



SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थं सत्यनिष्ठा

Dedicated to Truth in Public Interest

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



**Government of Haryana
Report No. 2 of 2025
(Composite Audit Report– Civil and PSUs)**

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

for the period ended March 2022

Government of Haryana

Report No. 2 of 2025

(Composite Audit Report-Civil and PSUs)

TABLE OF CONTENTS

Particulars	Reference to	
	Paragraph	Page
Preface		vii
Overview		ix-xv
Chapter 1		
Introduction		
About the Report	1.1	1
Budget profile	1.2	1-2
Application of resources of the State Government	1.3	2
Planning and conduct of audit	1.4	3
Significant audit observations and response of Government to audit	1.5	3
Government response to Inspection Reports	1.6	4
Follow-up on Audit Reports	1.7	4-6
Chapter 2		
Urban Local Bodies Department		
Performance Audit on Solid Waste Management in Urban Local Bodies		
Introduction	2.1	7-9
Audit Objectives	2.2	9
Audit Criteria	2.3	9
Scope and Methodology of Audit	2.4	10
Acknowledgement and Constraints	2.5	10
Planning and Strategy of Solid Waste Management	2.6	10-19
Segregation, Collection, Processing and Disposal of Municipal Solid Waste	2.7	19-41
Planning, Construction and Operation of SWM Projects	2.8	41-50
Monitoring of Municipal Solid Waste Management	2.9	50-52
Conclusion	2.10	52-53
Recommendations	2.11	53-54
Chapter 3		
Food, Civil Supplies and Consumer Affairs Department		
Performance Audit on Procurement, Storage and Delivery of Wheat to Food Corporation of India		
Introduction	3.1	55-57
Provision of basic facilities in <i>mandis</i>	3.2	58
Funding arrangement for wheat procurement	3.3	58-59
Procurement of wheat	3.4	60-65
Storage of wheat	3.5	66-70

Particulars	Reference to	
	Paragraph	Page
Raising claims with FCI	3.6	70-73
Delivery of wheat to FCI	3.7	73-74
Delay in finalisation of annual accounts	3.8	75-76
Conclusion	3.9	76
Recommendations	3.10	77
Chapter 4		
Labour Department		
Performance Audit on Welfare of Building and Other Construction Workers		
Introduction	4.1	79
Functional set-up in Haryana	4.2	79-80
Audit Objectives	4.3	80
Audit Criteria	4.4	81
Scope of Audit and sampling methodology	4.5	81-82
Acknowledgement	4.6	82
Receipts and expenditure	4.7	82-84
Shortfall/non-convening State Advisory Committee and Board meetings	4.8	84-85
Registration of establishments	4.9	85-88
Registration of beneficiaries under the Act	4.10	88-92
Overview of assessment and collection of cess	4.11	92-94
Collection of cess	4.12	94-98
Inspections of Establishments	4.13	98-99
Inspection of Accident cases	4.14	100-103
Joint Inspections of selected establishments	4.15	103-104
Implementation of welfare schemes by the Board	4.16	104-108
Findings regarding disbursement of benefits	4.17	108-110
Survey of construction workers	4.18	110-111
Conclusion	4.19	112
Recommendations	4.20	112-113
Chapter 5		
Subject Specific Compliance Audit		
Enhancement and Variation in Scope of Works		
Introduction	5.1	115
Audit Scope and Methodology	5.2	115-116
Audit Objectives	5.3	117
Audit Criteria	5.4	117
Enhancement in scope of works	5.5	117-137

Particulars	Reference to	
	Paragraph	Page
Reduction/deviations in scope of work	5.6	137-139
Undue benefit to the contractor by allowing higher rates	5.7	139-140
Impact of enhancement	5.8	140-142
Internal Control and Monitoring System	5.9	142-144
Conclusion	5.10	144
Recommendations	5.11	144-145
Chapter 6		
Compliance Audit Observations (Departments)		
Women and Child Development Department		
Extra payment of premium to Life Insurance Corporation under “Aapki Beti Hamari Beti Scheme”	6.1	147-148
Irrigation and Water Resources Department		
Unfruitful expenditure on non-functional restaurant	6.2	148-150
Avoidable expenditure due to late deposit of funds	6.3	151-153
Urban Estate Department		
Excess payment of compensation to landowners for their acquired land	6.4	153-155
Avoidable payment of penal interest due to delay in payment of enhanced compensation	6.5	155-157
Haryana Shehri Vikas Pradhikaran		
Non-recovery of sewerage charges and application of incorrect tariff rates for water consumption	6.6	157-159
Public Health Engineering Department		
Avoidable loss due to irregular denial of claim for extra work done	6.7	160-161
Chapter 7		
Compliance Audit Observations (Public Sector Undertakings)		
Haryana State Industrial and Infrastructure Development Corporation		
Loss due to non-inclusion of land enhancement cost in price	7.1	163-165
Avoidable payment of interest	7.2	165-166
Faridabad Smart City Limited		
Wasteful expenditure on e-toilets	7.3	166-169
Haryana Tourism Corporation Limited		
Loss due to opening of retail liquor outlets without conducting feasibility study	7.4	169-171

Appendices

Appendix	Particulars	Reference to	
		Paragraph	Page
1.1	Details of Departments, Public Sector Undertakings and Autonomous Bodies	1.1	173-174
1.2	Statement showing details of category-wise amount of outstanding paragraphs	1.6	175
1.3	List of paragraphs where recovery has been pointed out but no action has been taken by the Administrative Departments as on 31 March 2024	1.7.2	176-177
1.4	List of PAC and COPU reports and the number of pending recommendations on CAG Report as on 31 March 2024	1.7.3	178
1.5	Department/PSU-wise pending recommendations of PAC and COPU on CAG Reports as on 31 March 2024	1.7.3	179-180
2.1	Regulatory framework governing the management of different types of waste	2.1.3	181
2.2	Organisational structure	2.1.4	182
2.3	List of 18 selected ULBs	2.4	183
2.4	Statement showing status of demarcation of separate space in the development plan for group housing or commercial, institutional or any other non-residential complex exceeding 200 dwelling or having a plot area exceeding 5,000 square meters	2.6.4	184
2.5	Statement showing framing of Solid Waste Management byelaws by test checked ULBs	2.6.6	185
2.6	Status of Service Level Benchmarks achievement in 18 test checked ULBs	2.6.9	186-187
2.7	Statement showing the percentage of segregation at source and percentage of door-to-door collection in 18 test checked ULBs	2.7.1 and 2.7.5	188
2.8	Status of MRFs in 18 test checked ULBs	2.7.6	189
2.9	Status of Sweepers in 18 test checked ULBs	2.7.7	190
2.10	Status of Vehicles in 14 test checked ULBs	2.7.9	191
2.11	Status of facilities at dumpsites in test checked ULBs	2.7.11.1	192
2.12	Statement showing the Environmental Compensation on basis of " <i>polluter pays principal</i> " due to non-processing solid waste by ULBs in Haryana	2.7.11.3	193-194
2.13	Status of Legacy Waste in 18 test checked ULBs	2.7.12	195
2.14	Status of Challans issued in 16 test checked ULBs	2.7.16.1	196
2.15	Detail of clusters formed in Haryana for Integrated Solid Waste Management	2.8.1	197

Appendix	Particulars	Reference to	
		Paragraph	Page
3.1	Agencies involved in procurement of wheat and their main functions	3.1.1	198
3.2	Statement showing excess expenditure on wheat stored in mandi premises after weighment done outside mandi	3.4.4	199-200
3.3	Statement showing difference between Auction rates of damage wheat amongst SPAs (FSD, HAFED & HSWC)	3.5.1.1	201
3.4	Brief description of incidentals and method of fixation	3.6.1	202
4.1	Non-registration of establishments of 60 construction sites in selected 12 Divisions	4.9.1	203-206
4.2	List of accident sites selected for scrutiny	4.14	207
4.3	Joint inspection of sampled selected registered/unregistered/accidental establishments	4.15	208-210
4.4	District-wise details regarding number of beneficiaries/benefits disbursed on welfare schemes	4.16	211
4.5	Survey of registered workers	4.18.1	212
4.6	Survey of unregistered workers	4.18.2	213
5.1	Statement showing department/unit-wise details of test-checked works where enhancement/variation in scope of work was more than 20 per cent	5.2	214-219
5.2	List of works wherein variations were made during execution due to significant changes in items of works	5.2 and 5.6	220
5.3	List of works wherein expenditure was incurred without getting enhancement approved from the competent authority	5.5 and 5.9.1	221
5.4	List of works wherein variations occurred due to change in quantities of various items during execution of work	5.6 (ii)	222-223
5.5	Detail of works wherein time and cost overrun occurred due to enhancement and variation in agreement	5.8.2	224
6.1	Details of total beneficiaries and multiple payments to single beneficiary	6.1	225-226
6.2	Cases of avoidable payment of interest made to landowners in Gurugram	6.5	227
6.3	Cases of avoidable payment of interest made to landowners in Faridabad	6.5	228-231

PREFACE

This Report for the period ended March 2022 has been prepared for submission to the Governor of the State of Haryana under Article 151 of the Constitution of India.

The Report contains significant results of the Performance Audit and Compliance Audit of the Departments, Public Sector Undertakings and Autonomous Bodies of Government of Haryana.

The instances mentioned in this Report are those which came to notice in the course of test audit during the year 2021-22 as well as those which came to notice in earlier years but could not be reported in the previous Audit Reports; instances relating to the period subsequent to 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 of the Comptroller and Auditor General of India (C&AG) covers matters arising out of the Performance Audit and Compliance Audit of Government Departments, Autonomous Bodies and Public Sector Undertakings of the Government of Haryana. The Report contains three Performance Audits, one Subject Specific Compliance Audit and 11 paragraphs, involving money value of ₹ 1,557.06 crore.

Chapter 1: Introduction

As against the total budget outlay of ₹ 2,15,039 crore, the application of resources was ₹ 1,92,584 crore during 2021-22. The total expenditure¹ of the State increased by 25 *per cent* from ₹ 88,190 crore to ₹ 1,10,437 crore during the period 2017-18 to 2021-22 while revenue expenditure increased by 34 *per cent* from ₹ 73,257 crore to ₹ 98,425 crore and capital expenditure decreased by 18 *per cent* from ₹ 13,538 crore to ₹ 11,046 crore during the same period. Revenue expenditure constituted 82 to 93 *per cent* of the total expenditure while capital expenditure was six to 17 *per cent* during the period from 2017-18 to 2021-22.

(Paragraph 1.3)

During 2021-22, compliance audit of 950 departmental auditee units of 53 departments under Section 13, 23 auditee units of 37 PSUs under Section 19(1), Section 19(2) and 35 auditee units of 38 autonomous bodies under Sections 14, 19(2), 19(3) and 20(1) of Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, was conducted by the office of the Principal Accountant General (Audit), Haryana as a field formation of the Comptroller and Auditor General of India.

(Paragraph 1.4)

Performance Audit

Chapter 2: Solid Waste Management in Urban Local Bodies

A Performance Audit on 'Solid Waste Management in Urban Local Bodies' covering period 2017-18 to 2021-22 was carried out to assess whether the management of municipal solid waste (MSW) was effective, efficient, and economical. Audit involved examination of the records relating to Solid Waste Management (SWM) in the Directorate of Urban Local Bodies (DULB), Haryana State Pollution Control Board (HSPCB) and 18 selected Urban Local Bodies (ULBs). Some of the significant findings and recommendations are as under:

- The State Government approved SWM policy and strategy with a delay of

¹ Total of Revenue Expenditure, Capital Expenditure and Loans and Advances Disbursed.

15 months and that too without consulting various stakeholders. Moreover, none of the 18-test checked ULBs had prepared any short-term or long-term plan. In the absence of these plans, planning and selection of infrastructure projects in ULBs was not based on needs analysis.

- It was noticed in audit that three test checked ULBs (Gurugram, Sonipat, and Shahabad) had not notified the SWM byelaws containing penal provisions for non-compliance of SWM Rules, 2016. The remaining 15-test checked ULBs notified byelaws with delays. The percentage of collection of user charges ranged between 0.37 and 3.38 *per cent* against the recurring expenditure incurred on SWM activities in 14 test checked ULBs during 2017-22. Moreover, none of the test checked ULBs revised the user charges in order to make the SWM function a self-sustaining activity.
- Segregation of waste at source and collection of all the ULBs in the State was reported as 70 *per cent* and 98 *per cent* respectively during 2021-22, however, Audit noticed in test checked ULBs that they did not maintain day/month wise data of waste collected. Audit could not verify the authenticity of data provided by the test checked ULBs as criteria/ procedure adopted for arriving at the reported figures was not provided to Audit. During 2017-22, the total waste generated was stated to be 103.58 lakh tons, against which 64.86 lakh tons waste (63 *per cent*) was dumped at dumpsites without any processing.
- During 2021-22, there were 77 dumpsites where ULBs were dumping waste without authorisation from HSPCB. Moreover, work of bioremediation in respect of 29 dumpsites was not awarded and 48.77 lakh MT (48 *per cent*) of legacy waste was lying unprocessed at dumpsite (April 2023).
- Even after lapse of more than seven years since notification of SWM Rules, 2016, Integrated Solid Waste Management Project could be operationalised only in one cluster (Sonipat-Panipat) so far (March 2023). Audit further observed that the waste to energy plant of Faridabad-Gurugram cluster could not be completed so far (October 2024) due to failure of the Concessionaire to clear/manage the waste piled up at Bandhwari landfill sites. DULB/ MC Gurugram had not imposed liquidated damages of ₹ 4.92 crore for delay in implementation of project from November 2021 to March 2022. Further, MC Gurugram and MC Faridabad had to bear an extra financial burden of ₹ 108.93 crore on account of payment of higher tipping/transportation charges due to non-implementation of the project as per schedule. NGT also imposed a penalty of ₹ 100 crore on MC Gurugram for non-bio-remediation of the legacy waste at Bandhwari site.

Recommendations:

- *The State Government and ULBs may devise suitable mechanism for collection of SWM user fees to bridge resource gaps and strive for self-sustenance of SWM activities.*
- *The State Government may direct ULBs for setting up of adequate numbers of sanitary landfill sites and bioremediation of remaining legacy waste in a time bound manner.*
- *HSPCB may take action against ULBs for disposal of waste without authorisation.*
- *The State Government may expedite implementation of Integrated Solid Waste Management projects in the remaining clusters and may ensure operationalisation of processing plants as per prescribed schedule of concession agreement.*

Chapter 3: Procurement, Storage and Delivery of wheat to Food Corporation of India

The Performance Audit on 'Procurement, Storage and Delivery of wheat to Food Corporation of India' was conducted from November 2022 to September 2023, covering the period from April 2017 to March 2022 (RMS 2017 to RMS 2021). During performance audit, records in the offices of Food, Civil Supplies and Consumer Affairs Department (FSD), Haryana State Agriculture Marketing Board (HSAMB) and other State Procuring Agencies (SPAs) were examined.

Eight districts, out of total 22 districts and *mandis* in these eight districts were selected for detailed examination. Some significant findings and recommendations are as under:

- It was observed in audit that the availability of basic facilities such as weighbridges, fire-fighting arrangements, kisan rest houses, canteens, etc. was not adequate in some test checked *mandis*. Due to non-availability of weighbridge in some *mandis*, avoidable expenditure of ₹ 2.93 crore was incurred by HAFED on transportation of wheat to weighbridges situated outside of *mandi*.
- The FSD had arranged funds for wheat procurement on higher interest rates resulting in extra burden of interest of ₹ 222.24 crore. Since timeline for activities involved in procurement process were not fixed, it resulted in delayed payment to farmers. Moreover, a large quantity of wheat remained stored unscientifically by hiring open plinths resulting in damage of wheat stock.
- The State Government paid commission to commission agents (*Arthiyas* at *mandis*) at the rate of ₹ 48.12 per quintal for the RMS 2020-21 while the

FCI fixed the commission at ₹ 46 per quintal resulting in loss of ₹ 14.27 crore to the SPAs. Further, due to non-inclusion of custody and maintenance charges for covered godowns in the PCS, loss of ₹ 90.30 crore occurred to SPAs. Moreover, final cost sheets for the RMSs 2018-19 onwards have not been finalised by the State Government.

Recommendations:

- *The State Government may ensure adequate arrangements in mandis to provide farmers with basic facilities such as weighbridges, kisan rest houses, firefighting stations, canteens and banks.*
- *The State Government may consider the viability of options for availing loans at competitive rates for wheat procurement operations.*
- *The State Government should expedite the finalisation of annual accounts related to food-grain procurement by the Food, Civil Supplies and Consumer Affairs Department for timely submission of claims to FCI.*

Chapter 4: Welfare of Building and Other Construction Workers

The Performance Audit on ‘Welfare of Building and Other Construction Workers’ was conducted covering the activities of the Building and Other Construction Workers Welfare Board (the Board) over the period of five years, from 2017-18 to 2021-22. Some significant findings and recommendations are as under:

- Though the Labour Cess collection during 2017-18 to 2022-23 was ₹ 2,153.11 crore, the Board utilised only ₹ 1,656.78 crore (29.83 *per cent*) of the total available funds (i.e. ₹ 5,553.71 crore) on implementation of the welfare schemes during 2017-18 to 2022-23. Moreover, the Board did not apply in time for tax exemption under Section 10 (46) of the Income Tax Act, resultantly there was an Income Tax liability of ₹ 713.25 crore.
- Audit noticed deficiencies in administrative issues such as non-preparation of annual reports, non-convening of meeting of State Advisory Committee and shortfall in Board meetings.
- A large number of construction works were not registered due to lack of coordination between the Labour Department and other work executing Departments as well between the authorities responsible for Building Plans. The establishments were not got registered, even after inspection and serving notices to the unregistered establishments.
- Due to awareness programme not being conducted regularly by the registration authority, the objective of the Board to provide benefits to the construction workers could not be achieved as workers were unaware of these schemes and they remained unregistered. Further, due to inaction of

the Department on pending applications potential beneficiaries also could not avail benefits of the welfare schemes.

- Instances of short collection of advance cess were noticed in Audit. Further, due to lack of reconciliation system, there were mismatches between the figures given by the Board and other Departments.
- The post-inspection process indicated inadequate scrutiny of compliance reports including absence of proper follow-up on these compliance reports. There was no correlation between number of benefits disbursed with the number of establishments registered. Moreover, the Board officials did not properly verify details given in applications and documents, leading to benefits being given to ineligible recipients.

Recommendations:

- *The Department/Board may coordinate with work executing departments and building plans approving authorities for registration of construction works and ensure adherence to the prescribed time-frame for registration of workers.*
- *The Board may regularly conduct awareness programmes for registration of workers and for spreading awareness about welfare schemes.*
- *The Department/Board may develop a mechanism to monitor establishment-wise accrual and receipt of cess.*
- *The Department/Board may devise a mechanism to ensure compliance, by the establishments, of the violations noticed during inspections and consider fixing responsibility of erring officials/officers for not taking appropriate action in respect of deviation noticed in inspection cases.*

Subject Specific Compliance Audit

Chapter 5: Enhancement and Variation in Scope of Works

The Subject Specific Audit titled ‘Enhancement and Variation in Scope of Works’ was conducted by test-check across nine Government Departments, Public Sector Undertakings and autonomous bodies where enhancement was more than 20 *per cent*. Some significant findings are as under:

- In 14 cases payment of ₹ 255.70 crore had been made against the agreement amount of ₹ 108.91 crore without getting the enhancement approved from the competent authority.
- Audit observed that enhancements occurred due to improper assessment of site conditions at the time of preparation of detailed estimates, addition of

new items/structure after allotment of the works, change in specifications after allotment of work, non-finalisation of scope of work before awarding to contractor and changes in specifications/additions due to demand of public representatives. In all the test checked cases, the works were got executed and payments were made without getting the revised estimates approved and without obtaining revised administrative approvals.

- In certain PHED divisions, the tender amount was initially kept less than ₹ one lakh to avoid e-tendering and was enhanced subsequently. It was noticed that five projects were lying incomplete after making payment of ₹ 178.13 crore against the contract price of ₹ 77.89 crore. In 13 cases there was time overrun between 4 to 45 months. Undue benefit of ₹ 73.73 crore was also granted to contractors by allowing higher rates, out of which ₹ 6.64 crore was recovered after pointed out by Audit. Moreover, retention money of ₹ 16.80 crore was refunded to two contractors before completion of work in violation of clauses of agreements.

