manner; and
- assets created through the programme are sustainable for the next two to three decades and do not compromise water security for future generations.

2.2.1.4 *Audit Criteria*

The main sources of audit criteria for the SSCA were:

- Operational Guidelines for Implementation of JJM;
- Margdarshika for Gram Panchayat & Village Water and Sanitation Committee (VWSC) to provide Safe Drinking Water in Rural Households.
- Water Quality Monitoring and Surveillance Framework.
- SDG obligations and Standard Operating Procedure for WASH standards;
- Central Public Works Department (CPWD) Works Manual 2019;
- General Financial Rules, 2017;
- Orders issued by the UT Government facilitating implementation of JJM;
- Provisions of UT specific Procurement Rules; and
- Orders issued by the UT Government pertaining to devolution of powers as envisaged in 73rd Amendment Act of the Constitution of India.

2.2.1.5 Scope of Audit, Methodology and Sample Selection

The Subject Specific Compliance Audit (SSCA) covered the implementation of JJM in the UTP during the five-year period from 2019-20 to 2023-24. The audit commenced with an Entry Conference with the Secretary to the Government (LAD) on 25 July 2024 in which the audit objectives, scope, methodology and coverage of the Audit were briefed. The audit was conducted during the period July 2024 to December 2024 involving scrutiny of records at LAD, Public Health Division, PWD, Puducherry and the Office of the Executive Engineer, PWD, Karaikal and all the 10 CPs, besides other Offices/Departments connected with implementation of JJM. An Exit Conference was held on 07 August 2025 with the Secretary to the Government, LAD, Government of Puducherry, wherein the audit findings of the Subject Specific Compliance Audit (SSCA) were discussed. The Government replies (October 2025) to the report have been suitably incorporated in the relevant paragraphs.

All the 10 CPs under three Blocks of both the Districts of UTP were covered in Audit. Out of the 246 villages, JJM works were carried out in 51 villages. Accordingly, 50 *per cent* of 51 villages (26 villages) were taken up for detailed scrutiny in Audit through Random Sampling Method using IDEA Software (Ariyankuppam - 6, Villianur - 7 and Karaikal - 13). In the selected villages, meetings with VWSC and survey of 650 beneficiaries (25 in each village) were conducted jointly with the Department.

2.2.1.6 Acknowledgement

Audit acknowledges the cooperation and assistance extended by the UT Government, LAD, Public Health Division, PWD, Puducherry, EE/PWD, Karaikal and all the CPs in conduct of this Audit.

2.2.2 Output and Outcome Framework of Jal Jeevan Mission

According to Guidelines, the success of JJM is measured based on the primary output of provision of FHTCs to all rural households by 2024.

A FHTC under this mission has three key characteristics:

- **Adequate Quantity:** It ensures the supply of at least 55 litres per capita per day (lpcd).
- **Prescribed Quality:** The water provided meets the BIS:10500 standard
- **Regular supply:** The water supply is continuous and sustainable in the long term.

Considering the above, Audit analysed the number of FHTCs provided under JJM as per the Integrated Management Information System of the Department/ National Mission *viz.*, e-Jalsakthi portal (Portal) and records of CPs.

Further, the functionality of tap connections *i.e.*, regular supply of water with adequate quantity and required quality was reviewed through conduct of meetings with the members of VWSC and surveys conducted among beneficiaries in the sampled villages.

As such, the approach under JJM ensures socio-economic wellbeing of rural households. The outcome of the Mission were assessed through beneficiary survey.

The following observations have been made regarding the functioning of the Mission.

2.2.2.1 Progress of FHTC during the Mission period

As per Para 3.5(i) of the Guidelines, the baseline data on household tap connections was to be re-verified and affirmed by States/UTs before March 2020 and to be reported on Portal, which serves as the basis for implementation of JJM.

Accordingly, prior to the implementation of JJM (April 2020), the UT reported that 99,993 households (Puducherry - 82,466, Karaikal - 17,527) out of 1,14,908 households (Puducherry - 86,009, Karaikal - 28,899) had FHTCs.

The households further increased to 1,14,969 during mission period from 2021-22 to 2023-24. Thus, a total of 14,976 households were to be covered under JJM as given in **Table 2.11**.

Table 2.11: Coverage of Households under JJM

Name of the District	Total number of households	Households with FHTC before JJM	Coverage under JJM	Percentage of coverage under JJM
Puducherry	86,070	82,466	3,604	4.19
Karaikal	28,899	17,527	11,372	39.35
Total	1,14,969	99,993	14,976	13.03

(Source: e-jalsakthi portal)

The details of the year-wise progress on provision of FHTCs under JJM were as given in **Table 2.12**.

Table 2.12: Year-wise progress on provision of FHTCs under JJM

Year	Puducherry					Karaikal				
	Total HH	With FHTC	To be covered under JJM	Covered under JJM	Own sources	Total HH	With FHTC	To be covered under JJM	Covered under JJM	Own sources
2020-21	86,009	82,466	3,543	3,211	0	28,899	17,527	11,372	3,611	1,465
2021-22	86,009	85,677	332	121	211	28,899	22,603	6,296	4,775	1,521
2022-23	86,070	86,009	61	40	21	28,899	28,899	0	0	0
2023-24	86,070	86,070	0	0	0	28,899	28,899	0	0	0
Total				3,372	232				8,386	2,986

(Source: e-jalsakthi portal)

Thus, all the households in the two Districts were provided with FHTCs, as per the JJM portal.

2.2.2.2 Non-provision of FHTC to all Households

Scrutiny of records of 26 sampled villages showed that 3,459 households (Puducherry District: 695 and Karaikal District: 2,764) out of 24,797 households (Puducherry District: 11,723 and Karaikal District: 13,074) did not have FHTCs as of March 2024, as detailed in **Table 2.13** and **Appendices 2.6** and **2.7**.

Table 2.13: HHs provided with FHTCs as per portal and as per records of CP

Year	Number of sampled villages	As per Portal					As per records of CP				
		HH in April 2020	With FHTC	HH in March 2024	With FHTC	Without FHTC	HH in April 2020	With FHTC	HH in March 2024	With FHTC	Without FHTC
Puducherry	13	9,878	9,444	9,894	9,878	16	11,094	9,072	11,723	11,028	695
Karaikal	13	9,544	6,489	9,544	9,544	0	9,525	6,200	13,074	10,310	2,764
Total	26	19,422	15,933	19,438	19,422	16	20,619	15,272	24,797	21,338	3,459

(Source: e-jalsakthi portal and details furnished by CP)

It is observed from **Table 2.13** that out of 24,797 HHs, 3,459 HHs (14 per cent) did not have FHTCs in the sampled villages though the portal reported that all the HHs in the UT had been provided with FHTCs. This indicates that the data on the portal does not reflect the true field situation.

Further, Audit observed during field inspections and ascertained from the officials of two CPs that 234 HHs did not have FHTCs out of 481 HHs in two villages, as detailed in **Table 2.14**.

Table 2.14: Households without FHTCs

Name of the Commune Panchayat	Name of the village	Area in the village	Total Number of HHs	HHs without FHTCs
Kottucherry	Poovam	Rayanpalayam Main Road, Rayanpalayampet and Kalichiappar Koil Street	141	70
		Madhakoilpet	98	51
		Yadhaval Street	111	22
	Akkampettai	Akkampettai	101	81
Thirunallar	Nallambal	New L.G.R Patta Layout	30	10
	Total		481	234

(Source: Details furnished by CP)

Thus, it was observed that the Department's claim on the portal, of having achieved 100 *per cent* coverage of HHs with FHTCs was not correct, as there was short coverage of 14 *per cent* in the sampled villages.

The Government accepted (October 2025) the Audit observation and stated that a special team would be constituted to assess the left-out households. Government further replied that a special drive would be conducted to ensure the provision of Functional Household Tap Connections.

2.2.2.3 Independent Audit approach for Assessment of quantity and quality of water supply

As per Para 3.1 of Guidelines, the vision of JJM is that every rural household has drinking water supply in adequate quantity of prescribed quality on regular and long-term basis at affordable service delivery charges, leading to improvement in living standards of rural communities.

(a) Assessment of quantity of water supply

As per Para 6 of Guidelines, every rural household should be provided with drinking water in adequate quantity, *i.e.*, minimum of 55 lpcd. As no water meters were installed in the UT of Puducherry, either at the water source infrastructure or in households with FHTCs, the Audit assessed the adequacy of water supply through meetings with the members of VWSC and survey of beneficiaries in the sampled villages. The results of the meetings and survey are given in **Table 2.15**.

Table 2.15: Results of VWSC meetings and beneficiary survey on quantity of water supply

District	No. of meetings conducted with VWSCs	Satisfaction of the committee			No. of beneficiaries surveyed	Satisfaction of the beneficiaries		
		Yes	No	Percentage of dissatisfaction		Yes	No	Percentage of dissatisfaction
Puducherry	13	9	4	31	332	279	53	16
Karaikal	13	10	3	23	322	244	78	24
Total	26	19	7	27	654	523	131	20

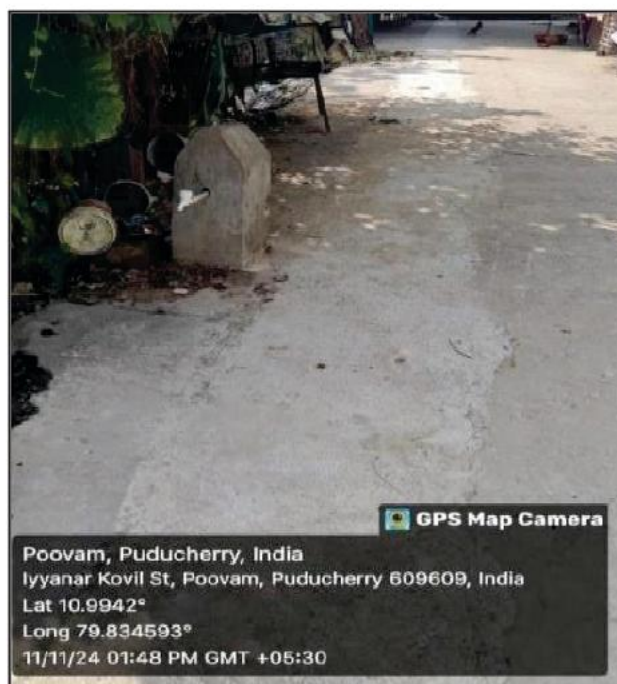
(Source: Results of VWSC meetings and beneficiary survey)

In this context, the following observations are made:

- In respect of Puducherry and Karaikal, 31 and 23 *per cent* of VWSC recorded that the quantity of water supply was not sufficient. The overall percentage of dissatisfaction stood at 27 *per cent*.
- In the survey, 16 and 24 *per cent* of beneficiaries of Puducherry and Karaikal stated that the quantity of water supply was not sufficient. The overall percentage of dissatisfaction among beneficiaries was 20 *per cent*.

- Out of 26 sample villages, in respect of three villages viz., Neravy South, T.R. Pattinam East and Keezhavanjorekuppam, 78 to 100 *per cent* beneficiaries reported dry connections and non-supply of water. In Neravy (South) village, all the beneficiaries surveyed stated that water supplied during the past eight years was inadequate. The Government accepted (October 2025) the fact of inadequate supply of water, attributing it to absence of borewells in the villages and further stated that proposals are under consideration to explore alternative safe water sources.
- During field visit in July 2025, Audit noticed that water was supplied once in three days to 12 HHs of Iyyanar Koil Street of T.R.Pattinam East village and only for about 30 minutes daily to 450 HHs in Southpet Area of Neravy South village. Government accepted (October 2025) that observation and stated that measures have been initiated to augment water supply.

During field visit (November 2024 and July 2025), it was observed that in Madhakoilpet area in Poovam village under Kottucherry CP, though pipelines were provided, there was no supply of water (dry connections as shown in **Picture 2.6**). The Department stated (November 2024) that the yield from the existing open borewell was very limited and insufficient to meet the water requirements of the area and PWD had been requested to provide a new borewell. Further, during field visit (July 2025) to the Madhakoilpet area, it was observed that 47 FHTCs were currently dry and not receiving any water supply. Although a shallow borewell had been dug, the motor had not been fixed.



Picture 2.6: Dry connection in public tap - Rayanpalayam, Poovam village

Government replied (October 2025) that the Department is continuously reviewing and monitoring the quantity of supplied water and is taking corrective steps to address deficiencies in water availability.

(b) Assessment of quality of water supply

(i) In the UTP, the source of water supply is exclusively ground water. Audit independently collected water samples from the selected villages in the presence of departmental officials and tested in the Government Laboratories²¹ at Puducherry and Karaikal. The details of water samples drawn and the results of the analysis are shown in **Table 2.16**.

Table 2.16: Results on water quality testing

District	Number of samples drawn and tested	Chemical parameters			Bacteriological parameters		
		Satisfactory	Not satisfactory	Percentage of unsatisfactory	Satisfactory	Not satisfactory	Percentage of unsatisfactory
Puducherry	13	12	1	7.69 per cent	9	4	31 per cent
Karaikal	13	13	0	-	7	6	46 per cent
Total	26	25	1	3.85 per cent	16	10	38 per cent

(Source: Test results of samples)

From **Table 2.16**, it is observed that 38 per cent of the samples did not conform to the prescribed standards with respect to bacteriological parameters.

Though the test reports of 25 out of 26 water samples were shown as satisfactory as regards chemical analysis, it was noticed that Total Dissolved Solids (TDS) levels in respect of 21 samples (Puducherry - 8, Karaikal - 13) exceeded the acceptable limit of 500mg/l. Further, total hardness CaCO₃ present in water in respect of 12 samples (Puducherry - 9, Karaikal - 3) exceeded the acceptable limit *i.e.*, 200mg/l and chloride content in 13 samples (Puducherry - 2, Karaikal - 11) was above the permissible limit of 250mg/l as detailed in **Appendix 2.8**.

(ii) During the focused group discussion conducted with VWSC members in the 26 selected villages, it was recorded that in seven²² villages the quality of water supplied was not satisfactory.

²¹ Analysis of chemical parameters done by Public Health Laboratories of PWD in Puducherry and Karaikal. Analysis of bacteriological parameters done by Department of Food and Drug Testing in Puducherry and District Model Laboratory of General Hospital, Karaikal.

²² Odaively, K.R.Palayam, Korkadu, Thondamanatham, Neravy South, Keezhavanjorekuppam and T.R. Pattinam villages.

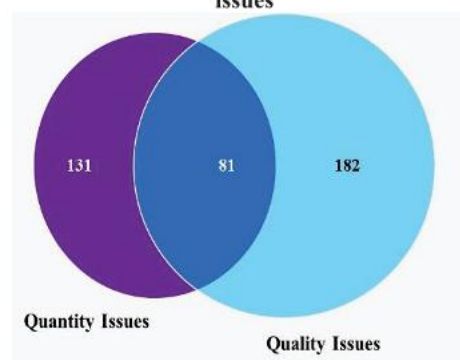
In K.R Palayam of Mannadipet CP during the VWSC meeting and beneficiary survey (November 2024) at Mariamman Koil street, all survey participants reported that substandard water had been supplied to the people for several years. The Department stated that there are three borewells, out of which the quality of water in one borewell was very poor. As no overhead tank was available, the sub-standard water (Yellow in colour) as shown in **Picture 2.7** was being supplied to that area directly without treatment.



Picture 2.7: Supply of poor quality of water in K.R. Palayam village

(iii) The survey of 661 beneficiaries (333 beneficiaries in Puducherry and 328 in Karaikal) conducted in the selected villages revealed that 182 beneficiaries raised concerns regarding the poor quality of the water supplied, while 131 beneficiaries expressed concerns about the quantity of water supplied. Further, 81 beneficiaries reported dissatisfaction in both with the quantity and quality of water supplied, as shown in **Chart 2.9**. The Venn Diagram shows concern of beneficiaries relating to water quality and quantity.

Chart 2.9: Venn diagram of Water Supply issues



Government replied (October 2025) that the issue has been taken up with the concerned Commune Panchayats and necessary instructions have been issued to all the Commune Panchayats to send samples from source and tail end every fortnight.

These findings indicate shortcomings in the provision of tap connections with required functionality and demonstrate that the claim of having achieving 100 *per cent* FHTC coverage in UTP is not valid.

2.2.3 Planning

The planning under JJM is based on the long-term plan for the State water supply sector and addresses the issues pertaining to water security and sustainability of sources and systems. Accordingly, there should be transformation from present 'department-based and construction or infrastructure development' to 'utility based' *i.e.*, from creation of water supply infrastructure to water management *viz.*, service delivery.

The approach, *inter alia* includes sustainable Operation and Maintenance (O&M) of the systems, undertaking water budgeting and audits at regular intervals, cost recovery and reducing the energy charges, etc.

2.2.3.1 *Non-preparation of State Action Plan*

In order to achieve the objectives of JJM, as per Para 3.5(xxiii) of JJM Operational guidelines, Village Action Plan (VAP) was to be prepared based on the type of scheme to be taken up in the village to provide FHTC to every rural household. The VAPs of all villages in a District and all District Action Plans of all Districts in the State were to be aggregated along with regional water supply scheme's/bulk water transfer and treatment plants based on the need to formulate the State Action Plan (SAP) for the period up to 2024. The strategic plan under SAP was to detail source-sustainability, functionality, monitoring, third party inspections for implementation, water measurement, greywater management and comprehensive O&M plan for the system.

Further, States/UTs were also to prepare an Annual Action Plan (AAP), which would emerge from the SAP, detailing yearly targets commensurate with the annual allocation and would be submitted to Department of Drinking Water and Sanitation for approval.

It was noticed that no SAP was prepared for the Mission period, though AAPs were prepared for the years 2021-22, 2022-23 and 2023-24 and got approved by GoI. In response to a specific query, it was stated that as the coverage of FHTCs under JJM was very limited, the five-year SAP was not prepared for the Mission period from 2019-2024.

In this context, during the field visit, it was observed that there were villages facing long-standing water-related issues, as detailed in **Paragraphs 2.2.2.2 and 2.2.2.3 (a)**. Due to the lack of a holistic approach, these problems persisted even after the implementation of JJM.

The Government also acknowledged (October 2025) that a strategic framework in the form of SAP could have provided a more integrated approach to addressing systemic challenges, particularly in villages facing long-standing water supply issues.

2.2.3.2 *Lack of community participation in the implementation of JJM*

As per Para 3.5 of Guidelines, a community-led partnership with the UTP is the key strategy for achieving the mission's objectives. Also, Para 5.4 of Guidelines emphasises that the community should play a lead role in planning, implementation, management, operation and maintenance of in-village water supply infrastructure, thereby ensuring provision of FHTC to every rural household.

However, in the UTP, it was observed that community participation was largely absent in the implementation of JJM, as detailed below:

(a) *Improper constitution of VWSCs*

As per Para 4.20.2 of Margdarshika for Gram Panchayat and VWSC to provide safe drinking water in rural households constituting VWSC/Paani Samitis/User Groups, will be done by the Gram Sabha in which all sections of the community to be involved.

However, it was noticed that these committees primarily comprised women from Self-Help Groups under the National Rural Livelihoods Mission and CP staff, with no representation of traditional village leaders as recommended by the GoI. Common villagers were largely excluded from these committees.

(b) *Inadequate community involvement in Water Quality Surveillance*

As outlined in Chapter 10 of the Guidelines, water quality surveillance should be conducted by the community using Field Test Kits (FTKs). Although lists of trained women were uploaded on the portal, discussions with VWSC members revealed that training was imparted only to four CP tank operators in the 26 sampled villages, and no women from the concerned villages had received FTK training. Consequently, community participation in water quality surveillance was absent.

The above observations indicate a gap between the actual needs of the community and the schemes implemented, underscoring the importance of ensuring meaningful community participation in future planning and execution of works under JJM.

Government replied (October 2025) that FTKs are issued to SHG members who are also VWSC members and training was imparted to them to use FTKs under the supervision of CPs.

Reply is not acceptable, during field visit VWSC members stated that FTKs were not used and further department failed to produce the records of test reports using FTKs.

2.2.3.3 *Absence of water meters impacting effective water management*

As per Para 11.1 of Guidelines, it is essential to maintain data on daily water supply from the source. To achieve this, water meters were to be installed at water sources and delivery points, which would help reduce water wastage, as consumption-based billing would encourage efficient usage.

However, it was observed that no water meters were installed in the UTP either at water source (borewells, sumps, tanks), or households connected with FHTCs.

The Government accepted (October 2025) the fact of not having water meters and decided to have water meter to every household in future.

2.2.3.4 Non-collection/Short collection of water charges

In the absence of a robust system for assessing water connections in the UTP, it was admitted that 20,025 tap connections (20 *per cent*) out of 99,993 tap connections in 2020 were unauthorised and not levied water charges.

Thus, due to failure to implement effective measures for streamlining the collection process resulted in accumulation of arrears of water charges amounting to ₹ 21.12 crore²³ as of March 2024. The Government accepted (August 2025) short collection of water charges during exit conference.

2.2.3.5 Non-conduct of Social Audit under JJM

As per Para 5.4(xviii) of the Guidelines, GPs and VWSCs are mandated to conduct social audits to ensure transparency, accountability and that the benefits of JJM reach the intended beneficiaries.

During the mission period, 87 works²⁴ have been executed under JJM, incurring an expenditure of ₹ 10.01 crore. However, it was observed that no social audits were conducted for these projects. The absence of social audits undermines transparency and makes it difficult to assess whether the objectives of JJM were fully achieved and the benefits effectively reached the targeted rural households.

Government replied (October 2025) that the lack of community participation was due to absence of elected representatives in the UT of Puducherry. Further stated that since no remuneration is provided to VWSC member, it was difficult to ensure their full and active participation.

2.2.4 Post operational management and sustainability

Post Operational Management and sustainability ensures that created water supply systems remain functional and efficient to the needs through formulation of Operation and Maintenance Policy, source sustainability measures and Greywater Management. The deficiencies noticed during the conduct of Audit is pointed out below.

2.2.4.1 Gaps in community contribution towards Project Costs

As per paragraphs 6.1.2 and 7.11 of Guidelines, the community is required to contribute 10 *per cent* of the capital cost through cash, kind or labour for the implementation of piped water supply infrastructure and related source

²³ Puducherry: ₹ 17.08 crore and Karaikal: ₹ 3.04 crore.

²⁴ Completed: 81 and In progress: 6.

development. This community contribution, along with the willingness of at least 80 *per cent* of households in the village, is a pre-requisite for initiating any water supply scheme.

As per information furnished by LAD, the final value of works completed and under process was ₹ 6.24 crore for which an amount of ₹ 0.62 crore was to be collected towards community contribution. However, only an amount of ₹ 0.18 crore was collected for works executed under JJM, leaving ₹ 0.44 crore²⁵ uncollected from eight CPs.

The beneficiary survey conducted by Audit revealed that 82 *per cent* of the beneficiaries surveyed were aware of the payment of community contribution towards the capital cost of the work executed under JJM.

Government replied (October 2025) that due to the absence of elected council members, community contribution could not be fully realised as only a few Commune Panchayats made marginal collections. Government further replied that it has decided to provide a grant towards the community contribution in addition to the State share.

2.2.4.2 *Absence of source sustainability measures*

Para 6.1 of the JJM Guidelines emphasises the importance of long-term, sustainable planning for drinking water sources to ensure safe water availability, even during distress periods through strategies like dedicated borewell recharge structures, rainwater harvesting and rejuvenation of existing water bodies ideally in convergence with schemes like MGNREGS, MPLAD, MLALAD and CSR initiatives.

In the Districts of Puducherry and Karaikal, groundwater is the sole source of drinking water. Further, the Central Ground Water Board's March 2022 report classified the groundwater status as critical and noted no significant change in overall groundwater resources of UT of Puducherry since 2017.

However, no rainwater harvesting systems were implemented in any water sources across the Districts, including in areas facing severe water shortages during summer. Also, the report of water test done by Audit, across the selected villages revealed that 81 *per cent* of the tested samples (as detailed in **Appendix 2.8**) had TDS levels above the desirable threshold, which could be minimised through recharge of sources.

Government replied (October 2025) that different activities carried out for desilting of tanks, ponds and rivers.

²⁵ Bahour - ₹ 6.60 lakh, Mannadipet - ₹ 0.77 lakh, Nettapakkam - ₹ 0.52 lakh, Kottucherry - ₹ 5.8 lakh, Nedungadu - ₹ 2.13 lakh, Neravy - ₹ 7.14 lakh, T.R. Pattinam - ₹ 4.68 lakh, Thirunallar - ₹ 16.17 lakh.

Reply is not acceptable since the JJM guidelines emphasises the importance of borewell recharge structures, rainwater harvesting and rejuvenation of water bodies, but no such type of activities was carried out with convergence of various schemes under JJM.

2.2.4.3 Lack of Greywater management

As per Para 3.3 of the JJM Guidelines, greywater²⁶ management is a key objective. Accordingly, greywater management has to be done funding support from schemes like Swachh Bharat Mission - Grameen (SBM-G).

During the field visit, it was observed that FHTCs were installed outside houses, near doorsteps (as shown in **Pictures 2.8** and **2.9**) in all the test-checked beneficiaries houses, instead of at the recommended three delivery points viz., kitchen, washing/bathing area, and toilet under JJM, which led to untreated greywater flowing into streets, causing water stagnation, unsanitary conditions, mosquito breeding, and water wastage.



Picture 2.8: Provision of FHTC outside of house



Picture 2.9: Stagnation of water on streets due to absence of greywater management

Further, it was noticed that out of ₹ 35.89 crore received for greywater management under SBM-G during 2018-19, only ₹ 0.32 crore was utilised by the Rural Development Department on installation of community soak pits in four village.

Government replied (October 2025) that DRDA have their own action plan for establishing community soak pits.

Reply is not acceptable as scheme guidelines envisages that funds can be sourced by convergence with other schemes. However, no such attempt was made from the nodal agency.

²⁶ Wastewater generated from non-toilet household activities like bathing, washing and cooking.

2.2.5 Financial Outlay

The cost sharing ratio between GoI and Government of Puducherry is 90:10. Up to five *per cent* and up to two *per cent* of such allocated fund to UT will be utilised for support activities²⁷ and Water Quality Monitoring & Surveillance (WQM&S) activities²⁸ respectively. Balance will be utilised to provide FHTCs to rural households (Coverage). The year-wise funds released and utilised during 2019-20²⁹ to 2023-24 are given in **Table 2.17**.

Table 2.17: Release of funds and expenditure under JJM

(₹ in lakh)

Year	Opening Balance	Funds received		Miscellaneous Receipts including interest earned	Total funds available	Expenditure incurred		Total Expenditure	Closing Balance
		GoI	GoP			Coverage	Support/Miscellaneous		
2020-21	0.78*	Nil	Nil	0.01	0.79	Nil	Nil	Nil	0.79
2021-22	0.79	853.06 [@]	94.76	4.02	952.63	207.01	4.42	211.43	741.20
2022-23	741.20	Nil	Nil	29.59	770.79	120.49	24.80	145.29	625.50
2023-24	625.50	100.00	11.11	8.25	744.86	673.67	42.06 [#]	715.73	29.13
Total		953.06	105.87	41.87		1,001.17	71.28	1,072.45	

* This amount represents balance in Bank Accounts of the erstwhile scheme of National Rural Drinking Water Programme (NRDWP)

[@] Relates to 2020-21 (₹ 105.80 lakh) and 2021-22 (₹ 747.26 lakh)

[#] Includes interest on Savings Bank Account remitted to Directorate of Accounts and Treasuries (DAT) of ₹ 14.72 lakh

(Source: Details furnished by LAD)

It could be seen that out of ₹ 1,058.93 lakh received as Grants under the scheme, expenditure of ₹ 1,001.17 lakh was incurred on coverage, ₹ 71.28 lakh on support activities and miscellaneous.

2.2.5.1 Non-obtaining of allocated GoI share

As per Chapter 7 of the Guidelines, JJM is a time-bound mission, requiring robust financial planning and prudent utilisation of funds for successful implementation. The fund-sharing pattern between GoI and GoP is 90:10 under JJM. Annual allocation was to be released in two equal instalments, with each instalment being disbursed in two tranches. The first instalment (50 *per cent* of

²⁷ The support funds are available for States to carry out the functions such as Information, Education and Communication (IEC) among local communities, Human Resource Development (HRD), training and skill development; mobilisation of local communities; third party inspection.

²⁸ WQM&S activities include conduct of awareness and education programmes on water quality in Schools, Anganwadi centres, Health centres, GPs/PRIs, etc., enabling communities to undertake presumptive testing of water quality using FTKs.

²⁹ Though the Audit period covers from 2019-20 in the UT, the first AAP was prepared only in 2020-21.

the total allocation) will be released after adjusting any excess opening balance beyond 10 *per cent* of the previous year's funds.

Although the JJM was implemented in August 2019, the nodal Department for its implementation viz., LAD was designated by the UTP only in March 2020. Further, the National Rural Drinking Water Programme (NRDWP), the previous water supply scheme which was scheduled to be completed in the UTP by March 2020, was finalised only in August 2020, due to delay in submission of Utilisation Certificates (UCs). Furthermore, the UT-level institutional mechanisms for approving plans and strategies under JJM were established only in January 2021.

As a result, the AAPs for 2019-20 and 2020-21 were not submitted. Consequently, the first AAP of UTP under JJM for 2021-22 was approved only in July 2021, causing a delay of two years from the launch of JJM and resulting in non-receipt of the allocated GoI share, as detailed in **Table 2.18**.

Table 2.18: Non-receipt of GoI share

(₹ in crore)

Year	Requirement made by GoP	Allocation	Released	Remarks
2019-20	No AAP	2.50	Nil	No proposal submitted and no UC under NRDWP submitted.
2020-21	No AAP	4.64	1.06*	Due to non-submission of UC for ₹ 1.06 crore, further instalment of GoI was not released.
2021-22	38.00	30.22	7.47*	Amount not utilised in time, as the 2021-22 works were taken up in 2022-23 and hence the expenditure during 2021-22 was less. Hence, further instalments not released.
2022-23	28.96	17.83	Nil	80 <i>per cent</i> of funds released in 2021-22 remained unutilised. Only the balance in NRDWP was transferred to JJM.
2023-24	18.69	Nil	1.00	AAP was submitted contemplating old works pertaining to 2022-23 and the works which are proposed in 2022-23 were carried over to 2023-24. However, an amount of ₹ 16.39 crore was sought for the committed liabilities under previous AAP and GoI released ₹ 1.00 crore.
Total		55.19	9.53	Only 17 <i>per cent</i> of the total allocated amount received.

* Total funds of ₹ 8.53 crore relating to 2020-21 and 2021-22 received only in 2021-22, as per Audit Report, though 2020-21 funds of ₹ 1.06 crore were sanctioned in October 2020 by GoI.

(Source: Details furnished by LAD)

As of March 2024, out of the total allocated amount of ₹ 55.19 crore, UTP had received only ₹ 9.53 crore due to delays in submissions of proposal, unutilised funds and non-compliance with fund release conditions.

Out of 92 works sanctioned in AAPs for the year 2021-22 and 2022-23, four works were dropped and one work was yet to be taken up, 81 works were completed and six works were under progress as of December 2024. However, only partial payment was made to the 13 completed works as of June 2025. Thus, the total liability towards completion of remaining six works in progress and pending settlement of completed 13 works under JJM worked to ₹ 16.39 crore.

Government replied (October 2025) that the funds were released at the fag end of the financial year and this has resulted in the delay in utilisation of funds.

Reply is not acceptable as JJM was commenced in the year 2019 but the nodal agency was designated only in March 2020. Further, no AAPs were submitted for the years 2019-20 and 2020-21 as submission of AAP is one of the main criteria for obtaining GoI share and the funds were unutilised for the planned year.

2.2.6 Execution of works under JJM

The details of retrofitting projects and water supply revamping/augmentation projects approved, completed and pending were given in **Table 2.19**.

