



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थं सत्यनिष्ठा  
Dedicated to Truth in Public Interest

**Report of the  
Comptroller and Auditor General of India  
for the year ended 31 March 2022**

**Government of National Capital Territory of Delhi  
Report No. 5 of 2024**



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## Preface

This Report contains two parts.

**Chapter-I** of this Report relates to the audit of Revenue Sector Departments of the Government. The audit of receipts is conducted under Section 16 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. This portion of the Report has been prepared for submission to the Lieutenant Governor of the National Capital Territory (NCT) of Delhi under Section 48 of the Government of National Capital Territory of Delhi Act, 1991 for being laid before the Legislative Assembly of the National Capital Territory of Delhi.

**Chapter-II** of this Report relates to the audit of the Departments of the Government of National Capital Territory of Delhi under Social, General and Economic Sectors and Public Sector Undertakings. This portion of the Report has been prepared for submission to the Lieutenant Governor of the National Capital Territory of Delhi under Section 48 of the Government of National Capital Territory of Delhi Act, 1991 for being laid before the Legislative Assembly of the NCT of Delhi.

The instances mentioned in this Report are those which came to notice in the course of test audit for the years 2021-22 as well as those which had come to notice in earlier years, but could not be incorporated in previous Reports. Matters relating to the period subsequent to 2021-22 have also been included, wherever necessary.

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



# Overview



## OVERVIEW

This Report comprises two chapters containing audit findings pertaining to Revenue, Economic, Social and General Sectors and Public Sector Undertakings (PSUs). Chapter I relating to Revenue Sector contains three compliance audit paragraphs involving ₹ 1,873.28 crore. Chapter II relating to Social, General and Economic Sectors contains one Performance Audit and eight compliance audit paragraphs involving ₹ 327.36 crore. Some of the major findings detailed in the Report are summarised below.

### Chapter I: Revenue Sector

#### Introduction

The total revenue receipts of the Government of National Capital Territory of Delhi (GNCTD) for the year 2021-22 were ₹ 49,312.98 crore as compared to ₹ 41,863.60 crore in the year 2020-21. Out of this, 83 *per cent* in 2021-22 was raised through tax revenue ₹ 40,018.68 crore and non-tax revenue ₹ 826.99 crore. The balance 17 *per cent* was received from the Government of India as Grants-in-Aid (₹ 8,467.31 crore).

*(Paragraph 1.1.1)/Page-1*

Test-check of the records of 14 units relating to Goods and Services Tax, Value Added Tax, Stamp Duty and Registration Fees, Motor Vehicles Tax and State Excise conducted during the year 2021-22 revealed non/short levy of tax/fees and other irregularities involving ₹ 1,930.11 crore in 93 cases. The concerned Departments accepted underassessment and other deficiencies of ₹ 95.62 crore.

*(Paragraph 1.1.6)/Page-8*

#### Compliance Audit Paragraphs

##### Department of Excise

**Short levy of license fee amounting to ₹ 43.41 lakh for grant of L1 License -**  
The license fee of ₹ 56.00 lakh instead of ₹ 99.41 lakh for the registered brands of Wine/Liqueur/Alcopop/ Mixed Alcoholic Beverages was levied on M/s Bacardi India Pvt. Ltd. resulting into short levy of license fee amounting to ₹ 43.41 lakh.

*(Paragraph 1.2)/Page-10*

##### Department of Trade and Taxes

#### Department's Oversight on GST Payments and Returns Filing

Compliance Audit on Department's Oversight on GST Payments and Return Filing was conducted predominantly based on data analysis, which highlighted risk areas, red flags and rule-based deviations and logical inconsistencies in GST returns filed for 2017-18. Audit entailed assessing the oversight functions of Department at two levels – at the data level through global data queries and

at the functional level with a deeper detailed audit both of the Wards and of the GST returns, which involved assessing taxpayer records.

The Department did not formulate a Manual/Standard Operating Procedure (SOP) for scrutiny of returns by the Proper Officers under Section 61 of the Act during the period from July 2017 to March 2021. The Department issued SOP for scrutiny of returns for the financial years 2017-18 and 2018-19 in April 2022. The Department had not initiated timely action on late-filers and non-filers of return, there was inadequate follow up on non-filing of GSTR 10. There was lack of action on reports given by Business Intelligence Unit/MIS reports.

Out of the 308 high value cases selected for Audit, the Department responded in 267 cases. Of these, 85 cases had compliance deficiencies with revenue implication of ₹ 1,702.53 crore. A relatively higher rate of deficiencies were noticed in unsettled liabilities, Input Tax Credit (ITC) mismatch, short/non-payment of interest, excess Reverse Charge Mechanism (RCM) ITC availed, mismatch in turnover declared etc.

There were 97 compliance deficiencies with a revenue implication of ₹ 163.82 crore in 47 cases. Out of these, the Department reported ITC reversal of ₹ 92.25 crore in one case and recovery of ₹ 0.16 crore in two cases. The main causative factors were availing of excess ITC due to mismatch in returns, non-payment of interest, non-reversal of ITC shown reversed in annual return (GSTR-9), non-reversal of ITC as per Section 17(2) of DGST Act 2017 read with Rule 42 of DGST Rules, 2017, wrong apportionment of credit, short discharge of Tax liability, incorrect discharge of tax under RCM etc.

*(Paragraph 1.3)/Page-11*

**Irregular claim of Input Tax Credit** - The Assessing Authorities failed to verify the tax deposited by the selling dealers during assessment resulting in short levy of tax of ₹ 2.34 crore. In addition, interest of ₹ 1.82 crore and penalty of ₹ 2.34 crore were also leviable.

*(Paragraph 1.4)/Page-46*

## **Chapter II: Economic, Social and General Sectors and PSUs**

### **Introduction**

During the year 2021-22, the office of the Principal Accountant General (Audit), Delhi conducted the compliance audit of 105 units out of total 769 auditable units under 48 Departments of Government of NCT of Delhi. Chapter-II of this Report contains one Performance Audit on Public Health Infrastructure and Management of Health Services – Primary Healthcare, Compliance Audits on Advertisement and Publicity expenditure of the Government of National Capital Territory of Delhi and Ladli Scheme implemented by Government of National

Capital Territory of Delhi and six compliance audit paragraphs pertaining to seven Departments.

## Performance Audit

### Department of Health and Family Welfare

#### Public Health Infrastructure and Management of Health Services – Primary Healthcare

A performance audit on Primary Health Care provided by the Government of NCT of Delhi covering the period from 2016-17 to 2021-22 was conducted for assessing whether the schemes and programmes were adequately planned and implemented effectively and efficiently. Major Audit findings are as under:

Directorate General Health Service (DGHS) failed to plan its activities to utilize the allocated amount for construction of Primary Health Centers as it could spend only ₹ 9.78 crore (28 *per cent*) vis-à-vis budget of ₹ 35.16 crore under Capital Head. There was an overall savings ranging from 31.44 *per cent* (2022-23) to 86.36 *per cent* (2018-19) in the Aam Aadmi Mohalla Clinic (AAMC) project which indicates that planning and implementation of the project was deficient.

*(Paragraph 2.2.5)/Page-56*

Against a target of 1000 AAMCs by 31 March 2017, Department could set up only 523 AAMCs (31 March, 2023), including 31 Evening shift AAMCs. Only 38 AAMCs were set up after 31 March 2020. Audit noted that 41 out of 218 AAMCs in the selected four districts remained closed for a period ranging from 15 days to 23 months due to de-empanelment, resignation, leave etc. of doctors. Out of the 74 selected AAMCs, ten AAMCs were lacking drinking water facility, 21 were lacking toilet facilities, 12 were not disable friendly and 31 were lacking sufficient space for storage of drugs. Besides, AAMCs were lacking basic medical equipment and tools such as Pulse oximeters, glucometers, X-ray viewers, thermometers, BP apparatus etc. Further, joint physical inspection of 74 AAMCs (out of 81 selected) revealed that, in 39 AAMCs (53 *per cent*), less than 75 *per cent* of essential drugs were available. It was also observed that 70 *per cent* of the patients who visited AAMCs during the period from October 2022 to March 2023 received less than one minute of consultation. Inspections of AAMCs were almost non-existent with only 175 inspections of 218 AAMCs of selected districts conducted against a requirement of 11,191 inspections from March 2018 to March 2023.

*(Paragraph 2.2.5.2)/Page-58*

There were shortages of Doctors, Public Health Nursing Officer (PHNO)/Auxiliary Nurse Mid-wife (ANM) and Pharmacists in the Mobile Health Scheme (MHS) and School Health Scheme (SHS). 76 out of 100 medicines in the Essential Drug List (EDL) in MHS were not available in

the Central Stores. As a result the MHS was functioning without essential medicines. During 2016-20, out of 17 lakh (approx.) school children, only 2.81 lakh to 3.51 lakh school children were covered under School Health Scheme.

***(Paragraphs 2.2.6 and 2.2.7)/Page- 68 and 71***

The objective to reduce the OPD load in Government hospitals by setting up of Polyclinics through upgrading existing Dispensaries as Secondary health provider could not be achieved. Only 28 Polyclinics were functional out of 150 polyclinics planned by the end of year 2018-19. There was also shortage of Doctors (23 *per cent*), Nursing staff (16 *per cent*) and Paramedics (37 *per cent*) in Allopathic Dispensaries (March 2023). Disproportionate deployment of doctors within the district was also noticed.

***(Paragraph 2.2.8)/Page- 75***

There was lack of space for storing of medicines in all the selected District Drug Stores (DDS). DDS, South was located in the basement without provision for proper ventilation or air conditioning required for maintaining appropriate temperature. Medicine boxes were kept on floor/toilet premises and staircase. 26 essential medicines of AAMC were not available for periods ranging from one to 16 months in the North East District drug store during January 2022 to April 2023. Similarly, 10 to 37 *per cent* essential medicines of Dispensaries were not available in the selected District Stores during the period from 2016-17 to 2022-23.

***(Paragraphs 2.2.5.2(v) and 2.2.9)/Page- 64 and 78***

There was shortage of space, ramp/lift, waiting area, drinking water etc. in the Ayush dispensaries. 67 *per cent* of Ayurvedic dispensaries, 72 *per cent* of Unani dispensaries and 14 *per cent* of Homoeopathic dispensaries did not function all six days a week due to shortage of doctors and other paramedical staff. Number of OPD patients decreased by 19 *per cent* from 34.72 lakh in 2016-17 to 28.13 lakh in 2022-23.

***(Paragraph 2.2.10)/Page- 80***

During 2018-20 (till December 2019), most of the Ayurvedic and Unani medicines remained out of stock due to incorrect purchase policy adopted by the Directorate. Only 17 out of 104 Unani essential drugs and three out of 110 Ayurvedic essential drugs were available throughout the entire period from 2018 to 2023. During Joint Physical Inspection, it was noticed that an average of 42 *per cent* of Ayurveda medicines and 56 *per cent* of Unani medicines were not available in the selected 27 Dispensaries.

***(Paragraphs 2.2.5.2(v) and 2.2.10)/Page- 64 and 80***

GNCT of Delhi has not implemented the Ayushman Bharat Scheme in Delhi and hence it could not avail the funds for upgradation of dispensaries into AYUSH Health Wellness Centres. GNCTD has not created the post of Yoga

Instructor in its dispensaries and none of the Ayush Dispensaries were providing Yoga and Naturopathy services.

*(Paragraph 2.2.10.4)/Page-83*

## **Compliance Audit Paragraphs**

### **Department of Health and Family Welfare**

**Lackadaisical approach of the Guru Teg Bahadur Hospital leading to avoidable payment of ₹ 70.21 lakh** - Non-adherence of Delegation of Financial Power Rules, 2008 before award of work led to cancellation of contract and avoidable payment of ₹ 70.21 lakh to the contractor for breach of contract.

*(Paragraph 2.3)/Page-90*

### **Directorate of Information and Publicity**

#### **Advertisement and Publicity expenditure of the Government of National Capital Territory of Delhi –**

Compliance audit on ‘Advertisement and Publicity expenditure of the Government of National Capital Territory of Delhi’ was conducted to assess economy, efficiency and effectiveness in expenditure incurred on publicizing the policies, programs and activities of the GNCTD and adherence to the principles approved by Hon’ble Supreme court on content regulation.

During the period 2018-22, there was an exponential increase in advertisement and publicity expenditure of GNCTD by more than 12 times from ₹ 46.90 crore in 2018-19 to ₹ 612.81 crore in 2021-22. Test check of records revealed that Directorate of Information and Publicity (DIP), GNCTD released advertisement campaigns in violation of guidelines of Hon’ble Supreme Court of India on content regulation of Government advertising and General Financial Rules as these were found to be unverifiable and unjustified.

*(Paragraph 2.4.1 and 2.4.2)/Page-94 and 103*

The budget control was weak as liability was incurred without availability of budget. During 2019-20 to 2021-22, rush of expenditure was noticed in the month of March which ranged from 25.60 *per cent* (2021-22) to 51.88 *per cent* (2019-20). Mechanism to address complaints received against Government advertising of GNCTD was either deficient or non-existent.

*(Paragraph 2.4.1.1)/Page-96*

The monitoring mechanism for evaluation of works done by agencies engaged from private sector for Public Relations, Social and Digital media management and Live-streaming of press conferences and events of GNCTD was lax. Payments were released to agencies, despite agencies not adhering to RFP conditions.

*(Paragraph 2.4.1.2)/Page-99*

Audit observed that in 19 cases, print advertisements were released outside NCT of Delhi and were not for informing the populace of NCT Delhi about Government schemes and initiatives and hence were in violation of Hon'ble SC guidelines. DIP incurred liability of ₹ 77.91 crore (payment made: ₹ 57.81 crore) for print advertisements released outside NCT of Delhi during July 2020 to March 2022.

(Paragraph 2.4.6)/Page-112

### Public Works Department

#### Irregularities in works of Providing Additional Accommodation at 6 Flag Staff Road and in Addition and Alteration in the Camp Office and Staff Block

In the work of Additions/alterations to the residence of the Chief Minister (CM) at 6 Flag Staff Road, the Public Works Department (PWD) prepared preliminary estimates (PE) of ₹ 7.91 crore by adopting the Plinth Area Rates, published by Central Public Works Department for Type VII and VIII accommodation/Bungalows. The work was declared urgent by the PWD. The said work although awarded at ₹ 8.62 crore being 13.21 *per cent* above the estimated cost, was finally completed at ₹ 33.66 crore being 342.31 *per cent* above the estimated cost.

Audit noted that in respect of award of the consultancy work, PWD did not make available to Audit the basis for selecting three consultancy firms for restricted bidding. Besides, while working out the justification cost, PWD adopted one year old rates of consultancy work and enhanced it by 50 *per cent*.

During the execution of work, PWD again resorted to restricted tendering and selected five contractors for bidding on the basis of their financial status, resourcefulness and experience in executing similar works in VIP areas. Audit however observed that only one contractor, to whom the work was awarded, had the requisite experience indicating that the selection for bidders for restricted tendering was arbitrary.

Audit observed that during execution, PWD increased the built up area from 1,397 sq.m to 1,905 sq.m (36 *per cent*) and also altered the applicable specifications of the work by executing several items of superior specifications, artistic and antique items, ornamental works (both Civil and Electrical/Services). For covering the cost, PWD had to revise the PEs four times. Besides, PWD also did not explore the possibility of tendering for additional AA&ES and works amounting ₹ 25.80 crore (2nd to 5th PE) were got executed by the existing contractor. Audit noted that ₹ 18.88 crore was incurred by PWD in execution of items of superior specification, artistic, antique and ornamental items which were executed by PWD as extra items. Moreover, AA&ES for 5th PE amounting to ₹ 9.34 crore was issued more than two months after completion of the work, thus creating a liability without any approval.

The second work of additions/alterations in Staff Block/Camp Office, was awarded at ₹ 16.54 crore against the estimated cost of ₹ 18.37 crore. The said work was also awarded through restricted tendering. The reasons for resorting to restricted tendering could not be ascertained as the related records were not made available to Audit.

Audit noted that, out of ₹ 19.87 crore sanctioned for construction of Staff Block and Camp Office, funds were diverted for other works. Besides, the Staff Block was not constructed and out of the funds, seven servant quarters were constructed at another location not related to the original work. Besides, the nature of Camp Office was altered from Permanent to Semi-Permanent Structure (SPS) rendering the AA&ES and the estimates totally unrelated to the actual work executed. Ultimately, only raw structure of the Camp Office was completed as the funds for the same were exhausted and foreclosure of the work was initiated by PWD in June 2023.

*(Paragraph 2.5)/Page-122*

**Unfruitful expenditure of ₹ 1.47 crore** - Failure of the Department to ensure hindrance free site before awarding of work led to foreclosing of the work of construction of drainage system of Main Burari Road rendering an expenditure of ₹ 1.47 crore on the work unfruitful.

*(Paragraph 2.6)/Page-141*

### Department of Revenue

**Unfruitful expenditure of ₹ 1.81 crore due to failure to convert vehicles for quick response** - DDMA/Department did not install the necessary equipment in procured vehicles nor carried out any fabrication work, which was a pre-condition to convert them into Quick Response Vehicles (QRVs), even after a lapse of 25 to 42 months of purchase resulting in unfruitful expenditure of ₹ 1.81 crore.

*(Paragraph 2.7)/Page-142*

**Blockade of funds of ₹ 2.38 crore on purchase and installation of nine V-SAT terminals** - Failure of the department in ensuring timely procurement and installation of nine V-SAT terminals resulted in blockade of funds amounting to ₹ 2.38 crore.

*(Paragraph 2.8)/Page-143*

### Department of Social Welfare

**Delay in construction of Old Age Homes** - Failure of the Department of Social Welfare (DSW) in constructing much needed Old Age Homes at three locations even after a lapse of seven to eight years of possession of the land, deprived the destitute, old and infirm persons of Delhi who are in the age group of 60 years of the much required social support, besides infructuous expenditure of ₹ 2.92 crore.

*(Paragraph 2.9)/Page-144*

## Urban Development Department

### Delhi Jal Board

**Excess payment of ₹ 2.65 crore due to non-payment of property tax in time**  
Indecisiveness of the department to pay property tax in time resulted in failure to avail benefit of 15 *per cent* rebate of ₹ 2.59 crore on property tax besides avoidable payment of interest of ₹ 5.41 lakh for the delay in payment.

*(Paragraph 2.10)/Page-146*

## Department of Women and Child Development

### Ladli Scheme implemented by GNCTD

Compliance audit of 'Ladli Scheme implemented by GNCTD' was conducted to assess whether scheme was implemented in accordance with Delhi Ladli Rules framed by GNCTD, funds were adequate and utilized in efficient manner and adequate monitoring existed for effective operation and management of the scheme

During the period 2018-22, Department of Women and Child Development (DWCD) did not conduct any survey or prepared any data of intended beneficiaries nor fixed any annual financial or physical targets for covering beneficiaries under the Ladli Scheme. No advertisement campaign or publicity activities for promoting awareness of Ladli Scheme was conducted by DWCD.

*(Paragraph 2.11.2)/Page-149*

Enrolment of new beneficiaries had decreased by 69 *per cent* from a peak of 1,39,773 in 2009-10 to 43,415 in 2020-21 during the period 2008-09 to 2020-21 whereas enrolment of girl child at birth decreased from 23,871 in 2009-10 to 3,153 in 2020-21.

*(Paragraph 2.11.4)/Page-154*

DWCD fixed timelines (2022) for registration, renewal and payment of maturity amount to the beneficiaries after a delay of 14 years after inception (2008) of the Scheme.

*(Paragraph 2.11.2.3)/Page-150*

Despite introduction of online mode for submission of Application, District level offices/DWCD were not using the facility for processing and sanctioning of financial assistance to the beneficiaries.

*(Paragraph 2.11.2.4)/Page-152*

16,546 duplicate and 131 triplicate Registrations with same Name, Father's name, Mother's name and Date of Birth were noticed in the scheme database which resulted in excess payment of ₹ 11.49 crore to State Bank Life Insurance Company Limited.

*(Paragraph 2.11.4.2)/Page-155*

78,065 beneficiaries had attained 18 years at the time of enrolment in the scheme, due to which ₹ 180.92 crore (including interest) were lying in the accounts of these beneficiaries.

***(Paragraph 2.11.4.3)/Page-156***

Further, fund amounting to ₹ 618.38 crore of 3,20,272 beneficiaries was lying unspent/unused with SBIL (31st December 2022) where the beneficiaries had attained the maturity age.

***(Paragraph 2.11.5.3)/Page-162***



**Chapter I**  
**Revenue Sector**



## Chapter-I

### Revenue Sector

#### 1.1 Introduction

##### 1.1.1 Trend of revenue receipts

The Tax and Non-Tax Revenue raised by the Government of National Capital Territory of Delhi (GNCTD) during the year 2021-22, Grants-in-Aid received from the Government of India (GoI) during the year and the corresponding figures for the preceding four years are depicted in **Table-1.1.1**.

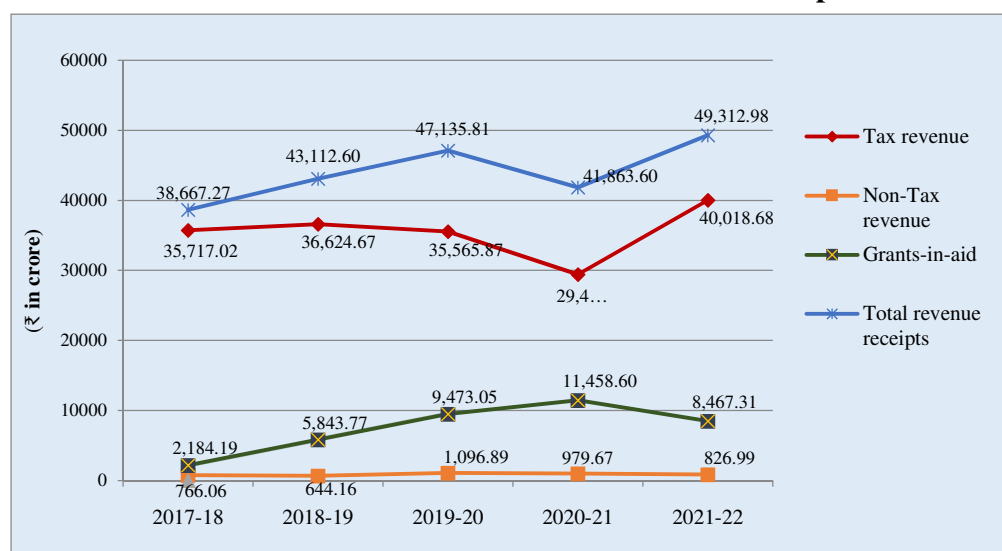
**Table-1.1.1: Trend of revenue receipts**

(₹ in crore)						
Sl. No.	Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
<b>1</b>	<b>Revenue raised by GNCTD</b>					
	Tax revenue	35,717.02	36,624.67	36,565.87	29,425.33	40,018.68
	Non-tax revenue	766.06	644.16	1,096.89	979.67	826.99
	<b>Total</b>	<b>36,483.08</b>	<b>37,268.83</b>	<b>37,662.76</b>	<b>30,405.00</b>	<b>40,845.67</b>
<b>2</b>	<b>Receipts from the Government of India</b>					
	Grants-in-aid	2,184.19	5,843.77	9,473.05	11,458.60	8,467.31
<b>3</b>	<b>Total revenue receipts of the GNCTD (1 and 2)</b>	<b>38,667.27</b>	<b>43,112.60</b>	<b>47,135.81</b>	<b>41,863.60</b>	<b>49,312.98</b>
<b>4</b>	<b>Percentage of 1 to 3</b>	<b>94</b>	<b>86</b>	<b>80</b>	<b>73</b>	<b>83</b>

Source: Finance Accounts of GNCTD

The year-wise trend in Revenue Receipts during 2017-18 to 2021-22 is depicted in **Chart-1.1.1**.

**Chart-1.1.1: Year-wise trend in Revenue Receipts**



Revenue Receipts increased by 27.53 per cent from ₹ 38,667 crore in 2017-18 to ₹ 49,313 crore in 2021-22 at an average annual growth rate of eight per cent

out of which GNCTD's Revenue Receipts (Tax and Non-Tax) increased by ₹ 10,440.67 crore (34.34 per cent) in 2021-22 in comparison to the previous year.

During 2021-22, Revenue Receipts increased by 17.79 per cent over the previous year, mainly due to increase in Own Tax Revenue by ₹ 10,594 crore (36 per cent).

The share of GNCTD's Tax Revenue Receipts to total Revenue Receipts decreased from 92.37 per cent in 2017-18 to 81.15 per cent in 2021-22. During 2017-18, about 94.35 per cent of Revenue Receipts came from GNCTD's own resources while Grants-in-Aid contributed 5.65 per cent. In the year 2021-22, about 82.83 per cent of Revenue Receipts came from GNCTD's own resources while Grants-in-Aid contributed 17.17 per cent.

• **Analysis of Tax revenue**

The details of Tax Revenue raised during the period 2017-18 to 2021-22 are given in **Table-1.1.2**.

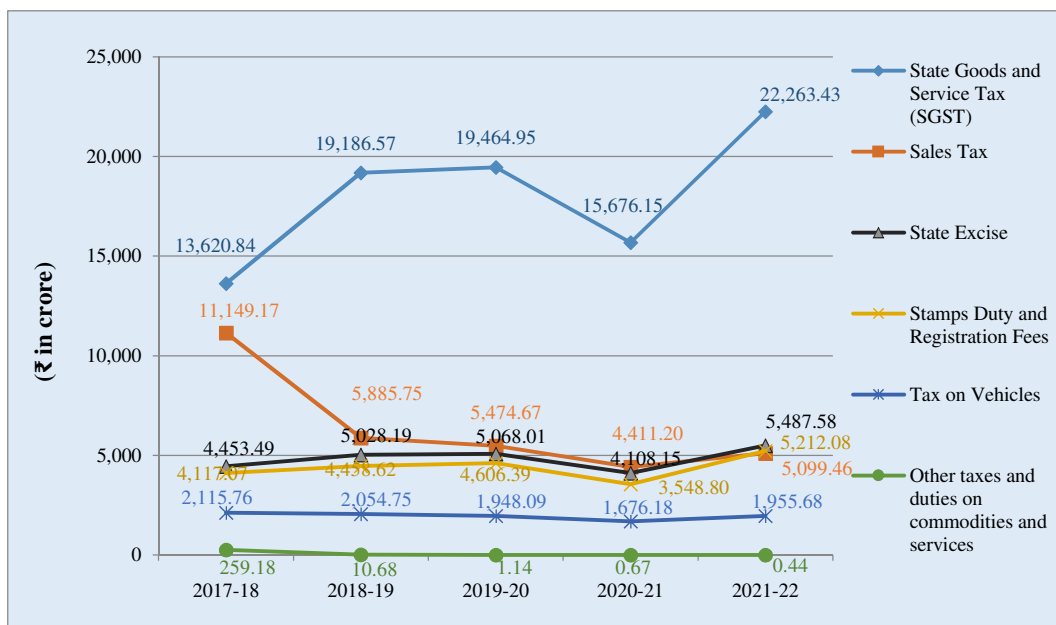
**Table-1.1.2: Details of Tax Revenue raised**

(₹ in crore)							
Sl. No.	Head of revenue	2017-18 (percentage of total tax revenue)	2018-19 (percentage of total tax revenue)	2019-20 (percentage of total tax revenue)	2020-21 (percentage of total tax revenue)	2021-22 (percentage of total tax revenue)	Percentage of increase (+) or decrease (-) in actual of 2021-22 over 2020-21
1	State Goods and Service Tax (SGST)	13,620.84 (38.14)	19,186.57 (52.39)	19,464.95 (53.23)	15,676.15 (53.27)	22,263.43 (55.63)	42.02
2	Sales Tax	11,149.17 (31.22)	5,885.75 (16.07)	5,474.67 (14.97)	4,411.20 (14.99)	5,099.46 (12.74)	15.60
3	State Excise	4,453.49 (12.47)	5,028.19 (13.73)	5,068.01 (13.86)	4,108.15 (13.96)	5,487.58 (13.71)	33.58
4	Stamps and Registration Fees	4,117.07 (11.53)	4,458.62 (12.17)	4,606.39 (12.60)	3,548.80 (12.06)	5,212.08 (13.02)	46.87
5	Tax on Vehicles	2,115.76 (5.92)	2,054.75 (5.61)	1,948.09 (5.33)	1,676.18 (5.70)	1,955.68 (4.89)	16.67
6	Other taxes and duties on commodities and services	259.18 (0.73)	10.68 (0.03)	1.14 (0.003)	0.67 (0.002)	0.44 (0.001)	-34.33
7	Land Revenue	1.51 (0.004)	0.11 (0.0003)	2.62 (0.007)	4.18 (0.014)	0.01 (0.00002)	-99.76
<b>Total Tax Revenue</b>		<b>35,717.02</b>	<b>36,624.67</b>	<b>36,565.87</b>	<b>29,425.33</b>	<b>40,018.68</b>	

Source: Finance Accounts of GNCTD

Year-wise trend of various Tax Revenues is depicted in **Chart-1.1.2**.

**Chart-1.1.2: Year-wise trend of Tax Revenues**



The major contribution to Revenue Receipts was from State Goods and Service Tax (SGST) which increased by ₹ 6,587.28 crore (42.02 per cent) in 2021-22 over the previous year. The actual receipts for the year 2021-22 under the heads ‘State Excise’, ‘Stamps and Registration Fees’ and ‘Tax on Vehicles’ increased by ₹ 1,379.43 crore (33.58 per cent), ₹ 1,663.28 crore (46.87 per cent) and ₹ 279.50 crore (16.67 per cent) respectively while receipts under the heads ‘Land Revenue’ decreased by ₹ 4.17 crore (99.76 per cent) over the previous year. After subsuming of Betting, Luxury and Entertainment Tax in GST, tax receipts under the head ‘Other taxes and duties on commodities and services’ reduced to ₹ 0.44 crore in 2021-22 from ₹ 259.18 crore in 2017-18.

The respective Departments reported the following reasons for variation during the year 2021-22:

#### **SGST/ Sales Tax**

The Department stated that the revenue has increased as most of the restrictions imposed due to the Covid-19 pandemic were lifted.

#### **State Excise**

The Department stated that collection of revenue during the year 2021-22 increased significantly (33.58 per cent) over the previous year primarily due to lifting of restrictions on account of Covid-19 pandemic.

#### **Tax on Vehicles**

The Department stated that increase in revenue collection was primarily due to increase in registration of new vehicles in Delhi.

## Land Revenue

Land and Building Department is not a regular collector of land revenue. However, as per the directions of Hon'ble Court, this Department receives money on account of land revenue.

## Stamp Duty and Registration Fees

The Department did not furnish the reasons for increase/decrease of revenue.

### • Analysis of Non-tax revenue:

The details of Non-Tax Revenue raised during the period 2017-18 to 2021-22 are indicated in **Table-1.1.3**.

**Table-1.1.3: Details of Non-tax Revenue raised**

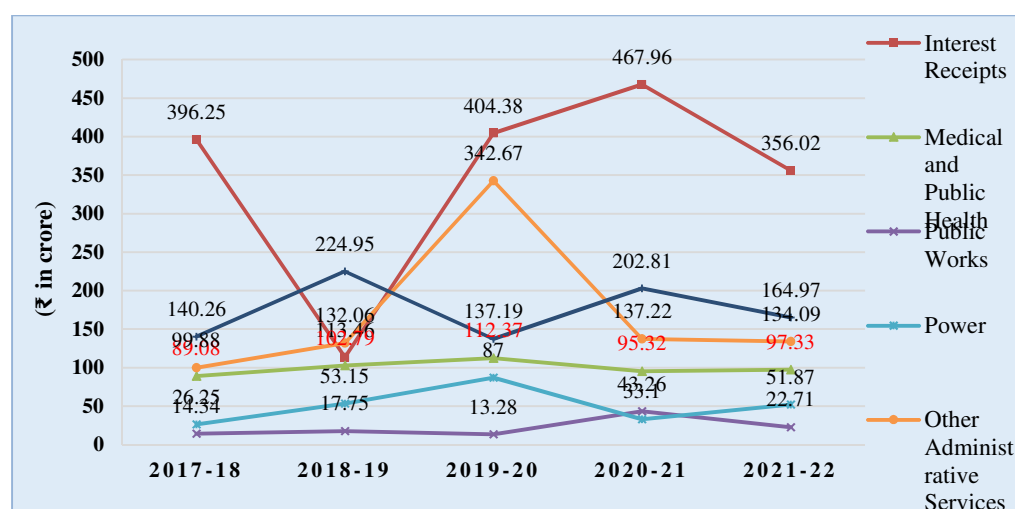
(₹ in crore)

Sl. No	Head of Revenue	2017-18	2018-19	2019-20	2020-21	2021-22	Percentage of increase (+) or decrease (-) in Actual of 2021-22 over 2020-21
1	Interest Receipts	396.25	113.46	404.38	467.96	356.02	-23.92
2	Medical and Public Health	89.08	102.79	112.37	95.32	97.33	2.11
3	Public Works	14.34	17.75	13.28	43.26	22.71	-47.50
4	Power	26.25	53.15	87.00	33.10	51.87	56.71
5	Other Administrative Services	99.88	132.06	342.67	137.22	134.09	-2.28
6	Other Non-tax Receipts	140.26	224.95	137.19	202.81	164.97	-18.66
<b>Total</b>		<b>766.06</b>	<b>644.16</b>	<b>1096.89</b>	<b>979.67</b>	<b>826.99</b>	

Source: Finance Accounts of GNCTD

Year-wise trend of various Non-Tax Revenues is depicted in **Chart-1.1.3**.

**Chart-1.1.3: Year-wise trend of various Non-Tax Revenue**



The Non-Tax Receipts of the GNCTD fluctuated over the period 2017-18 to 2021-22. It decreased by 15.58 *per cent* in 2021-22 over the revenue received in 2020-21. The major contribution in Non-Tax Revenue receipts was from 'Interest Receipts' and 'Other Administrative Services' which decreased by ₹ 111.94 crore (23.92 *per cent*) and ₹ 3.13 crore (2.28 *per cent*) respectively during the current year over the previous year.

Revenue Receipts under the head 'Medical and Public Health' and 'Power' for the year 2021-22 increased by ₹ 2.01 crore (2.11 *per cent*), ₹ 18.77 crore (56.71 *per cent*) respectively over the previous year while receipts under the head 'Public works' decreased by ₹ 20.55 crore (47.50 *per cent*).

The respective Departments reported the following reasons for variation during the year 2021-22:

### **Interest Receipts**

Department of Power stated that the Department on behalf of GNCTD had provided loan to Delhi Transco Limited (DTL), Indraprastha Power Generation Company Limited (IPGCL) and Pragati Power Corporation Limited (PPCL) for functional requirements. The Department further stated that DTL has informed that all principal due and interest thereon was paid upto 2020-21. PPCL made payment of arrears of interest in the year 2020-21, however, it was facing shortage of funds in finance year 2021-22.

### **Power**

Revenue Receipts increased due to receipt of license fee of financial year 2020-21 in 2021-22.

### **Other Administrative services**

The variation in Receipts is mainly due to less realisation of receipts on account of other services pertaining to Home Guards and other receipts pertaining to Courts/Election.

Remaining Departments had not furnished the reasons of increase/decrease of Non-Tax Revenue.

### **1.1.2 Arrears of revenue**

Arrears of revenue indicate delayed realisation of revenue due/payable to the Government. The details of arrears of revenue as on 31 March 2022 under the Major Head '0040-Taxes on Sales, Trade', etc., as per information furnished by the Department of Trade and Taxes, GNCTD amounted to ₹ 71,475 crore, of which ₹ 25,248 crore was outstanding for more than five years.

### **1.1.3 Response of the Government/Departments to Audit**

The Principal Accountant General (Audit), Delhi (PAG) conducts periodical inspection of the Government Departments to test-check transactions and verify maintenance of accounts and other records as prescribed in the rules and procedures. These inspections are followed up through Inspection Reports (IRs) incorporating irregularities detected during the inspection and not settled on the spot, which are issued to the heads of the offices inspected with copies to the next higher authorities for taking prompt corrective action. The Heads of the offices/Government are required to promptly comply with the observations contained in the IRs, rectify the defects and omissions and report compliance to the PAG within four weeks from the date of receipt of the IRs. Serious financial irregularities are reported to the Heads of the Departments and the Government.

The summarised position of the IRs issued during the last 10 years, paragraphs included in these Reports and their status as on 31 March 2022 is depicted in **Annexure 1.1**.

The number of pending paras increased from 10,144 (427 IRs) involving an amount of ₹ 9,858.65 crore in 2012-13 to 10,148 (999 IRs) involving money value of ₹ 7,840.36 crore at the end of the year 2021-22 which indicates that the Departments did not take adequate steps to settle the outstanding paragraphs.

This large pendency of paras due to non-receipt of replies is indicative of the fact that the Heads of offices and the Departments did not initiate action to rectify the defects, omissions and irregularities pointed out by the Audit in the IRs. Lack of executive action on Audit Observations weakens accountability and raises the risk of avoidable loss of revenue. The large number of pending audit paragraphs merits the attention of the Government to ensure effective mechanisms to regularly monitor and review the compliance and settlement of audit observations.

- **Departmental Audit Committee Meetings**

The Government sets up Audit Committees to monitor and expedite the progress of settlement of Audit Paragraphs in the IRs. However, no Audit Committee Meeting was held by the Departments during the year 2021-22.

- **Non-production of records to Audit for scrutiny**

As per Section 18 (1) (b) of CAG's DPC Act, 1971, any accounts, books, papers and other documents which deal with or form basis or are otherwise relevant to the transactions to which his duties in respect of audit extended, shall be sent to such place as he may appoint for his inspection. The programme of local audit of Tax Revenue offices is drawn up sufficiently in advance and intimations are issued, usually one month before the commencement of audit, to the Departments to enable them to keep the relevant records ready for audit scrutiny.

Primary records of the dealers were available in the DVAT system of the Department of Trade and Taxes, however, in some cases these records were not considered sufficient for any audit conclusion. Audit requisitioned physical records of 124 dealers during the year 2021-22 for intensive scrutiny but the Department did not provide these records (100 per cent) which is a violation of CAG's powers provided under Section 18 (1) (b) of DPC Act, 1971. Consequently, the revenue involved in these cases could not be ascertained. Department of Revenue provided records of 100 per cent cases requisitioned whereas Transport Department provided records of 129 out of 160 requisitioned cases (81 per cent) during the year 2021-22.

- **Follow up on Audit Reports – summarised position**

To ensure accountability of the executives to the issues dealt with in various Audit Reports, the Administrative Departments are to issue *suo-motu* Action Taken Notes (ATNs) on all Audit Paragraphs and Performance Audits featuring in the Audit Reports irrespective of the fact whether these are taken up for discussion by the Public Accounts Committee (PAC) or not. These ATNs are to be submitted to the PAC duly vetted by the Principal Accountant General (Audit), Delhi within a period of four months from the date of presentation of Audit Reports in the Legislative Assembly of Delhi.

However, ATNs on the Reports were delayed in respect of 30 paragraphs included in the Reports of the CAG of India on the Revenue Sector of the GNCTD for the years ended 31 March 2017, 2018 and 2019 placed before the State Legislative Assembly between April 2018 and July 2022. Report for the years ended 31 March 2020 and 2021 has not been laid before the State Legislative Assembly till September 2024. The ATNs from the concerned Departments were received late with an average delay of six months in respect of each of these Audit Reports. ATNs in respect of 13 paragraphs of the Audit Reports for the year ended 31 March 2017, 2018, 2019, 2020 and 2021 had not been received from the Departments as depicted in **Table-1.1.4**.

**Table-1.1.4: Details of Paragraphs, Performance Audits and the ATNs**

Sl. No.	Year of Report ending 31 March	Number of Paragraphs and Performance Audits printed in Report	Number of Paragraphs and Performance Audits for which ATNs were awaited
1.	2017	7+0 (PA)	0+0 (PA)
2.	2018	8+0 (PA)	0+0 (PA)
3.	2019	7+0 (PA)	5+0(PA)
4.	2020	8+0 (PA)	8+0(PA)
5.	2021		
<b>Total</b>		<b>30+0(PA)</b>	<b>13+0 (PA)</b>

PAC did not discuss paragraphs/PA pertaining to Revenue Sector of the Audit Reports for the period 2016-17 to 2020-21.

#### 1.1.4 Recovery of accepted cases

The position of paragraphs included in the Audit Reports of the last 10 years, those accepted by the Departments and the amount recovered are depicted in **Annexure 1.2**.

The reports for the year 2011-12 to 2020-21 contained audit findings involving ₹ 4,920.71 crore, out of which, observations involving money value of ₹ 706.89 crore were accepted by the Departments. However, only an amount of ₹ 1.53 crore (0.22 per cent) was recovered by the Department as of 31 March 2022 which was negligible. The meagre amount of recovery depicts lackadaisical approach of the Department and poor monitoring.

***Recommendation: Departments may consider fixing responsibility of all the Officers who have failed to effect recovery in accepted cases.***

#### 1.1.5 Audit Planning

The unit offices under various Departments are categorised into high, medium and low risk units according to their revenue position, past trends of the audit observations and other parameters. The Annual Audit Plan is prepared on the basis of a risk analysis which takes into account matters highlighted in the budget speech, White paper on State Finances, Reports of the Finance Commission (State and Central), recommendations of the Taxation Reforms Committee, statistical analysis of the revenue earnings during the past five years, factors of the tax administration, audit coverage and its impact during the past five years.

There were 165 auditable units<sup>1</sup> of which 14 units<sup>2</sup> were audited during the year 2021-22

#### 1.1.6 Results of Audit

##### **Position of local audits conducted during the year 2021-22**

Audit of 14 units out of 165 auditable units involving tax revenue receipts of ₹ 8,149.12 crore was conducted during the year 2021-22. Test-check of records revealed non/short levy of tax/fees and other irregularities involving ₹ 1,930.11 crore in 93 paragraphs as categorised in **Table-1.1.5**. The concerned Departments accepted under-assessment and other deficiencies of ₹ 95.62 crore.

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<sup>1</sup> GST/VAT-126, Stamp Duty and Registration Fees-22, Motor Vehicles Tax-16, State Excise-1

<sup>2</sup> GST/VAT-2, State Excise-1, Stamp Duty and Registration Fees-5, Motor Vehicles Tax-6

Table-1.1.5: Category-wise audit observations

Sl. No.	Categories	No. of paragraphs/cases	Amount (₹ in crore)
<b>Department of Excise, Entertainment and Luxury Tax</b>			
1	Short levy of license fee amounting to ₹ 43.41 lakh for grant of L1 License	1	0.43
<b>Total</b>			<b>0.43</b>
<b>Department of Trade and Taxes</b>			
1	Compliance Audit on Department's Oversight on GST Payments and Returns Filing	1	1,866.35
2	Irregular claim of Input Tax Credit	4	6.50
3	Other irregularities	17	19.82
<b>Total</b>			<b>1,892.67</b>
<b>Stamp Duty and Registration Fees</b>			
1	Other irregularities	40	9.62
<b>Total</b>			<b>9.62</b>
<b>Transport Department</b>			
1	Other irregularities	30	27.39
<b>Total</b>			<b>27.39</b>
<b>Grand Total</b>		<b>93</b>	<b>1,930.11</b>

### 1.1.7 Coverage of the Revenue Chapter

This Chapter on Revenue Sector contains Compliance Audit on “Department’s Oversight on GST Payments and Returns Filing” and two other compliance audit paragraphs involving financial effect of ₹ 1,873.28 crore. The concerned Departments has accepted audit observations involving ₹ 95.62 crore. These are discussed in the succeeding paragraphs.

## Compliance Audit Paragraphs

### Department of Excise

#### 1.2 Short levy of license fee amounting to ₹ 43.41 lakh for grant of L1 License

**The license fee of ₹ 56.00 lakh instead of ₹ 99.41 lakh for the registered brands of Wine/Liquor/Alcopop/ Mixed Alcoholic Beverages was levied on M/s Bacardi India Pvt. Ltd. resulting in short levy of license fee amounting to ₹ 43.41 lakh.**

Rule 34 of the Delhi Excise Rules, 2010 stipulates that wholesale and retail licenses of liquor shall be granted by the Deputy Commissioner in accordance with the terms and conditions, approved by the Government for each year. As per clause 1.1 of the Terms and Conditions for Grant of wholesale license (L1 license) under Rule 34 *ibid*, in the case of Wine/Liqueur/Alcopop/Mixed Alcoholic Beverages (MAB), the license fee payable was ₹ two lakh per brand or one *per cent* of the total wholesale value of that brand, whichever is higher subject to a maximum of ₹ 14 lakh.

This clause clearly specifies that this is applicable for any unique brand of Wine/Liqueur/MAB/Alcopop that is registered and that the maximum amount of license fee of ₹ 14 lakh is applicable to a single brand. Thus, registration of any additional brand would entail a license fee of ₹ two lakh.

Scrutiny of records of Excise Department in the month of May 2022 revealed that L1 licensee M/s Bacardi India Pvt. Ltd., Kashipur got registered 10 to 13 brands (for Excise Years 2017-18 to 2020-21) of Wine/Liqueur/Alcopop/MAB initially for Excise Years 2017-18 to 2020-21 for which a total upfront license fee of only ₹ 14 lakh was charged (for one Excise Year) instead of ₹ two lakh per brand. Further some additional brands were registered mid-year at no extra license fee citing that the fee had already been paid. The Department levied the license fee of ₹ 56.00 lakh on the licensee for all registered brands of Wine/Liqueur/Alcopop/MAB for the period 2017-18 to 2020-21, however, license fee of ₹ 99.41 lakh was leviable. This resulted in short levy of license fee amounting to ₹ 43.41 lakh, as detailed in **(Annexure 1.3)**.

The Department stated (February 2023) that the License fee of Wine/Liqueur/Alcopop/MAB is charged @ ₹ two lakh per brand upto seven brands only or one *per cent* of wholesale value of brand subject to a maximum of ₹ 14 lakh and no license fee to be charged on account of registration of furthermore brands. The reply was not acceptable as the clause 1.1 regarding license fee in Terms and conditions for Grant of L-1 License in pursuance of Rule 34 of Delhi Excise Rules, 2010 is unambiguous in stating that license fee payable was ₹ Two Lakh per brand or one *per cent* of the total wholesale value of that brand, whichever is higher subject to a maximum of ₹ 14 lakh. There is

no reason to assume that this limit of maximum of ₹ 14 lakh applies to more than one brand taken together. Although the Department was asked (August 2023) to provide its rationale for applying the limit to the category of alcohol as a whole and not to one brand along with supporting documents, no response was received from the Department in this regard.

## Department of Trade and Taxes

### 1.3 Compliance Audit on Department's Oversight on GST Payments and Returns Filing

Compliance Audit on Department Oversight on GST Payments and Return Filing was conducted predominantly based on data analysis, which highlighted risk areas, red flags and rule-based deviations and logical inconsistencies in GST returns filed for 2017-18. Audit entailed assessing the oversight functions of Department at two levels – at the data level through global data queries and at the functional level with a deeper detailed audit both of the Wards and of the GST returns, which involved accessing taxpayer records.

The Department did not formulate a Manual/Standard Operating Procedure (SOP) for scrutiny of returns by the Proper Officers under Section 61 of the Act during the period from July 2017 to March 2021. The Department issued SOP for scrutiny of returns for the financial years 2017-18 and 2018-19 in April 2022. The Department had not initiated timely action on late-filers and non-filers of return and there was inadequate follow up on non-filing of GSTR 10. There was lack of action on reports given by Business Intelligence Unit/MIS reports.

Out of the 308 high value cases selected for Audit, the Department responded in 267 cases. Of these, 85 cases had compliance deficiencies with revenue implication of ₹ 1,702.53 crore. A relatively higher rate of deficiencies were noticed in unsettled liabilities, Input Tax Credit (ITC) mismatch, short/non-payment of interest, excess Reverse Charge Mechanism (RCM) ITC availed, mismatch in turnover declared etc.

There were 97 compliance deficiencies with a revenue implication of ₹ 163.82 crore in 47 cases. Out of these, the Department reported ITC reversal of ₹ 92.25 crore in one case and recovery of ₹ 0.16 crore in two cases. The main causative factors were availing of excess ITC due to mismatch in returns, non-payment of interest, non-reversal of ITC shown reversed in annual return (GSTR-9), non-reversal of ITC as per Section 17(2) of DGST Act 2017 read with Rule 42 of DGST Rules, 2017, wrong apportionment of credit, short discharge of Tax liability, incorrect discharge of tax under RCM etc.

#### 1.3.1 Introduction

Introduction of Goods and Service Tax (GST) has replaced multiple taxes levied and collected by the Centre and States. GST, which came into effect from

1 July 2017, is a destination-based consumption tax on the supply of goods or services or both, levied on every value addition. The Centre and States simultaneously levy GST on a common tax base. Central GST (CGST) and State GST (SGST) /Union Territory GST (UTGST) are levied on intra-state supplies, and Integrated GST (IGST) is levied on inter-state supplies. The Delhi GST (DGST) Act was notified on 14 June 2017.

Section 59 of the DGST Act, 2017 stipulates GST as a self-assessment-based tax, whereby the responsibility for calculating tax liability, discharging the computed tax liability and filing returns is vested on the taxpayer. The GST returns must be filed online regularly on the common GST portal, failing which penalties will be payable. Even if the business has had no tax liability during a particular tax period, it must file a nil return mandatorily. Further, Section 61 of the DGST Act, 2017 read with Rule 99 of DGST Rules, 2017 stipulate that the proper officer may scrutinize the return and related particulars furnished by taxpayers, communicate discrepancies to the taxpayers and seek an explanation.

The Compliance Audit was taken up considering the significance of the control mechanism envisaged for tax compliance and the oversight mechanism of the Department of Trade and Taxes (Department) GNCT of Delhi in this new tax regime.

### **1.3.2 Audit objectives**

This audit was oriented towards providing assurance on the adequacy and effectiveness of systems and procedures adopted by the Department with respect to tax compliance under GST regime. Audit of 'Department's oversight on GST Payments and Return filing' was taken up with the following audit objectives to seek an assurance on:

- i. Whether the rules and procedures were designed to secure an effective check on tax compliance and were being duly observed by taxpayers; and
- ii. Whether the scrutiny procedures, internal audit and other compliance functions of the Wards were adequate and effective.

### **1.3.3 Audit methodology and scope**

This audit was predominantly conducted based on data analysis, which highlighted risk areas and red flags pertaining to the period July 2017 to March 2018. Through data analysis, a set of 14 deviations were identified across the domains of Input Tax Credit, Discharge of tax liability, Registration and Return filing. Such deviations were followed up through a centralized (Limited) audit<sup>3</sup>, whereby these deviations were communicated to the relevant Wards of the Department without involving field visits and action taken by the Ward concerned on the identified deviations was ascertained. The centralized

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<sup>3</sup> Centralised Audit did not involve seeking taxpayer's granular records such as financial statements, related ledger accounts, invoices, agreements etc.

(Limited) audit was supplemented by a detailed audit involving field visits for verification of records available with the jurisdictional Ward. Returns and related attachments and information were accessed through backend web portal-the back-end system of the Department application as much as feasible, to examine data/documents relating to taxpayers (viz. registration, tax payment, returns and other departmental functions). The detailed audit also involved accessing relevant granular records through the Department such as invoices through the respective Wards. This apart, compliance functions of the departmental formation such as scrutiny of returns were also reviewed in selected Wards.

The review of the scrutiny of returns by the Department and verification of taxpayer's records covered the period from July 2017 to March 2018, while the audit of the compliance functions of selected Wards covered the period 2017-21. The audit covered only the State administered taxpayers. The field audit was conducted from February 2022 to January 2023.

Entry conference of this audit was held in February 2022 with Special Commissioner (Audit) in which the audit objectives, sample selection, audit scope and methodology were discussed. The Exit Conference was held in April 2023 with Additional Commissioner (Audit), in which the audit findings were discussed. Audit also pointed out that replies from the Department were awaited and Audit was assured by the Department that it would arrange to send the replies at the earliest possible. However, same are still awaited (September 2024).

#### **1.3.4 Audit sample**

A data-driven approach was adopted for planning, as also to determine the nature and extent of substantive audit. The sample for this audit comprised a set of deviations identified through data analysis for centralized (Limited) audit that did not involve field visits; a sample of taxpayers for detailed audit that involved field visits and scrutiny of taxpayer's records at departmental premises; and a sample of Wards for evaluating the compliance functions of the Wards.

There were *three* distinct parts of this audit as under:

**(i) Part I- Audit of Wards**

10 Wards (12, 45, 58, 61, 62, 63, 65, 202, 205 and 206) with jurisdiction over more than one selected sample of cases for Detailed Audit were considered as the sample of Wards for evaluation of their oversight functions.

**(ii) Part II – Centralised Audit/Limited Audit**

The sample for Centralised Audit was selected by identification of high-value or high-risk deviations from rules and inconsistencies between returns through data analysis for evaluation of the adequacy and effectiveness of the scrutiny

procedure of the Department. Accordingly, 308 taxpayers were selected for Centralised Audit under this audit.

**(iii) Part III-Detailed audit**

It was conducted by accessing taxpayers’ records through Wards for evaluation of the extent of tax compliance by taxpayers. The sample of taxpayers for Detailed Audit was selected on the basis of risk parameters such as Excess ITC, Tax Liability mismatch, Disproportionate exempted turnover to total turnover and Irregular ITC reversal. The 47 taxpayers<sup>4</sup> selected for Detailed Audit comprised of Large, Medium and Small strata taxpayers as well as taxpayers selected randomly.

The details of sample for centralised audit, detailed audit and audit of Wards selected for this audit are brought out in **Annexures 1.4** and **Annexure 1.5**.

**1.3.5 Audit criteria**

The source of audit criteria comprised the provisions contained in the DGST Act, 2017, IGST Act, 2017 and Rules made thereunder. The significant provisions are given in **Table-1.3.1**.

**Table-1.3.1: Source of criteria**

Sl. No.	Subject	Act and Rules
1	Levy and collection	Section 9 of DGST Act, 2017
2	Reverse Charge Mechanism	Section 9(3) of DGST Act, 2017 and Section 5 (3) of IGST Act, 2017
3	Availing and utilizing ITC	Sections 16 to 21 under Chapter V of DGST Act 2017; Rules 36 to 45 under Chapter V of DGST Rules, 2017.
4	Registrations	Sections 22 to 25 of DGST Act, 2017; Rules 8 to 26 of DGST Rules, 2017
5	Supplies	Sections 7 and 8 DGST Act, 2017; Schedule I, II and III of the DGST Act, 2017
6	Place of supply	Section 10 to 13 of IGST Act, 2017
7	Time of Supply	Section 12 to 14 of DGST Act, 2017
8	Valuation of supplies	Section 15 of DGST Act, 2017; Rules 27 to 34 of DGST Rules, 2017
9	Payment of Tax	Sections 49 to 53 under Chapter X of DGST Act, 2017; Rules 85 to 88A under Chapter IX of DGST Rules, 2017
10	Filing of GST Returns	Sections 37 to 47 under Chapter IX of DGST Act, 2017; Rules 59 to 68 and 80 to 81 under Chapter VIII of DGST Rules, 2017. Part B of DGST Rules, 2017 prescribes format of returns
11	Zero-rated supplies	Section 16 of IGST Act, 2017
12	Assessment and Audit functions	Sections 61, 62, 65 and 66 under Chapter XII & XIII; Rules 99 to 102 under Chapter XI of DGST Act, 2017

In addition, the notifications and circulars issued by Department relating to filing of returns, notifying the effective dates of filing of various returns, extending due dates for filing returns, rates of tax on goods and services,

<sup>4</sup> The sample comprised 28 large, 14 medium and 5 small taxpayers.

payment of tax, availing and utilizing ITC, scrutiny of returns and oversight of tax compliance formed part of the audit criteria.

### Audit findings

The audit findings were categorized into the following three categories:

- a. Audit of Wards
- b. Centralised (Limited) audit
- c. Detailed audit

### 1.3.6 Audit of Wards

A return is a statement of specified particulars relating to the business activity undertaken by taxpayers during a prescribed period. Every taxpayer is legally obligated to furnish a complete and correct return duly declaring the tax liability for a given period and taxes paid within the stipulated time. In a self-assessment regime, the significance of monitoring return filing by taxpayers acquires greater significance as the returns are the first mode of information about taxpayers and their respective business activities.

#### 1.3.6.1 Slow pace of scrutiny of returns /Non-initiation of scrutiny of returns

As per Section 61 of the DGST Act, 2017, various returns filed by taxpayers have to be scrutinized by the Proper Officer to verify the correctness of the returns, and suitable action has to be taken on any discrepancies or inconsistencies reflected in the returns. The Proper Officer designated for this purpose is the Wards Officer. Further, Rule 99 of the DGST Rules, 2017 mandates that “*the discrepancies, if any noticed, shall be communicated to the taxpayer to seek his explanation.*”

Audit observed that the Department did not formulate a Manual/SoP for scrutiny of returns by the Proper Officers under Section 61 of the Act during the period from July 2017 to March 2021, thus non-prioritised the returns to be scrutinised based on the risk parameters. The Department, however, issued Standard Operating Procedures (SoP) for scrutiny of returns for FY 2017-18 and 2018-19 in April 2022.

(i) Out of ten Wards selected for audit, seven<sup>5</sup> Wards did not furnish the information related to scrutiny of returns. However, Audit, from the information available on backend portal of the Department related to seven Wards and based on the information provided by the remaining three<sup>6</sup> Wards, noticed that in these ten Wards, there were 1,18,875, 1,49,350, 1,59,120, and 1,91,135 registered taxpayers during the years 2017-18 to 2020-21 respectively whereas, scrutiny of returns was conducted only in 14,996 cases which indicates that scrutiny of

<sup>5</sup> Wards- 12, 45, 58, 61, 62, 63 and 65

<sup>6</sup> Wards- 202, 205 and 206

very few returns was undertaken when compared with number of registered taxpayers.

Further, out of total 14,996 scrutinized cases, 4,749 cases were pending for taking action as of October, 2022. The delay ranged between 541 and 1,397 days which indicates that discrepancies noticed during scrutiny of returns were not being dealt with in the manner prescribed under Section 61 of the DGST Act, 2017. In Wards 205 and 206, no case was pending for taking action.

(ii) In three Wards (202, 205 and 206), which provided the information, it was noticed that in 1628 cases, notice in ASMT-10 was issued during 2017-18 to 2020-21. Out of these 1628 case, in 240 cases, taxpayers neither filed their reply in ASMT-11 nor did the Department take any further action. In 809 cases where taxpayers filed their reply in ASMT-11, the Department did not take any action i.e. issuing ASMT-12 in cases of satisfactory reply or issuing of DRC-01 in cases of unsatisfactory reply. Also, in 116 cases where taxpayers did not submit any reply in response to DRC-01, the Department did not take any action against those taxpayers (DRC-07). Further, in 198 cases, the Department completed proceedings and generated a final demand of ₹ 604.84 crore, out of which ₹ 581.91 crore was still pending. However, no action has been initiated by the Department for recovery of the amount. In 235 cases, satisfactory reply was received in DRC-06 and in 30 cases, taxpayers accepted the discrepancies and paid the demand as per information provided by the three Wards.

***Recommendation: The Department may pace up scrutiny of returns as per SoP and initiate action against cases whose scrutiny was completed but still pending for taking action and recovery may be initiated for pending demand.***

### **1.3.6.2 Delay in audit by the Department**

As per the Section 65 of the DGST Act, 2017, the Commissioner or any officer authorized by him, by way of a general or a specific order, may undertake audit of any registered person for such period, at such frequency and in such manner as may be prescribed. Section 2 (13) of the DGST Act, 2017 defines “Audit” as the examination of records, returns and other documents maintained or furnished by the registered person under this Act or the Rules made thereunder or under any other law for the time being in force to verify the correctness of turnover declared, taxes paid, refund claimed and input tax credit availed, and to assess his compliance with the provisions of this Act or the Rules made there under.

List of taxpayers who were selected for Internal Audit was sought along with Audit Report thereof from the Wards selected for audit. However, no such information/reports were furnished by the Ward Officers (April 2023). Further, information, related to whether any procedures/guidelines were envisaged by the Department for carrying out audit under Section 65 of DGST Act 2017, was also not furnished.

However, Audit branch of the Department, in its reply (December 2022) submitted that a total 251 taxpayers of financial years 2017-18 and 2018-19 were identified from the list provided by DGARM and assigned these cases to various Proper Officers and out of selected taxpayers, only 18 taxpayers were audited. As the list of the taxpayers who were selected and marked for audit by the Department under Section 65 of DGST Act, 2017 was not provided to Audit by the Wards, Audit could not examine whether the Department conducted audit of taxpayers under Section 65 of DGST Act, 2017 or not.

***Recommendation: Department may initiate audit of taxpayers under Section 65 and may envisage Manual/procedures also to carry out the audit.***

### **1.3.6.3 Lack of action on late-filers and non-filers**

Section 46 of the DGST Act, 2017 read with Rule 68 of DGST Rules, 2017 stipulates issue of a notice in Form GSTR-3A requiring filing of return within fifteen days if the taxpayer had failed to file the return within the due date. In case the taxpayer fails to file the returns even after such notice, the proper officers may proceed to assess the tax liability of the said person to the best of their judgment, taking into account all the relevant material which is available or gathered and issue an assessment order in Form ASMT-13.

Filing of returns is related to payment of tax as the due date for both the actions are the same, which implies risk of non-payment of tax/penalty in the case of non-filers.

- (i) Out of ten Wards selected for audit, only three Wards (202, 205 and 206) furnished the information. Based on information, it was noticed that in 620 cases, GSTR 3A issued to non-filers of three Wards during 2018-19 to 2020-21. Out of these 620 cases, in 561 cases, taxpayers filed their returns in response to GSTR-3A whereas 59 filed their return after issuing of ASMT-13.
- (ii) Ward Officers of remaining seven Wards<sup>7</sup> did not provide any information related to late filers/non-filers i.e., list of non-filers and late filers against whom GSTR-3A notices issued, ASMT-13 (best judgment assessment initiated or withdrawn), cases where ASMT-13 proceeding pending and number of cases where provisional attachment was resorted to.

Audit, however, from the information available on the GST backend portal, noticed that in 47,967 cases GSTR-3A were issued for the returns pertaining to July-2017 to March-2021. Further, it couldn't be ascertained, how many taxpayers complied and filed returns after receiving GSTR-3A notices, and what actions were initiated against those who did not comply even after receiving such notices in the above mentioned cases under the provisions in DGST Act,

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<sup>7</sup> Wards- 12, 45, 58, 61, 62, 63 and 65

2017, due to not furnishing of relevant records/information by Ward Officers and non-availability of such information on GST portal of the Department.

***Recommendation: Department may take prompt action against late/non filer of returns.***

#### **1.3.6.4 Inadequate follow up on non-filing of GSTR 10**

As per Section 45 of the DGST Act, 2017, GSTR-10 – the final return, has to be filed within three months of the effective date of cancellation or the date of order of cancellation, whichever is later. The last date for furnishing of GSTR-10 by those taxpayers whose registration has been cancelled on or before 30 September 2018 was extended till 31 December 2018 vide notification No. 58/2018 – Central Tax dated the 26 October 2018.

As per the DGST Rules, 2017, and as prescribed in Circular No. 09/2020-GST dated 27 July 2020, GSTR-3A has to be issued to the taxpayer, where GSTR 10 has not been filed. If the taxpayer still fails to file the final return within 15 days of the receipt of notice, then an Assessment Order in Form ASMT-13 under Section 62 of the DGST Act, 2017 read with Rule 100 of the DGST Rules, 2017 shall have to be issued to the taxpayer to inform about unpaid tax liability determined under sub-section (5) of Section 29 (i.e. debit ITC equivalent to inputs, and inputs contained in semi-finished and finished goods held in stock or capital goods or the output tax payable on such goods whichever is higher). If the taxpayer files the final return within 30 days from the issue of order ASMT-13, then the said order shall be deemed to have been withdrawn. However, the liability for payment of interest and late fee shall continue. If the said return remains unfurnished within the statutory period of 30 days from the issue of order ASMT-13, then the proper officer may initiate proceedings under Section 78 and recovery under Section 79 of the DGST Act.

Audit could not verify how many taxpayers out of total cancelled registrations filed the final return in compliance to aforesaid section of DGST Act, 2017, as information, related to action taken on non-filer of GSTR-10, Section 62 assessment in cases of cancellation, number of cases where cancelled registrations have been revoked, number of cases where new registrations have been taken in lieu of cancelled registrations, were not furnished by the Ward Officer of Wards 45, 61, 62, 63 and 65.

Furthermore, under limited audit in dimensions unsettled liabilities, GSTR 1 filed but GSTR 3B not filed, ITC mismatch between GSTR 2A and GSTR 3B, ITC mismatch between returns, ITC availed under RCM etc., the Department was issued audit queries, in its reply Department stated that it had already cancelled the registration certificates of 39 taxpayers. Audit noticed that in these 39 cancelled cases, the Department, however, did not take any action to initiate recovery etc., till the Audit issued queries in these cases. Out of these 39 cases, Department issued DRC 07/01 and ASMT-10 amounting to ₹ 699 crore and

₹ 2.01 crore in 15 cases and 5 cases respectively. In 19 cases, the Department did not initiate any action to recover the amount of ₹ 172.31 crore even after issuance of audit queries. Details of these cases are shown in **Annexure 1.6**.

Audit observed compliance deficiencies in the form of non-filing of GSTR-10 return in 3,446 cases across five Wards, where related information was provided, as detailed in **Annexure 1.7**.

An Illustrative case is provided below:

Under jurisdiction of Ward-58, out of 2,470 cases of cancellation for the years 2017-18 to 2020-21, GSTR-10 was filed only in 241 cases (in ten *per cent* cases only). In the remaining 90 *per cent* cases, GSTR-10 was not filed. Action taken by the Department was not furnished to Audit. Reply of the Department, sought in October 2022 and March 2023 was awaited (June 2023).

***Recommendation: The Department may strengthen the follow up action on non-filers of GSTR-10.***

#### **1.3.6.5 Lack of action on Business Intelligence Unit/MIS reports**

There is a Business Intelligence Unit (BIU) in the Department, which provides various reports, to different Wards, received from Directorate General of GST Intelligence (DGGI), CGST Directorate Delhi, Directorate General of Analytics and Risk Management (DGARM) etc. to take necessary action or verify the reports. BIU was requested to provide the list of cases pertaining to the period 2017-21 forwarded to selected Wards for necessary action.

However, no such list was furnished by the BIU. Further, Ward Officers of the selected Wards were also requested to furnish the reports received from other statutory authorities as mentioned above for the period 2017-2021. However, Ward Officers of selected Wards did not furnish reports received from BIU/other statutory authorities i.e. Central Board of Indirect Taxes & Customs (CBIC), DGGI, DGARM, other state GST departments, etc. along with action taken thereof, resultantly Audit could not verify the action taken by the Department and its units on these reports.