Compliance Audit

Chapter 6: Compliance Audit Observations (Departments)

Lack of mechanism to identify and weed out duplicate beneficiaries of *Aapki Beti Hamari Beti* Scheme, in the Women and Child Development Department, during the processing of applications for approval and sanctioning of funds led to extra payment amounting to ₹ 15.54 crore to Life Insurance Corporation

(Paragraph 6.1)

The Irrigation and Water Resources Department has constructed a restaurant near Hathnikund Barrage Rest House without a prior firm plan of its utilisation leading to unfruitful expenditure of ₹ 1.74 crore

(Paragraph 6.2)

Due to lackadaisical approach of the Irrigation and Water Resources Department, inordinate delay of 1,593 days occurred in payment of enhanced compensation which led to avoidable interest burden of ₹ 2.07 crore.

(Paragraph 6.3)

There was excess payment of compensation of ₹ 3.42 crore to landowners due to erroneous measurement of land published in the land compensation award. The Urban Estate Department also failed to recover the overpaid amount along with the interest of ₹ 3.25 crore.

(Paragraph 6.4)

Delay in payment of enhanced compensation by Haryana Shehri Vikas Pradhikaran, as ordered by various Courts in Gurugram and Faridabad has led

to avoidable levy of penal interest amounting to ₹ 83.04 crore on enhanced compensation.

(Paragraph 6.5)

Haryana Shehri Vikas Pradhikaran failed to recover ₹ 32.67 crore due to non-raising of sewerage bills (₹ 15.08 crore) and application of incorrect water tariff (₹ 17.59 crore) during April 2018 to March 2022.

(Paragraph 6.6)

Irregular denial of claim by Public Health Engineering Department for the extra work done led to unnecessary litigation and consequently, resulted in an avoidable loss of ₹ 86.49 lakh to the State exchequer.

(Paragraph 6.7)

Chapter 7: Compliance Audit Observations (State Public Sector Undertakings)

Haryana State Industrial and Infrastructure Development Corporation allotted a plot of approximately 179 acres land at Industrial Model Township, Sohna to a private company for manufacture of lithium-ion batteries. The Company did not include the proportionate enhancement compensation of ₹ 58.71 crore at the time of issue of regular letter of allotment in July 2020, as was required under clause 2.4 of Estate Management Procedures-2015. Consequently, the Company did not pass the enhancement cost to the allottee unit and it was under-charged by ₹ 9.76 crore on account of non-inclusion of land enhancement cost.

(Paragraph 7.1)

Lackadaisical approach by the Haryana State Industrial and Infrastructure Development Corporation in filing of Income Tax return led to avoidable payment of interest of ₹ 5.06 crore.

(Paragraph 7.2)

Faridabad Smart City Limited incurred wasteful expenditure of ₹ 1.34 crore due to faulty contract management and poor operation and maintenance of 10 e-toilets.

(Paragraph 7.3)

Haryana Tourism Corporation Limited incurred avoidable loss of ₹ 6.99 crore due to opening of retail liquor outlets without conducting any feasibility study.

(Paragraph 7.4)

Chapter 1

Introduction

CHAPTER 1

Introduction

1.1 About the Report

There are 53 Departments, 37 Public Sector Undertakings and 38 Autonomous Bodies functioning under the Government of Haryana as detailed in *Appendix 1.1*. This Report covers matters arising out of the compliance audit of the Departments, Public Sector Undertakings and Autonomous Bodies of the State. Compliance audit refers to examination of the expenditure and revenue of the audited entities to ascertain whether the provisions of the applicable laws, rules and regulations made there under and various orders and instructions issued by the competent authorities are being complied with.

The primary purpose of this report is to bring important results of audit to the notice of the State Legislature. Auditing Standards require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of transactions. The findings of audit are expected to enable the executive to take corrective actions and also to frame policies and directives that will lead to improved operational efficiency and financial management of the organisations, thus contributing to better governance.

This chapter explains the authority for audit, planning and extent of audit and responsiveness of Government to audit. Chapters 2, 3 and 4 contain Performance Audits, Chapter 5 contain observations of the Subject Specific Compliance Audit, Chapter 6 contains observations emanating from compliance audit of Government Departments and Chapter 7 contains observations emanating from compliance audit of State Public Sector Undertakings.

1.2 Budget profile

The position of budget estimates and actual expenditure by the State Government during 2017-22 is given in *Table 1.1*.

Table 1.1: Budget and actual expenditure of the State during 2017-22**(₹ in crore)**

Expenditure	2017-18		2018-19		2019-20		2020-21		2021-22	
	Budget Estimates	Actual	Budget Estimates	Actual	Budget Estimates	Actual	Budget Estimates	Actual	Budget Estimates	Actual
(1) Revenue Expenditure										
General Services	24,379	26,699	29,788	28,169	35,358	31,884	37,228	34,734	39,680	37,948
Social Services	31,404	28,061	34,176	29,743	36,114	33,726	43,090	36,164	43,293	40,928
Economic Services	23,752	18,107	20,916	19,022	22,770	19,238	25,020	19,048	33,954	19,549
Grants-in-aid and Contributions	401	390	306	222	0	0	0	0	0	0
Total (1)	79,936	73,257	85,186	77,156	94,242	84,848	105,338	89,946	1,16,927	98,425
Capital Expenditure	11,122	13,538	15,780	15,306	16,260	17,666	13,201	5,870	9,318	11,046
Loans and Advances Disbursed	1,326	1,395	1,766	756	1,407	1,309	1,213	926	1,239	966
Repayment of Public Debt	9,945	6,339	12,466	17,184	20,257	15,776	22,592	29,498	28,161	25,473
Contingency Fund	-	27	-	13	-	-	-	-	-	-
Appropriation to Contingency Fund	-	-	-	-	-	-	-	800	-	-
Public Accounts disbursements	2,04,107	31,171	2,32,569	37,386	1,41,707	42,171	51,356	50,245	59,394	51,728
Closing Cash balance	-	4,417	-	2,985	-	3,999	-	3,148	-	4,946
Total (2)	2,26,500	56,887	2,62,581	73,630	1,79,631	80,921	88,362	90,487	98,112	94,159
Grand Total (1+2)	3,06,436	1,30,144	3,47,767	1,50,786	2,73,873	1,65,769	1,93,700	1,80,433	2,15,039	1,92,584

Source: Annual Financial Statements and Explanatory Memorandum of the Budget of the State Government.

1.3 Application of resources of the State Government

As against the total budget outlay of ₹ 2,15,039 crore, the application of resources was ₹ 1,92,584 crore during 2021-22. The total expenditure¹ of the State increased by 25 *per cent* from ₹ 88,190 crore² to ₹ 1,10,437 crore³ during the period 2017-18 to 2021-22 while revenue expenditure increased by 34 *per cent* from ₹ 73,257 crore to ₹ 98,425 crore and capital expenditure decreased by 18 *per cent* from ₹ 13,538 crore to ₹ 11,046 crore during the same period. Revenue expenditure constituted 82 to 93 *per cent* of the total expenditure while capital expenditure was six to 17 *per cent* during the period from 2017-18 to 2021-22.

¹ Total of Revenue Expenditure, Capital Expenditure and Loans and Advances Disbursed.

² ₹ 88,190 crore = Revenue Expenditure: ₹ 73,257 crore + Capital Expenditure: ₹ 13,538 crore + Loans and Advances: ₹ 1,395 crore.

³ ₹ 1,10,437 crore = Revenue Expenditure: ₹ 98,425 crore + Capital Expenditure: ₹ 11,046 crore + Loans and Advances: ₹ 966 crore.

1.4 Planning and conduct of audit

The audit process commences with risk assessment of various departments, autonomous bodies and schemes/projects which involves assessing the criticality/complexity of activities, the level of delegated financial powers, internal controls and concerns of stakeholders and previous audit findings. Based on the risk assessment, the frequency and extent of audit are decided, and an Annual Audit Plan is formulated.

After completion of audit, an Inspection Report containing audit findings is issued to the head of the office with a request to furnish replies within four weeks. Whenever replies are received, audit findings are either settled or further action for compliance is advised. Important audit observations pointed out in these Inspection Reports are processed for inclusion in the Audit Reports of the Comptroller and Auditor General of India which are to be submitted to the Governor of Haryana under Article 151 of the Constitution of India.

During 2021-22, compliance audit of 950 departmental auditee units of 53 departments under Section 13, 23 auditee units of 37 PSUs under Section 19(1), Section 19(2) and 35 auditee units of 38 autonomous bodies under Sections 14, 19(2), 19(3) and 20(1) of Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, was conducted by the office of the Principal Accountant General (Audit), Haryana as a field formation of the Comptroller and Auditor General of India.

1.5 Significant audit observations and response of Government to audit

In the last few years, Audit has reported on several significant deficiencies in implementation of various programmes/activities as well as on the quality of internal controls in selected departments/Public Sector Undertakings (PSUs) which adversely affect the success of programmes and functioning of the departments/PSUs. The focus was on offering suitable recommendations to the executive/management for taking corrective action and improving service delivery to the citizens. The Departments/PSUs are required to send their responses to draft paragraphs proposed for inclusion in the Comptroller and Auditor General of India's Audit Reports within six weeks.

This Audit Report contains three Performance Audits and 12 compliance audit paragraphs⁴ which were forwarded to the concerned Administrative Secretaries. Replies received in respect of three compliance audit paragraphs⁵ as well as replies given during exit conferences in respect three Performance Audits have been suitably incorporated in the Audit Report.

⁴ Including one Subject Specific Compliance Audit.

⁵ One SSCA (Chapter 5), Paragraphs 6.5 and 7.3.

1.6 Government response to Inspection Reports

After periodical inspection of the Government departments/PSUs, the Principal Accountant General (Audit) issues the Inspection Reports (IRs) to the head of offices audited with copies to the next higher authority/ management. The executive authorities/ managements are expected to promptly rectify the defects and omissions pointed out and report compliances to the Principal Accountant General (Audit) within four weeks. Half yearly reports of Inspection Reports (IRs) pending for more than six months are also sent to the concerned Administrative Secretaries of the departments to facilitate monitoring and compliance of the audit observations in the pending IRs.

As on 31 March 2023, a total of 24,362 audit paragraphs pertaining to 8,480 IRs were outstanding, against various auditee units pertaining to different Departments, Public Sector Undertakings and Autonomous bodies in the State as detailed in **Table 1.2**.

Table 1.2: Year-wise breakup of outstanding Inspection Reports and paragraphs

(₹ in crore)

Year	Number of IRs	Number of paragraphs	Money value
Prior to April 2017	6,189	14,615	1,08,947.42
2017-18	618	1,917	25,818.84
2018-19	633	2,467	30,469.74
2019-20	483	2,154	12,023.46
2020-21	310	1,590	11,084.71
2021-22	247	1,619	35,062.02
Total	8,480	24,362	2,23,406.19

Source: Information derived from IR Registers maintained in PAG (Audit) Office.

Category-wise details of irregularities pointed out through these IRs which had not been settled as of March 2023 are indicated in **Appendix 1.2**.

1.7 Follow-up on Audit Reports

Discussion in Public Accounts Committee (PAC) and Committee on Public Undertakings (COPU)

1.7.1 Compliance to Audit Reports

According to the instructions issued (October 1995) by the Government of Haryana, Finance Department and reiterated in March 1997 and July 2001, the administrative departments were to initiate *suo motu* action on all audit paragraphs featuring in the Comptroller and Auditor General's Audit Reports regardless of whether the cases were taken up for examination by the Public Accounts Committee (PAC)/Committee on Public Undertakings (COPU) or not. The Administrative Departments were required to furnish Action Taken Notes (ATNs) indicating the remedial action taken or proposed to be taken by them

within three months of the presentation of the Audit Reports to the Legislature.

Details of Audit Reports placed in the State Legislature during 2020-24 and discussion by PAC/COPU is given in **Table 1.3**.

Table 1.3: Status of discussion on Audit Reports Laid in State Legislature during 2020-24

Sr. No.	Name of Compliance/Performance Audit Report	Date of placement of Audit Reports in the State Legislature	Committee in which Compliance/PA Report are to be discussed	Status of discussion as of March 2024
1.	Compliance Audit Report on PSUs (Social, General and Economic Sectors) – 2019 (Report No. 2 of 2020)	5 March 2021	COPU	Discussed during 2022-23 & 2023-24
2.	Compliance Audit Report- Non-PSU (Social, General and Economic Sectors) – 2019 (Report No. 3 of 2020)	16 March 2021	PAC	Discussed during 2021-22
3.	Compliance Audit Report on Social, General and Economic Sectors – 2020 (Report No. 4 of 2021)	22 December 2021	PAC/COPU	Discussed during 2022-23 & 2023-24
4.	Performance Audit on Direct Benefit Transfer (Report No. 2 of 2022)	8 August 2022	PAC	Discussed during 2023-24
5.	Performance Audit of Functioning of Transport Department (Report No. 4 of 2022)	8 August 2022	PAC	Discussed during 2023-24
6.	Performance Audit on Functioning of Haryana Power Generation Corporation Limited (Report No. 6 of 2022)	10 August 2022	COPU	Under Discussion
7.	Compliance Audit of Energy & Power, Industries & Commerce and Urban Development clusters for the year ended 31 March 2021 (Report No. 7 of 2022)	10 August 2022	PAC ⁶ and COPU ⁷	Discussed during 2023-24
8.	Compliance Audit Report-2 for the year ended 31 March 2021 (Report No. 1 of 2023)	22 March 2023	PAC and COPU ⁸	Discussed during 2023-24
9.	Performance Audit on Rural and Urban Water Supply Schemes (Report No. 3 of 2023)	25 August 2023	PAC	Discussed during 2024-25

As of March 2024, Report of the C&AG on Performance Audit of Functioning of Haryana Power Generation Corporation Limited (Report No. 6 of 2022) was under discussion with COPU for which ATNs was received in October 2023.

1.7.2 Action awaited for recovery pointed out in Audit reports

Action taken for recovery of ₹ 1,961.17 crore pointed out through 33 audit paragraphs which appeared in Audit Report for the years 2000-01 to 2019-20 was awaited as of March 2024. The details of outstanding recoveries pointed out by Audit is given in **Appendix 1.3**. PAC has also recommended the departments concerned to recover this amount.

⁶ Three paragraphs of the Compliance Audit Report (4.1, 4.2 and 4.3).

⁷ Six paragraphs of the Compliance Audit Report (2.1 to 2.3 and 3.1 to 3.3).

⁸ One paragraph of the Compliance Audit Report (5.17).

1.7.3 Compliance to Reports of COPU and PAC

Final action on 631 recommendations contained in 16th to 89th Reports of PAC for the years 1979-80 to 2023-24 and 259 recommendations contained in 16th to 70th Reports of COPU for the years 1983-84 to 2023-24 was awaited as per details given in *Appendix 1.4*. Department/PSUs-wise details of the pending recommendations of the Public Accounts Committee and Committee on Public Sector Undertakings is given in *Appendix 1.5*.

Chapter 2

Performance Audit on Solid Waste Management in Urban Local Bodies

Chapter 2

Urban Local Bodies Department

Performance Audit on Solid Waste Management in Urban Local Bodies

2.1 Introduction

Solid Waste Management (SWM) is a pressing global challenge that demands immediate attention and effective solutions. With rapid urbanisation, population growth, and changing consumption patterns, the generation of solid waste has soared to alarming levels, exerting tremendous pressure on ecosystems, public health, and natural resources. The objective of SWM is to minimize the adverse effects of waste on human health and the environment.

2.1.1 Definition and Classification of Waste

Wastes¹ are materials that are not prime products (that is products produced for the market) for which the generator has no further use in terms of his/her own purposes of production, transformation or consumption, and of which he/she wants to dispose. Wastes are generally classified into Municipal Solid Waste (MSW), Bio-Medical Waste (BMW), Construction and Demolition (C&D) waste, e-waste, plastic waste, slaughterhouse waste, industrial waste and hazardous waste by virtue of their nature. They are also classified as biodegradable, non-biodegradable, combustible, dry and inert based on their characteristics.

2.1.2 Process of Waste Management

The process of waste management is depicted in *Chart 2.1*.

Chart 2.1: Process of waste management



Source: Municipal Solid Waste Management Manual, 2016

¹ United Nations Statistics Division.

2.1.3 Regulatory Framework Governing Management of Waste

The Central Government has the power to take necessary measures for protecting and improving the quality of the environment under the provisions of the Environment (Protection) Act, 1986. The Ministry of Environment, Forests and Climate Change (MoEFCC), Government of India (GoI) notified (September 2000) the Municipal Solid Waste (Management and Handling) Rules, 2000 (MSW Rules, 2000). Subsequently, MoEFCC amended the MSW Rules, 2000 and introduced rules for management of biomedical, plastic, hazardous, C&D and e-waste. The Solid Waste Management Rules, 2016 notified on 08 April 2016 superseded MSW Rules, 2000. Further, judicial interventions have also had a significant impact on Solid Waste Management (SWM) across the country. The regulatory framework governing the management of different types of waste is indicated in *Appendix 2.1*. Ministry of Housing and Urban Affairs (MoHUA), GoI, issued “Municipal Solid Waste Management Manual, 2016” (MSWM Manual, 2016) to provide guidance to ULBs on planning, design, implementation and monitoring of municipal solid waste management system.

2.1.4 Organisational structure with respect to functioning of Urban Local Bodies

The Additional Chief Secretary/ Principal Secretary to Government of Haryana, Urban Local Bodies (ULBs), Haryana is the head of the Administrative Department of ULBs and is assisted by Director, Urban Local Bodies Department, Haryana. The Directorate of Urban Local Bodies, Haryana (DULB) was established in April 1982, and is responsible for better co-ordination and to supervise working of ULBs in the State. In accordance with the powers conferred under the Haryana Municipal Act, 1973 and Haryana Municipal Corporation Act, 1994, DULB monitors these ULBs. The organisational structure with respect to functioning of ULBs in the State is indicated in *Appendix 2.2*.

2.1.5 Role of Urban Local Bodies in solid waste management

SWM is one of the 18 subjects devolved to the ULBs under Article 243W (12th Schedule) of the Constitution of India. Section 66A(b)(VI) of the Haryana Municipal Act, 1973 and Section 42 (6) of the Haryana Municipal Corporation Act, 1994, mandate management of solid waste as a function of ULBs.

There are 92 Urban Local Bodies² (ULBs) responsible for implementation of the Solid Waste Management (SWM) Rules, 2016 in the State of Haryana. As a measure of the quantum of responsibility, the total estimated solid waste

² Urban Local Bodies include Municipal Corporations, Municipal Councils and Municipal Committees

generation³ in these ULBs during 2021-22 was 8,766 Tons Per Day (TPD). Out of the total waste generated, 4,297 TPD (49 *per cent*) was processed and the remaining 4,469 TPD (51 *per cent*) of total waste generated was dumped at dump sites without processing as discussed in **Paragraph 2.7.10**. For better management of Solid Waste in the State, these ULBs were further grouped into 13 clusters as discussed in **Paragraph 2.8.1**. Out of these 13 clusters, only one cluster i.e., Sonipat cluster is based on a waste to energy plant model which was commissioned in August 2021. The remaining clusters continue to be non-operational till date (March 2023).

2.2 Audit Objectives

This Performance Audit was conducted to assess whether:

- Strategy and planning of solid waste management in ULBs was commensurate with the solid waste generated and concurrent with the prevailing legal framework;
- Municipal tasks associated with solid waste management including collection, segregation, processing and disposal were effective, efficient and economical;
- Planning, construction, commissioning, operation and maintenance of solid waste management projects in ULBs was effective and efficient; and
- Monitoring of solid waste management system including assessment of environmental impacts was adequate and effective.

2.3 Audit Criteria

The criteria for evaluating the performance of SWM were derived mainly from:

- Solid Waste Management Rules, 2016;
- Municipal Solid Waste Management Manual, 2016 issued by GoI;
- Plastic Waste Management (Management and Handling) Rules, 2011;
- Instructions, guidelines, policies and orders issued by the State Government, State Pollution Control Board, Ministry of Environment, Forest and Climate Change, GoI and National Green Tribunal (NGT).