Table 2.19: Details of works executed under JJM

Year	Number of works			Financial implication (₹ in crore)		
	Approved	Completed	Pending	Approved cost	Sanctioned cost	Expenditure incurred
2020-21	52	49	0	4.26	4.42	2.69
2022-23	40	32	6	26.11	28.55	7.32
Total	92*	81	6	30.37	32.97	10.01

* Five works were not taken up (Three in 2020-21 and two in 2022-23)

(Source: Details furnished by LAD)

From the **Table 2.19**, it could be seen that 52 retrofitting projects, focused on providing pipelines for FHTC at a cost of ₹ 4.42 crore, were initiated in 2020-21. Similarly, in AAP 2022-23, 40 projects related to the revamping and augmentation of water supply were approved at a cost of ₹ 28.55 crore. However, these works were not undertaken during that year and were carried forward to subsequent years. Of these, 49 retrofitting projects relating to 2020-21 and 32 water supply revamping/augmentation projects relating 2022-23 have been completed at cost of ₹ 2.69 crore and ₹ 7.32 crore respectively.

Out of the 52 retrofitting projects taken up in 2020-21, in respect of three works, though the works were completed audit noticed that works were not executed as planned as detailed in **Table 2.20**.

Table 2.20: Shortfall in completion of works

Sl. No.	Name of the Work	Sanctioned cost (₹ in lakh)	Value of work done (₹ in lakh)	FHTCs planned (Nos.)	FHTCs executed (Nos.)
1	Providing left out FHTC at Kalikkuppam, Mandabathur, Koilmedu, Mariyamman Koil Street and surrounding areas at Thiruvettakudy village in Kottucherry Commune Panchayat.	7.77	2.07	777	542
2	Providing FHTC at Kottucherryedu, Jeeva Nagar, Agrapharam Street, Kuppuchetty Chavadi, Yadhaval Street, Kottucherry Anna Nagar South and surrounding areas in Kottucherry Commune Panchayat.	9.82	2.33	1041	250
3	Providing distribution line with FHTCs to various places at Vinayagampet, Sellipet village in Mannadipet Commune Panchayat.	4.71	2.13	68	13

(Source: Details furnished by LAD)

Audit observed that two works in respect of Kottucherry Commune Panchayat was abandoned due to insufficient present source of water to cater the requirements of new FHTCs planned to be provided under the work. In order to augment the water source in the area, the work viz., ‘Augmentation of water supply in Akkampet and surrounding areas’ was undertaken under JJM by PWD, Karaikal. The scope of work included sinking of one borewell, construction of underground reservoir and linking distribution line to existing grid and accessories. Though the work was included in AAP 2022-23 and awarded in July 2023 at a cost ₹ 3.63 crore with stipulated time for completion by November 2023, the project had not been commissioned as of July 2025.

During field visit³⁰ it was noticed that out of the total 451 households, 224 were without FHTC and households ought to fetch water from the public taps even after implementation of JJM and exhibited in **Picture 2.10**.



Picture 2.10: Women fetching water from public tap

2.2.6.1 Abnormal delay in execution of works approved under AAP

Para 7.5.2 of Guidelines envisaged that under financial planning timelines for completion of schemes to be adopted. Accordingly, for schemes requiring up to two or three years to complete, contracts must be awarded for implementation before March 2021 or March 2022 respectively.

³⁰ Rayanpalayam, Poovam Madhakoilpet, Yathaval Street and Akkampettai.

In UTP, under AAP 2022-23, seven water augmentation works *i.e.*, four in Puducherry and three in Karaikal were taken up *i.e.*, one year before the closure of mission. The progress of water supply augmentation works are detailed in **Appendix 2.9**.

From **Appendix 2.9**, it could be observed that though the works were approved as early as June 2022, it remained incomplete till date even after a lapse of more than three years. The delay in according expenditure sanction and slow progress has significantly delayed the works and defeated the objectives of JJM in UTP. Two illustrative cases of delays are discussed below and exhibited in **Pictures 2.11** and **2.12**.



Picture 2.11: Slow progress of work in Thirukanji



Picture 2.12: No progress in the work at Thirubhuvanaipalayam and rods exposed to open air

(a) *Augmentation of water supply system at Thirukanji Village in Villianur Commune Panchayat*

The work was approved in the AAP for the year 2022-23 in June 2022. The administrative approval and expenditure sanction for the work was accorded in November 2022 and March 2023 respectively. The work was awarded (May 2023) at a cost of ₹ 2.17 crore with a completion period of 12 months. However, Audit observed that only 65 *per cent* of the work had been completed till date (October 2024) due to delay in payment to contractor (**Picture 2.11**).

Thus, despite of clear guidelines for timely execution of the major works, non-payment to contractor led to slow progress of work from January 2024. Thus, the objective of meeting the water needs of the village Thirukanji with 738 HH was not achieved even after spending ₹ 75.39 lakh.

(b) Augmentation of water supply system at Thirubhuvanaipalayam and Madagadipetpalayam Village in Mannadipet Commune Panchayat

The work was approved in the AAP 2022-23 in June 2022. The administrative approval and expenditure sanction for the work was accorded in November 2022 and March 2023 respectively. The work was awarded (March 2023) at a cost of ₹ 2.88 crore with a stipulated completion period of 12 months. The work commenced only in May 2023 due to delay in handing over of the site.

After incurring an expenditure of ₹ 72 lakh there was no progress in the work since February 2024 due to non-payment to contractor. Further, it was observed that the steel reinforcement rods in the tank area of OHT were currently exposed to open air (**Picture 2.12**) and prolonged exposure would affect the structural integrity of the tank if not addressed promptly.

As the work remained incomplete, the planned augmentation of water supply to the two villages viz., Thirubhuvanaipalayam and Madagadipetpalayam with 977 HHs was not done even after a delay of more than two years despite incurring expenditure of ₹ 77.26 lakh.

(c) Non-execution of work approved under JJM

The work of augmentation of water supply in three villages³¹ in Mannadipet CP was planned, as the existing structures were old and inadequate. The first tender was invited (December 2022) at a cost of ₹ 4.04 crore, however, the tender was eventually cancelled due to administrative reasons.

A second tender was invited (August 2023) and finalised in September 2023 for ₹ 4.20 crore, with validity extended upto November 2023. Although expenditure sanction was finally obtained (March 2024), the tender validity had expired by then. An extension of the tender validity was requested by PWD upto March 2024, but the contractor did not agree.

Consequently, the work was not taken up till date and the water supply issue remained unresolved, affecting 899 HHs. Since the opportunity to complete the project under JJM was missed, the UT would have to bear an additional financial burden of at least ₹ 3.78 crore (90 per cent of the present tender cost) from its own funds.

2.2.6.2 Rural Water Supply Works taken up by availing loans from NABARD instead of inclusion under Jal Jeevan Mission

As per para 3.6.1 of the JJM operational guidelines, Village Action Plans should be prepared by Gram Panchayat based on baseline survey, resource mapping

³¹ Mannadipet, Sompeta and Mummarampet.

and felt needs of the village community. The VAPs include need assessment of the water required in the village and the available resources.

On a scrutiny of files relating to water supply works taken up by the PH Division of the PWD, it was observed that six augmentation works were taken up due to insufficient water supply in various villages by availing loans from NABARD during 2019-2024. Although, the proposals for taking up of these six works had been submitted by the Commissioners of CPs to the PWD well before the inception of the JJM scheme, however, the works were not included under the ambit of JJM scheme.

Audit observed that taking up of rural water supply works through NABARD loans instead of under JJM, a Centrally Sponsored Scheme, resulted in a financial burden of ₹ 14.69 crore on the UT Government as detailed in **Appendix 2.10**.

Government replied (October 2025) that since the audit findings were connected with PWD and reply will be submitted in consultation with PWD.

The reply is not acceptable since the proposals were made well before the implementation of JJM in UTP and Department while planning could have brought all these works under the purview of JJM.

2.2.7 Water quality monitoring and surveillance

Under JJM Guidelines *vide* Para No. 4.5, water quality monitoring involves testing of water samples collected from water sources by Department in water quality testing laboratories while surveillance is undertaken by community using FTKs, sanitary inspection, etc.

In the UTP, two Public Health Laboratories are available for testing chemical contamination one in Puducherry and Karaikal, both under the administrative control of the PWD.

2.2.7.1 Water quality testing

Chapter 10 of the Guidelines emphasises the importance of water quality testing for monitoring the operation of water supply systems, ensuring the safety of drinking water, investigating disease outbreaks, validating processes and implementing preventive measures. Under the Water Quality Management System (WQMS) framework of the JJM, 100 *per cent* testing of all drinking water sources is mandated, along with comprehensive reporting for public dissemination.

Further, as per Para 2.1.2 of the Handbook for Monitoring Water Quality of Piped Drinking Water Supply to Rural Households issued by the Government of India, samples from groundwater-based schemes should be collected at a convenient location after the outlet of the storage structure feeding the

distribution system. Water sources are required to be tested at least twice annually for both chemical and bacteriological contamination.

The details of number of tests conducted and key results are summarised in **Table 2.21**.

Table 2.21: Tests conducted and results

Name of the CP	No. of borewells and open wells	No. of tests to be conducted in sources in 5 years	No of tests conducted	Percentage of coverage	No. of test reports with contaminations above permissible limit	No. of tests reported contaminants above acceptable limit					
						TDS		Total hardness		Total chloride	
						No of tests	In per cent	No of tests	In per cent	No of tests	In per cent
Ariyankuppam	51	510	146	29	67	23	16	34	23	16	11
Bahour	46	460	142	31	44	11	8	44	31	19	13
Nettapakkam	45	450	153	34	17	108	70	132	86	2	1
Villianur	102	1,020	157	15	55	132	84	109	69	47	30
Mannadipet	103	1,030	254	25	20	225	89	224	88	27	11
Kottucherry	16	160	135	84	0	116	86	56	41	53	39
Nedungadu	20	200	127	64	0	127	100	31	24	72	57
Neravy	6	60	21	35	0	21	100	7	33	19	90
Thirunallar	34	340	111	33	0	111	100	61	55	75	67
T.R Pattinam	7	70	25	36	0	25	100	16	64	16	64
Total	430	4,300	1,271	30	203	899	71	714	56	346	27

(Source: Details furnished by PWD laboratory, Puducherry)

It is noticed from **Table 2.21** that the percentage of tests conducted across CPs other than in Kottucherry and Nedungadu, ranged between 15 *per cent* and 35 *per cent*, indicating gaps in monitoring, particularly at the point of end-user consumption.

Further, 203 test reports (16 *per cent* of 1,271 tests conducted) confirmed chemical contamination in the supplied water beyond permissible limits³², highlighting inadequate supervision of water quality.

In respect of 71 *per cent* of the samples, TDS was in excess of acceptable limit of 500 mg/l, though within the permissible limit of 2,000 mg/l (in the absence of alternative source); in respect of 56 *per cent* of the samples, hardness was in excess of acceptable limit of 200 mg/l, though within the permissible limit of

³² Permissible limits give a relaxation beyond the acceptable limit, where alternative source of water is not available.

600 mg/l (in the absence of alternative source) and in respect of 27 *per cent* of the samples, chloride was present in excess of the acceptable limit of 250 mg/l, though within the permissible limit of 1,000 mg/l (in the absence of alternative source). In respect of 195 samples, all the three parameters were beyond acceptable limit.

Similarly, the bacteriological testing of water was found to be insufficient. The number of water samples collected randomly by Public Health Centres from public and household taps for bacteriological testing, conducted by the Health Department's laboratory, declined from 3,038 to 2,889 in Puducherry and in Karaikal it increased from 1,503 to 1,599 in during the audit period.

The findings highlight the urgent need for effective water management strategies. In the absence of adequate rainwater harvesting and conservation measures, water sources may face depletion and key water quality parameters such as TDS, total Hardness and Chloride may exceed permissible limits in the future.

2.2.7.2 Non-dissemination of test results

Para 5.4 of the Guidelines stipulates that the results of water quality testing must be disseminated to the community by the VWSC. While laboratory testing was carried out by the PWD, the results were not shared with the community and no awareness initiatives were undertaken regarding the quality of the water supplied to the villages.

Government replied (October 2025) that action would be initiated to disseminate the test results.

2.2.7.3 Lack of water quality surveillance by community using FTK

Chapter 10 of the Guidelines and Para 6.3.6 of the Water Quality Monitoring and Surveillance Framework specify that water quality surveillance activities should include the use of FTKs at the Gram Panchayat (GP) level to assess contamination levels. Positively tested samples must then be referred to the nearest water quality testing laboratory for confirmation. FTKs play a crucial role in the initial screening of physicochemical contamination in water and also help in raising community awareness about drinking water quality.

Under the AAP for 2022-23, an allocation of ₹ 0.41 crore was approved for the WQM&S component. Accordingly, in August 2022, a decision was taken to procure 123 FTKs for 50 *per cent* of villages in Puducherry and Karaikal. The Tamil Nadu Water Supply and Drainage (TWAD) Board was approached in November 2022 for supply of FTKs. However, TWAD informed (December 2022) that the FTKs were out of stock and would require six months to supply after order confirmation. As a result, order for 123 FTKs under the first phase was finally placed through Government e-Market in October 2023.

The FTKs were procured in December 2023 at a total cost of ₹ 1.85 lakh and subsequently distributed to the CPs in March 2024, after a delay of nearly one year and three months from the initial decision to procure them. The delay is significant considering that the shelf life of the FTKs is only 12 months (upto November 2024).

The CPs distributed the FTKs to tank operators, instead of utilising them for community-led surveillance through women from Village Panchayat, who were to be trained in using FTKs. It was noticed that training on FTK usage was conducted only in 11 out of the 26 selected villages and no FTK-based water testing was carried out by VWSC members in any of the CPs.

The Government accepted (October 2025) that FTKs were issued belatedly to the CPs.

2.2.7.4 Non-prioritisation of quality affected villages

As per Para 2.5 of Guidelines, objectives of JJM emphasise that provision of FHTCs in quality affected areas, *i.e.*, wherein the supplied water containing iron, arsenic and fluoride beyond the admissible limit, are to be prioritised and potable water is to be provided through FHTC by March 2021.

A review of water sample testing data from the PWD laboratory, Puducherry for the period 2020-24 revealed that 42 water samples had an iron content exceeding the permissible limit (>1 mg per litre) across the five CPs in Puducherry as detailed in **Table 2.22**.

Table 2.22: Villages tested with contaminated water

Name of CP	No. of samples	Range of iron content (permissible limit is 1)
Ariyankuppam	26	1.04 to 7.44
Bahour	5	1.18 to 6.32
Mannadipet	1	1.20
Nettapakkam	2	2.34 to 2.48
Villianur	8	1.08 to 3.20
Total	42	

(Source: Details furnished by PWD laboratory, Puducherry)

In this regard, it was noticed that UTP had included the work “Augmentation of Water Supply system at Konerikuppam, Agaram, Ulavaikkal in Villianur Commune Panchayat” in the AAP for the year 2022-23 for construction of one OHT, sump and iron removal plant. The iron removal plant was intended for treating the water supplied to three villages in Villianur CP, as the existing iron removal plant was outdated. While the construction of OHT and sump were under progress, the construction of iron removal plant has not yet been commenced (June 2025).

2.2.7.5 Non-cleaning of OHTs regularly

Operation and maintenance are crucial for ensuring the functionality of household tap connections. Para 6.2 of the Guidelines mandates that States must diligently adhere to Central Public Health and Environmental Engineering Organisation (CPHEEO) norms for the operation and maintenance of water supply schemes. The best way for maintaining water quality is regular cleaning of Overhead Tanks (OHTs) and sumps.

In the 10 CPs, there are 204 OHTs and 120 sumps. However, it was observed in respect of nine CPs³³ whose details were made available that:

- 11 numbers of the OHTs and sumps in nine CPs had not been cleaned even once during the past five years (2019-20 to 2023-24).
- 135 out of 204 OHTs and sumps were cleaned only one to four times during the same period.

These lapses in routine maintenance pose potential risks to water quality and public health, highlighting the need for strict adherence to CPHEEO norms and regular monitoring of cleaning schedules.

Government replied (October 2025) that the regular cleaning of OHTs is being done in all CPs and will instruct to maintain proper records for document verification.

Reply is not acceptable, as the response of the Commune Panchayats establish that the OHTs were not cleaned at regular intervals and 11 number of OHTs were not cleaned during audit period.

2.2.7.6 Ineffective monitoring by State Water and Sanitary Mission

The State Water and Sanitary Mission (SWSM) was constituted as a Society as per the Guidelines and was *inter-alia* responsible for (i) providing policy guidance and overall implementation, (ii) finalisation of SAP, financial planning including ensuring timely utilisation of fund and no parking of fund and (iii) formation of Village Water and Sanitary Mission, etc.

However, it was noticed that although the Apex Committee (AC) under SWSM was required to meet at least twice a year, it met only three times during the mission period from 2019 to 2024, primarily for submission of AAPs under JJM. Further, it was observed that the ineffective functioning of SWSM had resulted in several deficiencies in implementation of JJM viz., non-preparation of SAP, non-obtaining GoI share due to delayed submission of proposal, UC etc., (as discussed in **Paragraph 2.2.5.1**) and belated proposal of augmentation works in the AAP for 2022-23 at the fag end of the Mission.

³³ Villianur Commune Panchayat did not furnish details relating to non-cleaning of OHTs.

2.2.7.7 Non-formation of grievance redressal mechanism

Para 3.6.2 of Guidelines requires creation of an independent regulatory body which would deal with the redressal of grievances of aggrieved user.

However, no grievance redressal body was formed under JJM in UTP. To a specific query, it was replied (March 2025) that the same is under progress in co-ordination with PWD.

2.2.8 Good practice

During the survey, the beneficiaries expressed their appreciation for the support and coordination provided by the Implementation Support Agencies, viz., CPs, in effectively addressing regular water supply issues like proactive engagement, follow-up on complaints and assistance, thereby ensuring smoother and sustained service delivery.

2.2.9 Conclusion

The implementation of the Jal Jeevan Mission (JJM) in the UT of Puducherry exhibited significant deficiencies in planning, financial management, water quality assurance, and achievement of intended outcomes. Audit revealed that, contrary to the claim of 100 *per cent* FHTC coverage reported on e-Jalsakthi portal, 3,459 out of 24,927 households in 26 sampled villages did not actually have FHTCs as of March 2024.

Deficiencies were also observed in convergence with other schemes, water quality monitoring, dissemination of test results, community participation and grievance redressal mechanism. Due to delays in submission of proposals and non-utilisation of available funds, the UT received only ₹ 9.53 crore from GoI during 2019-24, against allocation of ₹ 55.19 crore.

Out of 92 works approved under JJM, five works were not taken up, 81 works were completed and six works remained incomplete. Further, in respect of three works, audit noticed that the works were not executed as planned, with deficiencies in provisions of FHTCs.

The absence of water meters at both source and household levels further restricted the ability to monitor supply and to ensure targeted delivery and monitoring of outputs.

Overall, the shortcomings in execution, fund management, and monitoring mechanism indicate weak implementation and oversight, undermining the goal of providing safe, adequate, and sustainable tap water supply to every household under the JJM.

2.2.10 Recommendations

The Government may

- expedite the pending augmentation works to enable public derive benefits out of them and ensure quantity and quality of water supply.
- identify left out households and provide them with FHTCs
- prioritise water quality testing at all levels to ensure that water of mandated quality is supplied to public
- implement rainwater harvesting systems in water sources to safeguard water quality and sustained use of water.
- involve village community in preparation of proposal for the scheme and in testing of water using FTKs.
- install FHTCs inside houses as envisaged in the scheme.
- install water meters at sources and household to ensure delivery of 55 LPCD of water as envisaged under JJM.

2.3 Unfruitful expenditure

HIGHER AND TECHNICAL EDUCATION DEPARTMENT

2.3.1 Non-fulfilment of objective due to non-utilisation of land for college building

Land acquired at a cost of ₹ 13.46 crore for Indira Gandhi College of Arts and Science, Puducherry remained unutilised for over 15 years due to absence of approach road, leaving the objective unfulfilled.

Indira Gandhi College of Arts and Science (IGCAS), Puducherry, established in 2001, has been functioning in the premises of Government Girls Higher Secondary School (GGHSS), Kathirkamam, since its inception. To house the college in its own building, the Education Secretariat accorded (November 2003) administrative sanction for acquisition of land at Kathirkamam in Oulgaret Revenue Village. The Revenue Department (RD) initiated (September 2006) land acquisition proposals and the Site Selection Committee, headed by the Secretary, Education Department, in its meeting held during May 2008 unanimously decided to acquire land³⁴ in Oulgaret village. The RD certified (July 2009) that the land was free from all encumbrances and subsequently, the Directorate of Higher and Technical Education (DHTE) took

³⁴ 2 hectares 99 acres and 25 cents.

possession (July 2009) of the land from RD after paying an amount of ₹ 3.90 crore. Further, DHTE paid (July 2021 and December 2022) enhanced compensation of ₹ 9.56 crore (including interest) pursuant to the orders of the Hon'ble Civil Court. Despite an expenditure of ₹ 13.46 crore, the land acquired for IGCAS has remained unutilised for its intended purpose, even after lapse of 15 years.

Scrutiny of records (May 2024) in the Higher and Technical Education Department revealed the following:

- The Site Selection Committee (May 2008) had recommended acquisition of the land despite being aware that the existing approach road was narrow and inadequate. Subsequent requests (June 2011 to August 2015) from the Principal, IGCAS, for transfer/acquisition of Government poramboke or private land to provide direct access from Vazhudhavur Road were not acted upon. The Puducherry Planning Authority (February 2024) also observed that the access road width (6.10 m) was below the prescribed minimum of 9 m. However, the RD proceeded with acquisition of the land without ensuring availability of an adequate access road. Further, joint inspection (May 2023) revealed that the site was low-lying, waterlogged and prone to inundation, rendering it unsuitable for construction of institutional buildings.
- Despite possession of the acquired land since 2009, no construction was initiated. In a meeting held on 29 December 2015 by the Chief Minister with the Commissioner-cum-Secretary (Education) and the Member Secretary, Pondicherry Society for Higher Education, it was decided to continue in the existing campus by constructing an academic Block, leaving the acquired land unutilised. An academic Block was constructed (June 2019) within the (GGHSS) campus at a cost of ₹ 2.38 crore. Subsequently, owing to the shortage of classrooms in GGHS campus and increase intake of students, the college was shifted in July 2022 to Indira Gandhi Government Higher Secondary School, Indira Nagar where it continues to function in the premises not owned by it.
- Thus, the inappropriate decision of the Site Selection Committee to acquire land for IGCAS resulted in expenditure of ₹ 13.46 crore on land acquisition and compensation. Due to poor planning at the selection stage, the land acquired for IGCAS has remained unutilised for over 15 years owing to lack of a proper approach road, low-lying site conditions. Additional expenditure of ₹ 2.38 crore on construction of academic Block, coupled with the continued absence of a permanent campus, deprived the students of basic amenities. In absence of its own building the college could not obtain additional assistance under Section 12(B) of the UGC Act, 1956 and the students were deprived of adequate

classrooms and laboratories facilities. Thus, failure to establish the college building in its own campus even after 15 years frustrated the long standing objective of shifting the college to the acquired land.

Government replied (September 2025) that the Department was constrained to construct the building in its own land until December 2022 due to Court proceedings relating to Enhanced Compensation. Further, the Government replied that since the college was functioning in GGHSS for long years, the additional building was constructed due to dearth of classrooms for school students.

Reply is not tenable as the Government did not address key issues such as absence of approach road, non-construction of college building on its own land and hardship faced by the college students due to the cramped environment. Further, the Hon'ble Justice of Madras High Court, expressed (July 2019) serious concern over the land remaining unutilised for the past 10 years. Even when the principal of the college approached (February 2024) Puducherry Planning Authority (PPA) for construction of the college building, it expressed concerns regarding inadequate approach road, confirming that the issue remained unresolved despite an expenditure of ₹ 13.46 crore.

Recommendation:

The Government should take measures and ensure that land acquired is utilised for the stated objective and not to be left unutilised.

ADI-DRAVIDAR WELFARE AND SCHEDULED TRIBES WELFARE DEPARTMENT

2.3.2 Unfruitful expenditure on Multipurpose Hall

Due to non-provision of necessary funds by the Adi-Dravidar Welfare and Scheduled Tribes Welfare Department, incomplete structure of a Multipurpose Hall constructed up to grade beam level at a cost of ₹ 4.46 crore has remained incomplete for the past four and a half years, rendering the expenditure unfruitful.

CPWD Works Manual, 2014 (Paragraph 2.1) lists administrative approval, expenditure sanction, technical sanction and availability of funds as pre-requisites for execution of works and provides that no work should normally be commenced without these pre-requisites. Paragraph 4.1.4(11)(a) of the Manual provides that execution of the works will depend upon the receipt of the funds through authorisation or through allocation well in time by the client Department.

The Adi-Dravidar Welfare and Scheduled Tribes Welfare (ADW&STW) Department accorded (March 2019) administrative sanction for construction of Multipurpose Hall at Kirumampakkam, Pillayarkuppam Revenue Village, Puducherry for ₹ 13.86 crore, to be executed by Public Works Department (PWD). Based on the Detailed Project Report (DPR) prepared by Housing and Urban Development Corporation (HUDCO) and technical sanction of PWD, the ADW&STW Department accorded (August 2019) expenditure sanction for ₹ 13.86 crore for the work and released ₹ five crore as first instalment of the estimated cost. After due tender process, the work was awarded (August 2019) to the lowest bidder for ₹ 9.45 crore. The site for the work was handed over to the contractor (November 2019), who commenced the work immediately.

The payment for the first part bill submitted (March 2020) for the work executed by the contractor for an amount of ₹ 1.74 crore was not released even by September 2020. Consequently, the contractor expressed concerns to the PWD, requested interest for delayed payment and demanded current market value for all the items to be executed. Subsequently, the work was completed upto grade beam level (**Pictures 2.13 and 2.14**) valuing ₹ 3.74 crore (December 2020), after which the contractor stopped the work due to non-payment of dues.



Pictures 2.13 and 2.14: Incomplete structure of Multipurpose Hall

In this regard, audit observed the following:

During 2019-20, the ADW&STW Department requested (November 2019) the Finance Department to provide ₹ 5.05 crore, however, only ₹ 2.63 crore was re-appropriated (March 2020) to the Head of Account. Similarly, during 2020-21, a provision of ₹ two crore was made under Negotiated Loan³⁵ component for the work. The proposal (December 2020) of the ADW&STW Department to avail a Negotiated Loan of ₹ 12.47 crore from HUDCO, with the balance of ₹ 1.39 crore from UT funds was rejected by the Finance Department citing high rate of interest. Instead, ₹ 2.20 crore was allotted (February 2021) in RE 2020-21, which was fully utilised for payment (February 2021) to the contractor. During 2021-22, though the ADW&STW Department sought (April 2021) ₹ 11.24 crore, only ₹ 1.60 crore was provided through re-appropriation. Of this, ₹ 1.54 crore was paid (February 2022) to the contractor, after the work had been foreclosed in September 2021.

³⁵ Loan obtained from Central Financial Institutions like HUDCO, NABARD, Power Finance Corporation and Rural Electrification Corporation for specified purposes.

During 2022-23, interest for delayed payment of bills, amounting to ₹ 0.23 crore was paid (March 2023) to the contractor, as recommended by the Dispute Redressal Committee (DRC).

Hence, it was observed that non-provision of adequate funds by ADW&STW Department, as required under the CPWD Works Manual, led to stoppage of work and unfruitful expenditure of ₹ 4.46 crore³⁶. Further, the incomplete structure has remained exposed to nature for a period of more than four and a half years, rendering it prone to deterioration.

Government replied (September 2025) that the fund requested by the ADW&STW Department had not been provided by the Finance Department due to financial constraints and priority and need based expenditure, which arose due to COVID pandemic.

The reply is not acceptable, as review of the budget allotment, expenditure and savings under the Grant “Building Programmes” revealed savings of ₹ 35.88 crore, ₹ 20.80 crore and ₹ 34.51 crore during the period 2019-20, 2020-21 and 2021-22 respectively. These savings were not re-appropriated for construction of Multipurpose Hall despite requests from the ADW&STW Department. No further action was taken by the Department to obtain funds for completing the balance works in the subsequent years. Thus, the objective of constructing the Multipurpose Hall for the benefit of Adi-Dravidar and Scheduled Tribe people remained unachieved.

Recommendation:

- *The Department should ensure the availability of funds before commencement of work to avoid interruptions and ensure their completion on time. Further, earnest efforts should be taken to utilise the existing structure and convert it into a usable asset.*

³⁶ Payment for the work done: ₹ 3.74 crore; Preliminary expenses including consultancy for preparation of DPR by HUDCO: ₹ 0.49 crore and interest paid to the contractor for delayed payment of part bills, based on the recommendation of the DRC: ₹ 0.23 crore.

BACKWARD CLASSES AND MINORITY WELFARE DEPARTMENT

2.3.3 Unfruitful expenditure due to idling of hostel building for more than five years since construction

Hostel constructed for Other Backward Classes girls remained unutilised, since inauguration, due to its isolated location resulting in unfruitful expenditure of ₹ 1.98 crore and additional expenditure of ₹ 0.93 crore towards construction of compound wall and cost escalation.

Government of India (GoI), Ministry of Social Justice and Empowerment sanctioned (September 2004 and December 2008) ₹ 74.20 lakh for construction of hostel for Other Backward Class (OBC) Boys and Girls at Pillaiyarkuppam Revenue Village, Bahour, Puducherry, based on the proposal of the Social Welfare Department (SWD) of the Government of Puducherry (GoP). The GoI also instructed the Union Territory Government to ensure completion of the hostel by December 2009. Later, the GoP accorded (May 2012) administrative sanction of ₹ 4.26 crore (estimated by Public Works Department for 100 students) for execution of “Government BC Girls Hostel” and conveyed expenditure sanction of ₹ 74.20 lakh only for the work to be executed by the Executive Engineer (EE), Buildings and Roads (North) Division, PWD.

PWD, however, insisted (July 2012) that the SWD obtain expenditure sanction for the balance amount of ₹ 3.52 crore, as the work could not be taken up without expenditure sanction for the entire project cost of ₹ 4.26 crore. The Director of SWD, however, stated (July 2012) that expenditure sanction for the balance amount could not be obtained due to shortfall in allocation of funds in the budget under the head “Building Programme” and hence requested PWD to commence the construction of hostel building. The PWD was of the firm view (August 2013) that it would not be possible to commence the work without obtaining expenditure sanction for the entire estimated amount.

In view of the shortage of funds, the Chief Secretary, GoP suggested in the Plan Expenditure Review Meeting (August 2013) to scale down the estimate to accommodate 50 OBC students. Accordingly, the Director, SWD approached (October 2013) PWD to furnish a revised estimate for ₹ 2.50 crore 50 student’s hostel. The land for construction of the building was handed over to PWD by SWD in November 2013.

Meanwhile, based on the discussion between the Secretary, SWD and the EE/PWD the estimate was further pruned (December 2014) to ₹ 1.80 crore for construction of a hostel building with a plinth area of 600 sq.m. to accommodate only 18 inmates. Accordingly, the GoP accorded (August 2015) modified

expenditure sanction for ₹ 1.80 crore (CSS funds: ₹ 0.74 crore and UT funds: ₹ 1.06 crore).

Tenders were invited (September 2015), and work order was issued (December 2015) to the successful bidder for a value of ₹ 1.25 crore.

During the earth excavation (February 2016) by the contractor, the ground water table level was encountered at a depth of one meter from existing ground level, causing sliding of the soil from the sides of the foundation pit. Accordingly, PWD, revised (November 2016) the design, which resulted in execution of additional quantities such as foundation concrete, steel reinforcement for foundation, earthwork, centering, change in tile design etc., involving an additional expenditure of ₹ 70 lakh.

The work resumed in January 2017 and was completed only in October 2019 at a cost of ₹ 1.98 crore, including electrification, contingencies etc. The hostel building was handed over (December 2019) to the Director of Backward Classes and Minorities Welfare and was inaugurated in October 2020. However, no students have been admitted to the hostel since its inauguration.

The following observations are made in this regard.