#### **1.3.7 Inconsistencies in GST returns -Centralized audit/Limited Audit**

Audit analyzed GST returns data pertaining to 2017-18 as made available by GSTN. Rule-based deviations and logical inconsistencies between GST returns filed by taxpayers were identified on a set of 14 parameters, which can be broadly categorized into two domains – Input Tax Credit and Tax payments. Out of the 13 prescribed GST returns<sup>8</sup>, the following basic returns that apply to

<sup>8</sup> GSTR-1, GSTR-3B, GSTR-4 (taxpayers under the Composition scheme), GSTR-5 (non-resident taxable person), GSTR-5A (Non-resident OIDAR service providers), GSTR-6 (Input service distributor), GSTR-7 (taxpayers deducting TDS), GSTR-8 (E-commerce operator), GSTR-9 (Annual Return), GSTR-10 (Final return), GSTR-11 (person having UIN and claiming a refund), CMP-08, and ITC-04 (Statement to be filed by a principal/job-worker about details of goods sent to/received from a job-worker)

normal taxpayers were considered for the purpose of identifying deviations, inconsistencies and mismatches between GST returns/data:

- GSTR-1: Monthly return furnished by all normal and casual registered taxpayers making outward supplies of goods or services or both and contains details of outward supplies of goods and services.
- GSTR-3B: Monthly summary return of outward supplies and input tax credit claimed, along with payment of tax by the taxpayer to be filed by all taxpayers except those specified under Section 39(1) of the Act. This is the return that populates the credit and debits in the Electronic Credit Ledger and debits in Electronic Cash Ledger.
- GSTR-6: Monthly return for Input Service Distributors providing the details of their distributed input tax credit and inward supplies.
- GSTR-8: Monthly return to be filed by e-commerce operators who are required to deduct TCS (Tax collected at source) under GST, introduced in October 2018.
- GSTR-9: Annual return to be filed by all registered persons other than an Input Service Distributor (ISD), Tax Deducted at Source/Tax Collector at Source, Casual Taxable Person, and Non-Resident taxpayer. This document contains the details of all supplies made and received under various tax heads (CGST, SGST and IGST) during the entire year along with turnover and audit details for the same.
- GSTR-9C: Annual audit form for all taxpayers having a turnover above ₹ 5 crore in a particular financial year. It is basically reconciliation statement between the annual returns filed in GSTR-9 and the taxpayer's audited annual financial statements.
- GSTR-2A: A system-generated statement of inward supplies for a recipient. It contains the details of all Business to Business transactions of suppliers declared in their Form GSTR-1 / 5, ISD details from GSTR 6, details from GSTR-7 and GSTR- 8 respectively by the counterparty and import of goods from overseas on bill of entry, as received from ICEGATE Portal of Indian Customs.

The pan India analysis of data pertaining to Delhi state jurisdiction on the 14 identified parameters and extent of deviations/inconsistencies observed (sample for centralised audit) are summarised in **Table-1.3.2**.

**Table-1.3.2: Summary of 14 audit dimensions/parameters in Limited audit**

Sl. No.	Parameter/Dimension	Algorithm used	Number of deviations	Amount (₹ in crore)
1	ITC mismatch between GSTR 2A and GSTR 3B	ITC available as per GSTR-2A with all its amendments was compared with the ITC availed in GSTR-3B {Table 4A (5)} (accrued on domestic supplies) considering the reversal in Table 4(B)(2) but including the ITC availed in subsequent year 2018-19 from Table 8(C) of GSTR 9.	24	442.02
2	ITC availed under RCM Vs. payment of tax in GSTR 3B/GSTR 9	RCM payments in GSTR3B Table 3.1 (d) was compared with ITC availed in GSTR-9 Table (6C+ 6D+6F). In cases where GSTR-9 was not available, check was restricted within GSTR 3B, RCM payments in Table 3.1(d) vis-a-vis ITC availed in Table {4A(2) + 4A(3)}.	25	110.99
3	Short payment of tax under RCM Vs. ITC availed in GSTR 3B/GSTR 9	RCM liability declared in GSTR9 Table 4G was compared with ITC availed in GSTR-9 Table (6C+6D+6F). In cases where GSTR 9 was not available, RCM liability in GSTR-3B Table 3.1(d) was compared with GSTR-3B Table {4(A)(2) + 4(A) (3)}.	08	9.14
4	Incorrect availment of ISD credit	ISD received in GSTR-9 Table 6G or GSTR 3B Table 4(A)(4) of the recipients was compared with ITC transferred in GSTR 6 of the distributor.	25	18.17
5	Incorrect ISD credit reversal	GSTR9 Table 7B/7H of the recipients was compared with the sum of Table 8A (negative figures only) and Table 9A (negative figures only) of their GSTR 6.	4	0.01
6	Mismatch of ITC availed between Annual returns and Books of accounts	Positive figure in GSTR 9C Table 12F.	24	227.25
7	Reconciliation between ITC availed in Annual returns with expenses in financial statements	Positive figure in GSTR 9C Table 14T.	24	1,680.92
8	Mismatch in turnover declared in GSTR 9C (Table- 5R)	Negative figure in GSTR 9C Table 5R.	20	1,39,983.30
9	Mismatch in taxable turnover declared in GSTR 9C (Table-7G)	Negative figure in GSTR 9C Table 7G.	17	1,389.04
10	Mismatch in tax paid between books of accounts and returns	Negative figure in GSTR 9C Table 9R.	25	82.29
11	Unsettled liabilities	Greater of tax liability between GSTR-1 (Table 4 to 11) and GSTR-9 (Table 4N, 10 & 11) was compared with tax paid details in GSTR 3B Table {3.1 (a) + 3.1 (b)}. In cases where GSTR-9 was not available, tax paid in GSTR-3B was compared with GSTR-1 liability. The amendments and advance adjustments declared in GSTR-1 and GSTR-9 were duly considered.	25	558.50
12	Composition taxpayer also availing e-commerce facility	E-commerce GSTR-8 became effective from 01.01.2018 when TCS provisions became effective. GSTINs declared in GSTR-8 who are also filing GSTR-4 under composition scheme.	38	Nil
13	GSTR 3B was not filed but GSTR 1 is available	Taxpayers who had not filed GSTR-3B but filed GSTR-1 or where GSTR-2A available, indicating taxpayers had carried the business without discharging tax.	24	7.21
14	Short payment of interest	Interest calculated at the rate of 18 per cent on cash portion of tax payment on delayed filing of GSTR 3B vis-a-vis Interest declared in GSTR-3B Table 6.1.	25	19.12
		<b>Total</b>	<b>308</b>	<b>1,44,527.96</b>

**Non-submission of reply by the Department**

Audit selected a sample of 308 cases from amongst the top deviations/inconsistencies in each of the 14 parameters for the year 2017-18. Audit Queries were issued to the respective Wards between March 2022 and April 2022 without further scrutiny of taxpayer's records. Audit check in these

cases was limited to verifying the Department's action on the identified deviations/mismatches.

Initial responses were yet to be received, as of March 2023, for 41 inconsistencies (including 08 inconsistencies pertaining to mismatch in turnover) communicated to the Department, which might represent cases having mismatch in tax payable or mismatch in ITC availed and may pose a risk exposure of ₹ 38.06 crore and ₹ 142.34 crore (on account of mismatch of turnover of ₹ 790.80 crore in table 5R and 7G of GSTR 9C related to eight inconsistencies related to mismatch in turnover and same is calculated by assuming 18 per cent tax on mismatch amount of turnover).

**Table-1.3.3: Cases in which reply not received**

(₹ in crore)

Sl. No.	Audit Dimension	Sample		Department Reply not received		Percentage	
		Number	Amount of mismatch	Number	Amount	Number	Amount
	1	2	3	4	5	6	7
1	ITC mismatch between GSTR 2A and GSTR 3B	24	442.02	0	0	0	0
2	ITC availed under RCM Vs. payment of tax in GSTR 3B/ GSTR 9	25	110.99	4	7.27	16	6.55
3	Short payment of tax under RCM Vs. ITC availed in GSTR 3B/GSTR 9	8	9.14	1	1.00	12	10.93
4	Incorrect availment of ISD credit	25	18.17	8	3.62	32	19.92
5	Incorrect ISD credit reversal	4	0.01	0	0	0	0
6	Mismatch of ITC availed between Annual returns and Books of accounts	24	227.25	3	11.53	12	5.06
7	Reconciliation between ITC availed in Annual returns with expenses in financial statements	24	1,680.92	0	0	0	0
8	Mismatch in turnover declared in GSTR 9C (Table- 5R)	20	1,39,983.30	2	191.84	10	0.01
9	Mismatch in taxable turnover declared in GSTR 9C (Table- 7G)	17	1,389.04	6	598.98	35	43
10	Mismatch in tax paid between books of accounts and returns	25	82.29	6	14.24	24	17.81
11	Unsettled liabilities	25	558.50	0	0	0	0
12	Composition taxpayer also availing e-commerce facility	38	0	10	0	26	0
13	GSTR 3B was not filed but GSTR 1 is available	24	7.21	1	0.39	4	5.40
14	Short payment of interest	25	19.12	0	0	0	0
	<b>Total</b>	<b>308</b>	<b>1,44,527.96</b>	<b>41</b>	<b>828.87</b>	<b>13.31</b>	<b>0.57</b>

Considering that the overall rate of conversion of inconsistencies into compliance deviations is significant as brought out in the next paragraph, the Department was required to expedite verification of these cases on priority. Details of these cases are listed in **Annexure 1.8**.

**Table-1.3.4: Top ten cases in terms of money value where response is yet to be received**

Sl. No.	GSTIN	Ward/Zone	Mismatch amount (₹ in crore)
1	07XXXXXXXXXXXX1Z4	107/12	4.84
2	07XXXXXXXXXXXX1ZN	94	4.51
3	07XXXXXXXXXXXX1ZT	112/12	3.37
4	07XXXXXXXXXXXX1ZF	70/4	3.30
5	07XXXXXXXXXXXX1ZR	201	3.26
6	07XXXXXXXXXXXX1ZX	85/9	2.29
7	07XXXXXXXXXXXX1Z0	62	1.88
8	07XXXXXXXXXXXX1ZS	4/1	1.79
9	07XXXXXXXXXXXX1Z0	61/05	1.73
10	07XXXXXXXXXXXX1ZK	95/08	1.56

**Recommendation:** Department may urgently pursue the 41 cases of inconsistencies and deviations pointed out by Audit, for which responses have not been provided and intimate the results to Audit.

### 1.3.7.1 Results of centralized audit

Based on responses received from the Department to the Audit Queries, the extent to which each of the 14 parameters translated into compliance deviations is summarized in **Table-1.3.5**.

**Table-1.3.5: Summary of deficiencies**

(₹ in crore)

Audit Dimension	Cases where reply received		Department reply accepted by Audit					
			Data entry errors		Action taken before query		Other valid explanations	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
ITC mismatch between GSTR 2A and GSTR 3B	24	442.02	8	184.65	3	27.86	0	0
ITC availed under RCM Vs payment of tax in GSTR 3B/GSTR 9	21	103.72	6	29.95	0	0	0	0
Short payment of tax under RCM Vs. ITC availed in GSTR 3B/GSTR 9	7	8.14	2	2.31	0	0	0	0
Incorrect availment of ISD credit	17	14.55	9	10.12	0	0	1	1.12
Incorrect ISD credit reversal	4	0.01	0	0	0	0	0	0
Mismatch of ITC availed between Annual returns and Books of accounts	21	215.73	2	42.3	5	36.31	6	39.61
Reconciliation between ITC availed in Annual returns with expenses in financial statements	24	1680.92	1	37.12	0	0	22	1598.63
Mismatch in turnover declared in GSTR 9C (Table- 5R)	18	139791.47	0	0	0	0	11	135850.34
Mismatch in taxable turnover declared in GSTR 9C (Table- 7G)	11	790.07	0	0	0	0	6	469.66
Mismatch in tax paid between books of accounts and returns	19	68.06	3	18.04	0	0	10	35.46
Unsettled liabilities	25	558.50	1	23.90	3	117.06	0	0
Composition taxpayer also availing e-commerce facility	28	0	0	0	3	0	13	0.00
GSTR 3B was not filed but GSTR 1 is available	23	6.82	0	0	10	3.33	0	0.00
Short payment of interest	25	19.12	0	0	1	0.67	0	0.00
<b>Total</b>	<b>267</b>	<b>143699.13</b>	<b>32</b>	<b>348.39</b>	<b>25</b>	<b>185.23</b>	<b>69</b>	<b>137995.03</b>

(Continued...)

Compliance deviations															
Accepted by Dept. including cases where action is yet to be initiated								Department's reply not acceptable to Audit (Rebuttal)		Total		Deptt. reply not furnished with appropriate documentary evidence		Deptt. stated they are examining the AQ	
Recovered		SCN issued		ASMT-10		Under correspondence with taxpayer									
No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
0	0	5	271.91	2	24.47	0	0	6	63.22	13	359.60	0	0	0	0
0	0	3	36.68	2	14.36	0	0	9	46.54	14	97.58	1	1.36	0	0
0	0	1	3.36	1	1.21	0	0	1	1.31	3	5.88	1	1.14	0	0
0	0	4	5.33	2	1.43	0	0	1	0.72	7	7.48	1	0.37	0	0
1	0.00002	0	0	1	0.004	0	0	2	0.014	4	0.018	0	0	0	0
0	0.00	1	8.67	6	81.82	1	11.14	0	0	8	101.63	0	0	0	0
0	0	0	0	1	45.17	0	0	0	0	1	45.17	0	0	0	0
0	0	1	309.26	6	2801.18	0	0	0	0	7	3110.44	0	0	0	0
0	0	0	0	4	254.49	0	0	0	0	4	254.49	1	65.92	0	0
1	0.16	0	0	5	12.96	0	0	0	0	6	13.12	0	0	0	0
0	0	10	767.43	2	99.75	0	0	9	165.17	21	1032.35	0	0	0	0
0	0	0	0	6	0	6	0	0	0	12	0	0	0	0	0
0	0	5	3.31	7	2.55	0	0	1	0.16	13	6.02	0	0	0	0
1	0.73	10	7.00	7	4.97	5	4.66	1	0.52	24	17.88	0	0	0	0
<b>3</b>	<b>0.89</b>	<b>40</b>	<b>1412.95</b>	<b>52</b>	<b>3344.36</b>	<b>12</b>	<b>15.80</b>	<b>30</b>	<b>277.66</b>	<b>137</b>	<b>5051.66</b>	<b>4</b>	<b>68.79</b>	<b>0.00</b>	<b>0.00</b>

The amount in above table under 'Recovered' and 'SCN issued' category is as per recoveries made and amount of SCN issued by the Department irrespective of the amount pointed out by Audit

### Summary of Central Audit/Limited Audit

Audit noticed deviations from the provisions of the Act in 137 cases (Col. No.10, 12, 14, 16, 18 of Table-1.3.5) which include 127 cases of short levy of tax of ₹ 1,995.99 crore and 10 cases of mismatch of turnover of ₹ 3,055.67 crore (Col. No. 11, 13, 15, 17 and 19 of Table-1.3.5) constituting 51 per cent of the 267 inconsistencies/mismatches in data, for which the Department provided responses. Relatively higher rates of deviations were noticed in risk parameters such as short/non-payment of interest, ITC mismatch, excess RCM ITC availed, incorrect turnover declarations and short tax payments etc.

In 126 cases (Col. No.4, 6 and 8 of Table-1.3.5), constituting 47 per cent, where the Department's reply was acceptable to Audit, data entry errors by taxpayers comprised 32 cases (Col. No.4), Department had proactively taken action in 25 cases (Col. No. 6) and had valid explanations in 69 cases (Col. No. 8).

In 4 cases (Col. No. 22), Department did not provide the appropriate documentary evidence to Audit and was thus not amenable to verification.

**Table-1.3.6: Top case for each dimension of Limited audit (for compliance deviation pertaining to cases of recovery, ASMT-10, SCN issued and under correspondence with taxpayer)**

Sl. No.	Dimension	GSTIN	Ward	Zone	Mismatch (₹ in crore)	Action taken
1	ITC mismatch between GSTR 2A and GSTR 3B	07XXXXXXX XXXX1ZO	74	7	132.55	FORM GST DRC-07 dated 12.09.2022 raising demand of tax dues issued.
2	ITC availed under RCM vs. payment of tax in GSTR 3B/ GSTR 9	07XXXXXXX XXXX1ZM	41	3	10.06	DRC-01 dated 07.07.2022 and DRC-07 dated 26.07.2022 and bank attachment.
3	Short payment of tax under RCM vs. ITC availed in GSTR 3B/GSTR 9	07XXXXXXX XXXX1ZQ	93	8	2.31	DRC 01 dated 01.09.2022 issued.
4	Incorrect availment of ISD credit	07XXXXXXX XXXX1Z5	75	7	2.65	DRC-01A dated 01.08.2022 issued.
5	Incorrect ISD credit reversal	07XXXXXXX XXXX1ZX	2	2	0.004	ASMT-10 dated 03.08.2022 issued to taxpayer.
6	Mismatch of ITC availed between Annual returns and Books of accounts	07XXXXXXX XXXX1Z8	61	5	61.32	ASMT10 dated 14.12.2022 issued to taxpayer.
7	Reconciliation between ITC availed in Annual returns with expenses in financial statements	07XXXXXXX XXXX1Z9	71	6	45.17	ASMT10 dated 25.11.2022 issued to taxpayer.
8	Mismatch in turnover declared in GSTR 9C Table 5R	07XXXXXXX XXXX1ZJ	84	7	309.26	DRC-01 dated 10.12.2022 was issued.
9	Mismatch in taxable turnover declared in GSTR 9C Table 7G	07XXXXXXX XXXX1Z1	76	7	84.87	ASMT 10 dated 24.11.2022 issued to taxpayer.
10	Mismatch in tax paid between books of accounts and returns	07XXXXXXX XXXX1ZH	71	6	3.52	ASMT 10 dated 25.11.2022 issued to taxpayer.
11	Unsettled liabilities	07XXXXXXX XXXX1Z3	32	1	205.06	DRC 01 dated 08.07.2022 and DRC 07 dated 03.10.2022 issued.
12	Composition taxpayer also availing e-commerce facility	07XXXXXXX XXXX1Z7	78	7	NA	ASMT-10 dated 25.11.2022 issued to taxpayer.
13	GSTR 3B was not filed but GSTR 1 is available	07XXXXXXX XXXX 1ZZ	12	2	1.54	DRC-07 dated 31.10.2022 issued to taxpayer.
14	Short payment of interest	07XXXXXXX XXXX 1Z3	88	8	1.16	DRC-01 dated 04.08.2022 issued to taxpayer.

Illustrative cases are discussed below:

**(i) Dimension - ITC mismatch between GSTR 2A and GSTR 3B**

GSTR 2A is a purchase related dynamic tax return that is automatically generated for each business by the GST portal, whereas GSTR 3B is a monthly return which contains summary of outward supplies along with ITC declared and payment of tax as self-declared by the taxpayer.

To analyze the veracity of ITC utilization, relevant data were extracted from GSTR 3B and GSTR 2A for the year 2017-18, and the ITC paid as per suppliers' details was matched with the ITC credit availed by the taxpayer. The methodology adopted was to compare the ITC available as per GSTR 2A with all its amendments and the ITC availed in GSTR 3B in Table 4A(5)<sup>9</sup> considering the reversals in Table 4B(2)<sup>10</sup> but including the ITC availed in the subsequent year 2018-19 from Table 8C of GSTR 9 of 2017-18.

Audit observed that in case of taxpayer (GSTIN-07XXXXXXXXXX1ZO) under Ward 74, the ITC available as per GSTR 2A was ₹ Nil and the ITC availed in table 4A (5) of GSTR 3B was ₹ 23.15 crore (including the ITC ₹ Nil availed in the subsequent year 2018-19 from Table 8C of GSTR 9). This resulted in mismatch of ITC availed amounting to ₹ 23.15 crore which was communicated to the Department (March 2022).

In response, the Department stated (December 2022) that DRC-07 (September 2022) determining the demand of ₹ 132.55 crore was issued to the taxpayer. Further progress in this regard was awaited (June 2023).

**(ii) Dimension - ITC availed under RCM vs. payment of tax in GSTR 3B/ GSTR 9**

In Reverse Charge Mechanism the liability to pay tax is fixed on the recipient of supply of goods or services instead of the supplier or provider in respect of certain categories of goods or services or both under Section 9(3) or Section 9(4) of the DGST Act, 2017 and under sub-section (3) or sub-section (4) of Section 5 of the IGST Act, 2017.

GSTR-9 is an annual return to be filed once for each financial year, by the registered taxpayers who were regular taxpayers, including SEZ units and SEZ developers. The taxpayers are required to furnish details of purchases, sales, input tax credit or refund claimed or demand created etc.

To analyse the veracity of ITC availed on tax paid under Reverse Charge Mechanism (RCM) for the year 2017-18, the datasets pertaining to GSTR 3B and annual return GSTR 9 were compared to check whether the ITC availed on RCM was restricted to the extent of tax paid. The methodology adopted was to

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<sup>9</sup> All other eligible ITC

<sup>10</sup> Other ITC reversed.

compare the RCM payments in GSTR 3B Table 3.1(d)<sup>11</sup> with ITC availed in GSTR 9 Table 6C<sup>12</sup>, 6D<sup>13</sup> and 6F<sup>14</sup>. In cases where GSTR 9 was not available, the check was restricted within GSTR 3B where the tax discharged part in R3B Table 3.1(d) was compared with the ITC availing part of R3B 4A (2)<sup>15</sup> and 4A (3)<sup>16</sup>.

Audit observed that in case of taxpayer (GSTIN-07XXXXXXXXXXXX1ZM) under Ward 41, the ITC available in table 3.1(d) of GSTR 3B was Nil and the ITC availed in table 4A (2) and (3) of GSTR 3B was ₹ 3.77 crore resulting in mismatch of ITC availed amounting to ₹ 3.77 crore which was communicated to the Department (March 2022).

In response, the Department stated (August 2022) that DRC-07 (July 2022) determining the demand of ₹ 10.06 crore was issued to the taxpayer. Further progress in this regard was awaited (June 2023).

**(iii) Dimension - Short payment of tax under RCM vs ITC availed in GSTR 3B/GSTR 9**

The extent of availing of ITC under RCM for the year 2017-18 without discharging equivalent tax liability or, in other words, short payment of tax under RCM was analysed by comparing the datasets pertaining to GSTR 3B and annual return GSTR 9 to check whether the tax has been discharged fully on the activities/transactions under RCM. In cases where GSTR 9 was filed, the RCM payments in Table 4G<sup>17</sup> was compared with ITC availed in Table 6C, 6D and 6F. In cases where GSTR 9 was not available, RCM payments in GSTR 3B Table 3.1(d)<sup>18</sup> was compared with GSTR 3B 4(A) (2)<sup>19</sup> and 4A (3)<sup>20</sup>.

Audit observed that in case of taxpayer (GSTIN- 07XXXXXXXXXXXX1ZQ) under Ward 93, the RCM payments in table 4G of GSTR 9 was ₹ 0.03 crore (GSTR 3B also shows RCM payment of ₹ 0.03 crore) and the ITC availed in table (6C+6D+6F) of GSTR 9 was ₹ 1.08 crore. This resulted in excess availment of ITC on RCM without payment of tax amounting to ₹ 1.05 crore which was communicated to the Department (April 2022).

In response, the Department stated (September 2022) that DRC-01 (September 2022) determining the demand of ₹ 2.31 crore was issued to taxpayers. Further progress in this regard was awaited (June 2023).

<sup>11</sup> Inward supplies (liable to reverse charge)

<sup>12</sup> Inward supplies receive from unregistered persons liable to reverse charge.

<sup>13</sup> Inward supplies received from registered persons liable to reverse charge.

<sup>14</sup> Import of services.

<sup>15</sup> Import of services.

<sup>16</sup> Inward supplies (liable to reverse charge).

<sup>17</sup> Inward supplies on which tax is to be paid on reverse charge basis.

<sup>18</sup> Inward supplies (liable to be reverse charge).

<sup>19</sup> Import of services.

<sup>20</sup> Inward supplies liable to be reverse charge other than Import of Goods and Services.

**(iv) Dimension - Incorrect availment of ISD credit**

To analyse whether the ITC availed by the taxpayer is in excess of that transferred by the Input Service Distributor (ISD), ITC availed as declared in the returns of the taxpayer is compared with the ITC transferred by the ISD in their GSTR 6. The methodology adopted was to compare Table 6G<sup>21</sup> of GSTR-9 or Table 4(A)(4)<sup>22</sup> of GSTR-3B of the recipient taxpayers under the jurisdiction of this State with the sum of Table 5A<sup>23</sup>, Table 8A<sup>24</sup>, and Table 9A<sup>25</sup> of GSTR 6 of the respective ISD.

In case of taxpayer (GSTIN-07XXXXXXXXXX1Z5) under Ward 75, audit observed that the ITC availed in table 6G of GSTR 9 was ₹ 0.89 crore and the ITC transferred by the ISD in table (5A+8A+9A) of GSTR 6 was NIL. This resulted in excess availment of ITC transferred by the ISD amounting to ₹ 0.89 crore which was communicated to the Department in (May 2022).

In response, the Department stated (November 2022) that DRC-01A (August 2022) determining the demand of ₹ 2.65 crore was issued to taxpayers. Further progress in this regard was awaited (June 2023).

**(v) Dimension - Mismatch of ITC availed between Annual returns and Books of accounts**

Table 12 of GSTR 9C reconciles ITC declared in annual return (GSTR9) with ITC availed as per audited Annual financial statement or books of accounts. Column 12F of this table deals with un-reconciled ITC.

The certified reconciliation statement submitted by the taxpayer as required under the Rule 80(3) of DGST Rules, 2017 in form GSTR 9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in ITC declared in the Annual Return with the Financial Statements.

Un-reconciled ITC of ₹ 61.32 crore declared in Table 12F of GSTR 9C, being ITC availed in GST returns in excess of eligible ITC based on financial statements, in case of taxpayer (GSTIN-07XXXXXXXXXX1Z8) under Ward 61, was noticed and communicated to the Department (March 2022).

In response, the Department stated (December 2022) that ASMT-10 (December 2022) was issued. Further progress in this regard was awaited (June 2023).

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<sup>21</sup> ITC received from ISD.

<sup>22</sup> Inward supplies from ISD.

<sup>23</sup> Distribution of the amounts of eligible ITC for the tax period.

<sup>24</sup> Mismatch of ITC reclaimed and distributed.

<sup>25</sup> Redistribution of ITC distributed to a wrong recipient.

**(vi) Dimension - Reconciliation between ITC availed in Annual returns with expenses in financial statements**

Table 14 of GSTR 9C reconciles ITC declared in annual return (GSTR9) with ITC availed on expenses as per audited Annual Financial Statement or books of Accounts. Column 14T of this table deals with un-reconciled ITC.

The certified reconciliation statement submitted by the taxpayer as required under the Rule 80(3) of DGST Rules in form GSTR 9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in ITC declared in the Annual Return with the expenses reported in the Financial Statements.

Un-reconciled ITC of ₹ 45.17 crore declared in Table 14T of GSTR 9C, being ITC availed in GST returns in excess of eligible ITC based on expenses reported in Financial Statements, in case of taxpayer (GSTIN-07XXXXXXXXXX1Z9) under Ward 71, was noticed and communicated to the Department (March 2022).

In response, the Department stated (November 2022) that ASMT-10 (November 2022) was issued. Further progress in this regard was awaited (June 2023).

**(vii) Dimension - Mismatch in turnover declared in GSTR 9C (Table 5R)**

Table 5 of GSTR 9C is the reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in annual turnover (GSTR 9). Column 5R of this table captures the un-reconciled turnover between the annual return GSTR 9, and that declared in the Financial Statement for the year after the requisite adjustments.

The certified reconciliation statement submitted by the taxpayer as required under Rule 80(3) of DGST Rules, 2017 in form GSTR 9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in turnover reported in the Annual Return *vis-à-vis* the Financial Statements. The un-reconciled amount in cases where the turnover declared in GSTR 9 is less than the Financial Statement indicates non-reporting, under-reporting, short-reporting, omission, error in reporting of supplies leading to evasion or short payment of tax. It could also be a case of non-reporting of both taxable and exempted supplies.

Audit query on un-reconciled turnover in Table 5R of GSTR-9C, amounting to ₹ 1,139.75 crore was issued in respect of taxpayer (GSTIN-07XXXXXXXXXX1ZJ) under Ward 84 and communicated to the Department (March 2022).

In response, the Department stated (December 2022) that DRC-01 (December 2022) determining the demand of ₹ 309.26 crore was issued to taxpayer. Further progress in this regard was awaited (June 2023).

**(viii) Dimension - Mismatch in taxable turnover declared in GSTR 9C (Table 7G)**

Table 7 of GSTR 9C is the reconciliation of taxable turnover. Column 7G of this table captures the un-reconciled taxable turnover between the Annual Return GSTR 9 and that declared in the Financial Statement for the year after the requisite adjustments.

The certified reconciliation statement submitted by the taxpayer as required under the Rule 80(3) of DGST Rules, 2017 in Form GSTR 9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in taxable turnover reported in the Annual Return *vis-à-vis* the Financial Statements. The un-reconciled amount in cases where the turnover in GSTR 9 is less than the Financial Statement indicates non-reporting, under-reporting, short-reporting, omission, error in reporting of taxable supplies. It could also be on account of non-reporting of both taxable and exempted supplies

An Audit query on Un-discharged taxable turnover in Table 7G of GSTR-9C, amounting to ₹ 84.87 crore was issued in respect of taxpayer (GSTIN-07XXXXXXXXXX1Z1) under Ward 76 was communicated to the Department (March 2022).

In response, the Department stated (November 2022) that ASMT 10 (November 2022) was issued. Further progress in this regard was awaited (June 2023).

**(ix) Dimension - Mismatch in tax paid between books of accounts and returns**

The certified reconciliation statement submitted by the taxpayer as required under Rule 80(3) of DGST Rules, 2017 in form GSTR 9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in tax paid between the Annual Return and the books of Accounts. Table 9 of form 9C attempts to reconcile the tax paid by segregating the turnover rate-wise and comparing it with the tax discharged as per annual return GSTR 9. The un-reconciled amounts could potentially indicate tax levied at incorrect rates, incorrect depiction of taxable turnover as exempt or *vice versa* or incorrect levy of CGST/DGST/IGST. There can also be situations wherein supplies/tax declared are reduced through amendments (net of debit notes/credit notes) in respect of the 2017-18 transactions carried out in the subsequent year from April to September 2018. Consequential interest payments - both short payments and payments under incorrect heads - also need to be examined in this regard.

Un-reconciled payment of tax declared in Table 9R of GSTR 9C, amounting to ₹ 3.52 crore in case of taxpayer (GSTIN-07XXXXXXXXXX1ZH) under Ward 71 was communicated to the Department (April 2022).

In response, the Department stated (November 2022) that ASMT 10 (November 2022) was issued. Further progress in this regard was awaited (June 2023).

**(x) Dimension - Unsettled liabilities.**

GSTR 1 depicts the monthly details of outward supplies of Goods or Services. This detail also assessed by the taxpayer and mentioned in annual return GSTR 9 in the relevant columns. Further, taxable value and tax paid thereof are also shown in GSTR 3B.

To analyse the un-discharged tax liability, relevant data were extracted from GSTR 1 and GSTR 9 for the year 2017-18 and the tax payable in these returns was compared with the tax paid as declared in GSTR 9. Where GSTR 9 was not available, a comparison of tax payable between GSTR 1 and GSTR 3B was resorted to. The amendments and advance adjustments declared in GSTR 1 and 9 were also considered for this purpose.

For the algorithm, Tables 4 to 11 of GSTR 1 and Tables 4N, 10 and 11 of GSTR 9 were considered. The greater of the tax liability between GSTR 1 and GSTR 9 was compared with the tax paid declared in tables 9 and 14 of GSTR 9 to identify short payment of tax. In the case of GSTR 3B, tables 3.1(a)<sup>26</sup> and 3.1(b)<sup>27</sup> were taken into account.

In case of taxpayer (GSTIN-07XXXXXXXXXX1Z3) under Ward 32, the tax payable in Table 4 to 11 of GSTR 1 was ₹ 42.81 crore and the liability shown as per GSTR 9 was ₹ nil. This resulted in mismatch of tax liability amounting to ₹ 42.81 crore which was communicated to the Department (April 2022).

In response, the Department stated (October 2022) that DRC-07 (October 2022) determining the demand of ₹ 205.06 crore was issued to taxpayers. Further progress in this regard was awaited (June 2023).

**(xi) Dimension - GSTR 3B was not filed but GSTR 1 is available**

At the data level, it has been identified that those taxpayers who have not filed GSTR 3B but have filed GSTR 1 or whose GSTR 2A was available for the year 2017-18. GSTR 3B return is the only instrument through which the liability is offset and ITC is availed. The very availability of GSTR 1 and GSTR2A and non-filing of GSTR3B indicates that the taxpayers had undertaken/carried on business during the period but have not discharged their tax liability.

The datasets pertaining to relevant fields in the GSTR 1, GSTR 2A and GSTR 3B were analysed, and those cases where GSTR 3B is null (return not filed) were extracted. These taxpayers did not file even a single GSTR 3B return in year 2017-18.

Audit query on liability mismatch between GSTR 1 and GSTR 3B amounting to ₹ 0.13 crore in case of taxpayer (GSTIN-07XXXXXXXXXX1ZZ), under Ward 12, was communicated (March 2022) to the Department. The liability declared by the taxpayer in GSTR 1 including the amendments carried out in

<sup>26</sup> Outward taxable supplies (other than zero rated, nil rated and exempted).

<sup>27</sup> Outward taxable supplies (Zero rated).

the subsequent years pertaining to invoices issued in 2017-18 works out ₹ 0.13 crore.

In response, the Department stated (October 2022) that DRC-07 (October 2022) determining the demand of ₹ 1.54 crore was issued to taxpayer. Further progress in this regard was awaited (June 2023).

**(xii) Dimension - Short payment of interest**

Section 50 of the DGST Act, 2017 stipulates that every person liable to pay tax in accordance with the provisions of this Act or rules made there under but fails to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay interest at the rate notified.

The extent of short payment of interest on account of delayed remittance of tax during 2017-18 was identified using the tax paid details in GSTR 3B and the date of filing of the GSTR 3B. Only the net tax liability (cash component) has been considered to work out the interest payable.

In case of taxpayer (GSTIN-07XXXXXXXXXX1Z3) under Ward 88, there was short payment of interest due to late filing of GSTR 3B amounting to ₹ 1.16 crore which was communicated to the Department (April 2022).

In response, the Department stated (August 2022) that DRC-01 was issued. Further progress in this regard was awaited (June 2023).

**1.3.7.2 Analysis of causative factors**

Considering the Department's response to 267 cases out of the sample of 308 data deviations/inconsistencies, the factors that caused the data deviations/inconsistencies are as follows:

**A. Deviations from GST law and rules**

**(I) Cases where Department accepted objection**

Out of the 267 deviations summarized in Table-1.3.5, the Department has accepted the audit queries and initiated examination in (Col 10 to 15) 85 cases with tax effect of ₹ 1702.53 crore and in 10 cases pertaining to mismatch in Turnover of ₹ 3055.67 crore. Out of these cases, the Department has recovered ₹ 0.89 crore in 3 cases (**Annexure 1.9**), issued SCN in 40 cases (**Annexure 1.10**) for ₹ 1412.98 crore, issued notice conveying discrepancies to the taxpayer in Form ASMT-10 in 42 cases (**Annexure 1.11**) for ₹ 288.69 crore and in 10 cases having mismatch in turnover of ₹ 3055.67 crore respectively. Further, Department was in correspondence with 12 taxpayers (**Annexure 1.12**) involving tax effect of ₹ 15.80 crore.

The top five accepted cases are illustrated in **Table-1.3.7**.

**Table-1.3.7: Top five cases accepted or action initiated by the Department**

Sl. No.	GSTIN	Ward	Dimension	Tax (₹ in crore)	Action taken
1	07XXXXXXXXXX1ZJ	84	8	309.26	DRC-01 dated 10.12.2022 was issued.
2	07XXXXXXXXXX1Z3	32	11	205.06	DRC 07 dated 03.10.2022 issued to taxpayer.
3	07XXXXXXXXXX1ZO	74	1	132.55	FORM GST DRC-07 dated 12-09-2022 raising demand of tax dues issued.
4	07XXXXXXXXXX1Z3	32	11	125.00	DRC 07 dated 03.10.2022 was issued.
5	07XXXXXXXXXX1Z8	16	11	80.41	DRC 07 dated 22.09.2022 issued.

(i) Un-reconciled turnover in Table 5R of GSTR-9C, amounting to ₹ 1,139.75 crore was noticed in respect of taxpayer (GSTIN-07XXXXXXXXXX1ZJ) under Ward 84 and communicated to the Department (March 2022). In response, the Department stated (December 2022) that SCN (DRC-01) dated 10.12.2022 determining the demand of ₹ 309.26 crore was issued to taxpayer. Further progress in this regard was awaited (June 2023).

(ii) Short Payment on un-discharged tax liability arising out of comparison between GSTR 1 and GSTR 9 amounting to ₹ 42.81 crore was noticed in respect of taxpayer (GSTIN 07XXXXXXXXXX1Z3 ) under Ward 32 and communicated to the Department (September 2022). In reply, the Department stated that DRC 07 (October 2022) amounting to ₹ 205.06 crore was issued. Further progress in this regard was awaited (June 2023).

(iii) Mismatch of ITC availed amounting to ₹ 23.15 crore was noticed in respect of taxpayer (GSTIN-07XXXXXXXXXX1ZO) under Ward 74 and communicated to the Department (September 2022). In reply, the Department stated (December 2022) that DRC-07 (September 2022) determining the demand of ₹ 132.55 crore was issued to the taxpayer. Further progress in this regard was awaited (June 2023).

(iv) Short Payment on un-discharged tax liability arising out of comparison between GSTR 1 and GSTR 9 amounting to ₹ 26.16 crore was noticed in respect of taxpayer (GSTIN 07XXXXXXXXXX1Z3) under Ward 32 and communicated to the Department (September 2022). In reply, the Department stated that DRC 07 (October 2022) amounting to ₹ 125 crore was issued. Further progress in this regard was awaited (June 2023).

(v) Short Payment on un-discharged tax liability arising out of comparison between GSTR 1 and GSTR 9 amounting to ₹ 12.35 crore was noticed in respect of taxpayer (GSTIN 07XXXXXXXXXX1Z8) under Ward 16 and communicated to the Department (September 2022). In reply, the Department stated that DRC 07 (September 2022) amounting to ₹ 80.41 crore was issued. Further progress in this regard was awaited (June 2023).

**(II) Cases where Department’s reply is not acceptable to Audit**

Out of the 308 non-compliance cases, Department did not accept objections in 30 cases amounting to ₹ 277.66 crore. In these cases, the Department only forwarded explanations of the taxpayers without explicitly commenting on the audit queries. Details of these cases along with the Audit comments are given in **Annexure 1.13**.

The five cases with illustrations are featured below:

**Table-1.3.8: Top five cases in terms of money value where Department’s response was rebutted**

Sl. No.	GSTIN	Ward	Zone	Dimension	Mismatch amount (₹ in crore)
1	07XXXXXXXXXXXX1Z7	97	9	11	31.41
2	07XXXXXXXXXXXX1ZQ	97	9	11	24.64
3	07XXXXXXXXXXXX1Z5	10	2	11	21.64
4	07XXXXXXXXXXXX1ZX	29	1	11	17.81
5	07XXXXXXXXXXXX1Z2	28	1	11	15.36

- i. A tax liability mismatch between GSTR 1 and GSTR 3B of ₹ 31.41 crore was noticed in the case of taxpayer (GSTIN- 07XXXXXXXXXXXX1Z7) under Ward 97, which was communicated to the Department (September 2022). The reply furnished (May 2022) by the Department was not acceptable as it did not pertain to the tax liability mismatch. On this being pointed out again (March 2023), further progress in this regard was awaited (June 2023).
- ii. A tax liability mismatch between GSTR 1 and GSTR 3B of ₹ 24.64 crore was noticed in the case of taxpayer (GSTIN- 07XXXXXXXXXXXX1ZQ) under Ward 97, which was communicated to the Department (September 2022). The reply furnished (May 2022) by the Department was not acceptable as it did not pertain to the tax liability mismatch. On this being pointed out again (March 2023), further progress in this regard was awaited (June 2023).
- iii. A tax liability mismatch between GSTR 1 and GSTR 3B of ₹ 21.64 crore was noticed in the case of taxpayer (GSTIN- 07XXXXXXXXXXXX1Z5) under Ward 10, which was communicated to the Department (September 2022). The reply furnished (December 2022) by the Department was not acceptable as it did not pertain to the tax liability mismatch. On this being pointed out again (March 2023), further progress in this regard was awaited (June 2023).
- iv. A tax liability mismatch between GSTR 1 and GSTR 3B of ₹ 17.81 crore was noticed in the case of taxpayer (GSTIN-07XXXXXXXXXXXX1ZX) under Ward 29, which was communicated to the Department (September 2022). The reply furnished (September 2022) by the Department was not acceptable as it did not pertain to the tax liability mismatch. On this being

pointed out again (March 2023), further progress in this regard was awaited (June 2023).

- v. A tax liability mismatch between GSTR 1 and GSTR 3B of ₹ 15.36 crore was noticed in the case of taxpayer (GSTIN- 07XXXXXXXXXX1Z2) under Ward 28, which was communicated to the Department (September 2022). The reply furnished (May 2022) by the Department was not acceptable as it did not pertain to the tax liability mismatch. On this being pointed out again (March 2023), further progress in this regard was awaited (June 2023).

### **B. Data entry errors by taxpayers**

Data entry errors constituted 11 *per cent* (32 cases out of 267 cases) of the total responses received and 25 *per cent* of cases where the Department's responses were accepted by Audit. These data entry errors did not have any revenue implication. Most of the data entry errors relate to RCM, ISD and tax paid (provided in GSTR 9C) as detailed in **Annexure 1.14**. An illustrative case is brought out below:

A deviation amounting to ₹ 64.92 crore was identified as tax liability mismatch between GSTR 2A and GSTR-3B return for the period 2017-18 of the taxpayer (07XXXXXXXXXX1ZO), under Ward 207 (Zone-11), and communicated to the Department (March 2022). On receipt of Department's reply, it was seen that the deviation was caused due to a typographical error. On the basis of taxpayer reply, order Reference No. ZD070722011764I dated 22 July 2022 for dropping the proceedings under Section 73/74 has been issued to taxpayer by the Department, the system allowed for such data entry errors, which could have been avoided with proper validation controls.

### **C. Action taken before issue of Audit Queries**

As summarized in Table 1.3.5 *ibid*, the Department had already taken action in 25 cases (**Annexure 1.15**), constituting 9 *per cent* of the 267 responses received.

### **D. Other valid explanation**

As detailed in Table 1.3.5 (column Number 8) *ibid*, in 69 cases Department had given valid explanations and cases are shown in (**Annexure 1.16**).

### **E. Department's reply without appropriate evidence**

As detailed in column number 22 of Table 1.3.5 *ibid*, in 4 cases (**Annexure 1.17**), Department did not provide the appropriate documentary evidence to Audit and was thus not amenable to verification.

**Recommendation:** *Department may consider introducing validation controls in GST Returns to curb data entry errors, enhance taxpayer compliance and facilitate better scrutiny.*

### **1.3.7.3 Detailed audit of GST returns**

In a self-assessment regime, the onus of compliance with law is on the taxpayer. The role of the Department is to establish and maintain an efficient tax administration mechanism to provide oversight. With finite level of resources for a tax administration, an efficient governance mechanism is essential to ensure compliance with law and collection of revenue. An IT driven compliance model enables maintaining a non-discretionary regime of governance on scale and facilitates a targeted approach to enforce compliance.

From an external audit perspective, Audit also focused on a data-driven risk-based approach. Thus, apart from identifying inconsistencies/deviations in GST returns through pan-India data analysis, pertaining to Delhi state jurisdiction a detailed audit of GST returns was also conducted as part of this review. A risk-based sample of 47 taxpayers was selected for this part of the review. The methodology adopted was to initially conduct a desk review of GST returns and financial statements filed by the taxpayers as part of the GSTR 9C and other records available in the back-end system to identify potential risk areas, inconsistencies/deviations and red flags. Desk review was carried out in CAG field audit office. Based on desk review results, detailed audit was conducted in field formations of state tax Department by requisitioning corresponding granular records of taxpayers such as financial ledgers, invoices etc. to identify causative factors of the identified risks and to evaluate compliance by taxpayers.

As brought out in the previous paragraph, detailed audit involved a desk review of GST returns and other basic records to identify risks and red flags, which were followed by field audit to identify the extent of non-compliance by taxpayers and action taken by the field formations of state tax Department. Non-compliance by taxpayers at various stages ultimately impacts the veracity of returns filed, utilisation of ITC and discharge of tax payments. Out of the 47 cases that were audited either fully or partially, Audit observed 97 compliance deficiencies with a revenue implication of ₹ 163.82 crore. Out of these, the Department reported ITC reversal of ₹ 92.25 crore in one case and recovery of ₹ 0.16 crore in two cases. The audit findings are, therefore, categorized under a) Returns, b) Utilization of ITC and c) Discharge of tax liability.

#### **Scope limitation (non-production/partial production of records)**

The details of non-production of records in the following paragraphs:

- a) **Non-production of records:** Audit conducted desk review of 47 cases selected for detailed audit and identified the risks related to excess ITC and tax liability mismatches etc. for detailed examination. On the ITC dimension, the mismatches were identified by comparing GSTR 3B with GSTR 2A and GSTR 9, and the declarations made in Table 12 and 14 of

GSTR 9C. On the tax liability dimension, the mismatches were identified by comparing GSTR 3B with GSTR 1 and GSTR 9 and the declarations in Table 5, Table 7, and Table 9 of GSTR 9C. However, in 40 cases having risk exposure relating to excess/irregular ITC availment and un-discharged liability of ₹ 46.89 crore, the Department did not produce granular records such as the supplementary financial ledgers, invoices, agreement copies etc. required for examining the causative factors for mismatches of ITC and tax liability etc. based on returns only. Other risky areas like misclassification of supplies, undervaluation of supplies etc. could also not be checked by the Audit in the absence of requisite records. The case-wise listing of non-production records is given in **Annexure 1.18**.

## I. Returns

Detailed audit of returns filed by a sample of 47 taxpayers disclosed that interest payments were not discharged by 16 taxpayers in the returns which are brought out below:

### a) Non-payment of interest by taxpayers

Audit observed that in 18 cases, constituting 38 *per cent* of the 47 cases audited, that taxpayers had either filed their returns late, discharged liability by filing annual return i.e. GSTR-9, but interest payments amounting to ₹ 0.45 crore were not discharged. Out of these 18 cases (**Annexure 1.19** and **1.20**), the Department furnished reply (October and November 2022) in four cases, out of which in two cases, the Department recovered an amount of ₹ 0.16 crore at the instance of Audit. Reply of the Department was awaited (June 2023) in remaining 14 cases.

One illustrative cases is given below:

- i. One Taxpayer (GSTIN-07XXXXXXXXXX2ZF) had made voluntary payment of ₹ 0.38 crore for the tax liability shown in GSTR9 for the year 2017-18 in cash vide DRC 03 on 14 February 2020. However, the taxpayer did not pay interest amounting to ₹ 0.14 crore on delayed payment of tax as prescribed under Section 50(1) of DGST Act, 2017 (**Annexure 1.19**). Response of the Department was sought in September 2022 and March 2023 and reply of the Department was awaited (June 2023).

## II. Utilisation of Input Tax Credit

Input Tax Credit (ITC) means the Goods and Services Tax (GST) paid by a taxable person on purchase of goods and/or services that are used in the course or furtherance of business. To avoid cascading effect of taxes, credit of taxes paid on input supplies can be used to set-off for payment of taxes on outward supplies.

Section 16 and 17 of the DGST Act prescribe the eligibility and conditions to avail ITC. Credit of CGST cannot be used for payment of SGST/UTGST and credit of SGST/UTGST cannot be utilised for payment of CGST. Rule 36 to 45 of the DGST Rules prescribes the procedures for availing and reversal of ITC.

**a) Non Reversal of ITC shown reversed in Return GSTR-9**

Every registered person other than those referred to in the proviso to sub-section (5) of Section 35 of DGST Act, 2017, other than an Input Service Distributor, a person paying tax under Section 51 or Section 52, a casual taxable person and a non-resident taxable person, shall furnish an annual return.

Audit observed compliance deficiencies in 5 cases out of 47 cases where taxpayers had not reversed ITC of ₹1.72 crore and also liable to pay interest of ₹ 0.91 crore thereof. The deficiencies were mainly on account of ITC shown reversed in return GSTR-9 but same was not reversed by the taxpayers through GSTR 3B. Interest calculated under Section 50(3) of DGST Act, 2017 is detailed in **Annexure 1.21**. Reply in all cases was awaited (June 2023).

**One illustrative case is given below:**

- i. One Taxpayer (GSTIN- 07XXXXXXXXXX1ZU) under jurisdiction of Ward-44 had shown the ITC of ₹ 1.22 crore IGST as reversed under Table 12 of GSTR 9 of the year 2017-18. However, ITC shown as reversed was neither reversed in Electronic Credit Ledger by debiting the same nor such reversal was done through GSTR-3B of the subsequent Year by the taxpayer. Taxpayer was also liable to pay interest of ₹ 0.64 crore under Section 50(3) of DGST, Act-2017 calculated on ITC not reversed. Response of the Department was sought in October 2022 and March 2023 and reply of the Department was still awaited (June 2023)

**b) Excess availing of ITC under Reverse Charge Mechanism**

Rule 85(4) of DGST rules 2017 stipulates that the amount payable on reverse charge basis under the DGST Act shall be paid by debiting the electronic cash ledger and Section 16(1) of the Act provides for availing of ITC thereof. Furthermore, as per Notification No. 20/2017-Central Tax (Rate) New Delhi, dated 22 August 2017 of Ministry of Finance, GoI, a Goods Transport Agency (GTA), who opts for Reverse Charge Mechanism (RCM) and transfers the liability to pay GST at 5 *per cent* to the recipient of service, was not allowed to claim Input Tax Credit (ITC) on goods and services used in supplying the services.

Audit observed non-compliance in 4 cases out of 47 cases amounting to ₹ 0.44 crore and were also liable to pay interest of ₹ 0.23 crore thereof where taxpayers had either claimed excess ITC under RCM than paid or claimed inadmissible ITC in contravention to aforesaid notification (**Annexure 1.22**).

Reply in all cases was awaited (June 2023).

Two illustrative cases are given below:

- (i) One Taxpayer (GSTIN-07XXXXXXXXXXXX1ZZ0) under jurisdiction of Ward-208 paid tax of ₹ 0.63 crore as per Table 6.1B of GSTR-3B of year 2017-18 under reverse charge and claimed ITC of ₹ 0.78 crore thereof and hence, claimed excess ITC of ₹ 0.15 crore under RCM. Taxpayer was also liable to pay interest of ₹ 0.08 crore due to excess ITC claimed under RCM.

Response of the Department was sought in October 2022 and March 2023 and reply of the Department was awaited (June 2023).

- (ii) Another taxpayer (GSTN 07XXXXXXXXXXXX1ZL) under jurisdiction of Ward-105 during the period August 2017 to December 2017 opted for supplying services on RCM basis. Aforesaid notification no. 20/2017 clearly states that the GTA who opt for Reverse Charge Mechanism (RCM) and transfers the liability to pay GST at the rate of 5 per cent to the recipient of service, was not allowed to claim Input Tax Credit (ITC) on goods and services used in supplying the services. However, it was noticed that the taxpayer claimed inadmissible ITC amounting to ₹ 0.12 crore during the said period in contravention above said notification. In addition, the taxpayer was also liable to pay interest towards claim of inadmissible ITC under RCM which worked out to be ₹ 0.06 crore (from 05.02.2020 to 31.12.2022, 1060 days). Thus, the total amount due from taxpayer was ₹ 0.18 crore. The Department vide its letter dated 4th October 2022 forwarded reply of the taxpayer which was not relevant to the audit objection.

Further, response of the Department was sought in October 2022 and March 2023 and reply of the Department was awaited (June 2023).

- c) **All other observations relating to ITC where additional records were not provided and only mismatch details through analysis could be observed :-**

Audit observed 43 non-compliance deficiencies in 47 cases amounting to ₹ 125.84 core. The deficiencies were mainly on account of mismatch of ITC availed as per returns GSTR 3B and GSTR 9 with ITC available in GSTR 2A, Non-reversal of ITC as per Rule 42 of DGST Rules 2017, wrong apportionment of credit and excess availment of ITC on Input Service Distribution. Out of 43 deficiencies, in one case under category of non-reversal of ITC, the taxpayer (07XXXXXXXXXXXX1ZK) reversed (November 2022) the excess ITC of ₹ 92.25 crore pertaining to nil/exempt supply at the instance of Audit.

Department furnished reply (September-November 2022) in six cases. Reply in remaining 37 cases was awaited (June 2023).

Observations relating to mismatch in ITC are shown in **Table-1.3.9**.

**Table-1.3.9: Mismatch in input tax credit claimed by taxpayers**

Sl. No.	Parameter	No. of cases	No. of Wards	Amount of mismatch (₹ in crore)	Remarks
1	<b>ITC mismatch between GSTR-2A and GSTR-3B /GSTR-9:</b> The ITC available as per GSTR-2A was compared with the ITC availed under GSTR-3B /GSTR-9 return. <b>(Annexure-1.23)</b>	30	21	22.21	On being pointed out, (October 2022 and March, 2023), Department replied that DRC-07 issued in one case and DRC 01 issued in four cases. The response of the Department was awaited in 25 cases (June 2023).
2	<b>Non/short reversal of ITC availed for exempt and non-GST supplies:</b> As per Section 17(2) of Delhi GST Act 2017, read with Rules 42 of Delhi GST Rules 2017, the amount of credit shall be restricted to so much of the input tax as is attributable to the said taxable supplies including zero-rated supplies. <b>(Annexure-1.24)</b>	10	8	102.36	On being pointed out, (September 2022-March 2023). In one case, the Department replied that the taxpayer reversed the excess ITC of ₹ 92.25 crore. In two cases reply submitted by the Department were not satisfactory. Further response was awaited (June 2022) Replies in remaining cases were awaited (June 2023).
3	<b>Excess ITC availed due to wrong apportionment of Credit.</b> Section 17(4) of DGST Act-2017, a banking company or a financial institution including a non-banking financial company shall have the option to either comply with the provisions of sub section(2), or avail of every month, an amount equal to fifty per cent of the eligible ITC on inputs. However two taxpayers <b>(Annexure 1.25)</b> claimed ITC in excess of fifty percent in contravention to the said provisions of the aforesaid Act.	2	2	1.10	Response of the Department was sought (between September-2022, October-2022 and in March-2023) Reply of the Department was still awaited (June 2023).
4	<b>Mismatch in availing of ITC under Input Service Distribution credit:</b> As per Section 20(2) of Delhi GST Act 2017, ISD may distribute the credit available for distribution in the same month in which it is availed.	1	1	0.17	The Taxpayer (GSTN-07XXXXXXXXXX1ZR) claimed ITC under ISD amounting to ₹ 0.17 crore in the GSTR 9 of the year 2017-18. Scrutiny of GSTR 2A for year 2017-18 revealed that no such credit has been distributed to the taxpayer. The issue was pointed out in October 2022 and March 2023, reply of the Department was awaited (June 2023).

**(III) Discharge of tax liability**

The taxable event in case of GST is supply of goods and/or services. Section 9 of the DGST Act, 2017 is the charging section authorizing levy and collection of tax called Central/State Goods and Services Tax on all intra-State supplies of goods or services or both, except on supply of alcoholic liquor for human consumption, on value determined under Section 15 of the DGST Act, 2017 and at such rates not exceeding 20 *per cent* under each Act i.e., CGST Act and SGST Act. Section 5 of the IGST Act, 2017 vests levy and collection of IGST on interstate supply of goods and services with Central Government with a maximum rate of 40 *per cent*.

**a) Short Discharge of Tax liability**

Audit observed (May-October 2022) compliance deficiencies in 13 cases out of 47 cases, amounting to ₹ 7.05 crore, due to short discharge/non-discharge of tax liability (excluding liability under RCM) based on the annual returns (GSTR-9). Taxpayers were also liable to pay interest of ₹ 3.69 crore under Section 50(1) of DGST Act, 2017 thereof. Cases along with interest are shown in **Annexure 1.26**.

Department issued DRC-01 in three cases (September-December 2022) and DRC-07 (December 2022) in one case. Reply in remaining nine cases was awaited (June 2023)

One illustrative case is given below:

- i. Taxpayer (GSTIN-07XXXXXXXXXX1Z4) under jurisdiction of Ward-33 had shown Liability (excluding liability under RCM) of ₹ 1.8 crore in annual return (GSTR-9) during 2017-18 but discharged the tax liability of ₹ 0.04 crore. Thus, taxpayer short discharged his tax liability by ₹ 1.76 crore. Taxpayer was also liable to pay interest of ₹ 0.92 on the tax not paid.

Response of the Department was sought in October 2022 and March 2023 and same was awaited (June 2023).

**b) Tax payment under Reverse Charge Mechanism**

As per the provisions of Section 9(3) of DGST Act, 2017 and Section 5(3) of IGST Act, 2017, the Government may, on the recommendations of the Council, by notification, specify categories of supply of goods or services or both, the tax on which shall be paid on reverse charge basis by the recipient of such goods or services or both and all the provisions of DGST Act, 2017 shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods or services or both.

Audit observed (May-October 2022) compliance deficiencies in 3 cases out of 47 cases, amounting to ₹ 0.06 crore, due to taxpayers incorrectly discharging tax payments under the Reverse Charge Mechanism leading to short levy of tax and taxpayers were also liable to pay interest of ₹ 0.03 crore under Section 50(1) of DGST Act, 2017 thereof. Cases along with interest are shown in **Annexure 1.27**.

Reply of the Department in all cases was awaited (June 2023).

One Illustrative case is given below:

Taxpayer (GSTIN-07XXXXXXXXXX2ZF) under jurisdiction of Ward 203 had shown liability of ₹ 0.19 crore under table 4G (Reverse Charge Mechanism) in GSTR-9 but discharged liability of ₹0.16 crore as per Table 6.1B of GSTR-3B during the year 2017-18. Thereby, the taxpayer short discharged liability by ₹ 0.03 crore under RCM. Taxpayer was also liable to pay interest of ₹ 0.02 crore on the tax not paid. Response from the Department was sought in October 2022 and March 2023 and reply of the Department was awaited (June 2023).

c) All other observations relating to discharge of tax liabilities were based on data analysis as records were not provided.

#### **i. Short Discharge of Tax liability**

Audit observed (May-October 2022) compliance deficiencies in 11 cases out of 47 cases, amounting to ₹ 23.40 crore, due to short discharge/non-discharge of tax liability based on monthly returns (GSTR-1 and GSTR-3B). Cases are shown in **Annexure 1.28**. Reply of the Department was awaited in all cases (June 2023) except in one case in which the Department issued DRC-01 (September 2022).

One illustrative case is given below:

Taxpayer (GSTIN-07XXXXXXXXXX1ZP) under jurisdiction of Ward-84 had shown a liability of ₹ 17 crore in Form-GSTR-1 but discharged the tax liability of ₹ 1.24 crore only through GSTR-3B during the year 2017-18. Thereby, the taxpayer short discharged his tax liability by ₹ 15.77 crore.

Response of the Department was sought in October 2022 and March 2023, and same was awaited (June 2023).

**Recommendation:** *Considering the significant deficiencies, the Department may initiate remedial measures before they get time barred.*

#### **1.3.7.4 Non furnishing of replies by the Department**

Audit had issued 97 number of observations to the Department under detailed audit, out of these, the Department furnished reply in 15 cases. In 82 cases reply of the Department is still awaited despite repeated reminders (March 2023 and April 2023) and exit conference (April 2023). Further, out of 308 observations issued under limited audit, replies of 41 audit observations were also not

received (June 2023). Timely submission of replies by the Department helps to take the audit observation to logical conclusion therefore the Department needs to make more efforts to submit timely replies.

**Recommendation:** Department may instruct its field formations to provide timely response to audit observations.

### 1.3.8 Inadequacy of manpower

For efficient functioning of the Department, proper manpower planning to meet its objectives and its proper deployment is necessary.

The sanctioned and working strength of manpower in the Department in respect of adjudicating authority (Assistant Commissioner and GSTO) and other supporting staff (Inspector) during the years 2017-18 to 2020-21 is given in **Table-1.3.10**.

**Table-1.3.10: Sanctioned and Working strength**

Year	Name of the posts	Number of sanctioned posts	Actual strength	Number of vacant posts	Percentage of vacant posts
2017-18	Adjudicating authority	300	239	61	20.33
	Supporting staff (Inspector)	127	100	27	21.25
2018-19	Adjudicating authority	300	190	110	36.66
	Supporting staff (Inspector)	127	54	73	57.48
2019-20	Adjudicating authority	300	187	113	37.66
	Supporting staff (Inspector)	127	79	48	37.79
2020-21	Adjudicating authority	300	160	140	46.66
	Supporting staff (Inspector)	127	81	46	36.22

Source: Information provided by the Department of Trade and Taxes.

It can be seen that during 2017-18 to 2020-21, the vacant posts in respect of Adjudicating authority ranged between 20.33 *per cent* and 46.66 *per cent*. Further, the vacant posts in respect of supporting staff ranged between 21.25 to 57.48 *per cent*. Absence of adequate manpower has impacted the working efficiency of the Department which is evident in the slow pace of scrutiny of returns, lack of action in cases of cancellation of registrations, etc.

### 1.3.9 Conclusion

The Compliance Audit on “Department Oversight on GST Payments and Return Filing” was undertaken in the context of varying trend of return filing and continued data inconsistencies with an objective of assessing the adequacy of the system in monitoring return filing and tax payments, extent of compliance and other Departmental oversight functions.

This audit was predominantly based on data analysis, which highlighted risk areas, red flags and in some cases, rule-based deviations and logical inconsistencies in GST returns filed for 2017-18. The audit entailed assessing

the oversight functions of Department of Trade and Taxes at two levels – at the data level through global data queries and at the functional level with a deeper detailed audit both of the Wards and of the GST returns, which involved accessing taxpayer records. The audit sample, therefore, comprised 10 Wards under Ward audit for the years 2017-21, 308 high value inconsistencies across 14 parameters selected through global queries under centralised (limited) audit, and 47 taxpayers selected on risk assessment under detailed audit of GST returns for the year 2017-18.

The Department formulated a Standard operating Procedure in April 2022 for scrutiny of returns, wherein proper officers were instructed to follow the procedure mentioned therein to conduct the scrutiny of returns for the year 2017-18 and 2018-19. A review of the 10 Wards disclosed that Department was not taking timely action on late filer/non-filer, did not conduct internal audit under Section 65 of DGST Act, 2017 conducted less scrutiny of returns, etc.

Further, out of the 308 high value data inconsistencies identified by Audit the Department responded in 267 cases. Of these, 85 cases constituting 31.83 *per cent*, had compliance deficiencies with a revenue implication of ₹ 1,702.53 crore. A relatively higher rate of deficiencies were noticed in unsettled liabilities, ITC mismatch, short/non-payment of interest, excess RCM ITC availed etc. While data entry errors caused the inconsistencies in 11 *per cent* of the cases, in nine *per cent* of the cases, the Department had already taken proactive action. The Department did not respond to 41 cases of inconsistencies, which had an identified risk exposure of ₹ 38.06 crore (on account of mismatch of ITC & undischarged liabilities) and ₹ 142.34 crore (on account of mismatch of turnover of ₹ 790.80 crore).

Detailed audit of GST returns also suggested significant non-compliance. Out of a sample of 47 taxpayers, in 40 cases, the granular taxpayer records were not forthcoming, which constituted significant scope limitation. These cases represented a risk exposure of ₹ 46.89 crore towards identified mismatches in ITC availment/tax payments. Out of the 47 cases that were examined either fully or partially, Audit observed 97 compliance deficiencies with a revenue implication of ₹ 163.82 crore (including interest of ₹ 4.86 crore). Out of these, the Department reported ITC reversal of ₹ 92.25 crore in one case and recovery of ₹ 0.16 crore in two cases. The main causative factors were availing of excess ITC due to mismatch in returns, non-payment of interest, non-reversal of ITC shown reversed in annual return (GSTR-9), non-reversal of ITC as per Section 17(2) of DGST Act 2017 read with Rule 42 of DGST Rules, 2017, wrong apportionment of credit, Short discharge of Tax liability, incorrect discharge of tax under RCM etc.

### 1.3.10 Recommendations

1. Department should pace up scrutiny of returns as per SoP and initiate action against cases whose scrutiny was completed but still pending for taking action and recovery may be initiated for pending demand.
2. Department should initiate audit of taxpayers under Section 65 and may envisage Manual/procedures also to carry out the audit.
3. Department should take prompt action against late/non filer of returns.
4. Department should strengthen the follow up action on non-filers of GSTR-10.
5. Department should urgently pursue the 41 cases of inconsistencies and deviations pointed out by Audit, for which responses have not been provided and intimate the results to Audit.
6. Department should consider introducing validation controls in GST Returns to curb data entry errors, enhance taxpayer compliance and facilitate better scrutiny.
7. Considering the significant deficiencies, the Department should initiate remedial measures before they get time barred.
8. Department should instruct its field formations to provide timely response to audit observations.

## 1.4 Irregular claim of Input Tax Credit

**The Assessing Authorities failed to verify the tax deposited by the selling dealers during assessment resulting in short levy of tax of ₹ 2.34 crore. In addition, interest of ₹ 1.82 crore and penalty of ₹ 2.34 crore were also leviable.**

Section 9 (2) (g) of the Delhi Value Added Tax (DVAT) Act, 2004 stipulates that no tax credit shall be allowed to a dealer or class of dealers unless the tax paid by the purchasing dealer has actually been deposited by the selling dealer with the Government or has been lawfully adjusted against output tax liability and correctly reflected in the return filed for the respective tax period. Section 86 (10) of the DVAT Act stipulates that any person who furnishes a return under this Act which is false, misleading or deceptive in a material particular shall be liable to pay by way of penalty a sum of ten thousand rupees or the amount of tax deficiency, whichever is greater. Interest shall also be liable under Section 42 (2) of the DVAT Act for default in making the payment of any amount.

During test check of records of 324 cases assessed between July 2017 and March 2021 pertaining to four Wards<sup>28</sup>, Audit observed (between July 2020 to December 2021) that as per purchase summary (Annexure-2A) of 11 assessees available on online portal of the Department of Trade and Taxes for the assessment years 2016-17 and 2017-18, these assessees claimed Input Tax Credit (ITC) of ₹ 8.48 crore on local purchases of ₹ 79.17 crore. However, on cross-verification from sales summary (Annexure-2B), it was found that the selling dealers had shown sale of only ₹ 45.14 crore to the assessees and output tax of ₹ 6.15 crore was paid for the respective tax periods. Therefore, the assessees had shown irregular local purchase in the Annexure-2A and claimed inadmissible ITC.

Thus, failure of the Assessing Authorities in verifying the details of tax deposited by the selling dealers during assessment resulted in short levy of tax of ₹ 2.34 crore. In addition, interest of ₹ 1.82 crore (calculated up to May 2022) and penalty of ₹ 2.34 crore were also leviable.

The matter was reported to the Department (February 2023). Department accepted the facts and stated (April 2023) that five assessees have been re-assessed and an additional demand of ₹ 2.32 crore including interest has been raised. Reply in remaining six cases is still awaited (July 2023).

<sup>28</sup> Ward 62, 63, 84 and 101

**Chapter II**

**Economic, Social and  
General Sectors and PSUs**



## Chapter-II

### 2.1 Introduction

**2.1.1** The audit of 48 Departments of Government of NCT of Delhi along with 18 Public Sector Undertakings (PSUs) and 61 other entities (Autonomous Bodies/Authorities, *etc.*) thereunder comes under the audit jurisdiction of the Principal Accountant General (Audit), Delhi. The details of Departments and other entities are given in **Annexure 2.1** and summarised in **Table-2.1.1**.