³ Annual Report under Solid Waste Management Rules, 2016, Haryana State Pollution Control Board (HSPCB) for the year 2021-22

2.4 Scope and Methodology of Audit

The Performance Audit on ‘Solid Waste Management in Urban Local Bodies’ was carried out during June 2022 to May 2023. The period of audit coverage was from 2017-18 to 2021-22. Audit consisted examination of the records relating to SWM activities of 18 ULBs selected by applying simple random sampling (revenue division wise) for each tier of ULBs. List of 18 selected ULBs is indicated in **Appendix 2.3**. Audit also scrutinised the records relating to SWM of DULB and Haryana State Pollution Control Board (HSPCB).

The audit methodology also involved joint physical verification (JPV) with staff of ULBs and collection of photographic evidence with GPS coordinates. An Entry Conference was held on 8 July 2022 with the Principal Secretary of Urban Local Bodies Department, Haryana, in which the audit methodology, scope, objectives and criteria were discussed. An Exit Conference was held on 5 January 2024 with the Commissioner & Secretary, Urban Local Bodies where audit findings were discussed and deliberations of the conference have been appropriately incorporated in the Report.

2.5 Acknowledgement and Constraints

Audit acknowledges the cooperation and assistance extended by DULB, selected ULBs and HSPCB in conducting the Performance Audit. However, assessment of performance of DULB/selected ULBs on various SWM activities was a challenging task due to inadequacy of reliable/consistent data and poor record keeping. Further, the selected ULBs did not furnish replies to audit observations, resultantly, Audit was constrained to draw conclusions based on limited records and information provided by DULB and selected ULBs.

Audit Findings

2.6 Planning and Strategy of Solid Waste Management

2.6.1 Entities Involved in Solid Waste Management

The framework for administration and management of MSW in India is broadly divided into three tiers - Central, State and Local Bodies. Other stakeholders that play a crucial role are households, businesses, industries, informal sector, Non-Governmental Organisations (NGOs), Community Based Organisations (CBOs), and Self-Help Groups (SHGs), *etc.* The role and responsibilities of stakeholders involved in the process of SWM in urban areas are given in **Table 2.1**.

Table 2.1: Responsibilities of stakeholders involved in the process of SWM

Institution/ stakeholders	Role and responsibilities in SWM
Central Government (MoEFCC, MoHUA and CPCB)	Framing of legal and policy framework; Rules and Regulations; Policies and Norms; Guidelines; Manuals; technical assistance; promotion of research and development in Solid Waste Management; Capacity Building; financial support; Periodically review and monitor the implementation of laws and Rules.
State Government (DULB and SPCB)	Framing State Policy and SWM Strategy; monitoring and implementation of laws and Rules; Guidelines, Manuals, and technical assistance; financial support; reporting on Service Level Benchmarks (SLBs) to MoHUA; capacity building of local bodies; granting consent to set up treatment and disposal activities. Reviewing the performance of ULBs on waste management process; ensuring identification and allotment of suitable land for solid waste processing and disposal facilities.
ULBs (Municipal Corporations, Municipal Councils and Municipal Committees)	Implementation of State policy and SWM Rules; providing SWM services; preparation of SWM plan; framing byelaws; levy and collection of fees; financing SWM system; creating public awareness; and involvement of informal sector in SWM.

Source: SWM Rules, 2016

Whether strategy and planning of solid waste management in ULBs was commensurate with the solid waste generated and concurrent with the prevailing legal framework.

In this regard, audit findings are detailed below:

2.6.2 State Policy and Strategy on Solid Waste Management

Rule 11(a) of SWM Rules, 2016 requires the State Government to prepare a State policy and strategy for SWM within one year from the date of notification of these Rules (i.e. 8 April 2016) in consultation with stakeholders including representative of waste pickers, self-help groups and similar groups working in the field of waste management.

Audit observed that the State Government approved the SWM policy and strategy on 09 July 2018 with a delay of 15 months and that too, without consulting various stakeholders. The delay in preparation of SWM policy and strategy was stated to be due to procedural issues by the Department. The overall delay in finalisation of the State Policy also had a cascading impact on the management of SWM ecosystem in the State. Integrated Solid Waste Management⁴ (ISWM) projects could also not be started/implemented in time as discussed in **Paragraph 2.8.1**. Further, due to non-participation of various stakeholders (waste pickers, self-help groups and similar groups working in the

⁴ Integrated Solid Waste Management (ISWM) refers to a comprehensive approach to manage solid waste that involves a combination of strategies like collection, segregation, secondary storage, transportation and processing of waste.

field of waste management) in the policy making, DULB missed opportunities in terms of on boarding of all stakeholders, streamlining of efforts to reduce, reuse and recycle under SWM activities and a coherent approach towards achievement of intended objectives of SWM.

DULB in its reply stated (October 2024) that there was procedural delay in issuance of State level policy in a time bound manner. It was further stated that State had successfully implemented SWM practices involving various stakeholders. However, the reply is silent on non-involvement of stakeholders in the policy-making process.

2.6.3 Municipal Solid Waste Management Plan

Rule 15(a) of the SWM Rules, 2016 stipulates ULBs to prepare a SWM plan as per State policy and strategy on SWM within six months from the date of notification of State policy and strategy. Further, the MSWM Manual, 2016 (Section 1.4.5 and 1.4.6) emphasised the need for ULBs to prepare short-term (five years) and long-term (20-25 years) SWM plans encompassing (i) institutional strengthening; (ii) human resources development; (iii) technical capacity building; (iv) financial capacity and arrangements (v) community participation; (vi) legal framework and mechanism for enforcement; and (vii) public grievance or complaint redressal. The short-term plan should lead to the achievement of the long-term plan. Each short-term plan should be reviewed every two to three years, to ensure higher success of implementation of all plan activities.

Audit observed that none of the 18-test checked ULBs had prepared any short-term or long-term plan. In the absence of these plans, planning and selection of infrastructure projects in ULBs was not based on needs analysis covering future population forecast, anticipating lifestyle changes and change in socio-economic profile of the ULBs.

DULB in its reply stated (October 2024) that under Swachh Bharat Mission, SWM plan and city sanitation plan were prepared and implemented by ULBs. The reply is not acceptable, as ULBs did not prepare any SWM short-term/long-term plan as per State policy and strategy on SWM.

2.6.4 Provision/Demarcation of Separate Space for SWM Activities in Residential/Non-residential Plotted Colonies

Rule 11(h) of the SWM Rules, 2016 envisages that State Government through the Director of Local Bodies shall direct Town and Country Planning Department of the State and local bodies to ensure that a separate space for segregation, storage and decentralised processing of solid waste was demarcated in the development plan for group housing or commercial, institutional or any other non-residential complex exceeding 200 dwelling units or having a plot area exceeding 5,000 square meters. Further, Rule 15(ze) of

SWM Rules, 2016 envisages that ULBs were to ensure that provisions for setting up of centers for collection, segregation and storage of segregated waste are incorporated in the building plan while granting approval of building plan of a group housing society or market complex.

Audit observed that DULB had not issued any direction to the Town and Country Planning (T&CP) Department in this regard. It was further observed that DULB approved/ sanctioned (April 2017 to September 2022) 14 development plans for various group housing societies/ plotted colonies/ Commercial and Institutional establishments having area ranging from 5,253.78 to 17,455.66 square meters in Gurugram and Karnal as details given in *Appendix 2.4*. However, no separate spaces were earmarked for segregation, collection, storage, decentralized processing of solid waste in these development plans in contravention to *ibid* Rules.

Similarly, during physical verification carried out in two group housings societies⁵ where construction was in progress and license was issued (June 2019 to February 2021) by T&CP Department under jurisdiction of Municipal Corporation, Sonipat, it was observed that neither demarcation was done for SWM in the layout plans nor any space was demarcated for SWM on actual site.

DULB in its reply stated (October 2024) that it had directed (May 2023) its Town and Country Planning Cell to ensure separate spaces for segregation, storage and decentralized processing of solid waste in the development plan. The reply was silent about direction to the T&CP Department, in this regard, by the DULB.

The fact remains that due to delay in directions from DULB, development plans for various group housing societies/ plotted colonies/ Commercial and Institutional establishments were approved without earmarked space for segregation, collection, storage, decentralized processing of solid waste.

2.6.5 Earmarking of Dedicated Area in Industrial Estate for Recovery and Recycling Facility of Solid Waste

Rule 11 (i) of the SWM Rules, 2016 provides that the State Government through the Director of Local Bodies is required to direct developers of Special Economic Zone, Industrial Estates, Industrial Parks to earmark at least five *per cent* of total area of plot or minimum five plots or sheds for recovery and recycling facility.

Haryana State Industrial and Infrastructure Development Corporation Limited (HSIIDC) is the nodal agency for development of industrial infrastructure in the State. As on July 2022, HSIIDC had developed 28 Industrial Estates/ Industrial

⁵ Shri Ram Residency having area 7.95 acre and PP Greens having area 12.01 acres.

Model Town/Industrial Parks having an area of 21,057 acres at various places in the State.

Audit observed that HSIIDC had not provided requisite infrastructure/facilities in any of its owned Industrial Estates/ Industrial Model Towns/ Industrial Parks to dispose of solid waste so far (March 2023) despite directions issued by DULB in October 2020 and March 2021 for managing their waste at their own level.

During exit conference (January 2024), the Department stated that necessary directions would be circulated to the concerned in this regard.

2.6.6 Framing Byelaws for Solid Waste Management

Rule 15 (e) of the SWM Rules, 2016 provides that ULBs were to frame byelaws⁶ incorporating provisions of these Rules within one year from the date of notification of these Rules. Further, Rule 15 (zf) of the SWM Rules, 2016 provides that each ULB was to frame byelaws and prescribe criteria for levying a spot fine for persons who littered or failed to comply with the provisions of these Rules and delegate powers to officers or local bodies to levy spot fines as per the byelaws framed. Accordingly, DULB issued (March 2019) draft SWM byelaws, 2018 to the ULBs.

Audit observed that out of the 18-test checked ULBs, three ULBs (Gurugram, Sonipat and Shahabad) had not notified the SWM byelaws even after lapse of more than seven years of notification of the SWM Rules, 2016. Further, 15 ULBs notified byelaws with inordinate delays. A delay of 695 days occurred on the part of DULB due to delay in getting the byelaws approved from the State Government while delay ranging between 61 to 638 days was attributable to concerned ULBs in issuing of byelaws. ULB-wise position is indicated in *Appendix 2.5*.

Audit further observed that ULBs in Haryana were not empowered to make byelaws without approval of the State Government. As the DULB failed to get the draft byelaws approved from the State Government within the prescribed timeline in the *ibid* Rules, consequently, there were delays in notification of byelaws by ULBs. Further, failure to notify the byelaws by the three ULBs reflects lack of seriousness on their part.

During exit conference (January 2024), the Department stated that preparation of SWM byelaws by all ULBs would be ensured. However, the fact remained that the ULBs failed to enforce SWM Rules due to delay in notification of byelaws.

⁶ "byelaws" means regulatory framework notified by local body, census town and notified area townships for facilitating the implementation of these Rules effectively in their jurisdiction.

DULB in its reply stated (October 2024) that all ULB byelaws were prepared and approved at the State level and there were procedural delays in obtaining approval. The reply is not acceptable as three ULBs (Gurugram, Sonipat and Shahabad) still had not notified their byelaws (September 2024).

2.6.7 Engagement of Informal Stakeholders in Solid Waste Management

Rule 11(c) of the SWM Rules, 2016 envisage that policies and strategies should acknowledge the primary role played by the informal sector of waste pickers, waste collectors and recycling industry in reducing waste and provide broad guidelines regarding integration of waste picker or informal waste collectors in the waste management system. State Policy and Strategy on SWM assigned responsibility to DULB for the same. Further, Rule 15 (d) also provides that ULBs must establish a system for formation of Self-Help Groups (SHGs) and integrate them into the Solid Waste management system including door-to-door collection.

Audit observed that the Department did not carry out any such activity. No system was developed for formation of SHGs. Further, as on March 2022, only 13⁷ out of 18 test checked ULBs initiated the process of registering waste pickers. This has resulted in non-compliance of SWM Rules to that extent.

DULB in its reply stated (October 2024) that ULBs had already begun the process of registering waste pickers and formalizing their roles in street sweeping and door-to-door waste collection either directly or through contractual agencies. However, the fact remains that the Rules were not fully complied with by the ULBs despite lapse of more than eight years from the applicability of SWM Rules, 2016.

2.6.8 Capacity Building

Rule 11(k) and 15 (zc) of the SWM Rules, 2016, requires DULB and ULBs to arrange for capacity building of staff for managing solid waste, transportation or processing of such waste at source etc. Similarly, Section 1.4.5.5 of MSWM Manual, 2016 laid emphasis upon training and enhancing the capacities of staff in MSWM activities. The approach to capacity building in MSWM should not only focus on technology but also on different aspects including governance, financing and improved service delivery aspects for different stakeholders i.e., senior officers, collection staff, transportation staff, staff at processing plant, elected representatives and NGOs / community based organizations (CBOs) for better management of SWM activities.

⁷ Bahadurgarh, Beri, Faridabad, Gurugram, Haily Mandi, Kaithal, Nilokheri, Panchkula, Panipat, Palwal, Sonipat, Tohana and Uklana.

Audit observed that the DULB had organized seven training programmes [on topics i.e. Swachh Survekshan, SWM, Plastic Waste Management and Swachh Bharat Mission (SBM-2.0)] during the period 2017-22. Audit observed that during the period, only two training programmes directly related to SWM for senior officers were organised by DULB. It was further observed that the Department had not conducted any capacity building programmes for other stakeholders i.e. collection staff, transportation staff, staff at processing plant, elected representatives and NGOs/ CBOs. As such, capacity building for institutional strengthening was deficient during 2017-22.

DULB in its reply stated (October 2024) that several training programs were conducted under the SBM. The reply is not acceptable as the Department had not conducted any capacity building programmes for other stakeholders i.e. collection staff, transportation staff, staff at processing plant, elected representatives and NGOs/ CBOs.

2.6.9 Service Level Benchmarks

As a part of the on-going endeavour to introduce greater accountability among ULBs to improve urban services, Ministry of Housing and Urban Affairs (MoHUA) had set (2008) Service Level Benchmarks (SLBs) at the national level for service provision in four key sectors i.e., Water supply, Waste water management, Solid waste management and Storm water drainage. Monitoring performance and improvements was envisaged as the goal of the Service Level Benchmarking.

The performance of 16 test-checked ULBs ⁸ against eight performance indicators set under SLBs for SWM sector during 2021-22 is indicated in the **Table 2.2**.

Table 2.2: Status of Service Level Benchmarks in test checked ULBs

Sl. No	Performance Indicators	Bench mark/targets (in per cent)	Target achieved by number of ULBs in 2021-22
1.	Household level coverage of SWM services	100	8
2.	Efficiency of collection of municipal solid waste	100	9
3.	Extent of segregation of municipal solid waste	100	4
4.	Extent of municipal solid waste recovered	80	7
5.	Extent of scientific disposal of municipal solid waste	100	3
6.	Extent of cost recovery for SWM services	100	0
7.	Efficiency in redressal of customer complaints	80	15
8.	Efficiency in collection of SWM user charges	90	0

Source: Information furnished by ULBs

ULB wise status during 2017-22 is indicated in **Appendix 2.6**. Analysis of **Table 2.2** shows that majority of the test checked ULBs had not achieved the

⁸ Information not provided by Gurugram and Panchkula.

benchmarks under various performance indicators particularly relating to scientific disposal of MSW, segregation of MSW, cost recovery for SWM services, and efficiency in collection of SWM user charges. Municipal Corporations of Gurugram and Panchkula did not provide data of the service level benchmarks. Only MC Sonipat and MC Kalka achieved all SLBs of SWM activities except cost recovery in SWM services and collection of SWM user charges in 2021-22. Criteria/procedure adopted by the test checked ULBs in arriving at these figures were not provided to Audit. In absence of the same, Audit could not verify the authenticity of data provided by the test checked ULBs.

DULB in its reply stated (October 2024) that ULBs are expected to meet the SLB benchmarks after the implementation of SBM 2.0 during 2021-26. However, the fact remained that ULBs failed to achieve the SLBs so far (October 2024) despite these benchmarks being fixed in 2008.

2.6.10 Financial Planning

2.6.10.1 Assessment of requirement of funds

As per Section 1.4.5.6.2 of MSWM Manual 2016, SWM services are sustainable only if they are financially viable on a stand-alone basis. Therefore, the assessment of financial viability is the most critical step in planning a SWM system.

Audit observed that ULBs in the State were dependent on Government grants from Central Finance Commission (CFC), State Finance Commission (SFC) and Swachh Bharat Mission (SBM). As per Sixth SFC Report (December 2021), Government grants constituted 43 *per cent* of the total expenditure of all the ULBs in the State during 2017-21 as depicted in **Table 2.3**.

Table 2.3: Expenditure of all ULBs in Haryana met from Municipal funds and grants
(₹ in crore)

Year	Expenditure from Municipal Funds	Expenditure from Grants	Total Expenditure	Percentage of total expenditure out of grants
2017-18	2354.68	1706.33	4061.01	42
2018-19	2122.39	1550.03	3672.42	42
2019-20	2391.44	2104.95	4496.39	47
2020-21	3116.14	2068.8	5184.94	40
Total	9984.65	7430.11	17414.76	43

Source: Sixth SFC Report

Note: Information for 2021-22 was not provided by DULB.

DULB prepared the Technical Feasibility Reports (TFR) for all the clusters for implementation of Integrated Solid Waste Management (ISWM) projects. However, financial requirements or financial capabilities of the ULBs to execute and sustain the SWM activities were not assessed in these TFRs.

Further, none of the test checked ULBs jointly or independently carried out such exercise for ISWM projects.

Since the financial capabilities of ULBs were not considered, there were gaps in terms of requisite analysis for requirement of funds to develop and maintain the necessary infrastructure. Consequently, there is a risk to the adequacy of funding to provide SWM services in all areas within the jurisdiction of ULBs particularly in view of the ULBs' dependency on grants as discussed in **Table 2.3**.

DULB in its reply stated (October 2024) that the TFRs were prepared for checking the financial feasibility of the ISWM Projects and not for their implementation. Reply is not acceptable as financial capability of ULBs was not assessed in the TFRs which is crucial for long term sustainability of the ISWM projects.

2.6.10.2 Levy and Collection of Solid Waste Management User Fee

Rule 15 (f) of SWM Rules, 2016 prescribes that ULB is authorised to collect user fee/charges as determined by it from time to time on its own or through its authorised agency from all waste generators for SWM to cover its operating cost for financial viability. The State Government notified (October 2011) indicative monthly user charges for various categories of waste generators and ULBs were authorised to levy their own user charges and revise the same from time to time.

Audit observed that 14 test checked ULBs⁹ had not evolved any mechanism for assessment and raising of bills for SWM user charges on a periodical basis. Audit also observed that four test checked ULBs¹⁰ had not collected any user charges during 2017-22 and the remaining 10 test checked ULBs were collecting SWM user charges as per the indicative monthly user charges from various categories of waste generators as notified by the State Government through No Dues Certificate Portal¹¹. It was further observed that none of the test checked ULBs prescribed its own user charges in order to make the SWM function a self-sustaining activity.

The ULBs incurred expenditure on door-to-door waste collection and other SWM activities as depicted in **Table 2.4**. Thus, due to non-assessment and short recovery of user charges, ULBs could not recover the cost of providing SWM service as depicted in **Table 2.4**.

⁹ Except four ULBs Faridabad, Gurugram, Panipat and Sonipat, where ISWM project had been awarded to private concessionaire and the Concessionaires were collecting user charges at their level.

¹⁰ Kalka, Palwal, Panchkula and Punhana.

¹¹ Whenever owner of any household unit comes for obtaining No Dues Certificate from respective ULBs.

Table 2.4: Details of receipt and expenditure of 14 test checked ULBs on SWM activities
(₹ in crore)

Year	Capital expenditure	Recurring expenditure	Total	User Charges collected	Percentage of user charges recovered to the recurring expenditure
A	B	C	D=B+C	E	F = E/C *100
2017-18	1.78	70.94	72.72	0.26	0.37
2018-19	2.82	60.63	63.45	0.59	0.97
2019-20	3.38	74.59	77.97	0.59	0.79
2020-21	2.71	102.49	105.20	1.58	1.54
2021-22	3.27	102.63	105.90	3.47	3.38

Source: Information furnished by test checked ULBs.