- (i) In the proposal sent (May 2008) to the Ministry of Social Justice and Empowerment, GoI, the Director of Social Welfare stated that the Backward Class Students Hostel at Pillaiyarkuppam Village had been proposed, as desired by the Hon'ble Minister for Social Welfare. Hence, it is evident that no demand survey was conducted by the Department to assess the anticipated number of school/college students who would benefit from the hostel.
- (ii) The Director for the Welfare of the Backward Classes and Minorities requested (December 2021) the PWD to carry out additional works in the hostel viz., compound wall with barbed wire, security staff room, laying of metal road, closing the courtyard to avoid rain water stagnation, drainage facility, water harvesting and necessary lighting arrangements. Though the provision of compound wall to the building was very essential in view of the fact that the hostel was constructed to house girls, it was constructed only in August 2023 at a cost of ₹ 0.63 crore, after almost four years from handing over of the building.
- (iii) The EE/PWD, Buildings and Roads (North) Division had informed the Director of Social Welfare as early as in September 2013 that the site acquired by the SWD was isolated and had no road connectivity. It was further noted that issuance of newspaper advertisement (June 2023) and contacting schools and colleges (July 2023) did not yield any results as the surrounding private schools and colleges had their own furnished hostels and the parents were also not willing to send their children to the isolated location of the hostel. This indicates that the hostel was constructed at an inappropriate site without any need assessment.

(iv) Further, the Dispute Redressal Committee convened by the Chief Engineer/PWD, based on the contractor's claim awarded (June 2023) ₹ 30.23 lakh towards cost escalation (cost of cement and steel) payable to the contractor, under Clause 10CA of the Agreement, which was paid by the Department in March 2025.

Thus, the Hostel constructed for the Backward Class students has remained vacant for more than five years due to the absence of a need assessment and improper site selection, resulting in an unfruitful expenditure of ₹ 2.91 crore.

Government replied (September 2025) that the delay occurred in construction of hostel was due to fact that no additional funds were available for construction of hostel with the limited funds from GoI. Further, Government stated that efforts are being taken to accommodate students in the hostel.

Recommendation:

- *The Government may ensure that a demand assessment is carried out and proper justification for utilisation is established prior to construction of hostels, to avoid unfruitful expenditure.*

2.4 Infertuous expenditure

PUBLIC WORKS DEPARTMENT

2.4.1 Imprudent planning in construction of Western bypass led to infertuous expenditure

Imprudent planning of PWD in construction of Western bypass (Phase-I - Reach-II) in Karaikal resulted in infertuous expenditure of ₹ 2.64 crore.

As per 47.4.8 (2) of CPWD Works Manual, 2014, no outlay for civil works should be proposed before land is actually made available by the Administrative Ministry concerned. Due to increased traffic density, the movement of heavy vehicles, congestion during festive seasons and the development of major industries in the Karaikal region, a proposal was made to construct a Western bypass road. The proposed Western bypass crosses the Railway land of Karaikal Peralam Railway track at LC 20A@ 20.635 km.

The Government of Puducherry (GoP) accorded administrative approval (February 2015) and expenditure sanction (March 2015) of ₹ 21.20 crore for the formation of the Western bypass in Karaikal (Phase I³⁷ in two Reaches³⁸) with financial assistance through a loan from HUDCO. Technical sanction was accorded (May 2015) for ₹ 10.60 crore for each reach. After due tender process, work orders were awarded (August 2015) at contract values of ₹ 7.58 crore for Reach I and ₹ 7.57 crore for Reach II with instructions to complete the work within 15 months. However, the



Picture 2.15: Western Bye pass road crossing through railway line

works were completed (**Picture 2.15**) and inaugurated for public use only in January 2021 after incurring an expenditure of ₹ 17.53 crore (Reach I - ₹ 8.81 crore and Reach II - ₹ 8.72 crore) after a delay of over four years.

Scrutiny of records revealed that the Chief Engineer, Construction/South Chennai Egmore, Southern Railway (SR), informed (March 2022) that the project³⁹ for ‘Conversion of the Peralam-Karaikal line into broad gauge’ had been sanctioned by SR in 2019 under the Pragati Scheme. The proposed railway alignment intersects the Western Bypass Road at chainage 2.420 km in Reach II. The CE/SR addressed (March 2022) PWD Karaikal that there was a gross violation by PWD, Karaikal in construction of four lane bypass road through railway land without obtaining permission from SR.

SR proposed (March 2022) construction of four lane Road Over Bridge (RoB) whereby the cost of construction of two lane RoB to be shared by SR and GoP. GoP agreed (May 2022) and requested SR to take up the work of construction of RoB at LC 20A@ 20.653 km with four lane having a width of 25 meters after dismantling of laid roads. GoP accorded (March 2023) administrative approval and sanctioned expenditure amounting to ₹ 63.42 crore⁴⁰ and deposited ₹ 40 crore with SR.

In this regard Audit observed the following:

Para 827 of Indian Railway Works Manual stipulates that No Objection Certificate (NOC) from the Railways is mandatory for any construction within

³⁷ Phase I- Thalatheru village on NH 45A at Ch.0/00 km to Ch.2/980 km on Thirunallar Road.

³⁸ Reach I- from Ch.0/000 to Ch.1/350 km (for the length of 1,350 meters) and Reach II - from Ch.1/350 to Ch.2/980 km (for the length of 1,630 meters).

³⁹ The project includes 15.650 km stretch of railway track was to be laid within the Union Territory of Puducherry, forming part of the total 23.650 km alignment from Peralam to Karaikal.

⁴⁰ Including Re-grading the roads leading to the approaches of the RoB (₹ 7.66 crore).

30 meters of the railway boundary to safeguard railways interest in order to avoid future encroachments such as right of way.

The SR completed (July 2024) construction of box for Railway portion by dismantling 13.60 meters of laid roads and construction of retaining walls on four sides (**Picture 2.16**). An additional 481.40 meters of re-grading approach roads was re-laid at a cost of ₹ 7.66 crore. Had PWD approached SR for NOC prior to execution, suitable provision could have been made to construct the RoB and approach road in the original proposal itself.



Picture 2.16: After the completion of RoB

Since the GoP neither consulted the Railways nor obtained permission before executing the bypass road within the railway land, the road had to be constructed unnecessarily and subsequently dismantled to the extent of 495 meters for construction of the RoB and approach roads.

Thus, failure of the GoP to obtain prior permission from SR and to integrate the RoB requirement at the planning stage led to avoidable execution and subsequent demolition of a portion of the bypass road, resulting in an infructuous expenditure of ₹ 2.65 crore⁴¹.

Government replied (August 2025) that the Western bypass road was in use for almost three years and even during the construction of the RoB, the road was used by public with diversion road provided by Southern Railway hence cannot be treated as wasteful expenditure.

The reply is not acceptable due to the fact that had the Government obtained NOC from SR before laying of the western bypass, planning could have been done accordingly and the additional expenditure of ₹ 2.64 crore could have been avoided.

Recommendation:

- *Government should ensure proper Right of Way from the concerned authority before commencement of work to avoid infructuous expenditure in future.*

⁴¹ Since the detailed estimate was prepared across full length of 1,630 meters, the infructuous expenditure for 495 meters was calculated on pro-rata basis (495)/1,630 meters X ₹ 8.72 crore= ₹ 2.65 crore.

2.5 Regulatory Issues and Others

PUBLIC WORKS AND TOURISM DEPARTMENTS

2.5.1 Non-availing of GoI funds for construction of pathway

Due to failure on the part of PWD which led to foreclosure of the work of Development of Pathways and Ghat along Godavari River in Yanam, the UT of Puducherry could not avail GoI funds to the tune of ₹ 2.31 crore.

The Ministry of Tourism (MoT), Government of India (GoI) launched the Swadesh Darshan Scheme (SDS) in 2014-15, under which financial assistance (fully funded by GoI) was provided to State/UT Governments/Central Agencies for development of tourism infrastructure at various destinations. One of the themes under the scheme was “Development of Spiritual Circuit”.

Based on the Detailed Project Report (DPR) submitted by the Director of Tourism (DoT), Government of Puducherry (GoP), the GoI sanctioned (June 2017) ₹ 40.68 crore for Development of Spiritual Circuit in Puducherry. One of the projects sanctioned under the Spiritual Circuit was the “Development of Pathways and Ghat along Godavari River in Yanam”, for a length of 1,400 meters on the left side of the Shivam Holy Bath at a project cost of ₹ 6.20 crore. The project included the works of (i) Formation of pathways and (ii) Providing (a) Center Median (b) Greenery (c) Granite benches (d) Steps and (e) Illumination.

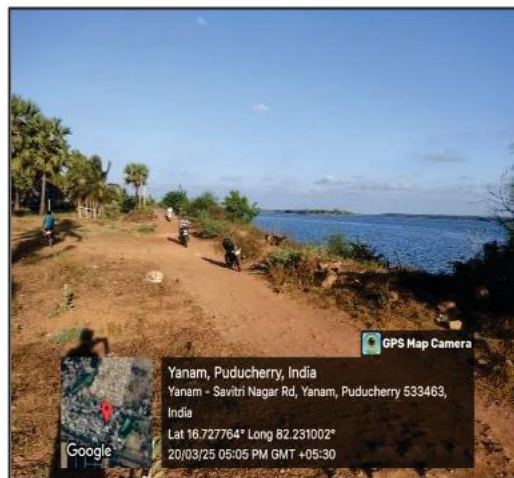
The Department of Industrial Development (Tourism), GoP accorded (September 2017) expenditure sanction of ₹ 6.20 crore and further sanctioned an initial expenditure of ₹ 1.24 crore (20 *per cent* Central Financial Assistance released by GoI). The project was executed through the Public Works Department (PWD), which called for tenders (December 2017) and awarded (March 2018) the work to the lowest bidder for ₹ 5.07 crore. As per the agreement, the work was scheduled to commence in April 2018 and completed by November 2018. However, the project was delayed due to seasonal floods in Gowthami Godavari river, execution of work ‘Fabrication of MS foot bridge across the Coringa River’, non-availability of gravel and COVID pandemic.

After completing about 55 *per cent* of the work, the contractor stopped (March 2021) the work, citing obstruction from the farmers of the adjoining areas for the formation of the pathway along the shore from chainage 110 meters to 400 meters. However, no written representation from the farmers or documentary evidence supporting this claim was available. By that time, only 1,000 meters of the pathway (with side slope revetment and CC road pathway with kerb wall) had been completed at a cost of ₹ 2.73 crore, against the total length of 1,400 meters. The contractor stopped the work (March 2021) and the

balance works included construction of the remaining length of pathways from chainage 110 to 400 meters and the provision of greenery, granite benches, and illumination”, remained incomplete. (Pictures 2.17 and 2.18).



Picture 2.17: Unfinished work (pathway laid without provision of facilities)



Picture 2.18: Unfinished work (Gravel Road)

The contractor requested (April 2021) the Department to foreclose the work, citing the objections raised by the neighbouring landowners/farmers. The contractor further stated that the remaining tourist infrastructure works such as landscaping, illumination and provision of benches etc., could not be taken up, as major flood protection works under the Central Sector Scheme (CSS) were to be resumed along the riverside part of the above pathway. However, Audit observed that only in May 2025, a multidisciplinary team from GoI visited Yanam for study of flood control/protection works to be undertaken under the CSS, and that no such major works were carried out during 2021-22 to 2024-25, as claimed by the contractor. Therefore, based on the request of the contractor the project was foreclosed by the PWD in August 2022.

In the meantime, the GoI reduced (June 2021) the project cost of the Spiritual Circuit to ₹ 34.96 crore from the originally sanctioned ₹ 40.68 crore due to non-taking up of certain works. However, it was noticed that the project cost for the ‘Development of Pathways and Ghat along Godavari River in Yanam’ was not reduced. GoI instructed (January 2022) GoP to complete the remaining works and settle bills March 2022 and informed no further funds will be released by GoI.

During the review meetings, the Ministry of Tourism, GoI, proposed (August 2022 and November 2022) to forfeit the final instalment of the project, as the UT had not submitted the operation and maintenance details and 100 per cent Utilisation Certificate (UC) for the funds released. The GoI further advised to fix responsibility on the specific officer for non-compliance.

As per the final UC submitted (February 2024) by GoP to GoI, the expenditure incurred for the ‘Development of Pathways and Ghat along Godavari River in Yanam’ was ₹ 2.76 crore (including tender advertisement charges). Thus, the

failure on the part of PWD led to lost opportunity to avail GoI funds to the tune of ₹ 2.31 crore (work awarded cost ₹ 5.07 crore - expenditure incurred ₹ 2.76 crore), resulting in non-completion of the project and non-achievement of the intended objective.

The Government replied (November 2025) that the PWD, Yanam had reported certain technical constraints and alignment overlap with proposed flood protection works and the foreclosure decision was taken by the PWD, Yanam based on technical considerations. Hence, Tourism Department is not in a position to offer independent justification on the issue or promises for completion of remaining project work.

The reply is not acceptable as Department of Tourism, being an implementing agency, did not review the foreclosure decisions taken by the PWD through their technical officials. Thus, failure of the PWD to complete the project on time and failure of the Tourism Department to monitor the implementation of the project led to non-availing of GoI funds to complete the remaining length of pathways from chainage 110 to 400 meters and the provision of greenery, granite benches, and illuminations.

Recommendation:

- *The Government should ensure timely completion of sanctioned projects in future and take all necessary steps to complete the present project so that the benefits of the work already executed are realised.*

CHAPTER III

REVENUE RECEIPTS

CHAPTER III

REVENUE RECEIPTS

3.1 Trend of Revenue receipts

3.1.1 The tax and non-tax revenue raised by the Government of the Union Territory of Puducherry and the Grants-in-Aid received from the Government of India (GoI) during the year 2023-24 and the corresponding figures for the preceding four years are mentioned in **Table 3.1**.

Table 3.1: Trend of Revenue receipts

(₹ in crore)						
Sl. No.	Category	2019-20	2020-21	2021-22	2022-23	2023-24
I	Revenue raised by the Government					
	(a) Tax revenue	2,475.48	1,947.83	3,236.29	3,574.28	3,889.08
	(b) Non-tax revenue	1,637.54	1,460.02	2,183.95	1,963.75	2,535.00
	Total (I)	4,113.02	3,407.85	5,420.24	5,538.03	6,424.08
II	Receipts from GoI - Grants-in-Aid	2,668.32	2,482.14	2,438.68	4,097.32	3,618.33
III	Total receipts of the Government (I + II)	6,781.34	5,889.99	7,858.92	9,635.35	10,042.41
IV	Percentage of I to III	61	58	69	57	64

(Source: Finance Accounts of the respective years)

During the year 2023-24, the revenue raised (₹ 6,424.08 crore) by the Union Territory Government was 64 *per cent* of the total Revenue receipts as against 57 *per cent* in the preceding year. The balance of 36 *per cent* (₹ 3,618.33 crore) of the receipts during 2023-24 was obtained from the GoI as Grants-in-Aid and contributions.

3.1.2 The details of tax revenue raised during the period from 2019-20 to 2023-24 are given in **Table 3.2**.

Table 3.2: Details of tax revenue raised

(₹ in crore)

Sl. No.	Heads of revenue	2019-20		2020-21		2021-22		2022-23		2023-24		Percentage of increase (+)/ decrease (-) in 2023-24 over 2022-23
		Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actuals	
1	Goods and Services Tax	1,723.00	781.54	1,850.00	432.89	2,322.00	1,273.16	1,861.00	1,151.45	1,333.00	1,354.50	17.63
2	Taxes on Sales, Trade, etc.	727.00	596.64	700.00	549.21	720.00	655.84	770.00	747.85	847.00	754.55	0.90
3	State Excise	1,100.00	868.11	850.00	798.12	900.00	1,096.00	1,500.51	1,402.62	1,635.00	1,487.66	6.06
4	Stamps and Registration Fees	100.00	87.92	110.00	81.95	90.00	110.72	125.00	133.99	135.00	132.55	(-) 1.07
5	Taxes on Vehicles	125.00	139.60	160.00	84.23	100.00	99.26	125.00	136.88	135.00	159.12	16.25
6	Land Revenue	2.63	1.67	2.99	1.43	1.99	1.31	1.99	1.49	1.99	0.70	(-) 53.02
7	Others	0.37	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00	--
Total		3,778.00	2,475.48	3,673.00	1,947.83	4,134.00	3,236.29	4,383.51	3,574.28	4,087.00	3,889.08	

(Source: Finance Accounts of the respective years)

The tax revenue increased from ₹ 3,574.28 crore in 2022-23 to ₹ 3,889.08 crore in 2023-24 by ₹ 314.80 crore over the previous year. The increase in collection was under Goods and Services Tax (₹ 203.05 crore), Taxes on Sales, Trade, etc. (₹ 6.70 crore), State Excise (₹ 85.04 crore) and Taxes on Vehicles (₹ 22.24 crore).

3.1.3 The details of non-tax revenue raised during the period from 2019-20 to 2023-24 are given in **Table 3.3**.

Table 3.3: Details of non-tax revenue raised

(₹ in crore)

Sl. No.	Heads of revenue	2019-20		2020-21		2021-22		2022-23		2023-24		Percentage of increase (+)/ decrease (-) in 2023-24 over 2022-23
		Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actuals	
1	Power	1,455.00	1,422.45	1,340.00	1,295.04	1,865.00	2,010.00	1,930.00	1,755.93	1,836.00	2,283.56	30.05
2	Interest Receipts, Dividends and Profits	79.07	101.89	113.25	82.83	83.00	102.06	144.62	99.86	134.50	135.26	35.45
3	Medical and Public Health	27.00	10.96	12.00	17.32	22.00	18.27	26.00	16.52	22.50	17.99	8.90
4	Education, Sports, Art and Culture	7.00	2.38	3.00	0.75	0.90	0.88	1.25	2.26	1.10	1.89	(-) 16.37
5	Crop Husbandry	1.00	0.98	1.20	0.38	0.45	0.59	0.85	1.11	0.85	1.15	3.60
6	Other receipts	67.93	98.88	104.55	63.70	84.65	52.15	71.00	88.07	72.59	95.15	8.04
Total		1,637.00	1,637.54	1,574.00	1,460.02	2,056.00	2,183.95	2,173.72	1,963.75	2,067.54	2,535.00	

(Source: Finance Accounts of the respective years)

The non-tax revenue increased from ₹ 1,963.75 crore in 2022-23 to ₹ 2,535 crore in 2023-24 by ₹ 571.25 crore over the previous year. The increase

was mainly on account of increase of receipts under power, interest receipts, dividends and profits, medical and public health and crop-husbandry.

3.2 Audit Planning

The unit offices under various Departments are categorised into A (high), B (medium) and C (low) units according to their revenue position, past trends of audit observations, nature/volume of transactions, etc. The Annual Audit Plan is prepared based on the risk analysis which, *inter-alia*, includes statistical analysis of the revenue earnings during the past five years, features of the tax administration, audit coverage and its impact during the past five years, etc.

During the year 2023-24, the audit universe comprised 40¹ auditable units; out of which, 7² units were planned and audited during the year 2023-24, *i.e.*, 17.50 *per cent* of the total auditable units.

3.3 Response of the Departments/Government towards audit

3.3.1 Inspection Reports

Principal Accountant General (Audit-II), Tamil Nadu and Puducherry arrange periodical inspection of the Government Departments to test check the transactions and verify the maintenance of important accounts and other records as per the prescribed rules and procedures. These inspections are followed up with Inspection Reports (IRs) incorporating irregularities detected during the inspection and not settled on the spot, which are issued to the Heads of offices inspected with copies to the next higher authorities for taking corrective action. The Heads of offices/Government are required to comply with the observations contained in the IRs, rectify the defects and omissions promptly and report compliance to the office of the Accountant General within one month from the dates of issue of the IRs. Serious financial irregularities are also brought to the notice of the Heads of Departments and the Government by the office of the Accountant General.

Inspection Reports issued up to 31 December 2023 disclosed that 852 paragraphs involving ₹ 113.78 crore relating to 221 IRs remained outstanding at the end of June 2024, along with the corresponding figures for the preceding two years, as mentioned in **Table 3.4**.

¹ State Taxes - 9 units, Registration - 11 units, Transport - 7 units and Excise - 13 units.

² Transport - 7.

Table 3.4: Details of pending IRs

Inspection reports	June 2022	June 2023	June 2024
Number of outstanding IRs	247	243	221
Number of outstanding audit observations	893	938	852
Amount involved (₹ in crore)	256.33	126.67	113.78

Department-wise details of IRs and audit observations outstanding as on 30 June 2024 and the amounts involved are mentioned in **Table 3.5**.

Table 3.5: Department-wise details of IRs

Sl. No.	Tax Heads	Outstanding		Amount
		Inspection Reports	Audit Observations	
1	Sales Tax	25	141	81.68
2	Stamp Duty and Registration Fee	91	314	13.24
3	Taxes on Vehicles	58	283	8.87
4	State Excise	47	114	9.99
Total		221	852	113.78

The large pendency of the IRs due to non-receipt of the replies is indicative of the failure by Heads of Offices and Departments to initiate action to rectify defects, omissions and irregularities pointed out by the Accountant General through the IRs.

3.4 Response of the Commercial Tax Department to the issues raised by Audit

To analyse the system of addressing the issues highlighted in IRs/Audit Reports by the Departments/Government, the action taken on the paragraphs and Performance Audits included in the Audit Reports of the last 10 years for one Department has been evaluated and included in this Audit Report.

The succeeding paragraph discuss the performance of the Commercial Tax Department under revenue head '0006' and cases detected in the course of local audit and also the cases included in the Audit Reports during the last 10 years.

3.4.1 Position of Inspection Reports

The summarised position of IRs issued during the last 10 years, paragraphs included in these reports and their status as on 31 March 2024 are tabulated in **Table 3.6**.

Table 3.6: Position of Inspection Reports

(₹ in crore)

Year	Opening balance			Additions			Total			Clearance			Closing balance		
	IRs	Paras	Money value	IRs	Paras	Money value	IRs	Paras	Money value	IRs	Paras	Money value	IRs	Paras	Money value
2014-15	62	418	1.26	3	34	0.23	65	452	1.49	3	27	0.09	62	425	1.40
2015-16	62	425	1.40	6	68	0.03	68	493	1.43	0	0	0	68	493	1.43
2016-17	68	493	1.43	4	53	0.31	72	546	1.74	2	16	0.19	70	530	1.55
2017-18	70	530	1.55	5	31	0.04	75	561	1.59	1	67	0.04	74	494	1.55
2018-19	74	494	1.55	0	0	0	74	494	1.55	10	87	0.19	64	407	1.36
2019-20	64	407	1.36	3	8	0	67	415	1.36	10	99	0.26	57	316	1.10
2020-21	57	316	1.10	1	9	0	58	325	1.10	8	52	0.03	50	273	1.07
2021-22	50	273	1.07	1	9	0	51	282	1.07	1	21	0.06	50	261	1.01
2022-23	50	261	1.01	4	41	0	54	302	1.01	8	101	0.04	46	201	0.97
2023-24	46	201	0.97	4	12	0.51	50	213	1.48	19	53	0.90	31	160	1.58

As against 62 IRs involving 418 paragraphs which were pending at the beginning of 2014-15, the number at the end of 2023-24 has decreased to 31 IRs and 160 paragraphs.

3.4.2 Recovery of accepted cases

During last 10 years up to 2023-24, draft paragraphs involving ₹ 1.94 crore pertaining to Commercial Taxes Department was included in the Revenue Receipts Chapter of the Compliance Report of the Comptroller and Auditor General of India, Government of Union Territory of Puducherry. Further, the Department accepted audit observations involving ₹ 21.34 lakh.

3.5 Results of Audit

During the year 2023-24, Compliance Audit of the Commercial Taxes Department was undertaken and observations on ITC mismatch, Irregular availing of ITC and Excess availing of ITC amounting to ₹ 449.16 crore are detailed in **Table 3.7**.

Table 3.7: Cases of ITC mismatch, irregular and excess availing of ITC

Sl. No.	Classification	No. of cases	Amount (₹ in crore)
1	ITC mismatch	6	1.48
2	Irregular availing of ITC and Excess availing of ITC	6	377.48
3	Others	48	70.20
Total		60	449.16

3.6 Coverage of this Chapter

This Chapter contains one Subject Specific Compliance Audit on E-Way Bill System under Goods and Services Tax and three draft paragraphs on Commercial Taxes, Revenue and Disaster Management and Transport Departments involving money value of ₹ 14.78 crore.

COMMERCIAL TAXES DEPARTMENT

3.7 Subject Specific Compliance Audit on E-Way Bill System under Goods and Services Tax

3.7.1 Introduction

3.7.1.1 E-Way Bill System

Goods and Services Tax (GST) has been introduced with effect from 01 July 2017, subsuming a wide range of Indirect Taxes based on the paradigm of ‘One Nation One Tax’.

E-Way Bill (EWB) is conceived as a shift from Government-monitored tax administration model to a self-reporting model by the taxpayer. The key objective of introduction of EWB is to safeguard Government revenue. EWB is a document required for the movement of goods and is designed to capture details of goods being moved. The EWB was introduced in the UT of Puducherry with effect from 01 April 2018 for movement of goods in intra-state or inter-state, for a value exceeding ₹ 50,000.

Rules 138 and 138 (A to E) of Puducherry Goods and Services Tax Rules (PGST Rules), 2017 provides for the EWB mechanism. The information on the consignment is to be furnished in EWB portal prior to movement of goods.

3.7.1.2 *Organisational structure*

Commercial Taxes Department, Puducherry (CTD), working under the aegis of the Finance Department, Government of Puducherry is the apex body implementing GST for Puducherry State administered taxpayers. The CTD is headed by Commissioner (State Taxes). There are seven Divisions under Puducherry CTD each headed by a Commercial Tax Officer (CTO).

EWBs generated for outward supplies are supported by invoices and the invoice details are required to be reported in the GSTR-1 by the regular taxpayers and in GSTR-4/CMP-08 for composition taxpayers. As per the instructions³ provided by the department, the Proper Officer⁴ (PO) may rely upon the data/details available in EWB Portal at the time of scrutiny of returns.

3.7.1.3 *Information Systems used for EWBs*

The EWB common portal is managed by National Informatics Centre. In March 2020, EWB portal had been integrated with the VAHAN⁵ system of the Ministry of Road Transport and Highways, so that vehicle registration number can be verified at the time of generating EWB. FASTag system had been integrated with the EWB system with effect from 01 January 2021.

The POs (both Centre and State/UT) can access the EWB Portal by - (i) web browser (ii) GST EWB mobile app.

3.7.1.4 *Processes involved in EWB System*

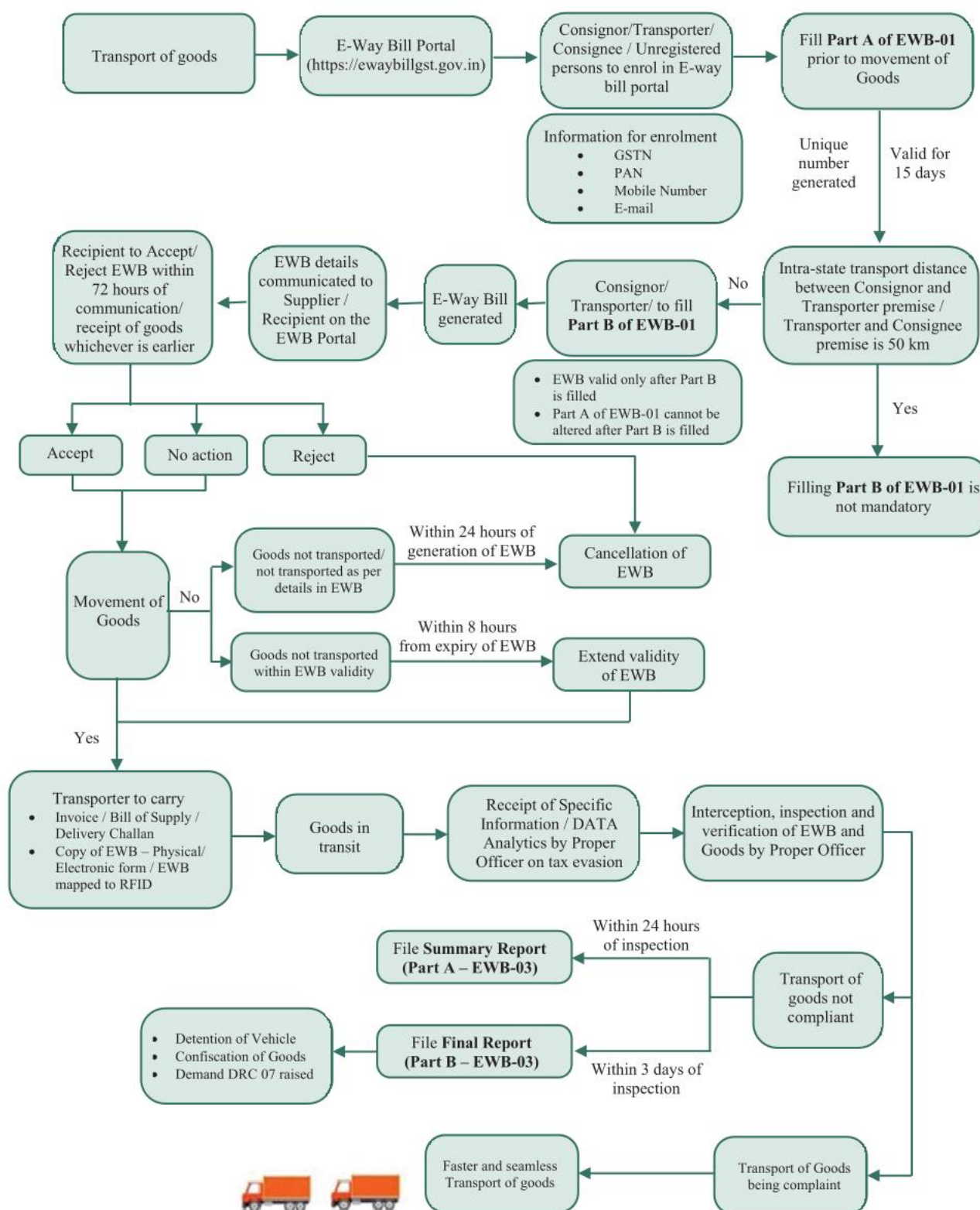
The EWB system includes various processes viz., the enrolment in the portal, generation of EWB, extension of validity, cancellation and rejection of the EWBs already generated, etc. The entire process flow of EWB system under GST is depicted in the following flowchart (**Figure 3.1**).

³ Para 6.1 of Standard Operating Procedure (SoP) for Scrutiny of GST returns issued (March 2022) by CBIC and adopted by Puducherry CTD in May 2022.

⁴ Commissioner or officer authorised by him as per Section 2(91) of PGST Act, 2017.

⁵ VAHAN is a highly flexible and comprehensive system that takes care of all the burdensome activities of Vehicle Registration, leaving the Transport Department to deal with more important business issues.

Figure 3.1: E-Way Bill mechanism – Process Flow



(Source: Puducherry GST Rules and EWB user manual issued by NIC)

The process and important terminologies used in the EWB System are discussed in the following paragraphs:

(a) *Enrolment in the Portal*

For generation of EWBs, GST registered persons, transporters and citizens are required to enroll in EWB portal by providing required details.

(b) *Generation of EWBs*

As per Rule 138 of the PGST Rules, EWB can be generated electronically by furnishing details of the consignments in Part A of the form GST EWB-01 by the consignor, transporter or the consignee.

In Part B of EWB-01, vehicle number for consignment by road and transport document number are provided for intra-state movement of goods in excess of 50 km and inter-state movement of goods. In cases when the goods are purchased by the buyer and transported from the place of supplier to the place of recipient on behalf of the buyer, EWB can be generated either by the supplier or by the buyer.

(c) *Validity of EWBs*

As per Rule 138(10) of the PGST Rules, the validity of the EWB depends upon the distance and the type of shipment. The validity period is one day for 200 km in respect of consignment other than over dimensional cargo and one additional day for every 200 km or part thereof with effect from 01 January 2021.