**Table-2.1.1: List of Departments and entities under audit jurisdiction**

Sl. No.	Name of Department(s)	Number of		
		Public Sector Undertakings (PSUs)	Other Entities (Autonomous Bodies/ Authorities, <i>etc.</i> )	Total
1.	Public Works Department	-	-	-
2.	Irrigation and Flood Control Department	-	-	-
3.	Urban Development	1	2	3
4.	Power Department	4	1	5
5.	Tourism Department	1	1	2
6.	Archeology Department	-	-	-
7.	Delhi Archives	-	-	-
8.	Art, Culture and Language	-	8	8
9.	Trade & Taxes Department	-	-	-
10.	State Excise and Expenditure	-	-	-
11.	Department of Finance	1	1	2
12.	Department. of Planning	-	-	-
13.	Directorate of Economics & Statistics	-	-	-
14.	Home Department	-	-	-
15.	Department. of Law, Justice and Legislative. Affairs	-	1	1
16.	Registrar General, Delhi High Court	-	-	-
17.	Directorate Of Prosecution	-	-	-
18.	Directorate of Vigilance and Anti-Corruption	-	-	-
19.	Revenue Department	-	-	-
20.	Chief Electoral Office	-	-	-
21.	Secretariat of Vidhan Sabha	-	-	-
22.	General Administrative Department	-	-	-
23.	Department of Administrative Reforms	-	-	-
24.	Secretariat of Lt. Governor	-	-	-
25.	Lokayukta	-	-	-
26.	Public Grievance Commission	-	-	-
27.	Department of Information and Publicity	-	-	-
28.	Land and Building Department	-	-	-
29.	Department of Industries	5	-	5
30.	Department of Information Technology	1	-	1
31.	Department of Health and Family Welfare	-	14	14

32.	Social Welfare	-	-	-
33.	Department of Women & Child Development	-	2	2
34.	Department for the Welfare of SC/ST/Minorities	1	-	1
35.	Education	-	3	3
36.	Higher Education	-	15	15
37.	Training and Technical Education	-	6	6
38.	Services Department	1	-	1
39.	Department of Labour	-	2	2
40.	Directorate of Employment	-	-	-
41.	Department of Food, Civil supply and Consumer Affairs	1	-	1
42.	Development Department	-	1	1
43.	Directorate of Agricultural Marketing	-	-	-
44.	Directorate of Weights and Measures	-	-	-
45.	Registrar Co-operative Societies	-	-	-
46.	Department of Forest and Wild Life	-	-	-
47.	Department of Environment	-	2	2
48.	Transport Department	2	2	4
<b>Total</b>		<b>18</b>	<b>61</b>	<b>79</b>

### Audit Coverage

**2.1.2** During the year 2021-22, the office of the Principal Accountant General (Audit), Delhi conducted the compliance audit of 105 units (13.65 per cent) out of total 769 auditable units under 48 Departments of Government of NCT of Delhi. This chapter of Report contains results of three PAs/SSCA and seven compliance audit paragraphs pertaining to seven Departments.

### Audit Process and Response of Government to Audit

**2.1.3** Audit affords a four stage opportunity to the audited units/departments to elicit their views on audit observations, viz.

**Audit Memos:** Issued to the head of the audited unit during the field audit to be replied during the audit itself.

**Inspection Reports (IR):** Issued within a month of the completion of audit to be replied by the head of the audited unit within four weeks.

**Draft Paragraphs:** Issued to the heads of the Departments under whom the audited units function for submission of Departmental views within a period of six weeks for consideration prior to their being included in the CAG's Audit Report.

**Exit Conference:** Opportunity is given to the head of Departments and State Government to provide Government/Departmental views on the audit observations prior to finalisation of the Audit Report.

In all these stages, Audit strives to provide full opportunity to audited units/Head of Departments/State Government to provide clarifications/replies and only when

the departmental replies are not received or are not convincing, the audit observation are processed for inclusion in the Inspection Report or CAG's Audit Report, as the case may be. However, in most of the cases, the audited entities do not submit timely and satisfactory replies as indicated below:

- **Status of Replies to Inspection Reports**

A detailed review of IRs issued up to March 2022 to 499 Drawing and Disbursing Officers (DDOs) pertaining to 32 Departments revealed that 11928 paragraphs contained in 2475 IRs were outstanding for settlement for want of convincing replies as on 31 March 2022.

The status of outstanding IRs is given in **Table-2.1.2**.

**Table-2.1.2: Outstanding IRs and Paragraphs (issued up to 31 March 2022) as on 31 March 2022**

Sl. No.	Period	No. of outstanding IRs (per cent)	No. of outstanding Paras (per cent)
1	2021-22	90 (3.64)	860 (7.21)
2	More than 1 year to 3 years	378 (15.27)	2753 (23.08)
3	More than 3 years to 5 years	496 (20.04)	2999 (25.14)
4	More than 5 years	1511 (61.05)	5316 (44.57)
<b>Total</b>		<b>2475</b>	<b>11928</b>

Source: Information compiled by Audit

During the period of 2021-22, no Audit Committee<sup>1</sup> Meeting was held with the Departmental officers for settling outstanding paras.

- **Status of Replies to Audit paragraphs included in Audit Report for the year 2021-22**

For the present Audit Report for 2021-22, Audit Reports of three Performance Audits (PAs)/SSCAs and seven compliance audit paragraphs were forwarded to the Principal Secretaries/Secretaries of the concerned administrative Departments to elicit their views on the audit observations. Replies/responses of the Government in respect of Audit Reports of three PAs/SSCAs have been received. The replies of the Government in respect of seven compliance audit paragraphs is still awaited.

### **Follow up action taken on earlier Audit Reports**

#### **2.1.4 Replies outstanding to Audit Paragraphs included in earlier Audit Reports**

To ensure accountability of the executives to the issues dealt with in various Audit Reports, the administrative departments are to issue *suo-motu* Action Taken Notes (ATNs) on all audit paragraphs and performance audits featuring in

<sup>1</sup> Audit Committees are constituted with a representative of administrative department, Audit and a nominee from the finance Department besides the head of the department of the auditable entity for the purpose of monitoring and ensuring compliance and settlement of pending audit observations.

the Audit Reports irrespective of the fact whether these are taken up for discussion by the Public Accounts Committee (PAC) or not. These ATNs are to be submitted to the PAC duly vetted by the Principal Accountant General (Audit), Delhi within a period of four months from the date of presentation of Audit Reports in the Legislative Assembly of Delhi.

The position of ATNs not received is given in **Table-2.1.3**.

**Table-2.1.3: ATNs not received as on 31.03.2023**

Audit Report (PSUs/ Non-PSUs) for the year ended 31 March	Date of placement of Audit Report in the State Legislature	Total Performance Audit (PAs) and Compliance Audit Paragraphs(CAPs) in the Audit Report		Number of PAs/CAPs Paragraphs for which ATNs were not received	
		PAs	CAs	PAs	CAs
<b>A. Social, General and Economic Sectors (Non-PSUs)</b>					
2018	05.07.2022	01	03	01	07
2019	05.07.2022	0	10	0	07
<b>Total</b>		<b>01</b>	<b>13</b>	<b>01</b>	<b>14</b>
<b>B. PSUs</b>					
2015	13.06.2016	01	06	01	0
2018	03.12.2019	01	02	01	0
2019	05.07.2022	0	04	0	03
<b>Total</b>		<b>02</b>	<b>12</b>	<b>02</b>	<b>03</b>
<b>Grand Total (A+B)</b>		<b>3</b>	<b>32</b>	<b>03</b>	<b>17</b>

Source: Information compiled by Audit

• **Discussion of Audit Reports by Public Accounts Committee (PAC)**

During the years 2018-19 to 2019-20, one Performance Audit and 13 Compliance Audit Paragraphs related to Departments/Autonomous Bodies were reported in these Audit Reports. PAC did not take up any of these PA/CA for discussion till 31 March 2023.

• **Discussion of Audit Reports by Committee on Government Undertaking (COGU)**

During the years 2015-16 to 2019-20, Two Performance Audits and 12 Compliance Audit Paragraphs of Public Sector Undertakings were reported in the Audit Reports. Of these, COGU had taken up two Performance Audit and five Compliance Audit Paragraphs for discussion. The status of COGU discussion as on 31 March 2023 is detailed in **Table-2.1.4**.

**Table-2.1.4: Status of COGU discussion, NCT of Delhi, Vidhan Sabha**

Status	PAs/TAs/CAs of Audit Report pertaining to PSUs for the year 2015-16 to 2021-22
Number of total Audit Paras	14 (2 PAs + 12 TAs)
Taken up by COGU for submission of written reply	7(2PAs + 5 TAs)
Recommendation made by COGU	Nil
ATN received	Nil
Action taken by the Department	-

Source: Information compiled by Audit

**Status of laying of Audit Reports in the State Legislature**

**2.1.5** There were eight Audit Reports<sup>2</sup> which are yet to be presented (September 2024) before the State Legislature.

**Status of laying of Annual Reports/Accounts along with Separate Audit Reports of Entities in the State Legislature**

**2.1.6** The status of rendering of accounts to the Comptroller and Auditor General of India and submission of Separate Audit Reports (SARs) to Delhi Legislative Assembly by autonomous bodies is depicted in **Table-2.1.5**.

**Table-2.1.5: Statement showing the details of rendering of accounts to the Comptroller and Auditor General of India as on 31 March 2022**

Sl. No.	Name of the autonomous body	Period of entrustment of audit of accounts to CAG	Year up to which accounts were rendered	Year for which accounts due	Period of delay in submission of accounts (up to 31st March 2022)
1.	Guru Gobind Singh Indraprastha University	As per Section 19(3) of DPC Act of CAG. Deemed entrustment.	2020-21	-	-
2.	Netaji Subhash University of Technology	As per Section 20(1) of DPC Act of CAG 2017-18 to 2021-22	2019-20	2020-21	1 year
3.	Delhi Jal Board	As per Section 19(3) of DPC Act of CAG. Deemed entrustment.	2017-18	2018-19 to 2020-21	3 Years
4.	Delhi Building And Other Construction Workers' Welfare Board	As per Section 19(2) of DPC Act of CAG	2016-17	2017-18 to 2020-21	4 years
5.	Indraprastha Institute of Information Technology Delhi	As per Section 20(1) of DPC Act of CAG 2018-19 to 2022-23.	2020-21	-	-
6.	Ambedkar University Delhi	As per Section 19(3) of DPC Act of CAG Deemed entrustment	2020-21	-	-
7.	Delhi Electricity Regulatory Commission	As per Section 19(2) of DPC Act of CAG	2020-21	-	-
8.	Delhi State Legal Services Authority	As per Section 19(2) of DPC Act of CAG	2018-19	2019-20 to 2020-21	2 year
9	Delhi Transport Corporation EPF Trust	As per Section 20(1) of DPC Act of CAG 2020-21 to 2024-25	2019-20	2020-21	1 year
10	Delhi Financial Corporation	As per section 19 (2) of DPC Act of CAG	2020-21	-	-
11	Delhi Transport Corporation	As per section 19 (2) of DPC Act of CAG	2019-20	2020-21	1 year

<sup>2</sup> (1) State Finances Audit Report 2020-21 (No.1 of 2022), (2) Revenue, Economic, Social and General Sectors and PSUs 2019-20 & 2020-21 (No.3 of 2022), (3) PA on Prevention and Mitigation of Vehicular Air Pollution in Delhi (No.2 of 2022), (4) PA on Children in Need of Care and Protection (No.1 of 2023), (5) State Finances Audit Report 2021-22 (No.2 of 2023), (6) PA on Regulation and Supply of Liquor in Delhi (No.1 of 2024), (7) State Finances Audit Report 2022-23 (No.2 of 2024), and (8) PA on Public Health Infrastructure and Management of Health Services (No.3 of 2024).

Sl. No.	Name of the autonomous body	Period of entrustment of audit of accounts to CAG	Year up to which accounts were rendered	Year for which accounts due	Period of delay in submission of accounts (up to 31st March 2022)
12	Delhi Technological University	As per Section 20(1) of DPC Act of CAG 2017-18 to 2020-21	2019-20	2020-21	1 year
13	Indira Gandhi Delhi Technological University for Women	As per Section 20(1) of DPC Act of CAG 2013-14 to 2017-18	2017-18	2018-19 to 2020-21	3 year
14	Delhi Urban Shelter Improvement Board	As per Section 19(3) of DPC Act of CAG 2010-11 to 2014-15	Not yet received	2010-11 to 2014-15	5 year

### **Recoveries at the instance of Audit**

**2.1.7** Audit findings, involving recoveries that came to notice in the course of test audit of accounts of the departments of the State Government, were referred to various departments' Drawing and Disbursing officer (DDOs) for confirmation and further necessary action under intimation to Audit.

During 2021-22, against audit findings involving recovery of ₹ 462.40 crore pointed out in 70 cases, the DDOs concerned had effected recovery of ₹ 4.52 crore (including recovery of previous years) in 26 cases.

### **2.1.8 Conclusion**

Not submitting replies to Audit, arrears in preparation of annual accounts of State Entities and not laying the Annual Report/Accounts along with SAR in the State Legislature adversely affects accountability and transparency in the Government and is therefore a cause of concern.

## Department of Health and Family Welfare

### 2.2 Public Health Infrastructure and Management of Health Services – Primary Healthcare

During 2016-23, Directorate General Health Service (DGHS) failed to plan its activities to utilize the allocated amount under Capital Head for construction of Primary Health Centers as it could spend only ₹ 9.78 crore (28 *per cent*) vis-à-vis budget of ₹ 35.16 crore.

Similarly, during 2018-23 the overall savings in Aam Aadmi Mohalla Clinic (AAMC) project ranged between 31.44 *per cent* (2022-23) to 86.36 *per cent* (2018-19) which indicates shortfall in planning and implementation. Against a target of 1000 AAMCs by 31 March 2017, Department could set up only 523 AAMCs (31 March, 2023), including 31 Evening shift AAMCs. Only 38 AAMCs were set up after 31 March 2020.

Audit observed that 41 out of 218 AAMCs in the selected four districts<sup>3</sup> remained closed for a periods ranging from 15 days to 23 months due to de-empanelment, resignation, leave etc. of doctors. AAMCs were found lacking basic medical equipment and tools such as Pulse oximeters, glucometers, X-ray viewers, thermometers, BP apparatus etc. Hundred *per cent* availability of 165 drugs prescribed in Essential Drug List was not ensured in the 74 inspected AAMCs. 70 *per cent* patients who visited AAMCs during the period from October 2022 to March 2023 received less than one minute of consultation. Inspections were grossly deficient as only two *per cent* AAMCs were inspected in four selected districts during March 2018 to March 2023.

There were shortages of Doctors, Public Health Nursing Officer (PHNO)/ Auxiliary Nurse Mid-wife (ANM) and Pharmacists in the Mobile Health Scheme<sup>4</sup> (MHS) and School Health Scheme<sup>5</sup>. 76 medicines out of 100 EDL in MHS were not available in the Central Stores. During 2016-20, out 17 lakh (approx.) school children, only 2.81 lakh to 3.51 lakh school children were covered under School Health Scheme.

The objective of setting up of Polyclinics by upgrading existing Dispensaries as Secondary health provider intended to reduce the OPD load in Government hospital as conceived by Department could not be achieved as only 28 Polyclinics were functional out of 150 polyclinic planned by the end of year 2018-19. There was also shortage of Doctors (23 *per cent*), Nursing staff (16 *per cent*) and Paramedics (37 *per cent*) in Allopathic Dispensaries (March 2023).

<sup>3</sup> North East, South, South-West and West

<sup>4</sup> MHS provide door step delivery of primary healthcare in unserved areas, night shelters, welfare homes, special events

<sup>5</sup> School Health Scheme provides comprehensive primary health check-up and screening of school children of government and aided schools

There was lack of space for storing of medicines in all the selected drug stores. Medicine boxes were kept on floor/toilet premises and staircase. Several medicines prescribed in EDL for AAMCs and Dispensaries were not available in the selected District Stores during the period from 2016-17 to 2022-23.

67 per cent of Ayurvedic dispensaries, 72 per cent of Unani dispensaries and 14 per cent of Homoeopathic dispensaries did not function all six days a week due to shortage of doctors and other paramedical staff. There was shortage of space, ramp/lift, waiting area, functional toilets, drinking water etc. in the AYUSH dispensaries. Number of OPD patients decreased by 19 per cent from 34.72 lakh in 2016-17 to 28.13 lakh in 2022-23. During Joint Physical Inspection, it was noticed that an average of 42 per cent of Ayurveda medicines and 56 per cent of Unani medicines were not available in the selected 27 Dispensaries.

GNCT of Delhi has not implemented the Ayushman Bharat Scheme in Delhi and hence it could not avail the funds for upgradation of dispensaries into AYUSH Health Wellness Centres. GNCTD has not created the post of Yoga Instructor in its dispensaries and none of the AYUSH Dispensaries were providing Yoga and Naturopathy services.

### 2.2.1 Introduction

Government of National Capital Territory of Delhi, restructured (July 2015) the healthcare delivery system in Delhi into a four-tier system comprising of Aam Aadmi Mohalla Clinics, Polyclinics, Multi-Specialty Hospitals and Super Specialty Hospitals. Under the restructured system, existing dispensaries<sup>6</sup> were to be converted into Polyclinics.

Aam Aadmi Mohalla Clinic (AAMC) was to cater to the primary care needs of citizens. These clinics were to address common health care needs of citizens, undertake diagnostic tests and provide all essential medicines. Single doctor OPDs, in AAMCs sought to address most of the common health care scenarios where specialists were not needed.

Polyclinics were conceptualized as secondary health care provider facilitating diagnostic test facilities with specialist doctors (without admission facilities). These clinics intended to reduce the OPD load of Delhi Government Hospitals.

A summary of the three primary healthcare facilities being run by the Government are as below:

<sup>6</sup> The dispensaries provide the facilities relating to (a) General OPD for treatment of common ailments, (b) Free distribution of prescribed essential medicines, (c) Treatment of minor injuries and dressing etc. (d) Basic emergency care during working hours, (e) Laboratory Services (Routine Lab. Services), (f) Immunization and Family Welfare activities, (g) Health Education and Malaria Clinic (in selected dispensaries only).

AAMC	Dispensary	Polyclinics
Aam Aadmi Mohalla Clinic (AAMC) provides single doctor general OPD and aim to cater to 10000-15000 population. AAMCs are functioning using outsourced man power and outsourced lab service	Dispensary provides single doctor general OPD and aim to cater to 30000-50000 population. Dispensaries are functioning using regular staff.	Polyclinics are conceptualised as secondary health care provider with specialist doctors (without admission facilities). These clinics intended to reduce the OPD load of Delhi Government Hospitals.

As per the Annual Report of the Directorate General of Health Services (2021-22), there are 167 Allopathic Dispensaries, 28 Polyclinics, 58 seed Primary Urban Health Centres (PUHCs), 49 Dispensaries (Ayurvedic), 523 Aam Aadmi Mohalla Clinics, 22 Dispensaries (Unani), 108 Dispensaries (Homoeopathic), eight Mobile Health Clinics and 50 School Health Clinics.

The third and the fourth tier comprised of Hospitals providing multi-specialty and super specialty facilities with provision for indoor admissions.

### 2.2.2 Audit Objectives

The main audit objective of this Performance Audit was to assess whether the schemes and programmes were adequately planned and executed effectively and efficiently with a view to promote the use of various systems of medicines in Primary healthcare delivery. The audit objectives were to ascertain as to how far the Government was able to ensure;

1. adequacy of funding for Primary Health Care;
2. availability and management of health care infrastructure and healthcare services;
3. availability of drugs, medicines, equipment and other consumables;
4. availability of necessary human resource at all levels e.g., doctors, nursing, para medics etc.;
5. adequacy and effectiveness of Regulatory mechanisms for ensuring that quality health care services are provided by the health care facilities/practitioners;
6. preparation and management of Emergency.

### 2.2.3 Audit Criteria

The following criteria were used in the Performance Audit:

- National Health Policy, 2017;
- Guidelines/instructions issued by the Government for providing health care services;
- Decisions/Orders issued by Department of Health and Family Welfare, Directorate General of Health Services (DGHS) and Directorate of

Ayurvedic, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH);

- Drugs and Cosmetics Act 1940 and Drugs and Cosmetics Rules, 1945;
- Budget speech, Outcome budget, and Annual Reports of Government/Departments/Units;
- Bio-Medical Waste (Management & Handling) Rules, 2016;
- National Disaster Management Guidelines, 2014 and National Disaster Management Guidelines for Hospital Safety, 2016.

#### **2.2.4 Audit scope**

For the purpose of the audit, records of Director General Health Services, Central Procurement Agency (CPA) of GNCTD, Office of the State Nodal Officer (SNA) of AAMC and Directorate of AYUSH covering the period 2016-17 to 2021-22 were examined. Four CDMO<sup>7</sup> offices - North East, South, South-West and West, 87 Dispensaries (38 Allopathic and 49 AYUSH dispensaries) and 81 AAMCs were selected.

An Entry conference was held (13 December 2022) with the Department wherein Audit objectives, Criteria, Scope and Methodology were discussed. After conclusion of audit, an Exit Conference was also held to discuss the audit findings with the stake holders on 9 August 2023. Replies of the Department wherever received has been suitably incorporated in the report.

#### **2.2.5 Primary Healthcare of Government of NCT of Delhi**

DGHS under Health & Family Welfare Department of the Government of National Capital Territory of Delhi (GNCTD) delivers Primary Health care through its network of health care facilities viz. (i) Aam Aadmi Mohalla Clinics (AAMC), (ii) Mobile Health Clinics, (iii) School Health Clinics and (iv) Dispensaries & Polyclinics.

The DGHS through its various branches headed by officers of the rank of Additional Directors/Senior Chief Medical Officers carries out technical and executive functions in specialized areas besides providing policy inputs to the H&FW Department of GNCT of Delhi.

This Performance Audit Report includes findings on the functioning/ implementation of the Primary Health Care units/schemes of GNCTD.

##### **2.2.5.1 Financial Management**

Proper financial management entails budgeting of funds on realistic assessment of requirements and effective utilization of available funds to ensure that operational activities do not suffer for want of funds.

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<sup>7</sup> There are 11 District Offices under DGHS headed by Chief District Medical Officer

**(i) Revenue and Capital Expenditure**

During 2016-17 to 2022-23, ₹ 13,114.10 crore was allotted to Directorate General of Health Services, GNCTD, out of which ₹ 13,078.94 crore (99.73 per cent) was under the revenue head and ₹ 35.16 crore (0.27 per cent) was for the capital head.

DGHS could utilize ₹ 11241.08 crore (85.72 per cent) of the total allotted budget. Expenditure of ₹ 11231.30 crore (85.87 per cent) was incurred from the budget allotted under revenue head and ₹ 9.78 crore (27.82 per cent) under the capital head. Year-wise details are shown in **Table-2.2.1**.

**Table-2.2.1: Allocation and Expenditure of DGHS**

(₹ in crore)

Year	Revenue			Capital			Total budget	Total expenditure
	Budget	Exp.	In per cent	Budget	Exp.	In per cent		
2016-17	20.68	14.81	71.62	22.00	0.34	1.54	42.68	15.15
2017-18	1275.87	1130.66	88.62	0	0	-	1275.87	1130.66
2018-19	1556.07	1506.56	96.81	0	0	-	1556.07	1506.56
2019-20	1512.04	1475.34	97.57	12.00	8.58	71.50	1524.04	1483.92
2020-21	2434.19	1974.64	81.12	1.15	0.86	74.78	2435.34	1975.50
2021-22	3867.18	3250.85	84.06	0	0	-	3867.18	3250.85
2022-23	2412.91	1878.44	77.84	0.01	0	0.00	2412.92	1878.44
<b>Total</b>	<b>13078.94</b>	<b>11231.30</b>	<b>85.87</b>	<b>35.16</b>	<b>9.78</b>	<b>27.81</b>	<b>13114.10</b>	<b>11241.08</b>

Source: Reply furnished by the DGHS

Department failed to plan its activities to utilize the allocated amount for construction of Primary Health Centers as it could spend only ₹ 9.78 crore (28 per cent) vis-à-vis budget of ₹ 35.16 crore under Capital Head.

The above table indicates that an unrealistic budget was prepared by the Department. The Government confirmed (October 2023) the facts and figures.

**(ii) Huge Savings of fund released to AAMC**

The fund for AAMC project is provided to Delhi State Health Mission in the form of GIA under three sub heads, viz. 'General', 'Capital' and 'Salaries'. The sub head 'General' includes expenditure related to lab charges, rentals, electricity, office Contingency, etc. The sub head 'Salaries' includes expenditure related to remuneration of Doctors, Mohalla Clinic Attendant, Multitask Worker and Pharmacist. The sub head 'Capital' includes expenditure related to equipment.

During 2018-23, the status of allocation and expenditure on AAMC is given in **Table-2.2.2**.

**Table-2.2.2: Allocation and Expenditure of AAMC project**

(₹ in crore)

Year	Budget Head 2210 01 110 20 GIA to DGHS for AAMC	Opening Balance	Release	Interest	Total	Expenditure	Closing Balance/ Unspent balance at the end of the F.Y.	Saving (per cent)
2018-19	GIA General	0	32.50	0.86	33.36	1.00	32.36	97.00
	GIA for Capital Assets	0	20.00	0.00	20.00	0.03	19.97	99.86
	GIA for Salaries	0	40.50	0.00	40.50	11.77	28.73	70.92
	<b>Total</b>	<b>0</b>	<b>93.00</b>	<b>0.86</b>	<b>93.86</b>	<b>12.80</b>	<b>81.06</b>	<b>86.36</b>
2019-20	GIA General	32.36	40.00	0.10	72.46	32.57	39.90	55.05
	GIA for Capital Assets	19.97	0	0.00	19.97	0.14	19.83	99.27
	GIA for Salaries	28.73	60.00	2.19	90.91	51.61	39.30	43.22
	<b>Total</b>	<b>81.06</b>	<b>100.00</b>	<b>2.29</b>	<b>183.35</b>	<b>84.32</b>	<b>99.02</b>	<b>54.00</b>
2020-21	GIA General	39.90	15.75	0.20	55.85	30.47	25.38	45.44
	GIA for Capital Assets	19.83	1.50	0.00	21.33	0.57	20.76	97.33
	GIA for Salaries	39.30	108.00	1.63	148.93	118.44	30.49	20.47
	<b>Total</b>	<b>99.02</b>	<b>125.25</b>	<b>1.83</b>	<b>226.11</b>	<b>149.47</b>	<b>76.63</b>	<b>33.89</b>
2021-22	GIA General (20 00 31)	25.38	49.62	0.29	75.29	33.31	41.98	55.75
	GIA for Capital Assets (2000 35)	20.76	6.25	0.00	27.01	1.63	25.38	93.96
	GIA for Salaries (20 00 36)	30.49	134.51	3.17	168.17	132.17	36.00	21.40
	<b>Total</b>	<b>76.63</b>	<b>190.38</b>	<b>3.46</b>	<b>270.47</b>	<b>167.10</b>	<b>103.36</b>	<b>38.21</b>
2022-23	GIA General (20 00 31)	41.98	45.02	0.35	87.35	59.04	28.31	32.41
	GIA for Capital Assets (2000 35)	25.38	6.25	0.00	31.63	3.14	28.49	90.07
	GIA for Salaries (20 00 36)	36.00	143.00	3.52	182.52	144.52	38.00	20.81
	<b>Total</b>	<b>103.36</b>	<b>194.27</b>	<b>3.86</b>	<b>301.49</b>	<b>206.69</b>	<b>94.80</b>	<b>31.44</b>

It can be seen from **Table-2.2.2** that during 2018-23 there were savings under all the three heads. The overall savings ranged from 31.44 *per cent* (2022-23) to 86.36 *per cent* (2018-19) which indicates that there was shortfall in planning and implementation of the project.

The State Nodal Officer, AAMC stated (May 2023) that the budget provisions were kept for AAMCs to be established as per the mandate of opening 1000 AAMCs, however, the expenditure was done for actual AAMCs. The committed expenditure for ongoing essential expenditure like remuneration, electricity, water, rent are usually kept as reserve out of unspent fund of last year before the release of first instalment of GIA. Further, it stated (August 2023) that the savings had occurred due to not releasing of payment to AAMC staff/ lab services owing to some administrative reasons and effort is being made to reduce the savings under various heads.

The reply is not acceptable as budget estimate is to be based on estimated requirement for that year. The reply establishes that the budget estimation exercise was faulty.

#### **2.2.5.2 Functioning of Aam Aadmi Mohalla Clinics**

GNCTD decided (November 2015) to set up 1000 Aam Aadmi Mohalla Clinics (AAMCs) at various locations of National Capital Territory of Delhi. The aim

was to provide at least one Primary Health Care Centre for every 10000-15000 population instead of 30000-50000 population served by one Dispensary of GNCTD. AAMC is managed by State Nodal Officer (SNO) at State level and District Nodal officers in each district to supervise the works of AAMCs.

AAMC Control Cell is implementing the AAMC project work under DGHS. Doctors are posted in the AAMC through walk in interview by the CDMOs at the District level. Other staff viz. Pharmacist, Mohalla Clinic Attendant and Multitask workers are selected through written examination. A remuneration per patient of ₹ 40 to doctors, ₹ 12 to pharmacists, ₹ 10 to Mohalla Clinic Assistants and ₹ 8 to multitasking workers has been fixed with a minimum assured payment corresponding to 75 patients per day.

**(i) Target of 1000 AAMCs not achieved despite lapse of seven years**

GNCTD decided (November 2015) to set up 1000 Aam Aadmi Mohalla Clinics (AAMCs) at various locations in Delhi. The AAMCs were to be set up in semi-permanent structures (Porta-cabins) by Public Work Department (PWD) at a cost of ₹ 209.59 crore. 500 AAMCs were required to be set up in the year 2015-16.

The process of establishment of AAMC involved identification of government land/ private sites, site inspection & feasibility assessment by all stakeholders, installation of porta cabins in case of government land/ private land/building. After receipt of the list of interested owners, feasibility assessment of the site is done through the respective CDMO office.

Against the target of 1000 AAMCs by 31 March 2017, Department could set up only 523 AAMCs (31 March, 2023), including 31 Evening shift AAMCs.

The district wise availability of AAMCs is given in **Table-2.2.3**.

**Table-2.2.3: District wise availability of AAMCs**

Sl.No.	District	AAMC			Total
		Porta Cabin	Rental	Others <sup>8</sup>	
1	Central	27	9	6	42
2	East	26	5	1	32
3	New Delhi	12	3	2	17
4	North	33	11	0	44
5	North East	7	23	0	30
6	North West	50	24	4	78
7	Shahdara	36	20	0	56
8	South	35	10	0	45
9	South East	37	14	0	51
10	South West	37	33	0	70
11	West	39	18	1	58
<b>Total</b>		<b>339</b>	<b>170</b>	<b>14</b>	<b>523</b>

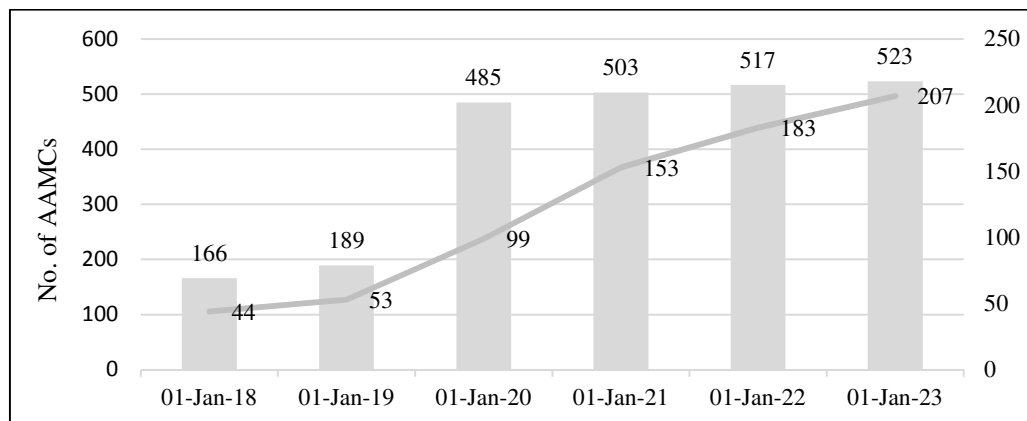
From the above table, it can be seen that there are 170 AAMCs functioning in rental buildings. Details of monthly rent and total amount incurred as rent since inception was not provided by the Department.

<sup>8</sup> Basti Vikas Kendra, Govt. Building, DUSIB, Rent Free, Container

Further, it was noticed that after 31 March 2020, only 38 AAMCs were set up in next three years.

The number of AAMCs and OPD visits during the period 2017-23 is given in the **Chart-2.2.1**.

**Chart-2.2.1: Trend in setting up of AAMCs vis-a-vis OPD visits**



It can be seen from above chart that despite increase in the OPD visits by more than 100 per cent (2022-23) from 2019-20, the corresponding increase in AAMCs during the said period was only 8 per cent.

The department stated (August 2023) that the target of 1000 AAMCs could not be achieved due to delay in receipt of NOCs from land owning agencies and the process to open more AAMCs slowed down due to COVID-19 pandemic and unavailability of land and efforts are being made to open the remaining AAMCs.

The reply is not fully acceptable as the number of AAMCs established during last four years was not significant which indicates lack of effort on the part Department/DGHS.

**Recommendation: The Government needs to prepare a proper structured plan to achieve the target of one AAMC per 10000-15000 population in a time bound manner.**

**(ii) Human Resource in AAMCs**

As per orders (16 May 2018) of DGHS, GNCTD, the Administrative control of the AAMC lies with DGHS and the implementation of AAMC project lies with State AAMC Cell under Delhi State Health Mission (DSHM). The staff of State AAMC cell are detailed from Hospitals/ PWD. There is no sanctioned strength in the Office of State Nodal Officer/State Project Officer.

The empanelment of Doctors is done at District level by the 11 State Level Committees (CDMO is the Chairperson) constituted at each district. These State level committees prepare a merit list on the basis of the criteria approved by the Secretary (H&FW). Empanelment of Pharmacists, Mohalla Clinic Assistant (MCA) & Multi Task Workers (MTW) was done through written examinations conducted by the Maulana Azad Medical college, Delhi during 2019 and later

through Guru Gobind Singh Indraprastha University, Delhi, with prior approval of the competent authority.

The position of empanelled Doctors, MCAs, Pharmacists and MTWs is given in **Table-2.2.4**.

**Table-2.2.4: Total AAMCs vis a vis empaneled staff (31 March 2023)**

Category	Requirement	Empanelled
Doctors	523	506
MCA	523	498
Pharmacist	523	515
MTW	523	505

As per orders of DGHS (20 December 2019), CDMOs were to ensure that no AAMC shall remain closed due to absence of Doctor and in the rare case where AAMC remains closed due to absence of Doctor, no remuneration shall be paid to any other Paramedical Staff even if they are present on that day.

Data in **Table-2.2.4** indicate that 17 AAMCs did not function due to shortage of Doctors (31 March 2023).

Further, as per 6.1 (e) of the guidelines approved in the Cabinet Note no. 2244 in November 2015, a leave reserve of 15 *per cent* against the Medical Practitioners deployed in AAMCs were to be kept.

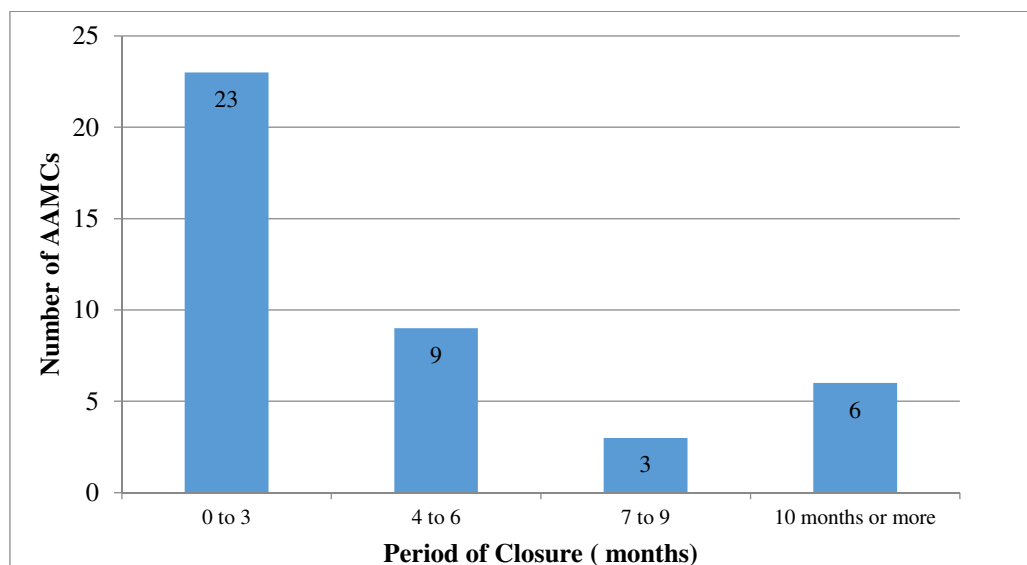
Audit observed that the Department had not made any alternate arrangement for Doctors against the vacancy due to leave, resignation or de-empanelment of Doctors.

Audit observed that 41 out of 218 AAMCs in the selected Districts remained closed for a period ranging from 15 days to 23 months (**Annexure 2.2**) due to lack of availability of Doctors due to de-empanelment, resignation, leave, etc. A summary of AAMCs which remained closed due to shortage of Medical Practitioners are depicted in **Table-2.2.5** and **Chart-2.2.2**.

**Table-2.2.5: Number of AAMCs which remained closed**

Period of Closure (months)	No. of AAMCs
0 to 3	23
4 to 6	9
7 to 9	3
10 months or more	6

**Chart-2.2.2: Durations for which AAMCs remained closed**



The Department stated that efforts are being made to enhance the availability of Medical Practitioners in AAMCs.

***Recommendation: The Government need to ensure proper functioning of all AAMCs by deploying /empaneling enough staff to address vacancies due to leave, resignation, de-empanelment etc.***

**(iii) Lack of Basic infrastructure in AAMCs**

Equipment play a vital role in the functioning of a Healthcare Facility. They help healthcare professionals to provide accurate diagnosis and effective treatment. As per guidelines approved in the Cabinet Note no. 2244 in November 2015, each AAMC was to be provided with a set of equipment/furniture/facility.

Audit observed the following deficiencies during joint physical inspection of 74 out of total 81 AAMCs selected in four districts i.e. North-East, South, South-West and West:

- In 35 AAMCs display Boards were not found.
- Ten Mohalla Clinics were running without arrangement of drinking water facility.
- 24 Mohalla Clinics were not having AC facility for storing Medicines/Drugs and Injections. Moreover, Medicines were lying in open without protection from heat and moisture.
- Toilet facilities were not available in 21 AAMCs.
- 15 Mohalla Clinics did not have Power Backup facility.
- Six Mohalla Clinics were running without examination table.
- No Token Vending Machine was available in 71 Mohalla Clinics for crowd management.

- Fire Extinguisher was not found in 29 AAMCs.
- Grievance Redressal Board along with Name and address of Grievance Redressal authority was not installed in 24 AAMCs.
- 12 Mohalla Clinics were not disable friendly as no ramp was found in these clinics.
- Privacy screen for patients was not found in 20 AAMCs.
- Sufficient space for storage of Drug and Medicines was not available in 31 AAMCs
- No proper sitting arrangement was found in five AAMCs

Audit observed that several AAMCs were found situated in congested/unhygienic areas as evident in **picture 2.2.1**:



**Picture 2.2.1: AAMCs in congested/unhygienic areas**

The Department stated (August 2023) that the efforts are being made to upgrade the infrastructure facilities in AAMCs.

#### **(iv) Lack of Basic Medical Equipment in AAMCs**

Equipment play a vital role in the functioning of a Healthcare Facility. They help healthcare professionals to provide accurate diagnosis and effective treatment. As per AA&ES (27 November 2015) for creating AAMCs in Delhi, 42 medical equipment were sanctioned for each AAMC.

Joint physical inspection of 74 AAMCs revealed the following:

- Pulse Oximeter was not available in 21 AAMCs,

- 57 AAMCs did not have Glucometers/Strips,
- X-ray Viewer was not available in 45 AAMCs,
- In five Mohalla Clinics torch was not available with Health Consultant,
- Thermometer was not available in 18 Mohalla Clinics,
- 12 AAMCs did not have weighing Machine,
- 14 clinics did not have Height Measurement scale,
- Refrigerator was not available in two Mohalla clinics,
- BP apparatus was not available in 11 AAMCs and
- Stethoscope was not available in two AAMC.

The Department stated (August 2023) that the efforts are being made to provide all essential medical equipment in AAMCs.

**(v) Lack of availability of Essential Drugs**

As per the order issued by the State Nodal Officer (May 2022), all AAMC Store in-charge should ensure 100 *per cent* availability of 165 Essential Drugs by uploading timely demand to Central Procurement Agency (CPA) and timely distribution to AAMCs. District drug stores is to forward its demand to CPA and CPA through its vendor supplies the drugs/medicines to the District stores directly.

Audit observed that many medicines of EDL were either not procured by CPA or not supplied by the vendor though supply order were placed resulting in unavailability of many medicines.

District Drug Store, North-East had requested supply of 151 medicines (third quarter of 2022-23) and 128 medicines (fourth quarter 2022-23) from the CPA. CPA in turn had placed order to the vendor for supply of only 120 (79 *per cent*) and 95 medicines (74 *per cent*) in the third and fourth quarter respectively. Audit observed that 35 medicines (29 *per cent*) of third quarter and 11 medicines (12 *per cent*) of fourth quarter were not supplied by the vendors to the Drug store. There was delay ranging from three to six months in supply of medicines by the vendors.

Resultantly, there was stock out period of medicines in the District Drug Store of North-East District, As per information 26 Medicines<sup>9</sup> prescribed in EDL were not available during the period of January 2022 to April 2023 ranging from one month to 16 months.

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<sup>9</sup> Tab. Acetylsalicylic acid, Tab. Betahistine, Ointment Clobetasol propionate, Tab. Clopidogrel, Syr. Cloxacillin, Tab. Diclofinace sodium SR, Drop Dicyclomine plus activated dimethicone, etc

During inspection of 74 working AAMCs (April/May 2023), in respect of four selected Districts (South-west, West, North-east and South), it was noticed that in 39 out of 74 AAMCs (53 per cent) less than 75 per cent of essential drugs were available at the time of inspection (**Annexure 2.3**).

The Department replied (August 2023) that some essential medicines, which had no valid Rate Contract (RC) with CPA, were purchased by the State AAMC cell from Central PSUs through GeM portal.

The reply is not tenable as audit observed that despite procurement by AAMC cell, there was lack of availability of EDL in the AAMCs. Further, it shows the deficiencies in the existing system of procurement of Drugs.

***Recommendation: Government should ensure the availability of all Essential Drugs in all AAMCs by efficient management of procurement and distribution of Drugs.***

**(vi) Examination of AAMC OPD data**

The Department provided out-patient data for the period from October 2022 to March 2023 only. The data was examined in audit using IDEA software. Audit findings with respect to consultancy time per patient, irregularities in prescription of medicines etc. are discussed below:

**(a) Consultation time in AAMCs**

The consultation time per patient is a measure of quality of Clinical care and patients' satisfaction. The consultation time in OPD was from 8 AM to 2 PM. The breakup of the consultancy time per patient in AAMC based on examination of OPD data during the above period was as under:

- consultancy time was 4 – 30 seconds in 31 per cent of cases,
- consultancy time was 31 second – 1 minute in 39 per cent of cases,
- consultancy time was 1-2 minutes in 18 per cent of cases and
- consultancy time was more than 2 minutes 12 per cent of cases.

It can be seen from above; consultancy time was less than one minute in 70 per cent of cases.

**(b) Functional status of AAMCs**

AAMCs were designed to provide a minimum of 75 OPDs per day on monthly basis (26 days). A total of 523 AAMCs were available (March 2023). The Department maintained fully computerized out-patient data for the period from October 2022 to March 2023 only and same was provided to Audit. Hence, the scope of audit was limited to that extent.

The functional status of the AAMCs is given in **Table-2.2.6**.

**Table-2.2.6: Functional Status of AAMCs**

Month	Number of functional AAMCs	Number of AAMCs functional for less than 11 days	Number of AAMCs with average OPDs less than 75 patients	Number of AAMCs with average OPDs 75 -150	Number of AAMCs with average OPDs 151-200	Number of AAMCs with average OPDs more than 200
Dec- Jan 2023	500	17	44	180	225	51
Jan-Feb 2023	500	10	37	175	238	50
Feb-March 2023	504	09	35	171	236	62

Source: Department website.

It can be seen from **Table-2.2.6** that on an average, 501 out of 523 AAMCs were functional during the above period, however, 39 AAMCs did not meet the criteria of 75 OPDs per day on monthly basis.

Reply was awaited (September 2024).

**(vii) Inventory Management of Drugs and Medicines in AAMCs**

Examination of records at District Drug Store and State Nodal Office of AAMC revealed that there was no computerized inventory management system for management of drugs.

Standard Operating Procedures (SOPs) for Pharmacy specifies that efforts must be made by concerned Pharmacist in-charge, to see that drugs found to be near expiry be transported to other departments i.e. intra & inter departments for utilization within their expiry date.

Test check of selected AAMCs (April-May 2023), revealed that 495 types of drugs (totaling 2,16,554) had expired in 37 AAMCs during the period 2018-23 (**Annexure 2.4**).

In the absence of computerized inventory management system there was no alternate system where near expiry medicines could be identified for use in other clinics.

The Department stated (August 2023) that all efforts will be taken to ensure the optimal utilization of medicines in future.

**(viii) Variation in number of drugs in Essential Drug List**

Department has digitized all the Mohalla Clinics in September 2022 from Registration to Distribution of medicines. 165 Essential Drugs have been approved for AAMCs.

Audit observed that in 16 out of 74 inspected AAMCs<sup>10</sup> there was variation in EDL ranging from 117 to 195 medicines against 165 medicines prescribed in EDL.

Department replied (August 2023) that EDL is common for all AAMCs and the medicines are also supplied as per EDL to all Mohalla Clinics. There have been technical glitches in the software due to which some discrepancies have been observed, the same are being rectified.

**(ix) Deficiencies in laboratory services of AAMC**

Laboratory services in AAMCs (except Radiology) are provided by Private Laboratories selected through open tender by the DGHS. The payment for services was to be made within 30 days.

Audit observed that Laboratory services were not available at all AAMCs of Delhi during the period from 16 November 2022 to 14 December 2022 whereas in North District, Laboratory facilities were not available in AAMCs during 11 March 2020 to 24 April 2020 and from 13 September 2021 to 27 September 2021. The Department had not made any alternative arrangements in respect of Laboratory testing facilities during these periods.

The Department replied (May 2023) that the Laboratory facility in the North district was not available due to late verification of bills by CDMO office which was due to constraint of human resource. As regards to lack of availability of Laboratory services in all AAMCs during 16 November 2022 to 14 December 2022, Department stated that there was lack of funds due to non release of second installment of GIA.

The reply is not acceptable as sufficient funds were available under all the three heads during the period (Reference Table 2: Allocation and Expenditure of AAMC project). This shows the casual approach of the Department in ensuring patient care.

**(x) Monitoring of AAMCs**

DGHS had issued order (26 February 2018) that team of Chief District Medical Officers (CDMOs) shall visit all AAMC of the District on quarterly basis. Further, in December 2019, DGHS issued instruction to all CDMOs to visit at least one AAMC per month. During such visit at least 10 *per cent* of OPD entries were to be verified using contact number of patients.

Besides, Medical Officer in charge of linked Delhi Govt. Dispensary (DGD) shall visit all AAMCs of the District on fortnightly basis and submit Inspection Report to AAMC Cell, Dwarka on a monthly basis.

The monitoring team was to ensure punctuality of staff. Pharmacy Indent Register, Stock and Balance Registers, OPD Registers, Lab Registers, Daily

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<sup>10</sup> West and South West District

Consumption Registers were to be checked and report of such visit was to be submitted to State Nodal Officer on monthly basis. Focus was also to be made on judicious use of medicines and prescriptions. All the prescriptions were to be duly signed and stamped by empanelled Doctors.

Audit observed that only 175 inspections (1.56 *per cent*) against a requirement of 11,191 inspections of 218 AAMCs of selected Districts were conducted during the period from March 2018 to March 2023. Common deficiencies pointed out in the IR were lack of availability of complaint boxes, stock register not maintained properly and prescription slip not issued.

Similar deficiencies were also noticed during the physical visit of selected AAMCs by the Audit team. Audit observed that Doctors at AAMCs were keeping record of medicines prescribed in their Tablets, however, Prescription Slip was not provided to patients.

Joint Inspection of 74 AAMCs of four selected Districts conducted during April – May 2023 revealed that no inspection/monitoring related records were maintained by any of the AAMCs.

Department stated (August 2023) that the Monitoring mechanism will be strengthened in future. It also stated that Prescription Slips to the patients visiting AAMCs will be ensured.

## **2.2.6 Functioning of Mobile Health Scheme**

GNCTD introduced (1989) Mobile Health Scheme (MHS) to provide Primary Health Care services in unserved areas with special emphasis on the migrant population and socioeconomically weaker sections residing in JJ clusters and colonies at their doorstep regularly. Besides, MHS was to cater to special events and mass gathering, social welfare homes, orphanage, old ages homes, etc. DGHS was responsible for implementation of MHS.

There were eight Mobile Health Teams functioning as of March 2023.

### **2.2.6.1 Shortage of man power for running Mobile Health Scheme**

Each Mobile Dispensary should be manned by a Medical Officer, Public Health Nursing Officer (PHNO) or Auxiliary Nursing Midwife (ANM), Pharmacist, Dresser and an Attendant. 35 posts each of MO, PHNO/ANM, Pharmacist, Dresser and Attendant were sanctioned for MHS. The healthcare services under the Scheme were to be provided through Mobile Dispensary Vans.

Audit observed that there was continuous decline in the actual number of persons deployed due to retirement of Staff during the Audit period. The number of actual persons employed during the Audit period is given in the **Table-2.2.7**.

**Table-2.2.7: Sanctioned strength and Person in-position of Mobile Health Scheme**

Year	Medical Officer		PHNO/ANM		Pharmacists		Dresser		Attendant/NOs	
	SS	PIP	SS	PIP	SS	PIP	SS	PIP	SS	PIP
2016-17	35	28	35	29	35	30	35	24	35	18
2017-18	35	27	35	34	35	26	35	19	35	23
2018-19	35	26	35	31	35	21	35	22	35	16
2019-20	35	25	35	29	35	19	35	21	35	17
2020-21	35	22	35	29	35	17	35	19	35	14
2021-22	35	22	35	30	35	16	35	17	35	14
2022-23	35	18	35	30	35	15	35	15	35	12

It can be seen from the above Table that during 2016-23, shortage vis-à-vis the sanctioned strength in respect of Medical Officers ranged from 20 to 48 *per cent*, PHNO/ANM ranged from three to 17 *per cent*, Pharmacists ranged 14 to 57 *per cent*, Dressers ranged from 13 to 57 *per cent* and Attendant/Nursing Orderlies ranged from 34 to 66 *per cent*. Even amongst the posted staff, six Doctors, 20 PHNOs/ANMs, six Pharmacists, 11 Dressers and eight Nursing Orderlies/Attendants were diverted to other Offices<sup>11</sup> under DGHS.

In the absence of sufficient manpower, MHS was not in a position to provide services to all the Unserved areas, Construction sites, Night Shelters, Welfare homes etc. on regular basis. Diversion of staff to other Offices clearly shows low priority given to Mobile Health Scheme by the Department.

MHS, in its reply (October 2023) accepted the Audit observations and intimated that a detailed proposal for filling of vacant posts/creating of new posts in MHS has been initiated in April 2023.

Further, Mobile Dispensaries were to be operated using hired vehicles with the prior approval of the Finance Department. However, Audit observed that, no vehicles were hired<sup>12</sup> during the period 2016-23. Lack of availability of vehicles restricted the coverage and logistics (medicines/equipment) of Mobile Health Scheme.

Additional Director, MHS stated (October 2023) that the proposal for hiring of vehicles was refused on a few occasions by DGHS and the current proposal for hiring vehicles was not approved due to unavailability of budget allocation in the year 2023-24.

The fact remains that the Department could not make available the vehicles for running Mobile Dispensaries.

***Recommendation: The Government needs to strengthen MHS by providing sufficient man power and ensuring adequate mobility.***

<sup>11</sup> CDMO offices, Department of Family Welfare, DGHS (Headquarters) and different hospitals, etc.

<sup>12</sup> Except during 2017-18 (for one month) and 2020-21 (for three months)

### **2.2.6.2 Unavailability of Essential medicines for Mobile Health Scheme**

100 Essential medicines are approved under MHS and were to be procured through Central Procurement Agency of DGHS. It was noticed from the Stock Register of medicines of Central Stores that 76 out of 100 EDL medicines were not available in the Central Stores. Scrutiny of Indent sheets submitted by Zonal teams for the period 2022-23 revealed that many times the medicines demanded by the MHS teams could not be provided by the Central Store due to non-availability of medicines. In many cases, no stock was available with the MHS team at the time demand was put up to Central Stores. This clearly shows that MHS teams were working without adequate Essential medicines.

Department accepted the Audit observations and stated (October 2023) that CPA is responsible for non-availability of Essential Drugs as demanded medicines are supplied by it.

The fact remains that MHS was functioning without Essential medicines.

### **2.2.6.3 Not setting up of 100 Mobile Van Clinics for Eye and Ear Care Services**

Proposal for setting up of 100 Mobile Van Clinics for Eye and Ear Care Services (MHS) at estimated cost of ₹ 60.50 crore for providing Testing facility distribution of Spectacles and Hearing Aids in outreach areas through Mobile Van was approved by Lieutenant Governor (8 May 2017). DGHS was responsible for implementation of MHS.

Audit observed that despite approval of the proposal, Mobile Van Clinics for Eye and Ear Care Services could not be implemented (April 2023) as requisite funds were not sanctioned during the period 2018-23. During 2018-19, only ₹ 5 crore was sanctioned against proposal of ₹ 35.46 crore. Similarly, only ₹ 3.25 crore was sanctioned during 2019-20 and no funds were allocated thereafter.

Further, requisite posts were to be created and Staff were to be engaged for implementation of MHS. Audit observed that neither posts were sanctioned nor Staff were engaged by DGHS.

The scheme envisaged to provide doorstep Eye and Ear care services which could not be implemented in Delhi, despite approval of the Cabinet and LG since May 2017.

Department stated (June 2023) that it would be waste of resources in terms of manpower and money as Polyclinics and other facilities do have Specialists in most areas of Delhi which were catering to Citizens need in a more organized manner from a fixed setup in Polyclinics/Hospitals. Further, it stated (October 2023) that MHS did not have any post of Eye and ENT specialist for implementing the scheme.

Reply is not acceptable as the scheme was introduced in 2017 specifically for the purpose of providing doorstep Eye and Ear care screening services which were

in addition to the services already being provided by its network of Dispensaries/Polyclinics/Hospitals.

**Recommendation:** *The Government may re-examine continuation of the Scheme in view of the reply of the Department that providing doorstep Eye and Ear services would be a waste of resources.*

#### 2.2.6.4 Declining coverage of Mobile Health Scheme

Audit observed shortage of staff and Mobile Vans under Mobile Health Scheme (MHS) as detailed in paras 2.3.1 and 2.3.3. This resulted in decline in number of teams deployed and number of patients treated during 2017-23 as detailed in **Table-2.2.8**.

**Table-2.2.8: Number of MHS teams and number of patient treated during the audit period**

Year	No. of Mobile Health Teams deployed	No. of patients treated
2017-18	27	2,25,031
2018-19	19	1,88,743
2019-20	19	1,91,349
2020-21	17	1,46,171
2021-22	8	60,311
2022-23	8	35,062

Source: Annual Report of MHS

There were 277 Night Shelters and other Day care areas for which at least 26 teams were required. Against this only seven teams were deployed for Night Shelter and one team for unserved areas (March 2023).

Due to shortage of teams, MHS could not provide regular services covering all the Night Shelters, Construction sites, Welfare homes, Unserved/underserved areas of JJ Clusters.

It was noticed that no comprehensive assessment of demand for Mobile Health Dispensaries under MHS was carried out by the Department. This assessment was also necessitated due to availability of AAMCs in JJ Clusters/unserved areas.

Department accepted (October 2023) the audit observation and stated that despite the constraints, it still provides the services to the best of its capabilities.

#### 2.2.7 Functioning of School Health Scheme

School Health Scheme was introduced (1979) with the objective of improving the health and nutrition status of children and providing them with useful education on hygiene. School health scheme envisaged setting up School Health Clinics in school premises for easy accessibility by children. The objective of School Health Scheme *inter alia* included screening of School children for diseases, counseling and providing Comprehensive Health Care to School children through its 12 District Offices and 44 School Health Teams (March 2023). Each School Health Scheme Team is allotted a cluster of 8-10 Schools (around 10000 to 12000 students). There are approximately 17-18 lakh

students studying in about 1200 Government and Aided Schools of GNCTD. Central Store of School Health Scheme is responsible for issuing medicines to District clinics store.

### 2.2.7.1 Shortfall in coverage of School Children by School Health Scheme

Each School Health Scheme team is allotted a cluster of 8-10 schools (around 10000 to 12000 students). The year wise details of Screening/health checkup of school children are given in the **Table-2.2.9**.

**Table-2.2.9: Details of health check-up of school children under School Health Scheme**

Year	No. of Health (Teams deployed)	No. of schools covered	Appx. Percent of schools covered	No. of school children screened	Appx. Percent of school children screened
2016-17	65	325	27	281488	17
2017-18	53	367	31	328274	19
2018-19	56	333	28	316009	19
2019-20	57	282	24	351402	21
2020-21	0	3	0.3	648	0.04
2021-22	24	0	0	0	0
2022-23	24	147	12	2,09,364	12

It can be seen from **Table-2.2.9** that only 282 to 367 (24 to 31 *per cent*) Schools and 2.81 lakh to 3.51 lakh (17 to 21 *per cent*) students could be covered annually during the period from 2016-17 to 2019-20 out of around 1200 schools and 17 lakh students. During 2020-21 and 2021-22, School Health Scheme was not operational due to Covid. In the year 2022-23, the coverage was further reduced to 147 schools (12 *per cent*) and 2.09 lakh (12 *per cent*) students. Audit observed that School health team keeps the record of students, but no health card was issued to the students. Besides, parental counselling was not conducted whereas student counselling (for drug abuse) was conducted as per the coverage of the scheme.

Audit observed that 20 School Health Clinics<sup>13</sup> to serve a particular School were made operational (January 2022) as a pilot project by employing the staff from School Health Scheme which effectively reduced the School Health Teams to 24 during 2021-23.

Department replied (October 2023) that it has no comment against the Audit observation.

### 2.2.7.2 Shortage of man power for running School Health Scheme

During 2016-23, shortage of Doctors ranged from 22 to 32 *per cent*, shortage of Public Health Nursing Officer (PHNO) ranged from 7 to 46 *per cent* whereas shortage of Pharmacists ranged from 11 to 37 *per cent* against the sanctioned strength under School Health Scheme. Details are given in **Table-2.2.10**.

<sup>13</sup> Refer paragraph 2.2.7.3

**Table-2.2.10: Sanctioned strength and person in-position in School Health Scheme**

Year	Doctor		PHNO		Pharmacists	
	Sanctioned strength	Person in Position	Sanctioned strength	Person in Position	Sanctioned strength	Person in Position
2016-17	31	21	61	33	38	24
2017-18	32	22	61	55	38	34
2018-19	32	25	61	55	38	29
2019-20	32	25	61	57	38	32
2020-21	32	23	61	56	38	32
2021-22	32	23	61	51	38	27
2022-23	32	22	61	45	38	27

In 2022-23, six Doctors, 20 PHNOs were deputed to 20 School Health Clinics which cater to services in their respective school only. This further reduced the staff strength to cover the programmes under School Health Scheme. It was also noticed that the only post of Eye Specialist and all six posts of Dentist for referral centers were lying vacant (March 2023).

Department did not offer any comment in its reply (October 2023).

### **2.2.7.3 Slow progress of introduction of School Health Clinics in all Government schools**

Rule 38 of Delhi School Education Rules 1973, mandates to appoint a part time or full time Doctor in every School. High court of Delhi in a case no. WP © 7814/2011 had directed (8 August 2012) the Delhi Government to implement Rule 38 of the Delhi School Education Rules within six months.

Audit observed that till March 2023, Department of Education and Department of Health and Family welfare of GNCTD could not firm up plan to implement School Health Clinics due to lack of consensus between Departments for creation of posts, payment of salary and supervision of staff.

Besides, Department of Health and Family Welfare proposal (2018) recommended by Administrative Reform Department for creation of posts of 185 Medical Officers, 611 PHNOs, 358 ANM in the strength of H&FW Department and outsourcing of 1029 Multitasking staff was rejected by the Minister of Health (September 2019) on the ground that the proposal was not practical and would take time, further suggested to open School Health Clinics as per AAMC model with empaneled staff.

PWD constructed 94 Porta Cabins and handed over (till August 2022) to Education Department. Only 20 School Health Clinics were made operational (May 2023) in porta-cabins by deploying the team from School Health Scheme.

Thus, despite provision of Medical officer as per Delhi School Education Rules 1973 and direction of Delhi High court (August 2012), GNCTD could establish facility in 20 schools only.

Department did not offer any comment in its reply (October 2023).

#### **2.2.7.4 Other deficiencies in School Health Scheme**

##### **(a) Shortfall in conducting De-worming and WIFS programmes**

De-worming programme of GNCTD covers all school children studying in Government, Aided and Private schools. 5700 schools (Approx) in Delhi (March 2023) were to be covered under the programme. Similarly, Weekly Iron Folic Acid Supplementation Programme (WIFS) of GNCTD was launched (July 2013) to tackle Anemia and covering all Government and Aided school children<sup>14</sup>. Above programmes were not operational during 2020-21 and 2021-22 as the schools were closed due to Covid.

Audit observed that only 21 per cent (2016-17) to 71 per cent (2019-20) schools were covered under De-worming programme whereas only 56 per cent (2019-20) to 76 per cent (2022-23) of the students were covered under WIFS during the 2016-23.

Department stated (October 2023) that it has no comment to offer on the Audit observation.

##### **(b) Shortage of medicines and surgical items**

Under the Scheme, 44 teams (including School health clinic in Porta Cabin) were functioning and catering to about 19 lakh school children of Delhi Government and Government Aided schools. Audit observed that the Department has not prepared an Essential Medicine List under School Health Scheme. Examination of Central stock register of School Health Scheme revealed that the stock of 21 different medicines and surgical items were not replenished after stock-out and the stock-out period ranged from 3 to 84 months. Moreover, 15 out of 21 medicines/surgical items were not available for more than 60 months during the audit period. (Annexure 2.5).

Further, examination of 17 indents of District clinics for 2022-23 revealed that medicines<sup>15</sup> and surgical items<sup>16</sup> were not made available by the Central Store as per demand. Similarly, several basic equipment<sup>17</sup> demanded by the District School Health Clinics were also not provided by the Central Store.

Thus, School Health Scheme is running without requisite medicines, surgical items and equipment. Department did not offer any comment in its reply (October 2023).

##### **(c) Equipment/items lying idle in the Store**

Scrutiny of stock register of central store of School Health Scheme revealed that many equipment/items intended for use by the School Health teams were lying

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<sup>14</sup> Class 6<sup>th</sup> to 12<sup>th</sup> till 2021-22 and class 1<sup>st</sup> to 12<sup>th</sup> from 2022-23 onwards

<sup>15</sup> Betadine ointment, Soframycin, Tab PCM, Tab Ibuprofen, Tab Cipro, Tab CPM, Tab Pheniramine, Tab Pantaprazole, Tab MNZ etc.

<sup>16</sup> Adhesive Plaster, Band Aid, Bandage, etc.

<sup>17</sup> Hemoglobin meter, Hb cuvettes, Weighing machine, BP apparatus, Torch, Scissor, Thermometer, etc.

idle in the store for the last nine years or more as per the details given in **Table-2.2.11**.

**Table-2.2.11: Idle items in the store of School Health Scheme**

Sl. No.	Name of item	Quantity
1	Centrifuge Machine	6
2	Examination table	6
3	Revolving stool	52
4	BP Apparatus	80
5	Stethoscope	21
6	Vaccine carrier	24
7	Syringe cum needle destroyer	12
8	Glucometer	123

This shows that department purchased equipment in bulk without assessing the actual demand and also failed to utilize the same by issuing to other health centers under DGHS on need basis.

Department did not offer any comment in its reply (October 2023).

**Recommendation:** Government should strengthen the SHS so as to provide all the services under the Scheme covering all School children. It may also consider to approve an EDL specifically for SHS and should ensure all the essential medicines in its clinics.

## 2.2.8 Functioning of Dispensaries/Polyclinics

Under the restructured system (July 2015), existing Dispensaries were to be converted into Polyclinics. As per order of Secretary (Health), Department of Health and Family Welfare (7 January 2016), Polyclinics were attached to Government Hospital and were to act as satellite centers for specialized Outdoor treatment purposes. The Medical Superintendent of the attached hospital was to provide manpower, drugs & consumables and other logistic support to the concerned Polyclinics and was also to supervise their day-to-day functioning. General Medicines, Pediatrics, Obstetrics and Gynecology were to be made available daily whereas Orthopedics, Dermatology, Eye & ENT at least twice weekly at the Polyclinics. As of March 2023, only 28 Polyclinics were functional and 167 Dispensaries were also providing services.

### 2.2.8.1 Laxity in remodeling of Dispensaries into Polyclinics for providing secondary health care

The Polyclinics, conceptualized as Secondary Health Care provider intended to reduce the OPD load of Delhi Government Hospitals. Budget Speech (2016-17) proposed to establish 150 Polyclinics by the end of the financial year 2018-19. Administrative Approval and Expenditure Sanction of ₹ 168.58 crore was issued to PWD (8 August 2018) for remodeling of the 94 shortlisted Delhi Government Dispensaries (DGD) into Polyclinics in 15 months.

District wise details of Dispensaries and Polyclinics (2021-22) is given in **Table-2.2.12**.

**Table-2.2.12: Availability of Dispensaries and Polyclinics**

Sl. No.	Name of District	Dispensary	Polyclinic
1	Central	24	2
2	East	16	1
3	North	15	1
4	North East	5	4
5	North West	20	7
6	South	9	1
7	South West	23	4
8	West	19	3
9	New Delhi	12	1
10	Shahdara	15	3
11	South East	9	1
	<b>Total</b>	<b>167</b>	<b>28</b>

Source: Annual report of DGHS

It can be seen that only 28 Dispensaries were converted into Polyclinics.

Audit observed the following deficiencies during operationalization of restructured health care system:

- Seven Polyclinics were not taken over by the Hospitals as of December 2022, where remodelling work was completed by PWD leading to operational difficulties.
- Specialists were not available for providing services in the existing Polyclinics. Department was in the process of empanelment of Specialists (December 2022) and was constrained to post even Senior Residents in place of specialist doctors in Polyclinics for OPD consultation.

Thus, the objective of setting up of Polyclinics by upgrading existing Dispensaries as Secondary health provider intended to reduce the OPD load in Government hospital as conceived by Department could not be achieved.

The Government (October 2023) stated that there was no concept of Dispensary in the restructured health care delivery system, however, 107 DGDs were not included in the remodelling list and were bound to co-exist with Polyclinic as only the Dispensary running from own buildings were to be converted into Polyclinic.

The reply of the Government is not convincing as the planned number of Polyclinic could not be made functional.

**Recommendation: Government should expedite setting up of Polyclinics as envisaged in the restructured health system of GNCTD to strengthen the Secondary Healthcare.**

### 2.2.8.2 Human Resources in Dispensaries

The availability of Doctors, Nurses, Paramedics against the sanctioned strength in different dispensaries under DGHS (31 March 2023) are given in **Table-2.2.13**.