It is evident from **Table 2.4** that collection of user charges was meagre and ranged between 0.37 and 3.38 *per cent* against the recurring expenditure incurred on SWM activities in these ULBs during 2017-22. The ULBs were leveraged on the DULB capabilities to bail them out *via* grants from GoI or expenditure routed through the Consolidated Fund of State, effectively creating strain on the State finances.

During exit conference (January 2024), the Department stated that rates of user fees are very low and efforts would be made to increase recovery of user charges in future.

2.7 Segregation, Collection, Processing and Disposal of Municipal Solid Waste

Whether municipal tasks associated with solid waste management including collection, segregation, processing and disposal were effective, efficient and economical.

In this regard, audit findings are detailed below:

2.7.1 Segregation and Collection of Waste at Source/Household Level

As per SWM Rules, 2016, DULB is responsible for ensuring the implementation of provisions of these Rules by all ULBs. MSWM Manual, 2016 (Section 2.2.1) stipulates that ULBs must accord highest priority for segregation of waste at source.

Audit observed that the test checked ULBs did not maintain day/month wise data of waste collected. Further, criteria/procedure adopted by ULBs in arriving at data regarding segregation at source and door to door collection were not provided to Audit. In absence of the same, Audit could not verify the authenticity of data provided by the test checked ULBs. Status of segregation at source and door-to-door collection in the State is given in **Table 2.5**.

Table 2.5: Percentage of segregation at source and percentage of door-to-door collection in all the ULBs of the State

Period	Segregation at source (in per cent)	Door-to-door collection (in per cent)
2017-18	Data Not Available	Data Not Available
2018-19	20	Data Not Available
2019-20	64	93
2020-21	72	95
2021-22	70	98

Source: Information provided by the HSPCB.

Test checked ULB wise position regarding segregation at source and collection during 2017-22 is given in **Appendix 2.7**. Out of 16 test checked ULBs¹², only five ULBs¹³ achieved segregation at source ranging from 91 to 100 per cent, eight¹⁴ ULBs achieved segregation at source ranging from 51 to 90 per cent and in three ULBs¹⁵ the same ranged between zero and 50 per cent during 2021-22. Actions taken or proposed to be taken by DULB for achieving 100 per cent segregation at source and collection of waste were not furnished to Audit.

As per information provided by 17 test checked ULBs¹⁶, 15 ULBs had nil Garbage Vulnerable Points¹⁷ (GVPs) and in remaining two ULBs, there were 207 GVPs (Faridabad: 205 and Narnaul: 2). However, during physical verification of the garbage sites in these ULBs, it was seen that GVPs existed in all the ULBs which reported 'nil' GVPs. This indicates that the ULBs were not maintaining/ reporting correct data.



Non-segregated garbage dumped in open area

Non-segregated garbage dumped in sabzi mandi area

¹² Information not provided by Gurugram and Panchkula.

¹³ 1. Nilokheri, 2. Panipat, 3. Shahabad, 4. Sonipat and 5. Tohana.

¹⁴ 1. Bahadurgarh, 2. Faridabad, 3. Haily Mandi, 4. Hisar, 5. Kalka, 6. Narnaul, 7. Palwal, and 8. Uklana.

¹⁵ 1. Beri, 2. Kaithal and 3. Punhana.

¹⁶ Haily Mandi did not furnish any data.

¹⁷ Garbage Vulnerable Points are areas where garbage piles up due to constant dumping by locals, travelers, or passersby. They can be a significant obstacle to keeping a city clean.

Further, during joint physical verification, it was noticed that waste was found to be dumped on roadside and spread around the visited sites of GVPs in all the selected ULBs. It was also observed in MC Panipat that even when the segregated waste at household level was handed over to the garbage collector, it was subsequently mixed with other waste and transported to dumpsite.



The low rate of segregation exacerbates the challenges associated with waste management. Without proper segregation, recyclable and non-recyclable waste gets mixed, making it difficult to recover resources effectively. This not only results in the loss of potential recycling opportunities but also puts additional strain on landfills, which receive a higher volume of unsegregated waste.

DULB in its reply stated (October 2024) that audit observations are based on data from 2017-22 and after that significant improvements had been made in waste collection, transportation and processing. DULB has issued directions to closely monitor collection and segregation activities and impose penalties for non-compliance. However, no document in support of the reply was furnished to audit.

2.7.2 Segregation of Sanitary Waste

Section 17 of MSWM Manual, 2016 provides that Sanitary waste (e.g., diapers, sanitary napkins, tampons, incontinence sheets and any other similar waste) should be wrapped securely in the pouches and handed over separately to the waste collectors on daily basis. Upon collection of sanitary waste, it should be preferably disposed in biomedical or MSW incinerators, as applicable to local context or as directed by State Pollution Control Board.

Audit observed that there was no separate system for segregation and disposal of sanitary waste in any of the 18-test checked ULBs. Sanitary waste found its way like other solid waste, mixed, unsegregated and unprocessed to the dumpsites.

DULB in its reply stated (October 2024) that audit observations are based on data from 2017-22 and after that significant improvements had been made in waste collection, transportation and processing. DULB has issued directions to closely monitor collection and segregation activities and impose penalties for non-compliance. However, no document in support of the reply was furnished to audit.

2.7.3 Segregation of Domestic Hazardous Waste

Section 7.1 of MSWM Manual, 2016 provides that domestic hazardous waste required special handling and disposal because of its harmful physical and chemical characteristics, or biological properties. Further, as per Rule 15 (i) of SWM Rules, 2016, ULBs were required to establish waste deposit centers for domestic hazardous waste and direct waste generators to deposit domestic hazardous wastes at these centers for its safe disposal.

Audit observed that none of the 18-test checked ULBs publicised the list of items classified as domestic hazardous waste to be segregated at source. Further, 18 test checked ULBs had neither established such waste deposit centers for safe disposal of domestic hazardous waste nor ensured safe storage and transportation of domestic hazardous waste to the appropriate waste disposal facility centers except MC Gurugram which partially stores and transports domestic hazardous waste separately at deposition centre Pali (Faridabad).

Thus, non-segregation of domestic hazardous waste led to improper disposal of domestic hazardous waste with individuals resorting to discarding these hazardous materials along with regular household waste or inappropriately dumping them in open areas, drains, or water bodies.

The Department in its reply stated (October 2024) that it has issued directions to monitor collection, segregation activities and impose penalties for non-compliance.

2.7.4 Segregation and Disposal of Horticulture Waste

Rule 15 (k) of SWM Rules, 2016 provides that ULB shall direct street sweepers not to burn tree leaves collected from street sweeping but to store them separately and hand it over to waste collectors or agency authorised by local body. Further, Rule 15 (p) of SWM Rules, 2016 provides that ULBs shall collect horticulture, parks and garden waste separately and process it in parks and gardens, as far as possible.

In nine¹⁸ test checked ULBs, Audit observed that there were shortage of constructed pits ranging between two to 574 pits in parks as on March 2022 for

¹⁸ Bahadurgarh: 35; Gurugram 574; Haily Mandi: 2; Hisar: 50; Kalka:2; Kaithal: 44; Narnual: 20; Panchkula: 60; and Uklana: 2.

collection and processing horticulture waste. Criteria/procedure adopted by ULBs for working out number of required pits was not provided to Audit. In absence of the same, Audit could not verify the authenticity of data regarding shortage of pits provided by the test checked ULBs.

In the absence of adequate number of pits, horticulture waste was dumped at open space in parks and other open spaces. Further, during joint physical verification of 16 dumpsites, it was observed that predominantly, horticulture waste was found dumped in 13 dumping sites, mixed with the other waste.

DULB in its reply stated (October 2024) that as on September 2024, a total of 1,552 park pits had been set up across Haryana for processing horticulture waste.



2.7.5 Collection of Municipal Solid Waste

Rule 15 (b) of SWM Rules, 2016 stipulates that ULBs are required to arrange for door-to-door collection of segregated solid waste from all households including slums and informal settlements, commercial, institutional and other non-residential premises. Status of waste generated and collected in all the ULBs of the State is depicted in **Table 2.6**.

Table 2.6: Status of waste generated and collected in all the ULBs of the State

Period	Generated (TPD)	Collected (TPD)	Percentage Collected
2017-18	4,394.40	4,125.36	93.88
2018-19	4,635.79	4,430.25	95.57
2019-20	5,231.90	4,808.80	91.91
2020-21	5,352.12	5,291.41	98.87
2021-22	8,766.00	6,691.13	76.33
Total	28,380.21	25,346.95	93.88

Source: Annual reports submitted by HSPCB to CPCB.

As can be seen in **Table 2.6**, percentage of collection of waste ranged between 76 and 99 *per cent* during 2017-22. Test checked ULB wise position regarding collection of waste during 2017-22 is indicated in **Appendix 2.7**. Out of 16 test

check ULBs¹⁹, 11 ULBs achieved door-to-door collection ranging between 91 and 100 *per cent*, in four²⁰ ULBs the same ranged between 51 and 90 *per cent* and in remaining one ULB (MC Punhana) the same was 46 *per cent* during 2021-22.

DULB in its reply stated (October 2024) that all ULBs have been directed to closely monitor door-to-door waste collection, segregation, transportation, and processing. Penalties will be imposed for non-compliance and appropriate action will be taken against delinquents.

2.7.6 Secondary Storage of Municipal Solid Waste

"Secondary storage" under SWM Rules, 2016 means the temporary containment of solid waste after collection at secondary waste storage depots or material recovery facilities²¹ (MRFs) or bins for onward transportation of the waste to the processing or disposal facility. Rule 15 (h) of SWM Rules, 2016 requires the local authorities to set up MRFs or secondary storage facilities for sorting of recyclable materials. The status of MRFs in the 18 test-checked ULBs during 2017-22 is given *Appendix 2.8*.

Audit observed that against the requirement of 70 MRFs in 18 test checked ULBs, only 33 MRFs existed as on March 2022. There was a shortage of 38 MRFs in seven²² test checked ULBs as on March 2022. Criteria/ procedure adopted by ULBs for working out the number of required MRFs was not provided to Audit. In absence of the same, Audit could not verify the authenticity of data regarding shortage of MRFs provided by the test checked ULBs.

Shortage of MRFs led to the unprocessed waste being dumped at dumpsites. Failure to segregate also contributed to failure in recovery of the recyclables, thereby leading to dumping these resources in landfills. It was also a sub-optimal use of precious landfill space.

DULB in its reply stated (October 2024) that 86 MRFs are available in 58 ULBs. The reply of the Department confirms that there was a shortage of MRFs.

¹⁹ Information not provided by Gurugram and Panchkula.

²⁰ 1. Haily Mandi, 2. Hisar, 3. Palwal and 4. Uklana.

²¹ Means a facility where non-compostable solid waste can be temporarily stored by the local body or any other entity or any person or agency authorised by any of them to facilitate segregation, sorting and recovery of recyclables from various components of waste by authorised informal sector of waste pickers, informal recyclers or any other work force engaged by the local body or entity for the purpose before the waste is delivered or taken up for its processing or disposal.

²² Gurugram: 30, Hisar: 3, Kalka: 1, Kaithal: 1, Narnaul: 1, Punhana: 1, Uklana: 1. There is one excess MRF in Palwal.

2.7.7 Manpower for Street Sweepings

Street cleaning is one of the primary services rendered by municipal authorities to ensure clean and hygienic urban conditions. Section 2.4.2 of MSWM Manual, 2016 emphasises on having a well-planned, time-bound daily system for street sweeping including adequate staffing for street sweeping. Further, as per the norm adopted by DULB there should be one sweeping staff for every 400 people residing in a city for cleaning streets/roads of the city area on a daily basis. Status of requirement of sweepers and actual position of sweepers engaged against the requirement in the 18-test checked ULBs is shown in **Table 2.7**.

Table 2.7: Detail showing the status of Sweepers in test checked ULBs during 2017-22
(Figures in number)

Period	Sweepers required	Sweepers engaged	Shortage of sweepers (Per cent)
2017-18	13,346	6,453	6,893 (52)
2018-19	13,872	6,666	7,206 (52)
2019-20	14,859	6,901	7,958 (54)
2020-21	16,522	13,248	3,274 (20)
2021-22	18,309	13,232	5,077 (28)

Source: Information provided by the test checked ULBs.

It is evident from **Table 2.7** that there was shortage of sweepers ranging from 20 to 54 *per cent* during 2017-22. Though there was an improvement in engagement of sweepers during 2020-22, however, there was still shortage of 5,077 sweepers (28 *per cent*) as of March 2022. ULB wise position of sweepers is indicated in **Appendix 2.9**. Audit observed that there was a shortage of 4,946 sweepers in five²³ test checked ULBs whereas in two²⁴ ULBs, there was excess deployment of 593 sweepers.

DULB in its reply stated (October 2024) that sweeping is currently being done both mechanically and manually through outsourcing contracts.

2.7.8 Personal Protective Equipment

As per Rule 15 (zd) of SWM Rules, 2016, ULBs are required to ensure that the operator of a facility provides personal protective equipment (PPE) including uniform, fluorescent jacket, hand gloves, raincoats, appropriate foot-wear and masks to all workers handling solid waste and the same are used by workforce.

²³ Bahadurgarh: 511, Faridabad: 1,720, Palwal: 306, Panipat: 2,000 and Sonipat: 409.

²⁴ Gurugram: 553 and Kaithal: 40.

During joint physical verification in 18 test checked ULBs, Audit observed that in eight²⁵ test checked ULBs, the workers involved in manual handling of waste were not wearing protective equipment particularly gloves and boots despite the condition in contract regarding use of PPE.



Non-utilisation of protective equipment is fraught with serious health hazards to persons engaged in handling of waste.

DULB in its reply stated (October 2024) that efforts are being made by ULBs to ensure contractors provide appropriate PPEs to all workers.

2.7.9 Availability of Vehicles for Solid Waste Management Activities

Transportation plays a vital role in managing SWM activities. Depending on the local conditions and location of landfill sites, ULBs use different types of vehicles such as push-carts, auto tippers, tractors, tipper trucks and compactors for collection and transportation of the waste. Status of vehicles in the 14²⁶ test checked ULBs during 2017-22 is given in **Table 2.8**.

Table 2.8: Status of vehicles in 14 test checked ULBs

Period	Total no. of vehicles required	Number of vehicles available	Shortage (Per cent)
2017-18	294	215	79 (27)
2018-19	332	236	96 (29)
2019-20	376	299	77 (20)
2020-21	494	360	134 (27)
2021-22	515	405	110 (21)

Source: Information provided by the test checked ULBs.

Test checked ULB wise position is indicated in **Appendix 2.10**. Four²⁷ test checked ULBs reported shortage of 110 vehicles as on March 2022. The maximum shortage (50 per cent) was reported by MC, Hisar. Criteria/ procedure adopted by ULBs for working out number of required vehicles was not provided to Audit. In absence of the same, Audit could not verify the authenticity of data regarding shortage of vehicles provided by the test checked ULBs.

During exit conference (January 2024), the Department stated that the issue is being pursued to enhance the availability of vehicles.

²⁵ Faridabad, Gurugram, Hisar, Kalka, Nilokheri, Palwal, Panipat and Sonipat.

²⁶ Excluding four ULBs (Gurugram, Faridabad, Sonipat and Panipat) where ISWM have been awarded to private concessionaires.

²⁷ Hisar: 96, Kalka: 7, Punhana: 4 and Uklana: 3.

2.7.9.1 Utilisation of Tractors/trolleys received under Corporate Social Responsibility

Indian Oil Corporation Limited donated (March 2022) 25 small tractors along with trolleys costing ₹ 81.22 lakh to MC Faridabad (MCF) under Corporate Social Responsibility (CSR) as per requirement of the Companies Act, 2013.

Audit observed that MCF had outsourced SWM activities relating to collection, transportation and processing of MSW to a private agency. MCF handed over these tractors to the agency in March 2022. These tractors/ trolleys were returned to MCF in December 2022 as the agency refused to pay the cost of tractors/trolleys to MCF. Since then, these are lying with MCF. Thus, these tractors/ trolleys could not be utilised in MCF, however, MCF did not take up the matter with DULB for their utilisation in other ULBs.

Thus, MCF had failed to leverage a critical statutory provision for SWM activities. This has resulted in non-utilisation of vehicles worth ₹ 81.22 lakh in the solid waste activities.

DULB in its reply stated (October 2024) that MCF was in the process of tendering the work to an agency that will provide drivers, fuel, and maintenance services to ensure efficient use of the vehicles for transporting sweeping waste to designated secondary collection points.

2.7.10 Processing of Municipal Solid Waste

Rule 15 (v) of SWM Rules, 2016, provides that the local authorities shall facilitate construction, operation and maintenance of solid waste processing facilities and associated infrastructure on their own or with private sector participation or through any agency for optimum utilisation of various components of solid waste adopting suitable technology. As per SWM Rules, 2016, DULB is responsible for ensuring the implementation of provisions of these Rules by all local authorities (ULBs).

Details of solid waste generated, processed and dumped by all the ULBs in Haryana during 2017-22 are given in **Table 2.9**.

Table 2.9: Status of solid waste generated, processed and dumped in all ULBs

Year	Total waste generated (TPD)	Total waste processed (TPD)	Total waste unprocessed (TPD)	Total waste generated in the State in a year ^s (lakh ton)	Unprocessed waste dumped at dumpsite in a year ^s (lakh ton)
2017-18	4,394	750	3,644(83)	16.04	13.30
2018-19	4,636	816	3,820(82)	16.92	13.94
2019-20	5,232	1,621	3,611(69)	19.10	13.18
2020-21	5,352	3,124	2,228(42)	19.53	8.13
2021-22	8,766	4,297	4,469(51)	31.99	16.31
Total				103.58	64.86

Source: Information provided by HSPCB.

\$ Figures have been calculated by multiplying waste generated per day by 365

Figure in brackets denotes percentage.

It is evident from **Table 2.9** that during 2017-22, the total waste generated was 103.58 lakh tons, against which 64.86 lakh tons waste i.e., 63 *per cent* was dumped at dumpsites without any processing. Though the *percentage* of unprocessed waste decreased over the years, the efforts were not commensurate with the increasing quantum of dumped unprocessed waste.

Out of 18-test checked ULBs, 11 ULBs²⁸ had fully outsourced the processing of daily MSW and three ULBs²⁹ had partially³⁰ outsourced the processing of daily collected MSW. Remaining four ULBs³¹ had no facility of processing of MSW. Details of solid waste generated, processed and dumped by the test checked ULBs during 2017-22 are given in **Table 2.10**.

Table 2.10: Detail of solid waste generated, processed and dumped in 18-test checked ULBs

Year	Total waste generated (TPD)	Total waste processed (TPD)	Total waste unprocessed/dumped (TPD)	Total waste generation in one year ^s (lakh ton)	Unprocessed Waste Dumped at dump sites in whole year ^s (lakh ton)
2017-18	2,537	132	2,405 (95)	9.26	8.77
2018-19	2,965	217	2,748 (93)	10.82	10.03
2019-20	3,237	669	2,568 (79)	11.82	9.37
2020-21	3,140	1,020	2,120 (68)	11.46	7.73
2021-22	3,209	1,832	1,377 (43)	11.71	5.03
Total				55.07	40.95

Source: Information provided by ULBs.

^s Figures have been calculated by multiplying waste generated per day by 365

Figures in brackets denotes percentage.

Unprocessed waste of 40.95 lakh tons, in the test checked ULBs, was dumped during the last five years, even after the notification of SWM Rules (8 April 2016). Audit further observed that only three ULBs³² were processing 100 *per cent* of their waste whereas three ULBs³³ were dumping more than 80 *per cent* of their waste without processing and the remaining 12 ULBs³⁴ were dumping unprocessed waste ranging from six to 79 *per cent* during 2021-22.