(d) *Extension of EWBs*

As per Provision-3 of the Rule 138(10) of the PGST Rules, the validity of the EWB can be extended by the transporter after updating the details in Part B of form GST EWB-01, within eight hours from the time of its expiry.

(e) *Cancellation of EWBs*

As per Rule 138(9) of the PGST Rules EWBs generated and not verified in-transit may be cancelled electronically on the common portal within 24 hours of generation.

(f) *Rejection of EWBs*

As per Rule 138(11) and (12) of the PGST Rules, the details of the EWB generated will be communicated electronically to the recipient and he is required to communicate his acceptance or rejection of the goods being transported.

3.7.1.5 *Audit objectives*

The audit objectives of this Subject Specific Compliance Audit (SSCA) were to examine:

- Whether EWB mechanism was functioning in protecting revenue interest of the Government; and
- Whether the preventive/enforcement activities of the Department in enforcing EWB mechanism were efficient and effective.

3.7.1.6 *Audit criteria*

The SSCA on EWB System under GST had been evaluated against the following audit criteria:

- Puducherry Goods and Services Tax Act, 2017 (PGST Act), as amended
- Puducherry Goods and Services Tax Rules, 2017 (PGST Rules), as amended
- Integrated Goods and Services Tax (IGST) Act and Rules, 2017, as amended
- Notifications/Circulars/Instructions issued by Central Board of Indirect Taxes and Customs (CBIC)/NIC and CTD.

3.7.1.7 *Audit scope*

EWB transactions of the persons falling under Puducherry State jurisdiction pertaining to the period between 01 April 2018 and 31 March 2023 were covered in this SSCA. These persons were selected based on EWBs relating to the period between 01 April 2018 and 31 March 2022. Audit examined the functioning of EWB system under the GST regime with reference to the audit objectives. EWB data for the period from 01 April 2018 to 31 March 2023 was extracted from Goods and Services Tax Network (GSTN) and analysed. The audit was restricted EWB transactions relating to movement of goods by roadways and movement of goods through railway/airway/seaway were not covered.

The scope of audit also covered evaluation of the preventive/enforcement functions of the Department related to EWBs, viz., interception of vehicles, verification of goods movement documents and inspection for the period between 01 April 2018 and 31 March 2022.

3.7.1.8 *Audit methodology*

A risk-based approach had been attempted for this SSCA as EWB generation is necessary to cause any movement of goods subject to the threshold limit. Audit samples for Audit objective-1 were evolved based on the identified Key Problem Areas (KPAs) which are listed in **Appendix 3.1**.

Audit selected 37 taxpayers for conducting substantive audit⁶ through data analysis. Audit was conducted between May 2024 and April 2025 by examining records relating to the selected 37 taxpayers. This included EWB data in respect of these 37 taxpayers for the audit period which was obtained from the EWB MIS system. Similarly, invoice-wise GSTR-1 data and GSTR-2A/2B data was

⁶ Detailed verification of transactions covered by EWBs with reference to returns filed by taxpayers and their books of accounts to ascertain the extent of tax compliance.

obtained from NIC-eGST⁷ portal. This data was analysed using IDEA⁸. EWBs related to these 37 taxpayers were analysed with reference to invoice wise GSTR-1 data, GST returns and other records available in the BO-Web⁹ Application.

The second Audit objective evaluated the preventive/enforcement activities *viz.*, operational preparedness, effectiveness of anti-evasion measures and intra-department co-ordination, related to EWB. The enforcement activities in the UT are being performed by the Enforcement wing and the seven divisions amongst other functions.

For analysing preventive function relating to EWBs, it was planned to scrutinise a sample of 50 cases. Audit requisitioned the information on EWB verifications and booked cases from CTD, Puducherry. Since the department did not provide the required details till the end of March 2025, 40 high value cases were selected on judgemental sampling based on EWB-03 Part B downloaded from the departmental¹⁰ portal.

An Entry Conference was conducted with the Commissioner of Commercial Taxes, Puducherry on 13 May 2024, wherein audit objectives, scope and methodology were discussed. An Exit Conference was conducted with the Secretary to the Government (State Taxes), Puducherry on 7 August 2025. The replies received from the Government on the audit observations have suitably been incorporated.

We also acknowledge the co-operation extended by the CTD, Puducherry in providing many of the necessary records for the smooth conduct of audit.

3.7.1.9 *Scope limitation*

The documents/information related to cancelled EWBs, time extended EWBs and EWBs rejected by the recipient were not produced to audit.

Further, neither the details of booked cases (EWB-03 (Part A and B)) nor the related files were provided despite reminders. In the absence of details of cases booked the operational preparedness to assess adequacy and effectiveness of preventive function in examination of EWB during transit also could not be ensured in audit as the details relating to adequacy of manpower, availability of patrolling vehicles and conduct of inspections were not furnished to audit.

⁷ <https://nicegst.py.gov.in> portal.

⁸ A Computer Assisted Audit Techniques tool.

⁹ Back Office Web Application managed by NIC.

¹⁰ <https://gstssn.nic.in>.

3.7.2 Trend Analysis of EWBs

The generation of EWB before causing the movement of goods was made mandatory for all inter-State and intra-State supplies exceeding the prescribed threshold limit of ₹ 50,000 with effect from 01 April 2018 in the UT of Puducherry. The trend analysis of EWBs indicating the number of EWBs generated and the number of unique GSTINs involved for the period from 01 April 2018 and 31 March 2022 is presented in **Table 3.8**.

Table 3.8: EWBs generated and GSTINs involved

Financial Year	Total Unique GSTINs	Total No. of EWB Generated
2018-19	3,706	7,61,264
2019-20	3,638	7,88,965
2020-21	3,007	6,91,599
2021-22	3,144	8,14,840

(Source: Data obtained from GSTN)

It may be seen from **Table 3.8** that there was 15 *per cent* decrease in the number of unique GSTINs generating EWBs from 2018-19 to 2021-22, while there was a seven *per cent* increase in the total number of EWBs generated during 2021-22 as compared to 2018-19.

The trend analysis of the number of EWBs generated by the taxpayers indicating whether the generation of EWBs was for supply, imports/exports, own use, job work etc., for the period from 01 April 2018 to 31 March 2022 is presented in **Table 3.9**.

Table 3.9: Categorisation of EWBs generated

(Number of EWBs in lakh)

Year	Supply		Import/Export		Job work		For own use		Others		Total EWBs generated
	Nos.	Percentage	Nos.	Percentage	Nos.	Percentage	Nos.	Percentage	Nos.	Percentage	
2018-19	6.40	84.07	0.08	1.07	0.55	7.19	0.04	0.53	0.54	7.14	7.61
2019-20	6.05	76.69	0.09	1.16	0.79	10.04	0.05	0.67	0.90	11.43	7.88
2020-21	5.59	80.82	0.09	1.34	0.62	8.92	0.07	1.07	0.54	7.85	6.91
2021-22	6.58	80.79	0.11	1.30	0.77	9.51	0.23	2.82	0.46	5.59	8.15

(Source: Data obtained from GSTN)

From **Table 3.9**, it can be seen that the EWB generation has been constant over the years with maximum EWBs (80 *per cent*) being generated for supply of goods.

3.7.3 Results of Audit

The SSCA on EWB was conducted based on KPAs identified through data analysis of sampled EWBs and detailed verification of related records for the years 2018-19 to 2022-23.

Audit analysed the EWBs pertaining to the selected 37 taxpayers over the period of five years *vis-à-vis* GST returns¹¹ and other records¹² available in BO-Web application. The deficiencies noticed in detailed scrutiny of sampled cases were issued to the Department between September 2024 and April 2025.

The deficiencies noticed are discussed in detail in the following paragraphs:

3.7.3.1 *Non/short discharge of tax liability*

(a) *Composition Levy Scheme*

Section 10(2)(c) of the PGST Act imposes a restriction that the taxpayer shall not be eligible to opt for composition levy scheme if he is engaged in making any inter-st inter-state ate outward supplies of goods. Rule 6(2) of the PGST Rules provides that the composition taxpayer shall be liable to pay tax under regular rate from the day he ceases to satisfy the condition.

Based on data analysis and substantive audit, it was observed that three out of five taxpayers, who opted for composition scheme generated six EWBs, in which inter-State outward supplies were made. These taxpayers were required to be brought out of the scheme and were liable to pay tax at normal rate with effect from the date of effecting inter-State supply (**Appendix 3.2**).

On this being pointed out (October 2024), the Government stated (July 2025) that an amount of ₹ 0.12 lakh was collected in one case, and ASMT-10 notice was issued in one case and in third case the Government forwarded the Proper Officer's reply (June 2025), where in, it was stated that the taxpayer accepted the generation of EWBs.

(b) *Non/short-discharge of tax liability by the taxpayers*

Under Section 61, returns filed by the taxpayers must be scrutinised by the PO to verify the correctness of the returns and suitable action had to be taken.

(i) *Non-discharge of tax liability due to Non-filing of returns*

Audit observed that one taxpayer (GSTIN - 34*****1ZI) under Goods Division-III, had effected outward supplies of ₹ 2.07 crore through 85 EWBs, involving tax of ₹ 0.24 crore during January 2019 to July 2019. The taxpayer

¹¹ GSTR-1(Monthly return declaring outward supplies), GSTR-3B (Monthly summary return of outward supplies, ITC claimed and payment of tax), GSTR-9 (Annual return), CMP-08 (Quarterly return by Composition Taxpayers) and GSTR-2A/2B (A System-generated statement of inward supplies).

¹² Annual financial statements, stock accounts, purchase/sales registers.

disclosed outward supplies effected through 26 EWBs out of total 85 EWBs in their GSTR-1 for this period. It was further observed that the tax liability was also not discharged as GSTR-3B was not filed.

Declaring outward supplies in GSTR-1 without discharging the tax liability is fraught with the potential risk of passing on of ITC without payment of tax. The ITC involved in these 26 EWBs was ₹ 0.08 crore.

On this being pointed out (October 2024), the Government, while acknowledging the lapses highlighted by audit, stated (July 2025) that notices in ASMT-10 were issued (June 2025) to the taxpayer.

(ii) *Non-discharge of tax liability by the taxpayers who filed 'nil' returns*

Audit observed that during the period from April 2018 to March 2022, two out of 32 taxpayers effected outward supplies, by generating 477 EWBs, amounting to ₹ 6.34 crore involving tax of ₹ 1.07 crore. The taxpayers under-reported the transaction effected through EWBs in GSTR-1 and filed 'nil' GSTR-3B resulting in non-discharge of the tax liability. The under reporting of supplies had a potential risk of passing on ITC of ₹ 0.98 crore without payment of tax to the recipients. The amount of tax recoverable worked out to ₹ 1.07 crore (**Appendix 3.3**).

On this being pointed out (October 2024), the Government replied (July 2025) that in one taxpayer was under National Company Law Tribunal (NCLT) and hence no action could be taken. The reply is not tenable as the Department failed to identify the observation despite the taxpayer being selected for scrutiny of returns for the period of 2018-19. Had this been identified earlier, the Government dues could have been recovered through NCLT, as they were the first charge. In another case, the Government issued intimation of tax ascertained under DRC-01A¹³ (June 2025).

Recommendation:

- *Department may consider issuing suitable instructions to the POs for red flagging EWBs generated by the taxpayers, who did not file mandatory returns to initiate suitable action to recover the dues where applicable.*

(c) *Generation of EWBs by cancelled taxpayers due to retrospective cancellation*

As per Section 63 of the PGST Act, in respect of a taxable person whose registration had been cancelled but remains liable to pay tax, the PO may

¹³ Intimation of Tax Ascertained Payable.

proceed to assess the tax liability of such taxable person to the best of his judgement.

Audit observed that five out of 12 taxpayers generated 23 EWBs for effecting outward supplies of ₹ 1.46 crore during the period from April 2018 to March 2021 after the effective date of cancellation as the cancellations were effected retrospectively by the Department.

It was further observed that these taxpayers also failed to discharge the potential tax liability of ₹ 0.26 crore for these EWBs (**Appendix 3.4**).

On this being pointed out (October 2024), the Government stated (July 2025) that in case of two taxpayers, a demand has been raised in DRC-07¹⁴ (June 2025). DRC-01A was issued in one case and in the fourth case, an amount of ₹ 0.12 lakh was collected. And in the remaining case, the Government stated that an enquiry would be conducted.

It is pertinent to mention that the PO failed to assess the taxpayers' tax liability while cancelling the registration.

Recommendation:

- *Department may consider issuing suitable instructions to the POs for considering EWBs generated by the taxpayer before cancellation of registration retrospectively and to take action for recovery of tax, wherever applicable.*

(d) Taxpayers generating multiple EWBs for single invoice

As per Para 5-1 of the user manual issued by the NIC, the taxpayer while generating the EWB is required to enter the document number relating to the consignment. Invoice number is the document number in respect of consignments relating to supplies and it should be unique. Hence, only one EWB is required to be generated based on each invoice.

Audit observed that seven out of 32 taxpayers, had generated 9,092 EWBs, involving 4,003 unique invoices of an assessable value of ₹ 120.22 crore with a tax liability of ₹ 32.94 crore.

Audit also observed that multiple invoices were used in generating these EWBs which recorded different outward dates, vehicle numbers and destinations.

Generation of multiple EWBs based on single invoice indicated lack of validation in EWB common portal to prevent generation of multiple EWBs.

Considering the invoices which appeared more than once there was a potential risk of under reporting of assessable value of ₹ 64.60 crore and consequential short discharge of tax liability upto ₹ 17.73 crore (**Appendix 3.5**).

¹⁴ Summary of order.

On this being pointed out (October 2024), the Government stated (July 2025) that notice/order were issued in four cases. In one case, the Government stated that a demand had been raised in DRC-07.

In one case, the Government stated that the taxpayer was under NCLT and hence no action could be taken. The reply is not tenable as the Department failed to identify the observation despite the taxpayer being selected for scrutiny of returns for the period of 2018-19. Had this been identified earlier, the Government dues would have been recovered through NCLT, as they were the first charge. In another case, though the Government has stated that there is no discrepancy as the EWB referred was invalid and did not relate to the taxpayer, audit, however, found that the EWB was valid and related to that particular taxpayer.

Recommendation:

- *Department may consider including suitable input controls in the EWB System to prevent generation of multiple EWBs for the same invoice.*

(e) Discharge of tax liability by the taxpayers with respect to other KPAs

Section 37 of the PGST Act, 2017, read with Rules 59(1) of PGST Rules, 2017, specifies that all outward supplies shall be reported in form GSTR-1. Section 39(1) and Section 44(1) of the PGST Act, 2017, specifies that all inward and outward supplies, input tax credit availed, tax payable, tax paid shall be reported in GSTR-3B return, for every calendar month and in GSTR-9 return for the financial year respectively.

Rule 138(1) of the PGST Rule, 2017, specifies that information, including HSN code, relating to the Goods, whose consignment value exceeds the prescribed limit shall be furnished in Part-A GST-EWB-01 in common portal.

(i) Non-discharge of tax liability by taxpayers who generated EWBs without reporting in GSTR-1

Audit observed that during the period from April 2018 to March 2023, seven out of 32 taxpayers effected outward supplies by generating 9,852 EWBs, amounting to ₹ 295.17 crore involving tax of ₹ 50.07 crore, but failed to report the supplies in GSTR-1. The amount of non/short payment of tax worked out to ₹ 50.07 crore (**Appendix 3.6**).

In addition, audit observed that four out of these seven taxpayers further generated 10,650 EWBs amounting to ₹ 385.46 crore but the tax amount was shown as zero. However, the HSN code featured in these EWBs did not pertain to commodities whose prescribed tax rate were not nil/zero (**Appendix 3.7**). It was observed that transactions effected through these EWBs were also not reported in GSTR-1.

On this being pointed out (October 2024 to January 2025), the Government stated (July 2025) that in six cases notices were issued, in one case, Government stated that the taxpayer was under NCLT and hence no action could be taken. The reply is not tenable as the Department failed to identify the observation despite the taxpayer being selected for scrutiny of returns for the period of 2018-19.

Recommendation:

- *Department may consider devising a suitable mechanism to identify taxpayers generating EWBs but not disclosing appropriate tax liability in GSTR-1 and to initiate action for recovering dues promptly where applicable.*

(ii) Undischarged tax liability resulting in short payment of tax

Audit observed that two out of 32 taxpayers effected outward supplies of ₹ 35.48 crore during the period from April 2018 to March 2022. A scrutiny of comparison statements of GSTR-1 and GSTR-3B returns of these two taxpayers revealed that the taxpayers did not discharge the tax liability of ₹ 1.26 crore during the period from April 2018 to March 2022 (**Appendix 3.8**).

On this being pointed out (December 2024), the Government stated (July 2025) that ASMT 10¹⁵ was issued in one case (June 2025) and in another case, it was stated the taxpayer was under NCLT and hence no action could be taken. The reply is not tenable as the Department failed to identify the observation despite the taxpayer being selected for scrutiny of returns for the period of 2018-19.

(iii) Short discharge of tax liability due to deviation in HSN code

Audit observed that three out of 32 taxpayers effected outward supplies during the period April 2018 to March 2023, by generating 231 EWBs amounting to ₹ 32.34 crore and disclosing them in GSTR-1. Audit observed that the tax as prescribed for HSN code for the commodity code disclosed in EWBs varied with the declared tax liability in GSTR-1. The total tax payable as per HSN code was ₹ 6.51 crore but the taxpayers declared liability of ₹ 1.77 crore resulting in short declaration of tax of ₹ 4.74 crore (**Appendix 3.9**).

On this being pointed out (November 2024), the Government stated (July 2025) that notices have been issued in all three cases.

An illustrative case is discussed below:

¹⁵ Notice for intimating discrepancies in the return after scrutiny.

A taxpayer (GSTIN-34*****1Z4) under Goods Division-III, had effected outward supplies relating to leather products by generating 13 EWBs amounting to ₹ 69.38 lakh and declared a tax liability of ₹ 1.49 lakh in GSTR-1 during the period from April 2018 to March 2023. It was observed that the HSN Code of the leather products was 4202 with a prescribed rate of 18%. However, the taxpayer made supplies at lower rates than the prescribed rates the tax at which worked out to ₹ 12.49 lakh, resulting in short-payment of tax by ₹ 11 lakh.

When this was pointed out (November 2024), the Government stated that (July 2025) notice was issued (January 2025).

**(f) Discrepancies identified through analysis of EWB data
(Totality Observations)**

Audit analysed the data on EWBs generated during the period from April 2018 to March 2022 on the basis of KPAs and observed that discrepancies in tax compliance by the taxpayers could be ascertained directly in respect of certain KPAs. The data extracted under these KPAs, excluding samples selected for substantive audit, were forwarded to the Department during September 2024 as totality observations for considering further course of remedial action at their end. Issues involved in these observations have also been examined by audit in substantive audit of sample taxpayers and the observations are included in the **Paragraphs 3.7.3.1 (a) to (d)**.

The details of totality of observations shared with the Department are depicted in **Table 3.10**:

Table 3.10: Details of Totality Observations

Sl. No.	Nature of observation	No. of taxpayers	No. of EWBs
1	Generation of inter-state EWBs by composition taxpayers	14	27
2	Generation of EWBs by non-filers of GSTR-3B returns	26	91
3	Generation of EWBs by cancelled taxpayers	51	196
4	Generation of multiple EWBs using same invoice	288	1,479

This was communicated (September 2024) to the Department for verification and taking suitable actions at their end and to furnish a summary of reply on the actions taken. The details of action taken in this regard was awaited.

(g) Discrepancies noticed in availing of ITC**(i) Transactions in GSTR-1 not reported in EWBs – non-levy of penalty**

As per Section 122, where a taxable person who transports any goods without EWB, he shall be liable to pay a penalty of ₹ 10,000 for the UT of Puducherry and similar amount to Government of India.

Audit observed that during the period from April 2018 to March 2023, 16 out of 32 taxpayers reported 2,794 outward supply transactions to registered taxpayers in excess of the prescribed limits in GSTR-1 for ₹ 159.98 crore, involving tax of ₹ 24.56 crore. However, it was observed that the taxpayer failed to generate EWBs for the same. This is fraught with a potential risk of passing on of ITC without actual movement of supplies. The total penalty leviable for non-generation of EWBs worked out to ₹ 5.59 crore **(Appendix 3.10).**

On this being pointed out (November 2024 to January 2025), the Government stated (July 2025) that ASMT 10/Notices were issued in ten cases. In one of those ten cases, though notice was stated to be issued, the notice did not relate to the audit observation. In another four cases, DRC-01A/DRC-07 were issued. In another one case, the Government stated that the taxpayer was under NCLT and hence no action could be taken. The reply is not tenable as the Department failed to identify the observation despite the taxpayer being selected for scrutiny of returns for the period of 2018-19. In remaining one case, Government forwarded the PO's reply (January 2025), in which it was stated that the taxpayer had not generated EWBs and hence penalty under Section 122 of PGST Act needs to be collected.

An illustrative case is discussed below:

A taxpayer (GSTIN-34***1ZS) under Goods Division-III, reported 270 outward supply transactions in GSTR-1 for ₹ 50.11 crore, involving tax of ₹ 8.87 crore, but failed to generate EWB during the period April 2018 to March 2023. This resulted in potential risk of passing on ITC of ₹ 8.87 crore and non-levy of penalty of ₹ 0.54 crore.**

When this was pointed out (November 2024), the Government stated that (July 2025) notice was issued. However, the notice did not contain penalty under Section 122 of the PGST/CGST Act.

Recommendation:

- *Department may consider generating MIS reports on non-generation of EWBs by taxpayers by cross verifying GSTR-1.*

(ii) Mismatch of ITC between GSTR-3B and GSTR-2A/2B

As per Section 16(1) of the PGST Act, every registered person shall be entitled to take ITC charged on any supply of goods or services or both to him, which are used or intended to be used in the course or furtherance of his business and the said amount shall be credited to the electronic credit ledger of such person.

The claim of ITC as per GSTR-3B was correlated with taxable inward supplies, auto-populated in GSTR-2A/2B in respect of 32 taxpayers selected for audit and observed that eight taxpayers had availed ₹ 1,831.39 crore as ITC whereas the taxable inward supplies available under GSTR-2A/2B was only ₹ 1,690.18 crore. This mismatch of ₹ 141.21 crore had a potential risk of excess availing of ITC by the recipients (**Appendix 3.11**).

On this being pointed out (between October 2024 and January 2025), the Government stated (July 2025) that, DRC-01A was issued in one case and ASMT-10/Notices were issued in seven cases. However, audit noticed that out of seven cases, where ASMT-10/Notices were stated to be issued, five did not relate to the issue pointed out by audit. This was also reiterated in the Exit Conference.

(iii) Non-reversal of ITC on exempt supplies

As per Section 17(2) of the PGST Act, if taxable supplies are used partly for effecting taxable supplies and partly for exempted supplies, ITC shall be restricted to taxable supplies only and ITC attributable to exempted supplies shall be reversed.

Audit observed that five out of 32 taxpayers effected both taxable and exempted supplies during the period April 2020 to March 2023. Audit noticed that these five taxpayers availed ITC of ₹ 15.98 crores, which included ITC of ₹ 0.31 crore pertaining to exempted supplies. However, the ITC pertaining to exempted supplies were not reversed (**Appendix 3.12**).

On this being pointed out (December 2024), the Government stated that (July 2025) ASMT 10/Notices were issued in three cases and ₹ 0.01 crore was recovered in one case. In another case, Government, in its reply, stated that it was due to wrong entry in Column 3.1(c) (Nil rated, exempted) instead of Col 3.1(b) (zero rated). Since all sales were made to SEZ customers there was no need to reverse ITC under Rule 42 and 43. However, the audit's observation was about reversal due to non-GST supplies in column 3.1(e) of GSTR-3B in 2021-22 and not about SEZ supplies.

(iv) Availing of ITC without generating EWBs

As per Section 16(2) of the PGST Act, ITC is not eligible unless the taxpayer had received the goods or services or both.

During scrutiny of GSTR-2A/2B data, audit observed that in case of four out of 32 taxpayers there was a receipt of taxable supplies of ₹ 39.49 crore and they had claimed ITC of ₹ 5.77 crore in GSTR-3B during the period April 2019 to March 2023. Further data analysis revealed that EWBs were not generated in respect of these inward supplies. This indicates potential risk of incorrect availing of ITC by taxpayers without actual movement of supplies (**Appendix 3.13**).

On this being pointed out (January 2025) the Government stated that (July 2025), DRC-01A was issued in one case and ASMT-10 notices were issued in three cases. In one out of those three cases, though notice was stated to be issued, the notice, however, did not relate to the audit observation.

(h) *Other points of interest - Wilful suppression of turnover by a group of taxpayers*

Audit identified, through data analysis, a group of 26 taxpayers Pan India, making consignments of goods without discharging tax liabilities. These taxpayers mainly dealt with tobacco products, copper and nuts. These goods were sent to various States. Audit noticed that two taxpayers falling under Goods Division-I, CTD, Puducherry were part of this group. Audit verified inward and outward EWBs along with the GST returns pertaining to these two taxpayers and the following observations were made:

(i) *Non-discharge of tax liability*

Section 39 read with Rule 61 stipulates that taxpayers are required to furnish a return in GSTR-3B declaring the details of inward and outward supplies of goods or services or both, ITC availed, tax payable, tax paid.

Audit scrutiny revealed that these two taxpayers generated 348 EWBs in respect of outward supplies valued at ₹ 57.77 crore during the period from April 2019 to May 2019 and March 2020 to July 2020. Tax including cess involved in respect of these outward supplies was ₹ 6.37 crore. The taxpayers, failed to report transactions in GSTR-1 and did not file GSTR-3B which led to non-discharge of tax liability of ₹ 6.37 crore (**Appendix 3.14**).

On this being pointed out (September 2023, October 2024 and November 2024), the Government stated (July 2025) that in both cases intimation of tax ascertained in Form DRC-01A were issued.

(ii) *Movement of prohibited products through EWBs*

Audit further noticed that the major commodities received in Puducherry from Delhi and Tamil Nadu by one taxpayer were tobacco related products. It is pertinent to mention that Gutkha, Pan-Masala and any other food products containing tobacco are banned in Tamil Nadu and Puducherry under the Food Safety and Standards Act (FSSA), 2006. This indicates that there was no

mechanism to prevent transportation of banned goods in EWB system. On this being pointed out (September 2023, October 2024, November 2024), the Government replied (July 2025) that it would take appropriate steps to address the gap highlighted.

Recommendation:

- *Department may incorporate validation control in the EWB system to alert taxpayers whenever EWB is generated for movement of banned goods.*

3.7.4 Preventive functions of the Department

The PO may authorise any officer to intercept any conveyance to verify the EWB. The CTD, Puducherry issued instructions elaborating the procedure for interception of conveyances for inspection of goods in movement, detention, release and confiscation of goods and conveyances for contravening the provisions of Act/Rules relating to EWB. A summary report of every inspection of goods in transit shall be recorded online by the PO in Part A of Form EWB-03 within 24 hours of inspection and the final report in Part B of Form EWB-03 within three days of such inspection.

In CTD, Puducherry, the responsibility of performing the enforcement functions relating to the verification of EWBs was entrusted to the officers of the enforcement wing and the divisions along with their regular activities.

3.7.4.1 *Efficiency and effectiveness of the preventive/enforcement activities of the Department in enforcing EWB provisions*

Audit examined EWB related functions of CTD, Puducherry with specific focus on (i) operational preparedness; (ii) effectiveness of anti-evasion measures; and (iii) intra-departmental co-ordination in monitoring EWB transactions. During verification, audit noticed deficiencies in the activities as detailed in the subsequent paragraphs:

As per sub-section (3) of Section 68 of the PGST Act during inspection the transporter shall be liable to produce the documents and also allow the inspection of goods.

Section 129 of the PGST Act provides for detention and seizure of goods where any person transports any goods in contravention of the provisions of this Act of the Rules.

CTD, Puducherry adopted CBIC instructions, which detailed procedure for interception of conveyances for inspection of goods and action to be taken by the POs. Scrutiny of records revealed the following:

(a) Operational Preparedness

(i) Dedicated unit

A dedicated unit for EWB related enforcement activities like verification of EWBs during interception of vehicles and follow-up action, wherever required, utilising EWB analytical reports in planning the EWB verification, etc., can improve the efficiency of preventive functions. Audit ascertained that no dedicated unit was formed for conducting EWB related enforcement activities and the Divisional Offices and Enforcement Wing were entrusted with the verification of EWB functions.

On being pointed out by audit (May 2024), the Government replied (July 2025) the suggestion of audit to form a dedicated unit for EWB enforcement was well taken and would be duly considered in future.

(ii) Adequacy of manpower

Details of existing manpower assigned with EWB verification functions was requisitioned from the Department to ascertain whether the manpower was adequate, however, the CTD, Puducherry did not furnish information despite reminders.

On this being pointed out (May 2024), the Government replied (July 2025) that the details were already furnished to audit and the copy of the same is again being furnished. However, the details were not furnished to audit.

(iii) Analytical Reports on EWBs

NIC generates about 100 analytical reports on EWB transactions and shares the same through the NIC-GST EWB analytical system portal with the GST Departments under Centre and State formations for their use. The manual on the comprehensive analytics on EWB issued by the NIC provides the nature of each report and its usage. These reports help the POs in identifying cases of fake invoices, tax evasion, recycling etc., by using the vehicle movement information.

Access and use of Analytical Reports

Audit ascertained from the J3 report (usage of analytical reports by Officers) that only five users of the Department were given access to the NIC GST EWB analytical system.

It was noticed that, however, no officer who had been given access to the analytical report viewed the same during the period from April 2018 to March 2022. When audit requested (January 2025) that the MIS reports in NICEGST portal used for EWB verification may be shared, the Department did not provide them despite reminders.

On being pointed out (January 2025), the Government replied (July 2025) that various reports like Red flag reports and BIFA Reports etc., were recently available and are being made use of the POs. However, the fact remains that the number of officers who viewed analytical reports during the period from 2018 to 2022 was 'nil'. This was also reiterated during the Exit Conference.

Though NIC-GST EWB analytical system portal generated analytical reports, non-usage of these reports by the field formations indicated weak monitoring mechanism on transactions related to EWBs.

(iv) MIS Reports on EWBs

EWB-MIS System, which is available under NIC-GST Analytical System provides several MIS reports such as RFID vehicle related report on live vigilance for EWB, EWB-03-Part-A, Part-B, Verification Report for EWBs, EWB-03 correction list, e-Invoice Non-compliance etc.

Access and use of EWB MIS reports

Audit ascertained from the J3 report (usage of Reports by Officers) that 19 users of the Department were given access to the NIC EWB MIS System. It was seen that no officer who had been given access to the MIS report accessed the portal during the period from April 2018 to March 2022. Non-usage of these EWB-MIS reports by the field formations indicated inadequate monitoring mechanism in verification of EWBs.

On being pointed out (January 2025), the Government replied (July 2025) that several enhanced and integrated reporting tools such as Red Flag Reports and BIFA Reports had been used by POs. However, the Government further stated that steps were being considered to reinforce oversight and improve utilisation of these resources across field formations.

Recommendation:

- *Government may issue suitable instructions for utilising the Analytical and MIS reports on EWBs for effective monitoring to verify compliance of EWB provisions by the taxpayers.*

(b) Effectiveness of Anti-Evasion measures

According to Rule 138 of the PGST Rules, in case of transportation of goods, an EWB is required to be generated before the commencement of movement of the consignment. For conducting verification of EWBs, the CTD, Puducherry had adopted CBIC issued instructions where procedure for interception of conveyances for inspection of goods and action to be taken by the POs.

Audit downloaded the individual EWB-03 (Part A and B) report from EWB-MIS under NIC-GST Analytical System portal. A total of 40 high value

booked cases were randomly selected based on EWB-03 Part B downloaded from the departmental system and their scrutiny revealed the following:

(i) Non/short creation of demand for tax and penalty during EWB verification

As per Section 129(1) of PGST Act, when the goods and vehicle are detained for any contravention of the provisions of the Act, then the same shall be released on payment of the applicable tax and equal amount of penalty upto 31 December 2021. With effect from 01 January 2022, penalty at 200 *per cent* of the applicable tax was required to be collected apart from tax under Section 9 of the PGST Act.