**Table-2.2.13: Sanctioned strength and Person in-position of different dispensaries**

District	Sanctioned				In-position			
	Doctors	Nursing Staff	Paramedics	Others <sup>18</sup>	Doctors	Nursing Staff	Paramedics	Others
Allopathic Dispensaries								
Central	107	158	241	216	47	90	102	90
East	51	40	71	116	41	36	51	77
West	65	43	240	11	55	36	89	5
North	57	41	113	125	36	41	83	36
South West	87	74	131	207	74	74	106	161
North East	31	23	58	64	26	22	40	45
North West	69	57	106	171	69	57	106	127
South	39	27	48	78	38	24	34	40
Shahdara	59	45	233	5	48	43	164	2
New Delhi	44	30	64	89	35	28	43	53
South East	35	22	58	61	29	18	47	20
<b>Total</b>	<b>644</b>	<b>560</b>	<b>1363</b>	<b>1143</b>	<b>498</b>	<b>469</b>	<b>865</b>	<b>656</b>

There was 23 *per cent* shortage of Doctors, 16 *per cent* shortage of Nursing staff and 37 *per cent* shortage of Paramedics in the Allopathic Dispensaries (March 2023).

The shortage of manpower in the selected Districts (31 March 2023) was as given below:

- South-West district, Medical Staff (15 *per cent*), Paramedical Staff (19 *per cent*), and Others (22 *per cent*).
- South district, Medical Staff (3 *per cent*), Paramedical Staff (29 *per cent*), Nursing staff (11 *per cent*) and Others (49 *per cent*).
- West district, Medical Staff (15 *per cent*), Paramedical Staff (63 *per cent*), Nursing staff (16 *per cent*) and Others (55 *per cent*).
- North-East district, Medical Staff (16 *per cent*), Paramedical Staff (31 *per cent*), Nursing staff (4 *per cent*) and Others (30 *per cent*).

**Recommendation:** Government should take immediate measures to fill up the vacancies.

<sup>18</sup> Dresser, Dark Room Attendant, Plaster Room Assistant, Nursing Orderly/Peon/Attendant, Nursing Orderly, Ambulance Attendant, Sweeper cum chowkidar and Safai karamchari.

### **2.2.8.3 Disproportionate deployment of Doctors in Dispensaries**

Primary Health Centres deliver the basic health care facility to people. Health inequality implies systematic differences in health outcomes. Unequal distribution of health resources is a situation where available health resources are not distributed equally amongst the population.

Scrutiny of records/information (April-May 2023) furnished by the Office of the CDMOs (North East and West) revealed that the deployment of Doctors within the District was not made according to the targeted population of the concerned Dispensary. The Dispensary wise details of the same are shown in **Annexure 2.6**.

As against the criteria of serving 30000-50000 population per Dispensary, the actual population per Doctor in North-East district ranged from 18,060 to 58,146 whereas in West district it was 6,728 to 40,000.

### **2.2.8.4 Functioning of Dispensary Laboratories without NABL accreditation**

Drug Policy of NCT of Delhi envisages making available safe, effective and good quality Drugs at all times at all health facilities. This requires strengthening of quality control mechanism. The National Board for Testing and Calibration Laboratories (NABL) has been established with the objective of providing Government, Industry Associations and Industry in general with a scheme of Conformity Assessment Body's accreditation which involves third-party assessment of the technical competence of testing including medical and calibration laboratories.

Allopathic Dispensaries of GNCTD provide for two types of laboratories, i.e. Basic Labs (BL) and Mother Labs (ML). The BL provide for basic investigation tests like Urine, Blood Sugar (Fasting/PP), HB, Albumin and tests which require only rapid kits, whereas, in ML specialized tests like Hematology, Lipid profile, LFT, KFT, etc. are being performed.

Audit observed both the labs were not accredited by NABL. In the absence of NABL accreditation, the technical competency of the labs could not be ensured.

### **2.2.9 District Drug Stores**

In Delhi, there are six<sup>19</sup> District Drug Stores (DDS) catering to 11 Districts. District Drug Stores receive Drugs/Medicines from Central Procurement Agency and distributes them to various Dispensaries and other health care facilities under the jurisdiction of CDMO. Test check of District Drugs Stores catering to four selected Districts revealed the following:

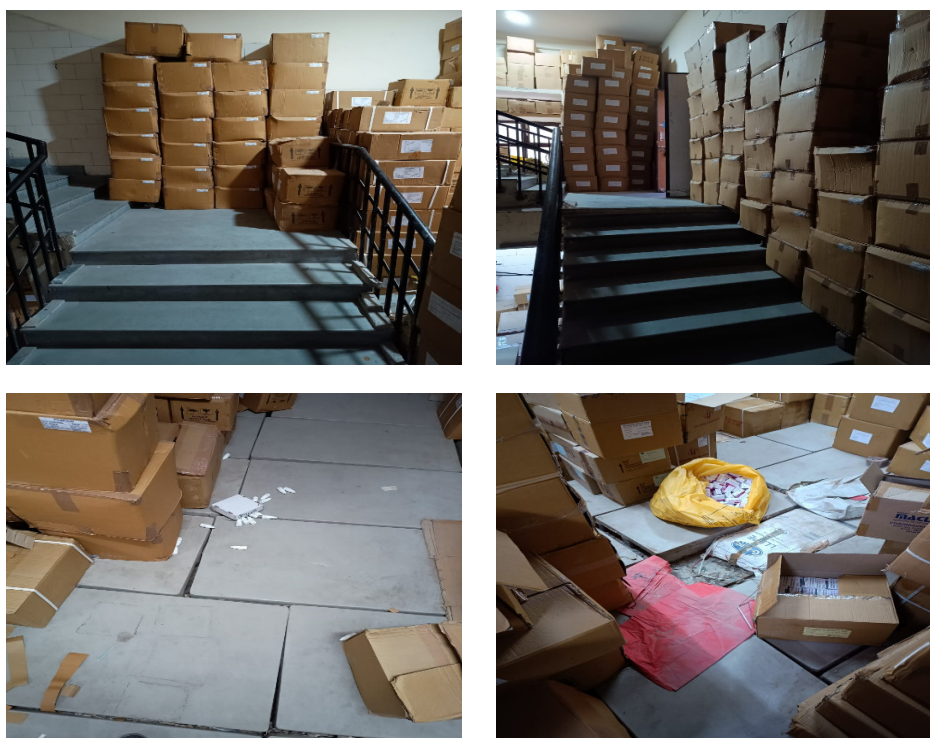
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<sup>19</sup> South-East/South, South-West/New Delhi, North/Central, North-East, East/Shahdara and West/North-West

### 2.2.9.1 Functioning of District Drug Stores

- (a) Audit observed that, since opening of AAMCs in 2015-16, DDS, South was located in the basement without provision for proper ventilation or air conditioner required for maintaining appropriate temperature. Besides, storage facilities were not augmented despite addition of about 97 AAMCs. Due to lack of space, the store authorities were constrained to keep drugs on the staircase areas of the building as shown in **Picture-2.2.2**.

Similarly, the other three selected DDS, South-West, North-East and West also lacked space for storing medicines. There was lack of basic facilities like racks for keeping medicines. As a result, medicine boxes were kept on floor/toilet premises and staircase.



**Picture-2.2.2: Drugs lying on floor at district drug store of South and South East**

- (b) Sanctioned strength of the District Drug Stores was not increased despite increase in the work load after introduction of AAMCs in 2015-16. Although the issue was flagged by the District Store to the higher authorities, no action was taken.
- (c) DDS, South did not comply with the Disaster Management Norms as there was no provision for fire exit or for fire extinguishers in the premises.

Similarly, fire extinguishers were not available or found beyond expiry date/not in proper condition in the DDS, North East and DDS West.

Government stated (October 2023) that South District has been repeatedly writing and flagging the issues with PWD for provision of fire exit. It was further

submitted that the fire extinguishers were in process of being replaced. It confirmed the other issues but offered no comments.

**Recommendation:** Government should improve the basic infrastructure of District drug stores and ensure adherence of disaster management norms in its district stores.

### 2.2.9.2 Shortage of Drugs in test checked District Stores as per EDL of Dispensaries

257 medicines are prescribed in the EDL of Dispensaries. During 2016-23, year-wise availability of the EDL of test checked District Stores is given in **Table-2.2.14**.

**Table-2.2.14: Year wise availability of Drugs in District Stores**

Year	Number of drugs in EDL	Average number of drugs available during the year	Shortfall in availability	
			In numbers	In per cent
District store catering to South West and New Delhi districts				
2016-17	257	210	47	18.29
2017-18	257	230	27	10.51
2018-19	257	226	31	12.06
2019-20	257	223	34	13.23
2020-21	257	190	67	26.07
2021-22	256	205	51	19.92
2022-23	256	223	33	12.89
District store catering to South and South East District				
2016-17	257	210	47	18.29
2017-18	257	230	27	10.51
2018-19	257	226	31	12.06
2019-20	257	223	34	13.23
2020-21	257	160	97	37.74
2021-22	256	203	53	20.70
2022-23	256	229	27	10.55

Source: Information furnished by the district stores

It can be seen from **Table-2.2.14** that 10 to 26 per cent medicines from the Essential Drug List (EDL) were not available in one District Store whereas 10 to 37 per cent medicines were not available in another District Store during the period from 2016-17 to 2022-23.

The above facts indicate that the Dispensaries were not in a position to provide patient care with all the essential medicines.

South West district accepted (October 2023) the Audit observation. Reply from other Districts was awaited.

**Recommendation:** Government should ensure availability of all Essential Medicines both for AAMCs and Dispensaries in its District Drug Stores.

### 2.2.10 Primary Health Care provided by Directorate of AYUSH

The Government of National Capital Territory of Delhi (GNCTD) established (May 1996) a separate Department of Indian System of Medicine and

Homoeopathy (ISM&H) under the Health and Family Welfare Department (DH&FW) to encourage the use of alternative systems of medicines such as Ayurveda, Yoga, Unani, Siddha and Homoeopathy (AYUSH) in healthcare delivery and to ensure propagation of Research and Education in these systems. The ISM&H was renamed as Directorate of AYUSH (Directorate) in the year 2013.

The Directorate, headed by a Director, functions under the overall supervision of the Secretary, Department of Health and Family Welfare. It provides Primary health Care facilities through its Dispensaries. Presently, there are 55 Ayurvedic, 25 Unani, and 116 Homoeopathic Dispensaries under it.

### 2.2.10.1 Adequacy of funding

Allocation of funds and expenditure for running Dispensaries during the period 2016-23 is given in **Table-2.2.15**.

**Table-2.2.15: Budget allocation and utilization 2016-2023**

Department	(₹ in crore)	
	Budget Allocation/ Grant received	Expenditure incurred
Directorate of AYUSH	237.11	182.47
Homoeopathic Wing	271.88	262.47
<b>Total</b>	<b>508.99</b>	<b>444.94</b>

It can be seen from **Table-2.2.15** that against the allocation of ₹ 508.99 crore, ₹ 444.94 crore (87.42 per cent) was utilised for the management of AYUSH activities.

### 2.2.10.2 Insufficient Infrastructure and space in AYUSH Dispensaries

As per IPHS Guidelines two room structure is essential to run a Dispensary to cater the need of consultation, waiting area, medicine dispensation and storage of medicines. PHC should be away from water logging area. Waiting area should have adequate space and seating arrangements for waiting/patients as per patients load. Waiting area should have adequate number of fans, coolers, benches or chairs. Safe drinking water should be available in the patients waiting area. Toilets with adequate water supply separate for males and females should be available. A locked complaint/suggestion box should be provided. Appropriate power backup/inverter should be in place to ensure that there is no disruption of services and cold chain for vaccines and diagnostics is properly maintained.

Joint Physical Inspection of 49 Dispensaries<sup>20</sup> conducted during April/May 2023 revealed the following:

- Seven Dispensaries were functioning in one room structure.

<sup>20</sup> 19 Ayurvedic, 8 Unani and 22 Homoeopathic dispensaries were inspected

- Five<sup>21</sup> Dispensaries were functioning without waiting area or without proper sitting arrangement for patients.
- Most of the AYUSH Dispensaries are co-located with Allopathic Dispensaries situated on 1<sup>st</sup> or 2<sup>nd</sup> floor of the building without any lift facility. No Ramp facility was available for differently abled persons.
- In one Ayurveda Dispensary<sup>22</sup> chair and table was not found available for the Doctor.
- Power back up was unavailable in 17 out of 49 inspected Dispensaries Seven Dispensaries did not have functional toilets for patients and 14 Dispensaries did not have any arrangement for drinking water.



Picture-2.2.3: Toilet not functional

Directorate stated (October 2023) that it opens new units in the existing Delhi Government Dispensaries and Hospitals under the Cafeteria Approach<sup>23</sup>. Construction activities are undergoing in some Dispensaries for restructuring them into Polyclinics resulting in these operating from one room. It further intimated that corrective measures wherever feasible have been taken, however no further details were provided.

***Recommendation: Government should ensure availability of all basic infrastructure and facilities in its AYUSH Dispensaries.***

### **2.2.10.3 Partial functioning of AYUSH Dispensaries**

All Dispensaries are required to function six days a week. Due to shortage of man power, Audit observed that many AYUSH dispensaries were working for less

<sup>21</sup> Seelampur, Jaffarpur (Unani), Ranjit nagar, Dwarka sector 17(Ayurveda) and Dakshinpuri(Homoeopathy)

<sup>22</sup> Sonia Vihar dispensary

<sup>23</sup> Under Cafeteria Approach of GNCTD, AYUSH dispensaries are to be co-located with allopathic dispensaries/hospitals to provide both the services in one place

than six days (March 2023) effectively reducing the availability of patient care services as detailed in **Table-2.2.16**.

**Table-2.2.16: Details of partially functioning dispensaries**

Category	Total dispensaries	Number of days functional		
		6 days	Three days	One-two days
Ayurvedic	55	18	36	1
Unani	25	7	17	1
Homoeopathic	116	99	13	4

Source: Reply of the Department

It can be seen from above **Table-2.2.16** that 67 per cent of Ayurvedic Dispensaries, 72 per cent of Unani Dispensaries and 14 per cent of Homoeopathic Dispensaries were not functioning for complete six days in a week reducing the availability of healthcare.

Directorate stated (October 2023) that proposal for creation of posts is under active consideration.

#### **2.2.10.4 Dispensaries not upgraded into Health Wellness Centres under National AYUSH Mission**

Ayushman Bharat Scheme of GoI provides for upgradation of AYUSH Dispensaries to AYUSH Health and Wellness Centres (AHWCs) by providing ₹ 6.85 lakh as non-recurring cost and ₹ 9.37 lakh per annum as recurring cost per Dispensary. Scheme includes appointment of Yoga instructors, refresher courses to Medical Officers, IEC activities, etc, in each dispensary.

GNCT of Delhi has not implemented the Ayushman Bharat Scheme in Delhi and hence it could not avail the funds for upgradation of dispensaries into AYUSH Health Wellness Centres. Thus, GNCTD neither created AHWCs nor improved the services in its Dispensaries to provide all aspect of AYUSH system of medicines to public.

Directorate stated (October 2023) that the proposal to establish State AYUSH Society which is mandatory to receive fund under NAM is under active consideration of Government.

***Recommendation: Government should consider setting up of State AYUSH Society on an urgent basis to avail the benefit of Central Scheme.***

#### **2.2.10.5 OPD in AYUSH Dispensaries**

Attendance of OPD patients who visited the AYUSH dispensaries between 2016-23 is given in **Table-2.2.17**.

**Table-2.2.17: OPD patients in AYUSH dispensaries**

Year	Ayurveda	Unani	Homoeopathy	Total
2016-17	746171	451011	2275663	3472845
2017-18	755470	493092	1843209	3091771
2018-19	668411	392079	1939883	3000373
2019-20	449024	171733	1991395	2612152
2020-21	262517	207965	1198775	1669257
2021-22	469639	269765	1280872	2020276
2022-23	671317	433905	1708114	2813336

Source: Information furnished by the Department

Number of OPD patients decreased (19 *per cent*) from 34.72 lakh in 2016-17 to 28.13 lakh in 2022-23. The patient load per Dispensary per day decreased from 62 to 18 (Ayurveda), 75 to 58 (Unani) and 74 to 49 (Homoeopathy) during the period from 2016-17 to 2022-23<sup>24</sup>.

The declining footfall of patients is indicative of low patient satisfaction of services being provided by these Dispensaries.

Directorate stated (October 2023) that the reason for declining footfall is partial functioning of Dispensaries due to shortage of Doctors. It further stated that various IEC activities have been planned by Directorate of AYUSH to spread awareness about AYUSH systems.

#### 2.2.10.6 Shortage of staff in AYUSH

There was huge shortage of staff in AYUSH Directorate and Dispensaries. Overall shortage of staff in the AYUSH Directorate was 47.78 *per cent* as of March 2023 as given in **Table-2.2.18**.

**Table-2.2.18: Staff position in AYUSH Directorate**

Name of the Department	SS	No. of staff posted	No. of posts vacant	Vacancy (in <i>per cent</i> )	No. of outsourced staff posted against vacancy
Directorate of AYUSH (Ayurveda & Unani wing)	229	118	111	48.47	48
Homoeopathic Wing	357	188	169	47.34	110
<b>Total</b>	<b>586</b>	<b>306</b>	<b>280</b>	<b>47.78</b>	<b>158</b>

Source: Departmental records and reply

Each Dispensary is to be posted with one General Duty Medical Officer (GDMO), one Pharmacist and one Nursing Orderly/Attendant to provide OPD services. The status of availability of staff in the Dispensaries (March 2023) is given in **Table-2.2.19**.

<sup>24</sup> Figures of covid period have been not taken in account.

**Table-2.2.19: Staff position in AYUSH Dispensaries**

Name of the Department/Institution	Sanctioned strength	Working Strength	Vacant Posts	Vacancy (in per cent)
Ayurvedic dispensaries	121	91	30	24
Unani Dispensaries	63	43	20	31
Homoeopathic dispensaries	285	182	103	36
<b>Total</b>	<b>469</b>	<b>316</b>	<b>153</b>	<b>33</b>

It can be seen from **Table-2.2.19** that the overall shortage of staff in Ayurvedic, Unani and Homoeopathic Dispensaries was 24 per cent, 31 per cent and 36 per cent respectively (March 2023).

There was significant shortage of Medical Officers and Pharmacists in Dispensaries throughout period 2016-23.

The annual shortage of Ayurvedic, Unani and Homoeopathic Medical Officers ranged from six to 27 per cent, 18 to 41 per cent and five to 23 per cent respectively.

Similarly, the annual shortage of Pharmacists in Ayurvedic, Unani and Homoeopathic dispensaries ranged from 39 to 53 per cent, 61 to 67 per cent and 35 to 41 per cent respectively.

Despite opening of new Ayurvedic, Homoeopathic and Unani Dispensaries during the Audit period, the Directorate had not created new posts. Due to shortage of staff, many Dispensaries were partially functional and operating only three days a week.

During the Joint Physical Inspection of 49 Dispensaries (April/May 2023), it was noticed that in 17 Dispensaries, Doctors were available for two to four days in a week whereas in 16 Dispensaries, Pharmacist was not available.

Directorate stated (October 2023) that it has notified the vacant posts to DSSSB & UPSC for recruitment. Further, proposal for creation of new posts is also under submission.

**Recommendation: Government need to take immediate steps to address the shortage of staff to ensure smooth functioning of AYUSH dispensaries.**

#### **2.2.10.7 Lack of availability of Essential AYUSH Medicines in dispensaries**

There are 110 Ayurveda, 104 Unani and 200 Homoeopathy medicines in the Essential Drug List (EDL) of 2018, approved for Dispensaries. The Dispensaries procure medicines from the Central Drug Stores of AYUSH by submitting the demand through indent sheets.

Scrutiny of Stock Registers of Central Drug Stores for the period from 2018-23 revealed that only 17 out of 104 Unani Essential Drugs and only three out of 110 Ayurvedic Essential Drugs were available throughout the 2018-23 whereas 15 Ayurvedic medicines and 18 Unani medicines were not available during the

entire period. The details of availability of Ayurvedic and Unani medicines are given in **Table-2.2.20**.

**Table-2.2.20: Period for which medicines remained not available during 2018-23**

Category of medicine	Total Essential Drugs	Medicines available for whole period	Period for which medicines remained not available			
			6-12 months	13-36 months	37-59 months	Medicines not available for whole period
Ayurveda	110	3	4	87	1	15
Unani	104	17	15	52	2	18

Similarly, in Homoeopathy category, eight medicines in 2017-19, 14 medicines in 2019-21 and 8 medicines in 2021-23 out of 200 essential medicines were not procured.

Thus due to lack of availability of stock in the Central Drug Store, there was shortfall in receiving of medicines against the indent submitted by the Dispensaries. Audit observed that in 37 indents (2016-23), upto 50 *per cent* of the demanded medicines were not received by the Dispensaries.

During Joint Physical Inspection, it was noticed that an average of 42 *per cent* of Ayurveda medicines and 56 *per cent* of Unani medicines were not available in the selected Dispensaries<sup>25</sup> as per the **Table-2.2.21**.

**Table-2.2.21: Lack of availability of medicines in the inspected dispensaries**

Category	Total no. of dispensaries	No. of units inspected	No. of Essential drugs required	Average number of medicines available	Average no. of medicines not available (in <i>per cent</i> )
Ayurveda	55	19	110	63	47(42%)
Unani	25	8	104	45	59(56%)
Homoeopathy	116	22	200	187	13(6%)

Failure of the Directorate in procuring and supplying essential medicines to Dispensaries defeated the very purpose of preparing the EDL and also compromised the ability of Dispensaries to effectively provide healthcare to patients.

Directorate accepted the Audit observation and stated (October 2023) that due to various issues in the tendering process, medicines could not be procured. Now, the classical Ayurvedic & Unani medicines manufactured by M/s IMPCL are available on GeM portal, and the procurement is being done from GeM portal.

<sup>25</sup> 19 out of 55 Ayurveda, 8 out of 25 Unani and 22 out of 116 Homoeopathy dispensaries were inspected.

#### **2.2.10.8 Delay in purchase of Ayurvedic and Unani medicines**

Department of AYUSH, Ministry of Health and Family Welfare, GoI issued direction (November 2008) to all States/UTs that AYUSH drugs should be procured through Central and State Government enterprise like M/s Indian Medicines Pharmaceutical Corporation Limited (IMPCL) who are actually manufacturing these drugs and to avoid substandard drugs.

Accordingly, GNCTD decided (November 2008) to procure AYUSH medicines from M/s Indian Medicines Pharmaceutical Corporation Limited (IMPCL) since medicines procured from open market through tendering process at lowest price were not up to the mark.

Audit observed that Directorate stopped procuring Ayurveda and Unani medicines directly from IMPCL (2018-19 onward) which was against its own policy as IMPCL was duly approved (November 2008/October 2016) by Finance Department of GNCTD for procurement of medicines. Further, instead of directly procuring from IMPCL, Directorate of AYUSH initiated tenders thrice out of which two were later cancelled due to litigations.

Finally, during the third tender (May 2019), 22 bidders were selected for supplying 198 out of 214 EDL A&U medicines in September 2020 while none of the bidders qualified for 16 medicines.

It was noticed that two bidders, who were qualified for 89 medicines, were later blacklisted by New Delhi Municipal Council for two years (February 2020) and the Directorate decided not to procure any medicine from these agencies. It, however, did not impose any penalty on the firms for concealing the facts.

In between, a Cabinet Note was approved in December 2019 for procurement of Essential A&U medicines from M/s IMPCL and Purchase Orders were issued in December 2019, even though Finance Department had given explicit approval (2008/2016) for direct procurement of medicines from IMPCL.

Resultantly, during period 2018-20 (till December 2019), most of the medicines remained out of stock and the supplies were received from IMPCL from January 2020 onwards. Moreover, after introduction of GeM portal, the buyer could place order directly with M/s IMPCL for medicines.

In May 2022, Directorate prepared a proposal to purchase various Ayurvedic and Unani medicines from IMPCL costing ₹ 3.31 crore on the basis of Annual demand raised by Dispensaries for the year 2022-23. However, the Finance Member suggested to procure the medicines through open tendering process in terms of Rule 149 (iii) of GFR though various instructions and orders were available to purchase these medicines directly from IMPCL. Finally, Directorate had floated a bid on GeM portal on 3 February 2023. The medicines were not yet procured (May 2023).

Directorate accepted the Audit Observation and stated (October 2023) that due to various issues in the tendering process, medicines could not be procured. Now, the classical Ayurvedic & Unani medicines manufactured by M/s IMPCL are available on GeM portal, and the procurement is being done from GeM portal.

**Recommendation: Government should ensure the availability of all Essential AYUSH Medicines in its Dispensaries.**

**2.2.10.9 EDL for AYUSH not updated on regular basis**

The Drug Policy of Government of NCT of Delhi framed in April 1994 provides for preparing a list of Essential Drugs every year by a Special Committee. However, it was observed that EDL of Ayurveda, Unani and Homoeopathy drugs for Dispensaries were updated only once in 2018 during the period under Audit (2016-17 to 2022-23).

Directorate stated (October 2023) that based on the ‘National List of Essential AYUSH Medicines’ published by Ministry of AYUSH, GoI in 2022, the Department has reviewed its EDL for Ayurvedic & Unani medicines. The Homoeopathic Wing of Directorate of AYUSH initiated the process for revision of EDL and Formulary of Homoeopathic medicines.

**2.2.10.10 Loss of medicines due to incorrect carrying forward of balance in Stock Registers**

Audit scrutiny of the Stock Registers of Ayurvedic, Unani and Homoeopathy medicines maintained by the Central Drug Store showed that in five cases balance was either not calculated correctly during issue of stock or Closing Balance at the end of the year was not correctly depicted as Opening Balance of next year resulting in loss of stocks as per the details given in **Table-2.2.22**.

**Table-2.2.22: Difference in closing balance of stock**

Sl. No.	Name of Medicine	Date	Actual Closing Balance	Closing balance shown in the register	Difference
1.	Kumaryasava 200ml	18.02.20	5849	5845	4
2.	Kumaryasava 200ml	17.03.20	12745	12695	50
3.	Arvindasava 200ml	26.10.21	18170	18026	144
4.	Habb-e-Asgand 30 pills	15.12.16	2750	2700	50
5.	30 Apocynum	01.04.17	100	98	2

This shows weak monitoring of inventory.

Directorate accepted the audit observation and stated (October 2023) that all necessary care will be taken for preventing such error in future.

**2.2.10.11 Lab Test facility not available in all AYUSH Dispensaries**

Joint Inspection of 49 AYUSH dispensaries revealed that in nine Dispensaries no Lab facility was available. As per the arrangement, Lab tests prescribed by AYUSH Doctors are being done in arrangement with the co-located Allopathic

Dispensaries/Polyclinics. Further, it was intimated by the Doctors that lab test prescription of AYUSH Doctors were not considered by the Laboratory till it was recommended by Allopathic Doctors. This indicates very low priority given to Indian System of Medicines in the Primary Health Care set up.

#### **2.2.10.12 Unavailability of Yoga and Naturopathy Services in AYUSH Dispensaries**

Yoga focuses on the prevention of Diseases and treatment of many lifestyle related disorders. Naturopathy aims to eliminate Diseases and morbid matter from body to restore the health through natural methods including alternative therapies. Directorate of AYUSH is displaying Yoga and Naturopathy as available services.

It was noticed that Directorate has not created the post of Yoga Instructor and none of the AYUSH dispensaries were providing Yoga and Naturopathy services. Thus, Directorate of AYUSH which was to promote Yoga and Naturopathy did not take adequate action to promote them amongst the citizen through its dispensaries.

Directorate stated (October 2023) that a proposal for creation of posts of Yoga Instructors/Therapists is under consideration of Government for starting OPD services of Yoga.

### 2.3 Lackadaisical approach of the Guru Teg Bahadur Hospital leading to avoidable payment of ₹ 70.21 lakh

#### **Non-adherence of Delegation of Financial Power Rules, 2008 before award of work led to cancellation of contract and avoidable payment of ₹ 70.21 lakh to the contractor for breach of contract.**

Rule 50(a) of Delegation of Financial Power Rules, 2008 endows full power to Principal Secretary/ Secretary of the Administrative Department in their capacity as Head of Department for Administrative Approval and Expenditure Sanction for engagement of Security and Sanitation services.

Scrutiny of records revealed that Guru Teg Bahadur Hospital (Hospital) invited an e-tender for outsourcing of Security services in September 2012. M/s Gaurav Enterprises was declared as L-1 and the provisional offer of Award of Contract for providing Watch & Ward/ Door Keeping Services for a period of two years was awarded to the agency. The final work was awarded to the contractor on 19 July 2013. On the instructions of the Medical Superintendent, another letter was issued to the contractor on 30 July 2013 stating that the award of contract is kept in abeyance till further orders.

Later, the file relating to award of work of security was sent to the Secretary (Health and Family Welfare) for approval on 30 July 2013. However, the Secretary asked the Hospital to explain as to how the work was awarded without obtaining the approval of Contract Agreement from Secretary. The Department did not accept the explanation furnished by the Hospital and instructed to cancel the tender in October 2013. Accordingly, the tender was cancelled by the hospital and the same was intimated to vendor on February 2014.

Thereafter, the agency appealed before Hon'ble Tribunal and claimed that the Hospital had malafide intentions as the contract was earlier kept in abeyance and then canceled without assigning any reason. A claim of ₹ 1,67,09,139 on account of idling charges, ₹ 77,75,716 on account of damages and compensation on loss, ₹ 25,00,000 on account of loss of business opportunity, ₹ 30,00,000 on account of legal expenses and future interest of 18 *per cent* was claimed by the vendor. The Hospital replied that neither any agreement was signed between the parties nor there existed any valid contract at any point of time. After communication of acceptance, the vendor had to sign an agreement on 31 July 2013 and before signing, a letter dated 30 July 2013 was sent regarding keeping the final award in abeyance.

In its verdict dated 6 May 2019, Hon'ble Tribunal stated that the cancellation of contract by the hospital was in breach of terms and condition of the contract and the Hospital is liable for any and all consequences flowing from such breach. Therefore, a claim amounting to ₹ 67,20,572 along with interest at the rate two *percent* higher than the current rate of interest prevalent on the date of Award from the date of filing of the claim till the date of payment was to be paid to M/s Gaurav Enterprises and a sum of ₹ 3,00,000 as cost of proceedings shall be

paid by the Hospital. Accordingly, the Hospital paid an amount of ₹ 70,20,572 to the contractor.

The Hospital stated (September 2022) that the expenditure of ₹ 70,20,572 could have been avoided had inputs been taken from the accounts functionary of this Hospital. Now the matter having financial implications are being routed through the Accounts functionaries. Further, while making the payment of ₹ 70,20,572 to the vendor, the Interest component has not been included in it.

Thus, non-adherence of Delegation of Financial Power Rules, 2008 by the Hospital resulted in avoidable expenditure of ₹ 70.21 lakh.

The matter was referred to the Government in October 2022, reply is awaited.

## Directorate of Information and Publicity

### 2.4 Compliance Audit on Advertisement and Publicity expenditure of the Government of National Capital Territory of Delhi

During the period 2018-22, there was an exponential increase in advertisement and publicity expenditure of GNCTD by more than 12 times from ₹ 46.90 crore in 2018-19 to ₹ 612.81 crore in 2021-22. Test check of records revealed that Directorate of Information and Publicity (DIP), GNCTD released advertisement campaigns in violation of guidelines of Hon'ble Supreme Court of India on content regulation of Government advertising and General Financial Rules as these were found to be inaccurate, unverifiable and unjustified.

It is the duty of the concerned State/UT government to provide advertisement relevant to the Governments' Constitutional and legal obligation as well the citizens' right and entitlements. Audit, however, observed that in 18 cases, print advertisements were released outside NCT of Delhi and were not linked to GNCTD's constitutional and legal obligations towards the citizenry of NCT of Delhi or for informing the populace of NCT Delhi about Government schemes and initiatives and hence were in violation of Hon'ble SC guidelines. DIP incurred liability of ₹ 77.91 crore (payment made: ₹ 57.81 crore) for print advertisements released outside NCT of Delhi during July 2020 to March 2022.

The monitoring mechanism for evaluation of works done by agencies engaged from private sector for Public Relations, Social and Digital media management and Live-streaming of press conferences and events of GNCTD was either absent or lax and payments were released to agencies, despite agencies not adhering to RFP conditions

The budget control was weak as liability was incurred without availability of budget. During 2019-20 to 2021-22, rush of expenditure was noticed in the month of March which ranged from 25.60 *per cent* (2021-22) to 51.88 *per cent* (2019-20). Mechanism to address complaints received against Government advertising of GNCTD was either deficient or non-existent.

The Directorate of Information and Publicity (DIP) is responsible for informing and publicizing the programs, policies and activities of the Government of the National Capital Territory of Delhi (GNCTD) and looks after the publicity requirements of all its Departments. Expenditure on all advertisements by GNCTD (except a few Departments of GNCTD which receives minimal budget for advertisements) is met out of the budget of DIP<sup>26</sup>. DIP routes all the

<sup>26</sup> Except a few Departments including Health & Family Welfare, Social Welfare and Environment Departments of GNCTD, which are provided separate nominal budget under Object Head 26-Advertisement and Publicity.

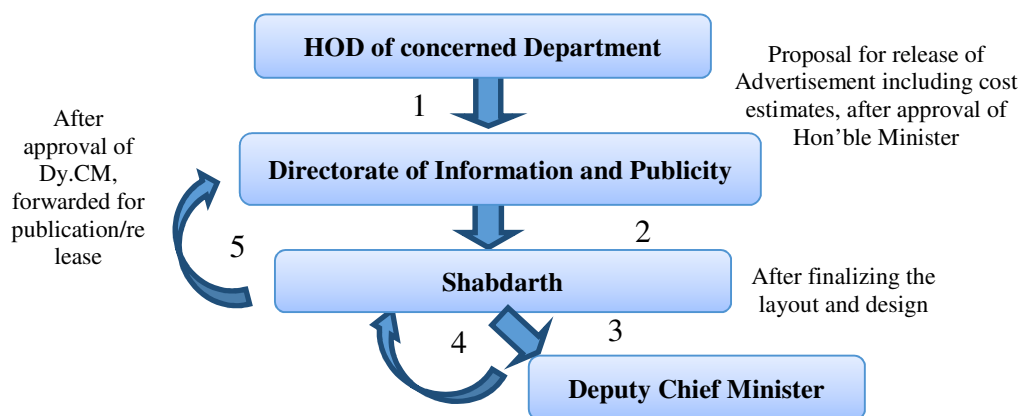
advertisements through “Shabdarth<sup>27</sup>”, a Society setup (June 2015) by GNCTD under the Societies Registration Act, to function as an advertising agency.

Hon’ble Supreme Court of India Guidelines (May 2015) on Content Regulation of Government Advertising provided following parameters:

- (i) Advertising campaigns to be related to Government responsibilities.
- (ii) Advertisement materials should be presented in an objective, fair and accessible manner and be designed to meet the objectives of the campaign.
- (iii) Advertisement materials should be objective and not directed at promoting political interests of ruling party.
- (iv) Advertisement campaigns be justified and undertaken in an efficient and cost-effective manner.
- (v) Government advertising must comply with legal requirements and financial regulations and procedures.

Moreover, the Standard Operating Procedure (SOP) of June 2016, all the Heads of Departments (HODs) of GNCTD have full powers to sanction expenditure for advertisements at rates prescribed by DAVP<sup>28</sup>. As per the SOP, HODs are required to provide a certificate that the contents of the advertisements conform to the Hon’ble Supreme Court Guidelines of May 2015, before forwarding the advertisements to DIP for release to media. The process of submission and approval of advertisement proposals was as given in **Chart-2.4.1**.

**Chart-2.4.1: Process of advertising in GNCTD**



<sup>27</sup> Shabdarth prepares designs for display advertisements and also create radio jingles/advertisements as per the requirement of the Government Departments and for this, retains 15 per cent discount offered by the media to Government on advertisements. Prior to setting up of Shabdarth, government advertisements were routed through empanelled private advertising agencies.

<sup>28</sup> Central Bureau of Communication (CBC) was set up on 8th December, 2017 by integration of erstwhile Directorate of Advertising and Visual Publicity (DAVP), Directorate of Field Publicity (DFP) and Song & Drama Division (S&DD).

Audit test checked the records of DIP for the period 2019-22 and selected nine<sup>29</sup> other Departments of GNCTD, which published their advertisements and publicity campaigns through DIP/Shabdarth, on the basis of number of advertisements released during 2019-22. The objectives of audit were to ascertain economy, efficiency and effectiveness in expenditure incurred on publicizing the programs, policies and activities of the GNCTD and compliance of guidelines and principles approved by the Hon'ble Supreme Court on content regulation of Government Advertising in respect of Advertisement Campaigns undertaken by DIP. Exit Conference was held on 25 May 2023 and replies of Public Relations Department, GNCTD wherever received have been suitably incorporated in the report.

#### 2.4.1 Budget and Expenditure

During the period 2018-22, DIP met the expenditure on publicizing the programs, policies and activities of the GNCTD out of the budget allocated under the object Heads-Advertisement & Publicity and Other Charges. Also, budget was provided to some other Departments of GNCTD under the object head Advertisement & Publicity. Details of budget and expenditure of GNCTD on advertisement and publicity were as under:

**Table-2.4.1: Details of budget and expenditure**

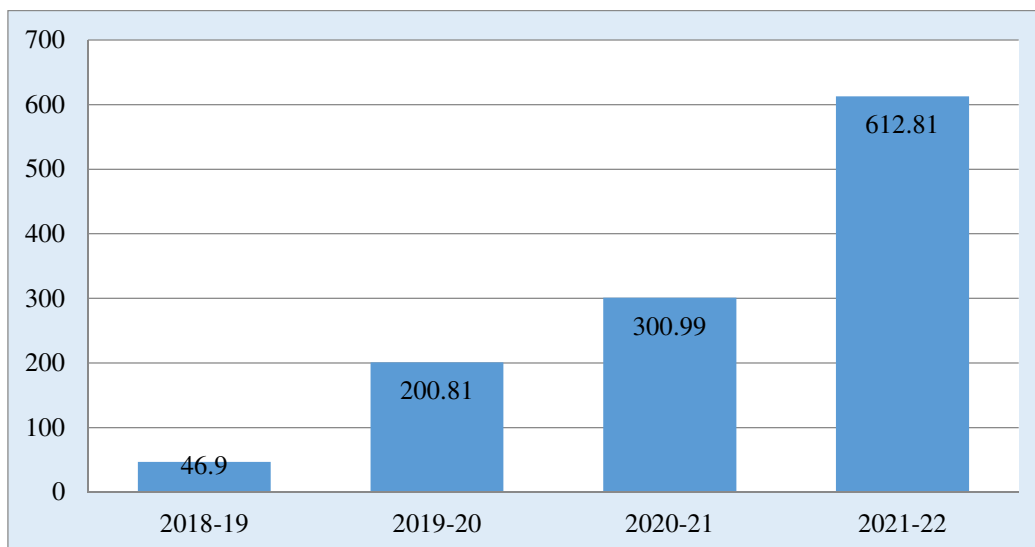
(₹ in crore)

Year	Budget for DIP	Expenditure on advertisement & Publicity by DIP	Budget for other departments of GNCTD	Expenditure on advertisement & Publicity by other departments	Total budget of GNCTD	Total exp. on Adv. by GNCTD	% increase in expenditure on advertisement & Publicity over previous year
2018-19	100.00	45.55	2.43	1.35	102.43	46.90	---
2019-20	200.00	199.99	1.77	0.82	201.77	200.81	328.17
2020-21	326.00	293.20	10.65	7.79	336.65	300.99	49.89
2021-22	604.47	591.34	26.02	21.47	630.49	612.81	103.60

It can be seen from **Table-2.4.1** that during 2018-19 to 2021-22, expenditure on advertisement and publicity increased (1,226 per cent) to ₹ 612.81 crore (2021-22) from ₹ 46.90 crore (2018-19). Expenditure on advertisements of ₹ 612.81 crore during 2021-22 was more than double the expenditure of 2020-21.

The trend of increase in expenditure on Advertisement and Publicity during the period 2018-22 is shown in **Chart-2.4.2** below:

<sup>29</sup> (i) Health & Family Welfare, (ii) Education, (iii) Urban Development, (iv) Environment, (v) Transport, (vi) Higher Education, (vii) Public Works, (viii) Administrative Reform and (ix) Development.

**Chart-2.4.2: Trend of increase in expenditure of GNCTD on advertisement and publicity during 2018-22 (₹ in crore)**

During 2018-19 to 2021-22, expenditure incurred on advertisement and publicity by GNCTD vis-à-vis total receipts and expenditure of GNCTD was as shown in **Table-2.4.2**.

**Table-2.4.2: Expenditure on Advertisement vis-à-vis revenue expenditure**

(₹ in crore)

Year	Revenue receipts of GNCTD	Revenue expenditure of GNCTD	Expenditure on Adv. by GNCTD	Exp. on Adv. as percentage of revenue receipt.	Exp. on Adv. as percentage of revenue exp
2018-19	43,113	36,852	46.90	0.11	0.13
2019-20	47,136	39,637	200.81	0.43	0.51
2020-21	41,864	40,414	300.99	0.72	0.74
2021-22	49,313	46,043	612.81	1.24	1.33

It can be seen from **Table-2.4.2** that as a percentage of revenue expenditure, expenditure on Advertisement and Publicity increased to 1.33 *per cent* in 2021-22 from 0.13 *per cent* in 2018-19. Also, during 2020-21, when revenue receipts of the NCT of Delhi decreased by ₹ 5,172 crore (₹ 47,136 crore - ₹ 41,864 crore) i.e. by 11.18 *per cent*, expenditure on advertisements increased by ₹ 100.18 crore (₹ 300.99 crore – ₹ 200.81 crore) i.e. 49.89 *per cent*.

DIP stated (January 2023) that budget for expenditure on advertisements was allocated by Finance (Budget) Department, GNCTD with due approval of Legislative Assembly. Moreover, increase in the advertisement expenditure and priority assigned to it was as per policy decision of the Government. Public Relations Department, reiterated (May 2023) the reply received from DIP.

Reply is not tenable as it does not clearly outline the justification/outcome for multi-fold increase in the advertisement expenditure of GNCTD over the period 2018-22.

In the exit conference, the Department assured (May 2023) that measures have been taken during the year 2022-23 to curtail the expenditure on advertisements and publicity. Audit observed that during 2022-23, against the allocated budget of DIP of ₹ 460 crore (revised to ₹ 266.80 crore) under the object heads-Advertisement & Publicity and Other Charges, final expenditure was ₹ 231.95 crore.

#### 2.4.1.1 Lack of budgetary control

Audit observed some instances of lack of budgetary control by DIP in contravention of General Financial Rules as discussed below:

##### (a) Rush of Expenditure

Rule 62(3) of General Financial Rules provides that rush of expenditure, particularly in the closing months of the financial year, shall be regarded as a breach of financial propriety and shall be avoided.

The Finance Department, GNCTD also issues instructions from time to time to avoid rush of expenditure in the closing months of the financial year.

Scrutiny of records of DIP for the period 2019-20 to 2021-22 revealed that in the following cases, there was rush of expenditure in the closing months of the financial year, in violation of GFRs and instructions issued by Finance Department, GNCTD, as detailed in **Table-2.4.3**.

**Table-2.4.3: Details of rush of expenditure during fag end of the year**

(₹ in crore)

Sl. No.	Year	Name of Head of Account	Total Expenditure during the year	Expenditure during the Months of January to March	Expenditure as per cent of total expenditure	Expenditure during the month of March	Expenditure as per cent of total expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	2019-20	2220 01 001 99 00 26-Advertisement & Publicity	199.99	142.72	71.36	103.76	51.88
2.	2020-21	-do-	293.20	150.35	51.27	92.49	31.54
3.	2021-22	-do-	488.97	267.09	54.62	125.16	25.60

In reply, DIP while confirming the Audit Observation, stated (January 2023) that it was observed for compliance in future.

Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

##### (b) Entering into liability without budget provision

Rule 22 of General Financial Rules provides that no authority may incur any expenditure or enter into any liability involving expenditure from public funds

(Consolidated Fund/Contingency Fund and the Public Accounts) unless the same has been sanctioned by a competent authority. Rule 26 of GFRs provides that controlling officer in respect of funds placed at his disposal is to ensure that the expenditure does not exceed the budget allocation.

Audit observed that in revised estimate for 2019-20, allocation of DIP under the head 2220 01 001 99 00 26-Advertising and Publicity was reduced (December 2019) by Finance Department, GNCTD from original estimate of ₹ 300 crore to ₹ 200 crore, on request of DIP of October 2019. Out of this ₹ 200 crore, ₹ 55 crore were earmarked for bills pertaining to sub-judice matter of advertisements released in violation of Supreme Court guidelines during 2015-17. Thus, available budget for DIP for regular advertisement related expenditure during the year 2019-20 was only ₹ 145 crore.

However, on 9 March 2020, DIP intimated the Finance Department that they had incurred an expenditure of ₹ 141 crore under the head 2220-01-001-99-00-26-Advertising and Publicity and created a further liability of ₹ 60 crore as of 9 March 2020, for which the concerned agencies had raised bills.

DIP requested the Finance Department (March 2020) to either release ₹ 60 crore in addition to revised estimate of ₹ 200 crore or allow DIP to utilise earmarked (for sub-judice matter) amount of ₹ 55 crore for making payment for outstanding bills of ₹ 60 crore for 2019-20. Finance Department did not respond to DIP on its request. DIP went ahead and incurred an expenditure of ₹ 199.99 crore during the year 2019-20, utilising the earmarked budget of ₹ 55 crore for meeting the created liability, without the approval of Finance Department, GNCTD.

In reply, DIP, while contending that diversion of funds did not result in any excess expenditure under the said head of account, confirmed (January 2023) the audit observation. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

**(c) Excess re-appropriation and anticipated savings not surrendered**

Rule 62 (1) of GFRs provides that Departments shall surrender to the Finance Ministry, by the dates prescribed by that Ministry before the close of the financial year, all the anticipated savings noticed in the Grants or Appropriations controlled by them. The funds provided during the financial year and not utilized before the close of that financial year shall stand lapsed at the close of the financial year. Rule 62 (2) of GFRs stipulates that savings as well as provisions that cannot be profitably utilised should be surrendered to Government as soon as these are foreseen without waiting till the end of the year. No savings shall be held in reserve for possible future excesses. The objective is to minimise the scope for avoiding surrenders at a later stage.

Audit observed that during the period 2020-22, DIP made excess re-appropriation in the month of December (2020-21 and 2021-22) and did not surrender the

anticipated savings under the following heads of account timely resulting in lapse of these funds as detailed in **Table-2.4.4**.

**Table-2.4.4: Details of non-surrender and lapse of funds during 2020-22**

(₹ in crore)

Sl. No.	Year	Name of Head of Account	Original estimate	Revised estimate	Modified RE	Exp.	Savings	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1.	2020-21	2220 01 001 99 00 26-Advertisement & Publicity	230.00	230.00	326.00	293.20	32.80	Savings were not surrendered timely resulting in lapse of funds.
2.	2021-22	2220 60 101 94-Delhi Model of Governance for outreach programme	50.00	50.00	11.00	0.00	11.00	-do-

DIP/ while confirming the audit observation, stated (January 2023) that it was observed for compliance in future. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

**(d) Introduction of new sub-heads**

As per Rule 79 of GFRs, the Ministry of Finance, Department of Expenditure-Controller General of Accounts is authorised to open a new head of account on the advice of the Comptroller and Auditor General of India under the powers flowing from Article 150 of the Constitution. Ministries/Departments may open Sub-Heads (representing schemes) and Detailed Heads (denoting sub-schemes), as required by them in consultation with the Budget Division of the Ministry of Finance. Further, the Finance Department of GNCTD (at par with Ministry of Finance, GoI) is empowered to open new sub-head/detailed head for departments of NCT of Delhi.

Scrutiny of Budget records of DIP for the year 2021-22 revealed that in the proposal for original budget allocation for 2021-22, DIP did not include any additional Sub-Heads. It was, however, seen that Finance Department, GNCTD allocated budget under three new Sub-Heads and DIP incurred expenditure as detailed in **Table-2.4.5**.

**Table-2.4.5: Details of new sub-heads opened during 2021-22**

(₹ in crore)

Sl. No.	Name of Sub-Head	Budget Allocation	RE	Exp. incurred
1.	2220 60 101 91 Media Campaign on Women Safety	20.00	9.87	9.87
2.	2220 60 101 92 Media Campaign on Environment and Pollution related issues	20.00	19.94	19.94
3.	2220 60 101 93 Media Campaign on Health related issues	50.00	49.62	49.62
	<b>Total</b>	<b>90.00</b>	<b>79.43</b>	<b>79.43</b>

Till the year 2020-21, DIP was receiving a consolidated budget under the sub-head 2220 01 001 99 with object head as 26-Advertising and Publicity for publishing advertisement campaigns of all Departments of GNCTD at DAVP

rates in Print, Electronic and Outdoor media. The above budget allocation of ₹ 90.00 crore (RE and expenditure of ₹ 79.43 crore) under the said three new sub-heads 2220 60 101 – ‘91’, ‘92’, and ‘93’ with same Object Head i.e. 26-Advertisement and Publicity, was in addition to budget allocation of ₹ 250 crore (RE and expenditure of ₹ 489 crore) under 2220 01 001 99 00 26-Advertising and Publicity during 2021-22.

DIP stated (January 2023) that allocation of budget under three new sub-heads by Finance (Budget) Department, GNCTD was as per policy decision of the Government and accordingly funds were utilised by DIP on advertisement campaign for Women Safety, Environment and Health related issues. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not acceptable as budget allocated under the main sub-head ‘2220 01 001 99 (with expenditure of ₹ 489 crore during the year) also covered various advertisement campaigns for Women Safety, Environment and Health related issues and introduction of three new sub-heads was not justified.

**(e) Misclassification of expenditure**

During the year 2020-21, a budget provision of ₹ 50 crore was made under the head 2220 60 101 95 00 50 – Other charges – Communication Teams.

DIP awarded (August 2020) the work of providing Public Relation services including content creation, electronic, print and digital media co-ordination, translation, media consultancy and monitoring, graphic design and fact checking to M/s ‘Wizspk Communications and PR Private Limited’ at ₹ 28,38,983 (plus GST @ 18 *per cent*) per month.

Audit observed that despite availability of funds under the relevant head - 2220 60 101 95 00 50-Other Charges-Communication Teams, DIP made payment to the agency under the head 2220 01 001 99 00 26-Advertisement & Publicity during the period September 2020 to February 2021.

DIP stated (January 2023) that works were entirely new for the Directorate and after consultation with PAO-XI, the head of account was changed. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

**2.4.1.2 Contract management**

During the period 2020-22, DIP engaged three agencies through invitation of online tenders from private sector for (a) Public Relation services for efficient communication with members of the Press and citizens and to manage the Government’s PR and information dissemination effort, (b) social and digital media management to ensure active presence of GNCTD in social and digital space for creating awareness about programs and policies of GNCTD and (c) live

streaming of all press conferences and events of GNCTD on websites, portals and other media platforms.

DIP selected M/s Wizspk Communications and PR Private Limited (August 2020) to provide the PR services at ₹ 28,38,983 (plus GST) per month, initially for one year and the contract was further extended for one more year till August 2022. For social and digital media management, DIP awarded (August 2021) the work to M/s Cyfuture India Pvt. Ltd at ₹ 1,79,42,000/- (plus GST) per annum for a period one year. The work of live streaming of all press conferences and events of GNCTD was awarded (January 2021) to M/s Planetcast Media Services Ltd at ₹ 84 lakh (plus GST) per month.

Deficiencies noticed in the contract management are discussed below:

**(a) Introduction of new policy without approval of Cabinet**

As per Rules 7 and 8 and Schedule of Transaction of Business of the GNCTD Rules 1993, proposals involving any important change in policy or practice, shall be placed before the Council of Ministers (Cabinet).

Audit observed that the decision regarding engagement of (i) PR agency and (ii) agency for live streaming of all press conferences and events of Delhi Government on websites, portals and other media platforms from private sector, was taken by DIP at the department level itself, without approval of the Cabinet. However, in a similar case for engagement of private sector agency for Digital and Social Media management, approval of Cabinet was duly obtained.

In reply, DIP stated (January 2023) that there was no change in the policy and these works were well within the scope of work of the Directorate and only some of the work of the Directorate was outsourced so that a dedicated team may work on the subject to ensure quality and time bound execution. The decision regarding engagement of agencies from private sector was taken with prior approval of Higher Authority. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not tenable as approval of cabinet was required for engagement of private sector agencies for the first time for public relations and live streaming works. These were similar to engagement of private sector agency for social and digital media management which was duly placed by DIP for approval before the Cabinet as per provisions of the Transaction of Business Rules.

**(b) Undue favour to agencies**

(i) In case of PR agency, during the period of engagement of the agency from August 2020 onwards, payment for the month of June 2022 of ₹ 28,38,983 (plus GST @ 18 per cent) was not released and a show cause notice was issued in August 2022 to the agency asking for explanation for use of “Kejriwal Government”, spelling mistakes in press releases, less number of press releases in Urdu and Punjabi, etc.

Audit observed that the grounds on which show cause notice was issued to the agency in August 2022, while reviewing the payment for June 2022, in fact existed throughout the period of engagement from September 2020 to June 2022, besides other deficiencies (**Annexure 2.7**) of the agency. Failure of the DIP to observe irregularities in the work of the agency and penalize it (under Clause 7(iii) of the RFP), @ 2 per cent of the monthly fee as penalty per day resulted in undue favour to the agency as payment was made despite the agency not carrying out all the works and not submitting the requisite reports/information, as envisaged in the RFP (**Annexure 2.7**).

(ii) In case of social and digital media management agency, Audit observed that DIP levied penalty on the agency twice @ 5 per cent of the bills<sup>30</sup> for delay in publishing of post, spelling and grammatical errors etc. As per RFP conditions, any further penalty on the agency would have led to termination of the contract. Audit observed that despite work evaluating committee pointing out many objections<sup>31</sup> along with failure of the agency in complying with clauses of RFP as detailed in **Annexure 2.8**, DIP did not levy any penalty for work carried out beyond November 2021 nor terminated the contract. This was tantamount to extending undue benefit to the agency.

(iii) In case of agency for live streaming of all press conferences and events of GNCTD, Clause 2 of RFP laid down the scope of work as (a) live streaming of press conferences and events of GNCTD on websites, portals, other media platforms including sending of live streaming to all news channels for live telecast, (b) submission of 60 news based video of two to three minutes per month and their dissemination to multiple news portals, (c) providing a minimum of 5 Video coverage teams. Terms and condition No. 16 prescribed that the agency will submit monthly work achievement on Scope of Work for assessment by the DIP. The form and content of the Monthly Report was not, however, clearly mentioned.

Audit observed that the committee formed by DIP evaluated only the contents of Video CDs of press conferences and events of GNCTD of short duration submitted by the agency, before the payment was released. DIP had no oversight mechanism of its own nor agency submitted any periodic reports on the number of subscribers/unique users from its own or third party server for the live streaming of press conferences and events as required under terms and condition no. 16 of the contract agreement. In the absence of same, impact or reach of live streaming by the agency and its further broadcast by different media could not be verified in audit. As such, payment at the rate of ₹ 84 lakh (excluding GST) per month was made to the agency from January 2021 onwards but the actual reach/outcome of the live streaming was not assessed in absence of oversight mechanism of DIP.

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<sup>30</sup> 11 October to 31 October 2021 and 1 November to 30 November 2021

<sup>31</sup> April 2022, July 2022, August 2022 and September 2022

In reply, DIP stated (January 2023) that it was the first experience of the Directorate regarding works relating to PR agency, live streaming of press conferences and events and social and digital media management. During Covid 19 pandemic, documentation of each and every minor work was not possible. Close monitoring of work and performance of the agencies was, however, ensured through electronic mode such as email, Whatsapp, etc. As and when deficiencies were observed in the work done by the agency concerned, due penalty was imposed accordingly. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not tenable as it is evident that monitoring mechanism of DIP was lax and payments were released to agencies, despite agencies not adhering to RFP conditions.

In the exit conference the Department stated (May 2023) that the contract agreement with the three agencies engaged for (i) Public Relations, (ii) social and digital media management and (iii) live streaming of press conferences and events of GNCTD have not been extended beyond August 2022, October 2022 and January 2023 respectively.

#### **2.4.1.3 Irregular expenditure of ₹ 30.10 crore on release of advertisements**

The orders/directions of Finance (Budget) Department, GNCTD issued during the first phase of Covid-19 period and its aftermath, for expenditure management and rationalisation of expenditure in view of decline in revenue of the Government of NCT of Delhi, implied that for the period 11 July 2020 to 7 September 2020, DIP was required to seek prior approval of Finance Department or Council of Ministers for incurring expenditure other than the establishment and Covid-19 related expenditure.

Audit observed that during the period 11 July 2020 to 7 September 2020, DIP incurred an expenditure of ₹ 30.10 crore on release/publishing of advertisements in Print, Electronic and Outdoor Medium<sup>32</sup>. This liability of ₹ 30.10 crore was created by DIP without seeking prior approval of Finance Department or Council of Ministers, as required by the orders/directions of Finance Department, GNCTD and therefore was unauthorised and irregular.

In reply, DIP stated (January 2023) stated that no restriction was placed on expenditure on advertisement and publicity and all the bills for the period 11 July 2020 to 7 September 2020 were accepted by PAO-XI. Further, from 8 September 2020 onwards, DIP was authorised to incur all expenditure related to DIP.

Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

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<sup>32</sup> Expenditure on Covid related advertisement/awareness campaigns has been excluded.

Reply is not tenable as orders of Finance Department, GNCTD, required DIP to seek prior approval of Finance Department or Council of Ministers, like other departments of GNCTD during the period 11 July 2020 to 7 September 2020.

#### **2.4.1.4 Infructuous expenditure of ₹ 1.34 crore on production of Television Commercials (TVCs)**

Rule 21 of General Financial Rules, which lays down the principles of financial propriety, stipulates that every officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money and the expenditure should not be prima facie more than the occasion demands.

Audit observed that DIP incurred an expenditure of ₹ 1.65 crore on production of 16 Television Commercials (TVCs) for advertisement campaign on Business Blasters (Entrepreneurship-Mindset-Curriculum) Programme<sup>33</sup> during October 2021 to March 2022. However, only two TVCs was telecasted in TV medium and 14 TVCs produced involving expenditure of ₹ 1.34 crore were not utilized by DIP and the expenditure of ₹ 1.34 crore remained infructuous.

In reply, DIP stated (January 2023) that the TVCs were produced with due approval of the competent authority and the created TVCs will be utilised in future. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

The reply is not acceptable as contents of TVCs were specific to Business Blasters (Entrepreneurship-Mindset-Curriculum) Programme released during the period October 2021 to March 2022. Moreover, the 14 TVCs were not utilized by DIP for advertisement campaign of the programme during 2022-23.

### **2.4.2 Content of advertisements**

#### **2.4.2.1 Inaccurate or non-verifiable content in advertisements**

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that the contents of the advertisements must enable the recipients of the information to distinguish between facts and analysis and where information is presented as a fact, it should be accurate and verifiable.

Audit observed that in the following five cases, the basis of data/claims shown in the advertisement was either not available on record or found incorrect, making the advertisement content unverifiable or inaccurate.

(a) DIP released advertisements on Delhi's Air Gets Cleaner-Pollution Down by 25 per cent in print and outdoor media during the period September to November 2019 and incurred an expenditure of ₹ 17.76 crore. The content of the advertisements claimed reduction in PM 2.5 level in NCT of Delhi by 25 per cent

<sup>33</sup> A programme of Education Department, GNCTD to develop entrepreneurship mindset in students of GNCTD schools by encouraging them to share their business ideas and giving them seed capital.

during 2016-18 as compared to 2012-14, based on the data of Central Pollution Control Board (CPCB), Government of India. The CPCB data for 2012-18, however, showed increase of 72 per cent in PM 2.5 level during the same period as detailed in **Table-2.4.6**.

**Table-2.4.6: Details of reduction/increase in PM 2.5 levels in NCT of Delhi**

Period	PM 2.5 Level as per Advertisement (in µg/m <sup>3</sup> )	PM 2.5 Level as per CPCB data (in µg/m <sup>3</sup> )
2012-14 (A)	154	72
2016-18 (B)	115	124
Increase/decrease (in minus) in PM 2.5 Level (A)- (B)	(-) 39	52
per cent increase/decrease (in minus) in PM 2.5 Level	(-) 25 per cent	72 per cent

Thus, the data shown in advertisements claiming reduction in PM 2.5 levels in NCT of Delhi by 25 per cent from 2012-14 to 2016-18 was not as per Central Pollution Control Board data. As such these advertisements involving expenditure of ₹ 17.76 crore were released without verification in violation of guidelines of Hon'ble Supreme Court of India.

(b) As per CPWD Works Manual 2014, main stages in execution of a work include:

- administrative approval and sanction to incur expenditure from competent authority (AA&ES) based on preliminary estimates,
- preparation of detailed estimates containing the detailed specifications and quantities of various items based on Schedule of Rates maintained by CPWD or other Public Works Organisations and technical sanction;
- ensuring availability of funds to cover the charge.
- Floating of tenders, receipt of bids and selection of successful bidder in accordance with rules and
- award of work and execution of work as per prescribed milestones.

In the TV clips telecast, with an expenditure of ₹ 5.26 crore, in February and March 2021 on the subject of “bridges/flyovers/elevated corridors constructed in Delhi during last 6 years”, audit observed that (a) claim of huge savings were made after the sanction of work was granted in respect of ten<sup>34</sup> flyovers/elevated corridors in Delhi due to eradication of corruption (b) all these projects were stated to have been completed before scheduled time and (c) total figures of savings was used in the advertisement.

<sup>34</sup> 1. Mangolpuri to Madhuban chowk on outer Ring Road, 2. Madhuban Chowk to Mukarba Chowk on outer Ring Road, 3. Vikaspuri to Meera Bagh on outer Ring Road, 4. Prembari Pul to Azadpur on Ring Road, 5. Shastri Park flyover, 6. Jagatpur Chowk flyover, 7. Bhalswa Chowk flyover, 8. Burari Chowk flyover, 9. Mukundpur Chowk flyover, 10. Mayur Vihar flyover (Phase-I).

Attributing the savings against AA&ES by the Department to “eradication of corruption” was not verifiable. Audit observed that (a) in respect of the work of construction of elevated corridor from Mangolpuri to Madhuban Chowk, the final payment was more than the tendered and estimated cost, (b) nine out of 10 projects were completed with considerable delays (one to three years) as detailed in **Table-2.4.7** and (c) the claim of savings more than ₹ 506 crore in respect of 10 project was due to comparison of initial AA&ES vis-à-vis the final payment. As such these advertisements involving expenditure of ₹ 5.26 crore were released in violation of guidelines of Hon’ble Supreme Court of India.

**Table-2.4.7: Status of completion of nine flyovers/elevated corridor projects**

Sl. No.	Name of Flyover Project	Stipulated date of completion	Actual Date of Completion	Remarks
1.	Flyover at Jagatpur Chowk	20.05.15	27.08.18	Sl.No.1 to 4 have been executed under single agreement.  There was a delay of more than <b>3 years</b> in completion of the flyover project, as against the SDOC.
2.	Flyover at Mukundpur Chowk			
3.	Flyover at Burari Chowk			
4.	Flyover at Bhalswa Chowk			
5.	Elevated corridor from Vikaspuri to Meera Bagh	21.02.15	21.07.17	There was a delay of <b>2 years and 5 months</b> in completion of the elevated corridor project, as against the SDOC.
6.	Elevated corridor from Mangolpuri to Madhuban Chowk	09.04.15	04.08.16	There was a delay of <b>1 year and 4 months</b> in completion of the elevated corridor project, as against the SDOC.
7.	Elevated corridor from Madhuban Chowk to Mukarba Chowk	09.04.15	30.09.16	There was a delay of <b>1 year and 5 months</b> in completion of the elevated corridor project, as against the SDOC
8.	Elevated corridor from Azadpur to Prembari Pul	04.04.13	25.01.16	There was a delay of <b>2 years and 9 months</b> in completion of the elevated corridor project, as against the SDOC
9.	Flyover at Mayur Vihar (Phase-I)	27.10.17	25.01.19	There was a delay of <b>2 years and 3 months</b> in completion of the flyover project, as against the SDOC

(c) DIP released advertisements on “Dengue cases down by 80 *per cent*” in newspapers and electronic media during August 2019 and incurred an expenditure of ₹ 9.25 crore. The content of the advertisement claimed reduction in dengue cases in NCT of Delhi from 15,867 cases during 2015 to 2,798 cases during 2018.

Audit, however, observed that data reported by National Centre for Vector Borne Diseases Control (NCVBDC) showed that decrease in dengue cases in NCT of Delhi during 2018 as compared to 2015 was only 8,731 (15867 – 7,136), which

amounts to decrease by 55 per cent. Thus, the data shown in the advertisement, was inaccurate and misleading and as such advertisements involving expenditure of ₹ 9.25 crore were released in violation of guidelines of Hon'ble Supreme Court of India.

(d) DIP ran an Outdoor media campaign (R O No. 45 of 2021-22) during 29 December 2021 to 30 January 2022 and released three advertisements in newspapers on 26 November 2011, 28 November 2021 and 5 December 2021 on Business Blaster (Entrepreneurship Mindset Curriculum) Programme involving an expenditure of ₹ 5.94 crore. The content of these Outdoor/Print advertisements included “3 lakh students, more than 51000 business ideas, 60 crore seed capital”.

Audit, however, observed that instead of 3 lakh students, only 2,70,379 students were covered under the said Programme and ₹ 54.08 crore were distributed to these 2,70,379 students of schools of GNCTD as seed money.

Thus, the data shown in advertisements involving expenditure of ₹ 5.94 crore on number of students covered under the Business Blaster (Entrepreneurship Mindset Curriculum) Programme and utilization of seed capital was inaccurate and as such in violation of guidelines of Hon'ble Supreme Court of India.

(e) DIP released outdoor and digital media campaign on completion of seven years of governance of the present Government of NCT of Delhi as “Seven Years of Governance 2022” during February 2022 and incurred an expenditure of ₹ 10.50 crore. The contents of the campaign are detailed in **Table-2.4.8**.

**Table-2.4.8: Contents of 7 Saal Bemissal campaign**

Sl. No.	Contents of the Campaign	Department concerned with the Campaign	Remarks
1.	7 Saal Bemissal – Delhites Receive World Class Treatment In Mohalla Clinics	Directorate General of Health Services	The parameters which were used as benchmark to claim “World class treatment in Mohalla clinics” were not available on record.
2.	7 Saal Bemissal – World Class Delhi Government Schools	Directorate of Education	The parameters which were used as benchmark to claim “World class Delhi Government Schools” were not available on record.
3.	7 Saal Bemissal – Delhi Delivers Free Electricity and Water	Department of Power and Urban Development	The documents in support of the claim for “Delivery of free electricity and water” were not available on record.
4.	7 Saal Bemissal – Home Delivery Of Government Services	Administrative Reform Department	The documents in support of the claim for “Home Delivery of Government Services” were not available on record.
5.	7 Saal Bemissal – Delhi Is Now The Start-Up Capital	Directorate of Training and Technical Education	The documents in support of the claim for “Delhi is Now the Start-up capital” were not available on record.

Further, instead of HODs of the concerned departments (i.e. Health & Family Welfare, Education, Urban Development, Power Department, Administrative Reform and Training and Technical Education) the Certificate for Compliance

on Content Regulations of Government Advertisement was signed by the HOD of Directorate of Information and Publicity. This was in clear violation of the SOP (June 2016) and did not provide the necessary assurance regarding contents included in the advertisement campaign.