Low rate of processing in the test-checked ULBs was due to insufficient infrastructure for solid waste management. The existing infrastructure was inadequate in terms of capacity as well as functionality and was unable to handle the increasing volume of waste generated. This was also reflected in the form

²⁸ 1. Bahadurgarh, 2. Beri, 3. Faridabad, 4. Gurugram, 5. Kaithal, 6. Nilokheri, 7. Palwal, 8. Panipat, 9. Shahabad, 10. Sonipat and 11. Tohana.

²⁹ 1. Hisar, 2. Kalka and 3. Panchkula.

³⁰ Either activities are not outsourced for all the wards or all activities are not outsourced.

³¹ 1. Hailey Mandi, 2. Punhana, 3. Narnaul and 4. Uklana.

³² 1. Kaithal, 2. Nilokheri and 3. Sonipat.

³³ 1. Hailey Mandi: 100 *per cent*, 2. Panipat: 86 *per cent* and 3. Punhana: 80 *per cent*.

³⁴ 1. Bahadurgarh: 55 *per cent*, 2. Beri: 44 *per cent*, 3. Faridabad: 8 *per cent*, 4. Gurugram: 66 *per cent*, 5. Hisar: 47 *per cent*, 6. Kalka: 10 *per cent*, 7. Narnaul: 79 *per cent*, 8. Palwal: 20 *per cent*, 9. Panchkula: 24 *per cent*, 10. Shahabad: 6 *per cent*, 11. Tohana: 71 *per cent* and 12. Uklana: 67 *per cent*.

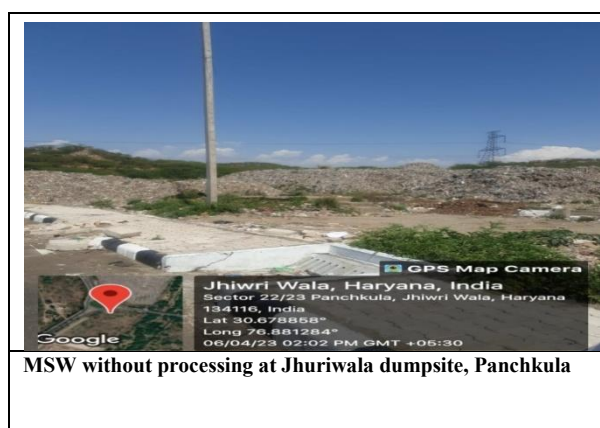
of fines imposed on ULBs in Haryana by the National Green Tribunal (NGT) as discussed in **Paragraph 2.7.11** and **2.8.3.1**.

DULB in its reply stated (October 2024) that audit observations are based on data from 2017-22 and after that significant improvements had been made and 90 per cent of fresh waste is now being processed. The reply is not tenable as the Department has not submitted any documentary evidence in support of their reply. Further, as per annual report of HSPCB for the year 2023-24, ULBs of the State had treated only 65.15 per cent of the generated waste.

2.7.11 Setting up of Sanitary Landfills Site

Rule 15 (w) of SWM Rules, 2016 provides that ULBs shall undertake on their own or through any other agency, construction, operation and maintenance of sanitary landfill and associated infrastructure within three years from the date of notification of the Rules.

Audit observed that out of 18-test checked ULBs, only two ULBs³⁵ had operational sanitary landfill site and remaining 16 ULBs were not having landfill sites and were dumping mixed MSW at various dumpsites.



Audit further observed that two test checked ULBs (MC Panchkula and MC Kalka) were dumping MSW without processing at Jhuriwala site which is situated in a natural forest with rich biodiversity adjacent to a wildlife sanctuary.

NGT vide its order dated 15 November 2022 imposed environmental compensation of ₹ nine crore and ₹ one crore on MC Panchkula and MC Kalka respectively for contamination of water due to leachate coming out of site and mixing with storm water of natural drain which subsequently outfalls in river Ghaggar coupled with violation of Forest and Wildlife laws. The ULBs deposited the environmental compensation in December 2022.

DULB in its reply stated (October 2024) that the Jhuriwala dumping site has been reclaimed and waste is not processed there anymore. Presently, the site is being used as a transfer station only and waste is cleared every day from the station. Waste from Panchkula and Kalka is sent to the processing site at Patvi, Ambala and Yamuna Nagar respectively. However, the fact remained that the ULBs selected

³⁵

Panipat and Sonipat.

inappropriate dumpsite situated in a natural forest and had to pay ₹ 10 crore as environment compensation for violation of Forest and Wildlife laws.

2.7.11.1 Basic Facilities on Landfill/dumpsites

Schedule I (B) of SWM Rules, 2016 specifies that certain facilities should be available at landfill sites. Audit conducted joint physical verification of landfills/dumpsites with staff of test checked ULBs. The status of non-availability of basic facilities at the landfills/dumpsites at 13 test checked ULBs³⁶ is as detailed in **Table 2.11**.

Table 2.11: Status of facilities at the landfills/dumpsites at 13 test checked ULBs

Sl. No.	Name of facility require at landfills/dump sites	Facility not available (No. of ULBs)
1	Drinking water	8
2	Toilet facility	8
3	Lighting facility	8
4	Fire protection equipment	9
5	Weigh bridge	9
6	Shelter for equipment and machinery	11
7	Watchman shed	6
8	Office facility	8
9	Waste inspection facility	9
10	Vegetative covering/plantation	11
11	Storm water drains	10
12	Internal roads	9
13	Approach roads	5
14	Compound wall and Gate	6
15	Windrow platforms	11

Source: Joint physical verification reports

It can be seen from **Table 2.11** that basic facilities were not available at the dumpsites. Test checked ULB wise status of the above facilities at the landfills/dumpsites is indicated in **Appendix 2.11**. Firefighting protection equipment was not available at nine³⁷ dumpsites, weighbridge at nine³⁸ dumpsites, and lighting facility at eight³⁹ dumpsites.

³⁶ There is no dedicated dumpsite at Kalka, Faridabad and Punhana. Dumpsites at Palwal and Haily Mandi were cleared.

³⁷ 1. Beri, 2. Hisar, 3. Kaithal, 4. Narnaul, 5. Panipat, 6. Panchkula, 7. Shahabad, 8. Tohana, 9. Uklana.

³⁸ 1. Beri, 2. Hisar, 3. Kaithal, 4. Nilokheri, 5. Panipat, 6. Panchkula, 7. Shahabad, 8. Tohana, 9. Uklana.

³⁹ 1. Hisar, 2. Kaithal, 3. Panipat, 4. Panchkula, 5. Nilokheri, 6. Shahabad, 7. Tohana, 8. Uklana.



DULB in its reply stated (October 2024) that instructions to provide basic facilities at landfills and dumpsites as part of the land reclamation work will be circulated soon after approval from the competent authority.

2.7.11.2 Authorisation by State Pollution Control Board

Rule 15 (y) of SWM Rules, 2016 provides that the municipal authority or an operator of a facility is required to obtain authorisation from the State Pollution Control Board (SPCB) for setting up of waste processing, treatment or disposal facility, if the volume of waste is exceeding five metric tons per day including sanitary landfills. The number of dumpsites and authorisation granted by HSPCB during the period 2017-22 is given in **Table 2.12**.

Table 2.12: Status of dumpsites and authorisation granted by HSPCB of all the ULBs in the State during 2017-22

Year	ULBs generating waste above five TPD (Number)	Numbers of dumpsites	Authorisations granted by HSPCB (Number)
2017-18	80	65	Nil
2018-19	84	65	Nil
2019-20	86	69	Nil
2020-21	88	76	Nil
2021-22	89	77	Nil

Source: Annual Reports submitted by HSPCB to CPCB.

Audit observed that during 2021-22 there were 77 dumpsites where ULBs were dumping waste without authorization from HSPCB. However, no action was taken by HSPCB against the concerned ULBs for disposal of waste without authorization. When the issue was pointed out (April 2023) by Audit, HSPCB issued (April 2023) show cause notices to 74 ULBs for non-obtaining the authorisation for processing, treatment or disposal of waste generated.

During exit conference (January 2024), the HSPCB stated that corrective action will be initiated for non-compliance of SWM Rules.

2.7.11.3 Environmental Compensation

HSPCB issued (December 2021) revised⁴⁰ procedure/guidelines for examining,

⁴⁰ Original procedure/guideline for calculation of EC was issued by HSPCB vide its order dated 29 April 2019.

assessing and imposing Environmental Compensation (EC) on the basis of “polluter pays principle” on industrial units and other Authorities for violation of the provisions of various Act and Rules, who caused damage to the environment of the State of Haryana. The procedure/guidelines *inter-alia* include formula⁴¹ involving three components⁴² for working out the amount of EC to be levied on concerned individual/Authority for improper SWM. The formula works out the amount of EC based on gap between waste generated and waste disposed as per the Rules. As depicted in **Table 2.9**, there were consistent gaps between waste generated and waste disposed during 2017-22, however, upto March 2023, HSPCB had not examined/assessed EC for persistent violation of SWM Rules by the ULBs in the State.

Audit also observed that there were 50 ULBs in the State which had gap between waste generated and waste disposed as on March 2022. However, HSPCB had not conducted any study/evaluation to assess impact on environment due to improper waste management to assess and levy EC. The amount of EC as per the prescribed formula worked out to ₹ 44.26 lakh per day⁴³ on account of O&M cost (₹ 41.98 lakh) and environmental externalities (₹ 2.28 lakh) and ₹ 50.38 crore as fixed cost on account of capital cost for 50 ULBs for non-disposal of waste as per SWM Rules. ULB wise detail is given in **Appendix 2.12**. Thus, HSPCB did not fulfil its responsibilities assigned under SWM Rule, 2016 by not initiating action against dumping of unprocessed waste.

HSPCB in its reply stated (30 January 2024) that necessary action is being taken by the Board from time to time against the violations noticed as per the revised procedure/guidelines (December 2021). Reply of the Board is not acceptable as the Board has not levied any EC against ULBs for dumping unprocessed waste. Further, HSPCB had not conducted any study to assess impact on environment due to improper waste management.

2.7.12 Biomining and Bioremediation of Legacy Waste

Rule 15(zj) of SWM Rules, 2016 provides that the local authorities are required to investigate and analyse all old open dumpsites and existing operational dumpsites for their potential of biomining and bioremediation⁴⁴ and wherever feasible, take necessary action to biomine or bioremediate the sites. Further,

⁴¹ Environment Compensation (₹ lakh) = $2.4 \text{ (Waste Generation - Waste disposed as per the Rules)} + 0.02 \text{ (Waste Generation - Waste disposed as per the Rules)} \times N + \text{Marginal Cost of Environmental Externality} \times \text{(Waste Generation - Waste disposed as per the Rules)} \times N$. Here “N” is number of days from the date of directions of HSPCB till the required capacity systems are provided by the concerned authority.

⁴² 1. Capital cost: fixed 2. O&M cost: variable and 3. Environmental Externalities: variable.

⁴³ As per the formula, exact amount of EC can be worked out based on the number of days from date of direction of HSPCB till required capacity system are provided by the concerned authority.

⁴⁴ Bioremediation is a process of removing or utilising the pollutants from an area.

Rule 15(zk) provides that in the absence of potential of biomining and bioremediation of dumpsite, it is to be scientifically capped as per landfill capping norms to prevent further damage to environment. Moreover, Rule 22 of SWM Rules, 2016 prescribes a five years' time limit for implementation of the bioremediation or capping of old and abandoned dump sites from the date of notification of Rules (8 April 2016). Non-remediation of legacy waste has serious implications on the environment and public health.

Audit observed that ULBs did not ensure a scientific assessment of quantity of legacy waste and resource mobilisation to adhere to the time limit set in SWM Rules, 2016. DULB belatedly directed (22 April 2020) all the ULBs to invite tenders for bioremediation of legacy waste present at the existing dumpsites after obtaining necessary approvals in their respective municipalities. The status of bioremediation of legacy waste by all the ULBs in the State and test checked ULBs is shown in **Tables 2.13 and 2.14** respectively.

Table 2.13: Status of bioremediation of legacy waste in ULBs of Haryana as on April 2023

No. of dumpsites	Quantity of waste (in lakh MT)	Work allocated on dumpsites (in number)	Work completed on dumpsites (in numbers)	Quantity of waste processed (in lakh MT)
76	101.39	46	17	52.62

Source: Information furnished by DULB

It is evident from **Table 2.13** that even after lapse of two years from April 2021 (i.e., time limit for clearing of legacy waste as per SWM Rules, 2016) work in respect of 29 dumpsites⁴⁵ was not even awarded and 48.77 lakh MT (48 per cent) of legacy waste was lying unprocessed (April 2023). Action taken or proposed to be taken by DULB for bioremediation of remaining legacy waste was not furnished to Audit.

Table 2.14: Status of bioremediation of legacy waste in 18-test checked ULBs as on April 2023

Sl. No.	Particular	
1.	No. of dumpsites of legacy waste	16 ⁴⁶
2.	Total quantity of legacy waste estimated (in lakh MT)	49.29
3.	Revised quantity of legacy waste (in lakh MT)	62.44
4.	No. of ULBs where work order for processing placed	11
5.	Quantity of legacy waste processed till April 2023 (in lakh MT)	29.29
6.	Quantity of unprocessed legacy waste as on April 2023 (in lakh MT)	33.15
7.	No. of ULBs where work completed	3 ⁴⁷

Source: Information furnished by test checked ULBs and DULB

⁴⁵ In case of Hailey Mandi dumpsite legacy waste was transferred to Pataudi dumpsite 1. Badli, 2. Barara, 3. Barwala, 4. Bawani Khera, 5. Bhuna, 6. Ferozepur Jhirka, 7. Hansi, 8. Hodal, 9. Jakhal Mandi, 10. Julana, 11. Kanina, 12. Ladwa, 13. Mahendergarh, 14. Narnaund, 15. Narwana, 16. Nuh, 17. Pehowa, 18. Pundari, 19. Punhana, 20. Rajond, 21. Ratia, 22. Shahbad, 23. Siwan, 24. Sonipat, 25. Taoru, 26. Thanesar, 27. Tohana, 28. Uchana, 29. Uklana.

⁴⁶ Out of 18-test checked ULBs Faridabad and Gurugram have common site. Similarly, Kalka and Panchkula have common legacy waste site.

⁴⁷ Palwal, Haily Mandi and Nilokheri.

It is evident from **Table 2.14** that test checked ULBs initially assessed 49.29 lakh MT of legacy waste at 16 dumpsites. However, on subsequent estimation of quantity of legacy waste, this quantity was further revised to 62.44 lakh MT. The upward revision was mainly on two counts. Firstly, none of the ULBs ensured that the fresh waste being dumped at dumpsite was separately kept from the legacy waste. This added to the existing legacy waste. The second reason was lack of adoption of scientific assessment of quantity of legacy waste. Audit did not come across any scientific approach adopted by DULB to arrive at estimated quantity of legacy waste.

Out of 16 dumpsites, work for only 11 dumpsites was allocated during May 2020 to March 2021 and legacy waste of 29.29 lakh MT could be processed upto April 2023. Thus, even after lapse of two years from April 2021 (i.e., time limit for clearing of legacy waste as per SWM Rules, 2016), work for five dumpsites was yet to be awarded and legacy waste of 33.15 lakh MT (53 per cent) was lying unprocessed. The status in case of test checked ULB is indicated in **Appendix 2.13**.

DULB in its reply (October 2024) stated that the status of legacy waste in the State had tremendously improved over the years and as on 1 August 2024, legacy waste of more than 25 lakh MT out of 62.44 lakh MT is yet to be processed. Reply is not acceptable as the ULBs of the State failed to process the legacy waste despite lapse of more than three years from the time limit prescribed under SWM Rules, 2016.

2.7.13 Bulk Waste Generators

As per SWM Rules, 2016, Bulk Waste Generators⁴⁸ (BWGs) are responsible for managing their own waste. MoHUA, GoI issued (November 2017) guidelines for ULBs on BWGs for compliance of SWM Rules, 2016. These guidelines provide that ULBs will carry out identification/ verification of BWGs through field survey /individual notice/ public notice/ self-declaration and shall issue public notices informing public that provisions of the SWM Rules, 2016 for BWGs, are mandated to be complied within one year. Further, ULBs are required to extend all necessary technical support and handholding, except financial assistance, to BWGs in setting up of decentralized waste management

⁴⁸ As per SWM Rules 2016, “Bulk waste Generator” includes buildings occupied by the Central Government Departments or Undertakings, State Government Departments or Undertakings, Local Bodies, Public Sector Undertakings or Private Companies, Hospitals, Nursing Homes, Schools, Colleges, Universities, Other Educational Institutions, Hostels, Hotels, Commercial establishments, markets, places of worship, stadia and sports complexes etc. having an average waste generation rate exceeding 100 kg per day (of all waste streams out together). As per SWM byelaws, 2018, ULBs can further categorize Bulk Waste Generators to those who exceed the limit of 50 kg/day or 25 kg/day to encourage the in situ waste processing.

facility. SWM byelaws empower ULBs to levy fine on the basis of waste generated by the bulk generators for non-compliance of SWM Rules.

No record was provided to audit from which it could be ascertained whether any survey/ public notice was conducted to accurately identify BWGs as required under SWM Rules, 2016. The details of total number of BWGs and number of BWGs having facility of managing their own waste (wet waste) in 18-test checked ULBs⁴⁹ is given in **Table 2.15**.

Table 2.15: Status of Bulk Waste Generators in 18-test checked ULBs

Period	Total No. of BWGs	No. of BWGs having in-house waste processing facility	No. of BWGs without in-house processing facility
2017-18	352	37	315
2018-19	525	37	488
2019-20	773	200	573
2020-21	1,168	293	875
2021-22	1,293	338	955

Source: Information provided by the 18-test checked ULBs

It is evident from **Table 2.15** that 955 (74 per cent) BWGs were not having in-house wet waste processing facility during 2021-22. Audit observed that ULBs had issued notices to these BWGs for non-compliance of SWM Rules, however, only four⁵⁰ ULBs had recovered penalty of ₹ 8.90 lakh during 2017-22. Remaining, 14 ULBs did not recover any penalty as per penal provisions of their respective SWM byelaws.

The details regarding total number of BWGs on whom penalty was imposed and rate of penalty was not provided to Audit. Audit further observed that 15 test checked ULBs had issued byelaws during June 2019 to December 2021 and as per provision of byelaws of respective ULBs, a penalty of ₹ 2.31 crore⁵¹ was leviable but was not imposed on BWGs for non-compliance of SWM Rules during 2020-22.

The Department in its reply stated (October 2024) that ULBs have made efforts to provide technical support to individuals and BWGs across the State. However, the fact remained that large number of BWGs were not having in-house processing facilities as per provisions of SWM Rules.

2.7.14 Regulation of Inter-state Movement of Waste

As per Rule 16 (6) of SWM Rules, 2016, the State Pollution Control Board was responsible for regulating the inter-state movement of waste. However, HSPCB had not issued any instructions to regulate inter-state movement of solid waste.

⁴⁹ Except MC Beri.

⁵⁰ MC Faridabad, MC Gurugram, MC Sonipat and MC Bahadurgarh.

⁵¹ Rate of penalty ranging from ₹ 300 to ₹ 10,000 per month/one time as per provisions of byelaws of respective ULBs. Penalty amount has been worked out from the next financial year from notification of byelaws by the respective ULBs.

HSPCB in its reply stated (30 January 2024) that guidelines have not been received from CPCB regarding interstate movement of solid waste. The reply is not acceptable as HSPCB should have issued directions to regulate the inter-state movement of waste as required under Rule 16(6) of the SWM Rules, 2016 itself.

2.7.15 Manpower Constraints Relating to SWM Activities

Section 1.4.5.4 of MSWM Manual, 2016 stipulates that ULBs should have an SWM cell or SWM department having staff with technical and managerial skills specific to SWM like public health officer, sanitary officer, junior engineer, sanitary sub inspector, environmental engineer for SWM and sanitation activities.

Audit observed that there was shortage of technical and managerial manpower specific to SWM activities in ULBs of the State. Status of men in position against the post sanctioned for sanitary inspector, sanitary sub-inspector and sanitary supervisor as well as manpower required as per MSWM Manual, 2016 in all the ULBs of the State is shown in **Table 2.16**.