According to the Guidelines issued by the CBIC and adopted by CTD, Puducherry the PO shall upload demand order (MOV-09) on the common portal.

Intrastate movements

During scrutiny it was observed that there was a deficiency in nine¹⁶ out of 10 intrastate cases booked where the consignor as well as consignee were from Puducherry.

In five of nine cases it was noticed that tax and penalty levied was not in accordance with Section 129(1).

In addition, it was observed that MOV-09 was not available on the EWB portal for seven out of nine cases resulting in demand not being created.

Further, it was observed that the intercepting officer revised the assessable value and tax value during inspection in four out of nine cases. However, it was verified from the GSTR-1 that the consignor had not revised liability under Section 9.

In the absence of creation of demand in the portal, the PO of the consignor (supplier) would not be aware of the demand under Section 129(1).

Details of these nine cases are given in **Appendix 3.15**.

On this being pointed out (March 2025), the Government stated (July 2025) that all the provisions cited were duly followed and that the demand was created properly. However, the Government did not provide documents to substantiate their reply. This was also reiterated in the Exit conference.

¹⁶ Consignor in six cases were from CTD, Puducherry Jurisdiction and three cases were from Puducherry (Center Jurisdiction). Consignee in five cases is from CTD, Puducherry Jurisdiction and four cases were from Puducherry (Center Jurisdiction).

An illustrative case is discussed below:

Audit observed from Forms EWB-03 Part A and B available in the portal, that vehicle bearing number TNXX XXXXX6 was intercepted on 02 February 2020 by the officers of the CTD, Puducherry due to 'Transporting goods without e-way bill and undervalued invoice'. The Consignor was under Puducherry (Center Jurisdiction) and the Consignee was under Goods Division III. From the above form, it was observed that declared value of goods was ₹ 2.49 lakh with tax of ₹ 0.45 lakh. The value of goods arrived during Inspection by the PO was ₹ 5.73 lakh with tax of ₹ 1.03 lakh and penalty of ₹ 1.23 lakh, including other penalty of ₹ 0.20 lakh. The vehicle was released on 12 February 2020.

Audit observed from the Enforcement module of BO-Web Application that GST MOV Forms including MOV-09 were not uploaded in the portal. Further, the demand for the tax and penalty was not created in portal as no DRC-07/DRC-03 was available, resulting in short demand of ₹ 1.81 lakh under Section 129(1). Audit verified from GSTR-1 that the consignor had not revised the tax to be paid under Section 9, as revised by the PO resulting in short declaration of tax of ₹ 0.58 lakh.

On this being pointed out (March 2025), the Government stated (July 2025) that all the provisions cited were duly followed and that the demand was created properly. However, the Government did not provide documents to substantiate their reply. This was also reiterated in the Exit Conference.

Interstate movements

Audit scrutinised 30 booked cases which had an interstate movement, where the consignor was from other States and consignee from Puducherry through Form EWB-03 (Part A and B) and observed the following in 28 cases:

Audit accessed the EWB portal and observed that in none of the 28 cases, GST MOV Forms, including GST-MOV-09 order were available which indicated vehicles being released without creating a demand of ₹ 31.54 lakh. The Department did not produce the relevant files, hence, Audit was unable to ascertain the action taken in this regard.

In addition, it was observed that in eight out of 28 cases, tax and penalty levied was not in accordance with Section 129(1).

It was further observed that the intercepting officer revised the assessable value and tax value during inspection in 18 out of 28 cases. However, it was verified from the GSTR-2A of the consignee, that the consignor had not revised liability under Section 9 in GSTR-1. In the absence of creation of demand in the portal,

the PO of the consignor (supplier) would not be aware of the demand under Section 129(1) and revision under Section 9 (**Appendix 3.16**).

An illustrative case is discussed below:

Audit observed from Forms EWB-03 Part A and B available in the portal, that a vehicle bearing number TNXX XXXX3 was intercepted on 06 January 2020 by the officers of the CTD, Puducherry citing the reason for interception as ‘Under-valued invoice and e-way bill not available’. The consignor was under Tamil Nadu Jurisdiction (Cuddalore) and the consignee was under Goods Division III. From the above Form, it was observed that the declared value of goods was ₹ 1.35 lakh with IGST of ₹ 0.24 lakh. The value of goods arrived during Inspection by the PO was ₹ 7.52 lakh with tax of ₹ 1.35 lakh and penalty of ₹ 2.15 lakh, which works out to ₹ 3.50 lakh. The vehicle was released on 06 January 2020.

Audit observed from the Enforcement module of BO-Web Application that GST MOV Forms including MOV-09 were not uploaded in the portal. This led to non-creation of tax demand for the consignor resulting in short demand of ₹ 3.50 lakh.

Audit verified from GSTR-2A of the consignee, whose jurisdiction is in Puducherry, that the consignor had not revised the tax to be paid under Section 9, as revised by the PO resulting in short demand of ₹ 1.11 lakh.

On this being pointed out (March 2025), the Government stated (July 2025) that all the provisions cited were duly followed and that the demand was created properly. However, the Government did not provide documents to substantiate their reply.

On this being pointed out (March 2025), Government replied (July 2025) that all vehicle inspection proceedings are carried out by the POs in accordance with the provisions of section 129 of the PGST Act 2017 and relevant CBIC guidelines. It was also stated that due to technical constraints in retrieving old data from the EWB system, the Department was unable to verify or take corrective action in the specific cases flagged by Audit and requested Audit may share details to trace the records.

The reply of the Department is not tenable as audit verified GSTR-1 of the consignor and GSTR-2A of the consignee, as the case may be and confirmed that the consignor did not revise the liability. Audit verified the portal with Departmental credentials and observed that neither MOV-09 was uploaded nor demand was created in the taxpayer’s Electronic Liability Ledger. During the Exit Conference, audit informed that details had already been shared.

3.7.5 Conclusion and Recommendations

3.7.5.1 Conclusion

The Subject Specific Compliance Audit of EWB System was undertaken with the objective of verifying whether EWB mechanism was functioning in protecting revenue interest of the Government; and whether the preventive/enforcement activities of the Department in enforcing EWB mechanism were efficient and effective.

Audit observed certain deficiencies in the EWB system as it allowed generation of EWBs by nil filers and non-filers of GST returns, by cancelled taxpayers and by composition taxpayers making interstate supplies. The system also allowed generation of multiple EWBs for single invoices, payment of taxes in deviation of applicable tax rates to the HSN codes declared in EWBs. These deficiencies had a consequential impact of non/short discharge of tax liability and potential risk of passing on of ineligible ITC. Audit also observed cases where EWBs were generated but the transactions were not reported in GSTR-1 returns; transactions were reported in GSTR-1 without generating EWBs; transactions were reported in GSTR-1 without payment of tax in GSTR-3B; taxpayers availing ITC without inwards EWBs and movement of prohibited goods through EWBs.

Further, the operational preparedness of the Department for enforcement functions could be further strengthened and deficiencies relating to non-utilisation of available resources viz., analytical reports and MIS reports were noticed. Audit also observed that Proper Officers were not following the due process in assessment and collection of Government dues during interception of vehicles.

Audit also encountered scope limitation due to non-production of records/data pertaining to patrolling of vehicles, manpower and conduct of inspection etc.

3.7.5.2 Recommendations

- *Department may consider issuing suitable instructions to the POs for red flagging EWBs generated by the taxpayers, who did not file mandatory returns to initiate suitable action to recover the dues where applicable.*
- *Department may consider issuing suitable instructions to the POs for considering EWBs generated by the taxpayer before cancellation of registration retrospectively and to take action for recovery of tax, wherever applicable.*
- *Department may consider including suitable input controls in the EWB System to prevent generation of multiple EWBs for the same invoice.*

- *Department may consider devising a suitable mechanism to identify taxpayers generating EWBs but not disclosing appropriate tax liability in GSTR-1 and to initiate action for recovering dues promptly where applicable.*
- *Department may consider generating MIS reports on non-generation of EWBs by taxpayers by cross verifying GSTR-1.*
- *Department may incorporate validation control in the EWB system to alert taxpayers whenever EWB is generated for movement of banned goods.*
- *Government may issue suitable instructions for utilising the Analytical and MIS reports on EWBs for effective monitoring to verify compliance of EWB provisions by the taxpayers.*

3.8 Loss of Revenue

TRANSPORT DEPARTMENT

3.8.1 Short collection of Motor Vehicle tax

Short collection of Motor Vehicle tax and penalty for heavy passenger motor vehicles with contract carriage permits amounting to ₹ 14.30 crore.

As per Section 74(1) of The Motor Vehicles Act, 1988, Regional Transport Authority may, on an application made to it under Section 73, grant a contract carriage permit in accordance with the application or with such modifications as it deems fit or refuse to grant such a permit.

As per Section 3 of Puducherry Motor Vehicles Taxation Act, 1967, motor vehicle tax is leviable on every motor vehicle (used or kept for use in the Union Territory of Puducherry) at the rates prescribed as per Schedule-I of the Act. Section 6-A of the Act stipulates that the tax due shall be paid within such a period, not being less than seven days or more than thirty days from the commencement of the quarter, half-year or year, as may be prescribed.

In respect of heavy passenger motor vehicles, which are considered as ‘contract carriage’, the quarterly motor vehicle tax payable per vehicle, having seating capacity not exceeding 54 persons including the driver, is ₹ 1,200 per seat or ₹ 1,500 per sleeper or berth for every person other than the driver.

Section 9 of the Act stipulates that whenever the registered owner or any person who has possession or control of any motor vehicle used or kept for use in

Puducherry defaults in making payment of the tax, the licensing officer may direct that, in addition to the amount of arrears, a sum not exceeding the annual tax payable shall be recovered from him by way of penalty.

In this connection, the Government of UT of Puducherry has issued (November 2010) orders to impose penalty along with tax from the defaulters as detailed in the **Table 3.11**.

Table 3.11: Penalty to be imposed on defaulters

Particulars	Beyond due date and within two months	Beyond two months and within three months	Beyond three months
In respect of vehicles for which tax is paid on quarterly basis	25 per cent	50 per cent	100 per cent

(Source: Government of Puducherry order)

Audit analysed (May 2024 and June 2024) Vahan 4¹⁷ data in respect of permits of heavy passenger motor vehicles, which are considered as contract carriages to ascertain the fact of realisation of motor vehicle tax for the vehicles registered in the UT of Puducherry under Puducherry Regional Transport Office (RTO)¹⁸ payable every quarter. It was observed that the owners of 140 out of 741 vehicles with contract carriage permits did not pay tax amounting to ₹ 7.15 crore for periods between April 2019 and March 2024¹⁹ (**Appendix 3.17**). Besides the tax, the penalty leviable at 100 per cent for non-payment of tax worked out to ₹ 7.15 crore.

Audit also obtained and analysed the data relating to movement of vehicles through Moratandi toll plaza, Puducherry from National Highways Authority of India (NHAI). The analysis revealed that the vehicles registered in the UT of Puducherry under Puducherry RTO operated in the UT of Puducherry and beyond without paying the tax dues. It was seen that during November 2019 to March 2025, 47 out of 140 vehicles which did not pay the mandated tax, crossed the toll on 126 occasions.

Thus, failure of the Department to ensure timely collection of motor vehicle tax from the defaulters had resulted in short realisation of tax and penalty of ₹ 14.30 crore²⁰ in respect of 140 vehicles. Regular movement of vehicles without payment of motor vehicle taxes indicated the absence of monitoring mechanism to identify vehicles plying on the road without paying mandated taxes to the Government.

¹⁷ Portal for Ministry of Road Transport and Highways (MORTH).

¹⁸ There are seven RTOs/Units in the UT of Puducherry. As majority (83 per cent) of the vehicles in the UT of Puducherry are registered with the RTO, Puducherry, it was taken for detailed analysis.

¹⁹ The tax payable was calculated till 31 March 2024 or till the date of validity of permit.

²⁰ Tax: ₹ 7.15 crore and Penalty: ₹ 7.15 crore.

The Department replied (August 2024) that demand notices were issued (June 2024) to the defaulters and the vehicles were blacklisted in the VAHAN portal. The details of realisation of tax and penalty dues were awaited (May 2025). However, the reply of the Government is still awaited.

REVENUE AND DISASTER MANAGEMENT DEPARTMENT

3.8.2 Short levy of Stamp duty

Short collection of stamp duty and registration fees of ₹ 36.90 lakh due to misclassification of conveyance deeds as cancellation deeds.

As per Section 2(10) of Indian Stamp (IS) Act 1899, "Conveyance" includes a conveyance on sale and every instrument by which property, whether movable or immovable, is transferred *inter vivo* and which is not otherwise specifically provided for by Schedule I.

As per Article 23, in the case of conveyance of immovable property, stamp duty is leviable at the rate of 10 *per cent* and registration fees of 0.5 *per cent* on the sale value of the property or the Guideline Register Value, whichever is higher is required to be collected. As per Article 17 of the Schedule I of the Indian Stamp Act (IS Act), for instruments of cancellation, if attested and not otherwise provided for, stamp duty of ₹ 50 is to be levied on the same.

It was judicially held²¹ that there can be no such thing as cancellation of conveyance under which right of property had already been passed. Property can be retransferred only by way of re-conveyance. Further, it was held²² by the Hon'ble Madras High Court that where a transfer is effected by way of sale with the condition that title will pass on payment of consideration, then such instrument or sale can be cancelled by a deed of cancellation with the consent of both the parties on the ground of non-payment of consideration.

As per Note 9 under Section 3 of the IS Act, any material alteration made with the consent of parties in an instrument after it is complete, renders a new stamp necessary. An alteration is considered material when it changes the legal effect of the instrument *i.e.*, when it makes any material changes as regards the rights and liabilities of parties or as regards their legal position.

Scrutiny of records revealed that sale deed, release deed, settlement deed and gift deed executed earlier were cancelled subsequently, treating them as

²¹ cf Emperor Vs Rameshardoss 32 A11 171 SIC 697.

²² W.A Nos 592 & 938 of 2009, in Latif Estate Line India Ltd., Vs Registration Department.

cancellation deed under Article 17 instead of conveyance deed as stipulated in Article 23 of Schedule I of IS Act, as discussed in the subsequent paragraphs.

- Scrutiny of records of six²³ District Registrar/Sub-Registrar Offices of Puducherry revealed that conveyance of property effected (between 2010 and 2023) through sale deeds on receipt of consideration was cancelled through instruments registered subsequently (between 2018 and 2023) justifying with reasons *viz.*, possession not handed over, to make alternate arrangement, etc. Since the sellers had reacquired the right and interest over the properties from the original purchaser through cancellation deeds, these deeds were to be treated as conveyance deeds. This resulted in short collection of stamp duty and registration fees of ₹ 9.05 lakh (**Appendix 3.18**).
- In the Sub-Registrar Offices, Oulgaret, Bahour and Villianur, six settlement deeds executed (between 2012 and 2020) were cancelled between 2021 and 2024 through instrument of cancellation instead of conveyance. This resulted in short collection of stamp duty and registration fees of ₹ 9.68 lakh (**Appendix 3.19**).
- One release deed executed in District Registrar Office, Puducherry on 15 February 2017 (Document No. 2354) was subsequently cancelled on 5 October 2022 (Document No. 31952). Since ownership had already been transferred, this should have been treated as conveyance deed. Accordingly, the stamp duty and registration fee payable, treating it as conveyance deed, worked out to ₹ 10.84 lakh (**Appendix 3.20**).
- In the Sub-Registrar Office, Yanam, two gift deeds executed (Document No. 813 and 814) in 2006 were subsequently cancelled in 2019 after 12 years. The stamp duty and registration fee payable, treating them as conveyance deed, worked out to ₹ 7.33 lakh (**Appendix 3.20**).

Thus, the total short collection of stamp duty and registration fees due to misclassification of conveyance deed as cancellation deed worked out to ₹ 36.90 lakh.

On being pointed out by audit (July 2025), District Registrar replied (October 2025) that in respect of settlement deed, release deed and gift deed, notices had been/would be sent to individual concerned to remit the stamp duty. With respect to sale deeds, in one case, it was stated that document no. 9702/2022 was a settlement cancellation deed and hence no deficit stamp duty. However, the document number corresponded to sale deed only. In another case, it was stated that representation had been made by individual concerned to District Registrar, which was pending. In all other cases of sale deed, it was

²³ District Registrar - Puducherry, Sub-Registrar offices - Oulgaret, Villianur, Bahour, Mahe and Tirukkanur.

stated that notice had been/would be sent to individual to recover the amount. However, the reply of the Government is still awaited.

3.8.3 Non-recovery of concessional stamp duty availed by woman beneficiaries

Failure to ensure recovery of the concessional stamp duty availed by women beneficiaries, by violating the conditions resulted in non-remittance of stamp duty of ₹ 10.83 lakh.

The Government of Puducherry granted (December 2004) remission of 50 *per cent* of stamp duty to the women members acquiring property through conveyance, exchange or gift either individually or severally. The remission was subject to condition that the beneficiary shall not, within five years of registration of the instrument through which the concession was obtained, create/execute any instrument, including power of attorney, in favour of any male member. In the event of violation, registering officer shall immediately recover the amount at the time of execution of instrument of alienation in favour of male member. Further, all the registering officers were instructed to invariably affix a seal on the original deed, as well as on duplicate/certified copies, wherever issued, indicating availment of the concession.

Scrutiny of records in six Sub-Registrar offices²⁴ revealed that 15 women purchasers who had availed 50 *per cent* remission of stamp duty amounting to ₹ 10.83 lakh, sold their property to male members within five years of registration of the instrument, as detailed in the **Appendix 3.21**. These women purchasers had not remitted the concession availed, amounting to ₹ 10.83 lakh. Since the conditions subject to which the stamp duty concession was granted were not adhered to, the registering officer should have recovered the amount at the time of execution of instrument of alienation in favour of male member. Failure by the registering officers to do so resulted in non-remittance of stamp duty of ₹ 10.83 lakh.

Thus, the failure to ensure recovery of the concessional stamp duty availed by women beneficiaries, who violated the conditions resulted in non-remittance of stamp duty amounting to ₹ 10.83 lakh.

On being pointed out (July 2025) by audit, District Registrar replied (October 2025) that in respect of four cases, ₹ 2.29 lakh had already been recovered and for other cases, notices had been/will be sent to individuals concerned to remit the stamp duty. However, the reply of the Government is still awaited.

²⁴ Oulgaret, Bahour, Neravy, Tirukkanur, Karaikal and Tirunallar.

CHAPTER IV

UNION TERRITORY

PUBLIC SECTOR

ENTERPRISES

CHAPTER IV: UNION TERRITORY PUBLIC SECTOR ENTERPRISES

This Chapter includes the financial performance of Government Companies as revealed from their accounts. The term Union Territory Public Sector Enterprises (UTPSEs) encompasses those Government Companies in which the direct shareholding of the Union Territory (UT) Government of Puducherry is 51 *per cent* or more and includes subsidiaries of such Government Companies. Impact of significant comments issued as a result of supplementary audit of the Financial Statements of these UTPSEs conducted by the Comptroller and Auditor General (CAG) of India has also been discussed.

4.1 Definition of Government Companies

A Government Company is defined in Section 2(45) of the Companies Act, 2013 as a company in which not less than 51 *per cent* of the paid-up share capital is held by Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government Company.

4.2 Mandate

Audit of the Union Territory Government Companies is conducted by the CAG under the provisions of Sections 143(5) to 143(7) of the Companies Act (Act), 2013 read with Section 19 of the CAG's (Duties, Powers and Conditions of Service) Act, 1971 and the Regulations made thereunder. Under the Act, the CAG appoints the Chartered Accountants as Statutory Auditors for PSEs and gives directions on the manner in which the accounts are to be audited. In addition, CAG has the right to conduct a supplementary audit of the company's financial statements and issue comments upon or supplement the Audit Report of the Statutory Auditors. Further, CAG has also the power to cause test audit of the accounts of such company to be conducted.

4.3 Coverage and nature of UTPSEs

As on 31 March 2024, there were 13¹ UTPSEs (including one non-functional UTPSE²) under the audit jurisdiction of the CAG as indicated in **Table 4.1**.

¹ All the 13 UTPSEs are Government Companies.

² Non-functional UTPSEs are those which have not been carrying on any business or operation and defined as 'inactive company' under Section 455 of the Companies Act, 2013.

Table 4.1: Coverage and nature of UTPSEs covered in this Report

Nature of the UTPSEs	Total number of UTPSEs	Number of UTPSEs covered in the Report				
		Accounts up to			2020-21 ³ and before	Total
		2023-24	2022-23	2021-22		
Working Government Companies	12	Nil	2	1	9	12
Non-Functional Government Companies	1 [#]	--	--	--	--	--
Total	13	Nil	2	1	9	12

Pondicherry Electronics Limited (PELECON) is in the process of winding up since 2013-14 and its accounts are not anticipated.

4.4 UTPSEs and their contribution to the GSDP of the UT

PSEs are established to carry out activities of commercial nature keeping in view the welfare of people and occupy an important place in the Union Territory's economy. As on 31 March 2024, there were 12 UTPSEs (excluding one non-functional UTPSE⁴) under the audit jurisdiction of the CAG. The names of these UTPSEs are given in **Appendix 4.1**.

A ratio of turnover of the UTPSEs to the Gross State Domestic Product (GSDP) shows the extent of activities of the UTPSEs in the UT economy. The details of turnover of UTPSEs and GSDP for a period of three years ending 31 March 2024 are given in **Table 4.2**.

Table 4.2: Details of turnover of UTPSEs vis-à-vis GSDP of UT of Puducherry

Particulars	(₹ in crore)		
	2021-22	2022-23	2023-24
Turnover	387.75	364.55	402.72
GSDP of Puducherry	40,903	44,700	47,902
Percentage of Turnover to GSDP of Puducherry	0.95	0.82	0.84

(Source: As per the latest finalised accounts during the respective years)

As per audited accounts available in respective years, the turnover of these UTPSEs increased by 10.47 *per cent* during 2023-24 as compared to 2022-23 as seen from **Table 4.2**. While the GSDP of the UT Government showed an increasing trend, the contribution of UTPSEs to the UT GSDP is marginal. As on 31 March 2024, the UT Government had an investment of ₹ 717.35 crore (Equity: ₹ 712.39 crore and Long-term loans: ₹ 4.96 crore) in these UTPSEs.

³ Accounts for the years 2012-13:1, 2013-14:1, 2014-15:1, 2015-16:2 and 2020-21: 4.

⁴ The assets and liabilities of PELECON have been taken over by its holding company viz., Pondicherry Industrial Promotion Development and Investment Corporation Limited.

In addition to this, the UT government provided a grant of ₹ 155.69 crore to six of these UTPSEs during 2023-24.

4.5 Investment in UTPSEs

4.5.1 Equity holding and Loans in UTPSEs

The sector-wise Total Equity, Equity Contribution by UT Government and Long-term Loans including the loans given by UT Government as on 31 March 2024 is given below in **Table 4.3**.

Table 4.3: Sector-wise investment⁵ in UTPSEs

Sl. No.	Name of Sector	No. of UTPSEs	Total Equity	UT Government Equity	Total Long Term Loans	UT Government Loans	(₹ in crore)
							Total Equity and Long-term Loans
1.	Power	1	99.78	99.78	0.00	0.00	99.78
2.	Finance	4	136.07	125.85	51.27	2.10	187.34
3.	Services	2	52.37	52.37	2.72	2.72	55.09
4.	Manufacturing	3	409.51	409.51	0.08	0.00	409.59
5.	Agriculture and Allied	2	24.93	24.88	0.14	0.14	25.07
Total		12	722.66	712.39	54.21	4.96	776.87

(Source: As per the latest finalised accounts available as on 31 December 2024)

The thrust of UTPSEs investment was mainly on Manufacturing and Finance sectors. These sectors have received 52.72 *per cent* (₹ 409.59 crore) and 24.11 *per cent* (₹ 187.34 crore) of total investment of ₹ 776.87 crore respectively.

4.5.2 Market Capitalisation of equity investment in UTPSEs

None of these UTPSEs are listed in the Stock Exchange.

4.5.3 Disinvestment, restructuring or privatisation

During the year 2023-24, there was no case of disinvestment, restructuring and privatisation of UTPSEs. The UT Government has not prepared any policy on disinvestment of UT Government equity invested in the UTPSEs.

4.6 Returns from UTPSEs

4.6.1 Profit earned by UTPSEs

There were five profit earning UTPSEs⁶ during the last two years (as per the finalised accounts received upto 31 December 2024). The profit earned

⁵ Investment includes equity and long-term loans.

⁶ Accounts received up to 31 December 2024.

increased to ₹ 49.45 crore in 2023-24 from ₹ 43.80 crore in 2022-23 as per the latest accounts finalised by the UTPSEs. It is pertinent to mention that none of the UTPSEs finalised their accounts for the year 2023-24. Hence, the information in this Chapter has been prepared based on the latest available finalised Accounts received upto 31 December 2024. The Return on Equity (RoE) of the five profit earning UTPSEs increased to 13.97 *per cent* in 2023-24 as compared to 13.71 *per cent* in five UTPSEs in 2022-23. The RoE of all the 12 UTPSEs (*i.e.*, including seven loss making companies) was 7.80 *per cent* in 2023-24.

The details of the five UTPSEs which reported profit are given in **Table 4.4**.

Table 4.4: UTPSEs which reported profit as per the latest finalised accounts received upto 31 December 2024

Sl. No.	Name of the UTPSEs	Year for which the latest accounts finalised	2023-24		2022-23	
			Net profit earned (₹ in crore)	Percentage of profit to total UTPSEs profit	Net profit earned (₹ in crore)	Percentage of profit to total UTPSEs profit
1	Swadeshee Bharatee Textile Mills Limited (2014-15)	2014-15	22.19	44.87	22.19	50.66
2	Puducherry Power Corporation Limited (2021-22)	2021-22	17.24	34.86	14.10	32.19
3	Puducherry Distilleries Limited (2020-21)	2020-21	7.37	14.90	0.96	2.19
4	Pondicherry Industrial Promotion Development and Investment Corporation Limited (2020-21)	2020-21	1.40	2.84	5.30	12.10
5	Puducherry Backward Classes and Minorities Development Corporation Limited (2015-16)	2015-16	1.25	2.53	1.25	2.85
	Total		49.45	100	43.80	100

(Source: Latest financial statements of UTPSEs)

It may be seen from **Table 4.4** that the three UTPSEs at Sl. Nos. 1 to 3 had contributed ₹ 46.80 crore which is 94.64 *per cent* of total profit of ₹ 49.45 crore earned by five UTPSEs.

4.6.2 Dividend paid by UTPSEs

As per the latest accounts finalised by the UTPSEs, five UTPSEs earned profit of ₹ 49.45 crore. Out of these five UTPSEs, two UTPSEs, Puducherry Power Corporation Limited (₹ 6.90 crore) and Pondicherry Industrial Promotion Development and Investment Corporation Limited (₹ 0.50 crore) have declared dividend of ₹ 7.40 crore during 2023-24. Further, one UTPSEs declared dividend during 2021-22 and none of the UTPSEs declared dividend during 2022-23 as shown in **Table 4.5** below:

Table 4.5: Dividend paid by UTPSEs

Year	No. of UTPSEs which declared dividend	Paid up capital (₹ in crore)	Net profit (₹ in crore)	Dividend declared (₹ in crore)
2021-22	1	99.78	14.10	5.64
2022-23	0	0.00	0.00	0.00
2023-24	2 ⁷	212.36	18.64	7.40

(Source: As per the latest finalised accounts received upto 31 December 2024)

It is pertinent to mention that the UT Government had not formulated any policy for payment of minimum dividend on the share capital contributed by it.

4.7 Debt Servicing

4.7.1 Interest Coverage Ratio

Interest coverage ratio (ICR) is used to determine the ability of a company to pay interest on outstanding debt and is calculated by dividing a company's earnings before interest and taxes (EBIT) by interest expenses of the same period. The lower the ratio, the lesser is the ability of the company to pay interest on debt. An ICR below one indicates that the company was not generating sufficient revenues to meet its expenses on interest. The details of positive and negative interest coverage ratio of UTPSEs, which had outstanding loans during the period from 2021-22 to 2023-24 are given in **Table 4.6**.

Table 4.6: Interest Coverage Ratio

Year	Interest (₹ in crore)	Earnings before interest and tax (EBIT) (₹ in crore)	No. of UTPSEs	No. of UTPSEs having ICR > 1	No. of UTPSEs having ICR < 1
2021-22	19.27	6.18	7	3	4
2022-23	2.56	12.26	5	2	3
2023-24	2.85	15.40	5	2	3

(Source: As per the latest finalised accounts received upto 31 December 2024)

It was observed that out of five UTPSEs which had liabilities of loans, two⁸ UTPSEs had ICR of more than one during 2023-24, whereas three⁹ UTPSEs were having ICR less than one indicating that they were not generating sufficient revenues to meet their expenses on interest.

⁷ Puducherry Power Corporation Limited for the year 2021-22 and Pondicherry Industrial Promotion Development and Investment Corporation Limited for the 2020-21.

⁸ Puducherry Backward Classes and Minorities Development Corporation and Swadeshee Bharatee Textile Mills Limited.

⁹ Puducherry Agro Service & Industries Corporation Limited, Puducherry Adi-Dravidar and Scheduled Tribes Development Corporation Limited and Puducherry Corporation for the Development of Women and Differently Abled Persons Limited.

4.8 Operating efficiency of UTPSEs

4.8.1 Return on Capital Employed

Return on Capital Employed (RoCE) is a ratio that measures a company's profitability and the efficiency with which its capital is employed. RoCE is calculated by dividing a company's earnings before interest and taxes (EBIT) by the capital employed¹⁰. The details of RoCE during the period from 2021-22 to 2023-24 are given in **Table 4.7**.

Table 4.7: Return on Capital Employed

Year	EBIT (₹ in crore)	Capital employed (₹ in crore)	ROCE ¹¹ (in per cent)
2021-22	21.75	364.64	5.96
2022-23	28.08	399.73	7.02
2023-24	37.11	416.02	8.92

(Source: As per the latest finalised accounts during the respective years received upto 31 December 2024)

It was observed that RoCE was positive during all the three years due to increase in both EBIT and capital employed.

4.8.2 Return on Equity

Return on Equity (RoE)¹² is a measure of financial performance to assess how effectively a company's assets are being used to create profits. RoE is calculated by dividing net income (*i.e.*, net profit after taxes) by shareholders' funds. It is expressed as a percentage and can be calculated for any company if net income and shareholders' funds are both positive numbers.

Shareholders' funds are calculated by adding paid up capital and free reserves minus accumulated losses and deferred revenue expenditure and reveals how much would be left for a company's shareholders, if all assets were sold and all debts paid. A positive figure of shareholders' fund reveals that the company has enough assets to cover its liabilities while negative shareholders' funds mean liabilities exceed assets.

The details of shareholders' fund and RoE of UTPSEs during the period from 2021-22 to 2023-24 are given in **Table 4.8**.

¹⁰ Capital Employed = Paid up Share capital + Free Reserves and surplus + Long term loans - Accumulated losses - Deferred Revenue Expenditure.

¹¹ Unlike previous years, the RoCE worked out based on positive figures of Capital Employed.

¹² Return on Equity = (Net Profit after Tax and preference Dividend/Equity) *100 where Equity = Paidup capital + Free Reserves - Accumulated loss - Deferred Revenue Expenditure.

Table 4.8: Return on Equity relating to UTPSEs where funds were infused by the UT Government

Year	Net Income (₹ in crore)	Shareholders Fund (₹ in crore)	ROE (in per cent)
2021-22	(-) 11.39	9.22	*
2022-23	(-) 5.82	13.64	*
2023-24	2.78	35.64	7.80

* ROE not calculated since the net income was negative

(Source: As per the latest finalised accounts during the respective years received upto 31 December 2024)

It was observed from **Table 4.8** that RoE was negative during 2021-22 and 2022-23, but turned positive during 2023-24 due to profit reported by UTPSEs in 2023-24 as against loss incurred during 2021-22 and 2022-23.