DIP stated (January 2023) that as per SOP the onus of compliance of the guidelines of Hon'ble Supreme Court Guidelines of May 2015 was on Heads of Departments, as they are required to provide a certificate that the contents of the advertisements conform to the said guidelines. As matter is related to inaccurate or unverifiable contents, the concerned departments are being requested to furnish their response.

The reply is not tenable as DIP, being the Department with allocated budget for advertisement and publicity, should ensure at its level that where an information is presented as a fact, it should be accurate and verifiable and in consonance with the guidelines of Hon'ble Supreme Court.

In the exit conference, the Department assured (May 2023) that matter of ensuring correctness of data in the advertisements will be taken up with the Departments of GNCTD, which send advertisement proposals to DIP for release. Also, DIP will ensure availability of documents in support of data or claim made in the advertisements and in case of major advertisement campaigns, files of the concerned departments will be retained at DIP.

#### **2.4.2.2 Advertisement targeting previous Governments**

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that advertisement material should be objective and not directed at promoting political interests of the ruling party. It further stipulates that government advertising shall maintain political neutrality and avoid glorification of political personalities by projecting a positive impression of the party in power or a negative impression of parties critical of the government.

Audit observed that in TV clips telecast in February and March 2021 on the subject of 'bridges/flyovers/elevated corridors constructed in Delhi during last 6 years' with an expenditure of ₹ 5.26 crore, the advertisement campaign put earlier governments in negative light.

In reply, DIP stated (January 2023) that as matter was related to content, the Public Works Department was being requested to furnish its response. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

The reply is not tenable as DIP, being the department with allocated budget for advertisement and publicity, should have independently ensured that contents of advertisement complied with guidelines of Hon'ble Supreme Court.

### 2.4.3 Disproportionate expenditure on advertisement campaign

In terms of Rule 21 of General Financial Rules, which lays down the principles of financial propriety, expenditure should not be prima facie more than the occasion demands.

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that it should be the policy of Government to use public funds in such a manner as to obtain maximum value for taxpayer's money. Advertisement campaigns must be justified and undertaken in an efficient and cost effective manner.

Audit observed that in four cases, the expenditure incurred on advertisement campaigns for schemes/programmes was disproportionate to the expenditure incurred on implementation of the said scheme/programme as detailed in **Table-2.4.9**.

**Table-2.4.9: Details of disproportionate expenditure on advertisement campaigns**

Sl. No.	Name of the Scheme/ Programme	Concerned department	Period and medium of advertisements	Expenditure on advertisements (₹ in crore)	Expenditure on implementation of scheme/ programme (₹ in crore)	Remarks
1.	Business Blaster (Entrepreneurship Mindset Curriculum) Programme	Education	3 November 2021 to 5 March 2022 in Print, electronic and outdoor medium	80.12	54.08	Expenditure on advertisement campaign was 1.5 times the expenditure Education Department incurred on distribution of seed money of ₹ 54.08 crore to 2,70,379 students. There was no information on final outcome of the programme i.e. business ideas selected for developing business models and further investment by the Government or potential investors.
2.	Desh ke Mentor	Education	9 October 2021 to 26 October 2021 in Print, electronic and outdoor medium	27.90	1.90	Expenditure on advertisement campaign was more than 13 times the expenditure Education Department incurred on development of application software and establishment expenditure of ₹ 1.90 crore for the programme to cover 105886 students. Registration of fresh mentors and mentees was stopped from Jan 2022 and project was handed over to Delhi Commission for protection of Child Rights in May 2022.

Sl. No.	Name of the Scheme/ Programme	Concerned department	Period and medium of advertisements	Expenditure on advertisements (₹ in crore)	Expenditure on implementation of scheme/ programme (₹ in crore)	Remarks
3.	Crop residue (Parali) Management	Development	2020-22 in Print and electronic medium	23.89	0.77	Expenditure on advertisement campaign was 31 times the expenditure of ₹ 0.77 crore. Development Department incurred during 2020-22 on procurement and spray of Bio-Decomposer and allied materials (₹ 0.74 crore <sup>35</sup> ) and conducting 105 training/awareness programmes (₹ 0.03 crore) to create awareness among farmers of Delhi for use of Bio-Decomposer. Out of total 21000 farmers in Delhi, numbers of farmers benefited by use of Bio-decomposer during the years 2020-21 and 2021-22 were 310 and 519 respectively.
4.	Inauguration of India's first Smog Tower	Environment	21 August 2021 to 7 September 2021 in Print, electronic and outdoor medium	5.88	20.00	Expenditure on advertisement campaign was nearly 30 per cent of the expenditure of ₹ 20 crore. Environment Department incurred on installation of the Smog Tower at Rajiv Chowk.

Such high expenditure on above four advertisement campaigns of respective programmes when seen against the expenditure incurred on implementation of the said programme was neither justified nor in consonance with the standards of financial propriety expected in government expenditure.

In reply, DIP stated (January 2023) that administrative approval with cost for the said four advertisement campaigns was accorded by the Head of Department of the concerned departments and these campaigns were released with due approval of Hon'ble Deputy Chief Minister as per the SOP. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

The fact remains that expenditure on advertisement was totally disproportionate to the cost of implementation of these schemes/programmes ranging up to 31 times of the cost of schemes themselves.

<sup>35</sup> (₹ 2.40 lakh for Bio-decomposer capsules, ₹ 33.78 lakh on hiring of tentage for preparation of Bio-decomposer, ₹ 37.17 lakh and ₹ 1.40 lakh on purchase of Gur & Besan)

#### **2.4.4 Unjustified and unfruitful expenditure**

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that Advertisement campaigns must be justified and undertaken in an efficient and cost-effective manner and should only be need based.

Audit observed that in the following two cases, the advertisement campaigns were unjustified or avoidable in view of no outcome of the campaign, limited or repeated content or actual event not being held.

(a) DIP released an advertisement in newspapers during 2019-20 on inauguration of one Mohalla Clinic in Patparganj Constituency at Ras Vihar and incurred an expenditure of ₹ 9.69 lakh on the same.

Audit observed that (a) publication of advertisement for inauguration of a single Mohalla Clinic in a particular constituency, while other similar advertisements during 2019-20 covered opening of 100 or 150 new Mohalla clinics together in all of NCT of Delhi; and (b) publication of advertisement in 10 newspapers circulated in whole of the NCT of Delhi, while the targeted identified population which would have benefitted by opening of the said Mohalla Clinic lived only in Patparganj constituency, was unjustified and in violation of SC guidelines on content regulation of Government advertising.

(b) DIP incurred an expenditure of ₹ 72.05 lakh on publishing of advertisement in print media on 23 December 2019 on holding of a dialogue by the Chief Minister with students of classes 6-12 of all Delhi schools on women's safety on 23 December 2019.

Education Department, GNCTD, however, did not furnish the details of holding of the said dialogue on 23 December 2019. In absence of such details, actual holding of the event could not be verified in audit and publishing of the advertisement on the subject with expenditure of ₹ 72.05 lakh remained unsubstantiated.

In reply, DIP stated (January 2023) that these advertisements were released following the SOP i.e. after obtaining the administrative approval and compliance certificate from HOD of concerned departments and approval of media plan by the Deputy Chief Minister. The concerned departments were, however, being requested to furnish their response. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

The reply is not acceptable as it is evident that the said two advertisement campaigns were either not required or not taken to their logical conclusion.

#### **2.4.5 Ineffective advertisements**

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that Government shall exercise due caution while deciding the content, layout, size and design of the message including the target area and

the creative requirement of the intended communication in order to ensure that the maximum reach and impact are achieved in the most cost effective manner.

Further, in case of large volume advertisement campaigns, post-campaign impact assessment is necessary to be included in the planning process itself which should identify the indicators to measure success when the campaign has ended.

Audit observed that in the following two cases, the advertisement campaigns were ineffective in view of limited reach, reduction in number of beneficiaries and unsatisfactory outcome.

(a) During the period 13 December 2019 to 3 January 2020, DIP ran TV clips on Delhi Higher Education & Skill Development Guarantee Scheme and incurred an expenditure of ₹ 1.72 crore on these advertisements. The scheme provided guarantee to the banks for loans taken by meritorious students for pursuing higher education in Delhi.

Audit, however, observed that number of beneficiaries under the scheme stood at 50 and 44 during 2017-18 and 2018-19 respectively and further declined to 14 during 2020-21 and 2 during the year 2021-22. It is evident that the advertisement campaign in December 2019 and January 2020 did not reach the targeted audience effectively.

(b) DIP ran an advertisement in newspapers (21 December 2019) on installation of 109 free WiFi hotspots in Delhi (with speed of 50-200 mbps for 40-150 people at one time) and addition of approximately 500 more WiFi hotspots every week and incurred an expenditure of ₹ 1.41 crore. Audit observed that as of August 2021, Public Works Department had installed 10,500 access points for free Wifi facility which could cater to 15.75 lakh users at a particular time. However, during the month of February 2022 the maximum connected users at a particular time were 66,379 only (i.e. 4.21 *per cent* of the created capacity). It is evident that the advertisement campaign did not reach the targeted audience effectively.

It can be observed that no post- campaign impact assessment was conducted by GNCTD and no follow up campaign was taken up to improve the situation. Thus, expenditure of ₹ 1.72 crore and ₹ 1.41 crore on the Delhi Higher Education & Skill Development Guarantee Scheme and installation of WiFi hotspots in Delhi respectively remained ineffective and unfruitful.

In reply, DIP stated (January 2023) that these advertisements were released following the SOP i.e. after obtaining the administrative approval and compliance certificate from HOD of concerned departments and approval of media plan by Hon'ble Deputy Chief Minister. The concerned departments are, however, being requested to furnish their response.

Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

The reply is not tenable as it is evident that the said two advertisement campaigns did not lead to increase the number of beneficiaries, rendering these advertisements ineffective.

#### **2.4.6 Identification of target population**

One of the fundamental principles underlying the Hon'ble Supreme Court guidelines on content regulation of Government advertising was that publicity and advertisement campaigns must serve specific objectives and the content of advertisements should be relevant to the government's constitutional and legal obligations as well as the citizens' rights and entitlements. Thus, the target audience/section of the society should be identified and the campaign be tailored to target this identified population in the most cost effective manner.

Audit observed that no such exercise was undertaken while designing the campaign or selecting media. There was blanket coverage in print, electronic and outdoor media without any analysis of the visibility/outreach required. In smaller campaigns which include only one of the media, the selection of newspapers was made randomly. Selection of media without identifying the targeted audience or the visibility of media to such targeted audience provided no assurance as to the effectiveness of the advertisement campaigns.

Further, the responsibility of a particular government is towards the public of that particular State/Union Territory. Audit, however, observed that in 19 cases, DIP incurred liability of ₹ 77.91 crore (payment made: ₹ 57.81 crore) for print advertisements released outside NCT of Delhi during July 2020 to March 2022 (**Annexure 2.9**). These print advertisements released outside NCT of Delhi were not linked to GNCTD's constitutional and legal obligations towards the citizenry of NCT of Delhi or of informing the populace of NCT Delhi of government schemes and initiatives and hence were in violation of Hon'ble SC guidelines.

In reply, DIP confirmed (January 2023) that DIP did not have any mechanism in place to identify the target audience or visibility of media to such a targeted audience to provide assurance as to the effectiveness of the advertisement campaigns. As regards advertisements released outside NCT of Delhi, DIP stated that as per SOP, the role of DIP was to only publish the advertisement as per the requisition of concerned departments and with approval of the Deputy Chief Minister/Minister in charge (I&P). Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not acceptable as release of advertisements outside NCT of Delhi was in clear violation of Hon'ble Supreme Court guidelines which provided for advertisements to be linked to GNCTD's constitutional and legal obligations towards the citizenry of NCT of Delhi.

In the exit conference, Department stated (May 2023) that during the year 2022-23 advertisements in All India edition of newspapers and outside NCT of Delhi were stopped.

### 2.4.7 Absence of post-campaign impact assessment

Hon'ble Supreme Court guidelines on content regulation of Government advertising provide that in case of large volume advertisement campaigns, post-campaign impact assessment is necessary to be included in the planning process itself which should identify the indicators to measure success when the campaign has ended.

Audit scrutiny revealed that DIP and various Departments of GNCTD did not identify and include indicators to measure success of the advertisement campaign in the planning process for advertisement campaigns. Also, no post-campaign assessment was conducted after the advertisement campaigns were over. This meant that neither indicators to measure success nor feedback on the success or failure of earlier advertisement campaign was available for inclusion in the planning process for next/subsequent advertisement campaigns on the subject matter.

In reply, DIP confirmed (January 2023) that DIP did not have any mechanism in place to conduct post-campaign impact assessment of advertisement campaigns.

In the exit conference, Department stated (May 2023) that in future post-campaign assessment will be carried out for the advertisement campaign, through an outsourced professional agency.

### 2.4.8 Mechanism to address complaints against content of Government advertising

#### 2.4.8.1 Constitution of a three member committee

The order of Supreme Court of India (May 2015), *inter alia* also directed Government of India to constitute a three member body consisting of persons with unimpeachable neutrality and impartiality and who have excelled in their respective fields to oversee implementation of guidelines on content regulation of government advertising. In compliance with the Guidelines of May 2015, Government of India constituted a three members Committee<sup>36</sup> on Content Regulation of Government Advertising on 6 April 2016. The said order of May 2015 was modified by Supreme Court on 28 April 2016 which mandated the States to constitute their respective Committees. If the States so desired, the Committee constituted at the Central level may be entrusted with the task of overseeing the publication of advertisements in the States.

Ministry of Information and Broadcasting, GoI first requested (May 2016) Government of NCT of Delhi along with other State Governments, to appoint a Three Member Committee. Accordingly, DIP constituted (July 2016) a Committee on content regulation of Government advertising. However, Ministry

<sup>36</sup> This Committee functioned up to 5 April 2019. Thereafter, a new three member Committee was constituted w.e.f. 5 December 2019, which functioned upto 4 December 2021. Process for constitution of a new Committee was on in the Central Bureau of Communication, GoI.

in its letter dated 9 August 2016, clarified that the advertisements of Union Territories shall be regulated by the committee constituted by the Central Government and that the UTs (like NCT of Delhi) are not authorized to constitute their own committees. Accordingly, LG of NCT of Delhi ordered (September 2016) dissolving of the committee constituted by DIP, GNCTD.

Audit observed that despite dissolution of the earlier Committee of GNCTD by LG in September 2016, Deputy CM constituted (August 2019) a three member committee on content regulation of Government Advertising. Office of the LG conveyed (December 2019) to Secretary, Deputy CM that the decision to constitute committee by GNCTD was not legally tenable.

Thus, constitution of a three member Committee on Content Regulation of Government Advertising (CCRGA) of GNCTD in August 2019 and its extension upto August 2022, were not in line with explicit instructions of the LG of NCT of Delhi.

Further, despite constitution of the CCRGA by GNCTD w.e.f. 9 August 2019, the Committee was not functional during the period 9 August 2019 to 8 August 2021 and started functioning only after September 2021 (after the tenure was extended from 9 August 2021 to 8 August 2022).

It was further observed that payment of ₹ 5.38 lakh to members of CCRGA of GNCTD for meetings held during 9 August 2021 to 9 August 2022 was made by Shabdarth, instead of DIP.

DIP stated (January 2023) that constitution and extension of tenure of the CCRGA of GNCTD and payment of remuneration to committee members was with approval of Deputy Chief Minister. It also stated that CCRGA of GNCTD could not function due to Covid-19 pandemic and lockdown in Delhi.

The Department stated (May 2023) that the CCRGA of GNCTD has been declared (February 2023) as *non est* and notices have been issued to members of that Committee for recovery of allowances paid to them.

#### **2.4.8.2 Disposal of complaints received against contents of government advertising**

During the period 2015-22, out of total six complaints received by DIP against the contents of government advertising of GNCTD, first three were forwarded by CCRGA of GoI, requesting response of DIP and remaining three were received directly by DIP. The disposal of these six complaints is detailed below.

Audit observed the following:

**In respect to complaint no. 1**, CCRGA of GoI on direction (10 August 2016) of Hon'ble High Court of Delhi, considered complaint regarding release of advertisements by GNCTD in violation of Supreme Court guidelines during 2015-17. As per direction of CCRGA of GoI, DIP, GNCTD issued (March 2017)

a recovery notice of ₹ 97.15<sup>37</sup> crore to the Political Party for advertisements released during 2015-17 as they benefited that Party.

In response to audit query, DIP stated (December 2022) that no communication was made with CCRGA of GoI and said Political Party on the subject of recovery of ₹ 97.15 crore after March 2017. The files/records relating to communication of DIP with CCRGA of GoI were not provided to audit.

Thus, DIP failed to keep CCRGA of GoI updated and the matter of recovery of ₹ 97.15 crore from the Political Party, which was taken up in March 2017, was still pending as of February 2023.

The details of the case have been discussed in **Para 2.4.9** of the report.

**In case of complaint No. 2**, the complaint was forwarded by CCRGA of GoI in January 2020. The complaint pertained to 15 days advertisement campaign by GNCTD for Odd-Even scheme in November 2019.

Audit observed that instead of responding to the Committee of GoI, DIP placed the complaint before CCRGA of GNCTD in September 2021. Committee of GNCTD disposed off the complaint in July 2022, as complainant did not appear in person or file the complaint before the committee.

Thus, a complaint originally filed before CCRGA of GoI has been disposed off by CCRGA of GNCTD.

**In case of complaint No. 3** the complaint was forwarded by CCRGA of GoI. The complaint pertained to advertisement on “Delhi Government School Class 12th result of 98 passing percentage” in Mumbai edition of Times of India newspaper on 16 July 2020.

Audit observed that instead of responding to the Committee of GoI, DIP placed the complaint before CCRGA of GNCTD in September 2021 and the committee of GNCTD disposed off the complaint in May 2022, as Committee found no violation of Hon’ble SC guidelines.

Audit observed that release of advertisement regarding Delhi Government School 12<sup>th</sup> class result in all India edition of newspapers was not directed at citizenry of NCT of Delhi only.

**In case of complaint No. 4** the complaint was received by DIP/ CCRGA of GNCTD on 20 January 2022. The complaint pertained to misuse of public funds for advancing interests of a Political Party in the advertisement in All India edition of newspapers. CCRGA, GNCTD disposed off the complaint in February 2022, as committee found the complaint to be without any merit and substance.

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<sup>37</sup> This amount was later re-worked out to ₹ 106.42 crore.

Audit observed that release of advertisement on 'Merry Christmas wishes by CM' in All India editions of newspapers was not linked to GNCTD's constitutional and legal obligation towards citizenry of NCT of Delhi.

**The complaint No. 5** was regarding alleged wastage of public funds on two advertisements of Education Department and **complaint No. 6** pertained to advertising by Delhi Government in other states for 'Desh Ke Mentor' campaign. Complaints No. 5 and 6 were pending before CCRGA of GNCTD since March 2022 and June 2022 respectively.

In reply, DIP stated (January 2023) that DIP submitted all complaints received against the content of government advertisements of GNCTD before the CCRGA of GNCTD for review. Disposal of complaints was as per the directions of the CCRGA of GNCTD.

Reply is not tenable as it was seen that there was unauthorised disposal of complaints by CCRGA of GNCTD, which were already under consideration of CCRGA of GoI and grounds taken to dispose off the complaints were questionable, making the working of the CCRGA of GNCTD deficient.

In the exit conference, Department stated (May 2023) that CCRGA of GNCTD has been declared (February 2023) *non est* and the complaints received against advertisements of GNCTD (including three complaints which were disposed off by the CCRGA of GNCTD) have been placed before the CCRGA of GoI.

#### **2.4.9 Recovery of expenditure on advertisements released during 2015-17 in violation of Hon'ble Supreme Court from a political party**

On 10 August 2016, Hon'ble Chief Justice of Delhi High Court delivered judgement in a Public Interest Litigation and directed that the complaint on the contents of advertisements released by GNCTD during 2015-17 would be decided by CCRGA constituted by the Government of India.

The said three members Committee (CCRGA) in its order dated 16 September 2016 directed that the political party in power, which was the main beneficiary in the process of release of advertisements of GNCTD, which projected image of the politicians or political party in power in violation of Hon'ble Supreme Court guidelines, should pay for the expenditure incurred by the Government on those advertisements.

The Committee also directed the Government of NCT of Delhi to assess the expenditure incurred by it in issuing advertisements (i) outside the territory of Delhi on the occasion of various anniversaries, (ii) on those advertisements/advertorials in which the name of Political Party in power is mentioned, (iii) on those advertisements which publicized the views of the Chief Minister on the incidents that took place in other States and (iv) on those advertisements which targeted the opposition.

The Directorate of Information and Publicity, GNCTD assessed (March 2017) that an amount of ₹ 97.15 crore<sup>38</sup> was incurred on advertisements falling under the above four identified categories.

Out of this, an amount of ₹ 42.27 crore had already been paid by DIP, GNCTD and ₹ 54.88 crore was pending for payment to agencies, which carried out these advertisements in print, electronic and outdoor medium. DIP with the approval of LG issued a letter to the Convenor of the Political Party concerned for reimbursement of ₹ 97.15 crore on 30 March 2017.

The Political Party concerned filed (May 2017) a Writ Petition (W P (C) 3921/2017) before the Hon'ble High Court of Delhi, against the recovery notice of ₹ 97.15 crore. The matter was sub-judice with next date of hearing scheduled for 4 July 2023.

Audit observed that DIP did not follow up with the said political party for recovery (subsequently revised to ₹ 106.42 crore) and had issued a recovery notice only in December 2022.

In the exit conference, Department stated (May 2023) the High Court of Delhi has not stayed the recovery and DIP is pursuing the matter of recovery with the said political party.

#### **2.4.10 Release of payment to advertisement agencies**

While approving the proposal for issuing notice for recovery from a political party (as discussed in paragraph 2.4.9 above), Hon'ble LG of NCT of Delhi had observed (March 2017) that *'I am of the view that in respect of amount not yet paid, no further payment can be released by the Government as the advertisements were in violation of the Hon'ble Supreme Court's guidelines'*. Audit observed that payment of ₹ 60.52 crore (out of ₹ 106.42 crore) to various agencies was pending for Advertisements released during 2015-17 which were issued in violation of Hon'ble Supreme Court Guidelines.

Later, seven agencies approached different courts/arbitral tribunal for release of payments and the courts/arbitral tribunal ordered payment of dues to three of these agencies. Consequent to the direction of the court, outstanding payment of other agencies being committed liability and to avoid the payment of interest and cost of litigation, DIP decided (October 2021) with the approval of Deputy CM to release the payment to the remaining agencies.

DIP released payment of ₹14.28 crore to three agencies in pursuance of court/arbitration orders during September 2021 to March 2022. Moreover, DIP also released payment of ₹ 7.84 crore to four agencies which approached the courts in anticipation of court orders and ₹ 35.78 crore to other 90 agencies whose payments were pending. It was, however, observed that the payments of ₹ 43.62 crore were released to the said 94 (4+90) agencies by DIP in the absence of any court orders and without bringing it to the cognizance of the Hon'ble LG.

<sup>38</sup> This amount was later re-worked as ₹ 106.42 crore (₹ 45.90 crore already paid and ₹ 60.52 crore yet to be paid).

It was also observed that DIP had released ₹ 35.78 crore to Shabdarth for further release of payment to agencies out of which Shabdarth released payment of only ₹ 31.29 crore to 90 agencies (₹ 26.28 crore paid to agencies, ₹ 4.27 crore retained by Shabdarth towards 15 *per cent* commission and taxes of ₹ 0.74 crore) during September 2020 to August 2022. Thus, an amount of ₹ 4.49 crore (₹ 35.78 crore - ₹ 31.29 crore) was still lying with Shabdarth since March 2022.

Further, Shabdarth also included payments of ₹ 1.17 crore already made to three agencies during September to December 2020 in the total payment of ₹ 31.29 crore leading to overpayment.

In reply, DIP stated (January 2023) that Director (IP)/Secretary (PR) has full powers for payment of publicity charges at DAVP rates and all payments were made as per the directions of the competent authority of DIP as the liability was pending upon DIP. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not tenable as these payments pertained to a *sub-judice* matter in which LG had placed restriction on further release of payment. Besides, reply is silent on the matters of amount of ₹ 4.49 crore pending with Shabdarth since March 2022 and inclusion of ₹ 1.17 crore (already paid during the period September to December 2020) in ₹ 31.29 crore by Shabdarth.

#### **2.4.11 Absence of follow up on instruction of Hon'ble LG of NCT of Delhi of March 2017**

Hon'ble LG of NCT of Delhi while approving (March 2017) the proposal to recover ₹ 97.15 crore from a Political Party for Advertisements released during 2015-17 in violation of Hon'ble Supreme Court Guidelines and to the benefit of the political party, directed to (a) ensure strict adherence to the principles laid down by the Hon'ble Supreme Court for content regulation of government advertisements and (b) inquire and fix responsibility for release of advertisements during 2015-17 in violation of guidelines laid down by the Hon'ble Supreme Court.

Audit, however, observed that during 2019-22 there were still instances where advertisements and publicity campaign of GNCTD were not compliant to Hon'ble Supreme Court Guidelines on content regulation of Government advertising as discussed in **Paras 2.4.2 to 2.4.6** of the report.

Also, there was nothing on record to establish whether any (a) steps were taken by DIP to ensure strict adherence to the principles laid down by the Hon'ble Supreme Court for content regulation of Government advertisements and (b) exercise to inquire and fix responsibility for release of advertisements during 2015-17 in violation of guidelines laid down by the Hon'ble Supreme Court, was ever undertaken.

In reply, DIP stated (January 2023) that the matter regarding fixing of responsibility for release of advertisements during 2015-17 in violation of guidelines laid down by the Hon'ble Supreme Court was under consideration of Directorate of Vigilance, GNCTD and DIP has framed a working group to ensure content regulations of government advertisements according to guidelines of Hon'ble Supreme Court. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

Reply is not acceptable as no separate working group was found functioning and despite the claims of DIP, cases of violation of the guidelines were also observed during 2019-22 as discussed in the Report.

#### **2.4.12 Lack of internal control**

Internal controls are safeguards that are put in place by the management of an organisation to provide assurance that its operations are proceeding as planned. These are also designed to provide reasonable assurance that the entity's general objectives are being achieved. Reasonable assurance provided by such internal controls strengthens accountability of public authorities. Audit noticed general weaknesses in internal control mechanism in place at DIP.

##### **2.4.12.1 Deficient Standard Operating Procedure and mechanism to exercise control over expenditure**

It was observed that the Standard Operating Procedure (SOP) for approval of advertisements circulated by DIP in June 2016 did not provide for vetting of the proposals by Accounts branch of DIP and hence there was no information on record whether sufficient funds were available under the Head of Account concerned, before Director (IP) accorded the Expenditure Sanction for any advertisement campaign.

It was also observed that in violation of GFR 57 which provides that all DDOs shall maintain separate registers in Form GFR 5 (Register showing expenses by Heads of Account), physically or electronically, for allocation under each minor or sub-head of account with which they are concerned, no Expenditure Control Register was being maintained by Accounts Branch of DIP during the period 2019-22. This resulted in a situation during 2019-20, when Shabdarth/DIP incurred a liability of ₹ 60 crore as of 9 March 2020 but did not have sufficient funds to meet the created liability.

DIP may review its SOP and consider inserting a provision to involve the accounts branch of DIP in the process of expenditure sanction to advertisement campaigns by the Head of the Department i.e. Director (IP). Also, accounts branch of DIP should ensure maintenance of expenditure control register for keeping a watch over the expenditure under different heads of accounts.

Public Relations Department, GNCTD stated (May 2023) that DIP has started involving the accounts branch in the process of accord of expenditure sanction to

advertisement proposals and accounts branch of DIP has started maintaining the expenditure control register for keeping a watch over the expenditure incurred.

#### **2.4.12.2 Improper maintenance of records**

Scrutiny of Earnest Money Deposit (EMD)/Performance Bank Guarantee (PBG) register maintained at DIP showed that the register was incomplete. Also, it was not maintained in the prescribed format of GAR 5 (Register of Valuables) and DDO signed it without any dates. Thus, compliance of Rule 170 and 171 of GFRs 2017 could not be ascertained regarding timely receipt and release of EMDs and PBGs and expiry of their validity and timely renewal.

Public Relations Department, GNCTD stated (May 2023) that accounts branch has started maintaining the EMD/PBG register properly.

#### **2.4.12.3 Overlapping roles of staff of DIP and Shabdarth and lack of transparency in release of payments**

The contractual staff of Shabdarth (an autonomous body of GNCTD) was involved in the preparation of Request for Proposals, tendering and selection of agencies for Public relations, social and digital media management and live streaming of all press conferences and events of Delhi Government and review of work of these agencies before making payment with or without imposing penalty for deficient work.

The agreement for advertisement works are signed between DIP and the concerned agencies. As the contractual staff of Shabdarth have access to tendering documents including technical and financial bids of the bidders it may result in the violation of the confidentiality of tenders during selection process.

Moreover, files/records relating to advertisements released during the period 2019-22 in the Print and Electronic media was being maintained by Shabdarth. The fact that government records relating to advertisements released are in custody of an non-government body instead of DIP, raises concern about safety and integrity of the records.

On receipt of claims from Newspapers, TV channels, Radio FM channels, Websites, etc, Shabdarth consolidated the claims Release order-wise and submitted the consolidated bills in the concerned files. Data and records maintained in Shabdarth are based on Release Order Numbers whereas diary registers of DIP mention only the receipt of the files from Shabdarth. Audit observed that there was no connecting link between the two sets of records. DIP was not in a position to furnish information relating to pendency of payment towards Shabdarth on a particular date.

Audit observed that committee responsible for evaluation of claims for payment certifies that the payments are being made on FIFO basis. On being asked to furnish data of date of receipt of bills and date of payment in respect of 496 Release Orders (selected in audit), DIP could furnish information for 165 ROs only.

Audit observed that claims of DIP that it makes payment on FIFO basis is questionable, considering that it could furnish related information for 165 ROs only and as per that information, while some payments were made within two days of receipt of bills, others took 1 month and some payments were made in eight months.

In reply, DIP stated (January 2023) that the overlapping of roles of staff of DIP and Shabdarth is an administrative matter and corrective steps are being undertaken for revamping of structure and procedures. Public Relations Department, GNCTD reiterated (May 2023) the reply received from DIP.

#### **2.4.13 Conclusion**

Advertisements and publicity expenditure of GNCTD increased by more than 12 times from ₹ 46.90 crore to ₹ 612.81 crore during the period 2018-22. Advertisement campaigns were released in violation of guidelines of Supreme Court of India on content regulation of government advertising as these were found to be unjustified, released outside of NCT of Delhi and with disproportionate expenditure. There was no prior exercise to identify target audiences nor was there any post-campaign impact assessment. Payments were released to publicity agencies without ensuring adequate monitoring and evaluation of their work. Expenditure control register was not maintained resulting in release of advertisements without budget provision. DIP released payment of ₹ 57.90 crore during 2020-22 for Advertisement released during 2015-17 in violation of Hon'ble Supreme Court's guidelines without following due procedure. Mechanism to address complaints received against government advertising of GNCTD was either deficient or non-existent.

#### **2.4.14 Recommendation**

1. The advertisement campaigns undertaken by GNCTD should ensure compliance to guidelines and principles approved by the Hon'ble Supreme Court on content regulation of Government Advertising.
2. All advertisement should be in line to GNCTD constitutional and legal obligations towards the citizenry of NCT of Delhi as per Supreme court guidelines.
3. The expenditure on advertisement should be proportionate to the cost of implementation of schemes/programmes.
4. Planning for an advertisement campaign should include identification of target audience/section of the society. Post-campaign impact assessment indicators need to be laid down in the planning process itself to measure success when the campaign has ended.
5. Due mechanism needs to be laid down and followed to address complaints received against the contents of government advertisements.

## Public Works Department

### 2.5 Irregularities in works of Providing Additional Accommodation at 6 Flag Staff Road and in Addition and Alteration in the Camp Office and Staff Block

In the work of Additions/alterations to the residence of the Chief Minister (CM) at 6 Flag Staff Road, the Public Works Department (PWD) prepared preliminary estimates (PE) of ₹ 7.91 crore by adopting the Plinth Area Rates, published by Central Public Works Department for Type VII and VIII accommodation/Bungalows. The work was declared urgent by the PWD. The said work although awarded at ₹ 8.62 crore being 13.21 *per cent* above the estimated cost, was finally completed at ₹ 33.66 crore being 342.31 *per cent* above the estimated cost.

Audit observed that in respect of award of the consultancy work, PWD did not make available to Audit the basis for selecting three consultancy firms for restricted bidding. Besides, while working out the justification cost, PWD adopted one year old rates of consultancy work and enhanced it by 50 *per cent*.

During the execution of work, PWD again resorted to restricted tendering and selected five contractors for bidding on the basis of their financial status, resourcefulness and experience in executing similar works in VIP areas. Audit however observed that only one contractor, to whom the work was awarded, had the requisite experience indicating that the selection for bidders for restricted tendering was arbitrary.

Audit observed that during execution, PWD increased the built up area from 1,397 sq.m to 1,905 sq.m (36 *per cent*) and also altered the applicable specifications of the work by executing several items of superior specifications, artistic and antique items, ornamental works (both Civil and Electrical/Services). For covering the cost, PWD had to revise the PEs four times. Besides, PWD also did not explore the possibility of tendering for additional AA&ES and works amounting ₹ 25.80 crore (2<sup>nd</sup> to 5<sup>th</sup> PE) were got executed by the existing contractor. Audit observed that ₹ 18.88 crore was incurred by PWD in execution of items of superior specification, artistic, antique and ornamental items which were executed by PWD as extra items. Moreover, AA&ES for 5<sup>th</sup> PE amounting to ₹ 9.34 crore was issued more than two months after completion of the work, thus creating a liability without any approval.

The second work of additions/alterations in Staff Block/Camp Office, was awarded at ₹ 16.54 crore against the estimated cost of ₹ 18.37 crore. The said work also awarded through restricted tendering. The reasons for resorting to restricted tendering could not be ascertained as the related records were not made available to Audit.

Audit observed that, out of ₹ 19.87 crore sanctioned for construction of Staff Block and Camp Office, funds were diverted for other works. Besides, the Staff Block was not constructed and out of the funds, seven servant quarters were constructed at another location not related to the original work. Besides,

the nature of Camp Office was altered from Permanent to Semi-Permanent Structure (SPS) rendering the AA&ES and the estimates totally unrelated to the actual work executed. Ultimately, only raw structure of the Camp Office was completed as the funds for the same were exhausted and foreclosure of the work was initiated by PWD in June 2023.

### 2.5.1 Background

The Minister, Public Works Department (PWD), Government of National Capital Territory of Delhi (GNCTD) proposed (17 March 2020) for remodelling of existing accommodation at ground floor and construction of an additional storey at 6 Flag Staff Road<sup>39</sup>. The work was declared as most urgent.

Subsequently, Superintending Engineer (SE), PWD proposed (27 July 2020) that the building being an old construction having load bearing walls, remodelling of the existing ground floor or creation of additional floor could not be done and recommended fresh construction within the premises after demolition of the existing structure. Engagement of Consultant/Architect for design and getting requisite approval from local body was also proposed. The proposal was approved on the same day (27 July 2020) by Minister (PWD), Principal Secretary (PWD), Engineer-in-Chief and then Principal Chief Engineer. There was nothing in the records made available to audit which indicated any feasibility study for remodelling of bungalow at 6 Flag Staff Road was conducted by PWD.

### 2.5.2 Limitation

The audit was conducted (during June and October 2023) to look into the various aspects of work, including planning, tendering process and execution.

Audit Observations mentioned in the succeeding paragraphs are based on the photocopies of the records/partial records<sup>40</sup> made available by the PWD Divisions to Audit as all the original records was reported to be seized by the Vigilance Department, GNCTD.

Thus, in the absence of complete records, audit could neither draw assurance regarding the planning activity nor about the correctness and genuineness of work executed. Moreover, due to not furnishing of supply vouchers along with the challans, the genuineness of material supplied by the contractors as well as the rate/make at which the material was actually purchased could not be verified.

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<sup>39</sup> Bungalow allotted to the Chief Minister of Delhi in 2015.

<sup>40</sup> Records such as the correspondence files of the implementing divisions, detailed measurement of Technical Sanctions, Measurement Books, Running Account Bills, noting portions of Deviation in Quantities and execution of extra items, Supply Vouchers, Sanction wise details of items executed, cases of extension of time, Initial Drawings and completion drawings, Material at Site Register and files relating to demolition of old residential building of Chief Minister were not provided to audit.

The matter of unavailability of records was taken up with the Executive Engineer and Principal Secretary, PWD. Despite several reminders complete records were not made available to Audit. Moreover, the reply to the draft report issued (17 October 2023) was also not received from the Government/PWD, despite repeated reminders (June 2024).

The Administrative Approvals and Expenditure Sanctions, expenditure incurred and status of works executed at 6 Flag Staff Road is given in **Table-2.5.1**.

**Table-2.5.1: Details of AA&ESs, expenditure incurred and status of works**

(₹ in crore)

Initial/Additional AA&ES	Approving authorities	Amount	Total Amount	Expenditure incurred	Status of work
Work-I-Addition and alteration at 6 Flag Staff Road SH: Providing Additional Accommodation					
1 <sup>st</sup> (Initial AA&ES) dated 5.9.2020	Chief Engineer	7.91	7.91	33.66	Completed
2 <sup>nd</sup> (Additional AA&ES) dated 16.6.21	Chief Engineer	1.64	25.80		
3 <sup>rd</sup> (Additional AA&ES) dated 22.10.2021	Chief Engineer	9.09			
4 <sup>th</sup> (Additional AA&ES) dated 30.12.2021	Chief Engineer	5.73			
5 <sup>th</sup> (Additional AA&ES) dated 29.6.2022	Chief Engineer	9.34			
<b>Total</b>			<b>33.71</b>		
Work-II-Addition/alteration of Staff Block/ Camp Office, 6 Staff Flag Road, Civil Lines					
1 (Initial AA&ES) dated 4.3.2021	Chief Engineer	10.00 (Camp Office)		19.22	100 per cent with reference to sanction amount. Pending as per foreclosure report prepared by Executive Engineer, Central & New Delhi Building (M-323) dated 19 June 2023.
2 (Initial AA&ES) dated 7.6.2021	Chief Engineer	9.87 (Staff Block)			
Total		19.87			

### 2.5.3 Work-I

Work-I was awarded<sup>41</sup> at a tendered cost of ₹ 8.62 crore (Civil- ₹ 7.02 crore and electrical- ₹ 1.59 crore) which was 13.21 per cent above the estimated cost of ₹ 7.61 crore (Civil- ₹ 6.02 crore and Electrical- ₹ 1.59 crore). The stipulated date of start and completion of the work was October 2020 and April 2021 respectively and the work was finally completed on April 2022. The final payment of ₹ 33.66 crore (Civil - ₹ 29.08 crore and Electrical- ₹ 4.57 crore) was made to the Contractor. The work, which was awarded at 13.21 per cent above the estimated cost, was finally completed at 342.31 per cent above the estimated cost and 290.49 per cent above the tendered amount.

<sup>41</sup> Agreement No. 11/2020-21, October 2020

**Audit observed the following shortcomings during the various stages of the work:**

### **2.5.3.1 Planning**

Proper planning of work is important to ensure that desired objective of the work is achieved without any time or cost overrun. However, following shortcomings were noticed at the planning stage itself.

#### **(i) Basis of selection of Consultant**

Section 1.5 (2) of CPWD Works Manual, 2019 stipulates that normally, unless situation warrants otherwise, Work Orders shall be placed after open call of quotations with publicity through web for works up to ₹ 5 lakh. Quotations for works with estimated cost of more than ₹ 5 lakh shall be invited through e-tendering platform. In case of exigencies, with recorded reasons, urgent works may be executed by collecting spot quotations with the approval of Chief Engineer (CE). Further, Rule 183 of General Financial Rules also stipulates that where the estimated cost of the consultancy services is above ₹ 25 lakh, an enquiry seeking 'Expression of Interest' from Consultants should be published on Central Public Procurement Portal (CPPP) and on GeM. An organisation having its own website should also publish all its advertised tender enquiries on the website.

Audit observed that the scope of consultancy work included preparation of Preliminary Estimate (PE) and carrying out all modifications. Chief Engineer declared the work of appointment of the consultant as urgent and also granted permission to collect spot quotation for the same. The spot quotation from three consultants was collected (29 July 2020) and the consultancy work was awarded (30 July 2020) to a consultancy firm M/s Tevatia Chauhan and Sharma Architect (P) Limited at lowest quoted rate of ₹41.30 lakh. However, the basis and justification of shortlisting/identification of only these three Consultants was not found in the records made available to Audit.

Thus, audit couldn't draw assurance regarding correct procedure followed in the appointment of Consultant.

#### **(ii) Incorrect calculation of Justified Cost**

As per SoP 5/3 of CPWD works manual 2019, Justification cost is prepared for checking the reasonability of rates before opening of tender based on the market rates of material and labour etc. prevailing on the last date of submission of tender.

Audit observed irregularities in calculation of Justified Cost for the consultancy work as discussed below:

- As per records furnished to Audit, it was observed that instead of preparing justified cost based on the prevailing market rates on the last date of submission of tender, PWD accepted Rate Justification

(30 July 2020) by adopting one year old rates of consultancy for Court Buildings (₹ 450 per sq.m). Thus, the basis of Justification Cost was inappropriate as the consultancy rates used for justification pertained to office building whereas the building to be constructed was residential.

- The justified cost was approved by the SE on 30 July 2020. However, from the justification sheet, it was observed that EE had put up the same to SE without any date of submission under his signature. Thus, the exact date of preparation of the justified cost could not be ascertained. The possibility of manipulation of justification cost to enable the contract to the bidder cannot be ruled out in the absence of reply and no further records made available which could establish the date of preparation of justified cost.
- Incorrect plot area of 6,974 sq.m instead of the actual area of 4,778 sq.m was mentioned in the quotation letter.
- While working out the Justified Cost, PWD also enhanced the rate by 50 per cent from ₹ 450 per sq.m to ₹ 675 per sq.m on account of additional services without any justification. This led to increase in the justified cost by ₹11.77 lakh<sup>42</sup> by adopting higher rates.

**(iii) Repeated revision of Preliminary Estimates**

The Preliminary Cost Estimation (PE) is often the first step towards execution of work. These estimates are prepared based on Plinth Area Rates (PAR)<sup>43</sup>, published by CPWD, for the purpose of obtaining the Administrative Approval and Expenditure Sanction (AA&ES) of the work involved.

Further, Section 3/2 (12) of Standard Operating Procedures of CPWD Works Manual 2019 stipulates that Plinth Area Scales, as notified by Ministry of Housing and Urban Affairs (MoHUA), are to be followed for all Construction Works in the General Pool houses as well as houses for other Ministries/Departments where such norms are applicable.

PWD prepared the 1<sup>st</sup> PE on the basis of applicable specification of PAR for Type VII and VIII/bungalows at an estimated cost of ₹ 7.91 crore for the purpose of NIT and thereafter additional four AA & ES were also accorded. The proposals of all five PEs were approved by the Minister, PWD. The details are given in **Table-2.5.2**.

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<sup>42</sup> 5230 sq.m ( area used for calculation of justified cost) X ₹ 225 (₹675 per sq.m - ₹ 450 per sq.m)

<sup>43</sup> The Plinth Area Rates 2019, prepared after taking into account the use of new materials, new construction technologies and revised General Pool Residential Accommodation norms approved by MoHUA which were updated in July 2020.

**Table-2.5.2: Details of five AA & ES**

Sl. No.	Number & Date	Amount (₹ in crore)	Basis of preparation of PEs	Remarks
1	1 <sup>st</sup> , 1.9.2020	7.91	PAR 2020/Market rates	Providing additional accommodation
2	2 <sup>nd</sup> , 8.6.2021	1.64	Market rates	Change of interiors, material of kitchen/laundry/pantry, flooring items, change in structure
3	3 <sup>rd</sup> , 22.10.2021	9.09	PAR 2021/Market rates	Additional work/increase in area/Superior specification
4	4 <sup>th</sup> , 30.12.2021	5.73	Market rates/DSR	Scope of work increase in respect of artistic and antique finishing items over and above the amount of 3 <sup>rd</sup> PE
5	5 <sup>th</sup> , 29.6.2022	9.34	Market rates	Increase due to change in scope of work such as artistic and ornamental work (₹ 5.07 crore), designer accessories fittings (₹ 48.27 lakh), Marble work (₹ 1.97 crore) etc. over and above the amount of 3 <sup>rd</sup> PE
<b>Total</b>		<b>33.71</b>		

Scrutiny of the records provided with respect to the PEs revealed the following:

- **Lack of clarity regarding submission of PEs by the selected consultant**

Audit observed that the scope of consultancy work included preparation of PE and carrying out all modifications, if required, till its approval by the competent authority. However, neither any documents/records were found which established that the PEs were submitted by the Consultant nor any reply was furnished by the department on the query raised by audit. There was also no reference to the same in the note for accordance of Administrative Approval and Expenditure Sanction dated 1 September 2020.

Since the first PE was the framework on which the entire Work I was to be executed, the lack of clarity regarding preparation of the PE by the selected Consultant puts the subsequent work on unreliable foundation and lacks justification for payment to the consultant.

- **Increase in built up area in 3<sup>rd</sup> PE without justification**

The third PE prepared for ₹ 9.09 crore was put up by SE for approval with a note '*the additional PE is for additional scope, items which were not covered in previous sanctions and for increase in scope of construction*'. Audit observed that built up area was increased (36 per cent) from 1,397 to 1,905 sq.m, however, neither any justification was provided for the same in the records nor was it asked for by the Chief Engineer, who accorded AA & ES.

This arbitrary increase in the area not only highlights poor planning of the work but also increased the overall cost.

- **Inflation of subsequent PEs due to inclusion of items already covered in 1<sup>st</sup> and 2<sup>nd</sup> PEs**

The 1<sup>st</sup> PE was prepared on the basis of applicable specification of PAR for Type VII and VIII/ bungalows and included the work of superior interiors, superior toilets and modular kitchen, etc. and items amounting to ₹ 7.91 crore.

On comparing various items included in the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> PEs, audit observed that an amount of ₹ 5.46 crore (out of ₹ 9.09 crore of 3<sup>rd</sup> PE), ₹ 5.73 crore (4<sup>th</sup> PE) and ₹ 9.34 crore (5<sup>th</sup> PE) included for use of super specification, artistic and antique items, ornamental works. Moreover, the items of 3<sup>rd</sup> to 5<sup>th</sup> PEs were already considered in 1<sup>st</sup> PE. The second PE of ₹ 1.64 crore was approved for providing and fixing modular kitchen, laundry, pantry etc which was also considered in the 1<sup>st</sup> PE.

- **AA and ES accorded after completion of work**

The approval to the 5<sup>th</sup> AA & ES, amounting to ₹ 9.34 crore, was accorded by the Chief Engineer on 29 June 2022, i.e. more than two months after the completion of work (20 April 2022).

It is not clear how items of work in the 5<sup>th</sup> PE, for which there was no AA or provision of funds, could be executed. Further, there were nothing in the records which indicated that any explanation was called for regarding approval of AA & ES after completion of work.

Thus, the planning stage was fraught with doubtful selection of consultants, frequent revision of estimates, inclusion of items of higher specification which were already covered earlier, increasing the scope of work without proper justification etc, which led to an increase of 290 *per cent* in tendered cost of the work i.e. from ₹ 8.62 crore compared to actual payment of ₹ 33.66 crore.

### **2.5.3.2 Tendering Process**

The objective of public procurement is to ensure transparency, competition and elimination of arbitrariness in the purchase of goods and services. However, audit observed the following in the tendering process of Work I:

- (i) **Irregularities in tendering process carried out through restricted tender**

As per Rules for Enlistment of Contractors in CPWD, registered contractors with CPWD should be allowed to tender for works within their tendering limit. Contractors registered under Class-II, I, I (A), I (AA), I (AAA) and I (Super) are eligible to tender for composite work having monetary value of ₹ 10.50 crore, ₹ 30 crore, ₹ 50 crore, ₹ 100 crore, ₹ 200 crore, and ₹ 500 crore or more respectively.

As per CPWD Works Manual 2019 'Restricted Tender are of secret/ special nature requiring specialized equipment or maintenance of VIP residences/ important buildings invited from limited prequalified Contractors'. Restricted Tenders of above ₹ 50 lakh can be called with the prior approval of the Competent Authority i.e. Additional Director General (Engineer-in-Chief/Principal Chief Engineer) with recorded reasons.

The Principal Chief Engineer had approved the proposal to go for restricted tendering stating that the work pertained to VIP residence and has to be completed at a fast pace. Tenders were invited (October 2020) from five contractors for Work-I through e-tendering giving them seven days to submit the bid. Out of the five Contractors invited to participate in the bidding, only three submitted their bid and the work was awarded to the lowest bidder i.e. M/s A.K. Builders.

Audit observed the following with regard to the restricted tendering:

- SE, PWD shortlisted five contractors statedly on the basis that they were financially sound, resourceful and had done similar important works in VIP areas. Audit scrutiny of tender documents made available to audit, however, revealed that only one contractor i.e. M/s A. K. Builders (Class-I) had the experience to execute the work in VIP area. The remaining four contractors executed works related to construction of additional classrooms in Delhi Government School, development of park and construction of Atal Samadhi etc, indicating that these contractors didn't have the experience of doing similar work in VIP areas. Thus, the list prepared by the PWD was *ab initio* deficient as only one contractor was qualified to participate in restricted bidding as per the criteria stated by the SE.
- Further as per condition no. 12 of additional AA & ES, award of work was to be made through e-tendering only. Audit observed that PWD did not explore the possibility of e-tendering for additional AA & ES and the works amounting to ₹ 25.80 crore were got executed by the existing contractor.

Thus, the arbitrary shortlisting of bidders along with not resorting to open tender (e-tendering), for additional AA & ES, deprived the Government of competitive rates for the works amounting to ₹ 25.80 crore (total of all four additional PEs).

### **2.5.3.3 Execution of Work**

In the absence of majority of records pertaining to execution of work, like Measurement Books, supply vouchers, running account bills etc, audit couldn't establish assurance regarding the execution process. However, from the limited records made available to audit, the following were observed:

**(i) Deviation in agreement quantities**

As per clause 12 of the General Conditions of the Contract entered with the contractor, in case contract items exceeded the limits laid down in Schedule F, the rates were to be determined on the basis of the market rates for the quantities over and above the limit prescribed. As per Schedule F of the agreement, payment was to be made to the contractor at the agreement rates for execution of deviated item of earth work from sub-head up to 100 *per cent* and for other work up to 30 *per cent*. Market rates were to be paid for deviations beyond the above limits.

As per agreement, 338 items (133 civil +205 electrical) were required to be executed by the contractor for the entire Work I. However, it was noticed that there was variation in the quantity executed vis-à-vis agreement quantity in respect to several civil and electrical items as detailed in **Table-2.5.3**.

**Table-2.5.3: Variation in civil and electrical agreement items**

Particulars	Number of items excess executed	Amount	Number of items not executed	Amount	(₹ in crore)	
					Number of items less executed	Amount
Civil	50	3.51	52	0.73	30	0.91
Electrical	51	0.79	82	0.29	22	0.09
<b>Total</b>	<b>101</b>	<b>4.3</b>	<b>134</b>	<b>1.02</b>	<b>52</b>	<b>1.00</b>

It can be seen from **Table 2.5.3** that out of total agreement items, quantities amounting to ₹ 4.30 crore, ₹1.02 crore and ₹1 crore were executed in excess, not executed and less executed than the estimated quantities respectively.

- On comparing the estimated quantities with the quantities actually executed, audit observed that in respect of 74 items (35 Civil + 39 Electrical) deviation was more than 30 *per cent*. Due to more than 30 *per cent* deviation, PWD had to make extra payment of ₹ 0.67 crore as per clause 12 of the contract condition, it being the difference between the agreement rates and market rates.
- Moreover at the time of approvals of Civil work statements, no remarks were given in respect of deviated quantities. Thus, in the absence of justification, deviation in items could not be verified.
- Para 5.11.1 (3) of CPWD Works Manual stipulates that the authorities preparing, examining and sanctioning Extra/Substituted items should ensure proper preparation of nomenclature of items, record specific reasons to execute them, and casual remarks/reasons like “Required as per site conditions” or “Required at site” etc. should not be recorded. In respect of electrical work, ₹ 2.57 crore was incurred on execution of Extra and Substitute items, against which casual remarks such as ‘*as per site requirement and quantity not taken in the Agreement*’ and ‘*as per approval*

of the Consultant' were mentioned, in contravention of provision of CPWD Works Manual.

**(ii) Execution of Substituted items leading to extra payment**

Substituted items are those which are executed in place of items of work included in the Schedule of Quantities of the Contract. Audit noticed that 21 agreement (**Annexure 2.10**) items amounting to ₹ 1.42 crore were substituted with material of superior specifications which resulted in extra expenditure.

**(iii) ₹ 18.88 crore incurred as extra items beyond the limit of PAR**

From the documents provided to audit, it was seen that out of the items of superior specifications, artistic and antique items, ornamental work, etc. included in the additional PEs, 198 items (Civil) and 40 items (Electrical), amounting to ₹ 17.30 crore (for example – items relating to modular kitchen worth ₹ 68.76 lakh, sheer curtains worth ₹95.90 lakhs etc. Details in **Annexure 2.11**) and ₹ 1.58 crore (**Annexure 2.12**) respectively were executed as Extra items beyond the limit of PAR. This led to extra expenditure of ₹ 18.88 crore. Further, the matter relating to the inclusion of super specification items over and above the applicable specifications was not objected by any authorities of PWD. No reasons for execution of extra items beyond the limit of plinth area rates were mentioned in the records made available to audit.

**2.5.4 WORK-II - Addition/alteration of Staff Block/ Camp Office, 6 Staff Flag Road, Civil Lines**

As per the records made available to audit (noting portion of June 2021), in the preliminary drawing furnished by the Consultant, there was provision for construction of Staff Block and Camp Office inside the Residential Complex covering an area of 705 sq.m and 510 sq.m respectively. The work was awarded (Agreement No. 19/21-22 dated 14.7.2021) at a tendered cost of ₹ 16.54 crore which was 10.01 *per cent* below the estimated cost of ₹ 18.37 crore. The stipulated date of start and completion of the work was July 2021 and January 2022. Scrutiny of the records made available to audit revealed that there is no mention of Staff Block constructed under the agreement, whereas the work of camp office was stopped in the middle of construction.

The work of Camp Office had not been completed as of October 2023. However, payment of ₹ 19.22 crore has been made to the Contractor (Civil-₹ 14.64 crore, Electrical-₹ 4.58 crore) against the sanctioned amount of ₹ 19.87 crore. Moreover, in the Work Progress Report, the physical progress of work was mentioned as 100 *per cent* complete with reference to sanction amount but was pending as per foreclosure report prepared (19 June 2023) by Executive Engineer which indicates that incorrect status of work was mentioned in the Progress Report. Details of the remaining sanctioned amount of ₹ 0.65 crore could not be ascertained due to lack of availability of bills/records. The work was proposed

(June 2023) to be foreclosed due to want of revised sanction or additional sanction. However, final decision was still pending as of September 2023.

Audit observed the following shortcomings during the various stages of the work.

#### **2.5.4.1 Planning of Work**

##### **(i) Inflated Preliminary Estimates of ₹ 3.86 crore for the Staff Block/Camp Office**

Audit observed that the Preliminary Estimate (PE) of ₹ 9.87 crore and ₹ 10 crore in respect of work of addition/alteration in the Staff Block and Camp Office were prepared based on the Plinth Area Rates-2020 and 2021 respectively. Audit observed several discrepancies detailed below:

##### **Staff Block/Camp Office**

- In respect of staff block, PWD used incorrect rates i.e. Non-Residential Building (₹ 25,800 per sq.m) instead of Residential Building (₹ 19,700 per sq.m) rates for calculation of RCC framed structure for 510 sq.m area. This resulted in inflated AA and ES by ₹ 0.31 crore<sup>44</sup>. Besides, there was provision of ₹0.53 crore for construction of basement in the Preliminary Estimate which was not included in the agreement entered into with the contractor which indicated that the basement was to be constructed. Thus on account of both, the PE was inflated by ₹ 0.84 crore. In respect of Camp office also there was provision of ₹ 0.75 crore for construction of basement which was not included in the agreement with the contractor indicating that the basement was not constructed.
- Audit observed that the percentage of each component of Service and Electrical Works were calculated on the basis of total amount of Civil Cost mentioned in the Preliminary Estimate. As the total amount of civil cost of Staff block and Camp office were inflated by ₹0.84 crore and ₹0.75 crore respectively, the Service and Electrical works were also over estimated by ₹1.41 crore<sup>45</sup> and ₹0.86 crore<sup>46</sup> respectively.

Thus, due to incorrect adoption of Civil cost, the PE of Camp Office/Staff Block was inflated by ₹ 3.86 crore.

##### **(ii) Irregularities and discrepancies in the calculation of additional costs for various items in the Preliminary Estimate.**

Audit analysis revealed that there was lack of uniformity in the preparation of PE as for similar items, different rates were adopted in the two PEs as shown in **Table-2.5.4** below:

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<sup>44</sup> (₹ 25800 - ₹ 19700) = ₹ 6100 x 510 sq.m)

<sup>45</sup> Percentage of Service and Electricals is 168.25 of Civil Cost i.e. 168.25 per cent of (₹ 2.11 crore minus ₹ 1.27 crore {₹2.11 crore minus ₹ 0.84 crore) = ₹ 1.41 crore.

<sup>46</sup> Percentage of Service and Electricals is 115.25 of Civil Cost i.e. 115.25 per cent of (₹ 2.90 crore minus ₹ 2.50 crore {₹2.90 crore minus ₹ 0.75crore) = ₹ 0.86 crore.

**Table-2.5.4: Comparison of rates of items in PE of Staff Block and Camp Office**

Sl. No.	Description of item	Rates as per PE of Staff Block	Rates as per PE of Camp Office
1	Extra for special LED luminaries lighting for VVIP Installation	@20%	@10%
2	Lan System	@1000/ sq.m	@800/ sq.m
3	SITC of IP-based EPABX system	@1000/ sq.m	@600/ sq.m
4	Extra for superior and elegant quality water supply and sanitary installation	@20%	@10%
5	Extra for using eco-friendly material	@20%	@10%

Lack of adoption of uniform rates for same items indicates inconsistencies in the preparation of the Preliminary Estimates of the Camp Office and Staff Block.

#### 2.5.4.2 Tendering process

Audit observed that Restricted Tender for the Work-II was invited (June 2021) through e-Tendering system and the work was awarded to M/s PNSC Infrastructure Limited. However, records in respect of shortlisting of bidders were not made available to Audit. In the absence of records Audit could not provide assurance regarding the tendering process involved.

#### 2.5.4.3 Execution of Work

As per AA and ES the Staff Block and Camp Office were to be constructed inside the Residential Complex covering an area of 705 sq.m and 510 sq.m respectively.

In this regard, following was observed by audit:

##### (i) **Construction of non-residential building (Camp Office) in area earmarked for General Pool Residential Accommodation redevelopment**

In February 2022, i.e. more than six months from the date of award of work, the Superintending Engineer proposed to use part of 45-47 Rajpur Road plot<sup>47</sup> (behind 6 Flag Staff Road) to construct semi-permanent type Camp Office for better coordination and use of Chief Minister Office. The same was approved by the Minister, PWD.

In the Cabinet Note (28 July 2021) GNCTD, it was mentioned that the existing building of General Pool Residential Accommodation (GPRA) at 45-47 Rajpur Road was around 50 years old and was experiencing structural distress. During a review meeting taken by the Minister (PWD) as well as Secretary (PWD), it was decided that these GPRA colonies can be redeveloped to exploit the land to full potential and to construct new flats as per latest structural guidelines and amenities.

<sup>47</sup> As per cabinet approval (28 July 2021), the said plot was proposed for redevelopment of GPRA quarters.

Audit observed that Minister (PWD) approved construction of a semi-permanent Non-Residential structure in an area earmarked for redevelopment as Residential Building, in contravention to the Cabinet decision. Moreover, the area of Camp Office was also increased by 275 *per cent* (705 sq.m to 2640 sq.m). Thus, there was change in location of the construction site and its structural nature in respect to Work II. The proposal for foreclosure of work was initiated by the EE. However, the final decision was not communicated to audit. Thus, the work of camp office was stopped in the middle leading to infructuous expenditure to that extent.

The expenditure on incomplete construction of Camp Office could not be calculated due to non-segregation of Schedule of Quantities for Camp Office and Staff Block. Moreover, the Measurement Books of the works were also not made available.

**(ii) Staff Block not constructed**

The AA & ES accorded for the construction of Staff Block was ₹ 9.87 crore. However, as per the foreclosure note moved by the department there is no mention of Staff Block in the list of work done under agreement of Work II. The reason for foreclosure given was lack of progress in work since February 2023 and non-receipt of any revised sanction or additional sanction for the same.

**(iii) Diversion of funds**

Rule 26 (ii) of General Financial Rules, 2017 stipulates that it is the duty and responsibility of a controlling officer in respect of funds placed at his disposal to ensure that the expenditure is incurred for the purpose for which funds have been provided.

The following are the instances where above provision was not adhered to:

• **Diversion of funds to the Residential Complex**

Audit observed that an amount of ₹ 1.87 crore (**Annexure 2.13**) was incurred on providing and fixing/placing of sanitary items, furniture and gym equipment at the Residence (of Chief Minister). However, instead of charging these items to Work-I viz. Addition and alteration at 6 Flag Staff Road, these items were included as extra items in Work-II i.e. Addition/alteration of Staff Block/ Camp Office, 6 Staff Flag Road, Civil Lines and approval of the same was also accorded by the Chief Engineer.

There was nothing in the records made available to Audit about any issue raised by the Chief Engineer before according approval for the same, which resulted in diversion of fund to that extent.

- **Diversion of about ₹ 1.33 crore for construction of servant quarters**

Audit observed that as per the directions of the CM office, PWD shifted the servant quarters<sup>48</sup> at the boundary walls adjacent to the plot of CM residence to 33 Shamnath Marg Delhi Dialogue Commission Campus. This was done to widen the road to provide unrestricted movement to the fire tenders. Permission for the same was granted by Superintending Engineer.

Against the construction of the above mentioned eight servant quarters in the new location, PWD incurred an expenditure of nearly ₹ 1.33 crore as extra items in the Work II and the same was approved by Chief Engineer. The exact expenditure on servant quarters could not be calculated due to non-segregation of amount incurred on various works related to Chief Minister's Residential Complex i.e. Electric Station and Security Rooms as extra items along with the Servant Quarters items.

- **Diversion of fund to Minister's Bungalow**

Audit noticed that a payment of ₹ 6.41 lakh was made to the Contractor for the item Supply, Installation, Testing and Commissioning of treadmill installed at a Minister's Bungalow by diverting funds for Camp Office and Staff Block. The place of installation could not be verified due to non-furnishing of Measurement Books by the Division.

Thus, there were multiple instances wherein the funds earmarked for Work II had been utilised at other places.

As, can be seen from the above mentioned paragraphs, there were a number of financial deviations from Work II which eventually led to paucity of fund for carrying out the actual construction.

**(iv) Execution of Work II**

As per CPWD Works Manual 2019 items that are completely new and are in addition to the items contained in the schedule of quantities of the contract are extra items. As per para 3/3 of Chapter III of Standard Operating Practice (SOP) of CPWD Works Manual, the Detailed Estimate is to be complete and comprehensive and should be supported by detailed architectural drawings, preliminary structural plans, preliminary lay-out drawings of the various services, detailed drawings and/or specifications for various components of work involved etc. Audit observed following instances of increase in quantities/execution of Extra items indicating that the SOP was not followed, which are summarized below:

- **Deviation in agreement quantities**

Against the tendered amount of ₹ 9.66 crore, PWD paid an amount of ₹ 14.64 crore (March 2023) to the Contractor against the execution of Civil component

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<sup>48</sup> 45-47 Rajpur road allottees.

of the work. Audit observed that out of 170 agreement items, quantities executed in respect of 35 items amounting to ₹ 1.03 crore were in excess of those mentioned in the agreement. Out of this, an expenditure of ₹ 99.82 lakh was made for execution of work related to construction of Servant Quarters, Electrical Meter Room/Security Block at Chief Minister Residence and Camp Office. However, site wise details of expenditure incurred was not available in the records made available to Audit. Further, the exact reasons for non-execution and less execution of 73 and 59 agreement items amounting to ₹ 2.88 crore and ₹ 3.14 crore could not be verified as the work had not been completed as of October 2023.

In the remarks column of Deviation Statement, it was mentioned that 'provision not taken in the agreement'. This indicates that plans and designs of works were not complete and comprehensive. Further, in the absence of Measurement Books, the actual place of execution of agreement items could not be verified in Audit.

• **Overpayment for Deviation in quantities**

As per clause 12.3 of General Condition of Contract, in case of Deviation in quantities of contract items, which exceed the limit laid down in Schedule F, the Contractor was to be paid at agreement rate/market rate whichever is less. As per Schedule F of the Contract, the Deviation limit was 100 *per cent*.

Audit observed from the bills that there were deviation in 14 agreement items. In these items, although agreement rates were less than market rates, payment amounting to ₹ 0.38 crore was made at market rates, in contravention of condition of the Contract. This resulted in overpayment of ₹ 0.38 crore to the Contractor.

(v) **Appointment of Consultants without conducting codal formalities**

According to Rule 183 and 184 of GFR, where the estimated cost of the consulting service is up to Rupees twenty-five lakhs, preparation of a long list of potential Consultants may be done on the basis of formal or informal enquiries from other Ministries or Departments or Organisations involved in similar activities, Chambers of Commerce & Industry, Association of Consultancy Firms etc. and where the estimated cost of the Consulting Services is above Rupees twenty-five lakhs, an enquiry for seeking 'Expression of Interest' from Consultants should be published on Central Public Procurement Portal (CPPP) at [www.eprocure.gov.in](http://www.eprocure.gov.in) and on GeM. An organisation having its own website should also publish all its advertised tender enquiries on the website. According to Central Vigilance Commission (CVC) guidelines, the selection of consultants should be made in a transparent manner through competitive bidding and the role of Consultants should be intellectual, advisory and recommendatory. Further, engagement of Consultants may be resorted to in situations requiring

high quality services for which the concerned Ministry/ Department does not have the requisite expertise.

Six Consultants for Interior Designing (₹ 50.84 lakh), Landscape (₹ 50.84 lakh), Lighting Design Services (₹ 17.39 lakh), Structural design (₹ 66.90 lakh), Architectural Planning and designing (₹ 93.66 lakh) and Complete Mechanical, Electrical and Plumbing (MEP) design (₹ 66.90 lakh) were engaged for Camp Office. The appointment of Consultants by the Contractor as Extra items were approved (February 2023) by the Chief Engineer.

Audit observed that selection of the Consultants was not carried out by the PWD but they were directly engaged by the Contractor. Payment of ₹ 25 lakh, ₹ 25 lakh, ₹ 5 lakh, ₹ 66.90 lakh, ₹ 55 lakh and ₹ 4 lakh were made for the Consultancy Works aggregating to ₹ 1.81 crore as extra items, in contravention of above provision. Moreover, the records relating to scope of work assigned vis-à-vis the actual work done, payment schedule, agreement entered into with these Consultants were not made available to Audit.

Audit could not draw as assurance that the consultants selected were competent to provide quality of service. Besides, engagement of Consultants as Extra items was against the provisions of GFR, MoF and CVC Guidelines.

**(vi) Non assurance about utilisation of electrical equipment**

On the basis of records made available to Audit, it was noticed that 12 Electrical items<sup>49</sup> costing ₹ 1.34 crore (80 *per cent* of the agreement items rate) were supplied by the contractor at the time of the start of the Work of Camp Office.