Table 2.16: Status of Manpower in the ULBs of the State as on 31 March 2022

Designation	Manpower required as per MSWM Manual, 2016	Sanctioned post	Men in Position	Shortage as per MSWM Manual, 2016	Shortage against Sanctioned post
	A	B	C	D=A-C	E=B-C
Sanitary Inspector	216	76	39	177 (82)	37 (49)
Sanitary Sub-Inspector	378	38	11	367 (97)	27 (29)
Sanitary Supervisor	741	141	20	721 (97)	121 (14)
Total	1,335	255	70	1,265 (95)	185 (25)

Source: Information furnished by the DULB

Figures in brackets denotes percentage.

As evident from **Table 2.16**, that not only sanctioned strength of the above posts in the ULBs in the State was not in consonance with MSWM Manual, 2016 but there was also shortage in availability of manpower even with respect to the sanctioned posts. This shortage has adverse impact resulting in non-compliance of SWM Rules, unauthorised dumping, and improper waste disposal practices going unchecked.

During exit conference (January 2024), the Department stated that in future the matter would be looked into.

2.7.16 Management of Special Waste

Audit findings relating to management of Plastic waste, Slaughterhouse waste and Construction & Demolition (C&D) Waste are discussed in the succeeding paragraphs:

2.7.16.1 Prohibition of Use of Plastic

Ministry of Environment, Forest and Climate Change, GoI notified (February 2011) the Plastic Waste Management (Management and Handling) Rules, 2011 (PWM Rules, 2011) which was replaced by the Plastic Waste Management Rules, 2016 (PWM Rules, 2016) notified by GoI. These Rules apply to every waste generator, local body, manufacturer, importers and producer.

The State Government imposed (20 August 2013) prohibitions on manufacturing, sale, distribution, stocking, transportation and use of virgin and recycled plastic carry bags and recycled plastic containers under Section 3-A of the Haryana Non-Bio-degradable Garbage (Control) Act, 1998 (the Act). The State Government also authorised ULBs to levy and recover penalty for non-compliance of provisions of the Act.

Audit observed that during 2017-22, 18 test checked ULBs issued challans under Section 11(1) of the Act for selling/ use/ littering/ burning of prohibited plastic products. Year wise position of challans issued, penalty imposed, amount of penalty recovered by these 16 test-checked ULBs except two ULBs⁵² is shown in the **Table 2.17**.

Table 2.17: Details of challans issued, penalty imposed, amount of penalty recovered in test checked ULBs

Year	No. of challans issued (Number)	Penalty imposed (₹ in lakh)	Penalty recovered (₹ in lakh)	Percentage of recovery
2017-18	308	3.09	1.29	42
2018-19	557	5.53	2.73	49
2019-20	1,928	19.49	8.94	46
2020-21	1,329	10.93	4.22	39
2021-22	5,725	63.46	14.06	22
Total	9,847	102.50	31.24	30

Source: Information furnished by test checked ULBs

As is evident from **Table 2.17**, the percentage recovery was very low i.e., 30 *per cent* during 2017-22 despite most of these penalties being on the spot penalties, thereby defeating the deterrence effect of imposition of penalty. Test checked ULB wise detail is indicated in **Appendix 2.14**. It was further observed that 79 *per cent* of challans were issued by only two ULBs (MC Gurugram: 3,642 and MC Faridabad: 4,145).

During exit conference (January 2024), the Department stated prohibition of use of plastic requires cooperation from the public. Further, efforts are being made to control use of plastic and alternate use of plastic.

2.7.16.2 Using Plastic for Construction of Roads/ Energy Recovery

Rule 5(b) of PWM Rules, 2016 stipulates that the municipal authorities/local

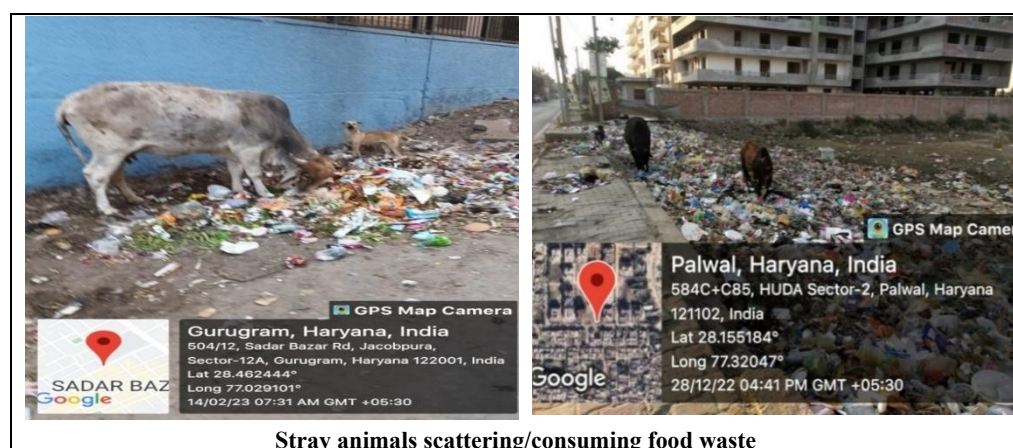
⁵² Information with regard to penalty recovered was not available in respect of MC Tohana and MC Hailey Mandi.

bodies shall encourage use of plastic waste (preferably the plastic waste which cannot be further recycled) for road construction as per Indian Roads Congress guidelines or energy recovery or waste to oil, *etc.* Audit observed that out of 18 test checked ULBs, only MC Gurugram had constructed (2020-21) 27 KM road by using plastic waste. Thus, all the test checked ULBs (except MC Gurugram) had not adopted the use of plastic waste into better use.

DULB in its reply stated (October 2024) that the opportunity to put plastic waste to better use is still pending and assured that work on plastic waste management will be expedited soon.

2.7.16.3 Intake of Plastic Waste by Stray Cattle Leading to Their Death

As per MSWM Manual, 2016, storage facilities are to be maintained in such a way that stray animals do not have access to the waste. Poor segregation at source and deficiency in door-to-door collection resulted in kitchen waste/discarded food packed in plastic bags being improperly disposed on roadsides, vacant lands and at secondary collection points. Disposal of such waste attracts cattle (stray and domestic) which consume leftover food including plastic.



During physical verification conducted in 18-test checked ULBs, heaps of waste mixed with plastic waste at different locations as well as at dumping grounds were found in all test checked ULBs with easy access for stray animals to the waste. Stray animals were seen pulling out or scattering/consuming food waste packed in plastic bags at heap of waste spread around.

As per post-mortem report of dead animals conducted (August 2019 to January 2020) by Government Veterinary Hospital, Hisar, it was observed that 60 kg plastic (one to 15 kg), bundle of ropes, etc. were found inside 18 dead stray animals. This shows that improper management of generated plastic waste was creating health hazard for stray animals.

DULB in its reply stated (October 2024) that new RFP for solid waste collection, transportation, processing, and road sweeping includes provisions for covering legacy sites, material recovery facilities with boundary walls and the regular collection, processing and disposal of waste at all GVPs and secondary collection centres. The reply of the Department is generic in nature and does not specifically address the audit observation relating to intake of plastic waste by stray cattle leading to their death.

2.7.16.4 Slaughterhouse Waste

Section 7.6 of MSWM Manual, 2016 provides that waste material produced in slaughterhouses if not handled and managed properly poses a hazard to health and environment. Further, Rule 3(1) of Prevention of Cruelty to Animals (Slaughterhouse) Rules, 2001 stipulates that no person shall slaughter any animal within a Municipal area except in a slaughterhouse recognised or licensed by the concerned authority.

Audit observed that only six ⁵³ test checked ULBs had constructed slaughterhouse in the area under their jurisdiction, however, none of them was in operation. Resultantly, specified procedure for collection and disposal of slaughterhouse waste could not be ensured. Moreover, it was observed that solid waste generated at mutton/chicken/fish shops or carcasses, mixed with other waste and liquid waste generated in these shops, flowed into the drains which was in contravention to the prescribed procedure for management of such waste.

During exit conference (January 2024), the Department stated that necessary instructions would be issued to ULBs to solve the issue.

2.7.16.5 Construction and Demolition Waste

GoI formulated (March 2016) Construction and Demolition Waste ⁵⁴ Management (C&DWM) Rules, 2016 defining roles and responsibilities of different stakeholders. The roles and responsibilities of stakeholders involved in process of C&D Waste Management are given in **Table 2.18**.

⁵³ Hisar, Kaithal, Kalka, Palwal, Sonipat and Tohana.

⁵⁴ Construction and Demolition (C&D) include the waste comprising of building material, debris and rubble resulting from constructions, re-modelling, repair and demolition of any civil structure.

Table 2.18: Detail of responsibilities of stakeholders involved in process of C&D waste management

Sr. No.	Authority	Duties
1	Duties of State Government and DULB	<ul style="list-style-type: none"> To prepare the policy with respect to management of C&D waste To provide suitable sites for setting up of the storage, processing and recycling facilities for construction and demolition waste. To incorporate the site in the approved land use plan To make mandatory for procurement of materials made from C&D waste in municipal and Government contracts.
2	Duties of local authority	<ul style="list-style-type: none"> To manage C&D waste To make arrangements and place appropriate containers for collection of waste To get the collected waste transported to appropriate sites for processing and disposal To make provision for giving incentives for use of material made out of construction and demolition waste.
3	Duties of State Pollution Control Board	<ul style="list-style-type: none"> To monitor the implementation of these Rules To submit the Annual Report to the Central Pollution Control Board and grant authorization to C&D waste processing

Source: C&DWM Rules, 2016

Rule 9 (1) of the C&DWM Rules, 2016 provides that the State Government shall prepare its policy document with respect to management of C&D waste in accordance with the provisions of these Rules within one year from the date of final notification of these Rules.

The State Government approved the policy for management of C&D waste on 23 November 2020 with a delay of 43 months. The policy stipulates that ULBs shall identify suitable land for designated C&D waste storage in ULBs with population under five lakhs and C&D waste processing units for ULBs with population above five lakhs. Accordingly, three ULBs (Gurugram, Faridabad and Panipat) were required to establish waste processing facility for C&D waste and remaining ULBs of the State were required to identify land for storage of C&D waste.

Audit observed that MC Gurugram and Faridabad had established processing facility of 1000 and 300 TPD of C&D waste respectively under PPP mode. Accordingly, MC Gurugram had started processing of C&D waste from September 2019. However, MC Faridabad could not start processing of C&D waste as the agency to whom work was awarded, did not come forward for execution of the work. Audit observed that in MC Panipat, no waste processing facility was established for C&D waste. Review of internal documents revealed that ostensible reason given was low generation of waste (i.e. less than 50 TPD) due to which establishment of C&D waste management plant was not found viable. However, this is not in consonance with the policy for management of C&D waste approved by the State Government. Audit further observed that

seven⁵⁵ ULBs did not identify site for storage of C&D waste as stipulated in the policy.

DULB in its reply stated (October 2024) that the delay in operationalizing the C&D waste facility in MCF was due to the Concessionaire's non-compliance. MCF is now exploring legal options to either enforce the contract or terminate it for non-performance.

2.8 Planning, Construction and Operation of SWM Projects

Whether planning, construction, commissioning, operation and maintenance of solid waste management projects in ULBs was effective and efficient.

In this regard, audit findings are detailed below:

2.8.1 Planning for Intergraded Solid Waste Management Projects

The State policy and strategy on SWM prescribes State Level Integrated Solid Waste Management (ISWM) action plans on cluster based approach under Public Private Partnership (PPP) mode. DULB appointed (July 2014) M/s Ernst & Young LLP (Firm) as Transaction Advisor for providing support on technical, regulatory and institutional aspects for designing and implementing an appropriate model for ISWM for ULBs in the State. DULB on the recommendations (March 2016) of Cabinet Sub-Committee on Infrastructure, prepared plan for management of municipal solid waste by categorising ULBs of the State into 15 clusters.

It was decided (August 2017) to develop three clusters viz, Faridabad, Sonipat and Rohtak on waste to energy basis and remaining 12 clusters on waste to compost technology under PPP mode. DULB revised the composition of cluster by merging Ambala and Karnal clusters which were initially proposed under waste to compost model with the revised proposal to develop them on waste to energy basis.

DULB awarded (August and September 2017) the contract for implementation of ISWM in two clusters namely Gurugram-Faridabad and Sonipat-Panipat under PPP mode. Sonipat-Panipat cluster was commissioned in August 2021 and Gurugram-Faridabad cluster could not be commissioned so far (October 2024).

DULB again submitted (July 2020) a revised proposal to develop the remaining clusters on open technology⁵⁶ basis along with revision of composition of clusters and reduced the remaining number of clusters from 12 to 11 clusters. The ULB wise composition of cluster is given in **Appendix 2.15**. Further, three

⁵⁵ 1. Ismailabad, 2. Kaithal, 3. Kalawali, 4. Manesar, 5. Sadhura, 6. Sirsa and 7. Siwan.

⁵⁶ Means bidder can adopt any technology i.e. waste to energy or waste to compost, etc. for scientific disposal of municipal waste.

clusters⁵⁷ were awarded under waste to compost mode in November/ December 2022 with the scheduled date of commissioning in April/June 2024. The remaining eight clusters⁵⁸ could not be awarded due to lack of adequate response from the private bidders.

Thus, even after lapse of more than seven years since notification of SWM Rules, 2016, DULB could award only five clusters for ISWM, out of which only one cluster could be operationalised till March 2023. Consequently, the MSW generated across ULBs was disposed in landfill sites without processing by the ULBs. Further, the ISWM projects could also not be implemented in time. Audit observations with regard to implementation of ISWM project of Sonapat-Panipat and Faridabad-Gurugram cluster are discussed in **Paragraph 2.8.2** and **2.8.3** respectively.

DULB in its reply stated (October 2024) that it made multiple attempts to bid out tenders and followed required procedures for approvals which took considerable time. Additionally, in 2022-23, the remaining eight clusters were merged into six due to the unavailability of land in Panchkula and Farukhnagar.

2.8.2 Implementation of Integrated Solid Waste Management Project: Sonipat-Panipat Cluster

A concession agreement was signed (September 2017) among DULB, four participating ULBs⁵⁹ and M/s JBM Environment Management Pvt. Ltd. (Concessionaire) for development of ISWM project for a period of 22 years after competitive bidding. As per concession agreement, scope of service on the part of the Concessionaire *inter-alia* included primary collection (daily door-to-door collection) of MSW generated within the Project Area, secondary storage, transportation of MSW to processing facility, setting up and operation of processing facility at its cost at the earmarked site including setting up waste to energy power plant of at least five MW capacity and developing sanitary landfill site for final disposal of processed waste. MC Sonipat was nominated as designated ULB to act on behalf of the participating ULBs. As per the agreement, the Concessionaire was required to complete the processing facilities including waste to energy plant and achieve Commercial Operation Date (COD) within 24 months from the date of signing of concessionaire agreement i.e., upto 25 September 2019. Further, terms and conditions of the agreement *inter-alia* required:

⁵⁷ 1. Bhiwani, 2. Karnal-Kaithal-Kurukshetra and 3. Sirsa.

⁵⁸ 1. Ambala-Yamunanagar, 2. Farukhnagar, 3. Hisar-Fatehabad, 4. Jind, 5. Mansesar-Rewari, 6. Palwal-Punhana, 7. Panchkula and 8. Rohtak-Bahadurgarh-Jhajjar.

⁵⁹ i.e., 1. MC Gannaur, 2. MC Panipat, 3. MC Samalkha and 4. MC Sonipat.

- DULB to procure execution of Power Purchase Agreement (PPA) between the Concessionaire and DISCOM within 180 days.
- the Concessionaire to obtain applicable approvals as required by or under applicable law.
- Participating ULBs to facilitate the Concessionaire in terms of support and participation to obtain all applicable approvals.

Additionally, the Concessionaire was to be paid tipping/transportation charges of ₹ 1,000 per tons of MSW collected during the pre-COD period or until period of two years, whichever is earlier provided that the delay beyond the period of two years caused due to event of default by participating ULBs or due to any *force majeure* event, then, tipping charges of ₹ 1,000 per tons was to be paid even in the extended period. Post-COD, the tipping/transportation charges of ₹ 333 per tons of MSW collected was to be paid.

Audit observed that the site at Sonipat for power plant and waste processing was handed over (November 2017) to the Concessionaire immediately after signing of the agreement. However, the Concessionaire could achieve COD on 13 August 2021 after a delay of 23 months owing to delays in finalization of PPA (September 2018), obtaining environment clearances (May 2019) and *force majeure* event (during Covid-19 at later stages). The Concessionaire obtained environment clearances after 20 months and the same was the major reason for overall delay of 23 months. Resultantly, the participating ULBs had to pay the tipping/transportation charges at higher rates of ₹ 1,000 per tons instead of ₹ 333 per tons to the Concessionaire for MSW collected during October 2019 to August 2021. Resultantly, two test checked ULBs (MC Panipat and MC Sonipat) had to bear an extra financial burden of ₹ 28.81 crore during the same period. Obtaining environment clearances and finalisation of PPA required a coherent approach on the part of DULB and designated ULB. Evidently that was missing, leading to delays, resulting in a drain on the financial resources of ULBs which in turn were dependent on financial assistance from the State Government.

DULB in its reply stated (October 2024) that the delay in commissioning of the project was due to procedural delays in obtaining environmental clearance from MoEFCC. The reply is not acceptable, as MC Sonipat ought to facilitate the Concessionaire in obtaining clearance in a timely manner as per the terms and conditions of the concession agreement.

2.8.2.1 Processing of Solid Waste Accumulated by the Concessionaire

The Concessionaire started (22 February 2018) the work of collection and transportation of MSW and started to dump the collected waste at Nimbri dumpsite, Panipat. The Concessionaire dumped six lakh MT of the waste

collected from the jurisdiction of MC Panipat during February 2018 to August 2021 at Nimbri dumpsite. Similarly, the Concessionaire started (26 March 2018) the work of collection and transportation of MSW in MC Sonipat and dumped the collected MSW of two lakh MT from March 2018 to August 2021 at dumpsite at Sonipat. Audit observed that, even after achieving COD (August 2021) of waste to energy plant, the MSW collected during March 2018 to August 2021 was lying unprocessed (March 2023) at both dumpsites despite the fact that the Concessionaire was also required to process the same.

The unprocessed waste of eight lakh MT⁶⁰ dumped by the Concessionaire had not been addressed till the period of audit (March 2023). Further, eight lakh MT waste dumped by the Concessionaire was lying in an open space at the dumpsites which is also harmful for the environment. However, MC Sonipat did not invoke risk and cost clause of the concession agreement to clear the unprocessed waste.

DULB in its reply stated (October 2024) that waste dumped in MC Sonipat area before COD has been processed by the Concessionaire. However, the reply is silent with regard to six lakh MT unprocessed waste dumped by the Concessionaire before COD in MC Panipat area.

2.8.2.2 Payment of Output Based Incentive to the Concessionaire

As per terms and conditions of the agreement, designated ULB (MC Sonipat) was required to pay difference between Haryana Electricity Regulatory Commission notified tariff (₹ 6.84 per kwh) and Output Based Incentive (OBI) quoted by the Concessionaire (₹ 10.60 per kwh) for power exported to DISCOM during the concession period which worked out to ₹ 3.76 per unit.

Audit observed that the Concessionaire had used 3.64 lakh MT MSW as input in the waste to energy plant during August 2021 to December 2022. The Concessionaire generated 845.31 lakh unit of electricity during the same period. Audit further observed that only 2.78 lakh MT of MSW was collected from the project area whereas remaining 0.86 lakh MT (3.64 lakh MT- 2.78 lakh MT) MSW was collected from sources outside the project area. MC Sonipat during inspection (October and December 2021) of this plant too had found that the Concessionaire was accepting MSW from outside the project area without the permission of DULB. Thus, the Concessionaire generated extra electricity of 199.71 lakh units⁶¹ which resulted in financial loss of ₹ 7.51 crore⁶² during August 2021 to December 2022 to MC Sonipat.

DULB in its reply stated (October 2024) that after taking cognizance of use of

⁶⁰ Panipat: six lakh MT and Sonipat: two lakh MT

⁶¹ Electricity generated = 0.86 lakh MT / 3.64 lakh MT * 845.31 lakh units = 199.71 lakh units.

⁶² 199.67 lakh units * ₹ 3.76 Per unit = ₹ 750.76 lakh.

MSW outside the project area, details have been sought from the Concessionaire and a consolidated report is being prepared to address the issue.