4.9 UTPSEs incurring losses

4.9.1 Losses incurred

There were seven UTPSEs that incurred losses as per their latest finalised accounts. The losses incurred by these UTPSEs decreased marginally to ₹ 46.67 crore as per their latest finalised accounts from losses of ₹ 49.62 crore reported by the same seven UTPSEs available in the previous period as given in **Table 4.9**.

Table 4.9: Number of UTPSEs that incurred losses during 2021-22 to 2023-24

Year	No. of loss making UTPSEs	Net loss for the year (₹ in crore)	Accumulated loss (₹ in crore)	Net worth ¹³ (₹ in crore)
2021-22	7	49.87	771.35	(-) 308.02
2022-23	7	49.62	769.08	(-) 305.75
2023-24	7	46.67	781.77	(-) 318.44

(Source: As per the latest finalised accounts during the respective years)

It is pertinent to mention that the Union Territory Government had invested ₹ 461.60 crore in the form of equity in these seven loss making UTPSEs without any return in the form of dividend. Thus, out of the total 12 working UTPSEs, five UTPSEs earned profit of ₹ 49.45 crore and seven UTPSEs incurred losses of ₹ 46.67 crore aggregating to overall profit of ₹ 2.78 crore during 2023-24 as per the latest finalised accounts as on 31 December 2024.

¹³ Net worth means the sum total of the paid-up share capital and free reserves and surplus less accumulated loss and deferred revenue expenditure. Free reserves mean all reserves created out of profits and share premium account, but do not include reserves created out of revaluation of assets and write back of depreciation provision.

4.9.2 Erosion of capital in UTPSEs

As on 31 March 2024, there were eight UTPSEs with accumulated losses of ₹ 836.67 crore. Of these, seven UTPSEs incurred losses amounting to ₹ 46.67 crore as per the latest finalised accounts and one UTPSEs (Swadeshee Bharatee Textile Mills Ltd.) had earned profit of ₹ 22.19 crore even though it had accumulated loss of ₹ 54.90 crore as per its latest accounts finalised.

The net worth of all the above eight UTPSEs has been completely eroded by accumulated losses and their net worth was negative and the details are given in **Appendix 4.2**. The net worth of these eight UTPSEs remained negative for a period ranging from one to 11 years (*i.e.*, upto the year of accounts finalised by these UTPSEs). The net worth of these eight UTPSEs was (-) ₹ 339.63 crore as per their latest finalised accounts against equity investment of ₹ 497.04 crore as on 31 March 2024.

The eight UTPSEs whose net worth had eroded¹⁴, incurred operational expenditure of ₹ 404.63 crore as against operational income of ₹ 240.33 crore as per their latest finalised accounts. It is pertinent to mention that none of the above eight UTPSEs finalised their accounts for 2023-24 and their accounts were in arrears for a period ranging from one to 11 years (**Appendix 4.2**). However, the UT Government had been extending budgetary support to these UTPSEs in the form of grants/subsidies, etc., and during 2023-24, the same amounted to ₹ 155.75 crore¹⁵.

4.10 Audit of UTPSEs

CAG appoints the statutory auditors of a Government Company under Section 139(5) and (7) of the Companies Act, 2013. CAG has a right to conduct a supplementary audit and issue comments upon or supplement the Audit Report of the statutory auditors.

4.11 Submission of accounts by UTPSEs

4.11.1 Need for timely submission

According to Sections 394 and 395 of the Companies Act, 2013, Annual Report on the working and affairs of a Government Company is required to be prepared within three months of its Annual General Meeting¹⁶ (AGM). The Annual

¹⁴ The liabilities/establishment expenditure of the net worth eroded UTPSEs were met from internal generation, budgetary support from UT Government, etc.

¹⁵ Represents Grants and Subsidies in respect of five out of eight UTPSEs in respect of which information was made available.

¹⁶ In case of the first AGM, it shall be held within a period of nine months from the date of closing of the first financial year of the company and in any other case, within a period of six months from the date of closing of the financial year *i.e.* 30 September (Section 96 of the Companies Act, 2013).

Report shall be laid before the UT Legislature together with a copy of the Audit Report and comments of the CAG upon or as supplement to the Audit Report. This mechanism seeks to provide the necessary legislative control over the utilisation of public funds invested in the PSEs from the Consolidated Fund of Union Territory.

Section 96 of the Companies Act, 2013 requires every company to hold AGM of the shareholders once in every calendar year. It also prescribes that not more than 15 months shall elapse between the date of one AGM and that of the next. Further, Section 129 of the Companies Act, 2013 stipulates that the audited Financial Statement for the financial year have to be placed in the said AGM for their consideration.

Section 129(7) of the Companies Act, 2013 also provides for punishment like fine and/or imprisonment on the persons including Directors of the Company responsible for non-compliance with the provisions of Section 129 of the Companies Act, 2013.

Despite the above, annual accounts of various UTPSEs were pending as detailed in the following paragraph.

4.11.2 Timeliness in preparation of accounts by UTPSEs

As of 31 March 2024, there were 12 UTPSEs under the purview of CAG's audit. Of these, accounts for the year 2023-24 were due from all the 12 UTPSEs. Their accounts were in arrears ranging from one to 11 years for various reasons (**Appendix 4.3**). During the year, six UTPSEs submitted their 10 arrear accounts for audit by CAG. Details of arrears in submission of accounts by UTPSEs are given in **Table 4.10**.

Table 4.10: Details of arrears in submission of accounts by UTPSEs

Sl. No.	Particulars		UTPSEs
1	Total number of UTPSEs under the purview of CAG's audit as on 31.03.2024		12
2	Less: New UTPSEs from which accounts for 2023-24 were not due		0
3	Number of UTPSEs from which accounts for 2023-24 were due		12
4	Number of UTPSEs which presented the accounts for 2023-24 for CAG's audit		0
5	Number of accounts are in arrears (12 UTPSEs)		62
	Break-up of Arrears	(i) Under Liquidation	0
		(ii) Defunct	0
		(iii) Others	62
	Age-wise analysis of arrears against 'Others' category	One year (2023-24)	2
		Two years (2022-23 and 2023-24)	2
		Three years and more	58

(Source: Compiled on the basis of annual accounts received in the Office of the Principal Accountant General (Audit-II), Tamil Nadu and Puducherry).

The UT Government had made investment in the form of equity and loans in the UTPSEs whose accounts had been falling in arrears and hence, the non-finalisation of accounts by these UTPSEs would lead to the Government investments remaining outside the oversight of Audit as well as the UT Legislature. The subject of clearance of arrears in finalisation of accounts is being brought to the attention of the Chief Secretary, UT Government periodically by the PAG. The UT Government convened meeting on 03 February 2025 and fixed 31 March 2025 as an outer timeline to complete the backlog in clearance of arrears in finalisation of accounts. However, since the number of arrear accounts has been increasing over the years, the issue needs serious intervention at the highest level of governance.

4.12 CAG's oversight - Audit of accounts and supplementary audit

4.12.1 Financial reporting framework

Companies are required to prepare the Financial Statements in the format laid down in Schedule III to the Companies Act, 2013 and in adherence to the mandatory Accounting Standards prescribed by the Central Government, in consultation with the National Financial Reporting Authority on Accounting Standards.

4.12.2 Audit of accounts of UTPSEs by Statutory Auditors and Supplementary Audit by CAG

The primary responsibility for preparation of financial statements in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is that of the management of an entity.

The statutory auditors appointed by the CAG under Section 139 of the Companies Act, 2013 conduct audit of accounts of the UTPSEs. They are responsible for expressing an opinion on the financial statements under Section 143 of the Companies Act, 2013, based on an independent audit in accordance with the Standard Auditing Practices of Institute of Chartered Accountants of India (ICAI) and directions given by the CAG. The Statutory Auditors are required to submit the Audit Report to the CAG under Section 143 of the Companies Act, 2013.

The CAG plays an oversight role by monitoring the performance of the statutory auditors in audit of PSEs with the overall objective that the statutory auditors discharge the functions assigned to them properly and effectively by:

- issuing directions to the statutory auditors under Section 143(5) of the Companies Act, 2013; and

- supplement or comment upon the statutory auditor's report under Section 143(6) of the Companies Act, 2013.

The certified accounts of selected UTPSEs along with the report of the statutory auditors are reviewed by CAG by carrying out a supplementary audit. Based on such reviews, significant audit observations, if any, are reported under Section 143(6) of the Companies Act, 2013 to be placed before the Annual General Meeting.

4.13 Result of CAG's oversight role

None of the 12 Government Companies submitted their Financial Statements for the year 2023-24. As these companies were in arrears in submission of their financial statements, they did not comply with the provisions of Section 96 and Section 129 of the Companies Act, 2013 with respect to the provisions relating to holding of the AGM. However, six¹⁷ UTPSEs submitted their 10 arrear accounts during the year 2023-24. Of these, three accounts¹⁸ of three UTPSEs were reviewed in audit by the CAG and non-review certificates were issued for the seven accounts of four UTPSEs. The results of the review are detailed below:

4.13.1 Amendment of Financial Statements

During 2023-24, none of the three UTPSEs which were taken up for supplementary audit, amended their financial statements before laying the same in the AGM.

4.13.2 Revision of Auditors' Report

The statutory auditors' report on the Financial Statements of one¹⁹ UTPSE was revised as a result of the supplementary audit conducted by the CAG.

¹⁷ Puducherry Tourism Development Corporation Limited (2022-23), Pondicherry Industrial Promotion Development and Investment Corporation Limited (2020-21), Puducherry Adi-Dravidar and Scheduled Tribes Development Corporation Limited (2019-20 and 2020-21), Puducherry Distilleries Corporation Limited (2017-18, 2018-19, 2019-20 and 2020-21), Puducherry Corporation for the Development of Women and Differently Abled Persons Limited (2022-23) and Puducherry Power Corporation Limited (2021-22).

¹⁸ Pondicherry Industrial Promotion Development and Investment Corporation Limited (2020-21), Puducherry Distilleries Corporation Limited (2020-21) and Puducherry Power Corporation Limited (2021-22).

¹⁹ Pondicherry Industrial Promotion Development and Investment Corporation Limited (2020-21).

4.14 Management Letters

One of the objectives of financial audit is to establish communication on audit matters arising from the audit of Financial Statements between the auditor and those charged with the responsibility of governance of the corporate entity.

The material observations on the Financial Statements of Public Sector Enterprises are reported as comments by the CAG under Section 143(5) of the Companies Act, 2013. Besides these comments, irregularities or deficiencies observed by CAG in the financial reports or in the reporting process, were also communicated to the Management through 'Management Letter' for taking corrective action. During the year, Management Letters were issued to three²⁰ UTPSEs, in respect of the deficiencies related to accounting treatment and policies.

4.15 Conclusion

As on March 2024, there were 12 UTPSEs (excluding one non-functional UTPSE). None of the 12 UTPSEs adhered to the prescribed timeline regarding submission of their Financial Statements. There were 62 accounts of 12 UTPSEs in arrears ranging from one to 11 years.

Out of the total profit of ₹ 49.45 crore earned by five UTPSEs as per the latest available finalised accounts, 94.64 *per cent* was contributed by three UTPSEs. The remaining seven UTPSEs incurred a total loss of ₹ 46.67 crore leading to an overall loss of ₹ 2.78 crore. Two out of three UTPSEs which finalised their arrear accounts during 2023-24 declared a dividend of ₹ 7.40 crore. The Net worth of eight UTPSEs was negative at ₹ 339.63 crore as their equity had been completely eroded by accumulated losses.

4.16 Recommendations

- *UT Government may either reconsider continuance of those Government Companies which have been loss making for very long and whose net worth has been eroded, especially if these companies are not fulfilling any social welfare purpose or initiate efficient measures to make their operations efficient and profitable.*
- *UT Government may ensure strict compliance by UTPSEs to adhere to the timeline fixed by it for clearance of arrear accounts.*

²⁰ Puducherry Adi-Dravidar and Scheduled Tribes Development Corporation Limited (2020-21), Puducherry Distilleries Corporation Limited (2020-21) and Puducherry Power Corporation Limited (2021-22).

- *UT Government may ensure timely submission of Financial Statements of UTPSEs, as in the absence of finalisation of accounts, Government investments in such UTPSEs remain outside the oversight of the UT Legislature.*



Chennai,
The 11 August 2026

(R. THIRUPPATHI VENKATASAMY)
Principal Accountant General (Audit - II),
Tamil Nadu and Puducherry

Countersigned



New Delhi,
The 13 August 2026

(K. SANJAY MURTHY)
Comptroller and Auditor General of India

Appendices

Appendix 1.1

(Reference: Paragraph 1.5.1; Page 4)

Details of IRs issued upto March 2024 and paragraphs pending as on September 2024

Sl. No.	Name of the Department/Directorate/Societies	Inspection Reports	Paragraphs
1	Accounts and Treasuries	13	56
2	Adi-Dravidar Welfare	15	63
3	Agriculture	36	169
4	Animal Husbandry and Animal Welfare	10	41
5	Art and Culture	5	15
6	Backward Caste and Minorities Development	1	13
7	Civil Supplies and Consumer Affairs	7	43
8	Collegiate and Technical Education	51	203
9	Co-operation	14	82
10	Drugs Control	2	9
11	Economics and Statistics	1	2
12	Electricity	17	84
13	Fire Service	1	4
14	Fisheries and Fisherman Welfare	26	107
15	Forest and Wildlife	2	12
16	Heads of State	9	28
17	Health and Family Welfare	46	171
18	Hindu Religious Institutions	5	29
19	Industries and Commerce	16	69
20	Information and Publicity	4	7
21	Information Technology	6	22
22	Jails	5	25
23	Labour and Employment	25	81
24	Law/Judicial	15	39
25	Local Administration	55	358

Sl. No.	Name of the Department/Directorate/Societies	Inspection Reports	Paragraphs
26	Planning and Research	3	17
27	Police	12	50
28	Port	5	20
29	Public Works	76	478
30	Revenue and Disaster Management	40	201
31	Rural Development	16	119
32	Sainik Welfare	1	5
33	School Education	107	384
34	Science, Technology and Environment	8	23
35	Social Welfare	23	92
36	Stationery and Printing	4	6
37	Survey and Land Records	3	11
38	Tourism	10	64
39	Town and Country Planning	20	111
40	Women and Child Development	13	51
Total		728	3,364

Appendix 2.1

(Reference: Paragraph 2.1.4.3; Page 14)

District-wise Person Days generated against the Projected Person Days

Year	Districts	SC		ST		Others		Total	
		Projected Person days	Person days Generated	Projected Person days	Person days Generated	Projected Person days	Person days Generated	Projected Person days	Person days Generated
2021-22	Karaikal	1,01,959	69,927	3,445	244	1,47,596	98,552	2,53,000	1,68,723
	Puducherry	1,65,960	1,11,363	1,039	1,046	3,80,001	3,33,578	5,47,000	4,45,987
	Total	2,67,919	1,81,290	4,484	1,290	5,27,597	4,32,130	8,00,000	6,14,710
2022-23	Karaikal	74,610	94,641	531	368	1,77,859	1,38,611	2,53,000	2,33,620
	Puducherry	1,61,310	1,55,733	1,149	1,711	3,84,541	4,38,502	5,47,000	5,95,946
	Total	2,35,920	2,50,374	1,680	2,079	5,62,400	5,77,113	8,00,000	8,29,566
2023-24	Karaikal	2,19,000	1,81,242	900	710	3,30,100	2,97,153	5,50,000	4,79,105
	Puducherry	4,40,400	4,36,896	5,600	5,594	12,04,000	12,67,132	16,50,000	17,09,622
	Total	6,59,400	6,18,138	6,500	6,304	15,34,100	15,64,285	22,00,000	21,88,727

Appendix 2.2

(Reference: Paragraph 2.1.7.5; Page 26)

Employment provided to the disabled persons

Block	Year	Number of GPs	Number of GPs having disabled persons registered	Number of disabled persons registered	Number of disabled persons worked	Person days Generated
Ariyankuppam	2021-22	39	3	211	21	273
	2022-23	39	5	544	241	4,417
	2023-24	39	5	695	451	13,561
Villianur	2021-22	42	2	189	28	498
	2022-23	42	5	453	204	4,048
	2023-24	42	8	577	337	12,789
Karaikal	2021-22	27	5	53	25	351
	2022-23	27	5	52	30	757
	2023-24	27	5	74	44	1,641

Appendix 2.3

(Reference: Paragraph 2.1.8.3; Page 28)

Category-wise works executed in the Blocks during 2021-24

Category of works executed	Ariyankuppam		Villianur		Karaikal		Total number of works	Total expenditure incurred
	Number of works	Sum of Total Amount paid since inception (in ₹)	Number of works	Sum of Total Amount paid since inception (in ₹)	Number of works	Sum of Total Amount paid since inception (in ₹)		
A-- Public Works Relating to Natural Resources Management	161	21.46	201	25.84	1,373	23.50	1,735	70.80
Drought Proofing	0	0	0	0	23	0.04	23	0.04
Land Development	2	0.52	0	0	3	0.16	5	0.68
Micro Irrigation Works	3	0.07	61	5.24	0	0	64	5.31
Renovation of traditional water bodies	137	17.84	67	15.76	1,347	23.30	1,551	56.90
Water Conservation and Water Harvesting	19	3.03	73	4.84	0	0	92	7.87
B-- Individual Assets for Vulnerable Sections (only for Households in paragraph 5)	1	0	0	0	0	0	1	0
Fisheries	1	0	0	0	0	0	1	0
C- Common Infrastructure for NRLM Compliant Self Help Groups	0	0	0	0	0	0	0	0
D-- Rural Infrastructure	184	16.29	92	9.99	4	0.004	280	26.28
Anganwadi/Other Rural Infrastructure	7	0.54	3	0.04	4	0.004	14	0.58
Flood Control and Protection	17	3.72	34	8.27	0	0	51	11.99
Rural Connectivity	35	1.61	55	1.68	0	0	90	3.29
Water Conservation and Water Harvesting	125	10.42	0	0	0	0	125	10.42
Grand Total	346	37.75	293	35.83	1,377	23.50	2,016	97.08

Appendix 2.4

(Reference: Paragraph 2.1.8.3; Page 29)

Works proposed in Gram Sabha Resolutions - Karaikal District

Year	Name of the village	Number of road works proposed	Number of plantation works proposed	Number of playfield works proposed	Number of public toilets proposed	Number of Check dams proposed	Number of Anganwadi works proposed
2021-22	Kottucherry (N)	0	0	0	0	0	0
2022-23		7	6	1	1	Nil	0
2023-24		3	5	1	1	1	0
2021-22	Nedungadu	0	0	0	0	0	0
2022-23		1	0	0	0	0	2
2023-24		1	0	0	0	0	0
2021-22	Neravy South	0	0	0	0	0	0
2022-23		4	0	1	0	0	1
2023-24		0	0	0	0	0	0
2021-22	TR pattinam	0	0	0	0	0	0
2022-23		6	0	0	0	0	0
2023-24		0	0	0	0	0	0
2021-22	Vanjoore	0	0	0	0	0	0
2022-23		3	1	2	0	0	0
2023-24		5	2	0	1	0	0
2021-22	Thirunallar	0	0	0	0	0	0
2022-23		0	0	0	0	0	0
2023-24		0	0	0	0	0	0
Total		30	14	5	3	1	3

Appendix 2.5

(Reference: Paragraph 2.1.8.4; Page 30)

Year-wise break up of wage-material ratio for the works taken up

Sl. No.	Block	Year	Labour Expenditure on Cost Basis	Material Expenditure on Cost Basis	Labour-Material Ratio
1	Ariyankuppam	2021-22	395.15	22.38	95:5
2		2022-23	676.09	112.96	86:14
3		2023-24	2,374.89	127.09	95:5
Total			3,446.13	262.43	93:7
1	Villianur	2021-22	577.61	32.32	95:5
2		2022-23	689.72	68.96	91:9
3		2023-24	2,367.42	52.93	98:2
Total			3,634.75	154.21	96:4
1	Karaikal	2021-22	437.17	13.95	97:3
2		2022-23	640.93	2.05	99.7:0.3
3		2023-24	1,384.53	0.99	99.93:0.07
Total			2,462.63	16.99	99.3:0.7

Appendix 2.6

(Reference: Paragraph 2.2.2.2; Page 43)

Details of Households provided with FHTC as of April 2020 as per portal and records of CP

Sl. No.	Name of the Village	Total Number of Households as of 2020		Total Number of Households with FHTC as of 2020	
		Portal	Records of CP	Portal	Records of CP
A. PUDUCHERRY					
Ariyankuppam					
1	Odaively	708	1,271	692	996
Bahour					
2	Karaiyambuthur	817	1,106	801	861
3	Kuruvinatham	1,118	1,091	1,077	776
4	Seliamedu	544	972	443	385
Mannadipet					
5	K.R. Palayam	327	331	253	331
6	Kaatterikuppam	1,120	1,122	1,074	1,122
7	Madagadipet	769	769	769	769
8	Sellipet	738	748	718	748
9	Sorapet	719	719	718	719
Nettapakkam					
10	Embalam	1,080	1,048	1,050	914
11	Korkadu	738	717	708	310
Villianur					
12	Thondamanatham	730	730	671	671
13	Poraiyur Agaram	470	470	470	470
Total (A)		9,878	11,094	9,444	9,072
B. KARAIKAL					
Kottucherry					
1	Varichikudy	1,287	1,287	183	183
Neravy					
2	Keezhamanai	707	728	475	480
3	Neravy south	865	791	799	785

Sl. No.	Name of the Village	Total Number of Households as of 2020		Total Number of Households with FHTC as of 2020	
		Portal	Records of CP	Portal	Records of CP
4	Vizhidiyur	1,026	1,026	701	701
Nedungadu					
5	Kurumbagaram	1,416	1,416	1,283	1,283
6	Melakasakudy	514	514	451	451
7	Ponbethy	627	627	439	439
Thirunallar					
8	Agarasethur	575	575	272	272
9	Keezhathipadugai	145	145	61	61
10	Nallambal	573	573	337	337
11	Sellur	491	491	346	346
T.R. Pattinam					
12	Keezhavanjure Kuppam	161	51	112	51
13	T.R. Pattinam East	1,157	1,301	1,030	811
Total (B)		9,544	9,525	6,489	6,200
Grand Total (A) + (B)		19,422	20,619	15,933	15,272

Appendix 2.7

(Reference: Paragraph 2.2.2.2; Page 43)

Details of Households provided with FHTC as of March 2024 as per portal and records of CP

Sl. No.	Name of the Village	Total Number of Households as of 2024		Total Number of Households with FHTC as of 2024	
		Portal	Records of CP	Portal	Records of CP
A. PUDUCHERRY					
Ariyankuppam					
1	Odaively	708	1,608	708	1,478
Bahour					
2	Karaiyambuthur	817	1,129	817	911
3	Kuruvinatham	1,118	1,104	1,118	929
4	Seliamedu	544	982	544	870
Mannadipet					
5	K.R. Palayam	327	346	327	346
6	Katterikuppam	1,120	1,127	1,120	1,127
7	Madagadipet	769	772	769	772
8	Sellipet	738	750	738	750
9	Sorapet	719	719	719	719
Nettapakkam					
10	Embalam	1,080	1,107	1,080	1,087
11	Korkadu	738	775	738	735
Villianur					
12	Thondamanatham	746	765	730	765
13	Poraiyur Agaram	470	539	470	539
Total (A)		9,894	11,723	9,878	11,028
B. KARAIKAL					
Kottucherry					
1	Varichikudy	1,287	1,338	1,287	699
Neravy					
2	Keezhamanai	707	747	707	554
3	Neravy south	865	903	865	880

Sl. No.	Name of the Village	Total Number of Households as of 2024		Total Number of Households with FHTC as of 2024	
		Portal	Records of CP	Portal	Records of CP
4	Vizhidiyur	1,026	1,055	1,026	800
Nedungadu					
5	Kurumbagaram	1,416	1,543	1,416	1,541
6	Melakasakudy	514	578	514	575
7	Ponbethy	627	641	627	609
Thirunallar					
8	Agarasethur	575	1,119	575	811
9	Keezhathipadugai	145	1,150	145	896
10	Nallambal	573	1,416	573	750
11	Sellur	491	1,154	491	1,137
T.R. Pattinam					
12	Keezhavanjore Kuppam	161	83	161	60
13	T.R. Pattinam East	1,157	1,347	1,157	998
Total (B)		9,544	13,074	9,544	10,310
Grand Total (A) + (B)		19,438	24,797	19,422	21,338

Appendix 2.8

(Reference: Paragraph 2.2.2.3(b) and 2.2.4.2; Page 46 and 51)

Test results of the water samples tested during the Audit in the sampled villages

Name of the village	TDS mg/L	Total hardness mg/L	Chloride as Cl mg/L
Odaively	332	176	44.3
Karayambuthur	732	272	100
Seliamedu	276	107	40.7
Kurivinatham	260	128	23
Katterikuppam	808	416	193
K.R. Palayam	1,080	478	204
Sorapet	644	306	129
Sellipet	952	423	161
Madagadipet	468	389	40.7
Thondamanatham	1,076	443	261
Poraiyur Agaram	952	195	265
Embalam	604	277	75.9
Korkadu	472	229	61.1
Varchikudy	809	48	255
Ponbethy	805	48	249
Kurumbagaram	899	140	241
Melakasakudy	930	152	272
Keezhathipadugai	1,413	272	482
Sellur	1,429	280	496
Sethur	1,241	288	255
Nallambal	1,181	116	269
Keezhamanai	792	56	266
Vizhidiyur	899	96	297
Neravy south	1,090	184	402
TR Pattinam East	1,003	92	433
Keezhavanjurekuppam	786	48	255

Appendix 2.9

(Reference: Paragraph 2.2.6.1; Page 57)

Progress of augmentation of water supply works under JJM

Name of the work	Date of events				Tendered cost (₹ in crore)	Expen- diture incurred (₹ in crore)	Physical progress as of June 2025
	AAP	Adminis- trative approval	Expenditure sanction	Date of start of Work/Due date for completion			
Puducherry District							
Augmentation of WS system at Thirukanji village in VCP	13.06.2022	30.11.2022	22.03.2023	29.05.2023/ 28.05.2024	2.17	0.75	65 per cent completed. Work in progress
Augmentation of WS system at Konerikuppam, Agaram and Ulavaikal in VCP	13.06.2022	30.11.2022	01.09.2023	23.10.2023 22.10.2024	4.07	1.82	90 per cent completed. Work in progress.
Augmentation of WS system at Mannadipet, Sompel and Mummarampet villages in Mannadipet CP	13.06.2022	30.11.2022	12.03.2024	Not awarded*	--	Nil	--
Augmentation of WS system at Thirubhuvanai Palayam and Madagadipet Palayam villages in Mannadipet CP	13.06.2022	30.11.2022	08.09.2023	13.05.2023 12.05.2024	2.88	0.72	45 per cent completed. Work was stopped from February 2024 due to non-payment to contractor.
Karaikal District							
Augmentation of WS system to Nedungadu village	13.06.2022	16.12.2022	13.06.2023	29.07.2023/ 28.11.2023	4.62	2.35	70 per cent completed. Work in progress.
Augmentation of WS system to Akkampet village in Kottucherry CP	13.06.2022	16.12.2022	09.06.2023	14.07.2023/ 13.11.2023	3.63	2.01	95 per cent completed. Work in progress.
Augmentation of WS system to Mudalimedu village in TR Pattinam CP	13.06.2022	16.12.2022	09.06.2023	14.07.2023/ 13.11.2023	3.46	2.32	95 per cent completed. Work in progress.
Total					20.83	9.97	

* Work was not awarded as extension of validity of tender was not accepted by the tenderer

Appendix 2.10

(Reference: Paragraph 2.2.6.2; Page 59)

Rural water supply works executed by Public Health Division, PWD, Puducherry by availing loans from NABARD

Sl. No.	Name of the work	Date of proposal made by the Commissioner of Commune Panchayat concerned	Tendered cost (in ₹)	Date of work order	Savings towards central share component in case the work has been taken up under JJM (90 per cent of the total project cost 90:10 funding pattern) (in ₹)
1	Augmentation of WSS at Vinayagampet village of Mannadipet Commune Panchayat - NABARD (GO. Rt. No.46, 29.03.2023)	30.11.2021	2,97,15,443	13.10.2023	2,67,43,898
2	Augmentation of WSS at Kanniakoil village of Bahour Commune Panchayat- NABARD (GO Rt. No. 13. 06.07.2023)	28.01.2017	2,18,19,554	12.12.2023	1,96,37,598
3	Augmentation of WSS at Sooramangalam village of Villianur CP-NABARD (GO. Rt. No. 50, 30.03.2023)	22.02.2019	1,89,50,255	10.10.2023	1,70,55,229
4	Augmentation of WSS at Kalmandapam village in Nettapakkam Commune- NABARD (GO Rt. No. 45, 29.03.2023)	12.09.2018	2,95,10,805	12.10.2023	2,65,59,724
5	Improvements to the existing WSS at Karimanikkam village of Nettapakkam Commune Panchayat-NABARD (GO Rt. No. 12, 04.07.2023)	20.12.2016	3,02,23,630	30.11.2023	2,72,01,269
6	Augumentation of WSS at Kizhour village in Villianur Commune Panchayat - NABARD (GO Rt No 47, 29.03.2023)	14.11.2007	3,30,06,495	12.10.2023	2,97,05,845
Total					14,69,03,563

Appendix 3.1
(Reference: Paragraph 3.7.1.8; Page 88)
Key Problem Areas with sample details

Sl. No.	KPA Details
1	Taxpayers with only outward supply EWBs
2	EWBs generated by Nil filers
3	EWBs generated by return defaulters (non-filers)
4	EWBs generated after cancellation of registration of the taxpayer
5	High value EWBs generated within six months of GST registration
6	EWBs of Hi-risk taxpayers identified by Maharashtra Tax Authority and Directorate General of Analytics and Risk Management (DGARM)
7	EWBs of taxpayers whose registration was subsequently cancelled
8	Composition Taxpayers generating EWBs for inter State supply
9	Composition Taxpayers who exceeded threshold limit
10	Generation of multiple EWBs with single Invoice
11	EWBs of Directorate General of Foreign Trade (DGFT) blacklisted entities.
12	EWBs of taxpayers having disproportionate inward-outward supply ratio.
13	EWBs with high distance from PIN to PIN
14	EWBs subsequently rejected by the recipient
15	EWBs with dis-proportionate Inward Supply ratio
16	EWBs using Invalid Pin codes
17	EWBs extended beyond eight hours
18	EWB generated with Registration Numbers of Vehicles whose registration had been cancelled
19	EWB generated using Numbers of two wheeler vehicles
20	EWB generated with Registration Numbers of Surrendered vehicles
21	EWB generated and later on cancelled
22	EWBs generated with Registration Numbers of Scrapped vehicles
23	Registration Numbers of Stolen vehicles used in generation of EWBs

Appendix 3.2

(Reference: Paragraph 3.7.3.1(a); Page 91)

Non/Short discharge of tax liability by the composition taxpayer

(₹ in lakh)

Sl. No.	GSTN of Tax Payers	Division	Number of E-Way Bill Used	Total Assessable Value in EWB
1	34*****1Z7	YANAM	3	2.51
2	34*****1ZC	KARAIKAL	2	8.28
3	34*****1ZQ	YANAM	1	1.36
		Total	6	12.15

Appendix 3.3

(Reference: Paragraph 3.7.3.1(b)(ii); Page 92)

Non-discharge of tax liability by the taxpayers who filed nil returns

Sl. No.	GSTN of Tax Payers	Number of EWBs Generated	Division	Total Assessable Value	Total Tax Value	Value reported in GSTR-1	Tax liability as per GSTR-1	Tax paid in GSTR-3B
1	34*****1ZM	472	Karaikal	614.15	103.53	577.63	98.30	Nil
2	34*****1ZD	5	GD-I	19.66	3.54	Transactions not reported in GSTR-1		Nil
			Total	633.81	107.07			

(₹ in lakh)