These items were to be installed, tested and commissioned at Camp Office. However, as per the foreclosure note moved by the PWD for Work II, only raw construction of Camp Office was carried out. Resultantly, the status and location of Installation, Testing and Commissioning of these equipment could not be verified in Audit.

**(vii) Irregular dismantling of structures**

Section 8.4 of CPWD Works Manual provides that no Government building, built or purchased, should be disposed off by sale or demolition unless it has previously been ascertained that it is not required by any Department of the Government, and/or it is in dangerous condition and/or beyond economic repairs, or it is necessary to have a vacant site for constructing a Government building or structure in place of the existing one. When a building is proposed to be dismantled, a Survey Report should be prepared and submitted for approval

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<sup>49</sup> Six electronically operated motorised swing gate drive unit, two control panel, eight swing gate, three hydraulically operated crash rated bollards, six hand held metal detector, three multi zone door frame metal detector, two LED traffic light, 12 IR beam photo sensors for safety at all gates and bollards, perimeter intrusion detection system, one software/ API to monitor all node control units connected to its network, IP based node control unit, two silent type Diesel Generating Set of 160 KVA.

of the authority competent to sanction sale or dismantlement of the building. Where the approval of Government of India to the proposal of demolition of the building is necessary and such approval in principle has been obtained, the Director General/ Additional Directors General/Chief Engineers are delegated Financial Powers to sanction such Survey Reports. After the Survey Report is sanctioned, the Reserve Price shall be fixed by the Officers as per delegated powers, after taking into consideration the assessed salvage value of the dismantled materials only. The buildings which are not owned by CPWD/Directorate of Estates, MoHUA, approval of disposal shall be taken from the owner/client. In case of Government of NCT of Delhi, the allotment branch of Public Works Department headed by Secretary, PWD allots Government accommodation to eligible applicants.

Audit observed that payment of ₹ 19.49 lakh was made to the contractor for dismantling of old Quarters at Chief Minister's House and demolishing of IAS Flats and Servant Quarters<sup>50</sup>. The work of demolishing of flats was executed by PWD as extra items without preparing any Survey Report and fixing Reserve Price. Moreover, there was nothing in the records made available to audit to ascertain whether necessary permission from appropriate authority was obtained before demolishing Servant Quarters and IAS Flats. Further, in the absence of complete records, Audit could not ascertain as to how the serviceable material recovered during demolition was utilised or disposed off.

### 2.5.5 Other issues

Other irregularities indicating inflated costs, overpriced items without marked survey/analysis/single quotation noticed in the execution of Work I and II are detailed in **Table-2.5.5**.

**Table-2.5.5: Other issues noticed during execution**

Sl. No.	Item	Amount (₹ in crore)	Nature of irregularity
1	Providing and fixing three beds plus six side tables - Work I.	0.09	2 <sup>nd</sup> Preliminary estimates included lump sum provision. Analysis of rates and quotations from which rates were derived were not found in the records made available to Audit.
2	Providing and fixing Vanity in Toilets – Work I.	0.15	2 <sup>nd</sup> Preliminary estimates included lump sum provision. Rate was derived on the basis of single quotation
3	Provision of Consultancy job after one year of award of work – Work I.	1.00	3 <sup>rd</sup> PE included provision of ₹ 1 crore for superior interior and its consultancy despite fact that original PE had provision of Consultancy services.
4	Penal clause in consultancy Agreement not incorporated – Work I.	-	As per Central Vigilance Commission (CVC) instructions (November 2002), there should be no major deviation in the scope of work after the Contract is awarded and the Consultant should be penalized for poor planning, if the deviations result in excessive cost overruns.

<sup>50</sup> At 45-47 Rajpur road.

Sl. No.	Item	Amount (₹ in crore)	Nature of irregularity
			The work order for consultancy work did not have any clause to penalise the Consultant for poor planning. As a result, PWD was not in a position to penalise the Consultant although there were huge variation in quantities of work executed from those in the work contract.
5	Approval from Building Committee and Delhi Urban Art Commission	-	<p>Section 4.10 (3) of CPWD Works Manual stipulates that before approval of NIT, approval of plans from Local Bodies<sup>51</sup> should be obtained, wherever required.</p> <p>Further, in terms of the mandate of Delhi Urban Art Commission (DUAC), Local Bodies concerned with development work in the city are required to refer the Building and Engineering proposals online to DUAC before according approval. DUAC considers the proposals in terms of its mandate and conveys its recommendations to the concerned Local Body online</p> <p>In respect of Work I, tender was invited on 1 October 2020 whereas the initial proposal to obtain approval was sent to the Building Committee on 7 October 2020, i.e., after invitation of Tender.</p> <p>Building Committee took two and half months to reject the proposal with directions to submit other relevant documents. By that time 20 per cent, (January 2021) to 40 per cent (February 2021) work was executed. Further, no compliance was found on record to the objections raised by the Building Committee. Thus the Building was erected without sanctioned plans. Approval of Building Plan was obtained from DUAC for 1583.19 sq.m whereas the actual area constructed was 1906 sq.m. Revised approval from DUAC was not found in the records furnished to Audit.</p> <p>In respect of Work – II, Audit observed that in the tender forwarding memo, against the column of approval to Building Plan clearance from DUAC/Local bodies, PWD had mentioned 'Approved/in-process'. However, there was nothing in the records made available to Audit regarding approval granted by these authorities before NIT.</p> <p>Further, after one year and 6 ½ months from the award of work, the scope of work of Work-II was entirely changed from permanent structure to semi-permanent structure.</p>
6	Rate analysis of 205 Non DSR electrical items – work I.	-	Para 2.1 of Manual of Procurement of Goods 2017, stipulates that the prevailing market price ascertained through a market survey or quotations from one or more prospective suppliers or published catalogues/Maximum Retail Price (MRP) printed on the item are the main source for establishing the

<sup>51</sup> North DMC (July 2017) has exempted PWD for seeking sanction of Building plans and therefore PWD has setup its own committee to certify that the Building Plans conform to the Building Bylaws.

Sl. No.	Item	Amount (₹ in crore)	Nature of irregularity
			estimated cost of items for which no historic data are available. Audit observed that Detailed Estimates of the Work-I included 205 non-DSR electrical items, of which the market rates of 104 items were prepared on single quotation basis only.
7	Merging of AA and ES of different head of accounts	19.87	<p>Section 3.1.1.8 of CPWD Works Manual 2019 stipulates that it is upto the Technical Sanction Authority to combine various sanctions for the same work and issue a single Technical Sanction provided total of all sanctions for the same work fall under his/ her competence.</p> <p>In respect of the works viz. 'Addition and Alteration in Office Block (Camp Office): Non – residential' &amp; 'Addition and Alteration in Staff Block: Residential' having different Heads of Account, AA &amp; ES were issued for ₹ 10.00 crore and ₹ 9.87 crore separately by Chief Engineer under two separate head of accounts.</p> <p>In contrary to above, estimates of both the Works entirely different (residential/non-residential) were prepared jointly and technically sanctioned by Chief Engineer. In addition to above, combined Schedule of Quantities of both the Works were prepared and technically sanctioned. As a result of combining Technical Sanction of two Works of different nature, the PWD was not in a position to charge expenditure on these Works to the appropriate Heads of Account.</p> <p>Audit also observed irregular booking of expenditure viz. advance payment of ₹ 2.80 crore was made to Contractor under the Head of Account-4216 (Capital outlay on Housing). Whereas the adjustment of the same was made in the Revenue Head i.e. 2059 and payment of 2<sup>nd</sup> Running Accounts bill was made and adjusted under the same Head of Account i.e. 4216, whereas the advance payment of 3<sup>rd</sup> Running Account bill was made under Head of Account 4059.</p> <p>Thus, merging of sanction of two different heads i.e. General Pool Accommodation (4216) and Improvement of Office Building (4059) without any specific reasons was irregular and blurred the tracing of expenditure.</p>
8	Preparation of Preliminary Estimate of Staff Block without proper basis	-	Basis of various items like Special LED luminaries lighting, Special Electrical Equipment, Audio Video System, Superior flooring not available in the PAR and included in the PE on percentage basis was not found in the records made available to audit. Audit could not draw any assurance about PE as costing of items was done without any basis.

Thus, in respect of both the works undertaken by PWD, only Work I was completed whereas the Work - II (Construction of Camp office/Staff block) only raw construction of Camp Office was carried and the Staff block was not constructed. The planning stages was fraught with doubtful selection of

consultant, frequent revision of estimates, increasing the scope of work without proper justification. The tendering stages was also fraught with arbitrary preparation of restrictive list of tenderers. Execution stages also involved huge deviation in execution of agreement quantities, execution of superior specification items (₹ 18.88 crore) as extra items, deviation of funds, etc.

## 2.6 Unfruitful expenditure of ₹ 1.47 crore

**Failure of the Department to ensure hindrance free site before awarding of work led to foreclosing of the work of construction of drainage system of Main Burari Road rendering an expenditure of ₹ 1.47 crore on the work unfruitful.**

Section 15.1 (2) of CPWD Works Manual 2014 stipulates that before approval of NIT, availability of clear site, funds and approval of building plans from local bodies are desirable.

With the stated objective of providing better drainage/sewerage facilities and avoid flooding on road, the work for 'Construction of drainage system of main Burari Road from Hiranki Bandh to Amrit Vihar up to irrigation drain in Swarup Nagar Road' was awarded (March 2018) to M/s Competent Construction Co. at a tendered cost of ₹ 5.64 crore with stipulated date of start and completion as 31 March 2018 and 30 September 2018 respectively. As per scope of work, RCC box culvert drain for a length of 5555 meter from Amrit Vihar to Hiranki Bandh (both side) was required to be constructed. However, the drain could be constructed only for a length of 1062.35 meters (20 per cent of the work) due to a court case over land ownership and the remaining work, constituting construction of 4492.65 meters of drain from Amrit Vihar to Hiranki Bandh, was not constructed.

Test check of records (July/August 2022) of C & ND Roads Division for the period April 2013 to March 2022, revealed that land over which part of the drain was to be constructed was disputed and a court case was pending well before the date of issue of NIT (23 February 2018). Besides, it was observed that clear site was not available for construction of drain and the site was under encroachment.

As the site was not available due to encumbrance and dispute of ownership of land, the work was foreclosed in May 2019 and a payment of ₹ 1.47 crore, was made to the contractor for the completed work.

Failure of the department in awarding of work at proposed drainage/sewerage facilities without proper survey/ground situation/proper demarcation eventually led to foreclosure of the work and unfruitful expenditure of ₹ 1.47 crore. Further, the partially constructed drain would not serve the purpose of the project, i.e. alleviating the drainage problem from Amrit Vihar to Hiranki Bandh.

The matter was referred to the Department in December 2022, their reply is still awaited (July 2023).

## Department of Revenue

### 2.7 Unfruitful expenditure of ₹ 1.81 crore due to failure to convert vehicles for quick response

**Necessary equipment were neither installed by DDMA/Department in procured vehicles nor any fabrication work carried out, which was a pre-condition to convert them into Quick Response Vehicles (QRVs), even after a lapse of 25 to 42 months of purchase resulting in unfruitful expenditure of ₹ 1.81 crore.**

Delhi Disaster Management Authority (DDMA) approved (8 July 2015) the Delhi Disaster Management Plan 2015-16, wherein it was decided for enhancing the strength of Quick Response Vehicles (QRVs). A meeting involving experts from the Delhi Fire Service, Health Department, and Directorate of Industrial Safety was held (October 2015) under the Chairmanship of Divisional commissioner (Disaster Management) to assess the exact requirement of vehicles and machinery. A list of equipment to be fitted in each QRV i.e. fabrication work, Oxygen cylinder, lifesaving equipment, TETRA sets/wireless sets, flashlight, siren, logo etc. was prepared.

Each vehicle was to be manned by three trained Civil Defence Volunteers (including one driver) round the clock. After getting approval for proposal in principle for procurement of 46 QRVs in the category of the Innova 2.5 G, the Department made a proposal (March 2018) for urgent procurement of 13 QRVs i.e., one for HQ, two for Shahdara District, and ten for other Districts.

DDMA had procured seven QRVs (Innova) in October 2018 at a cost of ₹ 95,35,725/- and six QRVs (Innova) at a cost of ₹ 85, 79,864/- in March 2020. To make them properly functional, fabrication and installation of equipment (Oxygen cylinder, lifesaving equipment, TETRA sets/wireless sets, flashlight, siren, logo, etc.) had to be done in all the 13 QRVs. As per order of the Special CEO, DDMA (31 July 2020) to concerned District Magistrate the vehicles should be exclusively used for purpose of Disaster related activities and should not be used for any other purpose.

Audit scrutiny revealed that DDMA/Revenue Department neither installed the necessary equipment nor did any fabrication work in these QRVs even after a lapse of almost three to five years of purchase of these vehicles. Further, it was found that some of these vehicles were used by the concerned District for other purposes not related to Disaster related activities.

The failure of the Department in making the vehicles functional as QRV resulted in Districts not fully equipped/ill-equipped to deal with any emergency/disaster

situation in Delhi. Further, the expenditure of ₹ 1.81<sup>52</sup> crore became unfruitful and the life of the vehicles had also lapsed by three to five years.

The matter was referred to the Government (June 2023), reply is still awaited.

## **2.8 Blockade of funds of ₹ 2.38 crore on purchase and installation of nine V-SAT terminals**

**Failure of the department in ensuring timely procurement and installation of nine V-SAT terminals resulted in blockade of funds amounting to ₹ 2.38 crore.**

With a view to making communication network in disaster situations failsafe, a proposal for procurement and installation of Very Small Aperture Terminals (V-SAT) at nine Revenue District Headquarters was initiated (August 2019) by the Delhi Disaster Management Authority/Revenue Department so that all the eleven districts of the Revenue Department of Government of NCT of Delhi have V-SAT terminals for seamless communication during disaster situations. South and North-East Districts of Delhi and Emergency Operations Centre (Headquarters) had V-SAT terminals supplied and installed under NDMS Pilot Project of National Disaster Management Authority (NDMA).

Revenue Department, GNCTD requested (August 2019) the Sub Divisional Engineer (BD), Bharat Sanchar Nigam Limited (BSNL), Bengaluru for quotations regarding supply and installation of KU BAND nine V- SAT terminals. In response, BSNL submitted (September 2019) its quotations for the same and the Department issued (December 2019) an order to BSNL for supply and installation of nine V-SAT terminals and for providing satellite and Internet Leased Line (ILL Bandwidth of 2 Mbps) for three years in nine different districts of the Revenue Department at a total cost of ₹ 6.98 crore. The Department sanctioned (February 2020) an advance of ₹ 2.38 crore to BSNL being 100 per cent cost of V- SAT Hardware materials and Annual Recurring Charges for Satellite and ILL Bandwidth of 2 MBPS for the first year.

In this regard, Audit observed that an advance payment of ₹ 2.38 crore was made to BSNL on 13 February 2020 without executing any MoU/Agreement laying out the terms and conditions for the contract. It was observed that although BSNL installed these V-SAT terminals, these were not made functional as of May 2022 i.e. even after two years of making full payment in advance. This resulted in a blockade of funds of ₹ 2.38 crore for more than two years along with loss of interest of ₹ 27.05<sup>53</sup> lakh up to May 2022. Also, in the absence of any formal agreement with BSNL, the Department was not in a position to ensure timely operationalization of the terminals nor it could levy any penalty for the delay.

<sup>52</sup> 95,35,725 (7 QRVs) + 85,79,864 (6 QRVs)

<sup>53</sup> (23782109\*5.25\*2.17)/100, Rate= 5.25 (SBI Fixed deposit avg. rate for the period) , Duration =26 months (Feb. 2020 to May 2022)

The matter was referred to the Government (February 2023), their reply was awaited.

## Department of Social Welfare

### 2.9 Delay in construction of Old Age Homes

**Failure of the Department of Social Welfare (DSW) in constructing much needed Old Age Homes at three locations even after a lapse of seven to eight years of possession of the land, deprived the destitute, old and infirm persons of Delhi who are in the age group of 60 years of the much required social support, besides infructuous expenditure of ₹ 2.92 crore.**

As per clause 19(1) of Establishment of Old Age Homes (OAHs) of Senior Citizen Act, 2007, the State Government may establish and maintain such number of OAHs at accessible places, as it may deem necessary, in a phased manner, beginning with at least one in each district to accommodate in such homes a minimum of one hundred fifty senior citizens who are indigent. These OAHs are intended to provide free boarding/lodging, medical care and counselling and recreational facilities to needy senior citizens.

For the purpose of establishing OAHs, Delhi Development Authority (DDA) / Gram Panchayat had allotted three plots of land to Department of Social Welfare (DSW), Government of National Capital Territory of Delhi (GNCTD) in the year 2013. The plots were immediately handed over to Public Works Department (PWD) for construction of OAH. Despite availability of land, the construction of old age homes did not commence as of March 2022 as detailed in the following paragraphs:

1. A plot size 779.52 Sqm, at Sarita Vihar allotted (26 July 2013) by DDA at a cost of ₹ 58.68 lakh (November 2013), was taken over by the Department (November 2014). The drawing for OAH was in-principal approved by the Principal Secretary, Social Welfare in January 2016. Preliminary estimates submitted (April 2018) by PWD for ₹ 3.58 crore was returned back by DSW for seeking clarification. PWD re-submitted estimates of ₹ 4.47 crore (January 2021) only after correspondence was made by the Secretary, DSW to Principal Secretary. Application for approval of building plan from local body was approved by South Delhi Municipal Corporation (May 2019). Audit observed that delay in submission of revised estimates by PWD and lack of pursuance on the part of DSW, resulted in a delay of more than six years for issuing Administrative Approval and Expenditure Sanction of ₹ 4.47 crore to PWD (November 2021) after taking over the possession of land by DSW. Construction was yet to start as of March 2022.
2. Another plot size 02 bighas 10 biswa at Chhattarpur was allotted (March 2013) by Gram Panchayat at a cost of ₹ 43.57 lakh (May 2013), the possession of land was taken over by the Department in July 2013. The

drawings for OAH were approved in November 2014. Audit observed that the building drawing was rejected by Delhi Urban Art Commission (DUAC) on May 2020 as the designs did not serve the functions properly and the shape of the plot was not suitable for construction of OAH and it had suggested for alternate site. Department of Social Welfare stated (March 2022) that it had decided to construct Old Age Home with reduced capacity on the plot and accordingly PWD was requested for revised layout with reduced strength of residents.

3. Another plot size 1009.54 Sqm. at Geeta Colony was allotted (June 2013) by DDA at a cost of ₹ 76.02 lakh (August 2013). Possession of the land was taken over by the Department in November 2014. Audit observed that drawings and preliminary estimates could not be finalized by the Department of Social Welfare/PWD despite several correspondence made in this regard (June 2022).

In addition to above, expenditure of ₹ 1.13 crore (₹ 27.82 lakh of Sarita Vihar, ₹71.46 lakh of Chattarpur and ₹ 14.28 lakh of Geeta Colony) was also incurred by the Department on watch and ward and construction of boundary wall of the land during 2013-20.

Thus, construction work of much needed OAHs has not yet been started even after a lapse of seven to eight years after taking possession of the land. The delay in construction of these OAHs can be attributed to lack of pursuance on the part of DSW towards construction of OAHs in Delhi. The delay in construction of OAHs denied the needy and poor senior citizens of Delhi the much needed social support, despite incurring expenditure to the tune of ₹ 2.92 crore<sup>54</sup>.

The matter was referred to the Government in October 2022, reply is awaited (September 2024).

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<sup>54</sup> ₹ 1.78 crore for cost of acquiring plots plus ₹ 1.14 crore for watch and ward and construction of boundary wall of plots.

## Urban Development Department

### Delhi Jal Board

#### 2.10 Excess payment of ₹ 2.65 crore due to non-payment of property tax in time

**Indecisiveness of the department to pay property tax in time resulted in failure to avail benefit of 15 per cent rebate of ₹ 2.59 crore on property tax besides avoidable payment of interest of ₹ 5.41 lakh for delay in payment.**

Section 113 of The Delhi Municipal Corporation Act, 1957 empowers the Corporation to levy property tax. As per section 114 of the act, “the property taxes shall be levied on Land and buildings in Delhi”. Further, the Corporation issues advisory from time to time which prescribes 15 per cent rebate if property tax is paid in one lump-sum before first quarter or 30<sup>th</sup> June of every year.

During the audit of the Office of the Director (Finance and General), Delhi Jal Board for the year 2020-21, it was noticed that North Delhi Municipal Corporation (NDMC) served a demand notice (18 April 2019) to DJB for the payment of property tax amounting to ₹ 4.97 crore for the year 2019-20 in respect of properties of the DJB within the jurisdiction of NDMC. As per demand notice, rebate of ₹ 74.58 lakh (15 per cent of ₹ 4.97 crore) was available if ₹ 4.23 crore was paid on or before 30 June 2019. NDMC also requested DJB to provide details of properties falling within the jurisdiction of NDMC so that assessment of the left-out properties/land may also be carried out. However, Audit observed that DJB neither paid the property tax nor furnished details of properties/land.

NDMC revised assessment of DJB’s properties and issued (4 September 2019) demand of property tax of ₹ 17.35 crore to DJB including property tax of ₹ 12.26 crore on property at Narela Water Treatment Plant which was left out from assessment since 2006-07 to 2019-20. Due to non-payment of property tax by DJB timely, NDMC issued “Warrant of Distress” under Section 156A of the Delhi Municipal Corporation Act, 1957 to Branch Manager, Syndicate Bank for attachment of ₹ 17.35 crore from DJB’s Bank Account. Thereafter, DJB had paid (March 2020) outstanding Property Tax of ₹ 17.35 crore to NDMC (**Annexure 2.14**).

Thus, due to non-payment of property tax in time, DJB failed to avail benefit of 15 per cent rebate of ₹ 2.59 crore on property tax. Besides, interest of ₹ 5.41 lakh was also paid by the DJB for delay in payment of property tax (**Annexure 2.14**).

In its reply (June 2022), DJB stated that correspondence have been made between DMCs concerned continuously to adjust outstanding amount of property tax against pending water charges through book adjustment but no response was received from the DMCs. During this exercise, the period for availing rebate on

property tax expired and North DMC recovered its property tax by attachment of DJB Bank Account.

Reply of DJB is not acceptable as it should have ensured payment of property tax on time, since it is a statutory levy, when there was no favourable response from DMCs for adjustment of property tax against pending water charges.

The matter was referred to the Government (December 2022), their reply is awaited (September 2024).

## Department of Women and Child Development

### 2.11 Compliance Audit on Ladli Scheme implemented by GNCTD

During the period 2018-22, Department of Women and Child Development (DWCD) did not conduct any survey or prepared any data of intended beneficiaries nor fixed any annual financial or physical targets for covering beneficiaries under the Ladli Scheme. No advertisement campaign or publicity activities for promoting awareness of Ladli Scheme was conducted by DWCD.

Enrolment of new beneficiaries had decreased by 69 *per cent* from a peak of 1,39,773 in 2009-10 to 43,415 in 2020-21 during the period 2008-09 to 2020-21 whereas enrolment of girl child at birth decreased from 23,871 in 2009-10 to 3,153 in 2020-21.

DWCD fixed time lines (2022) for registration, renewal and payment of maturity amount to the beneficiaries after a delay of 14 years after inception (2008) of the Scheme.

Despite introduction of online mode for submission of Application, District level offices/DWCD were not using the facility for processing and sanctioning of financial assistance to the beneficiaries.

16,546 duplicate and 131 triplicate Registrations with same Name, Father's name, Mother's name and Date of Birth was noticed in the scheme database which resulted in excess payment of ₹ 11.49 crore to State Bank Life Insurance Company Limited.

78,065 beneficiaries had attained the age of 18 years at the time of enrolment in the scheme, due to which ₹ 180.92 crore (including interest) were lying in the accounts of these beneficiaries with SBIL. Similarly, fund amounting to ₹ 618.38 crore of 3,20,272 beneficiaries was lying unspent/unused with SBIL (31 December 2022) where the beneficiaries had attained the maturity age.

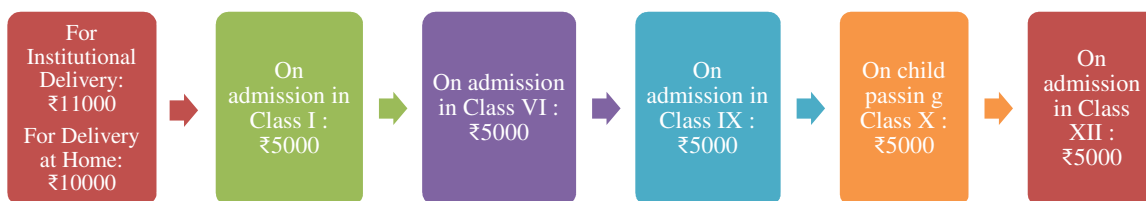
#### 2.11.1 Introduction

Department of Women and Child Development (DWCD), GNCTD launched Delhi Ladli Scheme with effect from 1 January 2008. The aim and objectives of the scheme were to enhance the social status of a girl child in the society as well

as in the family, to ensure proper education, to make girl child self-reliant and to protect the girl child from discrimination and deprivation.

DWCD makes periodical assistance in the name of the eligible<sup>55</sup> girl child, which are kept by State Bank Life Insurance Company Limited (SBIL) as fixed deposits to her credit and later redeemed along with accrued interest, after attaining the age of 18 years and passing X<sup>th</sup> from a Government recognized school or her taking admission in XII<sup>th</sup>. Stages and amount of financial assistance is as given in **Chart-2.11.1**.

**Chart-2.11.1: Stages of financial assistance**



Girls born on or after 1 January 2008 will get benefit deposited in her account immediately after birth. The other girls born before 1 January 2008 will get benefit under this scheme from academic year 2008-09 on their admission to I, VI, IX, XII class and after passing the X class, in a Govt. recognized School.

As of 31 December 2022, there were 8,84,710 active beneficiaries under the scheme. During the audit period (2019-22), 1,54,487 new beneficiaries were registered/enrolled and 2,55,473 beneficiaries renewed their registration at various milestones. During this period, maturity amount of ₹ 180.01 crore was paid to 73,536 beneficiaries.

#### **2.11.1.1 Set-up of Ladli Scheme in the DWCD**

The Ladli Scheme is implemented by DWCD, GNCTD headed by the Secretary who is assisted by a Director (DWCD), one Joint Director, one Deputy Director, one Assistant Director and a Ladli branch. In addition, Ladli Scheme is implemented through 10 Districts Offices headed by District Officer at the District level.

DWCD signed a Memorandum of Understanding (MoU) on 30 July 2008 with SBIL and State Bank of India (SBI) for financial arrangement of the scheme which includes maintaining of accounts of beneficiaries, releasing maturity

<sup>55</sup> The applicant and her parents must be bonafide residents of NCT of Delhi for at least three years preceding the date of application, (ii) annual income of parents of the child should not exceed ₹ one lakh (iii) the financial assistance is restricted to only two girls in a family, (iv) the child should be studying in a Government/MCD/NDMC or Government recognized school in Delhi,

amount and opening of savings account of beneficiaries in SBI for depositing the maturity amount.

#### **2.11.1.2 Audit Objectives**

The Audit objectives were to assess

- (i) whether there was adequate planning for implementation of the scheme,
- (ii) whether funds were adequate and utilized in efficient manner,
- (iii) whether the implementation of the scheme was in accordance with Delhi Ladli Scheme Rules framed by the GNCTD and
- (iv) whether adequate monitoring existed for effective operation and management of the scheme.

#### **2.11.1.3 Audit Criteria**

The Audit criteria were derived from the following:

- (i) Delhi Ladli Scheme Rules, 2008,
- (ii) Notifications/circulars issued by the DWCD/GNCTD,
- (iii) Records of selected district and DWCD headquarters,
- (iv) Minutes of the meetings of DWCD and
- (v) Replies of the DWCD headquarters and its districts.

#### **2.11.1.4 Audit Scope, Coverage and Methodology**

Audit test checked records at the DWCD and three Districts<sup>56</sup> out of the 10 districts covering the period 2019-22. Apart from this, data provided by DWCD relating to beneficiaries, renewals, maturity claims, amount etc., was also examined. An Exit Meeting was held with the Director, DWCD on 04 August 2023 to discuss the audit findings. Replies of the Department wherever received have been incorporated in the Report.

### **Audit findings**

#### **2.11.2 Planning for implementation of the Scheme**

##### **2.11.2.1 Assessment not done to identify intended beneficiaries nor targets fixed for covering them**

DWCD prepares annual budget of the Ladli Scheme on the basis of the previous year's budget and expenditure.

Audit observed that DWCD did not conduct any survey or prepared any data of intended beneficiaries to be covered under the Ladli Scheme nor fixed any annual financial or physical targets for covering beneficiaries under the Ladli Scheme.

<sup>56</sup> North West-II, North East and East

DWCD stated (January 2023) that it is not possible to calculate the exact number of eligible beneficiaries which would be born in Delhi and enrolment at school level cannot be predicted in exact number. It further added that registration cases were processed as and when they were received through different sources like offline mode through schools/parents or online mode through e-district portal.

Reply is not acceptable as the DWCD did not set-up any mechanism to proactively identify girl child born in Delhi whose parents were bonafide residents of Delhi and had annual income less than ₹ one lakh.

Government stated (July 2023) that the DWCD intends to provide financial assistance to maximum beneficiaries who are registered under Delhi Ladli Scheme, 2008 and DWCD is fixing and maintaining the target of each district on the basis of last financial year achievement.

Reply is not acceptable, as supporting documents relating to fixing of targets and achievement of the physical targets were not furnished.

#### **2.11.2.2 Lack of effort to create awareness/publicity of Ladli Scheme**

One of the aim of the scheme is to ensure proper education so as to make the girl child self-reliant, where parents income is less the ₹ one lakh per annum. Secretary, DWCD, in a meeting (20 February 2020), emphasized the need to generate awareness about the Ladli Scheme among the socially weaker and illiterate people through wide publicity in leading Newspapers on monthly or quarterly basis.

Audit observed that despite direction of Secretary, no advertisement campaign or publicity activities through any media/mode promoting awareness of Ladli Scheme was conducted by DWCD during 2019-2022 either monthly or quarterly.

In its reply, Government stated (July 2023) that advertisements in newspapers were published in September 2020 and September 2022 for wide publicity/awareness and as a campaign to create awareness.

Reply is not acceptable, as supporting document were not furnished with reply. Further from their own reply, it was done only twice in three years as against direction to do monthly or quarterly. Still further, the Department should have made efforts to reach the people through electronic modes i.e. Audio/Video on Radio/TV, through organizing publicity/awareness camp in the colonies/jhuggis etc. and also through display boards in Metro/prominent places of Delhi, but no such steps were taken by the Department.

#### **2.11.2.3 Delays in remittance and in framing time lines for fresh Registration, Renewal and Maturity payment at District level and SBIL**

Although the Ladli scheme was launched in January 2008, DWCD fixed time lines for fresh registration, renewal and payment of maturity amount to the beneficiaries after a delay of 14 years (August 2022).

Audit observed that there were delays in remittances and registration on the part of Districts and SBI Life insurance Company Limited during 2019-22 which has been discussed as under:

- (a) Test check of record of District North-West-II revealed that there were delays of eight to 15 months in remittance of financial assistance by the District office to SBIL in 139 and 74 cases of new birth Registrations pertaining to 2019-20 and 2020-21 respectively. Remaining two selected districts East and North East did not maintain records relating to receipt and disposal of applications.

In its reply, Government stated (July 2023) that DWCD has issued (August 2022) directions to all District Offices and SBIL to adhere to timelines as regard to new Registration, Renewal of Ladli cases and payment of maturity amount to the beneficiaries. No reply was given with regard to non-maintenance of records by East and North-East Districts.

- (b) At the time of Registration *inter alia* following documents are required to be submitted viz. three years residence proof in Delhi, self-declaration by the parent regarding annual income not exceeding ₹ one lakh, birth certificate of the girl child issued by the Registrar of MCD/NDMC and copy of Aadhaar Card of the parents and the child, if available.

Test check of records of rejected cases of two Selected Districts revealed that 35 applications were rejected by District Offices on invalid grounds.

Audit observed that

- Five applications were rejected for non-submission of copy of Aadhaar card of parents despite this not being a mandatory document,
- 15 cases were rejected as applicants had declared annual income of ₹ 1 lakh whereas as per rule the income should not exceed ₹ 1 Lakh,
- Eight cases were rejected as name of the child was not mentioned in the Birth Certificate,
- Four cases were rejected on the ground that stamp and signature of the Principal of the School was not found on the Form although the Forms were duly attested by Head of the School.
- In three cases copy of Aadhaar card of the child was not enclosed,

Similarly, while rejecting incomplete/deficient Applications, reasons of rejection were not intimated to the concerned school authorities/parents. Audit observed that 26 applications verified by the class teachers were rejected for missing stamp and signature of Principal of the School without conveying the same to the School or the parents of the children.

In its reply, Government stated (July 2023) that applicants were informed telephonically and for school going girls, the details of rejected cases were provided to the Ladli Yojana In-charge of the concerned school.

Reply is not acceptable as the applicants were rejected on insufficient grounds. With regard to informing reasons for rejections to the applicants no documentary proof was attached in support of reply.

#### **2.11.2.4 Digitization of Ladli Scheme on e-District Portal not fully implemented**

Minister of DWCD had set deadline of July 2020 to provide Ladli Scheme through online mode through e-district. This included making provision in e-districts to receive On-line Applications/Forms from the applicants, approval and sanction of these Applications on e-district, provision for transfer of the Applications in case of other districts.

Provision for online submission of Application under the scheme was made functional by DWCD from 24 December 2020.

Despite introduction of online mode for submission of Application, District level offices/DWCD were not using the facility for processing and sanctioning of financial assistance to the beneficiaries due to technical problems<sup>57</sup> at the level of DWCD Headquarters/District offices and the Applications were pending for approval.

During February 2021 to August 2022, 731, 525 and 1006 online Applications were received in respect of three selected districts viz. East, North West-II and North East respectively.

Audit observed that although Applications were processed and marked as 'Application approved' however they were not enrolled/registered under the scheme and were pending.

District Officer East (March 2023) stated that no system had been developed/adopted at DWCD headquarters level to process all sanctioned and rejected cases for further necessary action. DWCD stated (March 2023) that due to sudden emergence of Corona, staff strength was at its minimum and the process of digitization of the Scheme was delayed.

In its reply, Government stated (July 2023) that the Ladli Branch is in constant touch with IT Branch and SBIL to make the scheme fully functional through online mode. As regard pending online cases, Government stated that due to some technical problem these cases could not be processed. It further stated that

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<sup>57</sup> Interim sheet for billing purpose could not be generated and consequently fund value was not being transferred to SBIL through concerned Pay and Accounts office, lack of transfer of applications among districts in case applicant applied in wrong district on e-portal, lack of provision for rectification/rejection of cases where applicants does not reply to the queries raised in their application even after proper intimation, etc.

in order to resolve such pending cases, the DWCD headquarters had organized a meeting with SBIL, IT Branch and District Officers in June 2023.

### 2.11.3 Fund Management

#### 2.11.3.1 Budget and expenditure

The budget provision and actual expenditure on implementation of the Ladli Scheme during the period 2019-22 are given in **Table-2.11.1**.

**Table-2.11.1: Budget provision and actual expenditure on implementation of Ladli Scheme**

Year	Budget	Expenditure	Unspent budget	(₹ in crore)
				Unspent budget (in per cent)
2019-20	100.00	85.30	14.70	14.70
2020-21	100.00	84.82	15.18	15.18
2021-22	90.00	85.02	4.98	5.53
<b>Total</b>	<b>290.00</b>	<b>255.14</b>	<b>34.86</b>	

It can be seen from the **Table-2.11.1**, that budget ranging from 5.53 to 15.18 *per cent* remained unspent during 2019-22.

The reason noticed for savings was less receipt of new enrolment/renewal applications in District offices. Department stated that no target was fixed for registrations/renewals by the Department to provide assistance to maximum beneficiaries who were registered. The reply is not acceptable, as Department should have proactively identified the girl child who were in need of financial support under the scheme.

The Government stated (July 2023) that during the period 2019-22, pandemic had an adverse effect on new Registration as well as Renewal of Registration cases.

#### 2.11.3.2 Discrepancy in amount remitted to SBIL and expenditure booked by DWCD

DWCD makes periodical payments in the name of the girl child, which are kept by State Bank Life Insurance Company Limited (SBIL). As per rule 7 (6) of Delhi Ladli Scheme Rules 2008, DWCD shall reconcile the expenditure with concerned authorized bank after every six months. Fund remitted to SBIL as per fund statements maintained by the SBIL and expenditure booked by the DWCD during the period 2019-20 to 2021-22 was as shown in **Table-2.11.2**.

**Table-2.11.2: Fund remitted to SBIL and expenditure booked by DWCD**

(₹ in crore)

Year	New enrolment	Renewal	Amount remitted (new cases) to SBIL	Amount remitted (renewal) to SBIL	Total amount remitted to SBIL	Expenditure booked by the DWCD	Difference
2019-20	30,192	92,161	18.80	55.09	73.89	85.30	(+)11.41
2020-21	61,546	86,514	35.08	52.11	87.19	84.82	(-) 2.37
2021-22	62,749	76,798	36.12	48.40	84.52	85.02	(+)0.50
<b>Total</b>	<b>154487</b>	<b>255473</b>	<b>90.00</b>	<b>155.6</b>	<b>245.6</b>	<b>255.14</b>	

Source: Fund statement of Ladli Scheme maintained by SBIL

Audit observed that DWCD did not conduct Quarterly reconciliation of beneficiaries and amount remitted to the SBIL during 2019-22. Resultantly there were difference in expenditure booked by the DWCD and annual figures furnished by SBIL.

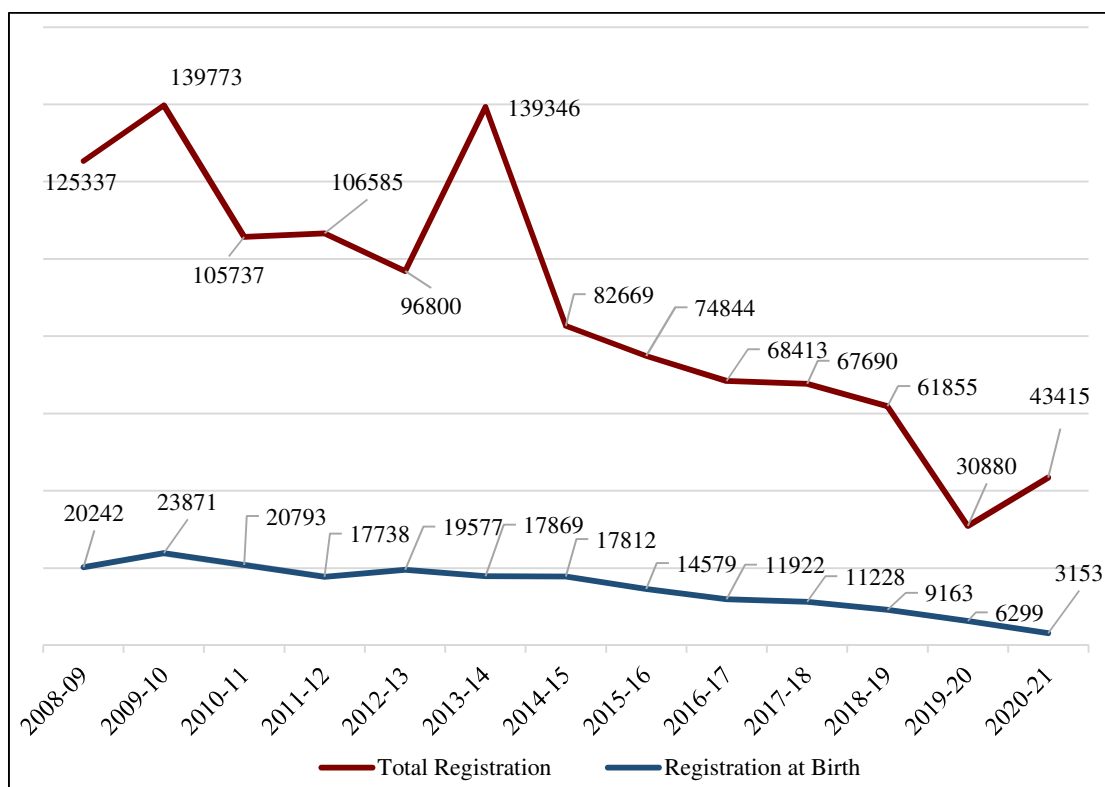
In its reply, Government stated (July 2023) that reply would be submitted in due course after obtaining from the SBIL.

## 2.11.4 Registration and Renewal

### 2.11.4.1 Registration of new beneficiaries in the scheme

The trend of Registration of new beneficiaries in the Delhi Ladli Scheme during the period 2008-09 to 2020-21 is given in the **Chart-2.11.2**.

**Chart-2.11.2: Trends in registration during 2008-21**



The analysis of above data shows that enrolment of new beneficiaries has decreased by 69 per cent from a peak of 1,39,773 in 2009-10 to 43,415 in 2020-21 during the period 2008-09 to 2020-21.

Moreover, enrolment of girl child at birth decreased from 23,871 in 2009-10 to 3,153 in 2020-21.

The Government stated (July 2023) that reply would be submitted in due course after obtaining from the SBIL.

#### 2.11.4.2 Duplicate beneficiaries under Delhi Ladli Scheme

DWCD did not have a mechanism (Aadhaar linked) to ensure that only unique beneficiaries are registered under the scheme. Besides, the process for inclusion of Ladli Scheme in DBT mode was initiated by the Planning Department, GNCTD only in May 2023. Failure to ensure Registration of unique beneficiaries resulted in Registration of the same beneficiary more than once.

Audit observed that database of 8,84,710 active beneficiaries (December 2022) had 16,546 duplicate and 131 triplicate Registrations with same Name, Father's name, Mother's name and Date of Birth. This resulted in excess payment of ₹ 11.49 crore to SBIL.

Moreover, in 20,127 cases involving payment of ₹ 29.23 crore, audit observed that beneficiaries name, date of birth and either name of parents was same, as shown in the table below, which indicates possible duplicate cases and needs to be thoroughly verified.

A few illustrative examples are given in **Table-2.11.3**.

**Table-2.11.3: Examples of similar beneficiaries**

Sl. No.	Member Name	Mother Name	Father Name	DoB of Member
1.	Aafiya	Firdaus	Mohd Asif	07-10-2005
	Aafiya	Firdous	Mohd Asif	07-10-2005
2.	Aafiya	Nagina	Nawabuddin	14-08-2004
	Aafiya	Nagina Khatoon	Nawabuddin	14-08-2004
3.	Aakanksha	Vibha Rao	Ravi Rao	10-01-1998
	Aakanksha	Vima Rao	Ravi Rao	10-01-1998
4.	Aanshi Kumari	Mamta	Atar Singh	17-08-2015
	Aanshi Kumari	Mamta Devi	Atar Singh	17-08-2015
5.	Aachal	Sarita Devi	Jagbir Singh	15-11-2005
	Aachal	Sarita Devi	Late Jagbir Singh	15-11-2005
6.	Aaditi Kaushal	Preeti Kaushal	R D Kaushal	26-09-2007
	Aaditi Kaushal	Preeti Kaushal	Rameshwar Dayalkaushal	26-09-2007
7.	Aafiya	Shama	Noor Husan	20-07-2010
	Aafiya	Shama	Nur Hasan	20-07-2010

Further, Audit observed that there were blank/invalid entries in important columns such as 'Father name' and 'Mother name' which indicated absence of proper input validation controls. Audit observed that 371 cases and 2484 cases had either blank or invalid entry such as single character, N/A, number in column of 'Father name' and 'Mother name' respectively.

During test check of records, Audit observed that District West had written (March 2020) to SBIL for refund amount in respect of 42 case of duplicate Registration, however, the same was pending (March 2023).

The Department needs to review and exclude such cases and develop a mechanism to ensure that same beneficiary is not registered multiples times. Department may also ensure adequate validation controls during digitization of beneficiary data.

In reply, Government stated (July 2023) that this happened due to lack of awareness on the part of the parents, who unknowingly fill new forms instead of renewal forms in district offices. It was further stated that the Department has recommended to make Aadhaar mandatory for all such cases so that fraud cases are curtailed. It was also stated that DWCD headquarters has issued instructions to SBIL for developing an online software for database of beneficiaries. It has directed all District Officers to ensure that no duplicate case shall be reported in future. Government also stated that complete reply would be submitted in due course after obtaining from the SBIL.

#### **2.11.4.3 Irregular Registration of adult beneficiaries resulted in excess expenditure of ₹ 180.92 crore under Ladli Scheme**

GNCTD provides financial assistance in the form of long term FDRs in the name of girl child (at the time of birth, on admission in class I, VI, IX and XII and passing the class X), encashable only after the said girl child attains the age of 18 years and has passed class X or has taken admission to class XII. As per Master Policy of Document Schedule II, a person must not have completed the age of 17 years at the time of her admission to the scheme. In circular issued by DWCD (October 2022), all District Officers, DWCD and SBIL officials were directed to follow the mentioned age criteria for enrolment under Delhi Ladli Scheme and the criteria for admission to Class XII<sup>th</sup> mentioned that the age of the child should be 16+ but less than 18.

Audit observed that out of 8,84,710 active beneficiaries (December 2022) 78,065 beneficiaries (8.82 per cent) had attained 18 years of age at the time of enrolment in the scheme. An amount of ₹ 180.92 crore (including interest) were lying in the accounts of these beneficiaries with SBIL. Department may review such cases and take appropriate steps.

In its reply, Government stated (July 2023) that there is no age criteria mentioned for school Ladli new Registration. It was further added that no where in the scheme it is written that enrollment of the girl child cannot be done at the age of 17 years. It was also stated that complete reply would be submitted in due course after obtaining from the SBIL.

Reply is not tenable because Master Policy Document Schedule II of MoU signed between department and SBIL provides that a person must not have completed the age of 17 years at the time of her admission to the scheme. Further the cases pointed out in audit pertained to enrollment of beneficiary in the scheme who had attained 18 years of age at the time of enrollment.

Test check of Maturity data of District East, revealed that 1842 beneficiaries were paid maturity amounting to ₹ 4.77 crore despite these beneficiaries joining the scheme after attaining the age of 18 years.

Besides, Audit observed that in 298 cases, the column 'Date of Birth' was blank which indicates incompleteness of data of the beneficiaries at the time of maturity.

#### **2.11.4.4 Registration of beneficiary at birth after time lag of five to 15 years**

According to Rule 6.2 of Delhi Ladli Scheme Rules, 2008, the parents of the girl child shall submit the Application within one year from the Date of Birth of the child in order to be eligible for the initial payment of ₹ 10,000/₹ 11,000. District Social Welfare Officer will be the competent authority to relax the above time limit depending on the merits of the individual case. Thereafter, the applicant will be eligible for benefits of subsequent milestones occurring after Registration.

Scrutiny of data of active members (December 2022) revealed that 51 cases of such registration amounting to ₹ 5.54 lakh was done with time lag of five to 15 years. Further, Audit observed that in these cases the payment against next immediate milestone was shown pending.

In its reply, Government stated (July 2023) that no case is registered in District Office after one year of birth, however, due to the working of SBIL which activates the case in the system only after receiving the payment, it creates confusion as some cases are timely received but activated after the year. It was further added that complete reply would be submitted in due course after obtaining from the SBIL.

Reply of the Department is not acceptable as the data showed that Registrations were done with time lag of five to 15 years and timely disposal of Application is the Department's responsibility.

**2.11.4.5 Financial assistance not restricted up to two girl children in a family**

As per Rule 4 (5), the financial assistance shall be restricted up to two girl children in a family. During analysis of data of active beneficiaries provided by the SBIL, Audit observed that there was no system in place for ensuring compliance with the above said rule.

Based on test check conducted by Audit, four cases of financial assistance not restricted up to two girl children in a family were noticed. In the absence of any mechanism to ensure compliance of the above order, additional cases of similar deficiency may not be ruled out.

In its reply, Government stated (July 2023) that reply would be submitted in due course after obtaining from the SBIL.

**2.11.4.6 Records relating to receipt and disposal of fresh Applications not maintained at the District level**

As per MoU, relevant records such as original copy of Registration Form, Residence proof, Birth Certificate and Annual Income Certificate were sent to the SBIL by the District office for scanning and the hard copy of the same maintained by SBIL were to be destroyed.

Audit observed that neither the original copy of Registration Form, Residence proof, Birth Certificate and Annual Income Certificate of the registered beneficiary nor the scanned copy of the same were available with DWCD/Districts. In the absence of availability of requisite documents, Audit could not ascertain in test check the correctness and genuineness of registered beneficiaries under the scheme.

Audit is of the view that as DWCD is the custodian of the data, all records should be maintained by DWCD either in physical or electronic form.

In its reply, Government stated that (July 2023) the District Offices have full records of registration/enrollment records of beneficiaries and copies are also retained for information, but due to Covid-19 there were some instances wherein records were not properly maintained.

Reply is not acceptable as copies of Registration Form, Residence proof, Birth Certificate and Annual Income Certificate of the registered beneficiary etc. were called for during Audit, but the same were not available with them and were not provided to Audit.

**2.11.4.7 Issuance of same Unique ID for two members in fresh registration**

As per MoU, the District Office shall create a 'Member Unique Number/Form Number' for every girl child in the new registration. Scrutiny of data of three

selected Districts for period 2019-22 revealed that same Unique Numbers/Form Number were allotted to more than one beneficiary.

Audit observed that in 22, 9, and 135 cases same Form Number was assigned to two different beneficiaries in North East, North West – II and East districts respectively. In one case of North East District same Form Number was assigned to three different beneficiaries. Funds amounting to ₹ 30.16 lakh were transferred to the SBIL in these cases without ensuring unique ID of girl child.

In its reply, Government stated (July 2023) that before sending a form of Ladli Yojana to SBIL, it must undergo many stages and there is a possibility of clerical mistake at any stage and the Headquarters would conduct a training program for Officials/Officers for proper record keeping/management of the Ladli Scheme.

#### 2.11.4.8 Renewal of milestones

As per Rule 8 (i & ii) of Delhi Ladli scheme rules 2008, the long term Fixed Deposit receipts was to be renewed at every subsequent stage of deposit and it was the responsibility of DWCD to obtain a Certificate from the School authorities of the beneficiary girl child being alive and studying in a regular School. Department did not furnish the information of total cases due for Renewal and cases renewed during the period 2019-22. Thus Audit could not ascertain the number of cases which were not renewed.

The status of cases due for Renewal and cases Renewed in respect of three selected District during the period due 2019-22 is given in **Table-2.11.4**.

**Table-2.11.4: Status of renewal in the selected districts**

Name of the district	Number of case due for renewal	Number of cases actually renewed
North East	Not furnished	30,137
North West – II	Not furnished	32,901
East	49,735	35,244

It can be seen from the above table that the percentage of renewal of cases in respect of district East was only 70.86 per cent.

Audit scrutiny also revealed that in 18,746 (19.07 per cent) out of 98,282 cases renewed, renewals for 2 to 4 milestones were done together as the renewal amount ranged between ₹ 10,000 to ₹ 20,000 instead of ₹ 5,000 as detailed in **Table-2.11.5**.

**Table-2.11.5: Number of cases in which there were delays in renewal of 2 to 4 milestones**

Name of District	Number of cases in which ₹ 20000 was paid for four milestones together	Number of cases in which ₹ 15000 was paid for three milestones together	Number of cases in which ₹ 10000 was paid for two milestones together
North East	02	463	4233
North West-II	117	707	4621
East	71	1142	7390

The delay in timely renewal of cases resulted in loss of interest on accumulated amount at the time of maturity.

In its reply, the District Office East stated that the parents of the beneficiary were not aware about the scheme and the District had not received the information from school in time.

The reply is not acceptable as DWCD is overall responsible for ensuring timely renewal of cases when these become due.

**2.11.4.9 Excess payment of ₹ 63.13 lakh made to SBIL in renewal of milestone**

Audit scrutiny of data for 2019-22 of three test checked Districts viz. North East, North West-II and East revealed that in case of 1082 beneficiaries, District Office had made double payment of ₹ 5000 to 1076 beneficiaries and triple payment of ₹ 5000 to six beneficiaries at the time of renewal of milestones which resulted in extra payment of ₹ 63.12 lakh as per details given in **Table-2.11.6**.

**Table-2.11.6: Multiple payments made to SBIL**

Name of the district	Year	No. of beneficiaries	Amount payable to SBIL	No. of cases renewed twice/thrice	Total amount paid	Excess amount paid
North East	2019-20	24	1,25,000	48	2,45,000	1,20,000
	2021-22	777	49,10,000	1557	94,60,000	45,50,000
North West-II	2019-20	13	85,000	26	1,70,000	85,000
	2021-22	1	5,000	2	10,000	5,000
East	2019-20	23	1,57,500	46	31,50,000	1,57,500
	2020-21	133	7,22,500	269	15,05,000	7,82,500
	2021-22	111	6,12,500	222	12,25,000	6,12,500
<b>Total</b>		<b>1082</b>	<b>66,17,500</b>	<b>2170</b>	<b>1,29,30,000</b>	<b>63,12,500</b>

This shows that the District Offices do not exercise due diligence to ensure that no beneficiary is given the benefit more than once for the same stage of renewal before sending list of renewal cases to SBIL or issuing sanction orders/making payment to SBIL.

In its reply, Government stated (July 2023) that District Offices East, North East and North-West-II have not made any excess payment, but as per Department Office Order in January 2015, if renewal is missed at any milestone, but the child

is still in school, the District Officer can take a decision for further renewal and in consonance of the Order issued, make payment twice/thrice for renewals, if the girl is presently studying in the school.

Reply is not acceptable as Department had made double/triple payment to same beneficiary for same milestone and not for missing milestones.

### 2.11.5 Maturity

#### 2.11.5.1 Transfer of maturity amount of more than one case to same Bank Account

As per Rule 7(5), the accumulated amount will be paid to the girl child through an Account opened at SBI in her name.

DWCD had not furnished data of Maturity amount ₹ 180.01 crore paid to 73,536 beneficiaries during 2019-22. Scrutiny of Maturity data furnished by test checked Districts revealed that on three occasions, involving two cases each having different member ID and beneficiary name, the amount was credited in same Account Number.

**Table-2.11.7: Details of accounts in which payments of two beneficiaries were made**

Period	Member Unique ID (T)	Member name	A/c Details	Date of payment	Amount Paid (in ₹)
2019-20	022998DP	Suman	31735900563	30-04-2019	33997
2020-21	036321	Sonia	31735900563	13-12-2019	9073
2019-20	211728	Somya Gupta	35755912872	06-03-2020	33935
2021-22	03GE1920t1522	Srishti Gupta	35755912872	19-05-2020	40352
2019-20	283568	Neha	38255860055	12-08-2021	32029
2021-22	347945	Neha	38255860055	27-01-2022	11157

Total payments made in these accounts amounted to ₹ 1.61 lakh.

#### 2.11.5.2 Maturity amount of ₹ 2.68 crore not disbursed due to failure of EFT and time barred cheques

Clause 16 of MoU signed between DWCD and SBIL provides that within six months before the Maturity date of claims, the girl child shall open a Bank Account at SBI and the Bank Account details should be submitted to the District Office while claiming the Maturity amount and SBIL shall transfer the Maturity payment through cheque/DD/UTR or EFT.

Audit observed that during 2008 to September 2021, ₹ 2.68 crore maturity amount processed by SBIL to beneficiary accounts through EFT was rejected by the Bank. Audit had requested the Department to furnish the action taken for payment to the beneficiaries of these rejected cases. DWCD stated (March 2023)

that EFTs were rejected due to closed account, minor accounts and wrong account details of the beneficiaries.

Reply is not acceptable as the Department did not furnish the latest status of payment of the rejected cases.

In its reply, Government stated (July 2023) that the reply would be furnished in due course after obtaining from the SBIL.

### 2.11.5.3 Undisbursed amount of ₹ 618.38 crore lying with SBIL

As per rule 18 and 19 of the MoU signed between GNCTD and SBIL (July 2008), the Maturity claims shall be settled in favour of the member's (beneficiary) SBI Saving Account and shall be routed through the Government. Further, Rules provide that Death claims would be settled in the name of the Government and the claims arising in case of termination of membership shall also be settled in favour of the Government.

Database of 8,84,710 active beneficiaries (December 2022) furnished by the Department was analyzed. Audit observed that since inception of the Ladli Scheme (2008), fund amounting to ₹ 618.38 crore of 3,20,272 beneficiaries was lying unspent/unused with SBIL (31st December 2022) whereas the beneficiaries had attained the maturity age. Details are shown in **Table-2.11.8**.

**Table-2.11.8: Unspent/unclaimed amount lying with SBIL**

Milestone	Beneficiaries between age 18 to 20		Beneficiaries between age 21 to 25		Beneficiaries age 26 and above		Total Beneficiaries age 18 and above		(₹ in crore)
	No. of Beneficiaries	Unclaimed Amount	No. of Beneficiaries	Unclaimed Amount	No. of Beneficiaries	Unclaimed Amount	No. of Beneficiaries	Unclaimed Amount	Number of case (In per cent)
When a girl child born in hospital/nursing home	10	0.02	6	0.01	0	0.00	16	0.03	0.00
When girl child born at Home	3	0.01	2	0.01	0	0.00	5	0.01	0.00
Admission in 1 <sup>st</sup> Class	10,242	13.92	1,316	1.84	36	0.05	11594	15.81	3.62
Admission in 6 <sup>th</sup> Class	19,834	28.51	21,401	27.24	2,916	4.17	44151	59.93	13.79
Admission in 9 <sup>th</sup> Class	35,513	57.37	38,963	62.85	15,070	22.70	89546	142.92	27.96
Passing 10 <sup>th</sup> Class	22,732	42.90	24,549	49.54	17,834	35.90	65115	128.34	20.33
Admission in 12 <sup>th</sup> Class	37,206	93.30	31,712	83.07	40,927	94.97	109845	271.34	34.30
<b>Total</b>	<b>125540</b>	<b>236.03</b>	<b>117949</b>	<b>224.56</b>	<b>76783</b>	<b>157.78</b>	<b>320272</b>	<b>618.38</b>	<b>100.00</b>

It can be seen from the above Table that 1.26 lakh beneficiaries had reached the age of 18 to 20 years, against which ₹ 236.03 crore was lying unclaimed. Similarly, as against 1.18 lakh beneficiaries with age of 20 to 26 years and 0.77 lakh beneficiaries being more than 26 years, the unspent/unclaimed amount lying undisbursed with SBIL was ₹ 224.56 crore and ₹ 157.78 crore respectively. Moreover, 1,74,960 (54.63 per cent) cases were not settled where beneficiaries had fulfilled the criteria of Maturity having attained the age of eighteen years and had passed X<sup>th</sup> class, but the amount was still lying with SBIL.

DWCD decided (November 2019) to reach out to members/beneficiaries who had moved to Maturity stage through Public Notice in Newspapers. Audit observed that Public Notices were issued only twice (10 September 2020 and 17 June 2022) in the Newspapers. Thus, failure of DWCD in creating awareness amongst the beneficiaries and lack of adequate action in tracing the beneficiaries through appropriate means deprived 3.20 lakh girl children from the benefits of the scheme, totaling to ₹ 618.38 crore as unclaimed amount.

Further, DWCD repeatedly directed<sup>58</sup> SBIL to refund the unclaimed amount and settle it in favour of Government as per provisions of the Ladli Rules 2008, but no action in this regard has been taken by SBIL. DWCD stated (March 2023) that the matter of unclaimed amount lying with SBIL for refund in the Government Accounts is still under process.

In its reply, Government stated (July 2023) that beneficiaries, even after maturity of their policy do not turn up for encashing the policy which may be due to migration, drop out or other reasons. DWCD has taken up the matter with SBIL for refunding the unclaimed amount lying with SBIL, but no satisfactory reply has been received from SBIL. It further added that the reply would be furnished in due course after obtaining from the SBIL.

Reply is not acceptable as the Department needs to enhance communication and outreach regarding the disbursement of unclaimed maturity amounts to entitled beneficiaries through public awareness campaigns utilizing social media, local newspapers, workshops, seminars etc.

In respect of two out of three selected Districts<sup>59</sup> cases of Maturity amount due, beneficiaries Application received and payment made to beneficiaries during 2019-22 are given in **Table-2.11.9**.

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<sup>58</sup> August 2018 to March 2023

<sup>59</sup> Data was not provided by North-West-II District

**Table-2.11.9: Cases of maturity amount due, beneficiaries applied and payment made**

Name of district.	Cases due for payment on maturity	Application for maturity payment received	Cases in which SBIL made payment
North East	22349	12194	12111
East	60843	11643	9362

In can be seen from the above Table that out of total cases of Maturity, due for payment, only 19.13 *per cent* (East) and 54.60 *per cent* (North East) had applied for Maturity Claim. The percentage of claim actually paid to the beneficiaries ranged between 80.40 *per cent* (East) and 99.31 *per cent* (North East).

The reason for lack of payment to the beneficiaries were incomplete beneficiary details, invalid account details, etc.

#### **2.11.5.4 Cheque/DD No/UTR NO/ EFT Ref No. not mentioned**

The Ladli Rules 2008 provide that six months before the Maturity Date, the girl child shall open a Bank Account at SBI and the Bank Account details shall be submitted to the District Office while claiming the Maturity amount and SBIL shall transfer the Maturity payment through Cheque/DD/UTR or EFT.

SBI Life provides the login facility for beneficiaries to view details such as fund value, next milestone due date, date of joining of scheme, etc. Once the claim for Maturity amount is processed, data of beneficiary is deleted from the Ladli website. Audit observed that the Districts Offices do not have any record to check the name of beneficiaries to whom payments were made and the actual date of payment.

Audit scrutiny of the Maturity payment data for the period 2019-22 furnished by the District Office East and North West-II revealed that in 46 cases (₹ 14.17 lakh) and 31 cases (₹ 10.22 lakh) respectively, Maturity amount was not credited in the beneficiary account on account of invalid credit account, invalid beneficiary details etc. In the absence of status of realization, it could not be ascertained in Audit if payments were finally credited to the beneficiaries' accounts or not. Audit observed that after Maturity Claims are processed by SBIL on advice of DWCD, the beneficiary data are removed from the website and Districts Offices also do not have records of payments realized to the beneficiary and cases which were rejected.

Audit observed that District Officer (Central) also raised this matter in June 2021 with SBIL as the District Office does not have any information to satisfy the beneficiary about the Maturity amount. It had repeatedly requested SBIL to provide the District Office access to this data but no response had been received from SBIL.

In its reply, Government stated (July 2023) that EFT were rejected due to invalid details of beneficiaries as also invalid Bank Accounts. In this regard Department

would seek detailed report from the District Offices concerned and the complete reply would be furnished in due course after obtaining from the SBIL.

### **2.11.6 Monitoring and Supervision**

In order to ensure the effective implementation of the scheme, it was necessary to have an effective Monitoring mechanism at every stage. However, Monitoring mechanism of the 'Ladli Scheme' had the following deficiencies:

#### **2.11.6.1 Periodical Review of Ladli Scheme not carried out**

The main objective of Delhi Ladli Scheme 2008 was to promote Socio-economic development of the girl child by providing education-linked financial assistance. Rule 12 of the Delhi Ladli Scheme 2008 provides that the scheme should be reviewed every two years and its progress should be monitored by the Department.

Audit observed that the Ladli Scheme was not reviewed since its inception in 2008. In the absence of periodical review of the Scheme, DWCD was not in a position to assess bottlenecks in various processes such as registration, renewal etc. and address the issues affecting implementation of the Scheme.

DWCD stated (March 2023) that the matter of putting up proposal for amendment in the Ladli Rule is under process.

In its reply, Government stated (July 2023) that DWCD is reviewing the scheme and the file regarding amendment of Ladli Scheme is under submission to the Minister of WCD.

#### **2.11.6.2 Deficiencies in maintenance of records relating to the Scheme**

As per Ladli Scheme Rules 2008, Long Term Fixed Deposit receipt should be provided to the applicant.

a) Audit observed that the selected three districts did not maintain any Register for entering details of Long Term Fixed Deposit receipts issued to the beneficiaries. In the absence of proper records, Audit could not ascertain whether deposit receipts were provided to the applicants.

b) District Offices did not maintain register to record the details of Application for claims of Maturity. Thus, the time taken for processing of the cases of Maturity could not be ascertained.

In its reply, the Government stated (July 2023) that in the selected three Districts Long Term Fixed Deposit Receipts are available on Ladli Fund Website.

Reply is not acceptable as neither Register was maintained nor reply of availability of such Ladli Fund Website was communicated during Audit, in the absence of which Audit could not ascertain whether Deposit Receipts were provided to applicants.

### 2.11.7 Conclusion

DWCD neither prepared any data of intended beneficiaries to be covered under the Ladli Scheme nor fixed any Annual Financial or Physical targets for covering the beneficiaries. Inadequate advertisement campaign promoting awareness of Ladli Scheme among the socially weaker sections was conducted by DWCD during 2019-2022. DWCD did not frame time lines for the Districts/SBIL for disposal of cases timely. The digitalization of Ladli Scheme on e-District portal was not fully functional.

There was steep fall in registration by 69 *per cent* from a peak of 1,39,773 in 2009-10 to 43,415 in 2020-21 during the period 2008-09 to 2020-21. Moreover, enrolment of girl child at birth decreased from 23,871 in 2009-10 to 3,153 in 2020-21.

Audit observed that Database of 8,84,710 active beneficiaries (December 2022) had 16,546 duplicate and 131 triplicate Registrations with same Name, Father's name, Mother's name and Date of Birth. This resulted in excess payment of ₹ 11.49 crore to SBIL. 51 cases of Registration at the time of birth had joined the scheme after a time lag of five years to 15 years. 78,065 beneficiaries had attained age of 18 years against scheme guidelines at the time of registration against which ₹ 180.92 crore (including interest) was lying in the accounts of these beneficiaries with SBIL.

In test checked Districts, Audit observed lack of Internal Control as milestones of 1082 beneficiaries were renewed more than once, which led to excess payment of ₹ 63.13 lakh.

Online mode for receiving Applications was not fully functional as 2262 Applications received though On-line mode (February 2021 to August 2022) in respect of three Districts were not processed (April 2023) due to incomplete implementation.

₹ 618.38 crore of 3,20,272 beneficiaries was lying unspent/unused with SBIL (December 2022) whereas beneficiaries had attained the Maturity age.

There was lack of effective Monitoring mechanism in implementation of the Scheme as the scheme had not been reviewed even a single time since its implementation from 2008.

### 2.11.8 Recommendations

- Schemes should be periodically reviewed as per provision of Delhi Ladli Scheme Rules 2008.
- DWCD should take steps to create awareness of the scheme through regular publicity campaigns. Reasons for steep fall in enrolment of beneficiaries should be analyzed and steps taken for improvement.

- DWCD should take concrete steps to make the Online mode fully functional by rectifying technical problems faced in District Offices/DWCD for receiving and processing of Online Applications of Ladli Scheme.
- The Department should adopt proper mechanism to avoid duplicate/multiple Registration of beneficiaries, Registration of adult beneficiaries and of time barred cases. Proper mechanism should be adopted to avoid renewal of same milestone twice and thrice of a beneficiary.
- The Department should ensure maintaining of proper record of Renewal cases, New Registration cases and Maturity payment cases by the concerned Districts.
- Applications rejected for Registration may be timely communicated for follow up.
- DWCD should take adequate necessary steps to inform beneficiaries who have not applied for Claims despite attaining Maturity age and to obtain refund of the huge unclaimed amount lying with SBIL.