2.8.3 Integrated Solid Waste Management Project: Faridabad-Gurugram Cluster

A concession agreement was signed (August 2017) among DULB, two participating ULBs (i.e., MC Faridabad and MC Gurugram) and M/s Ecogreen Energy Private Limited (Concessionaire) for development of ISWM project for a period of 22 years after competitive bidding. As per concession agreement, scope of service on the part of the Concessionaire *inter-alia* includes primary collection (daily door-to-door collection) of MSW generated within the project area, secondary storage, transportation of MSW to the processing facility, setting up of processing facility at its cost at earmarked site including setting up waste to energy plant of at least 10 MW capacity and developing of sanitary landfill site for final disposal of processed waste. MC Gurugram was nominated as designated ULB to act on behalf of the participating ULBs. Terms and conditions of the concession agreement *inter-alia* provide that:

- i. Designated ULB was required to co-ordinate with the participating ULBs and ensure handing over of land to the Concessionaire within 30 days from the signing of agreement under their respective jurisdiction for transfer stations, processing facility, landfill site on as-is-where-is basis free from encumbrance, for the purpose of implementing the project.
- ii. The Concessionaire was required to employ suitable technology/ processes to manage the waste piled up at the existing site for reclaiming the land to the maximum extent possible and not limiting to the land required for setting up the processing and disposal plant.
- iii. The Concessionaire was required to obtain applicable approvals as required by or under applicable law.
- iv. The Concessionaire was required to complete the processing facilities including waste to energy plant and achieve Commercial Operation Date (COD) within 24 months from the date of signing of concession agreement i.e., upto 13 August 2019. In the event, the Concessionaire is unable to achieve COD of the power plant within the period of 24 months, the Concessionaire shall be granted an additional mutually agreed period without levy of any damages. In case of any further delay to achieve COD from the mutually agreed additional period, liquidated damages at the rate of 0.1 *per cent* of the Performance Security (₹ 33.05 crore) per day of delay shall be levied by the designated ULB on the Concessionaire.

- v. The Concessionaire was to be paid tipping/transportation charges of ₹ 1,000 per tons of MSW collected during the pre-COD period or until period of two years, whichever is earlier provided that the delay beyond the period of two years is caused due to event of default by the participating ULBs or due to any *force majeure* event, then, tipping charges of ₹ 1,000 per tons was to be paid even in the extended period. Post COD period, the tipping/transportation charges of ₹ 333 per tons of MSW collected was to be paid.

MC Gurugram (MCG) handed over (September 2017) Bandhwari landfill site to the Concessionaire for establishment of Waste-to-Energy Plant and for management and treatment of the legacy waste at landfill site as per schedule. However, the Concessionaire failed to achieve COD as per the prescribed schedule due to delay in obtaining environmental clearance for enhanced capacity of waste to energy plant from 10 MW to 15 MW. The Concessionaire requested (July 2020) for extension of COD upto 30 December 2022. DULB extended COD upto 01 November 2021 without levying liquidated damages as per terms and conditions of the agreement. The Concessionaire failed to achieve COD even in the extended period and again requested (September 2021) for extension of COD upto 30 December 2024 specifying reasons i.e., non-availability of land at designated site and pending environmental clearance for expanded capacity of waste to energy plant from 15 MW to 25 MW. DULB extended (October 2021) the COD upto 31 October 2023 without levying of liquidated damages.

Audit observed that the reason i.e., non-availability of land at designated site given by the Concessionaire for extension in COD was not justified as the Concessionaire was required to clear/manage the waste piled up at Bandhwari landfill site to reclaim the land for setting up waste to energy plant as per the condition (sl. No. ii mentioned above) of the concession agreement. Further, as per terms and conditions of the agreement, obtaining environmental clearance was the responsibility of the Concessionaire. Audit further observed that even after obtaining the environmental clearance for 15 MW in November 2019, the Concessionaire did not clear the waste piled up at Bandhwari landfill site. It was also observed that the Concessionaire maintained that management of waste piled up at Bandhwari landfill site was not under the scope. DULB referred the matter to Advocate General (AG) for seeking legal opinion. AG opined (October 2019) that the Concessionaire was responsible for processing and management of the whole legacy waste and leachate at the site. In view of the failure on the part of Concessionaire to manage the waste piled up at the existing site, the State Government decided (October 2019) to start the work relating to treatment of legacy as well as fresh waste at MCG level at the risk and cost of

the Concessionaire. Despite this, DULB/ MCG extended COD without levying penalty while granting second extension in October 2021.

As per the terms and conditions of the agreement, liquidated damages for delay in achieving COD from 02 November 2021 to 31 March 2022 worked out to ₹ 4.92 crore⁶³. Additionally, participating ULBs had to bear an extra financial burden of ₹ 108.93 crore⁶⁴ on account of payment of higher tipping/ transportation charges during September 2019 to March 2022 as per schedule. Thus, the Concessionaire was being unduly benefited by making an extra payment since scheduled COD. MCG paid ₹ 173.45 crore to various agencies for work done on risk and cost basis on behalf of the Concessionaire upto 14 June 2024.

DULB in its reply stated (October 2024) that the Concessionaire took no action to begin construction of the waste-to-energy plant. No drawings were prepared, no approvals were obtained and no technical manpower/ resources were deployed. During the second COD extension till 31 October 2023, as performance of the Concessionaire fell short of benchmarks prescribed in the concession agreement, the tipping fee was reduced to ₹ 333 per MT from 01 November 2022. The Concessionaire even after repeated reminders/notices did not carry out construction of waste-to-energy plant. Consequently, bank guarantee of ₹ 33.05 crore was invoked on 03 January 2024 by MCG and the concession agreement has been terminated on 14 June 2024. The reply of the Department confirms the contention of Audit that extension granted to the Concessionaire was not justified.

2.8.3.1 *Legacy Waste of Gurugram-Faridabad Cluster*

Legacy waste site of Gurugram-Faridabad cluster was located at Bandhwari village which is 5.98 km from Gurugram city. NGT constituted⁶⁵ an Expert Committee of Central Pollution Control Board (CPCB), Indian Institute of Technology, Delhi and National Environment Engineering Research Institute to determine the extent of damage to the environment in monetary terms and cost of restoration, due to unscientific disposal of MSW at Bhandwari site causing leachate contamination of ground water and pollution of surface water. CPCB assessed (February 2020) damage of ₹ 148.46 crore considering air pollution, water pollution, soil pollution, climate and aesthetics by landfill emissions. NGT also constituted (July 2021) a three-member Committee⁶⁶ to ascertain factual position of legacy waste in view of the serious lapses and continuing

⁶³ ₹ 33.05 crore * 149 days * 0.1 per cent.

⁶⁴ MSW of 16331.43 lakh MT * ₹ 667 (₹ 1,000 - ₹ 333).

⁶⁵ In reference to Original Application dated 16 September 2015.

⁶⁶ CPCB, HSPCB and District Magistrate, Gurugram.

failure on the part of authorities and State Government in performing constitutional obligation of providing a clean environment. The Committee submitted (March and August 2022) its status report which *inter-alia* highlighted that accumulation of legacy waste had increased to 33 lakh MT with height of 38 meters as about 2,000 TPD of fresh waste was added daily. Further, against the requirement of 15,000 TPD of remediation capacity, only 5,100 TPD of capacity was available at site.

Considering the above, NGT imposed (September 2022) a penalty of ₹ 100 crore for quantum of unremediated legacy waste towards environment compensation for continuous damage to the environment and public health and directed MCG to deposit the amount with the HSPCB. Accordingly, MCG deposited (October 2022) ₹ 100 crore to HSPCB.

Audit observed that DULB/ MCG failed to get the legacy waste cleared at Bandhwari landfill site from the Concessionaire despite enabling clause in the concessionaire agreement, even after a lapse of more than five years since signing of concession agreement due to grant of unjustified second extension and non-initiation of timely penal action against the Concessionaire despite its poor performance as discussed in **Paragraph 2.8.3**.

DULB in its reply stated (October 2024) that MCG had no option but to start the work on their own at the risk and cost of the Concessionaire. Consequently, MCG proceeded with the processing of the legacy and fresh waste through various agencies at the Concessionaire's risk and cost.

Resultantly, MCG and MCF not only had to bear an additional financial burden of ₹ 382.38 crore⁶⁷ but the aim of converting solid waste to energy remained unfulfilled and consequently, solid waste continued to be disposed of through conventional method with its attendant environmental impact.

2.8.4 Utilisation of 'Bio-methanation' Plant

As per Rule 15 (m) of SWM Rules 2016, it is the duty of local authority to collect waste from vegetable, fruit, flower, meat, poultry and fish market on day-to-day basis and promote setting up of decentralised compost plant or Bio-methanation plant at suitable locations in the markets or in the vicinity of markets, ensuring hygienic conditions.

An agreement was signed (April 2018) among Indian Oil Corporation (IOCL), MC Faridabad (MCF) and M/s Ecogreen Energy Private Limited (M/s Ecogreen) for setting up of a bio-methanation plant at Faridabad with capacity

⁶⁷ Higher tipping/ transportation charges: ₹ 108.93 crore, work done on risk and cost basis: ₹ 173.45 crore as discussed in Paragraph 2.8.3 and penalty imposed by NGT: ₹ 100 crore for non-bio-remediation of the legacy waste at Bandhwari site.

of five TPD for converting food/ kitchen waste into biogas as a step towards supporting Government of India's initiative on Swachh Bharat Abhiyan. As per the agreement

- IOCL was responsible for the capital expenditure, procurement of Bio-methanation plant and monitoring of regular operation & maintenance (O&M) of plant for an initial period of three years. IOCL was required to hand over the ownership of the plant after three years of operation to MCF for further continued O&M of the plant by MCF.
- M/s Ecogreen was responsible for regular supply of five MT segregated organic waste to the plant on daily basis.
- MCF was responsible for providing the land for the plant and monitoring of M/s Ecogreen for regular supply of segregated organic waste in adequate quantity.

The gas generated from this plant was to be supplied to the ISKON Center, Faridabad. IOCL installed plant at Sector 13, Faridabad and incurred expenditure of ₹ 2.72 crore through its CSR funds during 2019-21. The Bio-methanation plant was operationalised on 15 September 2019.

Audit observed (February 2023) that there was no incentive or penal clause in the agreement to enable MCF for ensuring regular supply of the organic waste by M/s Ecogreen to the plant. During physical verification of the plant (February 2023), it was noticed that plant was not running at its optimum capacity due to less supply of organic/wet waste by M/s Ecogreen. M/s Ecogreen supplied average quantity of 0.218 MT per day against agreed quantity of five MT per day during October 2022 to 15 February 2023. The details of supply of waste prior to October 2022 were not made available to audit.

Audit further observed that the agreement had an inherent flaw as M/s Ecogreen was also Concessionaire for integrated solid waste management for Gurugram-Faridabad cluster. For the Bio-methanation plant, M/s Ecogreen was required to supply the organic waste at no cost to IOCL whereas for the collection, transportation and processing of solid waste in the cluster, the same Concessionaire was being paid ₹ 1,000 per tons. This arrangement encouraged M/s Ecogreen to maximize its revenue by diverting the organic waste collected from market to the solid waste dumpsite at the Bandhwari landfill. The short supply of organic waste not only led to less processing of waste/generation of biogas/compost from waste but also had a harmful impact on the environment. Despite being aware of the situation, MCF neither made any effort to ensure performance of M/s Ecogreen nor worked out any solution to ensure sustainable working of the plant.

DULB in its reply stated (October 2024) that the concession agreement with the

Concessionaire was terminated due to non-performance on 14 June 2024. However, the fact remains that the agreement had an inherent flaw as it did not contain any incentive or penal clause for ensuring regular supply of collected organic waste by M/s Ecogreen which resulted in non-utilisation of Bio-methanation plant at its optimum capacity.

2.9 Monitoring of Municipal Solid Waste Management

Whether monitoring of solid waste management system including assessment of environmental impacts was adequate and effective.

In this regard, audit findings are detailed below:

2.9.1 State Level Advisory Body

As per Rule 23 of SWM Rules, 2016, every department in-charge of local bodies of the concerned State Government is required to constitute a State Level Advisory Body (SLAB) comprising members representing various departments of Government of India (GoI), State Government, representatives from Local Bodies, Non-Governmental Organisations (NGOs)/Civil Society working for the waste pickers or informal recycler or solid waste management, a member from body representing industries of the State or Central level, a member from waste recycling industry, and two subject experts within six months from the date of notification of these Rules.

SLAB is required to meet at least once in every six months to review the matters related to implementation of SWM Rules, State policy and strategy on SWM and give advice to the State Government for taking measures that are necessary for expeditious and appropriate implementation of these Rules.

Audit observed that the State Government constituted SLAB in February 2018 with a delay of 16 months. Further, no member from NGO/ Civil Society, industry, recycling industry and two subject experts was nominated in SLAB. It was further observed that against the requirement of 10 meetings, SLAB held only one meeting (April 2018) till March 2023.

Due to not organising SLAB meetings as per prescribed schedule and lack of representation of various stakeholders and subject experts, the State Government was deprived of suggestions and expert advice on necessary measures for implementation of SWM Rules. Thus, creation of SLAB in Haryana was largely an exercise in formality and excluded the members/representatives which could have ensured better implementation of SWM activities.

During exit conference (January 2024), the department stated that necessary instructions would be issued for appointment of other member representatives of SLAB as per SWM Rules.

2.9.2 Reporting on Waste Management

Rule 24 (3) of SWM Rules, 2016, provides that the State Pollution Control Board (SPCB) shall prepare and submit a consolidated Annual Report to Central Pollution Control Board (CPCB) and Ministry of Housing and Urban Affairs on implementation of these Rules and action against non-complying local body by 31 July each year.

Consolidated Annual Report for four years i.e., 2017-18, 2019-20, 2020-21 and 2021-22 were submitted to CPCB with delays ranging between one and nine months. It was further observed that HSPCB reported following non-compliance of SWM Rules, 2016 by ULBs.

- For non-obtaining of authorizations for processing and disposal of solid waste by ULBs;
- Non-segregation of domestic solid waste in 2017-18 and low percentage of segregation in remaining four years;
- Non-availability of required processing facility in ULBs; and
- Non-monitoring of ambient air, ground water (except two ULBs⁶⁸), leachate quality and compost quality nearby dumpsite.

However, no action was initiated by HSPCB, thereby, ignoring its own mandate to ensure a clean and green environment.

During exit conference (January 2024), the HSPCB stated that efforts would be made for timely submission of annual reports to CPCB.

2.9.3 Monitoring of Environmental Standards

Audit observed that out of 17 parameters⁶⁹ for ground water testing as prescribed in SWM Rules 2016, HSPCB/ ULBs conducted ground water testing only on five parameters⁷⁰ at four dumpsites [Gurugram (every year during 2018-22), Panchkula (every year during 2018-21), Karnal (2018-19 and 2021-22) and Yamunanagar (2018-19)] against existing 65 to 77 dumpsites in the State during 2017-22. Sample testing of ambient air, soil, leachate quality

⁶⁸ MC Gurugram and MC Karnal.

⁶⁹ Arsenic, Cadmium, Chromium, Copper, Cyanide, Lead, Mercury, Nickel, Nitrate, Ph, Iron, Total Hardness, Chlorides, Dissolved solids, Phenolic compounds, Zinc and Sulphate.

⁷⁰ Ph, Iron, Total Hardness, Chlorides and Dissolved solids.

and compost was not being carried out except sample testing of leachate quality in 2019-21 by MCG.

Scrutiny of Annual Reports under SWM Rules, 2016 submitted by HSPCB to CPCB revealed that the ULBs did not submit monitoring data in respect of groundwater, ambient air, leachate, compost quality to the HSPCB. Neither the ULBs nor HSPCB conducted any study/evaluation to assess impact on environment and health caused by improper waste management.

Thus, due to non-monitoring of required sample testing to check harmful effects of SWM practices being followed by the ULBs on environment, HSPCB did not fulfil its responsibilities/duties assigned under SWM Rules, 2016.

HSPCB in its reply stated (30 January 2024) that the Board is in the process of upgrading its laboratories and purchase of sample testing equipments as per parameters prescribed in the SWM Rules, 2016.

2.10 Conclusion

The State Government approved SWM policy and strategy with a delay of 15 months and that too without consulting various stakeholders. Moreover, none of the 18-test checked ULBs had prepared any short-term or long-term plan. In the absence of these plans, planning and selection of infrastructure projects in ULBs was not based on needs analysis.

It was noticed in audit that three test checked ULBs (Gurugram, Sonipat, and Shahabad) had not notified the SWM byelaws containing penal provisions for non-compliance of SWM Rules, 2016. The remaining 15-test checked ULBs notified byelaws with delays. The percentage of collection of user charges ranged between 0.37 and 3.38 *per cent* against the recurring expenditure incurred on SWM activities in 14 test checked ULBs during 2017-22. Moreover, none of the test checked ULBs revised the user charges in order to make the SWM function a self-sustaining activity.

Segregation of waste at source and collection of all the ULBs in the State was reported as 70 *per cent* and 98 *per cent* respectively during 2021-22, however, Audit noticed in test checked ULBs that they did not maintain day/month wise data of waste collected. Audit could not verify the authenticity of data provided by the test checked ULBs as criteria/ procedure adopted for arriving at the reported figures was not provided to Audit. During 2017-22, the total waste generated was stated to be 103.58 lakh tons, against which 64.86 lakh tons waste (63 *per cent*) was dumped at dumpsites without any processing.

During 2021-22, there were 77 dumpsites where ULBs were dumping waste without authorisation from HSPCB. Moreover, work of bioremediation in

respect of 29 dumpsites was not awarded and 48.77 lakh MT (48 *per cent*) of legacy waste was lying unprocessed at dumpsite (April 2023).

Even after lapse of more than seven years since notification of SWM Rules, 2016, Integrated Solid Waste Management Project could be operationalised only in one cluster (Sonipat-Panipat) so far (March 2023). Audit further observed that the waste to energy plant of Faridabad-Gurugram cluster could not be completed so far (October 2024) due to failure of the Concessionaire to clear/manage the waste piled up at Bandhwari landfill sites. DULB/ MC Gurugram had not imposed liquidated damages of ₹ 4.92 crore for delay in implementation of project from November 2021 to March 2022. Further, MC Gurugram and MC Faridabad had to bear an extra financial burden of ₹ 108.93 crore on account of payment of higher tipping/transportation charges due to non-implementation of the project as per schedule. NGT also imposed a penalty of ₹ 100 crore on MC Gurugram for non-bio-remediation of the legacy waste at Bandhwari site.

2.11 Recommendations

1. The State Government may direct the ULBs to take proactive steps for the formation of Self-Help Groups of waste pickers and encourage their involvement in Solid Waste Management.
2. The State Government and ULBs may devise suitable mechanism for collection of SWM user fees to bridge resource gaps and strive for self-sustenance of SWM activities.
3. The State Government may ensure greater emphasis on source segregation through awareness campaigns.
4. The State Government may in a time-bound manner create adequate infrastructure for processing of 100 *per cent* waste.
5. The State Government may direct ULBs for setting up of adequate numbers of sanitary landfill sites and bioremediation of remaining legacy waste in a time bound manner.
6. HSPCB may take action against ULBs for disposal of waste without authorization.
7. The State Government may expedite implementation of Integrated Solid Waste Management projects in the remaining clusters and may ensure operationalisation of processing plants as per prescribed schedule of concession agreement.

8. The State Government may strengthen State Level Advisory Body (SLAB) by nominating members from NGO/Civil Society, industry, recycling industry, subject experts etc. and ensure periodical meetings of SLAB.
9. The State Government may direct HSPCB/ULBs to conduct study/evaluation to assess impact on environment due to improper waste management.

Chapter 3

**Performance Audit on Procurement,
Storage and Delivery of wheat to Food
Corporation of India**

Chapter 3

Food, Civil Supplies and Consumer Affairs Department

Performance Audit on Procurement, Storage and Delivery of Wheat to Food Corporation of India

3.1 Introduction

The Government of India (GoI) extends price support to farmers for wheat through the Food Corporation of India (FCI) and State Agencies. The wheat procurement policy provides that whatever wheat is offered by farmers, within the stipulated period and conforming to the quality as notified through Rabi Marketing Season (RMS) guidelines by GoI, would be procured at Minimum Support Price¹ (MSP) for Central Pool. The main objective of the policy is to ensure that farmers get remunerative prices for their produce and do not have to resort to distress sale.