Appendix 3.4

(Reference: Paragraph 3.7.3.1(c); Page 93)

Generation of EWBs by cancelled taxpayers

(₹ in lakh)

Sl. No.	GSTN of Tax Payers	Division	Number of E-Way Bills Generated after cancellation	Total Assessable Value in EWBs	Potential Tax Liability
1	34*****1ZH	GD-II	19	141.17	25.41
2	34*****2ZF	GD-I	1	1.91	0.34
3	34*****1ZN	GD-II	1	1.31	0.23
4	34*****1ZQ	YANAM	1	1.36	0.07
5	34*****1ZE	GD-III	1	0.55	0.07
		Total	23	146.30	26.12

Appendix 3.5
(Reference: Paragraph 3.7.3.1(d); Page 93)
Taxpayers generating multiple EWBs for single invoice

Sl. No.	GSTN of Taxpayers	Division	Number of E-Way Bills Generated	Number of Invoices used	Total Assessable Value as per EWBs	Total Tax amount as per EWB	Number of transactions reported in GSTR 1	Number of transactions underreported	Assesable Value Under Reported in EWB	Potential Under Reported Tax Amount
1	34*****1ZS	GD-III	26	13	438.89	79.00	13	13	219.44	39.50
2	34*****1ZM	KARAIKAL	10	5	36.37	6.55	5	5	18.18	3.27
3	34*****1Z4	GD-III	29	14	25.79	4.64	14	15	13.70	2.46
4	34*****1ZE	GD-II	2	1	7.85	1.41	1	1	3.93	0.71
5	34*****1ZH	GD-II	2	1	9.39	1.69	1	1	4.70	0.85
6	34*****1ZI	GD-III	2	1	5.81	0.76	1	1	2.90	0.38
7	34*****1ZS	GD-III	9,021	3,968	11,497.53	3,199.74	3,968	5,053	6,197.24	1,725.44
		Total	9,092	4,003	12,021.63	3,293.79	4,003	5,089	6,460.09	1,772.61

Appendix 3.6

(Reference: Paragraph 3.7.3.1(e)(i); Page 94)

Non-discharge of tax liability by taxpayers who generated EWBs without reporting in GSTR-1

(₹ in crore)

Sl. No.	GSTIN of Tax Payer	Division	Number of E-Way Bills generated	Assessable Value in EWBs	Tax Value in EWBs
1	34*****1ZA	GD-III	86	101.90	10.78
2	34*****1ZS	GD-III	9,191	137.04	34.33
3	34*****1Z4	GD-III	61	1.75	0.29
4	34*****1ZS	GD-III	5	0.45	0.08
5	34*****1ZM	Karaikal	12	0.24	0.04
6	34*****1ZS	Karaikal	322	53.01	4.53
7	34*****1Z2	GD-I	175	0.78	0.02
		Total	9,852	295.17	50.07

Appendix 3.7

(Reference: Paragraph 3.7.3.1(e)(i); Page 94)

**Tax liability by taxpayers who generated EWBs where Tax amount was shown as zero
and not reported in GSTR-1**

(₹ in crore)

Sl. No.	GSTIN of Tax Payer	Division	Total Number of EWBs where tax amount was shown zero	EWB Assesable Value in case where tax amount shown zero
1	34*****1ZS	GD-III	6,424	204.00
2	34*****1Z4	GD-III	3,970	174.46
3	34*****1ZS	GD-III	27	3.02
4	34*****1ZM	KARAIKAL	229	3.98
		Total	10,650	385.46

Appendix 3.8

(Reference: Paragraph 3.7.3.1(e)(ii); Page 95)

Undischarged tax liability resulting in short payment of tax - (GSTR-1 vs GSTR-3B)

(₹ in crore)

Sl. No.	GSTIN of Taxpayer	Division	Total outward supply declared in GSTR-1	Total tax reported in GSTR-1	Total tax paid in GSTR-3B	Difference in tax
1	34*****1ZM	Karaikal	27.74	4.78	3.72	1.06
2	34*****1ZI	GD-III	7.74	1.00	0.80	0.20
		Total	35.48	5.78	4.52	1.26

Appendix 3.9

(Reference: Paragraph 3.7.3.1(e)(iii); Page 95)

Short discharge of tax liability due to incorrect adoption HSN Code

(₹ in lakh)

Sl. No.	GSTIN of Taxpayer	Division	Number of E-Way Bill generated	Outward supply declared in GSTR-1	Total Tax liability shown in GSTR-1	Total Tax as per Prescribed rate	Difference in tax liability
1	34*****1Z4	GD-III	13	69.38	1.49	12.49	11.00
2	34*****1ZS	GD-III	113	686.99	0.00	192.35	192.35
3	34*****1Z7	GD-III	105	2,477.31	176.07	446.42	270.36
		Total	231	3,233.68	177.56	651.26	473.71

Appendix 3.10

(Reference: Paragraph 3.7.3.1(g)(i); Page 97)

Transactions in GSTR-1 not reported in EWBs – Non-levy of Penalty

(₹ in lakh)

Sl. No.	GSTIN of Taxpayer	Division	Number of Transactions	Total assessable value as per GSTR-1	Total tax amount declared in GSTR-1	Penalty under Section 122 (PGST and CGST)
1	34*****1ZF	GD-I	2	14.47	2.61	0.40
2	34*****1ZM	KARAIKAL	606	1,093.47	196.57	121.20
3	34*****1ZA	GD-III	2	705.54	84.67	0.40
4	34*****1Z1	GD-I	5	17.92	3.22	1.00
5	34*****1ZK	MAHE	79	60.97	3.05	15.80
6	34*****1ZH	GD-II	1	7.63	1.37	0.20
7	34*****1ZD	YANAM	2	1.00	0.18	0.40
8	34*****1ZS	GD-III	270	5,010.88	886.82	54.00
9	34*****1ZE	GD-II	231	402.49	71.32	46.20
10	34*****1ZI	GD-III	28	89.04	10.20	5.60
11	34*****1ZM	GD-I	295	366.62	65.89	59.00
12	34*****1ZT	YANAM	9	33.84	6.09	1.80
13	34*****1Z4	GD-III	350	890.43	125.06	70.00
14	34*****1Z2	GD-I	733	156.46	156.46	146.60
15	34*****1ZS	KARAIKAL	168	4,142.60	482.39	33.60
16	34*****1ZB	GD-III	13	3,004.62	360.55	2.60
			2,794	15,997.98	2,456.45	558.80

Appendix 3.11**(Reference: Paragraph 3.7.3.1(g)(ii); Page 98)****Mismatch of ITC between GSTR-3B and GSTR-2A/2B****(₹ in crore)**

Sl. No.	GSTIN of Taxpayer	Division	Total ITC availed as per GSTR-3B	Total ITC available in GSTR-2A	Mismatch
1	34*****1ZB	GD-III	56.14	41.42	14.72
2	34*****1ZS	GD-III	387.20	290.52	96.68
3	34*****1ZK	GD-III	1,335.07	1,309.25	25.81
4	34*****1ZA	GD-III	18.29	15.60	2.69
5	34*****1ZB	GD-I	15.81	15.30	0.51
6	34*****1Z7	GD-III	5.82	5.22	0.61
7	34*****1Z4	GD-III	12.11	11.94	0.17
8	34*****1ZK	MAHE	0.95	0.93	0.02
		Total	1,831.39	1,690.18	141.21

Appendix 3.12

(Reference: Paragraph 3.7.3.1(g)(iii); Page 98)

Non-reversal of Input Tax Credit on exempt supplies

(₹ in lakh)

Sl. No.	GSTIN of Taxpayer	Division	Total ITC Taken	Total ITC to be reversed as per Section 42
1	34*****1ZT	YANAM	78.04	0.77
2	34*****1ZE	GD-II	978.69	9.67
3	34*****1ZK	Mahe	157.03	16.00
4	34*****1Z1	GD-III	2.51	3.38
5	34*****1Z4	GD-III	381.57	1.63
		Total	1,597.84	31.45

Appendix 3.13

(Reference: Paragraph 3.7.3.1(g)(iv); Page 99)

Availing of ITC on inward supplies without EWBs

(₹ in lakh)

Sl. No.	GSTIN of Taxpayer	Division	Total Inward supply	Total ITC	Number of Invoices as per GSTR-2A	Number of EWBs generated
1	34*****1ZB	GD-I	899.75	162.08	417	Not generated
2	34*****1Z4	GD-III	1,074.07	191.01	161	Not generated
3	34*****1ZK	Mahe	487.93	27.14	120	Not generated
4	34*****1ZB	GD-III	1,487.33	196.61	194	Not generated
	Total		3,949.08	576.84		

Appendix 3.14

(Reference: Paragraph 3.7.3.1(h)(i); Page 99)

Non-discharge of tax liability

(₹ in lakh)

Sl. No.	GSTIN of Taxpayer	Division	Total assessable value as per EWBs	Total Tax Amount as per EWBs	Number of EWBs generated
1	34*****1Z5	GD-I	3,720.85	291.36	242
2	34*****1ZS	GD-I	2,056.28	345.24	106
		Total	5,777.13	636.60	348

Appendix 3.15

(Reference: Paragraph 3.7.4.1(b)(i); Page 103)

Non/ Short creation of demand (Intrastate movements)

(in ₹)

Sl. No.	Consignor GSTN (Supplier)	Consignor Jurisdiction	Consignee Jurisdiction	Short demand of tax under Section 129(1)	Short demand of penalty under Section 129(1)	Amount of Demand not created during interception of vehicles	Short Payment of Tax under Section 9
1	34*****1Z9	Center Jurisdiction Range III-B, Puducherry III	Goods Division -III	0	0	1,81,480	58,312
2	34*****1ZT	Goods Division -III	Jurisdiction (Center)	0	0	1,43,838	23,226
3	34*****1ZT	Goods Division -III	Goods Division -III	0	0	52,528	28,774
4	34*****1Z5	Goods Division -III	Goods Division -III	0	0	64,368	29,384
5	34*****1Z8	Range I-B, Puducherry I (Centre Jurisdiction)	Range I-E, Puducherry I (Centre jurisdiction)	29,684	29,684	0	0
6	34*****1ZR	Goods Division -III	Range III-C, Puducherry III (Centre Jurisdiction)	0	78,801	0	0
7	34*****1Z0	GD-I	Goods Division -III	10,536	10,536	10,000	0
8	34*****1Z0	GD-II	Goods Division -III	11,601	11,601	20,000	0
9	34*****1Z4	Range III-D, Puducherry III (Centre Jurisdiction)	Range I-E, Puducherry I (Centre jurisdiction)	9,752	9,752	20,000	0
			Total	61,573	1,40,374	4,92,214	1,39,696

* (1) Sl No. - 1,2,3,4,7,8,9-Demand not created during interception of vehicles

(2) Sl No. - 5,6,7,8,9-Short demand of penalty under Section 129(1)

(3) Sl No. - 1,2,3,4-Tax payers for which assessable value and Tax amount has been revised during interception

Appendix 3.16

(Reference: Paragraph 3.7.4.1(b)(i); Page 105)

Non/Short creation of demand (Interstate movements)

Sl. No.	Consignee GSTN	Consignee Jurisdiction	Consignee Other Officer (if under Center Jurisdiction)	Consignor Jurisdiction	Short demand of tax under Section 129(1)	Amount of Demand not created during interception of vehicles	Short Payment of Tax under Section 9
1	34*****1ZT	GD-III	NA	Range I, Adyar (Centre)	0	3,95,320	0
2	34*****1ZT	GD-III	NA	Range I, Adyar (Centre)	0	3,94,796	0
3	34*****1ZT	GD-III	NA	Cuddalore	0	3,50,756	1,11,078
4	34*****3ZY	Karaikal	NA	Range I, Mylapore (Centre)	0	1,83,548	16,355
5	34*****1ZT	GD-III	NA	Thiruvavur	0	1,52,644	37,522
6	34*****1ZT	GD-III	NA	Chennai North	0	1,42,256	0
7	34*****1ZS	GD-I	NA	Range - 8, Division - 4 (Centre)	33,863	20,000	1,613
8	34*****1ZR	GD-III	NA	Trichy	0	1,31,132	33,339
9	34*****1ZT	GD-III	NA	Cuddalore	0	1,22,672	34,344
10	34*****1ZP	Range III-C, Puducherry III (Centre)	GD-III	Cuddalore	0	1,22,600	29,646
11	34*****1ZT	GD-III	NA	Vellore	0	1,19,776	13,015

Sl. No.	Consignee GSTN	Consignee Jurisdiction	Consignee Other Officer (if under Center Jurisdiction)	Consignor Jurisdiction	Short demand of tax under Section 129(1)	Amount of Demand not created during interception of vehicles	Short Payment of Tax under Section 9
12	34*****1ZT	GD-III	NA	Thiruvapur	0	1,19,196	44,198
13	34*****1ZT	GD-III	NA	Chennai Central	1,07,674	11,000	0
14	34*****1ZT	GD-III	NA	Cuddalore	0	1,16,840	18,936
15	34*****1ZP	Range III-C, Puducherry III (Centre)	GD-III	Vellore	0	1,13,240	26,532
16	34*****1ZT	GD-III	NA	Vellore	0	1,11,244	14,410
17	34*****1ZP	Range III-C, Puducherry III (Centre)	GD-III	Vellore	0	1,08,472	23,662
18	34*****1ZT	GD-III	NA	Chennai North	0	1,00,180	0
19	34*****1Z4	Range II-B, Puducherry II (Centre)	GD-III	Villupuram Range, Villupuram (Centre)	0	92,840	0
20	34*****1Z1	GD-III	NA	Range - 25, Division - 12 (Centre)	47,904	32,724	16,242
21	34*****1ZX	Range III-B, Puducherry III	GD-I	Range VII, MORBI - II Division (Centre)	27,900	41,968	15,918
22	34*****1ZZ	GD-I	NA	Chennai Central	0	68,916	16,004
23	34*****1ZS	GD-II	NA	MORBI V Range, MORBI - I Division (Centre jurisdiction)	41,164	20,000	0

Sl. No.	Consignee GSTN	Consignee Jurisdiction	Consignee Other Officer (if under Center Jurisdiction)	Consignor Jurisdiction	Short demand of tax under Section 129(1)	Amount of Demand not created during interception of vehicles	Short Payment of Tax under Section 9
24	34*****1ZX	Range III-B, Puducherry III (Centre)	GD-I	Range - 25, Division - 12 (Centre)	37,454	20,000	5,713
25	34*****1Z2	GD-III	NA	Range - 25, Division - 12 (Centre)	32,400	10,800	5,400
26	34*****1Z7	GD-II	NA	Erode	28,319	10,000	0
27	34*****1Z5	GD-I	NA	Chennai North	0	21,432	0
28	34*****1ZA	GD-I	NA	Amritsar	0	20,000	0
				Total	3,56,678	31,54,352	4,63,927

Appendix 3.17
(Reference: Paragraph 3.8.1; Page 108)
Details of defaulted owners with Contract Carriage Permits who did not pay tax

Sl. No.	Vehicle Number	Registration Date	Owner name	Permit Number	Validity of Permit	Tax Arrear from	Tax Arrear upto	Number of quarters	Quarterly tax amount	Total Tax Pending	Penalty	Whether crossed the toll	Date & Time
1	PY01CJ3999	01-07-2015	Hasan Travels	PY/1/HOB/2019/34	26-04-2024	01-10-2019	31-03-2024	16	66,000	10,56,000	10,56,000	Crossed	13-11-2024 20:26
2	PY01CJ4999	01-07-2015	hasan travels	PY/1/HOB/2019/18	26-03-2024	01-10-2019	26-03-2024	16	66,000	10,56,000	10,56,000	Crossed	17-01-2025 15:17
3	PY01CC8415	19-06-2014	Jayaselan P	CCHMVOB/PY/2014/109	18-06-2024	01-10-2019	31-03-2024	16	60,900	9,74,400	9,74,400	Not Crossed	
4	PY01CC0492	29-04-2014	Jayaselan P	CCHMVOB/PY/2014/53	28-04-2024	01-10-2019	31-03-2024	16	59,700	9,55,200	9,55,200	Not Crossed	
5	PY01CC9599	21-05-2014	Venkateswaran M	CCHMVOB/PY/2014/74	20-05-2024	01-04-2020	31-03-2024	14	64,800	9,07,200	9,07,200	Crossed	20/03/2024 12:05:00, 03/06/2024 10:37:00
6	PY01CC9799	05-07-2012	Venkateswaran M	CCHMVOB/PY/2014/75	20-05-2024	01-04-2020	31-03-2024	14	64,800	9,07,200	9,07,200	Not Crossed	
7	PY01CD4075	05-07-2012	T.S.R. Khannaian	CCHMVOB/PY/2014/146	29-07-2024	01-10-2019	31-03-2024	16	57,000	9,12,000	9,12,000	Not Crossed	
8	PY01CN6499	08-02-2010	M S H Travels	PY/1/CC/HOB/2019/77	19-09-2024	01-01-2020	31-03-2024	15	58,800	8,82,000	8,82,000	Not Crossed	
9	PY01CC4221	23-05-2014	Karthickraja T	CCHMVOB/PY/2014/81	25-05-2024	01-10-2019	31-03-2024	16	54,000	8,64,000	8,64,000	Not Crossed	
10	PY01CT3375	14-08-2012	Paul Travels	PY/1/CC/HOB/2018/191	02-10-2023	01-10-2019	02-10-2023	14	58,800	8,23,200	8,23,200	Not Crossed	
11	PY01BP3412	04-01-2012	Srijith Travels	PY2020-CC-0056A	12-02-2025	01-04-2020	31-03-2024	14	58,800	8,23,200	8,23,200	Not Crossed	
12	PY01CE4614	08-10-2014	New United Travels	PY/1/CC/HOB/2018/197	18-10-2023	01-07-2019	18-10-2023	15	54,000	8,10,000	8,10,000	Not Crossed	
13	PY01CE4615	08-10-2014	New United Travels	PY/1/CC/HOB/2018/196	18-10-2023	01-07-2019	18-10-2023	15	54,000	8,10,000	8,10,000	Not Crossed	
14	PY01CC3999	17-04-2014	G V Transports	PY/1/CC/HOB/2019/97	12-12-2024	01-01-2020	31-03-2024	15	54,000	8,10,000	8,10,000	Not Crossed	
15	PY01AY3777	16-09-2009	Raaja Guru Travels	PY/1/CC/HOB/2019/59	18-07-2024	01-04-2020	31-03-2024	14	56,100	7,85,400	7,85,400	Not Crossed	
16	PY01BV6399	03-12-2012	Devan D	CCOB/00031/PY/24	03-10-2024	01-04-2020	31-03-2024	14	55,200	7,72,800	7,72,800	Crossed	24/06/2024 11:12:00, 20/03/2025 20:42:00
17	PY01BR6978	03-05-2012	Venkateswaran	3/PY/2009	28-12-2024	01-04-2020	31-03-2024	14	54,000	7,56,000	7,56,000	Not Crossed	

Audit Report for the period ended March 2024

Sl. No.	Vehicle Number	Registration Date	Owner name	Permit Number	Validity of Permit	Tax Arrear from	Tax Arrear upto	Number of quarters	Quarterly tax amount	Total Tax Pending	Penalty	Whether crossed the toll	Date & Time
18	PY01CC9399	17-04-2014	G V Transports	PY/1/CC/HOB/2019/96	12-12-2024	01-04-2020	31-03-2024	14	54,000	7,56,000	7,56,000	Not Crossed	
19	PY01CG6676	13-04-2015	Ramvijay M V	CCHMVOB/PY/2015/28	12-04-2025	01-04-2020	31-03-2024	14	54,000	7,56,000	7,56,000	Not Crossed	
20	PY01BD9199	04-10-2010	M/S Dream Bus Travels	PY/1/CC/HOB/2019/24	09-04-2024	01-07-2019	31-03-2024	17	45,000	7,65,000	7,65,000	Not Crossed	
21	PY05B4236	16-12-2016	Ramraj Travels	PY/1/CC/HOB/2018/236	25-12-2023	01-04-2019	25-12-2023	17	45,000	7,65,000	7,65,000	Not Crossed	
22	PY01CD4079	05-07-2012	M/s Sai Ram Travels	PY/1/CC/HOB/2018/235	25-12-2023	01-04-2020	25-12-2023	13	57,000	7,41,000	7,41,000	Not Crossed	
23	PY01CM9751	02-08-2010	M/S APR Holidays	PY/1/CC/HOB/2019/10	03-03-2024	01-04-2019	03-03-2024	18	36,000	6,48,000	6,48,000	Not Crossed	
24	PY01CM9752	10-06-2010	M/S APR Holidays	PY/1/CC/HOB/2019/9	03-03-2024	01-04-2019	03-03-2024	18	36,000	6,48,000	6,48,000	Not Crossed	
25	PY01BM3470	22-09-2011	SLN Travels	PY/1/CC/HOB/2019/99	22-12-2024	01-01-2020	31-03-2024	15	49,500	7,42,500	7,42,500	Not Crossed	
26	PY01CE9499	05-05-2009	M/S DSP Tourist	PY/1/CC/HOB/2019/19	27-03-2024	01-07-2019	27-03-2024	17	43,200	7,34,400	7,34,400	Not Crossed	
27	PY01BA5499	08-02-2010	M/S Sree Sai Travel	PY/1/CC/HOB/2019/5	13-02-2024	01-01-2020	13-02-2024	15	49,500	7,42,500	7,42,500	Not Crossed	
28	PY01BY3146	10-11-2011	Raaja Guru Travels	PY2020-CC-00114A	29-06-2025	01-07-2020	31-03-2024	13	54,000	7,02,000	7,02,000	Not Crossed	
29	PY01BT9799	03-09-2012	M/S MASS TOURS AND TRAVELS	PY/1/CC/HOB/2019/21	28-03-2024	01-10-2019	28-03-2024	16	45,000	7,20,000	7,20,000	Not Crossed	
30	PY01BT9919	03-09-2012	M/S Mass Tours And Travels	PY/1/CC/HOB/2019/20	28-03-2024	01-10-2019	28-03-2024	16	45,000	7,20,000	7,20,000	Not Crossed	
31	PY01BM1999	22-09-2011	SLN Travels	PY/1/CC/HOB/2019/100	22-12-2024	01-04-2020	31-03-2024	14	49,500	6,93,000	6,93,000	Not Crossed	
32	PY01CB8299	08-04-2014	Afshee Travels	PY2020-CC-0036A	22-01-2025	01-04-2021	31-03-2024	12	66,000	7,92,000	7,92,000	Crossed	11-12-2024 19:22
33	PY01CB8699	08-04-2014	Afshee Travels	PY/1/CC/HOB/2019/95	11-12-2024	01-04-2021	31-03-2024	12	66,000	7,92,000	7,92,000	Not Crossed	
34	PY01CC8416	19-06-2014	Jayaselan P	CCHMVOB/PY/2014/110	18-06-2024	01-01-2021	31-03-2024	13	60,900	7,91,700	7,91,700	Not Crossed	
35	PY01CT7230	11-09-2018	Evacay Bus & Logistics Pvt Ltd	PY/1/CC/HOB/2018/180	17-09-2023	01-07-2019	17-09-2023	15	46,500	6,97,500	6,97,500	Not Crossed	
36	PY01CC0491	29-04-2014	Jayaselan P	CCHMVOB/PY/2014/54	28-04-2024	01-01-2021	31-03-2024	13	59,700	7,76,100	7,76,100	Not Crossed	

Sl. No.	Vehicle Number	Registration Date	Owner name	Permit Number	Validity of Permit	Tax Arrear from	Tax Arrear upto	Number of quarters	Quarterly tax amount	Total Tax Pending	Penalty	Whether crossed the toll	Date & Time
37	PY01BQ5799	17-02-2012	Thilipan Travels	PY/1/CC/HOB/2019/83	13-11-2024	01-04-2020	31-03-2024	14	55,200	7,72,800	7,72,800	Not Crossed	
38	PY01BT9406	17-09-2012	SRM Transports India Pvt Ltd	PY/1/CC/HOB/2019/92	08-12-2024	01-04-2020	31-03-2024	14	48,000	6,72,000	6,72,000	Not Crossed	
39	PY02N8322	11-08-2014	Pavithram Travels & Speed Parcel	PY/1/CC/HOB/2018/165	02-09-2023	01-04-2020	02-09-2023	12	56,100	6,73,200	6,73,200	Not Crossed	
40	PY01BA4599	08-02-2010	M/S Sree Sai Travel	PY/1/CC/HOB/2019/6	13-02-2024	01-04-2020	13-02-2024	14	49,500	6,93,000	6,93,000	Crossed	28-04-2024 23:31
41	PY01AX8788	03-09-2009	Sri Vela Travels	PY/1/CC/HOB/2018/186	24-09-2023	01-10-2019	24-09-2023	14	48,000	6,72,000	6,72,000	Crossed	11-08-2024 12:50
42	PY02N8323	11-08-2014	Pavithram Travels & Speed Parcel	CCHMVOB/2018/PY01/59	28-08-2023	01-04-2020	28-08-2023	12	56,100	6,73,200	6,73,200	Not Crossed	
43	PY01CN0684	20-06-2013	NMN Travels	PY/1/CC/HOB/2019/94	10-12-2024	01-04-2020	31-03-2024	14	47,700	6,67,800	6,67,800	Not Crossed	
44	PY05B4286	19-12-2016	Ramraj Tyravels	PY/1/CC/HOB/2018/238	26-12-2023	01-10-2019	26-12-2023	15	45,000	6,75,000	6,75,000	Not Crossed	
45	PY01BA5374	04-03-2010	M/S Fareena Tours & Travels	PY/1/CC/HOB/2018/231	13-12-2023	01-01-2020	13-12-2023	14	48,000	6,72,000	6,72,000	Not Crossed	
46	PY01BA5375	04-03-2010	M/S Fareena Tours & Travels	PY/1/CC/HOB/2018/232	13-12-2023	01-01-2020	13-12-2023	14	48,000	6,72,000	6,72,000	Not Crossed	
47	PY01CC6199	27-05-2014	Panner Selvam S	CCHMVOB/PY/2014/84	26-05-2024	01-01-2024	31-03-2024	1	52,800	52,800	52,800	Not Crossed	
48	PY01CC7464	14-12-2012	Sanjay Tourist Bus Services	PY/1/CC/HOB/2019/73	11-09-2024	01-04-2020	31-03-2024	14	46,500	6,51,000	6,51,000	Not Crossed	
49	PY01AX3777	30-09-2009	Jai Sri Bharath Travels	PY/1/CC/HOB/2019/76	13-09-2024	01-01-2021	31-03-2024	13	56,100	7,29,300	7,29,300	Not Crossed	
50	PY01CC5299	27-05-2014	Uma Maheswari P	CCHMVOB/PY/2014/83	26-05-2024	01-01-2024	31-03-2024	1	52,800	52,800	52,800	Not Crossed	
51	PY01CK6599	28-09-2013	Hasan Travels	CCHMVOB/2018/PY01/9	11-01-2023	01-10-2019	11-01-2023	11	55,200	6,07,200	6,07,200	Not Crossed	
52	PY01BT9979	03-09-2012	Ever Green Travels	PY/1/CC/HOB/2019/44	09-06-2024	01-04-2020	31-03-2024	14	45,000	6,30,000	6,30,000	Crossed	03-02-2023 16:35
53	PY01CD8694	09-03-2010	MS Vishnu Road Lines	PY/1/CC/HOB/2019/69	22-08-2024	01-04-2020	31-03-2024	14	45,000	6,30,000	6,30,000	Not Crossed	
54	PY01CD8895	09-03-2010	Vishnu Road Lines	PY/1/CC/HOB/2019/70	22-08-2024	01-04-2020	31-03-2024	14	45,000	6,30,000	6,30,000	Not Crossed	

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Sl. No.	Vehicle Number	Registration Date	Owner name	Permit Number	Validity of Permit	Tax Arrear from	Tax Arrear upto	Number of quarters	Quarterly tax amount	Total Tax Pending	Penalty	Whether crossed the toll	Date & Time
55	PY01BN2119	04-11-2011	M/S TCM Logistics	PY/1/CC/HOB/2019/8	29-02-2024	01-01-2020	29-02-2024	15	43,200	6,48,000	6,48,000	Crossed	26-07-2023 17:53:00, 14/12/23 2:36 pm
56	PY01BU3272	12-10-2012	Rajashekar K T	CCOB/00014/PY/2008	03-02-2023	01-01-2020	03-02-2023	11	56,100	6,17,100	6,17,100	Not Crossed	
57	PY01BY1658	04-08-2010	Venky Bus	PY/1/CC/HOB/2019/89	02-12-2024	01-04-2020	31-03-2024	14	43,200	6,04,800	6,04,800	Crossed	11-08-2024 16:20
58	PY01CT2767	11-09-2018	Evacay Bus & Logistics Pvt Ltd	PY/1/CC/HOB/2018/179	17-09-2023	01-01-2020	17-09-2023	13	46,500	6,04,500	6,04,500	Not Crossed	
59	PY01BY3147	10-11-2011	Loganathan	PY/1/CC/HOB/2018/220	03-12-2023	01-01-2020	03-12-2023	14	54,000	7,56,000	7,56,000	Not Crossed	
60	PY01CK7599	28-09-2013	Hasan Travels	CCHMVOB/2018/PY01/10	11-01-2023	01-01-2020	11-01-2023	10	55,200	5,52,000	5,52,000	Not Crossed	
61	PY01CL8921	02-07-2010	Sree Jayam Travels	PY/1/CC/HOB/2018/133	21-06-2023	01-01-2020	21-06-2023	12	48000	5,76,000	5,76,000	Not Crossed	
62	PY01CD5784	01-03-2013	Sri Mathi Travels	PY/1/CC/HOB/2019/74	11-09-2024	01-04-2021	31-03-2024	12	55,200	6,62,400	6,62,400	Crossed	20-02-2020 02:50:00, 21/2/20 4:01 am, 26/2/20 3:05 am, 14/6/21 9:52 am, 21/5/24 6:26 am, 21/1/25 1:39 pm
63	PY01CE5784	01-03-2013	Sri Mathi Travels	PY/1/CC/HOB/2019/75	11-09-2024	01-04-2021	31-03-2024	12	55,200	6,62,400	6,62,400	Crossed	21-02-2020 03:21:00, 14/7/21 3:07 pm
64	PY01BC6464	02-07-2010	Mohammed Abbas	CCHMVOB/2017/PY01/87	05-06-2027	01-01-2024	31-03-2024	1	52,800	52,800	52,800		
65	KA306991	02-09-2005	Sangeetha.M	CCHMVOB/PY/2015/14	10-02-2020	01-10-2019	10-02-2020	2	45,000	90,000	90,000	Not Crossed	
66	PY01CL6599	26-04-2011	Fareena Travels	PY/1/CC/HOB/2019/47	12-06-2024	01-04-2021	31-03-2024	12	54,000	6,48,000	6,48,000	Crossed	07-12-2022 07:10:00, 13/1/23 9:35 am, 21/7/23 9:24 am, 13/9/23 7:51 am
67	PY01BK3799	11-07-2011	Maan Travels	PY/1/CC/HOB/2018/161	30-08-2023	01-07-2019	30-08-2023	15	38,400	5,76,000	5,76,000	Not Crossed	
68	PY01BK4799	11-07-2011	Maan Travels	PY/1/CC/HOB/2018/162	30-08-2023	01-07-2019	30-08-2023	15	38,400	5,76,000	5,76,000	Crossed	04-05-2021 10:17
69	PY01AM2676	13-09-2007	Loganathan E	CCHMVOB/PY/2015/33	05-03-2025	01-10-2021	31-03-2024	10	63,600	6,36,000	6,36,000	Not Crossed	
70	PY01CL8922	09-06-2010	Rajeshwari D	CCHMVOB/2017/PY01/113	12-10-2022	01-07-2019	12-10-2022	11	48,000	5,28,000	5,28,000	Not Crossed	