**(RAJIV KUMAR PANDEY)**

**New Delhi**

**Dated: 12 November 2024**

**Principal Accountant General (Audit), Delhi**

**Countersigned**



**(GIRISH CHANDRA MURMU)**

**New Delhi**

**Dated: 13 November 2024**

**Comptroller and Auditor General of India**



# **Annexures**



**Annexure 1.1**  
**(Referred to in paragraph 1.1.3)**  
**Position of Inspection Reports<sup>1</sup>**

(₹ in crore)

Year	Opening Balance			Addition during the year			Clearance during the year			Closing Balance		
	IRs	Para- graphs	Money value	IRs	Para- graphs	Money value	IRs	Para- graphs	Money value	IRs	Para- graphs	Money value
2012-13	427	10,144	9,858.65	104	1,610	1,209.64	62	520	571.99	469	11,234	10,496.31
2013-14	469	11,234	10,496.31	92	790	1,099.45	3	83	0	558	11,941	11,595.76
2014-15	558	11,941	11,595.76	76	506	159.57	15	159	7.4	619	12,288	11,747.93
2015-16	619	12,288	11,747.93	80	458	52.23	9	129	4.12	690	12,617	11,796.04
2016-17	690	12,617	11,796.04	111	650	169.04	11	357	484.3	790	12,910	11,480.78
2017-18	790	12,910	11,480.78	70	499	1,038.00	9	3,879 <sup>2</sup>	5,383.67	851	9,530	7,135.11
2018-19	851	9530	7135.11	65	393	510.05	6	328	298.74	910	9,595	7,346.42
2019-20	910	9595	7346.42	62	413	327.22	2	98	65.85	970	9,910	7,607.79
2020-21	970	9910	7607.79	21	163	203.25	0	2	0.11	991	10,071	7,810.93
2021-22	991	10,071	7810.93	13	106	29.43	5	29	0	999	10,148	7,840.36

**Annexure 1.2**  
**(Referred to in paragraph 1.1.4)**

**Position of paragraphs included in the Audit Report, Accepted by the Departments and the amount recovered**

(₹ in crore)

Year of Audit Report	Number of Paragraphs included	Money value of the Paragraphs	Number of Paragraphs accepted	Money value accepted	Amount recovered during the year 2021-22	Cumulative position of recovery of accepted cases as of 31 March 2022	Percentage of recovery
2011-12	17	2,363.11	1	19.14	-	1.23	6.43
2012-13	3	536	3	70.16	-	0	0
2013-14	3	98.39	3	20.83	-	0	0
2014-15	1	1.34	1	1.34	-	0.02	1.49
2015-16	4	122.13	4	7.02	-	0.01	0.14
2016-17	7	254.46	7	7.04	0.27	0.27	3.84
2017-18	7	705.58	7	390.39	-	0	0
2018-19	7	137.77	7	96.32	-	0	0
2019-20	8	701.93	8	94.65	-	0	0
2020-21							
<b>Total</b>	<b>57</b>	<b>4,920.71</b>	<b>41</b>	<b>706.89</b>	<b>0.27</b>	<b>1.53</b>	

<sup>1</sup> Inspection Reports of the Department of SGST/Sales Tax, Transport, State Excise and Revenue

<sup>2</sup> In 2017-18, a review of old paras was undertaken and a large number of paras were settled on the basis of replies furnished by the Department of Trade and Taxes. Further, paras which were printed in CAG's Report but lying outstanding in the objection book from 2009-10 to 2015-16 were also removed.

**Annexure 1.3**  
**(Referred to in paragraph 1.2)**  
**Short levy of license fee**

(Amount in ₹)

Year	Type of Liquor	License Fee per year per brand	Number of brands registered	Duration in months in Excise Year	License Fee to be levied	License Fee deposited	Short deposit of License Fee
<b>2017-18</b>							
<b>Old brands</b>	Wine/Liqueur/Alcopop/MAB	2,00,000	10	12	20,00,000	14,00,000	8,00,000
<b>New Brands</b>	Wine/Liqueur/Alcopop/MAB	2,00,000	1	12	2,00,000		
<b>2018-19 (Extension of 2017-18)</b>							
<b>Old brands</b>	Wine/Liqueur/Alcopop/MAB	2,00,000	11	4	7,33,000	4,66,667	2,66,333
<b>2018-19</b>							
<b>Old brands</b>	Wine/Liqueur/Alcopop/MAB	2,00,000	10	8	13,33,333	9,33,333	8,00,000
<b>New Brands</b>	Wine/Liqueur/Alcopop/MAB	2,00,000	2	12	4,00,000		
<b>2019-20 (Extension of 2018-19)</b>							
<b>Old brands</b>	Wine/Liqueur/Alcopop/MAB	2,00,000	12	4.5	9,00,000	5,25,000	3,75,000
<b>2019-20</b>							
<b>Old brands</b>	Wine/Liqueur/Alcopop/MAB	2,00,000	11	7.5	13,75,000	8,75,000	9,00,000
<b>New Brands</b>	Wine/Liqueur/Alcopop/MAB	2,00,000	2	12	4,00,000		
<b>2020-21</b>							
<b>Old brands</b>	Wine/Liqueur/Alcopop/MAB	2,00,000	13	12	26,00,000	14,00,000	12,00,000
<b>Total</b>					<b>99,41,333</b>	<b>56,00,000</b>	<b>43,41,333</b>

**Annexure 1.4**  
**(Referred to in paragraph 1.3.4 (iii))**  
**Sample Cases Centralised/Limited Audit**

Sl. No.	GSTIN	Dimension	Ward	Zone
1	07XXXXXXXXXX1ZP	1	105	4
2	07XXXXXXXXXX1ZV	1	61	5
3	07XXXXXXXXXX1ZE	1	72	6
4	07XXXXXXXXXX2ZQ	1	63	6
5	07XXXXXXXXXX1ZU	1	74	7
6	07XXXXXXXXXX1Z2	1	84	7
7	07XXXXXXXXXX1ZO	1	74	7
8	07XXXXXXXXXX2ZH	1	74	7
9	07XXXXXXXXXX1ZP	1	94	8
10	07XXXXXXXXXX2ZC	1	93	8
11	07XXXXXXXXXX2Z4	1	98	9
12	07XXXXXXXXXX1ZD	1	208	11
13	07XXXXXXXXXX1ZY	1	202	11
14	07XXXXXXXXXX2ZQ	1	202	11
15	07XXXXXXXXXX1ZL	1	207	11
16	07XXXXXXXXXX1Z2	1	8	2
17	07XXXXXXXXXX1Z2	1	82	7
18	07XXXXXXXXXX2Z9	1	207	11
19	07XXXXXXXXXX1ZE	1	201	11
20	07XXXXXXXXXX1Z5	1	208	11
21	07XXXXXXXXXX1ZO	1	207	11
22	07XXXXXXXXXX1Z1	1	204	11
23	07XXXXXXXXXX1ZK	1	206	11
24	07XXXXXXXXXX1Z5	1	205	11
25	07XXXXXXXXXX2Z5	2	24	1
26	07XXXXXXXXXX1Z4	2	28	1
27	07XXXXXXXXXX1Z1	2	24	1
28	07XXXXXXXXXX3ZK	2	61	5
29	07XXXXXXXXXX1ZF	2	61	5
30	07XXXXXXXXXX1Z5	2	61	5
31	07XXXXXXXXXX1ZF	2	90	8
32	07XXXXXXXXXX1ZJ	2	202	11
33	07XXXXXXXXXX1ZR	2	14	2
34	07XXXXXXXXXX1ZM	2	41	3
35	07XXXXXXXXXX1ZU	2	63	6
36	07XXXXXXXXXX1ZK	2	93	8
37	07XXXXXXXXXX1Z4	2	93	8
38	07XXXXXXXXXX1ZL	2	73	3
39	07XXXXXXXXXX1ZO	2	92	8
40	07XXXXXXXXXX1ZN	2	94	8
41	07XXXXXXXXXX1ZH	2	202	11
42	07XXXXXXXXXX2ZF	2	204	11
43	07XXXXXXXXXX1ZI	2	66	4
44	07XXXXXXXXXX1Z5	2	203	11

Sl. No.	GSTIN	Dimension	Ward	Zone
45	07XXXXXXXXXX1ZK	2	52	3
46	07XXXXXXXXXX1ZS	2	4	1
47	07XXXXXXXXXX1ZO	2	61	5
48	07XXXXXXXXXX1ZX	2	85	9
49	07XXXXXXXXXX1Z2	2	115	12
50	07XXXXXXXXXX1ZS	3	57	4
51	07XXXXXXXXXX1ZD	3	206	11
52	07XXXXXXXXXX1Z6	3	105	4
53	07XXXXXXXXXX1ZZ	3	63	6
54	07XXXXXXXXXX1ZQ	3	93	8
55	07XXXXXXXXXX1Z4	3	51	3
56	07XXXXXXXXXX1ZH	3	91	8
57	07XXXXXXXXXX1ZH	3	4	1
58	07XXXXXXXXXX1ZG	4	45	3
59	07XXXXXXXXXX1Z8	4	58	4
60	07XXXXXXXXXX1ZA	4	105	4
61	07XXXXXXXXXX1Z7	4	75	7
62	07XXXXXXXXXX1ZE	4	84	7
63	07XXXXXXXXXX1Z5	4	75	7
64	07XXXXXXXXXX1ZA	4	93	8
65	07XXXXXXXXXX2ZF	4	48	3
66	07XXXXXXXXXX1ZN	4	7	2
67	07XXXXXXXXXX1ZF	4	202	11
68	07XXXXXXXXXX2ZU	4	203	11
69	07XXXXXXXXXX1Z5	4	206	11
70	07XXXXXXXXXX1Z7	4	202	11
71	07XXXXXXXXXX1ZX	4	204	11
72	07XXXXXXXXXX1ZW	4	203	11
73	07XXXXXXXXXX1ZQ	4	203	11
74	07XXXXXXXXXX2ZW	4	4	1
75	07XXXXXXXXXX1ZW	4	44	3
76	07XXXXXXXXXX1ZE	4	66	4
77	07XXXXXXXXXX1ZB	4	56	4
78	07XXXXXXXXXX2ZB	4	63	6
79	07XXXXXXXXXX1ZV	4	63	6
80	07XXXXXXXXXX1ZB	4	63	6
81	07XXXXXXXXXX1Z6	4	63	6
82	07XXXXXXXXXX1ZH	4	204	11
83	07XXXXXXXXXX1ZX	5	102	9
84	07XXXXXXXXXX1ZL	5	203	11
85	07XXXXXXXXXX1ZX	5	2	2
86	07XXXXXXXXXX1ZZ	5	62	5
87	07XXXXXXXXXX1Z8	6	61	5
88	07XXXXXXXXXX1Z2	6	3	1
89	07XXXXXXXXXX1Z8	6	16	2
90	07XXXXXXXXXX1ZD	6	61	5
91	07XXXXXXXXXX1Z8	6	84	7
92	07XXXXXXXXXX1ZF	6	63	6

Sl. No.	GSTIN	Dimension	Ward	Zone
93	07XXXXXXXXXX1ZV	6	7	2
94	07XXXXXXXXXX1ZK	6	22	2
95	07XXXXXXXXXX1ZD	6	66	4
96	07XXXXXXXXXX1Z3	6	74	7
97	07XXXXXXXXXX1Z4	6	107	12
98	07XXXXXXXXXX1ZT	6	112	12
99	07XXXXXXXXXX1ZF	6	70	4
100	07XXXXXXXXXX1Z5	6	94	8
101	07XXXXXXXXXX1ZJ	6	202	11
102	07XXXXXXXXXX1ZB	6	206	11
103	07XXXXXXXXXX1Z7	6	206	11
104	07XXXXXXXXXX1Z1	6	206	11
105	07XXXXXXXXXX1ZI	6	202	11
106	07XXXXXXXXXX1Z6	6	101	9
107	07XXXXXXXXXX1Z3	6	89	8
108	07XXXXXXXXXX1ZZ	6	203	11
109	07XXXXXXXXXX1Z7	6	83	7
110	07XXXXXXXXXX1ZK	6	208	11
111	07XXXXXXXXXX1Z9	7	71	6
112	07XXXXXXXXXX1ZD	7	66	4
113	07XXXXXXXXXX1ZW	7	207	11
114	07XXXXXXXXXX1ZW	7	206	11
115	07XXXXXXXXXX1ZA	7	202	11
116	07XXXXXXXXXX1ZD	7	202	11
117	07XXXXXXXXXX1ZP	7	207	11
118	07XXXXXXXXXX1ZU	7	202	11
119	07XXXXXXXXXX1ZH	7	202	11
120	07XXXXXXXXXX1ZR	7	206	11
121	07XXXXXXXXXX1ZK	7	206	11
122	07XXXXXXXXXX2ZZ	7	205	11
123	07XXXXXXXXXX1Z2	7	80	7
124	07XXXXXXXXXX1ZU	7	204	1
125	07XXXXXXXXXX1ZG	7	57	4
126	07XXXXXXXXXX1Z3	7	207	11
127	07XXXXXXXXXX1ZI	7	205	11
128	07XXXXXXXXXX1ZO	7	207	11
129	07XXXXXXXXXX1ZX	7	207	11
130	07XXXXXXXXXX1Z9	7	204	11
131	07XXXXXXXXXX2ZQ	7	202	11
132	07XXXXXXXXXX1Z3	7	81	7
133	07XXXXXXXXXX1ZE	7	207	11
134	07XXXXXXXXXX1ZR	7	206	11
135	07XXXXXXXXXX1ZZ	8	60	4
136	07XXXXXXXXXX1ZJ	8	84	7
137	07XXXXXXXXXX1ZO	8	101	9
138	07XXXXXXXXXX1ZN	8	101	9
139	07XXXXXXXXXX1ZR	8	72	6
140	07XXXXXXXXXX1ZH	8	61	5

Sl. No.	GSTIN	Dimension	Ward	Zone
141	07XXXXXXXXXX1Z5	8	61	5
142	07XXXXXXXXXX1Z8	8	114	12
143	07XXXXXXXXXX1ZB	8	44	3
144	07XXXXXXXXXX1ZE	8	44	1
145	07XXXXXXXXXX1Z2	8	3	11
146	07XXXXXXXXXX2ZB	8	206	11
147	07XXXXXXXXXX1ZH	8	8	2
148	07XXXXXXXXXX1ZO	8	208	11
149	07XXXXXXXXXX1ZD	8	75	7
150	07XXXXXXXXXX1ZN	8	43	3
151	07XXXXXXXXXX1ZK	8	62	5
152	07XXXXXXXXXX3Z9	8	201	11
153	07XXXXXXXXXX1Z3	8	81	7
154	07XXXXXXXXXX1ZC	8	43	3
155	07XXXXXXXXXX1Z1	9	76	7
156	07XXXXXXXXXX1ZX	9	89	8
157	07XXXXXXXXXX1ZS	9	2	2
158	07XXXXXXXXXX1ZP	9	92	8
159	07XXXXXXXXXX1ZD	9	208	11
160	07XXXXXXXXXX2ZX	9	56	4
161	07XXXXXXXXXX1Z5	9	115	12
162	07XXXXXXXXXX2ZA	9	102	9
163	07XXXXXXXXXX1ZU	9	63	6
164	07XXXXXXXXXX1Z8	9	85	9
165	07XXXXXXXXXX1ZW	9	98	9
166	07XXXXXXXXXX1Z6	9	207	11
167	07XXXXXXXXXX1ZC	9	84	7
168	07XXXXXXXXXX1ZR	9	75	7
169	07XXXXXXXXXX1ZK	9	203	11
170	07XXXXXXXXXX1ZB	9	105	4
171	07XXXXXXXXXX1Z1	9	203	11
172	07XXXXXXXXXX1ZH	10	71	6
173	07XXXXXXXXXX1Z1	10	71	6
174	07XXXXXXXXXX1ZP	10	61	5
175	07XXXXXXXXXX1ZL	10	63	6
176	07XXXXXXXXXX1ZH	10	64	4
177	07XXXXXXXXXX1ZP	10	201	11
178	07XXXXXXXXXX1Z3	10	202	11
179	07XXXXXXXXXX1ZW	10	206	11
180	07XXXXXXXXXX1ZN	10	94	8
181	07XXXXXXXXXX1ZR	10	201	11
182	07XXXXXXXXXX1Z0	10	62	5
183	07XXXXXXXXXX1ZK	10	95	8
184	07XXXXXXXXXX1Z4	10	107	12
185	07XXXXXXXXXX1ZN	10	204	11
186	07XXXXXXXXXX1ZL	10	203	11
187	07XXXXXXXXXX1ZX	10	204	11
188	07XXXXXXXXXX1ZU	10	50	3

Sl. No.	GSTIN	Dimension	Ward	Zone
189	07XXXXXXXXXX1ZQ	10	208	11
190	07XXXXXXXXXX1ZK	10	48	3
191	07XXXXXXXXXX1ZJ	10	208	11
192	07XXXXXXXXXX1Z0	10	206	11
193	07XXXXXXXXXX2ZD	10	201	11
194	07XXXXXXXXXX1ZI	10	206	11
195	07XXXXXXXXXX1Z5	10	203	11
196	07XXXXXXXXXX3ZJ	10	71	6
197	07XXXXXXXXXX1Z3	11	32	1
198	07XXXXXXXXXX1ZX	11	29	1
199	07XXXXXXXXXX1Z3	11	32	1
200	07XXXXXXXXXX1Z2	11	28	1
201	07XXXXXXXXXX1ZP	11	16	2
202	07XXXXXXXXXX1ZP	11	10	2
203	07XXXXXXXXXX1Z5	11	10	2
204	07XXXXXXXXXX1ZI	11	12	2
205	07XXXXXXXXXX1Z8	11	16	2
206	07XXXXXXXXXX1ZE	11	65	3
207	07XXXXXXXXXX1Z8	11	62	5
208	07XXXXXXXXXX1ZN	11	61	5
209	07XXXXXXXXXX3ZO	11	76	7
210	07XXXXXXXXXX1Z2	11	84	7
211	07XXXXXXXXXX1ZF	11	90	8
212	07XXXXXXXXXX1ZQ	11	97	9
213	07XXXXXXXXXX1Z7	11	97	9
214	07XXXXXXXXXX1Z9	11	11	2
215	07XXXXXXXXXX1Z3	11	63	6
216	07XXXXXXXXXX1ZK	11	80	7
217	07XXXXXXXXXX2ZR	11	92	8
218	07XXXXXXXXXX1ZR	11	93	8
219	07XXXXXXXXXX1ZL	11	63	6
220	07XXXXXXXXXX1ZT	11	208	11
221	07XXXXXXXXXX1ZD	11	208	11
222	07XXXXXXXXXX1Z2	12	52	3
223	07XXXXXXXXXX1Z1	12	55	3
224	07XXXXXXXXXX1ZB	12	52	3
225	07XXXXXXXXXX1ZA	12	54	3
226	07XXXXXXXXXX1ZJ	12	59	4
227	07XXXXXXXXXX1ZM	12	62	5
228	07XXXXXXXXXX1Z7	12	78	7
229	07XXXXXXXXXX1ZC	12	76	7
230	07XXXXXXXXXX1ZB	12	80	7
231	07XXXXXXXXXX1ZV	12	78	7
232	07XXXXXXXXXX1ZM	12	81	7
233	07XXXXXXXXXX1Z9	12	81	7
234	07XXXXXXXXXX3ZX	12	94	8
235	07XXXXXXXXXX1ZK	12	88	8
236	07XXXXXXXXXX1ZN	12	94	8

Sl. No.	GSTIN	Dimension	Ward	Zone
237	07XXXXXXXXXX1ZR	12	96	9
238	07XXXXXXXXXX1ZX	12	98	9
239	07XXXXXXXXXX3ZO	12	101	9
240	07XXXXXXXXXX1Z2	12	101	9
241	07XXXXXXXXXX1ZX	12	57	4
242	07XXXXXXXXXX1ZA	12	56	4
243	07XXXXXXXXXX1ZD	12	60	4
244	07XXXXXXXXXX2ZG	12	57	4
245	07XXXXXXXXXX1Z5	12	56	4
246	07XXXXXXXXXX1ZF	12	63	6
247	07XXXXXXXXXX1Z6	12	75	7
248	07XXXXXXXXXX1ZX	12	80	7
249	07XXXXXXXXXX1Z8	12	90	8
250	07XXXXXXXXXX1ZG	12	4	1
251	07XXXXXXXXXX1ZS	12	4	1
252	07XXXXXXXXXX1ZX	12	111	12
253	07XXXXXXXXXX1ZB	12	10	2
254	07XXXXXXXXXX1Z4	12	64	4
255	07XXXXXXXXXX1ZM	12	61	5
256	07XXXXXXXXXX1ZU	12	67	6
257	07XXXXXXXXXX1ZO	12	72	6
258	07XXXXXXXXXX1ZS	12	72	6
259	07XXXXXXXXXX1ZG	12	72	6
260	07XXXXXXXXXX1ZZ	13	12	2
261	07XXXXXXXXXX1ZE	13	57	4
262	07XXXXXXXXXX1Z0	13	61	5
263	07XXXXXXXXXX1ZZ	13	63	6
264	07XXXXXXXXXX1ZD	13	71	6
265	07XXXXXXXXXX2ZR	13	84	7
266	07XXXXXXXXXX1ZW	13	82	7
267	07XXXXXXXXXX1Z9	13	84	7
268	07XXXXXXXXXX1Z4	13	83	7
269	07XXXXXXXXXX1ZO	13	83	7
270	07XXXXXXXXXX2ZM	13	84	7
271	07XXXXXXXXXX1ZX	13	92	8
272	07XXXXXXXXXX1ZW	13	94	8
273	07XXXXXXXXXX1ZR	13	48	3
274	07XXXXXXXXXX1ZL	13	63	6
275	07XXXXXXXXXX1ZE	13	80	7
276	07XXXXXXXXXX1Z2	13	81	7
277	07XXXXXXXXXX1ZO	13	77	7
278	07XXXXXXXXXX1ZE	13	80	7
279	07XXXXXXXXXX1Z5	13	74	7
280	07XXXXXXXXXX2Z8	13	77	7
281	07XXXXXXXXXX1ZC	13	74	7
282	07XXXXXXXXXX1ZK	13	93	8
283	07XXXXXXXXXX2ZA	13	63	6
284	07XXXXXXXXXX1ZI	14	92	8

Sl. No.	GSTIN	Dimension	Ward	Zone
285	07XXXXXXXXXXXX1ZN	14	94	8
286	07XXXXXXXXXXXX1ZP	14	208	11
287	07XXXXXXXXXXXX1ZC	14	209	11
288	07XXXXXXXXXXXX1Z5	14	101	9
289	07XXXXXXXXXXXX1ZD	14	115	12
290	07XXXXXXXXXXXX1Z2	14	60	4
291	07XXXXXXXXXXXX1ZD	14	71	6
292	07XXXXXXXXXXXX2Z7	14	110	12
293	07XXXXXXXXXXXX1Z3	14	88	8
294	07XXXXXXXXXXXX1ZQ	14	89	8
295	07XXXXXXXXXXXX1ZG	14	98	9
296	07XXXXXXXXXXXX1ZX	14	43	3
297	07XXXXXXXXXXXX1ZM	14	201	11
298	07XXXXXXXXXXXX1ZP	14	62	5
299	07XXXXXXXXXXXX1Z2	14	80	7
300	07XXXXXXXXXXXX1Z8	14	201	11
301	07XXXXXXXXXXXX1ZW	14	44	3
302	07XXXXXXXXXXXX1Z6	14	207	11
303	07XXXXXXXXXXXX2Z9	14	207	11
304	07XXXXXXXXXXXX1Z9	14	208	11
305	07XXXXXXXXXXXX1ZJ	14	202	11
306	07XXXXXXXXXXXX1ZO	14	71	6
307	07XXXXXXXXXXXX2Z9	14	208	11
308	07XXXXXXXXXXXX2ZQ	14	202	11

**Annexure 1.5**  
**(Referred to in paragraph 1.3.4 (iii))**  
**Sample for detailed audit cases**

Sl. No.	GSTIN No.	Ward	Zone
1	07XXXXXXXXXX1ZI	1	1
2	07XXXXXXXXXX1ZM	1	1
3	07XXXXXXXXXX1ZU	3	1
4	07XXXXXXXXXX2ZW	4	1
5	07XXXXXXXXXX1ZC	12	2
6	07XXXXXXXXXX2ZF	12	2
7	07XXXXXXXXXX1ZH	15	2
8	07XXXXXXXXXX1ZA	28	1
9	07XXXXXXXXXX1ZC	33	3
10	07XXXXXXXXXX1Z4	40	3
11	07XXXXXXXXXX1ZU	44	3
12	07XXXXXXXXXX1ZZ	58	4
13	07XXXXXXXXXX1ZE	61	5
14	07XXXXXXXXXX1Z7	61	5
15	07XXXXXXXXXX1Z6	63	6
16	07XXXXXXXXXX1ZX	63	6
17	07XXXXXXXXXX1ZF	63	6
18	07XXXXXXXXXX1ZC	71	6
19	07XXXXXXXXXX1Z6	72	6
20	07XXXXXXXXXX1ZA	76	7
21	07XXXXXXXXXX1ZC	79	7
22	07XXXXXXXXXX1Z3	84	7
23	07XXXXXXXXXX1ZP	84	7
24	07XXXXXXXXXX2ZZ	90	8
25	07XXXXXXXXXX1ZH	92	8
26	07XXXXXXXXXX1Z0	94	8
27	07XXXXXXXXXX1ZG	94	8
28	07XXXXXXXXXX1Z6	101	9
29	07XXXXXXXXXX1ZK	105	4
30	07XXXXXXXXXX1ZL	105	4
31	07XXXXXXXXXX2Z0	114	12
32	07XXXXXXXXXX1Z4	202	11
33	07XXXXXXXXXX1ZR	203	11
34	07XXXXXXXXXX2ZF	203	11
35	07XXXXXXXXXX1ZD	203	11
36	07XXXXXXXXXX1Z0	203	11
37	07XXXXXXXXXX1Z1	205	11
38	07XXXXXXXXXX1ZY	205	11
39	07XXXXXXXXXX1ZK	205	11

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Sl. No.	GSTIN No.	Ward	Zone
40	07XXXXXXXXXXXX1ZW	206	11
41	07XXXXXXXXXXXX1ZB	206	11
42	07XXXXXXXXXXXX1Z0	206	11
43	07XXXXXXXXXXXX1Z7	207	11
44	07XXXXXXXXXXXX1ZB	208	11
45	07XXXXXXXXXXXX1Z0	208	11
46	07XXXXXXXXXXXX1ZU	208	11
47	07XXXXXXXXXXXX1Z7	208	11

**Annexure 1.6**  
**(Referred to in paragraph 1.3.6.4)**  
**Inadequate follow up on non-filing of GSTR 10**

Sl. No.	GSTIN	Ward	Date of Cancellation	Final SCN Amount/Deviation Amount (₹)
1	07XXXXXXXXXX1ZE	210	1/28/2021	161322665
2	07XXXXXXXXXX1ZU	74	3/31/2018	429365346
3	07XXXXXXXXXX1ZF	61	25.07.2019	166044902
4	07XXXXXXXXXX1Z5	61	05.12.2019	939800
5	07XXXXXXXXXX1Z2	84	01.06.2019	449352764
6	07XXXXXXXXXX1ZE	57	01.09.2019	8227202
7	07XXXXXXXXXX1ZD	71	30.09.2019	1744232
8	07XXXXXXXXXX1ZM	41	01.09.2017	154888432
9	07XXXXXXXXXX1ZK	93	27.01.2020	82537536
10	07XXXXXXXXXX1Z3	32	13.09.2019	2050656574
11	07XXXXXXXXXX1ZP	16	05.12.2019	972912926
12	07XXXXXXXXXX1Z3	32	13.09.2019	1250019140
13	07XXXXXXXXXX3ZO	76	26.07.2019	45864558
14	07XXXXXXXXXX1ZI	12	20.08.2019	412053081
15	07XXXXXXXXXX1Z8	16	11.06.2018	804139692
<b>Total</b>				<b>6990068850</b>
16	07XXXXXXXXXX2ZR	84	19.02.2021	9820493
17	07XXXXXXXXXX1Z9	84	12.12.2019	2358982
18	07XXXXXXXXXX2ZM	84	07.04.2021	787959
19	07XXXXXXXXXX1ZW	82	04.01.2019	5180761
20	07XXXXXXXXXX1ZO	83	18.09.2019	2021400
<b>Total</b>				<b>20169595</b>
21	07XXXXXXXXXX2Z5	24	13.09.2019	38567304
22	07XXXXXXXXXX1Z4	28	02.03.2020	33054384
23	07XXXXXXXXXX1Z1	24	16.10.2019	105729792
24	07XXXXXXXXXX3ZK	61	30.09.2019	24411530
25	07XXXXXXXXXX1ZF	90	14.02.2020	106258432
26	07XXXXXXXXXX1ZX	29	17.09.2019	178126745
27	07XXXXXXXXXX1Z2	28	07.06.2019	153652448
28	07XXXXXXXXXX1ZP	10	02.09.2019	150872800
29	07XXXXXXXXXX1Z5	10	11.06.2019	216451856
30	07XXXXXXXXXX1ZF	90	16.03.2020	125524726
31	07XXXXXXXXXX1ZQ	97	22.03.2021	246403072
32	07XXXXXXXXXX1Z7	97	22.03.2021	314176608
33	07XXXXXXXXXX1ZR	48	20.09.2019	5909924
34	07XXXXXXXXXX1ZL	63	10.12.2019	978673
35	07XXXXXXXXXX1ZE	80	28.10.2019	15330451
36	07XXXXXXXXXX1Z2	81	06.07.2020	3889586
37	07XXXXXXXXXX1ZE	80	28.10.2019	1165500
38	07XXXXXXXXXX1Z5	74	26.06.2019	1084003
39	07XXXXXXXXXX1ZK	93	04.02.2021	1571506
<b>Total</b>				<b>1723159340</b>

**Annexure 1.7**  
**(Referred to in paragraph 1.3.6.4)**  
**Ward wise statistics of Non filer of GSTR-10**

Sl. No.	Discription	Ward-12	Ward-58	Ward-202	Ward-205	Ward-206	Total
1	No. of cancellation on application by taxpayer	614	868	20	43	26	1571
2	No. of cancellation suo-moto	406	1602	101	82	52	2243
3	No. of cases where GSTR-10 filed	118	241	0	9	0	368
4	No of cases where GSTR-10 not filed	902	2229	121	116	78	3446

**Annexure 1.8**  
**(Referred to in paragraph 1.3.7)**  
**List of cases in which replies were not received**

Sl. No	GSTIN	Ward	Zone	Dimension	Deviation Amount (₹)
1	07XXXXXXXXXX1ZS	4	1	2	17998016
2	07XXXXXXXXXX1ZO	61	5	2	17315388
3	07XXXXXXXXXX1ZX	85	9	2	22912436
4	07XXXXXXXXXX1Z2	115	12	2	14509547
5	07XXXXXXXXXX1ZH	4	1	3	10076765
6	07XXXXXXXXXX2ZW	4	1	4	2465492
7	07XXXXXXXXXX1ZW	44	3	4	8057027
8	07XXXXXXXXXX1ZE	66	4	4	3440298
9	07XXXXXXXXXX1ZB	56	4	4	7326862
10	07XXXXXXXXXX2ZB	63	6	4	3738170
11	07XXXXXXXXXX1ZV	63	6	4	2892129
12	07XXXXXXXXXX1ZB	63	6	4	5312536
13	07XXXXXXXXXX1Z6	63	6	4	3007022
14	07XXXXXXXXXX1Z4	107	12	6	48441340
15	07XXXXXXXXXX1ZT	112	12	6	33766620
16	07XXXXXXXXXX1ZF	70	4	6	33059250
17	07XXXXXXXXXX1Z8	114	12	8	1165511156
19	07XXXXXXXXXX1ZB	44	3	8	752819780
17	07XXXXXXXXXX2ZX	56	4	9	3019105406
20	07XXXXXXXXXX1Z5	115	12	9	661420350
21	07XXXXXXXXXX2ZA	102	9	9	631754370
22	07XXXXXXXXXX1ZU	63	6	9	608534590
23	07XXXXXXXXXX1Z8	85	9	9	559795070
24	07XXXXXXXXXX1ZW	98	9	9	509104480
25	07XXXXXXXXXX1ZN	94	8	10	45171851
26	07XXXXXXXXXX1ZR	201	11	10	32600000
27	07XXXXXXXXXX1Z0	62	5	10	18863365.28
28	07XXXXXXXXXX1ZK	95	8	10	15681547.72
29	07XXXXXXXXXX1Z4	107	12	10	15184348
30	07XXXXXXXXXX1ZN	204	11	10	14887309

31	07XXXXXXXXXXXX1ZG	4	1	12	NA
32	07XXXXXXXXXXXX1ZS	4	1	12	NA
33	07XXXXXXXXXXXX1ZX	111	12	12	NA
34	07XXXXXXXXXXXX1ZB	10	2	12	NA
35	07XXXXXXXXXXXX1Z4	64	4	12	NA
36	07XXXXXXXXXXXX1ZM	61	5	12	NA
37	07XXXXXXXXXXXX1ZU	67	6	12	NA
38	07XXXXXXXXXXXX1ZO	72	6	12	NA
39	07XXXXXXXXXXXX1ZS	72	6	12	NA
40	07XXXXXXXXXXXX1ZG	72	6	12	NA
41	07XXXXXXXXXXXX2ZA	63	6	13	3903813
		<b>Total</b>			<b>8,288,656,334.00</b>

**Annexure 1.9**  
**(Referred to in paragraph 1.3.7.2 (A) (I))**  
**List of cases where recovery made**

Sl. No.	GSTIN	Ward	Dimension	Amount Recovered (₹)
1	07XXXXXXXXXXXX1ZZ	62	5	113.00
2	07XXXXXXXXXXXX1Z5	203	10	1561905.00
3	07XXXXXXXXXXXX2Z9	208	14	7338596.00
<b>Total</b>				<b>8900614.00</b>

## Annexure 1.10

(Referred to in paragraph 1.3.7.2 (A) (I))

## List of taxpayers to whom SCN issued

Sl. No.	GSTIN	Ward	Dimension	Deviation Amount (₹)
1	07XXXXXXXXXX1ZE	72	1	161322666
2	07XXXXXXXXXX1ZU	74	1	429365346
3	07XXXXXXXXXX1ZO	74	1	1325482572
4	07XXXXXXXXXX2ZH	74	1	553999352
5	07XXXXXXXXXX2ZC	93	1	248945776
6	07XXXXXXXXXX1ZM	41	2	154888432
7	07XXXXXXXXXX1ZK	93	2	82537536
8	07XXXXXXXXXX1Z4	93	2	129416714
9	07XXXXXXXXXX1ZQ	93	3	33654387
10	07XXXXXXXXXX1ZA	105	4	2243858
11	07XXXXXXXXXX1Z7	75	4	11250120
12	07XXXXXXXXXX1Z5	75	4	26544590
13	07XXXXXXXXXX1ZA	93	4	13274144
14	07XXXXXXXXXX1Z8	16	6	86761296
15	07XXXXXXXXXX1ZJ	84	8	3092617468
16	07XXXXXXXXXX1ZP	16	11	972912926
17	07XXXXXXXXXX1Z3	32	11	2050656574
18	07XXXXXXXXXX1ZK	80	11	453001630
19	07XXXXXXXXXX1Z3	63	11	508990612
20	07XXXXXXXXXX1Z3	32	11	1250019140
21	07XXXXXXXXXX3ZO	76	11	299146252
22	07XXXXXXXXXX1Z2	84	11	449352764
23	07XXXXXXXXXX1ZR	93	11	474054810
24	07XXXXXXXXXX1ZI	12	11	412053081
25	07XXXXXXXXXX1Z8	16	11	804139693
26	07XXXXXXXXXX1ZZ	12	13	15422874
27	07XXXXXXXXXX1ZE	57	13	8227202
28	07XXXXXXXXXX1ZO	61	13	5354462
29	07XXXXXXXXXX1ZZ	63	13	2598016
30	07XXXXXXXXXX1ZD	71	13	1503406
31	07XXXXXXXXXX1ZP	208	14	7738253
32	07XXXXXXXXXX1Z5	101	14	5514086
33	07XXXXXXXXXX1ZD	115	14	4734327
34	07XXXXXXXXXX1Z2	60	14	4628155
35	07XXXXXXXXXX2Z7	110	14	9978483
36	07XXXXXXXXXX1Z3	88	14	11630074
37	07XXXXXXXXXX1ZM	201	14	4521958
38	07XXXXXXXXXX1ZP	62	14	5493938
39	07XXXXXXXXXX1Z2	80	14	9140383
40	07XXXXXXXXXX1Z8	201	14	6655400
<b>Total</b>				<b>14129772756</b>

**Annexure 1.11**  
**(Referred to in paragraph 1.3.7.2 (A) (I))**  
**List of Taxpayers to whom ASMT-10 issued**

Sl. No.	GSTIN	Ward	Dimension	Final Deviation Amount (₹)
1	07XXXXXXXXXX2ZQ	63	1	85670951
2	07XXXXXXXXXX1ZP	94	1	158983470
3	07XXXXXXXXXX1ZR	14	2	67012392
4	07XXXXXXXXXX1ZU	63	2	76548704
5	07XXXXXXXXXX1ZZ	63	3	12069429
6	07XXXXXXXXXX1Z8	58	4	10628919
7	07XXXXXXXXXX1ZE	84	4	3658830
8	07XXXXXXXXXX1ZX	2	5	44449
9	07XXXXXXXXXX1Z8	61	6	613250620
10	07XXXXXXXXXX1Z2	3	6	70308224
11	07XXXXXXXXXX1ZD	61	6	40933248
12	07XXXXXXXXXX1Z8	84	6	34701060
13	07XXXXXXXXXX1ZF	63	6	29991792
14	07XXXXXXXXXX1ZV	7	6	29044062
15	07XXXXXXXXXX1Z9	71	7	451721349
16	07XXXXXXXXXX1ZZ	60	8	18560595732
17	07XXXXXXXXXX1ZO	101	8	3642318230
18	07XXXXXXXXXX1ZN	101	8	3177369724
19	07XXXXXXXXXX1ZR	72	8	1071068550
20	07XXXXXXXXXX1ZH	61	8	787301490
21	07XXXXXXXXXX1Z5	61	8	773151092
22	07XXXXXXXXXX1Z1	76	9	848714940
23	07XXXXXXXXXX1ZX	89	9	681810750
24	07XXXXXXXXXX1ZS	2	9	537675200
25	07XXXXXXXXXX1ZP	92	9	476698752
26	07XXXXXXXXXX1ZH	71	10	35260101
27	07XXXXXXXXXX1Z1	71	10	33766914
28	07XXXXXXXXXX1ZP	61	10	24108767
29	07XXXXXXXXXX1ZL	63	10	18254967
30	07XXXXXXXXXX1ZH	64	10	18248400
31	07XXXXXXXXXX1Z9	11	11	754235860
32	07XXXXXXXXXX2ZR	92	11	243298320
33	07XXXXXXXXXX1Z7	78	12	0
34	07XXXXXXXXXX1ZC	76	12	0
35	07XXXXXXXXXX1ZV	78	12	0
36	07XXXXXXXXXX1ZR	96	12	0
37	07XXXXXXXXXX3ZO	101	12	0
38	07XXXXXXXXXX1Z2	101	12	0
39	07XXXXXXXXXX2ZR	84	13	9820493
40	07XXXXXXXXXX1ZW	82	13	5180761
41	07XXXXXXXXXX1Z9	84	13	2358982
42	07XXXXXXXXXX1ZO	83	13	2017028
43	07XXXXXXXXXX2ZM	84	13	787959
44	07XXXXXXXXXX1ZX	92	13	4329663

Sl. No.	GSTIN	Ward	Dimension	Final Deviation Amount (₹)
45	07XXXXXXXXXXXX1ZW	94	13	1028398
46	07XXXXXXXXXXXX1ZI	92	14	5348806
47	07XXXXXXXXXXXX1ZN	94	14	8318730
48	07XXXXXXXXXXXX1ZC	209	14	8010613
49	07XXXXXXXXXXXX1ZD	71	14	8042356
50	07XXXXXXXXXXXX1ZQ	89	14	4827617
51	07XXXXXXXXXXXX1ZX	43	14	6922116
52	07XXXXXXXXXXXX1ZW	44	14	8231680
<b>Total</b>				<b>33443670491</b>

### Annexure 1.12

(Referred to in paragraph 1.3.7.2 (A) (I))

List of taxpayer who were under correspondence by the department

Sl. No.	GSTIN	Ward	Dimension	Mismatch amount (₹)
1	07XXXXXXXXXXXX1ZJ	202	6	111402032
2	07XXXXXXXXXXXX1Z1	55	12	0
3	07XXXXXXXXXXXX1ZB	52	12	0
4	07XXXXXXXXXXXX1ZA	54	12	0
5	07XXXXXXXXXXXX1ZB	80	12	0
6	07XXXXXXXXXXXX3ZX	94	12	0
7	07XXXXXXXXXXXX1ZX	98	12	0
8	07XXXXXXXXXXXX1Z6	207	14	20104380
9	07XXXXXXXXXXXX2Z9	207	14	4691555
10	07XXXXXXXXXXXX1Z9	208	14	5329064
11	07XXXXXXXXXXXX1ZJ	202	14	9042004
12	07XXXXXXXXXXXX1ZO	71	14	7437008
<b>Total</b>				<b>158006043</b>

**Annexure 1.13**  
**(Referred to in paragraph 1.3.7.2 (A) (II))**  
**List of cases where department's reply not acceptable to audit (Rebuttal)**

Sl. No.	GSTIN	Ward	Dimension	Mismatch amount (₹)
1	07XXXXXXXXXX1ZV	61	1	111787146
2	07XXXXXXXXXX1Z2	84	1	109179940
3	07XXXXXXXXXX2Z4	98	1	86460007
4	07XXXXXXXXXX1Z5	205	1	136088702
5	07XXXXXXXXXX2ZQ	202	1	157952290
6	07XXXXXXXXXX1ZY	202	1	30770353
7	07XXXXXXXXXX2Z5	24	2	38567304
8	07XXXXXXXXXX1Z4	28	2	33054384
9	07XXXXXXXXXX1Z1	24	2	105729792
10	07XXXXXXXXXX1ZK	52	2	60407280
11	07XXXXXXXXXX3ZK	61	2	24411530
12	07XXXXXXXXXX1ZF	61	2	76167384
13	07XXXXXXXXXX1Z5	61	2	17184678
14	07XXXXXXXXXX1ZF	90	2	106258432
15	07XXXXXXXXXX1ZJ	202	2	3636486
16	07XXXXXXXXXX1ZD	206	3	13141810
17	07XXXXXXXXXX2ZF	48	4	7200893
18	07XXXXXXXXXX1ZX	102	5	23115
19	07XXXXXXXXXX1ZL	203	5	116892
20	07XXXXXXXXXX1ZT	208	11	138534979
21	07XXXXXXXXXX1ZX	29	11	178126745
22	07XXXXXXXXXX1ZD	208	11	127934255
23	07XXXXXXXXXX1ZF	90	11	125524726
24	07XXXXXXXXXX1ZQ	97	11	246403072
25	07XXXXXXXXXX1Z7	97	11	314176608
26	07XXXXXXXXXX1Z2	28	11	153652448
27	07XXXXXXXXXX1ZP	10	11	150872800
28	07XXXXXXXXXX1Z5	10	11	216451856
29	07XXXXXXXXXX1Z4	83	13	1550345
30	07XXXXXXXXXX1ZG	9	14	5236012
<b>Total</b>				<b>2776602264</b>

**Annexure 1.14**  
**(Referred to in paragraph 1.3.7.2 (B))**  
**List of taxpayers who made data entry error**

Sl. No.	GSTIN	Ward	Zone	Audit Dimension	Deviation Amount (₹)
1	07XXXXXXXXXX1Z2	8	2	1	108817566
2	07XXXXXXXXXX1Z2	82	7	1	169459990
3	07XXXXXXXXXX2Z9	207	11	1	290524052
4	07XXXXXXXXXX1ZE	201	11	1	159725609
5	07XXXXXXXXXX1Z5	208	11	1	205278709
6	07XXXXXXXXXX1ZO	207	11	1	649240656
7	07XXXXXXXXXX1Z1	204	11	1	161142490
8	07XXXXXXXXXX1ZK	206	11	1	102270361
9	07XXXXXXXXXX1ZL	73	3	2	13562981
10	07XXXXXXXXXX1ZO	92	8	2	13551100
11	07XXXXXXXXXX1ZN	94	8	2	13446967
12	07XXXXXXXXXX1ZH	202	11	2	107474448
13	07XXXXXXXXXX2ZF	204	11	2	135100004
14	07XXXXXXXXXX1ZI	66	4	2	16417092
15	07XXXXXXXXXX1Z4	51	3	3	12145483
16	07XXXXXXXXXX1ZH	91	8	3	10956359
17	07XXXXXXXXXX1ZN	7	2	4	15066782
18	07XXXXXXXXXX1ZF	202	11	4	14604962
19	07XXXXXXXXXX2ZU	203	11	4	4402461
20	07XXXXXXXXXX1Z5	206	11	4	21828032
21	07XXXXXXXXXX1Z7	202	11	4	8280954
22	07XXXXXXXXXX1ZX	204	11	4	2692699
23	07XXXXXXXXXX1ZW	203	11	4	28677734
24	07XXXXXXXXXX1ZQ	203	11	4	2164581
25	07XXXXXXXXXX1ZG	45	3	4	3495686
26	07XXXXXXXXXX1ZD	66	4	6	371286176
27	07XXXXXXXXXX1Z3	74	7	6	51658760
28	07XXXXXXXXXX1ZD	66	4	7	371286166
29	07XXXXXXXXXX1ZP	201	11	10	134666669
30	07XXXXXXXXXX1Z3	202	11	10	26326609
31	07XXXXXXXXXX1ZW	206	11	10	19503479
32	07XXXXXXXXXX1ZL	63	6	11	238935059
<b>Total</b>					<b>3483990675</b>

**Annexure 1.15**  
**(Referred to in paragraph 1.3.7.2 (C))**  
**List of taxpayers where Action taken before issue of Audit Queries**

Sl. No.	GSTIN	Ward	Zone	Audit Dimension	Deviation Amount (₹)
1	07XXXXXXXXXX1ZP	105	4	1	97211700
2	07XXXXXXXXXX1ZD	208	11	1	89338099
3	07XXXXXXXXXX1ZL	207	11	1	92099454
4	07XXXXXXXXXX1Z1	174	206	6	107336112
5	07XXXXXXXXXX1ZI	76	202	6	77961576
6	07XXXXXXXXXX1Z6	60	101	6	70210560
7	07XXXXXXXXXX1Z3	164	89	6	38694288
8	07XXXXXXXXXX1Z5	94	8	6	68922464
9	07XXXXXXXXXX1Z8	62	5	11	236556245
10	07XXXXXXXXXX1ZE	65	3	11	540757650
11	07XXXXXXXXXX1ZN	61	5	11	393268200
12	07XXXXXXXXXX1Z2	52	3	12	0
13	07XXXXXXXXXX1ZM	81	7	12	0
14	07XXXXXXXXXX1ZN	94	8	12	0
15	07XXXXXXXXXX1ZR	48	3	13	5909924
16	07XXXXXXXXXX1ZL	63	6	13	978673
17	07XXXXXXXXXX1ZE	80	7	13	15330451
18	07XXXXXXXXXX1Z2	81	7	13	3889586
19	07XXXXXXXXXX1ZO	77	7	13	1676902
20	07XXXXXXXXXX1ZE	80	7	13	1165500
21	07XXXXXXXXXX1Z5	74	7	13	1084003
22	07XXXXXXXXXX2Z8	77	7	13	844405
23	07XXXXXXXXXX1ZC	74	7	13	814500
24	07XXXXXXXXXX1ZK	93	8	13	1571506
25	07XXXXXXXXXX2ZQ	202	11	14	6738447
<b>Total</b>					<b>1852360245</b>

**Annexure 1.16**  
**(Referred to in paragraph 1.3.7.2 (D))**  
**List of cases where taxpayers had valid explanation**

Sl. No.	GSTIN	Ward	Dimension	Mismatch amount (₹)
1	07XXXXXXXXXX1Z6	105	3	11210916
2	07XXXXXXXXXX1Z7	206	6	227359776
3	07XXXXXXXXXX1ZZ	203	6	33452740
4	07XXXXXXXXXX1Z7	83	6	32565728
5	07XXXXXXXXXX1ZK	208	6	27672166
6	07XXXXXXXXXX1ZB	206	6	47271132
7	07XXXXXXXXXX1ZK	22	6	27832712
8	07XXXXXXXXXX1ZW	207	7	3218428369
9	07XXXXXXXXXX1ZW	206	7	1987679296
10	07XXXXXXXXXX1ZA	202	7	1319326043
11	07XXXXXXXXXX1ZD	202	7	863980569
12	07XXXXXXXXXX1ZP	207	7	709509125.8
13	07XXXXXXXXXX1ZU	202	7	704815110.1
14	07XXXXXXXXXX1ZH	202	7	699318101.3
15	07XXXXXXXXXX1ZR	206	7	601670555
16	07XXXXXXXXXX1ZK	206	7	587023856
17	07XXXXXXXXXX2ZZ	205	7	583820102
18	07XXXXXXXXXX1Z2	80	7	486768260.9
19	07XXXXXXXXXX1ZU	204	7	485435232
20	07XXXXXXXXXX1ZG	57	7	434324255
21	07XXXXXXXXXX1Z3	207	7	427540884.8
22	07XXXXXXXXXX1ZI	205	7	422843043
23	07XXXXXXXXXX1ZO	207	7	408311533.6
24	07XXXXXXXXXX1ZX	207	7	406951755.7
25	07XXXXXXXXXX1Z9	204	7	354844998.2
26	07XXXXXXXXXX2ZQ	202	7	328000002
27	07XXXXXXXXXX1Z3	81	7	322290482.5
28	07XXXXXXXXXX1ZE	207	7	320086305
29	07XXXXXXXXXX1ZR	206	7	313258931.3
30	07XXXXXXXXXX1ZE	3	8	1298731553320
31	07XXXXXXXXXX1Z2	203	8	28951187000
32	07XXXXXXXXXX2ZB	206	8	11626863020
33	07XXXXXXXXXX1ZH	8	8	8123497129
34	07XXXXXXXXXX1ZO	208	8	2209100801
35	07XXXXXXXXXX1ZD	75	8	1936444690
36	07XXXXXXXXXX1ZN	43	8	1822897698
37	07XXXXXXXXXX1ZK	62	8	1537401627
38	07XXXXXXXXXX3Z9	201	8	1375783326
39	07XXXXXXXXXX1Z3	81	8	1250420196
40	07XXXXXXXXXX1ZC	43	8	940275870
41	07XXXXXXXXXX1Z6	207	9	1066785860
42	07XXXXXXXXXX1ZC	84	9	802214460
43	07XXXXXXXXXX1ZR	75	9	784625340
44	07XXXXXXXXXX1ZK	203	9	754097280

Sl. No.	GSTIN	Ward	Dimension	Mismatch amount (₹)
45	07XXXXXXXXXX1ZB	105	9	735784640
46	07XXXXXXXXXX1Z1	203	9	553119360
47	07XXXXXXXXXX1ZL	203	10	118062079
48	07XXXXXXXXXX1ZX	204	10	49864828
49	07XXXXXXXXXX1ZU	50	10	35460433
50	07XXXXXXXXXX1ZQ	208	10	33153971
51	07XXXXXXXXXX1ZK	48	10	24715717
52	07XXXXXXXXXX1ZJ	208	10	21109850
53	07XXXXXXXXXX1Z0	206	10	17149941
54	07XXXXXXXXXX2ZD	201	10	15997631
55	07XXXXXXXXXX1ZI	206	10	14947283
56	07XXXXXXXXXX3ZJ	71	10	24220902.19
57	07XXXXXXXXXX1ZX	57	12	0
58	07XXXXXXXXXX1ZA	56	12	0
59	07XXXXXXXXXX1ZD	60	12	0
60	07XXXXXXXXXX2ZG	57	12	0
61	07XXXXXXXXXX1Z5	56	12	0
62	07XXXXXXXXXX1ZF	63	12	0
63	07XXXXXXXXXX1Z6	75	12	0
64	07XXXXXXXXXX1ZX	80	12	0
65	07XXXXXXXXXX1Z8	90	12	0
66	07XXXXXXXXXX1ZJ	59	12	0
67	07XXXXXXXXXX1ZM	62	12	0
68	07XXXXXXXXXX1Z9	81	12	0
69	07XXXXXXXXXX1ZK	88	12	0
<b>Total</b>				<b>1379950326232.77</b>

**Annexure 1.17**  
**(Referred to in paragraph 1.3.7.2 (E))**  
**List of taxpayers whose replies were furnished without appropriate documentary evidence**

Sl.No.	GSTIN	Ward	Dimension	Mismatch amount (₹)
1	07XXXXXXXXXX1Z5	203	2	13638760
2	07XXXXXXXXXX1ZS	57	3	11434732
3	07XXXXXXXXXX1ZH	204	4	3715177
4	07XXXXXXXXXX1ZD	208	9	659203840
<b>Total</b>				<b>687992509</b>

**Annexure 1.18**  
**(Referred to in paragraph 1.3.7.3 (a))**  
**List of Taxpayers (Non-production of Records)**

Sl. No	GSTIN No	Ward	Mismatch ITC/Liability (₹)
1	07XXXXXXXXXX1ZP	84	167593119
2	07XXXXXXXXXX1ZR	203	73671721
3	07XXXXXXXXXX1ZM	1	58841859
4	07XXXXXXXXXX1Z4	33	17541093
5	07XXXXXXXXXX1ZE	61	19900749
6	07XXXXXXXXXX2ZF	203	14800418
7	07XXXXXXXXXX1ZL	105	15285200
8	07XXXXXXXXXX1Z1	205	12819696
9	07XXXXXXXXXX1ZA	76	10009876
10	07XXXXXXXXXX1Z0	208	9264255
11	07XXXXXXXXXX1Z6	72	7233505
12	07XXXXXXXXXX1ZG	94	6670454
13	07XXXXXXXXXX1Z0	206	6235615
14	07XXXXXXXXXX1ZI	1	3772917
15	07XXXXXXXXXX1Z0	94	3289072
16	07XXXXXXXXXX1ZF	63	3021986
17	07XXXXXXXXXX1Z7	208	2356646
18	07XXXXXXXXXX1Z7	61	1500309
19	07XXXXXXXXXX1Z3	84	1029560
20	07XXXXXXXXXX1ZZ	58	1015000
21	07XXXXXXXXXX1ZK	205	226558
22	07XXXXXXXXXX1ZB	206	6234394
23	07XXXXXXXXXX2ZW	4	5609394
24	07XXXXXXXXXX1Z7	207	5390382
25	07XXXXXXXXXX1ZU	208	2186214
26	07XXXXXXXXXX1Z6	101	4002327
27	07XXXXXXXXXX1Z6	63	2917018
28	07XXXXXXXXXX1ZX	63	2384584
29	07XXXXXXXXXX1ZH	92	1969072
30	07XXXXXXXXXX2ZZ	90	1100505
31	07XXXXXXXXXX1ZD	203	981723
32	07XXXXXXXXXX1ZC	12	13900
33	07XXXXXXXXXX1ZC	79	7692
34	07XXXXXXXXXX1ZH	15	4860
35	07XXXXXXXXXX2Z0	114	0
36	07XXXXXXXXXX1ZU	44	-
37	07XXXXXXXXXX1ZC	40	-
38	07XXXXXXXXXX1ZC	71	-
39	07XXXXXXXXXX1ZA	28	-
40	07XXXXXXXXXX1Z0	203	-
<b>Total</b>			<b>468881673</b>

**Annexure 1.19**  
**(Referred to in paragraph 1.3.7.3 (I) (a))**  
**Non Payment of Interest on Delayed Payment of Tax for the F.Y 2017-18**  
**(07XXXXXXXXXX2ZF)**

Sl. No.	Month	Tax Liability As per GSTR 1 (IGST)	Delay in Days	Interest to be paid @18% (₹)
1	Jul-17	181081.64	902	80549
2	Aug-17	127009.66	876	54868
3	Sep-17	176913.92	846	73809
4	Oct-17	308781.3	815	124105
5	Nov-17	987048.44	785	382109
6	Dec-17	691796.46	752	256552
7	Jan-18	195672.86	723	69768
8	Feb-18	646797.8	695	221683
9	Mar-18	331365.36	664	108506
<b>Total</b>				<b>1371950</b>

**Annexure 1.20**  
**(Referred to in paragraph 1.3.7.3 (I) (a))**  
**Non payment of Interest on Delayed payments**

Sl. No	GSTIN	Ward	No. of GSTRB returns filed late late	Range of delays in days	Interest on cash component of tax paid (₹)
1	07XXXXXXXXXX1ZF	63	2	29 to 31	6440
2	07XXXXXXXXXX1Z0	208	2	6 to 11	26328
3	07XXXXXXXXXX1ZA	76	4	9 to 85	39313
4	07XXXXXXXXXX1ZC	71	1	80	42787
5	07XXXXXXXXXX1Z7	208	1	2	2446
6	07XXXXXXXXXX2Z0	114	1	220	60485
7	07XXXXXXXXXX2ZW	4	2	12 to 34	14961
8	07XXXXXXXXXX1ZH	15	2	7 to 31	856
9	07XXXXXXXXXX1Z6	101	1	1	1234
10	07XXXXXXXXXX1ZM	1	3	1 to 32	1283323
11	07XXXXXXXXXX1ZD	203	2	3 to 9	39240
12	07XXXXXXXXXX1Z0	203	1	1	14853
13	07XXXXXXXXXX1Z4	40	2	3 to 34	443
14	07XXXXXXXXXX1Z7	61	1	186	34019
15	07XXXXXXXXXX1ZG	94	3	1 to 7	1297
16	07XXXXXXXXXX1ZL*	105	4	39-97	18976
17	07XXXXXXXXXX1ZK*	205	12	649	1567368
<b>Total</b>					<b>3154369</b>

**Annexure 1.21**  
**(Referred to in paragraph 1.3.7.3 (II) (a))**  
**Non reversal of ITC shown reversed in GSTR 9**

Sl. No.	GSTIN	Reference of GST Returns	ITC shown as reversed but not reversed by the taxpayers	Days	Interest @18% (₹)
1	07XXXXXXXXXX1ZU	Table 12 of GSTR-9	12222036	1065	6419080
2	07XXXXXXXXXX1ZU	Table 7H1 of GSTR-9	2682260	1114	1473553
3	07XXXXXXXXXX2ZF	Table 12 of GSTR-9	2216094	1065	1163905
4	07XXXXXXXXXX1ZL	Table 12 of GSTR-9	95148	1060	49738
5	07XXXXXXXXXX1Z4	Table 12 of GSTR-9	18760	1061	9816
<b>Total</b>			<b>17234298</b>		<b>9116091</b>

**Annexure 1.22**  
**(Referred to in paragraph 1.3.7.3 (II) (b))**  
**Excess Input Tax Claimed against liability paid under Reverse Charge Mechanism**

Sl. No.	GSTIN	ITC Claimed Under RCM as per Table 4A(2)+Table 4A(3) of GSTR-3B of Year 2017-18 (₹)	Tax Paid as per table 6.1B of GSTR-3B of year 2017-18 under reverse charge (₹)	Excess ITC Claimed under RCM (₹)	Days	Interest @18% (₹)
1	07XXXXXXXXXX1Z0	7816629	6344612	1472017	1067	774563
3	07XXXXXXXXXX1ZU	1351160	0	1351160	1065	709637
2	07XXXXXXXXXX1ZE	358693	0	358693	1060	187503
4	07XXXXXXXXXX1ZL*	Not eligible to claim ITC under RCM		1200000	1060	627288
<b>Total</b>				<b>4381870</b>		<b>2298991</b>

\*see illustration in para no. 6.1.7.II.b (ii) of the report on SSCA on GST payment and return filing.