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71	PY01CG9650	07-05-2012	J.R. Travels	CCOB/00050/PY/2002	10-11-2022	01-07-2019	10-11-2022	12	46,500	5,58,000	5,58,000	Not Crossed	
72	PY01AP9199	11-08-2008	Santhana Sri Tours And Travels	PY/1/CC/HOB/2018/146	01-08-2023	01-01-2020	01-08-2023	13	43,500	5,65,500	5,65,500	Not Crossed	
73	PY01BL1001	22-07-2011	M/S Rathimeena Travels	CCOB/38/PY/2004	14-10-2024	01-01-2021	31-03-2024	13	48,000	6,24,000	6,24,000	Not Crossed	
74	PY01BL2002	22-07-2011	M/S Rathimeena Travels	CCOB/00039/PY/2004	14-10-2024	01-01-2021	31-03-2024	13	48,000	6,24,000	6,24,000		
75	PY01BB4699	10-05-2010	Arul	CCOB/00329/PY/1996	05-06-2026	01-10-2023	31-03-2024	2	45,000	90,000	90,000		
76	PY01AH6199	24-01-2007	Sunitha.R	CCOB/00033/PY/2006	25-07-2021	01-01-2021	25-07-2021	2	45,000	90,000	90,000	Crossed	05-12-2019 11:19:00, 5/12/19 5:41 pm, 25/2/24 2:09 pm
77	PY01CG7377	27-04-2015	Venkateswaran M	CCHMVOB/PY/2015/30	23-04-2025	01-04-2023	31-03-2024	4	54,000	2,16,000	2,16,000	Crossed	16-04-2022 19:22
78	PY01BV9919	05-12-2011	Kama Sashta	PY/1/CC/HOB/2019/66	08-08-2024	01-07-2021	31-03-2024	11	54,000	5,94,000	5,94,000	Crossed	21-06-2022 09:41:00, 22/6/22 11:04 am, 30/6/22 11:13 am, 21/10/24 5:28 pm
79	PY01AW8299	13-07-2009	Jai Krishna Travels	PY/1/CC/HOB/2018/229	06-12-2023	01-04-2021	06-12-2023	11	55,200	6,07,200	6,07,200	Crossed	25-02-2022 20:46
80	PY01BZ1069	08-09-2010	MS Parveen Travels Ltd	22/PY/03	06-08-2023	01-04-2020	06-08-2023	12	43,200	5,18,400	5,18,400	Not Crossed	
81	PY01CC1766	06-05-2014	Muthumari Travels	CCHMVOB/PY/2014/63	06-05-2024	01-04-2021	31-03-2024	12	48,000	5,76,000	5,76,000		
82	PY01CC1767	06-05-2014	Muthumari Travels	CCHMVOB/PY/2014/62	06-05-2024	01-04-2021	31-03-2024	12	48,000	5,76,000	5,76,000	Not Crossed	
83	PY01BU5599	25-10-2012	Muthukumar V M	CCOB/00066/PY/2006	20-12-2021	01-04-2021	20-12-2021	3	45,000	1,35,000	1,35,000	Crossed	28-02-2020 12:48:00, 28/2/20 3:51 pm, 16/5/20 6:07 pm, 26/6/20 8:13 am, 27/6/20 11:28 am, 14/8/20 8:08 am, 29/9/20 7:33 am, 20/1/21 7:22 am, 23/5/24 8:40 pm, 18/11/24 5:41 pm
84	PY01CV6868	22-08-2019	Lukshminarayan Travels	PY2022-CC-0066A	15-05-2027	01-07-2023	31-03-2024	3	45,000	1,35,000	1,35,000		

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85	PY01BA2999	19-02-2010	Vivegam Travels	PY/1/CC/HOB/2018/143	17-07-2023	01-01-2021	17-07-2023	10	55,200	5,52,000	5,52,000	Crossed	27-11-2019 12:09:00, 27/11/19 2:06 pm, 19/8/21 9:43 pm
86	PY01CU4912	12-11-2010	SRM Transports India Pvt Ltd	PY/1/CC/HOB/2019/28	22-04-2024	01-07-2021	31-03-2024	11	49,200	5,41,200	5,41,200	Not Crossed	
87	PY01CU4925	12-11-2010	SRM Transports India Pvt Ltd	PY/1/CC/HOB/2019/29	22-04-2024	01-07-2021	31-03-2024	11	49,200	5,41,200	5,41,200	Not Crossed	
88	PY01BD9919	29-09-2010	SKN Travels	PY/1/CC/HOB/2019/88	01-12-2024	01-04-2021	31-03-2024	12	45,000	5,40,000	5,40,000	Crossed	02-11-2021 13:00:00, 11/1/24 7:41 pm
89	PY01BT9199	03-09-2012	Fareena Tours & Travels	PY/1/CC/HOB/2019/48	12-06-2024	01-04-2021	31-03-2024	12	45,000	5,40,000	5,40,000		
90	PY01BT9499	03-09-2012	Fareena Tours & Travels	PY/1/CC/HOB/2019/53	23-06-2024	01-04-2021	31-03-2024	12	45,000	5,40,000	5,40,000		
91	PY01B13334	09-06-2008	Rathna	CCOB/00005/PY/2005	12-01-2025	01-01-2021	31-03-2024	13	40,800	5,30,400	5,30,400	Not Crossed	
92	PY01CV6767	22-08-2019	Lukshminarayan Travels	PY2022-CC-0067A	15-05-2027	01-07-2023	31-03-2024	3	45,000	1,35,000	1,35,000		
93	PY01BU5699	24-10-2012	Muthukumar	CCHMVOB/PY/2014/5	03-03-2024	01-04-2021	03-03-2024	12	45,000	5,40,000	5,40,000	Crossed	05-02-2020 06:15:00, 25/2/20 4:03 pm, 28/2/20 9:14 pm, 23/9/21 9:54 am
94	PY01CT8211	10-03-2010	Sri Sairam Travels	PY/1/CC/HOB/2018/237	26-12-2023	01-07-2021	26-12-2023	10	52,800	5,28,000	5,28,000	Not Crossed	
95	PY01CB9939	01-06-2010	Sabarinathan R	CCHMVOB/2017/PY01/128	05-12-2022	01-07-2019	05-12-2022	12	37,200	4,46,400	4,46,400	Crossed	08-01-2020 09:22:00, 8/1/20 12:01 pm, 30/7/20 7:44 pm, 14/10/20 12:00 am, 8/1/21 5:08 am, 10/1/22 10:41 am, 25/6/24 6:33 pm
96	PY01BV1999	05-12-2011	Siva AMR Tours And Travels	PY/1/CC/HOB/2018/145	24-07-2023	01-04-2021	24-07-2023	9	54,000	4,86,000	4,86,000		
97	PY01BY8799	11-01-2010	M/S Sri Vivegam Travels	PY/1/CC/HOB/2019/26	22-04-2024	01-07-2021	31-03-2024	11	45,000	4,95,000	4,95,000	Not Crossed	

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98	PY01CU5179	12-11-2010	SRM Transports India Pvt Ltd	PY/1/CC/HOB/2019/27	22-04-2024	01-10-2021	31-03-2024	10	49,200	4,92,000	4,92,000	Not Crossed	
99	PY01CL9799	23-12-2015	Ramvijay M V	CCHMVOB/PY/2015/102	17-12-2020	01-04-2020	17-12-2020	1	54,000	54,000	54,000	Crossed	12-09-2021 06:52:00, 23/9/23 6:07 pm, 13/2/25 1:14 am
100	PY01CR7575	16-10-2017	Narayanamoorthy B	CCHMVOB/2017/PY01/127	30-11-2022	01-01-2020	30-11-2022	10	45,000	4,50,000	4,50,000	Crossed	03-03-2021 12:39:00, 28/10/22 5:15 am
101	PY01BV7299	03-12-2012	Devan D	CCOB/00029/PY/2007	10-05-2022	01-04-2020	10-05-2022	7	55,200	3,86,400	3,86,400	Crossed	26-01-2020 17:08:00, 24/8/20 11:54 am, 23/8/22 6:25 pm, 30/5/24 3:46 pm, 24/9/24 2:27 pm
102	PY01CK9399	23-12-2015	Ramvijay M V	CCHMVOB/PY/2015/101	17-12-2020	01-04-2020	17-12-2020	1	54,000	54,000	54,000		
103	PY01BK3999	20-06-2011	M/S Madurai Radha Travels	CCOB/00049/PY/2007	12-09-2022	01-07-2019	12-09-2022	11	36,000	3,96,000	3,96,000	Crossed	08-06-2020 10:52:00, 17/7/21 12:57 pm
104	PY01CP6779	25-04-2017	Venkateswaran M	CCHMVOB/2017/PY01/67	24-04-2022	01-04-2020	24-04-2022	6	54,000	3,24,000	3,24,000	Crossed	21-02-2020 22:48:00, 14/6/22 12:36 pm, 25/2/24 9:09 pm
105	PY01BU9499	09-11-2012	M/S Madurai Radha Travels	CCHMVOB/PY/2014/16	16-03-2024	01-10-2021	16-03-2024	10	45,000	4,50,000	4,50,000	Not Crossed	
106	PY01CP9597	13-04-2017	Venkateshwaran M	CCHMVOB/2017/PY01/47	11-04-2022	01-04-2020	11-04-2022	6	54,000	3,24,000	3,24,000		
107	PY01CP9777	13-04-2017	Venkateshwaran M	CCHMVOB/2017/PY01/48	11-04-2022	01-04-2020	11-04-2022	6	54,000	3,24,000	3,24,000	Crossed	15-01-2022 14:51
108	PY01BR0599	05-09-2007	Ramesh.G	CCOB/00089/PY/2007	12-11-2022	01-01-2021	12-11-2022	8	55,200	4,41,600	4,41,600	Crossed	09-12-2019 10:26:00, 9/12/19 2:15 pm, 7/8/24 8:16 pm
109	PY01BZ1071	08-09-2010	MS Parveen Travels Ltd	CCOB/00016/PY/1992	13-08-2022	01-04-2020	13-08-2022	8	43,200	3,45,600	3,45,600	Not Crossed	
110	PY01CG5099	01-11-2010	Lingan Travels	PY2020-CC-0071A	19-02-2025	01-01-2022	31-03-2024	9	45,000	4,05,000	4,05,000	Not Crossed	
111	PY01BR0699	05-09-2007	Vivekanandan.G	50/PY/OB/2007	12-09-2022	01-01-2021	12-09-2022	7	55,200	3,86,400	3,86,400	Not Crossed	

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112	PY01BY8699	04-01-2010	SRI Vivegam Travels	PY/1/CC/HOB/2018/141	10-07-2023	01-07-2021	10-07-2023	8	45,000	3,60,000	3,60,000	Crossed	07-12-2022 08:08:00, 8/12/22 2:22 pm, 16/1/23 8:39 pm, 22/2/24 1:34 pm, 11/3/24 3:26 pm
113	PY01CT3380	14-08-2012	SRI Manakulavinaygar Tours	PY2022-CC-0162A	02-08-2027	01-10-2022	31-03-2024	6	58,800	3,52,800	3,52,800	Not Crossed	
114	PY01BH9199	24-03-2011	Mahendran	CCHMVOB/2016/PY/191	07-12-2021	01-07-2019	07-12-2021	8	36,000	2,88,000	2,88,000	Crossed	17-10-2024 16:02
115	PY01CN7796	28-12-2016	Southern Trails India P Ltd	CCHMVOB/2016/PY/200	27-12-2021	01-04-2020	27-12-2021	5	48,000	2,40,000	2,40,000	Crossed	30-12-2019 10:48:00, 10/12/20 11:58 am
116	PY01CU2920	07-07-2008	Kalaiaarasu.K	CCHMVOB/PY/2015/1	01-01-2025	01-10-2022	31-03-2024	6	54,000	3,24,000	3,24,000	Not Crossed	
117	PY01AH6799	24-01-2007	Nelaveni.V	CCOB/00042/PY/2002	15-10-2022	01-01-2021	15-10-2022	7	45,000	3,15,000	3,15,000	Not Crossed	
118	PY01CN3999	26-09-2016	Venkateswaran M	CCHMVOB/2016/PY/117	25-09-2021	01-04-2020	25-09-2021	4	54,000	2,16,000	2,16,000	Crossed	12-03-2021 14:06
119	PY01CN7999	26-09-2016	Venkateswaran M	CCHMVOB/2016/PY/119	25-09-2021	01-04-2020	25-09-2021	4	54,000	2,16,000	2,16,000	Crossed	01-12-2019 12:38:00, 2/12/19 7:27 pm, 21/1/20 4:33 am, 27/1/20 7:14 pm, 31/1/20 3:51 pm, 31/3/21 8:16 pm, 23/10/21 12:31 am, 14/12/21 8:21 pm, 18/1/22 9:32 pm, 22/1/22 7:53 pm, 2/10/23 7:48 pm, 2/10/23 7:48 pm, 4/2/24 5:04 pm, 5/6/24 5:03 am, 19/1/25 11:14 am
120	PY01CN9399	26-09-2016	Venkateswaran M	CCHMVOB/2016/PY/120	25-09-2021	01-04-2020	25-09-2021	4	54,000	2,16,000	2,16,000	Not Crossed	
121	PY01CN5999	26-09-2016	Ivar Tours And Travels	CCHMVOB/2016/PY/121	25-09-2021	01-01-2021	25-09-2021	3	54,000	1,62,000	1,62,000	Not Crossed	
122	PY01AS9199	20-08-2008	Manimohan	CCHMVOB/2016/PY/40	17-03-2021	01-04-2020	17-03-2021	2	45,000	90,000	90,000	Crossed	26-08-2021 13:08:00, 27/12/24 10:34 pm

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123	PY01CB9997	02-11-2007	Manimohan	CCHMVOB/2016/PY/53	02-05-2021	01-04-2020	02-05-2021	2	45,000	90,000	90,000	Crossed	20-11-2020 17:58:00, 10/7/21 5:32 pm
124	PY01AK4999	02-07-2007	Karthik K	CCHMVOB/2016/PY/81	29-10-2020	01-10-2019	29-10-2020	2	64,800	1,29,600	1,29,600	Crossed	19-08-2022 17:29
125	PY01CF6099	03-01-2011	Lingan Travels	PY2020-CC-0070A	19-02-2025	01-10-2022	31-03-2024	6	45,000	2,70,000	2,70,000		
126	PY01CM9339	17-05-2016	Venkateswaran M	CCHMVOB/2016/PY/59	17-05-2021	01-04-2020	17-05-2021	3	45,000	1,35,000	1,35,000	Crossed	07-12-2019 15:05:00, 30/5/20 1:03 pm, 1/6/20 8:07 am, 27/6/20 7:37 pm, 30/6/21 4:21 pm, 5/7/21 4:41 pm, 15/7/21 8:57 am
127	PY01BJ5510	01-06-2005	Sasikumar	CCOB/00298/PY/1996	18-01-2021	01-10-2019	18-01-2021	3	51,600	1,54,800	1,54,800	Crossed	16-01-2021 07:19
128	PY01CM3399	13-06-2016	Venkateswaran M	CCHMVOB/2016/PY/78	12-06-2021	01-04-2020	12-06-2021	3	54,000	1,62,000	1,62,000	Crossed	03-10-2024 13:31
129	PY01CM3939	13-06-2016	Venkateswaran M	CCHMVOB/2016/PY/77	12-06-2021	01-04-2020	12-06-2021	3	54,000	1,62,000	1,62,000	Crossed	20-07-2020 11:06:00, 28/12/20 7:01 pm, 1/2/21 6:08 am
130	PY01BM2999	22-09-2011	M/S Parveen Travels Pvt Ltd	44/PY/2005	06-11-2020	01-04-2019	06-11-2020	5	39,600	1,98,000	1,98,000	Not Crossed	
131	PY01CM1599	24-05-2016	Venkateswaran M	CCHMVOB/2016/PY/62	24-05-2021	01-04-2020	24-05-2021	3	54,000	1,62,000	1,62,000	Crossed	30-10-2020 13:54:00, 21/4/23 9:42 am
132	PY01CM5199	24-05-2016	Venkateswaran M	CCHMVOB/2016/PY/61	24-05-2021	01-04-2020	24-05-2021	3	54,000	1,62,000	1,62,000	Not Crossed	
133	PY01CM1555	17-05-2016	Ram Vijay M V	CCHMVOB/2016/PY/58	17-05-2021	01-04-2020	17-05-2021	3	45,000	1,35,000	1,35,000	Crossed	29-11-2019 13:36:00, 26/1/23 7:51 pm
134	PY01CH4975	01-03-2007	Raj	CCHMVOB/2016/PY/43	28-05-2020	01-04-2019	28-05-2020	4	49,200	1,96,800	1,96,800	Not Crossed	
135	PY01BV3400	01-06-2007	K.Kumar	CCHMVOB/2016/PY/84	23-06-2021	01-01-2020	23-06-2021	4	36,000	1,44,000	1,44,000	Crossed	03-11-2020 15:37:00, 7/1/22 9:47 am, 8/3/23 10:24 am
136	PY01CB3799	07-03-2014	Ramesh G	11/PY/OB/2007	01-03-2022	01-01-2021	01-03-2022	5	45,000	2,25,000	2,25,000	Crossed	02-05-2023 03:43

Audit Report for the period ended March 2024

Sl. No.	Vehicle Number	Registration Date	Owner name	Permit Number	Validity of Permit	Tax Arrear from	Tax Arrear upto	Number of quarters	Quarterly tax amount	Total Tax Pending	Penalty	Whether crossed the toll	Date & Time
137	PY01CL6667	21-12-2015	Ivar Travels	CCHMVOB/PY/2015/98	17-12-2020	01-01-2020	17-12-2020	2	54,000	1,08,000	1,08,000	Crossed	18-12-2019 10:28:00, 18/12/19 2:26 pm, 25/6/22 3:23 pm
138	PY01CL6676	21-12-2015	Ivar Tours And Travels	CCHMVOB/PY/2015/99	17-12-2020	01-01-2020	17-12-2020	2	54,000	1,08,000	1,08,000	Not Crossed	
139	PY01BR6977	03-05-2012	Venkateswaran	7/PY/OB/2011	17-03-2021	01-04-2020	17-03-2021	2	54,000	1,08,000	1,08,000	Not Crossed	
140	PY01CP2048	04-05-2013	Venkateswari S	TVPHMY/2017/PY01/78	26-02-2022	01-01-2020	26-02-2022	7	54,000	3,78,000	3,78,000	Not Crossed	

Appendix 3.18

(Reference: Paragraph 3.8.2; Page 110)

Short collection of Stamp Duty and Registration Fees

Sl. No.	Sale deed/Year	Value of sale deed	Cancellation deed/Year	Value of current cancellation deed (₹)	SD due (₹)	SD collected (₹)	Difference (₹)
Sub-Registrar office/Oulgaret							
1	9702/2022	30,00,000	15450/2022	30,00,000	1,50,000	100	1,49,900
District Registrar office/Puducherry							
2	4205/2023	40,40,000	9069/2023	40,40,000	4,04,000	5,000	3,99,000
Sub-Registrar office/Villianur							
3	13665/2018	4,34,000	10777/2023	4,34,000	43,400	50	43,350
4	36761/2022	3,78,000	13773/2023	3,78,000	37,800	100	37,700
5	11897/2018	1,00,000	16350/2023	1,00,000	10,000	100	9,900
6	18415/2019	2,81,000	39192/2022	2,81,000	28,100	50	28,050
7	36128/2022	3,78,000	1566/2023	3,78,000	37,800	500	37,300
8	29906/2021	3,00,000	4430/2022	3,00,000	30,000	100	29,900
Sub-Registrar office/Mahe							
9	519/2013	6,20,000	10227/2019	6,20,000	31,000	100	30,900
Sub-Registrar office/Bahour							
10	13611/2023	2,50,000	14573/2023	2,50,000	12,500	100	12,400
11	16080/2022	1,60,000	17733/2022	1,60,000	16,000	100	15,900
12	20064/2022	1,25,000	20394/2022	1,25,000	12,500	100	12,400
13	20065/2022	1,25,000	20396/2022	1,25,000	12,500	100	12,400
14	1014/2010	3,00,000	3385/2018	5,16,000	25,800	100	25,700
Sub-Registrar office/Tirukkanur							
15	28784/2016	1,30,000	20717/2019	1,30,000	6,500	100	6,400
Total				1,08,37,000	8,57,900		8,51,200
Registration fees 0.5% on value							54,185
Grand Total							9,05,385

Note: Adopted 5% of guideline value, if woman purchaser

Appendix 3.19

(Reference: Paragraph 3.8.2; Page 110)

Short collection of Stamp Duty and Registration Fees due to cancellation of deeds treated as conveyance

Sl. No.	Settlement deed/Year	Cancellation deed/Year	Value of current cancellation deed (₹)	SD due (₹)	SD collected (₹)	Difference (₹)
Oulgaret						
1.	25817/2020	15986/2021	18,00,000	1,80,000	5,000	1,75,000
2.	25818/2020	15988/2021	9,01,000	90,100	5,000	85,100
3.	8998/2015	23660/2023	54,10,000	5,41,000	100	5,40,900
Villianur						
4.	7648/2015	13017/2022	5,52,000	55,200	5,000	50,200
Bahour						
5.	12312/2020	8812/2024	6,48,000	32,400	100	32,300
6	4885/2012	21150/2022	3,60,000	36,000	100	35,900
Total			96,71,000			9,19,400
Registration fees 0.5% on value						48,355
Grand Total						9,67,755

Appendix 3.20

(Reference: Paragraph 3.8.2; Page 110)

Stamp Duty and Registration Fees payable, treated as conveyance deed

Release Deed – District Registrar, Puducherry

Sl. No.	Release deed/Year	Cancellation deed/Year	Value of current cancellation deed (₹)	SD due (₹)	SD collected (₹)	Difference (₹)
1.	2354/2017	31952/2022	1,03,24,800	10,32,480	100	10,32,380
Registration fees 0.5% on value						51,624
Grand Total						10,84,004

Gift Deeds – Sub Registrar Office, Yanam

Sl. No.	Gift deed/Year	Cancellation deed/Year	Value of current cancellation deed (₹)	SD due (₹)	SD collected (₹)	Difference (₹)
1.	813/2006	11735/2019	28,86,765	2,88,677	30,500	2,58,177
2	814/2006	11736/2019	48,77,775	4,87,778	51,500	4,36,278
Total			77,64,540			6,94,455
Registration fees 0.5% on value						38,823
Grand Total						7,33,278

Appendix 3.21

(Reference: Paragraph 3.8.3; Page 111)

Details of women purchasers who sold properties to male members within the time limit of Registration

Sub-Registrar Office	Sale document in which concession was availed	Value of property as per sale deed (in ₹)	Concession amount (in ₹)	Subsequent sale document number	Name of the registrant	Name of the Male purchaser
Oulgaret	11871/2021	30,00,000	150,000	17628/2022	Kavitha	Palani
Oulgaret	11872/2021	30,00,000	150,000	17628/2022	Kavitha	Palani
Oulgaret	18998/2019	27,60,000	138,000	3529/2023	Dhivya	Ganesh and Santhosh Kumar
Bahour	28522/2021	20,20,000	101,000	14281/2023	Dhana lakshmi	V S K Venkatachalapathy
Neravy	3734/2017	6,15,000	30,750	487/2022	Jassima Yasmin	Shahul Hameed
Tirukkanur	19375/2015	3,50,000	17,500	14464/2017	Savithri	G Saravanan
Tirukkanur	21002/2015	1,50,000	7,500	12281/2018	Kamarnisha	Arul
Tirukkanur	8614/2020	8,30,000	41,500	27552/2021	Sampoornam	Shanmugadas
Tirukkanur	27004/2020	9,80,000	49,000	4095/2022	Vedanayaki	Thanikachalam
Tirukkanur	10446/2021	24,05,000	120,250	4754/2022	Visalam	Murugasamy
Tirukkanur	5699/2022	37,50,000	187,500	36951/2023	Nazeema	Sharavanan
Karaikal	1939/2018	1,74,000	8,700	15710/2021	Tharani	Ganapathy
Karaikal	27079/2016	9,75,000	48,750	23976/2021	Nazeera	Mohamed Thaha
Karaikal	34058/2022	3,50,000	17,500	19139/2023	Subathra	Sasikumar
Tirunallar	28182/2021	3,10,000	15,500	8326/2024	Kalaiselvi	Gnanaskandan and Vijayalakshmi
Total			10,83,450			

Appendix 4.1

(Reference: Paragraph 4.4; Page 114)

List of Union Territory Public Sector Enterprises under jurisdiction of Audit under the purview of CAG Audit during 2023-24

Agriculture	
1	Puducherry Agro Service & Industries Corporation Limited
2	Puducherry Agro Products, Food and Civil Supplies Corporation Limited
Finance	
3	Pondicherry Industrial Promotion Development and Investment Corporation Limited
4	Puducherry Adi-Dravidar and Scheduled Tribes Development Corporation Limited
5	Puducherry Corporation for the Development of Women and Differently Abled Persons Limited
6	Puducherry Backward classes and Minorities Development Corporation Limited
Manufacturing	
7	Puducherry Distilleries Limited
8	Swadeshee Bharathee Textile Mills Limited
9	Pondicherry Textiles Corporation Limited
Service	
10	Puducherry Tourism Development Corporation Limited
11	Puducherry Road Transport Corporation Limited
Power	
12	Puducherry Power Corporation Limited

Appendix 4.2

(Reference: Paragraph 4.9.2; Page 120)

Details of UTPSEs whose net worth has eroded as per their latest finalised accounts received upto 31 December 2024

(₹ in crore)

Sl. No.	Name of PSUs	Latest year of finalised accounts	Total paid up capital	Net profit/Loss after interest, tax and dividend	Accumulated Losses	Net Worth	Period since when Net worth remained Negative	State Government Equity as on 31 March 2024	State Government Loans as on 31 March 2024
1	Puducherry Agro Service & Industries Corporation Limited	2012-13	15.00	(-) 1.28	38.26	(-) 23.26	2010-11	15.00	0.00
2	Puducherry Agro Products, Food and Civil Supplies Corporation Limited	2013-14	9.93	(-) 7.23	27.12	(-) 17.19	2011-12	9.88	0.00
3	Puducherry Adi-dravidar and Scheduled Tribes Development Corporation Limited	2020-21	14.86	(-) 1.22	26.48	(-) 11.62	2017-18	13.18	2.96
4	Pondicherry Textiles Corporation	2015-16	367.35	(-) 27.31	573.70	(-) 206.35	2015-16	367.35	3.47
5	Swadeshee Bharatheer Textile Mills Limited	2014-15	33.71	22.19	54.90	(-) 21.19	2009-10	33.71	0.00
6	Puducherry Tourism Development Corporation Limited	2022-23	17.59	(-) 0.02	34.54	(-) 16.95	2012-13	17.59	0.00
7	Puducherry Road Transport Corporation Limited	2020-21	34.78	(-) 7.17	71.53	(-) 36.75	2013-14	34.78	2.72
8	Puducherry Corporation for Development for Women and Differently abled persons Limited	2022-23	3.82	(-) 2.44	10.14	(-) 6.32	2022-23	3.82	0.00

Appendix 4.3

(Reference: Paragraph 4.11.2; Page 121)

Details of UTPSEs whose accounts are in arrears

Sl. No.	Name of the PSU	Latest Accounts finalised	Accounts pending from the year	No. of Years
1	Puducherry Agro Service & Industries Corporation Limited	2012-13	2013-14	11
2	Puducherry Agro Products, Food and Civil Supplies Corporation Limited	2013-14	2014-15	10
3	Swadeshee Bharatee Textile Mills Limited	2014-15	2015-16	9
4	Puducherry Textiles Corporation Limited	2015-16	2016-17	8
5	Puducherry Backward classes and Minorities Development Corporation Limited	2015-16	2016-17	8
6	Puducherry Distilleries Limited	2020-21	2021-22	3
7	Puducherry Adi-Dravidar and Scheduled Tribes Development Corporation Limited	2020-21	2021-22	3
8	Puducherry Industrial Promotion Development and Investment Corporation Limited	2020-21	2021-22	3
9	Puducherry Road Transport Corporation Limited	2020-21	2021-22	3
10	Puducherry Power Corporation Limited	2021-22	2022-23	2
11	Puducherry Tourism Development Corporation Limited.	2022-23	2023-24	1
12	Puducherry Corporation for Development for Women and Differently abled persons Limited	2022-23	2023-24	1
	Total			62

Glossary of abbreviations

Abbreviations	Full form
AAP	Annual Action Plan
ADP	Annual Development Plan
ADW&STW	Adi-Dravidar Welfare and Scheduled Tribes Welfare
AGM	Annual General Meeting
BRCs	Block Resource Centres
CAG	Comptroller and Auditor General of India
CAG's DPC Act	CAG's (Duties, Powers and Conditions of Service) Act
CBIC	Central Board of Indirect Taxes and Customs.
CGST	Central Goods and Services Tax
CP	Commune Panchayats
CPHEEO	Central Public Health and Environmental Engineering Organisation
CPWD	Central Public Works Department
CTD	Commercial Taxes Department
CTO	Commercial Tax Officer
DAT	Directorate of Accounts and Treasuries
DHTE	Director of Higher and Technical Education
DoT	Director of Tourism
DPR	Detailed Project Report
DQM	District Quality Monitoring Cell
DRC	Dispute Redressal Committee
EBIT	Earnings before interest and taxes
EC	Executive Committee
EE	Executive Engineer
EWB	E-Way Bill
FHTC	Functional Household Tap Connection

Abbreviations	Full form
FTKs	Field Test Kits
GGHSS	Government Girls Higher Secondary School
GoI	Government of India
GoP	Government of Puducherry
GPs	Gram Panchayats
GRS	Gram Rozgar Sahayaks
GSDP	Gross State Domestic Product
GST	Goods and Services Tax
GSTN	Goods and Services Tax Network
HHs	Households
HRD	Human Resource Development
HUDCO	Housing and Urban Development Corporation
ICAI	Institute of Chartered Accountants of India
ICR	Interest coverage ratio
IEC	Information, Education and Communication
IGCAS	Indira Gandhi College of Arts and Science
IGST	Integrated Goods and Services Tax
IRs	Inspection Reports
IS Act	Indian Stamp Act
ITC	Input Tax Credit
JJM	Jal Jeevan Mission
JPV	Joint Physical Verification
LAD	Local Administration Department
LB	Labour Budget
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MIS	Management Information System

Abbreviations	Full form
MoRD	Ministry of Rural Development
MORTH	Ministry of Road Transport and Highways
MoT	Ministry of Tourism
NCLT	National Company Law Tribunal
NHAI	National Highways Authority of India
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NRDWP	National Rural Drinking Water Programme
NREGA	National Rural Employment Guarantee Act
O&M	Operation and Maintenance
OBC	Other Backward Class
OHTs	Overhead Tanks
PAC	Public Accounts Committee
PCR	Project Completion Report
PDs	Person Days
PGST	Puducherry Goods and Services Tax
PO	Programme Officer
PPA	Puducherry Planning Authority
PTU	Puducherry Technological University
PWD	Public Works Department
RD	Revenue Department
RoCE	Return on Capital Employed
RoE	Return on Equity
RTO	Regional Transport Office
RUSA	Rashtriya Uchchatar Shiksha Abhiyan
SAP	State Action Plan

Abbreviations	Full form
SBM-G	Swachh Bharat Mission - Grameen
SCs	Scheduled Castes
SDS	Swadesh Darshan Scheme
SEGC	State Employment Guarantee Council
SEGF	State Employment Guarantee Fund
SGST	State Goods and Services Tax
SNA	Single Nodal Agency
SoP	Standard Operating Procedure
SoRs	Schedule of Rates
SSCA	Subject Specific Compliance Audits
SSIM	Structural Similarity Index
STs	Scheduled Tribes
SWD	Social Welfare Department
SWSM	State Water and Sanitary Mission
TDS	Total Dissolved Solids
TWAD Board	Tamil Nadu Water Supply and Drainage Board
UCs	Utilisation Certificates
UT	Union Territory
UTP	Union Territory of Puducherry
UTPSEs	Union Territory Public Sector Enterprises
VAP	Village Action Plan
VWSC	Village Water and Sanitation Committee
WQMS	Water Quality Management System