**Annexure 1.23**  
**(Referred to in Table 1.3.9)**

**Excess ITC claimed due to Mismatch in ITC as per return GSTR-3B & GSTR-2A**

Sl. No.	GSTIN	Ward	Net ITC availed after Reversal (GSTR 3B table 4A(5)+GSTR9 table 8C-GSTR3B table 4B(2) for period 2017-18-table 12 of GSTR9 -DRC03 (if any) (₹)	ITC available as per GSTR2A for 2017-18 (₹)	Excess ITC Availed (₹)
1	07XXXXXXXXXX1ZR	203	541087961	469116241	71971721
2	07XXXXXXXXXX1ZE	61	26058034	6368607	19689427
3	07XXXXXXXXXX1Z4	40	21023297	3482204	17541093
4	07XXXXXXXXXX1ZL	105	56374146	41159364	15285200
5	07XXXXXXXXXX2ZF	203	74229169	60143744	14085425
6	07XXXXXXXXXX1Z1	205	226263055	214130329	12235772
7	07XXXXXXXXXX1ZA	76	19159873	9149997	10009876
8	07XXXXXXXXXX1ZP	84	12406266	2501196	9905070
9	07XXXXXXXXXX1Z0	208	54866987	47720331	9264255
10	07XXXXXXXXXX1Z0	206	27759492	21523877	6235615
11	07XXXXXXXXXX2ZW	4	10409059	4799665	5609394
12	07XXXXXXXXXX1Z6	72	7820712	3991630	3829082
13	07XXXXXXXXXX1Z0	94	9007032	5717959	3289072
14	07XXXXXXXXXX1ZI	1	5636730	4358118	3036339
15	07XXXXXXXXXX1ZF	63	5046120	2024134	3021986
16	07XXXXXXXXXX1ZX	32	5139684	2755100	2384584
17	07XXXXXXXXXX1Z7	208	3598536	1241890	2356646
18	07XXXXXXXXXX1Z6	63	5109346	2922269	2271286
19	07XXXXXXXXXX1ZU	208	13563387	11377173	2186214
20	07XXXXXXXXXX1ZH	92	10003382	8034310	1969072
21	07XXXXXXXXXX1Z7	61	2504458	1004149	1500309
22	07XXXXXXXXXX2ZZ	90	2352063	1251554	1100505
23	07XXXXXXXXXX1Z3	84	4391691	3362131	1029560
24	07XXXXXXXXXX1ZZ	58	3720922	2705922	1015000
25	07XXXXXXXXXX1ZD	203	86708826	87596856	981723
26	07XXXXXXXXXX1ZK	205	25867508	25781367	226558
27	07XXXXXXXXXX1ZG	94	3460749	6760488	61127
28	07XXXXXXXXXX1ZC	12	1038488	1024588	13900
29	07XXXXXXXXXX1ZC	79	3442521	3463963	7692
30	07XXXXXXXXXX1ZH	15	139225	134365	4860
<b>Total</b>					<b>222118364</b>

**Annexure 1.24**  
**(Referred to in Table 1.3.9)**  
**Short/no reversal of ITC in lieu of common inputs for taxable and exempted/nil supplies**

Sl. No.	GSTIN	Ward	(ITC pertains to Nil/exempt supply) and needs to be reversed. (₹) Methodology: [GSTR 9 Table (5D+5E)/ GSTR 9 Table (5N-5F)] X [GSTR 9 Table 6A + Table 8C (-) (the sum of Table 4D (2) of GSTR 3Bs + GSTR 9 Table 7E + Table 12)]	ITC reversed shown in Table 7C+7D of GSTR9) or ITC reversed in GSTR 3B under table 4B (1) (₹)	Short Reversal/No Reversal of ITC pertains to Nil/ Exempt Supplies (₹)
1	07XXXXXXXXXX1ZK*	105	1223597199	301122773	922474466
2	0XXXXXXXXXXF1Z1	205	58750186	0	58750186
3	07XXXXXXXXXX1ZL	105	30758931	7441971	23316960
4	07XXXXXXXXXX1ZM	1	6371944	245880	6126064
5	07XXXXXXXXXX1ZX	63	3833200	0	3833200
6	07XXXXXXXXXX1ZU	208	12722252	9253541	3468711
7	07XXXXXXXXXX1ZD	203	3013158	0	3013158
8	07XXXXXXXXXX1ZZ	58	2305516	0	2305516
9	07XXXXXXXXXX1ZO	208	351130	90659	260471
10	07XXXXXXXXXX1ZA	28	3220	0	3220
<b>Total</b>					<b>1023551952</b>

\*The taxpayer reversed the ITC of ₹ 92.25 crore

**Annexure 1.25**  
**(Referred to in Table 1.3.9)**  
**Wrong apportionment of Credit**

	Description	IGST (₹)	CGST (₹)	SGST (₹)	Total (₹)
1 GSTIN NO- 07XXXXXXXXXX1Z7	1. ITC Availed by tax payer in GSTR 3B table 4A (5) during FY 2017-18.	11362301	21620151	21616351	
	2. ITC availed during 2018-19 under table 8C of GSTR-9, for FY 2017-18.	9853081	5372189	5372189	
	3. Net reversal Done during 17-18 under table GSTR 3B table 4B(2) and during 18-19 for period 2017-18 as per GSTR 9 table 12 (Net reversal includes ITC shown reversed under table 7I of GSTR-9)	11443594	13689015	13683305	
	4. Net ITC availed by tax payer for the period 2017-18 after adjusting aforesaid reversals. (1+2-3)	9771788	13303325	13305235	
	5. ITC available as per GSTR 9 table 8A	15819367.9	23080283	23080282.3	
	6. 50% of eligible ITC as per section 17(4). I.e. ITC available to Taxpayer for claim. (50% of 5)	7909684	11540141	11540141	
	7. Excess ITC claimed By taxpayer. (4-6) during FY 2017-18 under GST Act.	<b>1862104</b>	<b>1763184</b>	<b>1765094</b>	<b>5390382</b>
2. GSTIN NO- 07XXXXXXXXXX1ZB	1. ITC Availed by tax payer in GSTR 3B table 4A(5)	43279313.1	5250420	5250420.21	
	2. ITC availed during 2018-19 under table 8C of GSTR-9, for FY 2017-18.	603925.05	765252.7	765252.68	
	3. Net reversal Done during 17-18 under table GSTR 3B table 4B(2) and during 18-19 for period 2017-18 as per GSTR 9 table 12 (Net reversal includes ITC shown reversed under table 7I of GSTR-9)	6432412	7472506	7472506	
	4. Net ITC availed by tax payer for the period 2017-18 = (1+2-3)	37450826	0	0	
	5. ITC available as per comparison sheet available on portal	72317605	13340941	13355572	
	6. 50% of eligible ITC as per section 17(4). I.e. ITC available to Taxpayer for claim. (50% of 5)	36158802	6670470	6677786	
	7. Excess ITC claimed By taxpayer. (4-6) during FY 2017-18 under GST Act.	<b>1292024</b>	<b>0</b>	<b>0</b>	<b>1292024</b>
3. GSTIN No. 07XXXXXXXXXX1ZB	1. ITC Claimed Under RCM under table 4A(3) of GSTR-3B	780536.98	4224499	4224498.72	
	2. ITC available as per comparison sheet available on portal	786927	4535502	4535502	
	3. ITC allowed Under RCM after apportionment as per rule 17(4) i.e. 50% of eligible ITC	393463	2267751	2267751	
	4. Excess ITC Claimed. (1)-(2)	387074	1956748	1956748	<b>4300569</b>
<b>Total Excess ITC claimed (1+2+3)</b>		<b>3541202</b>	<b>3719931</b>	<b>3721841</b>	<b>10982974</b>

**Annexure 1.26**  
(Referred to in paragraph 1.3.7.3 (III) (a))  
**Short discharge/non discharge of Tax liability by the tax payer As per Return GSTR-9 and GSTR-3B**

Sl. No.	GSTIN	Tax to be paid by Tax payer (Table 4N-4G +Table 10-Table 11 of GSTR 9 (₹))	Tax Paid (Table 9+Table 14 of GSTR 9+DRC03-Table 6B of GSTR 3B (₹))	Short paid Tax (₹)	No. of Days	Interest @18% (₹)
1	07XXXXXXXXXX1Z4	18056229	417457	17657610	1061	9239042
2	07XXXXXXXXXX1Z0	21542112	4092482	17449630	1061	9130220
3	07XXXXXXXXXX1ZC	41090609	30392961	10697648	1044	5507677
4	07XXXXXXXXXX1Z7	29835093	24411968.76	5423124	1052	2813487
5	07XXXXXXXXXX1ZA	33659433	29099277	4560156	1059	2381526
6	07XXXXXXXXXX1Z3	3898163	1050	3897113	1062	2041020
7	07XXXXXXXXXX1ZU	7810208	4854417.28	2955791	1079	1572805
8	07XXXXXXXXXX1ZF	9102316	6603151	2499165	1223	1507304
9	07XXXXXXXXXX1ZU	13431821	11755261	1676560	1065	880538
10	07XXXXXXXXXX2Z0	12011263	10337595	1673669	1066	879845
11	07XXXXXXXXXX1ZD	59728056	58850068	895872	955	421919
12	07XXXXXXXXXX1ZZ	3645366	2786521	858845	1060	448952
13	07XXXXXXXXXX1Z0	7700381	7596388	235727	1139	132407
<b>Total</b>				<b>70480909</b>		<b>36956743</b>

**Annexure 1.27**  
(Referred to in paragraph 1.3.7.3 (III) (b))  
**Short Discharged/Not Discharged tax liability under Reverse Charge Mechanism**

Sl. No.	GSTIN	Tax to be paid as per Table 4G of GSTR-9 (Liability Under RCM) (₹)	Tax Paid as per table 6.1B of GSTR-3B (RCM) (₹)	Short Paid Tax (Under RCM) (₹)	Days	Interest @18% (₹)
1	07XXXXXXXXXX2ZF	1920442	1615160	305282	1066	160486
2	07XXXXXXXXXX1ZU	4203717	4101591	262516	1079	139687
3	07XXXXXXXXXX1ZC	11715	0	11715	1104	6378
<b>Total</b>				<b>579513</b>		<b>306552</b>

**Annexure 1.28**  
**(Referred to in paragraph 1.3.7.3 (III) (c) (i))**  
**Short discharge/Non Payment of Tax liability (GSTR 1 vs GSTR 3B Mismatch)**

Sl. No.	GSTIN	Liability as per GSTR1 (₹)	Liability Discharged as per GSTR 3B (₹)	Undischarged Liability (₹)
1	07XXXXXXXXXX1ZP	170090281	12402232	157688049
2	07XXXXXXXXXX1ZM	2116221512	2057379653	58841859
3	07XXXXXXXXXX1ZG	7687358	3460749	6609327
4	07XXXXXXXXXX1Z6	94167130	90164803	4002327
5	07XXXXXXXXXX1Z6	3404423	0	3404423
6	07XXXXXXXXXX1ZI	3063892	2327314	736578
7	07XXXXXXXXXX2ZF	178548127	177833134	714993
8	07XXXXXXXXXX1Z6	645732	0	645732
9	07XXXXXXXXXX1ZB	73573110	73133168	641801
10	07XXXXXXXXXX1Z1	229294148	228710224	583924
11	07XXXXXXXXXX1ZE	2855989	2644667	211322
<b>Total</b>				<b>234080336</b>

**Annexure 2.1**  
**(Referred to in paragraph 2.1.1)**  
**Statement showing details of Departments and respective PSUs and other entities**

Sl. No.	Name of Department (s)	Name of Public Sector Undertaking (PSUs)	Name of other entities (Autonomous Bodies/ Authorities, etc.)	Total of PSUs/ other entities
1	2	3	4	5=3+4
1.	Public Works Department	-	-	-
2.	Irrigation and Flood Control Department	-	-	-
3.	Urban Development	1. Shahjahanabad Redevelopment Corporation Limited	1. Delhi Urban Shelter Improvement Board 2. Delhi Jal Board	3
4.	Power Department	1. Indraprastha Power Generation Company Limited 2. Pragati Power Corporation Limited 3. Delhi Power Company Limited 4. Delhi Transco Limited	1. Delhi Electricity Regulatory Commission	5
5.	Tourism Department	1. Delhi Tourism and Transportation Development Corporation	1. Delhi Institute of Hotel Management and Catering Technology	2
6.	Archeology Department	-	-	-
7.	Delhi Archives	-	-	-
8.	Art, Culture and Language	-	1. Hindi Academy 2. Punjabi Academy 3. Urdu Academy 4. Sanskrit Academy 5. Sindhi Academy 6. Sahitya Kala Parishad 7. Dr. Goswami Girdhari Lal Shastri Prachya Vidyalaya Pritisthan 8. Bhojpuri & Maithili Academy	8
9.	Trade & Taxes Department	-	-	-
10.	State Excise and Expenditure	-	-	-
11.	Department of Finance	1. Delhi Financial Corporation	1. Delhi kalyan Samiti	2
12.	Department. of Planning	-	-	-
13.	Directorate of Economics & Statistics	-	-	-
14.	Home Department	-	-	-
15.	Department. of Law, Justice and Legislative. Affairs	-	1. Delhi Legal Service Authority (DLSA)	1
16.	Registrar General, Delhi High Court	-	-	--

Sl. No.	Name of Department (s)	Name of Public Sector Undertaking (PSUs)	Name of other entities (Autonomous Bodies/ Authorities, etc.)	Total of PSUs/ other entities
17.	Directorate Of Prosecution	-	-	-
18.	Directorate of Vigilance and Anti Corruption	-	-	-
19.	Revenue Department	-	-	-
20.	Chief Electoral Office	-	-	-
21.	Secretariat of Vidhan Sabha, .	-	-	-
22.	General Administrative Department	-	-	-
23.	Department of Administrative Reforms	-	-	-
24.	Secretariat of Lt. Governor.	-	-	-
25.	Lokayukta	-	-	-
26.	Public Grievance Commission	-	-	-
27.	Department of Information and Publicity	-	-	-
28.	Land and Building Department	-	-	-
29.	Department of Industries	<ol style="list-style-type: none"> <li>1. Delhi State Industrial and Infrastructure Development Corporation</li> <li>2. Delhi Creative Arts Development Ltd (Non-Functional)</li> <li>3. DSIIDC Energy Ltd. (Non-Functional)</li> <li>4. DSIIDC Maintenance Ltd (Non-Functional)</li> <li>5. DSIIDC Liquor Ltd (Non-Functional)</li> </ol>	-	5
30.	Department of Information Technology	1. Geospatial Delhi Ltd	-	1
31.	Department of Health and Family Welfare	-	<ol style="list-style-type: none"> <li>1. Institute of Liver and Biliary Science</li> <li>2. Institute of Human Behaviour &amp; Allied Science</li> <li>3. Delhi State Cancer Institute</li> <li>4. Delhi State Health Mission - GIA for Aam adami mohalla clinic &amp; Aam adami Mohalla Society (Society came into existence wef 2020-21)</li> </ol>	14

Sl. No.	Name of Department (s)	Name of Public Sector Undertaking (PSUs)	Name of other entities (Autonomous Bodies/ Authorities, etc.)	Total of PSUs/ other entities
			5. Delhi State Health Mission (GIA)(State share)-NUHM & DSHM	
			6. Rajiv Gandhi Super Specialty GTB Hospital	
			7. Maulana Azad Institute of Dental Sciences	
			8. Super Speciality Hospital, Janakpuri	
			9. Chacha Nehru Child hospital	
			10. Chaudhary Braham Prakash Delhi Ayurvedic Charak Sansthan	
			11. Centralised Accedent and Trauma Scervices (CATS)	
			12. Rogi Kalyan Samiti (GIA)	
			13. Indraprastha Vyavasyik Evam Paryavarneeya Swasthaya Samiti (IVPSS)	
			14. Delhi Aids control society	
32.	Social Welfare	-	-	
33.	Department of Women & Child Development	-	1. Delhi Commission for Women	2
			2. Delhi State Child Protection Society	
34.	Department for the Welfare of SC/ST/Minorities	1. Delhi SC/ST/OBC/ Minorities & Handicapped Financial & Development Corp. (DSFDC)	-	1
35.	Education	-	1. Universal Elementary Education Mission (UEEM) (GIA)	3
			2. State Council of Education, Research and Training (GIA)	
			3. Delhi Board of Secondary Education	
36.	Higher Education	-	1. Guru Gobind Singh Indraprastha University (GIA)	15
			2. Dr. BR Ambedkar University (GIA)	
			3. National Law school University (GIA)	
			4. Aditi Mahavidyalaya (GIA)	
			5. Maharaja Agarsen College (GIA)	
			6. Maharishi Valmiki College of Education (GIA)	

Sl. No.	Name of Department (s)	Name of Public Sector Undertaking (PSUs)	Name of other entities (Autonomous Bodies/ Authorities, etc.)	Total of PSUs/ other entities
			7. Deen Dayal Upadhy College (GIA)	
			8. Shahid Sukhdev College of Business College (GIA)	
			9. Shahid Rajguru College of App. Sciences for Women (GIA)	
			10. Keshav Mahavidyala (GIA)	
			11. Bhaskaracharya College for Applied Science (GIA)	
			12. Bhagini Nivedita College (GIA)	
			13. Bhim Rao Ambedkar College (GIA)	
			14. Acharya Narendra Dev College (GIA)	
			15. Delhi Institute of Heritage, research and Management (GIA)	
37.	Training and Technical Education	-	1. Netaji Subash University of Technology (GIA)	6
			2. Indraprastha Institute of Information Technology Delhi (Loan)	
			3. Delhi Technological University (GIA)	
			4. Delhi Institute of Tool Engineering (GIA)	
			5. Society for Self Employment (GIA)	
			6. Indira Gandhi Delhi Technical University for Women (GIA)	
38.	Services Department	1. Intelligent Communication System India Limited (ICSIL)	-	1
39.	Department of Labour	-	1. Delhi Building and Other Construction Workers Welfare Board (Cess Collection)	2
			2. Delhi Labour Welfare Board (GIA)	
40.	Directorate of Employment	-	-	
41.	Department of Food, Civil supply and Consumer Affairs	1. Delhi State Civil Supplies Corporation Limited (DSCSC)	-	1
42.	Development Department	-	1. Animal Welfare Advisory Board (GIA)	1
43.	Directorate of Agricultural Marketing	-	-	-

Sl. No.	Name of Department (s)	Name of Public Sector Undertaking (PSUs)	Name of other entities (Autonomous Bodies/ Authorities, etc.)	Total of PSUs/ other entities
44.	Directorate of Weights and Measures	-	-	-
45.	Registrar Co-operative Societies	-	-	-
46.	Department of Forest and Wild Life	-	-	-
47.	Department of Environment	-	1. Delhi Parks & Gardens Society 2. Mahatma Gandhi Institute for Combating Climate Change (erstwhile Mahatma Gandhi Institute of Integrated Rural Energy Planning & Development)	2
48.	Transport Department	1. Delhi Transport Corporation (DTC) 2. Delhi Transport and Infrastructure Development Corporation Limited (DTIDC)	1. DTC Pension Trust 2. DTC EPF Trust	4
<b>Total</b>				<b>79</b>

**Annexure 2.2**  
**(Referred to in paragraph 2.2.5.2 (ii))**  
**AAMCs remained closed due to shortage of Medical practitioner**

**South & North East Districts**

Sl. No.	Name of AAMC	Period of Closure	No. of months	No. of Days AAMCs Closed	Reason
1	AAMC E-5, Dakshinpuri	Dec-2018 - Jan 2019 to Jan-Feb 2019	03	90	Doctor Resigned
2	AAMC F-137, Jawar Park	21.02.2020 to 20.06.2020	04	120	Doctor Resigned
3	AAMC G-1102/c Aya Nagar	March-April 2020 to January-Feb 2021 & March- April 2021 to Aug-Sep 2021	19	570	Doctor Resigned
4	AAMC Sultanpur	March-April 2020 to Dec-Jan 2021	11	330	Doctor Resigned
5	AAMC DDA Flat Khirki	March-April 2020 to Dec-Jan 2021	11	330	Doctor Resigned
6	AAMC Archana Complex	Feb-March 2021 to June-July 2021	06	180	Doctor on Maternity Leave
7	AAMC Ghandi Park, Hauz Rani	Oct- Nov 2020 to Dec-Jan 2021	04	120	Denied of Doctor
8	AAMC E-228 Bhati Mines (Evening Shift)	May-June 2021 to till date	23	690	Doctor Resigned
9	AAMC Andheria More – (Evening shift)	July 2022 to 18.01.2023	06	180	Doctor Transferred
10	AAMC E-5, Dakshinpuri	03.10.2022 to till date	07	210	Doctor's leave/ absence
11	AAMC Old MB Road, Lado Sarai	12.01.2023 to till date	04	120	Doctor Resigned
12	AAMC F-137, Jawahar Park	24.01.2023 to 20.03.2023	02	60	-do-
13	AAMC Green Park Extn	21.03.2023 to till date	02	60	-do-

**West District**

Sl.No.	Name of AAMC	Period of Closure	No. of Days	Reason
1	Aryan garden road, Uttam Nagar	19-08-2019 to 28-09-2019	40	Doctor was De-empanelled
2	NihalVihar, Thana Road, PaschimVihar	21-12-2020 to 05-01-2021 21-08-2021 to 20-09-2021	45	Reason was not mentioned
3	E-3/62, Shiv Ram Park	24-06-2020 to 15-01-2021	205	Reason was not mentioned
4	Baprualla, Dusib Land, Rajiv Ratan Yojna Flats	21-04-2019 to 05-06-2019	44	Doctors resignation
5	Subhashnagar Govt. School, BeriwallaBagh	21-08-2019 to 12-09-2019	22	Resignation
6	Raja garden on Ring Road near Foot Bridge ( Moti Nagar)	21-06-2020 to 24-07-2020	33	Doctor de-empanelled
7	DJB Site, O Block, Mohan Garden	21-01-2021 to 18-02-2021	28	Doctor was detailed to other AAMC
8	RZB-149, NihalVihar	23-04-2020 to 14-06-2021	417	Reason was not mentioned
9	RZF 168, Satsang Road, NihalVihar	14-12-2022 to 31-12-2022	17	Doctor on leave

Sl.No.	Name of AAMC	Period of Closure	No. of Days	Reason
10	Jwalaheri Container, Opp. Mother Divine School, PaschimVihar	04-04-2020 to 20-05-2020 21-10-2020 to 15-01-2021	132	Doctor resignation
11	Punjabi PunarwasBasti, Peeragarhi Relief camp	25-02-2023 to 20-03-2023	23	Doctor was on leave
12	DJB Site, Q-Block, Mohan Garden	04-11-2020 to 20-11-2020	16	Doctor was on leave
13	TikriKalan, MPCC site Gram Sabha	20-02-2020 to 20-05-2020 21-04-2021 to 18-08-2021	209	Doctor de-empanelled
14	AAMC at DUSIB site F-Block HarKishan ITI College	21-12-2021 to 24-01-2022	33	Doctor resigned
15	AAMC I & FC site Bhim Nagar, , Nangloi	14-03-2020 to 17-04-2020	34	Doctor resigned
16	AAMC, BG-6 PaschimVihar	21-04-2021 to 20-05-2021	30	Doctor on leave
17	AAMC Budh Bazaar Road, DJB Site, Nangloi	22-03-2020 to 17-06-2020	87	Doctor on leave
18	DJB site AAMC Backside, Block- C VikasPuri	21-11-2020 to 08-03-2021	107	Doctor resigned
19	Gram Sabha Land, Village, Nilothi	20-08-2020 to 12-10-2020	53	Doctor on leave
20	DJB Site, camp no. 01 NangloiJat	26-11-2020 to 18-12-2020	22	Doctor on leave
21	DJB Site, near Bhagwati Park, Madipur village (DGD Madipur)	21-03-2022 to 20-04-2022	30	Doctor on leave
22	IFCD site-Nalah Opp. Vikaspuri, Near Narula Ice-Cream Parlour	21-01-2020 to 24-02-2020	34	Doctor resigned
23	AAMC, Kamla Nehru Camp, Kirtinagar	19-11-2022 to 17-12-2022	28	Doctor on leave
24	AAMC,BVK Jawahar Camp, Kirti Nagar (NEW SITE)	24-10-2020 to 19-11-2020	26	Doctor on leave
25	AAMC ShivanandBasti, Punjabi Bagh, Delhi (NEW SITE)	11-12-2022 to 12-01-2023	32	Doctor De-empanelled
<b>Total</b>			<b>1747</b>	

**South-West District**

Sl. No.	Name	Period	Days	Reason
1	Jhatikara	From 25.11.2022 to 15.05.2023	171	Doctor Resignation
2	Qutub Vihar Phase II, Hanuman Chowk₹	21.01.2023 to 15.05.2023	114	Doctor Resignation
3	Shyam Vihar	20.01.2022 to 15.05.2023	480	Doctor Resignation

**Annexure 2.3**  
**(Referred to in paragraph 2.2.5.2 (v))**  
**Un-availability of Essential Drugs in AAMCs**

Sl. No.	Name of AAMC	No. of Essential Drugs	No. of Essential medicines available at AAMC	Drugs available in per cent
1	DJB Site, near Bhagwati Park, Madipur village.	165	156	95
2	JJ Cluster Tigri - 00265	184	170	92.4
3	Khasra No. 50, Chattarpur AAMC-00277	165	150	90.91
4	V-165, BHAGWATI VIHAR SECTOR-A NEAR GULAB MASJID, UTTAM	165	148	90
5	Gali No. 4, DDA Flats Madangir AAMC-00486	165	148	89.7
6	AAMC, Govt. Co-ed Senior Secondary School, Rawta	165	144	88
7	Jharoda Kalan	165	144	88
8	Rental AAMC, Plot No. 324 Aryan Garden Raod, Om Vihar Uttam Nagar	165	145	88
9	AAMC BVK, Paschim Puri, Quarter. Paschim	165	146	88
10	Hemkunt Colony AAMC-00292	165	144	87.27
11	Aaya Nagar, Siv Hansa Chowk – 00273	165	143	86.67
12	Ujwa	165	141	86
13	AAMC 12- Block Tilak nagar	165	142	86
14	AAMC Shivanand Basti, Punjabi Bagh, Delhi	165	142	86
15	DJB site, Gali numkber 7, near girl primary school number-2, Kapashera	165	140	85
16	DUSIB LAND, SRC COLONY BAKKARWALA (AC-31 VIKASHPURI)	165	141	85
17	Gram Sabha Land, Multi Purpose Community Centre Village, Hirankudna	165	140	85
18	Aya Nagar AAMC-00492	165	139	84.24
19	Plot No. 36, Khasra No. 48/15/2, Gopal Nagar, Vill. Haibat Pur, Najafgarh	165	136	83
20	Issapur	165	135	82
21	DJB Site, Basant Singh Park, Janakpuri, Virender Nagar	165	134	81
22	Dindarpur	165	129	79
23	AAMC B-5, Shiv Vihar, Col Bhatia Road, Tyagi Chowk	165	130	79
24	AAMC Gali No-9, Chanchal Park, Bakkaewalla, Vikas Puri	165	130	79
25	AAMC Gali No-9, Kh. No. 79/20 Chanchal Park, Bakkaewalla, Vikas Puri	165	130	79
26	DJB Site near Vikrant Enclave Hari Nagar.	165	131	79
27	Archna Complex, Graeter Kailash, Near NDTV office – 00287	165	130	78.79
28	E 2/10 DUSIB Premises, Madan Gir AAMC-00270	165	130	78.79

Sl. No.	Name of AAMC	No. of Essential Drugs	No. of Essential medicines available at AAMC	Drugs available in per cent
29	Deendarpur Hospital Site,Near goyala dairy	165	128	78
30	School ID:1822003, Sarvodya Senior Secondary School, Surera (AC-35,	165	128	78
31	AAMC B-43, AS/F, Vikas Nagar	165	128	78
32	A-5B MARBLE BLOCK VIKAS NAGAR N.D. 59	165	128	78
33	AAMC, RZD-87A/1 Dabri Extn. Gali No. 9, New Delhi	165	127	77
34	DJB Plot, Dera Village – 00271	165	127	76.97
35	DJB Site, Camp No.10, Y-block Nangloi Jat.	165	123	75
36	MB Road, Lado Sarai – 00267	165	123	74.55
37	Shastri Park - AAMC-00125	165	123	74.55
38	AAMC Jwala heri, Opposite Divine Public school, Major Ashwini Kanv	165	122	74
39	H.Np-49, Raksha Enclave, Nehru Chouk, Mohan Garden, Uttam nagar,	165	120	73
40	AAMC, H. NO. 33, Pochanpur, Near Harizan Choupal, Sec-23 Dwarka,	165	116	71
41	Kazipur	165	117	71
42	AAMC C-62, ADHYAPAK NAGAR, NANGLOI, NEW DELHI	165	117	71
43	AAMC E-3/62, Shiv Ram Park, Nangloi	165	117	71
44	DUSIB Site, F-Block, Tilak Nagar.	165	117	71
45	H NO 243 NEAR HOLI CHOWK BAKKARWALA DELHI 41	165	117	71
46	Jiwanpur kardam Farm - AAMC-00145	165	117	70.91
47	Phase 10, Shiv Vihar – 00128	165	116	70.3
48	Toot Sarai AAMC-00282	165	115	69.7
49	Shiv Vihar Phase-03 - AAMC-00132	165	115	69.7
50	Kh No. 349, Chandanhulla -00279	164	113	68.91
51	Plot No-34B, Guru Nagar, Najafgarh	165	109	67
52	AAMC Peeragarhi Relief camp Rohtak Road , Punjabi punarwas basti	165	110	67
53	DJB Site, Reserve Bank Enclave, Paschim Vihar	165	109	66
54	Govt Scool, Beri Wala Bagh, subhash nagar	165	108	65
55	AAMC, 100A Dwarka Vihar Colony, Phase 1, Najafgarh, New Delhi	165	103	63
56	Shikarpur	165	98	60
57	H No 2 Munrika Kunj Dinpur , Najafgrah	165	96	59
58	Arvind Mohalla, 00136	192	113	58.85
59	Andheria Mod, Mehrauli – 00298	165	95	57.58
60	Brahman Mohalla, Shabapur – 00147	165	92	55.76
61	Dhansa	165	90	54
62	AAMC E-159, A MANSARAM PARK,	165	87	53

Sl. No.	Name of AAMC	No. of Essential Drugs	No. of Essential medicines available at AAMC	Drugs available in per cent
	UTTAM NAGAR, NEW DELHI			
63	DJB Site Palam Village Tube well No.1	165	85	52
64	AAMC, Nangloi, Najafgarh Road	165	85	52
65	Shanti Nagar, Shiv Vihar- 00133	195	100	51.28
66	C-229, LAXMI PARK, NANGLOI, WEST DELHI	165	83	50
67	Buland Majid - AAMC-00143	165	82	49.7
68	Karaval Nagar - AAMC-00121	165	82	49.7
69	Hasanpur	165	80	49
70	AAMC RZ-E-244, Thanewali Road, Nihal Vihar	165	81	49
71	F-137, Jawahar Park, Deoli Road – 00294	165	80	48.49
72	Amar Vihar - AAMC-00131	165	76	46.06
73	Rama Garden - AAMC-00144	165	73	44.24
74	Balmiki Mandir Savitri Nagar - AAMC-00291	165	65	39.39

**Annexure 2.4**  
**(Referred to in paragraph 2.2.5.2 (vii))**  
**Inventory Management in AAMCs**

**South-West District**

Sl. No.	Name of AAMC	No. of expired drugs	Quantity
1	AAMC, Govt. Co-ed Senior Secondary School, Rawta	01	37
2	Deendarpur Hospital Site, Near goyala dairy	12	2426
3	Jharoda Kalan	07	849
4	Plot No. 36, Khasra No. 48/15/2, Gopal Nagar, Vill. Haibat Pur, Najafgarh	02	1505
5	H.Np-49, Raksha Enclave, Nehru Chouk, Mohan Garden, Uttam nagar,	03	1315
6	Rental AAMC, Plot No. 324 Aryan Garden Raod, Om Vihar Uttam Nagar	01	200
7	V-165, Bhagwati Vihar Sector-A Near Gulab Masjid, Uttam	11	2960
8	AAMC B-5, Shiv Vihar, Col Bhatia Road, Tyagi Chowk	01	05
<b>Total</b>		<b>38</b>	<b>9297</b>

**West District**

Sl.No.	Name of AAMC	No. of expired drugs	Quantity
1.	AAMC BVK, Paschim Puri (Rental B-32/A, New S;I, Quarter. Paschim	07	872
2.	AAMC E-3/62, Shiv Ram Park, Nangloi	17	9077
3.	DJB Site, near Bhagwati Park, back site for Jheel Park, Madipur village.	06	4356
4.	DJB Site near Vikrant Enclave Hari Nagar.	3	260
5.	AAMC Jwala heri, Opposite Divine Public school, Major Ashwini Kanv	7	6255
6.	AAMC 12- Block Tilak nagar	6	1101
7.	AAMC Shivanand Basti, Punjabi Bagh, Delhi	2	360
8.	Govt Scool, Beri Wala Bagh, subhash nagar	03	Packet
9.	C-229, Laxmi Park, Nangloi, West Delhi	9	6566
10.	DJB Site, Camp No.10, Y-block Nangloi Jat.	3	833
11.	DJB Site, Basant Singh Park, Janakpuri, Virender Nagar	3	655
<b>Total</b>		<b>66</b>	<b>30335</b>

**North-East and South**

Sl. No.	Name of AAMC	No. of expired drugs	Quantity
1	Jiwanpur Kardam Farm – 00145	02	500
2	Shiv Vihar Phase 03 – 00132	05	1759
3	Brahman Mohalla Shabapur – 00147	01	100
4	Hemkunt Colony – 00292	17	4245
5	Toot Sarai – 00282	07	1874

Sl. No.	Name of AAMC	No. of expired drugs	Quantity
6	Balmiki Mandir Savitri Nagar – 00291	43	23045
7	Archna Complex, Greater Kailash (GK) – 00287	16	5750
8	Gali No. 4, DDA Flats Madangir, 00486	10	4114
9	E 2/10, DUSIB Premises, Madan Gir - 00270	13	8484
10	Aya Nagar – 00492	02	800
11	Khasra No. 50, Chattarpur - 00277	09	2437
12	Andheria Mod, Mehrauli – 00298	08	2863
13	Dera Village, Shiv Mandir – 00271	91	56500
14	MB Road, Lado Sarai – 00267	18	2500
15	Panchayat Ghar, Chandanhulla 00279	24	12080
16	Jawahar Park, Deoli road – 00294	101	37956
17	JJ Cluster, Tigri – 00263	11	2231
18	Aya Nagar, Shiv Hansa Chk -00273	13	9684
<b>Total</b>		<b>391</b>	<b>1,76,922</b>

**Annexure 2.5**  
**(Referred to in paragraph 2.2.7.4 (b))**  
**Shortage of medicines and surgical items in School Health Scheme**

Sl. No.	Name of Medicine/Surgical item	Out of stock		Status of out of stock in months
		From	To	
1.	Gel Antacid	01.06.16	25.05.17	11
		03.07.17	31.03.23	69
2.	Cap. Cephalexin 250 mg	01.04.16	20.07.16	3
		29.09.16	31.03.23	78
3.	Syp. Albendazole	01.04.06	31.03.23	84
4.	Adhesive plaster	01.04.16	20.07.16	3
		22.07.16	31.03.23	80
5.	Paraffin Gauze Pkt	01.04.16	21.07.16	3
		22.07.16	31.03.23	80
6.	Syp. Amoxicillin 40 mg	22.07.16	31.03.23	80
7.	Band Aid	22.07.16	31.03.23	80
8.	Inh. Asthalin	18.10.16	29.01.19	14
9.	Blood Grouping Gard	01.04.16	31.03.23	84
10.	Bandage 15*4	01.04.16	31.03.23	84
11.	Tab. Buscopan, 10 mg	01.04.16	14.11.22	80
12.	Lactulose 100 ml	01.04.16	31.03.23	84
13.	Syp. Levocetirizine	18.10.16	31.03.23	77
14.	Syp. Paracetamol	22.08.16	31.03.23	79
15.	Cream Permethrin. 30 mg	01.04.16	31.03.23	84
16.	Tab. Ranitidine, 150 mg	06.10.16	01.04.19	30
		01.10.19	31.03.23	42
17.	Eye drop Tobramycin	01.04.16	31.03.23	84
18.	Tab. Azithromycin 250 mg	01.04.16	20.07.16	3
		18.10.16	20.05.19	31
19.	Tab. Ibuprofen 400 mg 200 mg	05.10.18	31.03.23	54
		01.04.19	31.03.23	48
20.	Isoprofile Alcohol Swap	07.11.19	31.03.23	41
21.	Tab. Metoclopramide	15.02.21	27.11.22	20

**Annexure 2.6**  
**(Referred to in paragraph 2.2.8.3)**  
**Unequal distribution of health resources**

**CDMO North East**

SI No.	Name of the dispensary/Polyclinic	Targeted Population of the dispensary	Total doctors posted	Population per doctor
1	Polyclinic Arvind Nagar	58241	2	29120
2	Polyclinic Yamuna Vihar	54182	3	18060
3	DGD Bhagirathi Vihar	58146	1	58146
4	DGD Johripur	43649	2	21824
5	DGD Khajoori Khas	65958	2	32979
6	DGD Shiv Vihar Tiraha	21758	1	21758
7	DGD Gokalpuri	59848	2	29924

**CDMO West**

SI No.	Name of the dispensary	Targeted Population of the dispensary	Total doctors posted	Population per doctor
1	DGD Jawalपुरी	43087	3	14362
2	DGD Paschim Puri	36637	3	12212
3	DGD New Ranjit Nagar	20500	2	10250
4	DGD Ranjit Nagar	50807	2	25403
5	DGD Chowkhandi	53112	3	17704
6	DGD Tihar Jail Complex	40000	2	20000
7	DGD Tikri Kalan	40000	1	40000
8	DGD Baprolla	13455	2	6728

**Annexure 2.7**  
**Undue favour to agencies**  
**(Referred to in paragraph 2.4.1.2 (b) (i))**

- For the period of five months i.e. September 2020 to January 2021, monthly payment of ₹ 33.50 lakh (including GST @ 18 per cent) was released to the agency without verification of works done by the agency.
- Monthly payment of ₹ 33.50 lakh (including GST @ 18 per cent) was released to the agency for the period for February 2021 to May 2022 (16 months), without imposing any penalty for unsatisfactory work, by the committee formed to review the work of the agency.
- While reviewing the monthly docket of works done by agency, DIP did not observe that agency did not submit-the deployment reports of 37 personnel deployed during the month for different media and at different locations, the results of fact checking through engagement of outsourced agency, any collection of infographics and other graphical representation converted from Government data and information, and any weekly Effectiveness Analysis and Management Information System (MIS) reports to DIP, as required by RFP conditions.

**Annexure 2.8**  
**Undue favour to agencies**  
**(Referred to in paragraph 2.4.1.2 (b) (ii))**

- The agency started the work w.e.f 11 October 2021, against the work order of 04 August 2021. DIP, however, did not penalise the agency for delay in start of the work.
- Against the manpower requirement of 42 personnel for the work as per RFP, agency provided (September 2021) list of only 21 persons and deployed in October. DIP, however, did not penalise the agency for non-deployment of required manpower as per RFP.
- Agency did not provide the details of tools adopted by it for media tracking. Work inspection committee of DIP also pointed out many times that there was no record of number of Graphics (GFX) and when and where those GFX were run. DIP, however, did not penalise the agency for non-furnishing of media tracking record as per RFP.
- Evaluation committee of DIP observed that in the month of April 2022, agency used the Graphics prepared by M/s Planetcast (another agency engaged by DIP for managing live streaming of press conferences and events). DIP, however, did not penalise the agency for copyright violation, in violation of RFP.
- Agency did not submit- Annual Action Plan, weekly report on the social media strategy, operational plan for social media management, quarterly study on growth in number of followers/ Impressions/ Tagging Engagement etc. for GNCTD Social Media Handles and biometric attendance record, as required by RFP conditions.
- The agency was to raise the bills after Monthly review of Social and digital campaign. The review of work, however, followed the submission of bills by the agency, in violation of RFP conditions

## Annexure 2.9

(Referred to in paragraph 2.4.6)

## Details of advertisements released outside Delhi in All India Editions of Newspapers

(₹ in crore)

Sl. No.	FY	R.O. No.	Date of Advertisement	Subject	Amount as per Media Plan	Amount Paid	Amount yet to be paid
1	2020-21	18	16.07.20	Historical Delhi Govt. School class results	4.07	4.00	0.07
2	2020-21	28	15.08.20	Independence day	5.00	4.39	0.61
3	2020-21	35	05.09.20	Online Application Are Invited for Admission in Delhi Govt. School	1.29	1.27	0.02
4	2020-21	37	06.09.20	Delhi Govt Semi online classes	1.30	1.28	0.02
5	2020-21	103	26.01.21	Republic day 21	5.03	2.80	2.23
7	2021-22	53	15.08.21	Independence day 21	8.32	7.14	1.18
8	2021-22	85	28.08.21	Desh bhakti Curriculum in Delhi School	4.40	3.90	0.50
9	2021-22	87	02.10.21	Gandhi Jayanti 21	6.41	5.89	0.52
10	2021-22	101	17.02.22	Desh ke Mentor	4.97	4.60	0.37
11	2021-22	103	15.10.21	Dussehra Celebration- 21	5.03	3.50	1.53
12	2021-22	137	19.11.21	Guru Nank Birthday	5.20	4.63	0.57
13	2021-22	165	24.12.21	My Heartfelt Tributes to Baba Saheb Ambedkar	5.14	4.25	0.89
14	2021-22	166	25.12.21	Christmas Day	7.58	5.65	1.93
15	2021-22	208	16.02.2022	7 <sup>th</sup> Anniversary of Delhi govt.	7.22	0	7.22
16	2021-22	234	08.03.2022	Delhi's First Residential Sports School	1.90	0	1.90
17	2021-22	38	14.07.2021	Chief Minister Fellowship Program 21	0.97	0.90	0.07
18	2021-22	35	09.07.2021	Chief Minister Financial Assistance	3.79	3.32	0.47
19	2021-22	71	08.09.2021	Green Delhi Fellowship Program	0.29	0.29	0.00
				<b>Total</b>	<b>77.91</b>	<b>57.81</b>	<b>20.10</b>

**Annexure 2.10**  
**(Referred to in paragraph 2.5.3.3(ii))**  
**Items substituted with material of superior specifications**

(Amount in ₹)

Sl. No.	Agreement Item No.	Agreement Items	Substitute items	Agreement cost	Substituted item cost	Extra payment
1	2	3	4	5	6	7(6-5)
1	80	1st class teak or Berma teak	Superior quality berma teak	187970	700699	512729
2	82	Brass magnate door stopper	SS door stopper	15337	86971	71634
3	83	Brass lever handle yale make	SS handle	97940	639166	541226
4	83	Brass lever handle yale make	Brass handle with brassage make	104062	164624	60562
5	83	Brass lever handle yale make	SS finished brass handle	30606	249413	218807
6	86	Vitrified Floor tile	Italian Marble stone	551776	1466155	914379
7	93	Wall tiles	Marble stone for walls	2088172	6689222	4601050
8	96	Wood work in stair case railing	Wood work in stair case	25264	63481	38217
9	111	Thermostat shower mixer with 3 way diverter	Thermostat shower mixer with Hi-flow thermostat trim	438764	839350	400586
10	113	Single control basir faucet without drain stray series	Single control basin faucet with drain	128512	372929	244417
11	113	Single control basir faucet without drain stray series	Single control basin faucet with drain	28588	78458	49900
12	119	soap dish holder of jaquar make	soap dish holder of jaquar make artize series	10165	38588	28423
13	122	towel rack	towel rack holder of jaquar	36779	47431	10652
14	125	Mount shower	Mount shower with chrome polished	34110	39376	5266
<b>Electrical</b>						
15	26.5	Supply of 10 W deep recessed Trim COB LED Down lighter with efficiency 85lm/W	SITC of recess type 12 W LED smart tubanle down lighter with smart LED module (Make Svarochi Prima slim smart modular spots)	597960	5170127	4572167
16	28	SITC 5 star 1200mm ceiling fans	SITC Decorative 1200 mm sweep BEE 5 star Ceiling fans (Make Orient Aeroquite BLDC)	52900	263490	210590
17	29	SITC 5 star 900mm ceiling fans	SITC Decorative 1200 mm sweep BEE 5 star Ceiling fans (Make Orient Aeroquite baby)	24555	109725	85170
18	40	SITC of main control 16 SWG MS sheet to accommodate duly powder coated in approved colour Fire Alarm	SITC micro processor based intelligent addressable main Fire Alarm (Make - Apollo)	47332	170080	122748

19	41	SITC heat detector operating at 54/57 degree centigrade	SITC addressable heat detector operating from 10 to 80 degree centigrade	84640	144960	60320
20	12.2	SITC 300 CFM at 8 mm static Pressure Exhaust fan	SITC 200 CFM at 10 mm static Pressure Exhaust fan (Make: Sphere)	5027	238471	233444
21	6.9	Supply of recessed mounted 4-5 W/M Flexible LED strip with high performance LEDs	SITC of IP 65 8W/ meter LED strip with smart LED (Make: Svarochi Regal Smart Down Lights) (a)	69778	1332194	1262416
<b>Extra payment over and above the agreement amount</b>						<b>14244703</b>

**Annexure 2.11**  
**(Referred to in paragraph 2.5.3.3 (iii))**  
**Items of superior specifications, artistic and antique items, ornamental work, etc. executed as Extra Items**  
**(Civil Components)**

(Amount in ₹)

Sl. No.	Extra Item statement No.	Applicable specification as per PAR	Extra item No.	Name of Items	Quantity of Item	Rate of Item	Amount paid
1	4	No Provision	EI 4/1	S/F in plinth with sand under floors	71.84	1869.75	134322.84
2			EI 4/2	Centering and shuttering and removal of slabs and breaks in floor and walls	3560.52	187	665817.24
3			EI 4/3	supplying of good earth	563.93	863.5	463639.00
4	6	No Provision	EI 6/1	P/F UPVC lift and sliding doors	123.15	49642.77	6113507.13
5			EI 6/3	P/F UPVC Jali doors	21.82	13322.14	290689.09
6	7	1 modular kitchen, 1 wardrobe in each room and NIL provision for vanity	EI 7/1	Modular Kitchen (GF)	1	3162012.29	3162012.29
7			EI 7/2	Laundry (GF)	1	307056.7	307056.70
8			EI 7/3	Modular Kitchen (FF)	1	3213940.32	3213940.32
9			EI 7/4	Modular Kitchen (SF)	1	499924.42	499924.42
10			EI 7/5	Wardrobe at Master Bed room-1	1	768707.34	768707.34
11			EI 7/6	Wardrobe at Ground Floor Foyer	1	121752.33	121752.33
12			EI 7/7	Wardrobe at Master Bed room-2 (GF)	1	556582.06	556582.06
13			EI 7/8	Wardrobe at MBR-2 (GF) Dresser wardrobe	1	550213.48	550213.48
14			EI 7/9	Wardrobe at MBR-2 (GF) Foyer	1	107035.01	107035.01
15			EI 7/10	Wardrobe (family lounge bedroom GF)	1	388001.92	388001.92
16			EI 7/11	Wardrobe (bedroom dresser FF)	1	792059.09	792059.09
17			EI 7/12	Wardrobe (family lounge bedroom GF)	1	388001.92	388001.92
18			EI 7/13	Wardrobe (FF Bedroom 2A)	1	508817.69	508817.69
19			EI 7/14	Wardrobe (FF Dresser 2A)	1	497712.81	497712.81
20			EI 7/15	Wardrobe (FF bedroom 2B)	1	466940.25	466940.25

Sl. No.	Extra Item statement No.	Applicable specification as per PAR	Extra item No.	Name of Items	Quantity of Item	Rate of Item	Amount paid		
21			EI 7/16	Vanity (MBR-1 Toilets at GF)	1	120414.39	120414.39		
22			EI 7/17	Vanity (family lounge toilet GF)	1	96331.51	96331.51		
23			EI 7/18	Vanity (MBR-2 toilets at GF)	1	80276.26	80276.26		
24			EI 7/19	Vanity (MBR-2 in powder room GF)	1	124428.21	124428.21		
25			EI 7/20	Vanity (in Powder room near MBR-2)	1	115597.81	115597.81		
26			EI 7/21	Vanity (FF MBR-1)	1	120414.39	120414.39		
27			EI 7/22	Vanity (Middle Room)	1	96331.51	96331.51		
28			EI 7/23	Vanity (Guest room-2A FF)	1	100345.33	100345.33		
29			EI 7/24	Vanity (Guest room-2B FF)	1	92317.71	92317.71		
30			EI 7/25	Vanity ( study room toilet FF)	1	64221.01	64221.01		
31			EI 7/26	Vanity (Powder room SF)	1	96331.51	96331.51		
32			EI 7/27	Vanity ( bed room at SF)	1	96331.51	96331.51		
33			8	No Provision	EI 8/1	Part connector accessory pack for wall hung	13	606.08	7879.04
34					EI 8/2	Two panels of UPVC lift and slide doors and windows two track	22.9	71217.18	1630873.42
35	9	No Provision	EI 9/1	Making of V or C groove side 6mm wide in joints made of stone work in wall lining	2523.9	668.96	1688388.14		
36			EI 9/2	Diamond polishing o marble work/Granite work/ stone work	642.02	1219.02	782635.22		
37			EI 9/3	P/F Stainless Steel expansion hold fastener on CC	5231	75.79	396457.49		
38			EI 9/4	P/F carbon steel galvanised	523	214.34	112099.82		
39			EI 9/5	P/F cabon steel galvanised dash fastner	138	228.81	31575.78		
40			EI 9/6	P/F chemical dash fastner	108	1106.92	119547.36		
41			EI 9/7	brick work	149.65	9277.9	1388437.74		
42			EI 9/8	P/F on wall face Unplastic rigid PVC pipes	135.22	655.7	88663.75		
43	10	No Provision	EI 10/1	Making 2.80m to 3.25 m height pillar	34	88752.64	3017589.76		
44			EI 10/2	Making ornamental moulding window chajja	104.09	3297.32	343218.04		

Sl. No.	Extra Item statement No.	Applicable specification as per PAR	Extra item No.	Name of Items	Quantity of Item	Rate of Item	Amount paid
45			EI 10/3	Making ornamental moulding at window chajja	128.54	1231.8	158335.57
46			EI 10/4	Making ornamental moulding at verandha	38527.29	94.91	3656625.09
47	11	for flooring 18mm thick prepolished granite stone & for doors and windows 2nd Class teak wood and main door with safety grills of SS(304)	EI 11/1	Extra for using superior class A grade white dior pearl marble stone 15mm	1927.14	11510.79	22182903.84
48			EI 11/2	P/A silicate chemical dip coating of superior A grade marble.	2297.68	2160.23	4963517.27
49			EI 11/3	Extra for difference in Basic rate in superior quality berma teak wood	7.448	341738.27	2545266.63
50	12	No Provision	EI 12/1	RCC work	137.63	10427.68	1435161.60
51			EI 12/2	Aluminium work for doors windows, ventilators etc	966.06	504.73	487599.46
52			EI 12/3	P/F bath tub	1	321167.92	321167.92
53			EI 12/4	P/F white sand stone of designer round column	80	13115.3	1049224.00
54			EI 12/5	P/F factory made 60mm thick fully pannelled wooden doors shutters including veneer 4mm	64.44	22322.15	1438439.35
55			EI 12/6	P/F factory made 60mm thick party pannelled wooden doors shutters	21.53	27843.2	599464.10
56	13	No Provision	EI 13/1	Marble stone flooring with 15mm	647.67	12329.78	7985628.61
57			EI 13/2	Extra for concrete work	167.31	1622.38	271440.40
58			EI 13/3	P/F glass panes with berma teak	33.62	5122.36	172213.74
59			EI 13/4	P/F factory made designer railing	106.92	35776.45	3825218.03
60			EI 13/5	Making rounded molding in wood frame	311.01	564.39	175530.93
61			EI 13/6	Extra for providing and mixing SBR polymer	600	264.54	158724.00
62			EI 13/7	Providing full round edge moulding	71.33	489.78	34936.01
63			EI 13/8	Painting with black anti corrosive bitumastic paint	73.09	119.75	8752.53
64			EI 13/9	P/F automatic sliding glass doors (GF kitchen door)	1	232533.56	232533.56
65			EI 13/10	P/F automatic sliding glass doors (GF drawing room)	1	228559.89	228559.89

Sl. No.	Extra Item statement No.	Applicable specification as per PAR	Extra item No.	Name of Items	Quantity of Item	Rate of Item	Amount paid		
66			EI 13/11	P/F automatic sliding glass doors (GF bathak door)	1	204403.43	204403.43		
67			EI 13/12	P/F CPVC pipes 25mm	422.54	503.84	212892.55		
68			EI 13/13	P/F CPVC pipes 20mm	464.76	608.98	283029.54		
69			EI 13/14	P/F CPVC pipes 40mm	35.22	1190.04	41913.21		
70			EI 13/15	stone work ashlar sunk or moulded sunk	6.323	101182	639773.79		
71			EI 13/16	stone work ashlar sunk or moulded sunk 30mm	470.22	5448.45	2561970.16		
72			EI 13/17	Providing gola in CC	1370.89	266.15	364862.37		
73			EI 13/18	Providing and placing on terrace water tank	2000	8.89	17780.00		
74			EI 13/19	P/F toilet vanity	1	38959.29	38959.29		
75			EI 13/20	P/F toilet vanity	1	41646.36	41646.36		
76			EI 13/21	P/F CP brass extension nipple	70	88.48	6193.60		
77			EI 13/22	P/F brass bib cock	9	2344.78	21103.02		
78			EI 13/23	P/F brass angle valve	57	1228.2	70007.40		
79			EI 13/24	P/f two in one brass angle valve	5	1236.23	6181.15		
80			EI 13/25 a	Flush ankor dashfastner 10x105	2419	104.15	251938.85		
81			EI 13/25 b	Flush ankor dashfastner 10x130	2038	124.75	254240.50		
82			EI 13/25 c	Flush ankor dashfastner 10x155	2290	125.75	287967.50		
83			EI 13/25 d	Flush ankor dashfastner 10x210	3344	148.3	495915.20		
84			EI 13/26	P/F SS railing	7540.22	625.73	4718141.86		
85			EI 13/27	P/F chicken wire mesh	917.54	243.43	223356.76		
86			EI 13/28	Core cutting in RCC slabs	69	863.98	59614.62		
87			EI 13/29	P/F shielded coupling	409	406.28	166168.52		
88			14	No Provision	EI 14/1	P/F acralic sheet	68.99	1764.15	121708.71
89					EI 14/2	P/F designer wall tiles	41.3	10196.53	421116.69

Sl. No.	Extra Item statement No.	Applicable specification as per PAR	Extra item No.	Name of Items	Quantity of Item	Rate of Item	Amount paid		
90			EI 14/3	P/F SS dash fastner 10mm	658	258.04	169790.32		
91			EI 14/4	P/L Inlay work in marble stone	23.26	12300.99	286121.03		
92			EI 14/5	P/L polished granite stone floor	456.81	3903.72	1783258.33		
93			EI 14/6	Granite work gand saw cut of 17mm	141.35	7232.97	1022380.31		
94			EI 14/7	Providing edge moulding or 18mm thick	196.62	418.85	82354.29		
95			EI 14/8	stone work,plain in copings, cornices	94.01	5265.43	495003.07		
96			EI 14/9	Supply transportation an installatin of puf panels	1	319767.11	319767.11		
97			EI 14/10	P/F sliding folding glass partion	1	587936.63	587936.63		
98			15	No Provision	EI 15/1	P/F superior quality berma teak wood	15.71	55655.53	874348.38
99					EI 15/2	Rebarring of RCC wrok/ Hard stone	35.55	10889.32	387115.33
100	EI 15/3	P/F double laminated security toughned glass			55.08	28803.12	1586475.85		
101	EI 15/4	Applying two or more coat of Ethyle silicate			543.59	301.59	163941.31		
102	EI 15/5	P/F superior white marble stone jali 40mm			27.7	54937.79	1521776.78		
103	EI 15/6	P/F factory made designer railing			22.93	109710.9	2515670.94		
104	EI 15/7	P/F Garson Bathtub			1	595380.11	595380.11		
105	EI 15/8	P/F 12KW sgeam generator of colston bath			1	138340.61	138340.61		
106	EI 15/9	P/F shower system in SPA area			1	353575.17	353575.17		
107	EI 15/10	P/F traditional sauna			1	868173.84	868173.84		
108	16	No Provision	EI 16/1	Providing edge moulding or 18mm thick on counters and vanity	1596.12	244.89	390873.83		
109			EI 16/2	P/F factory made designer wall panelling on wall (MBR-1)	1	3450844.45	3450844.45		
110			EI 16/3	P/F factory made designer wall panelling on wall (MBR-2)	1	3370656.55	3370656.55		
111			EI 16/4	P/F wooden panelling with sattern cloth	1	335554.76	335554.76		
112			EI 16/5	P/F 12mm and 18mm WPC	3	64221.01	192663.03		
113			EI 16/6	P/F 18mm WPC	13	20069.07	260897.91		
114			EI 16/7	RCC work depth with Hilti Chemical rebar 10x300mm	64	580.77	37169.28		

Sl. No.	Extra Item statement No.	Applicable specification as per PAR	Extra item No.	Name of Items	Quantity of Item	Rate of Item	Amount paid
115			EI 16/8	RCC work depth with Hilti Chemical rebar 12x300mm	89	722.16	64272.24
116			EI 16/9	RCC work depth with Hilti Chemical rebar 20x300mm	176	1461.56	257234.56
117	17	No Provision	EI 17/1	P/F glass shower enclosure and door with CP finish frame (MBR-1 toilet)	1	35455.34	35455.34
118			EI 17/2	P/F glass shower enclosure and door with CP finish frame (MBR-2 toilet)	1	35455.34	35455.34
119			EI 17/3	P/F glass shower enclosure and door with CP finish frame (GF middle bed room toilet)	1	19694.89	19694.89
120			EI 17/4	P/F glass shower enclosure and door with CP finish frame (FF guest room-1 toilet)	1	13345.37	13345.37
121			EI 17/5	P/F glass shower enclosure and door with CP finish frame (Guest bed room toilet)	1	16916.98	16916.98
122			EI 17/6	P/F glass shower enclosure and door with CP finish frame (GUEST bed room-2 toilet)	1	32053.82	32053.82
123			EI 17/7	P/F glass shower enclosure and door with CP finish frame(MBR-1 FF)	1	35455.34	35455.34
124			EI 17/8	P/F glass shower enclosure and door with CP finish frame Middle Bed Room-toilet	1	35455.34	35455.34
125			EI 17/9	P/F glass shower enclosure and door with CP finish frame (FF study room toilet)	1	32053.82	32053.82
126			EI 17/10	P/F glass shower enclosure and door with CP finish frame (SF Master bed room toilet)	1	32053.82	32053.82
127			EI 17/11	P/F inlay wrok with grey willium stone (Dinning area ground floor)	1	234139.1	234139.10
128			EI 17/12	P/F inlay wrok with grey willium stone ( MBR-1ground floor)	1	187311.28	187311.28
129			EI 17/13	P/F inlay wrok with grey willium stone (MBR-2 ground floor)	1	173931.9	173931.90
130			EI 17/14	P/L jointing glazed stoneware pipes	1	718.56	718.56
131			EI 17/15	P/F SS finished brass handle	16	6101	97616.00
132			EI 17/16	P/F SS finished brass lock cylander	2	1498.49	2996.98

Sl. No.	Extra Item statement No.	Applicable specification as per PAR	Extra item No.	Name of Items	Quantity of Item	Rate of Item	Amount paid		
133			EI 17/17	Dismantaling tile work	418.13	64.19	26839.76		
134			EI 17/18	Painting sand cast iron	77.7	72.81	5657.34		
135			EI 17/19	Painting GI/CPVC pipes and fittings	180.48	20.43	3687.21		
136			EI 17/20 a	P/f main and sheer curtain with fabric (Drawing room at GF W2)	1	505086.51	505086.51		
137			EI 17/20 b	P/f main and sheer curtain with fabric (Drawing room at GF W3)	1	622340.03	622340.03		
138			EI 17/20 c	P/f main and sheer curtain with fabric (Drawing room at GF W4)	1	569162.03	569162.03		
139			EI 17/21	P/f main and sheer curtain with fabric (Baithak room at GF W1)	1	794071.02	794071.02		
140			EI 17/22 a	P/f main and sheer curtain with fabric (MBR-2 at GF W1)	1	357291.24	357291.24		
141			EI 17/22 b	P/f main and sheer curtain with fabric ( MBR-2 at GF W2)	1	584794.14	584794.14		
142			EI 17/23 a	P/f main and sheer curtain with fabric (MBR-1 at GF W1)	1	600912.96	600912.96		
143			EI 17/23 b	P/f main and sheer curtain with fabric (MBR-1 at GF W2)	1	392246.53	392246.53		
144			EI 17/24	Providing interior work (GF Baithak room)	1	5858555	5858555.00		
145			18	No Provision	EI 18/1	Providing interior work (FF MBR-1)	1	4273922.44	4273922.44
146					EI 18/2	Providing interior work (GF Dinning room)	1	133793.77	133793.77
147	EI 18/3	Providing interior work (GF Pooja room)			1	2401330.5	2401330.50		
148	EI 18/4	Providing interior work (GF Drawing room)			1	441519.43	441519.43		
149	EI 18/8	Providing interior work (FF MBR-2)			1	3050826.66	3050826.66		
150	EI 18/9	Providing interior work (FF Guest Room-1)			1	4190969.45	4190969.45		
151			EI 18/10	Providing interior work (FF guest Room-2)	1	4326920.17	4326920.17		
152	19	No Provision	EI 19/1	Interior work at stair case walls Pooja Room side ground floor to top level	1	3608480.15	3608480.15		
153			EI 19/2	Interior Work at Stair case area right side window wall	1	382222.99	382222.99		

Sl. No.	Extra Item statement No.	Applicable specification as per PAR	Extra item No.	Name of Items	Quantity of Item	Rate of Item	Amount paid
154			EI 19/3	Interior work of stair case left side window wall	1	235049.84	235049.84
155			EI 19/4	P/F Artpiece in 24 carat gold leaf	1	334484.42	334484.42
156			EI 19/5	Interior work (FF drawing and dinning room)	1	6274011.21	6274011.21
157	20	No Provision	EI 20/1	P/f main and sheer curtain with fabric (Middle room at GF W-1)	1	538722.44	538722.44
158			EI 20/2 a	P/f main and sheer curtain with fabric (Office Room at GF W1)	1	515311.66	515311.66
159			EI 20/2 b	P/f main and sheer curtain with fabric (Office Room at GF W2)	1	307145.69	307145.69
160			EI 20/2 c	P/f main and sheer curtain with fabric (Office Room at GF Door1)	1	307145.69	307145.69
161			EI 20/3 a	P/f main and sheer curtain with fabric (Living Room FF W-1)	1	236822.02	236822.02
162			EI 20/3 b	P/f main and sheer curtain with fabric (Living Room FF W2)	1	326366.01	326366.01
163			EI 20/3 c	P/f main and sheer curtain with fabric (Living Room FF W-3)	1	359031.16	359031.16
164			EI 20/4 a	P/f main and sheer curtain with fabric (MBR-1 at FF W1)	1	243293.53	243293.53
165			EI 20/4 b	P/f main and sheer curtain with fabric (MBR-1 at FF W2)	1	194449.8	194449.80
166			EI 20/5 a	P/f main and sheer curtain with fabric (Middle Bed Room at FF W1)	1	232330.46	232330.46
167			EI 20/5 b	P/f main and sheer curtain with fabric (Middle Bed Room at FF W2)	1	177519.71	177519.71
168			EI 20/6 a	P/f main and sheer curtain with fabric (Guest Room-2 at GF W1)	1	251584.06	251584.06
169			EI 20/6 b	P/f main and sheer curtain with fabric (Guest Room-2 at GF W2)	1	339912.89	339912.89
170			EI 20/7 a	P/f main and sheer curtain with fabric (Guest Room-1 at GF W1)	1	731447.14	731447.14

Sl. No.	Extra Item statement No.	Applicable specification as per PAR	Extra item No.	Name of Items	Quantity of Item	Rate of Item	Amount paid
171			EI 20/7 b	P/f main and sheer curtain with fabric (Guest Room-1 at GF W2)	1	403510.59	403510.59
172			EI 20/8 a	P/F wooden vention blinds at Baithak room GF-W1	1	137713.79	137713.79
173			EI 20/8 b	P/F wooden vention blinds at Baithak room GF-W2	1	162237.38	162237.38
174			EI 20/9 a	P/F wooden vention blinds at Baithak room GF- Door sideW1	1	123099.03	123099.03
175			EI 20/9 b	P/F wooden vention blinds at Baithak room GF- Door side W2	1	103128.98	103128.98
176			EI 20/9 c	P/F wooden vention blinds at Baithak room GF-Dinning sideW2	2	113588.23	227176.46
177			EI 20/10	Finishing wall with textured exterior	1547.75	1080.69	1672637.95
178			EI 20/11	P/F glass shower door with hings texuted	3	26758.76	80276.28
179			EI 20/12	P/F hand knoted in wool and bamboo silk carpet at (baithak room ground floor)	1	553371.02	553371.02
180			EI 20/13	P/F hand knoted in wool and bamboo silk carpet at (MBR-1 at ground floor)	1	395521.13	395521.13
181			EI 20/14	P/F hand knoted in wool and bamboo silk carpet at (MBR-2 at ground floor)	1	400979.92	400979.92
182			EI 20/15	P/F hand knoted in wool and bamboo silk carpet at (Guest bed room-1 FF)	1	400979.92	400979.92
183			EI 20/16	P/F fine hand tufled in wool carpet (Living and dinning room at FF)	1	162271.75	162271.75
184			EI 20/17	P/F fine hand tufled in wool carpet (Guest bed room-2 at FF)	1	76797.4	76797.40
185	<b>21</b>	<b>No Provision</b>	EI 21/6	Interior work at baithak side wall	1	758904.66	758904.66
186			EI 21/7	P/F vinye film with adhesive on 4mm ply	1	400846.12	400846.12
187	<b>23</b>	<b>No Provision</b>	EI 23/1	Interior work of lift lobby area at GF dinning side wall	1	200690.65	200690.65
188			EI 23/2 a	P/F framing 18mm thick ply (MBR-1 Toilet at GF and FF)	2	200690.65	401381.30
189			EI 23/2 b	P/F framing 18mm thick ply (MBR-2 Toilet at GF GBR-1 and GBR-2)	3	80276.26	240828.78

Sl. No.	Extra Item statement No.	Applicable specification as per PAR	Extra item No.	Name of Items	Quantity of Item	Rate of Item	Amount paid
190			EI 23/2 c	P/F framing 18mm thick ply (Middle bed room Toilet at GF and FF)	2	109710.89	219421.78
191			EI 23/2 d	P/F framing 18mm thick ply (PDR Toilet at GF study room, and FF)	5	62883.07	314415.35
192			EI 23/3	P/F factory made designer gate in kitchen entrance	1	655589.45	655589.45
193			EI 23/4	P/F factory made designer gate in Baithak entrance	1	468278.18	468278.18
194			EI 23/5	P/F aluminium framing on FF drawing/ dinning room	2	200690.65	401381.30
195			EI 23/13	Extra P/F wooden flooring	63.05	15375.34	969415.19
196			EI 23/17	P/P Bed with 3 storage size	1	196481.97	196481.97
197			EI 23/18	P/P Bed side table	2	37207.75	74415.50
198	<b>24</b>	<b>No Provision</b>	EI 24/13	Extra for fixing marble granite stone	1488.59	470.15	699860.59
<b>Total</b>							<b>172982666.44</b>

**Annexure 2.12**  
**(Referred to in paragraph 2.5.3.3(iii))**  
**Items of superior specifications, artistic and antique items, ornamental work, etc. executed as Extra Items**  
**(Electrical components)**

(Amount in ₹)

Sl. No.	Item No.	Extra item	Provision in PAR	Qty executed	Rate	Expenditure
		<b>Extra item statement no. 2</b>				
		Supply and drawing following size of FRLS, PVC	Normal cable			
1	1(a)	6x2.5		498.8	286	142656.8
2	1(b)	6x4		1904.6	434	826596.4
		<b>Extra item statement no. 3</b>				
3	1	SITC Hot water Generator air to heat water pump of 2.25 KW of 450 liter storage tank	ordinary water tank in PAR	3	578397	1735191
4	2	SITC Hot water Generator air to heat water pump of 0.98 KW of 180 liter storage tank	ordinary water tank in PAR	1	201642	201642
5	3	SITC of Hydro system	No	1	345446	345446
6	4	SITC 100 kg Dumbwaiter lift	No	1	702086	702086
		<b>Extra item statement no. 4</b>				
7	1	SITC ceiling fans (Make orient aerostorm)	Ordinary Ceiling Fan in PAR	20	8917	178340
8	2	SITC of Decoretive 600mm ceiling fans.	Ordinary LED in PAR	15	3380	50700
9	3	SITC 0.6 TR ceiling Cassette Corner (make Daikin)	No	16	108575	1737200
10	4	SITC of 90 cm Toughened matt Bevled Built-in Gas Hob.	Yes	3	70740	212220
11	5	SITC ceiling mounted hoods 140cm AISI 304 grade stainless steel chimney.	Yes	2	270603	541206
12	6	SITC of 30 CM barbeque Charcol Grill lava stone BBQ,		2	80528	161056
		<b>Extra item statement no. 5</b>				
13	2	SITC of 14mm GI threaded rod fan hook with chemical including placing in POP false ceiling.	only 14 fans hook in PAR	150	1817	272550
14	4	SF of LED Strip profile suitable for existing LED strip made out of aluminium having acrylic milky cover for even distribution lumens.	Ordinary LED in PAR	504.6	801	404184.6
15	3	SITC of recess type upto 12 watt smart LED tunable downlighter	Ordinary LED in PAR	195	3731	727545
		<b>Extra item statement no. 6</b>				
16	1	SITC of 80 watt freestanding luminaire having special micro reflector optics with minimalistic and highly design	Ordinary LED in PAR	3	137465.26	412395.78

Sl. No.	Item No.	Extra item	Provision in PAR	Qty executed	Rate	Expenditure
		Supplying and laying of following size DWC HDPE pipe	normal HDPE pipe			
18	2(a)	63 mm dia		493.9	220.58	108944.46
19	2(b)	120 mm dia		495.8	405.68	201136.14
		<b>Extra item statement no. 7</b>				
20	1	SITC of 73 ltr steam oven	No	2	324741	649482
21	2	SITC of Ltr 1000 watt Microwave Oven	No	1	184121	184121
22	3	SITC of pedestal fan	No provision	6	4124	24744
23	4	SITC of In-Ground Uplighter 12 watt LED light	Ordinary LED in PAR	80	7618	609440
24	9	Suppling fixing of 2 mtr high speed cable	normal cable	30	4906	147180
25	16	SITC of decorative wall fan	normal fan	2	2925	5850
26	20	SITC of 18 w IED downlighter	normal LED	4	4579	18316
27	21	SITC of 10 w spotlight	normal LED	12	2776	33312
28	22	SITC of 16 w demable and tunable LED	normal LED	6	6932	41592
29	25	design supply fixing island hood mounting chimney	normal Chimney	2	52458	104916
30	26	Modification of rooms including shifting of existing points	No	11	60803	668833
		<b>Extra item statement no. 8</b>				
31	1	SITC of Clean agent based fire protecting system	No	6	369014	2214084
32	2	SITC of of 3 no 255 Amp Fp power connector	normal specification	1	389607	389607
33	3	SITC of decorative 3 watt LED step light	Normal LED	60	5660	339600
34	4	SITC of Decorative 12 watt surface porch LED	normal LED	30	7182	215460
35	5	SITC of Digital Signal processor with specialized microprocessor chip.	Yes with normal specification	1	236547	236547
36	7	SITC of IP Phone	No	8	14193	113544
37	8	SITC of in ceiling premium loudspeaker with high frequency compression drivers.	No	1	132677	132677
39	9	SITC of 5.1 channel home theatre speaker package	No	2	164300	328600
40	10	SITC of Audio Video Receiver	No	2	178587	357174
<b>Total</b>						<b>15776175</b>

**Annexure 2.13**  
**(Referred to in paragraph 2.5.4.3(iii))**  
**Expenditure on providing and fixing/placing of sanitary items, furniture and**  
**Gym equipment**

Sl. No.	Brief of items	Amount in ₹
1	Providing and fixing Berma teak and veneer making ornamental mirror	239223
2	Providing and fixing of basin vanity in SPA	409408
3	Providing and fixing of faux leather cladding	545878
4	Providing and placing TV Unit in fluting design	401381
5	Providing and placing wall mounted study table	240828
6	Providing and placing wall mounted dressing units	176607
7	Providing and placing TV unit	433491
8	Providing and placing of wall mounted side tables	112386
9	Providing and placing study table	288994
10	Providing and fixing TV console	2034200
11	Providing and fixing shelf for study unit	285783
12	Providing and fixing display shelf	306173
13	Providing and placing fully upholstered arm chair	157341
14	Providing and placing round dinning table	480052
15	Providing and placing centre table	399775
16	Providing and placing L shape Sofa	640604
17	Providing and placing side table	62615
18	Providing and placing nesting table	78670
19	Providing and placing dinning chairs	372481
20	Providing and placing of Mini bar unit	480052
21	Providing and placing study table	62615
22	Providing and placing Study Chair	62615
23	Providing and placing sofa	239223
24	Providing and placing of side table	62615
25	Providing and placing center table	110781
26	Providing and placing fully upholstered bed	319499
27	Providing and placing side table	125231
28	Providing and placing study chair	46560
29	Providing and placing of side table	125231
30	Providing and placing fully upholstered bed	399775
31	Providing and placing cured sofa	239223
32	Providing and placing Pouff	46560
33	Providing and placing fully upholstered bed	207112
34	Providing and placing Study Chair	46560
35	Providing and Placing L Shape sofa	480052
36	Providing and placing of center table	110781
37	Providing and placing of Tread Mill and gym equipment's	1852155
38	Supplying and fixing kitchen equipment	3908846
39	Providing and fixing Silk Carpet	1627690
40	Providing and placing fully upholstered single seater motorized recliner	485735
<b>Total</b>		<b>18704801</b>

**Annexure 2.14**  
**(Referred to in paragraph 2.10)**  
**Property Tax paid by DJB during 2020-21 to North DMC**

(Amount in ₹)

Sl. No.	Name of property	Period	Property tax levied	interest	Payment made	15% rebate on property tax due
1.	Water Treatment Plant under Narela Township	2006-07 to 2019-20	12,25,72,096	-	12,25,72,096	1,83,85,814*
2.	URG at Mangol Puri Kalan, Sector-2, Rohini, Delhi	2013-14 to 2019-20	3,89,740	91,433	4,81,173	58,461
3.	Sewage Pumping Station, Satya Park, Naraina Indl. Area, Ph-II, Delhi	2014-15 to 2019-20	2,77,742	76,404	3,54,146	41,661
4.	385 properties	2019-20	4,97,21,211	3,72,909	5,00,94,120	74,58,182
	<b>Total</b>			<b>5,40,746 (A)</b>	<b>17,35,01,535</b>	<b>2,59,44,118 (B)</b>
<b>Total excess payment (A+B)</b>						<b>2,64,84,864</b>

\*Since bifurcation between tax and interest is not available, 15% rebate is calculated on the total amount. The excess payment is likely to be much higher as the entire portion of interest could have been avoided whereas only 15% of interest portion is subsumed in the above amount.





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