During the period 2017-18 to 2021-22, the FCI procured a total of 1,830.75 lakh metric tonne (MT) of wheat for the Central Pool, out of which, Haryana State contributed 414.36 lakh MT (22.63 *per cent*). Year-wise detail of wheat procured for the Central Pool by the FCI from top five contributor States is given in **Table 3.1**.

Table 3.1: State wise procurement of wheat made by FCI during 2017-22

(in lakh MT)

RMS	Punjab	Haryana	Uttar Pradesh	Madhya Pradesh	Rajasthan	Others	Total
2017-18	117.06	74.25	36.99	67.25	12.45	0.16	308.16
2018-19	126.92	87.57	52.94	73.13	15.32	2.06	357.94
2019-20	129.12	93.6	37.00	67.25	14.11	0.21	341.29
2020-21	127.14	74.01	35.77	129.42	22.25	1.33	389.92
2021-22	132.22	84.93	56.41	128.16	23.40	8.32	433.44
Total	632.46	414.36	219.11	465.21	87.53	12.08	1,830.75

Source: Figures provided by the Food, Civil Supplies & Consumer Affairs Department.

3.1.1 Procurement Process in Haryana

State Government is involved in procurement of foodgrains for the Central Pool, its storage and delivery to Food Corporation of India (FCI). The Director, Food, Civil Supplies and Consumer Affairs Department, Haryana (FSD) exercises general superintendence over all the procurement agencies. Other agencies involved in the procurement process are Haryana State Co-operative Supply and Marketing Federation Limited (HAFED), Haryana State Warehousing Corporation (HSWC), Agriculture and Farmers' Welfare Department (A&FWD) and Haryana

¹ MSP is the guaranteed price to be paid to the farmers for their produce which is declared by GoI on the recommendations of Commission of Agricultural Costs and Prices (CACP).

State Agricultural Marketing Board (HSAMB). Main functions of each agency in procurement operations are given in **Appendix 3.1**.

There were two online portals for facilitating wheat procurement process i.e. (i) “*Meri Fasal Mera Byora*” (MFMB) on which farmers were required to register themselves giving details of land under cultivation, crops being grown, detail of bank account, etc; and (ii) *E-Kharid* an integrated portal that managed the entire procurement process by retrieving data from MFMB portal. *E-Kharid* portal facilitated every step of procurement i.e. from generating gate pass on farmer’s entry into the *mandi* to the payment to the farmer for the wheat procured.

The procurement process of wheat starts from the declaration of MSP by the GoI for each RMS and fixing target for procurement for each State. At the State level, the FSD fixes the *mandi* wise targets and allocates the *mandis* to each procurement agency. The State Procurement Agencies (SPAs) are responsible for making all arrangements for procurement including arrangement of fund, packaging material, lifting, storage, dispatching of wheat to FCI and raising of bills.

3.1.2 Audit Objectives and Scope of Audit

The Audit was conducted from November 2022 to September 2023, covering the period from April 2017 to March 2022 (RMS 2017 to RMS 2021) in eight districts² (out of total 22 districts) to assess whether:

- i) pre-arrangements for wheat procurement were made efficiently and economically;
- ii) wheat procurement process and storage was efficient and economical; and
- iii) the claims were raised with FCI timely and accurately.

Audit methodology included test-check of records, discussions with auditee units³ and analysis of responses to audit queries. Audit also test-checked and analysed data of wheat procurement available on *E-Kharid* portal and MFMB portal.

An Entry Conference was held on 3 March 2023 with the Additional Chief Secretary (ACS), Government of Haryana, Food and Civil Supplies Department (FSD) and Managing Directors of other State Procurement Agencies (SPAs). The replies received from the FSD and other SPAs have been incorporated in the Report. An Exit Conference was also held on 26 July 2024 and the views expressed in the meeting have been suitably incorporated in the Report.

² (i) Ambala, (ii) Fatehabad, (iii) Hisar, (iv) Karnal, (v) Kurukshetra, (vi) Panipat, (vii) Sonapat, (viii) Yamunanagar.

³ Sampled units of FSD, HAFED, HSWC, HAIC & HSAMB

3.1.3 Audit criteria

The audit criteria were derived from the following sources:

- Provisional cost sheets for Rabi Marketing Seasons 2017 to 2021 issued by GoI;
- Instructions and guidelines issued by GoI and State Government in respect of procurement, storage and delivery of wheat; and
- Punjab Agricultural Produce Markets Act, 1961 as applicable in Haryana.

3.1.4 Procurement planning

Farmers are required to submit details of land under cultivation and crops on MFMB portal for each Rabi and Kharif season. For wheat (a Rabi crop), the farmers are required to submit details of the area under wheat cultivation by January of each year which is authenticated by the Agriculture Department. Details of total area under wheat cultivation provides the estimated quantity to be produced in a Rabi Marketing Season (RMS). On the basis of production estimates, the State-wise procurement targets are fixed in the meeting of State Food Secretaries under the chairmanship of Secretary, Department of Food and Public Distribution, Government of India in February each year. For RMSs 2017-18 to 2021-22, details regarding area under cultivation, production estimates, procurement targets and actual procurement for the State of Haryana are given in *Table 3.2*.

Table 3.2: Production estimates, procurement targets and actual procurement of wheat during 2017-22

Rabi Marketing Season	Area under Wheat cultivation in lakh Hectare	Production estimate in lakh MT (LMT)	Target for procurement (LMT)	Actual Procurement (LMT)	Percentage of procurement against targets
2017-18	25.58	123.84	75	74.25	99
2018-19	25.30	117.80	80	87.57	109
2019-20	25.23	128.00	85	93.60	110
2020-21	23.87	115.55	95	74.01	78
2021-22	25.39	122.36	80	84.93	106
Total		607.55	415	414.36	

Source: Information from FSD Haryana website <https://haryanafood.gov.in/procurement/>

There was no major gap in RMS-wise targets fixed and procurements made except during RMS 2020-21. The procurement was more than the estimated targets except in 2017-18 and 2020-21.

Audit Findings

3.2 Provision of basic facilities in *mandis*

The HSAMB is responsible for establishing markets (*mandis*) with modern facilities for efficient marketing of agricultural produce. As of March 2022, there were 114 market committees (MCs) which supervise 114 principal yards, 172 sub-yards and 204 purchase centers which are designated as *mandis* for procurement of foodgrains.

The details of facilities in 53 *mandis* situated in the selected Districts were obtained from the MCs. It was noticed that basic facilities such as internal and service roads, approach and link roads, light arrangements, drinking water, toilets, water supply and sewerage system, common auction platform, covered platform and boundary wall were available in almost all the *mandis* except one or two *mandis*.

The *mandis* were, however, lacking in facilities such as weighbridges (30), canteens (36), kisan rest houses (25), banks (41) and fire-fighting stations (46). The instances of getting the wheat weighed outside the *mandis* due to non-availability of weighbridges within *mandis* resulted in avoidable expenditure of transportation of wheat as discussed in **Paragraph 3.4.4** of this Report.

During the Exit Conference (July 2024), the ACS directed the departmental officers to make efforts for increasing and augmenting basic amenities in *mandis*.

3.3 Funding arrangement for wheat procurement

During the period 2017-22 the FSD incurred a total expenditure of ₹ 24,658.59 crore for wheat procurement. HSWC and HAFED incurred expenditure of ₹ 15,522.14 crore and ₹ 32,874 crore respectively as given in **Table 3.3**.

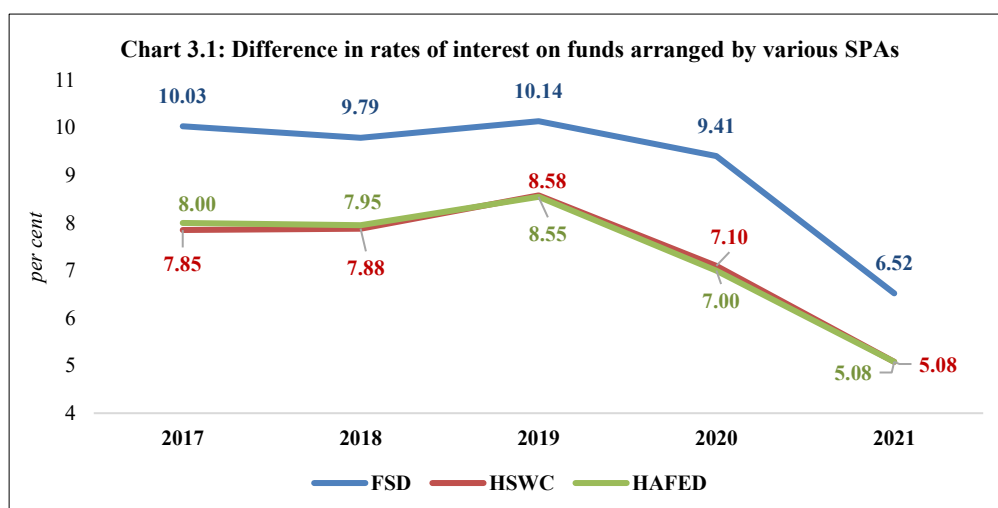
Table 3.3: Funds arranged by various SPAs

(₹ in crore)

RMS	FSD	HSWC	HAFED
2017-18	3,312.15	2,657.05	4,697.00
2018-19	5,005.30	2,649.23	6,586.00
2019-20	5,594.83	3,095.86	7,750.00
2020-21	5,197.93	3,787.00	6,151.00
2021-22	5,548.38	3,333.00	7,690.00
Total	24,658.59	15,522.14	32,874.00

FSD availed funds through cash credit limit⁴ (CCL) on which interest rate was higher than the short term loans raised by HSWC and HAFED after inviting quotations at competitive rates of interest as indicated in **Chart 3.1**.

⁴ The CCL is provided on authorisation of Reserve Bank of India and consent of Ministry of Finance, Government of India under Article 293(3) of the Constitution of India. The Finance Department Haryana withdraws funds from CCL and transfer them to FSD for procurement operations.



Audit worked out the extra burden of interest on FSD as ₹ 222.24 crore due to higher interest rates of CCL and funds arranged from the State Budget as detailed in **Table 3.4**.

Table 3.4: Extra burden of interest on FSD due to higher rates of interest

RMS	CCL/ loans raised for FSD	FSD rate of interest on CCL/ STLs	Total interest burden on funds	Other SPAs (average rate of interest on STLs)	Difference in rate of interest in comparison to other SPAs	Excess interest on FSD
Year	(₹ in crore)	(in per cent)	(₹ in crore)	(in per cent)	(in per cent)	(₹ in crore)
1	2	3	4	5	6=3-5	7=(4*6)/3
2017	3,312.15	10.03/7.77	72.87	8.22	-	-
2018	5,005.30	9.79/8.48	92.75	7.91	1.88/0.57	17.79
2019	6,056.00	10.14	459.17	8.56	1.58	71.43
2020	5,500.00	9.41	357.31	7.05	2.36	89.61
2021	5,548.38	6.44 ⁵	204.82	5.08	1.37	43.41
Total	25,421.83		1,186.92			222.24

Source: Information provided by the Department.

During the Exit Conference (July 2024) the Department stated that FSD had arranged funds in coordination with Finance Department at the rates of interest fixed by RBI, whereas other SPAs were independent to avail loans from banks at competitive rates.

Reply is not justified as non-exploration of availing loans at competitive rates put an extra burden on the State exchequer. Further, the Finance Department, Haryana had observed (November 2019) that higher proportion of FSD in total procurement, put an extra burden on the State resources (due to higher expenses on arranging funds) and recommended reduction in foodgrain procurement quota of FSD from 33 *per cent* to the minimum level to reduce the interest burden. However, FSD did not implement this recommendation and continued to procure 33 *per cent* wheat during RMS 2020.

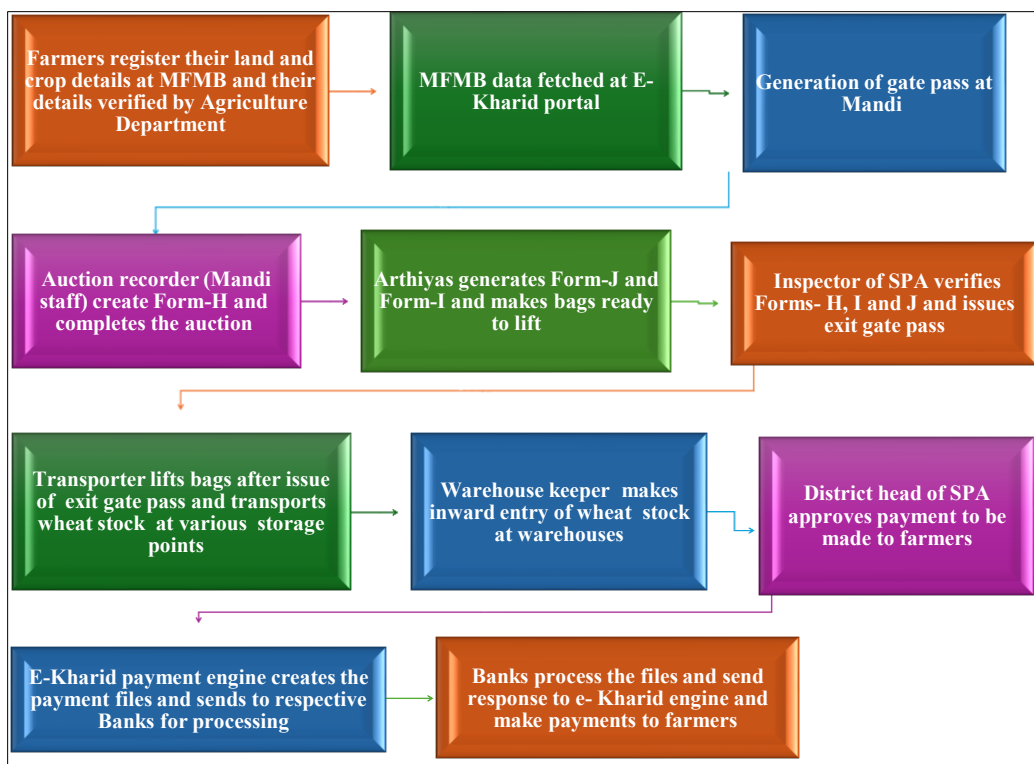
⁵ Average of 6.35 and 6.52 *per cent*

3.4 Procurement of wheat

Farmers bring their produce to the nearest regulated *mandi*. Arrival of produce in *mandi* is entered in the record of HSAMB and the SPA to whom *mandi* has been allotted for procurement of wheat. *Arthiyas*⁶ are supposed to assist farmers and SPAs for procurement of wheat and get 2.50 *per cent* of MSP as their commission⁷. Procured wheat is filled in gunny bags either delivered to FCI or stored in godowns.

Before RMS 2019, procurement was made through offline mode. From 2019-20 onwards, procurement operations are managed through *E-Kharid* portal. The process flow chart of *E-Kharid* portal is explained in **Chart 3.2**. The Audit findings are based on data analysis of information in *E-Kharid* portal, wherever applicable.

Chart 3.2: Process flow chart of E-Kharid portal



Forms to be filled up at various stages of procurement process:

1. **Gate pass** is created by Gatekeeper (HSAMB Staff) at the time of entry of farmers into *mandis*.
2. **Form – H**: H-Register is maintained by HSAMB to record date-wise information of auction and quantity sold with rate alongwith details of farmer, commission agent and purchasing agency.

⁶ *Arthiyas* are commission agents licensed by HSAMB who render the services of intermediary and aggregator in the process of procurement.

⁷ Fixed at ₹ 46 per quintal from RMS 2020 onwards.

3. **Form – J:** It is generated by *Arthiya* and issued to farmers. It is the sale receipt issued for agriculture produce in *mandi*.
4. **Form – I:** It is generated by *Arthiya* and approved by the Inspector of the concerned SPA after verification. It contains quantity procured from farmers alongwith *Arthiya* details.

3.4.1 Non-fixation of timelines for steps involved in procurement process

As per RMS guidelines (2021-22), the State Government is committed to make the payment to farmers within 48-72 hours from the approval of Form-I by the Inspector of the SPAs. However, no specific timeline has been fixed for each step starting from generating gate pass to generating Form-I. Audit analysed various instructions issued by the HSAMB and SPAs and noticed maximum time period for each step as given in **Table 3.5**.

Table 3.5: Details of prescribed maximum time period for each step

Activities performed	Maximum Time
Farmer's entry in <i>mandi</i>	0 day
Auction after entry in <i>mandi</i>	0+ 2 days
Creation of Forms J and I and its approval	0+ 4 days
Ready for lifting from approval of Form I	0+ 6 days
Issuing of exit gate pass for lifting of wheat from <i>mandi</i> and receipt in Godown	0+ 9 days
Approval of payment after receipt	0+ 10 days
Complete payment by bank after approval of payment	0+ 12 days

From **Table 3.5**, it can be concluded that the payment should have been made to the farmers within twelve days from entering the *mandis*. However, Audit noticed delays in making payments beyond twelve days as follows:

A. Audit analysis of the data of *E-Kharid* for RMS 2019 to 2021 revealed that during RMS 2019 the entire wheat stock had arrived in the mandis upto 15 May 2019 but only 89.37 *per cent* payments had been made upto 30 June 2019. In RMS 2020, though the entry of wheat in the mandis started from 20 April 2020, but payments started only from 12 May 2020 i.e. after 22 days from the entry in *mandi*. Last batch of the wheat entered the mandis by 6 June 2020, but 99.46 *per cent* payments had been made as on 30 June 2020, indicating delay in making payments to farmers. In RMS 2021, last batch of the wheat entered in mandis on 12 May 2021, but last payment was made on 4 June 2021 showing delayed payment.

During the Exit Conference (July 2024), the Director, FSD stated that fixation of timeline was not practically feasible because the procurement was to be made as per specification and standards fixed by GoI. However, efforts would be made to streamline the procedure.

The reply is not tenable as specific deadlines for each activity have been made by the Department. The Department needs to examine obstacles affecting these timelines and take action accordingly.

B. Audit analysis of the data on *E-Kharid* portal also revealed that there was delay in verification and approval of Form-I by Inspectors in respect of 24.18 *per cent* wheat in RMS 2020 and 25.50 *per cent* wheat in RMS 2021. In RMS 2021, there was delay in respect of 18.63 *per cent* bags made ready for lifting and exit gates passes in respect of 57.96 *per cent* wheat were issued after prescribed time limit of 72 hours.

The Additional Chief Secretary, FSD replied (June 2024) that reasons for delay in issuing exit gate passes were unavailability of vehicles due to slow unloading at FCI godowns and sometimes due to weather issues such as rain and thunderstorm in *mandis*.

The reply is not tenable as the reasons for delays in issuing exit gate passes have not been recorded on *E-Kharid* portal.

3.4.2 Non-Imposition of Penalty on Transporters

In case of delay in lifting attributable to transport contractor, the DM/DFSC is authorized to take action against the transport contractor immediately as per terms and conditions of the contract. As per tender conditions, transporters are bound to lift the foodgrains from the *mandis* within 72 hours from making wheat bags ready to lift otherwise ₹ 100 (for RMSs 2017 to 2020) and ₹ 500 (in RMS 2021) per truck were chargeable as penalty for unlifted quantity.

From analysis of data of *E-Kharid* portal for RMSs 2020 and 2021, a penalty of ₹ 54.90 crore (48.83 crore -RMS 2021 + ₹ 6.07 crore⁸ - RMS 2020) was leviable on transporters. However, no penalty was imposed for delay in lifting.

During the Exit Conference (July 2024), the Director, FSD replied that due to covid-19 outbreak it was difficult to operate the procurement in the restricted guidelines. However, the department alongwith SPAs had made their best efforts to continue the procurement and it was not appropriate to levy penalty on the transporters in the pandemic.

The reply is not tenable as there was no decision taken by State Government to waive off the penalty for delay caused by transporters which ultimately delayed the payment to farmers.

⁸ Delay calculated for only 14,159 vehicles as complete data is not available for RMS 2020

3.4.3 Payment Disbursement

During RMS 2019, the State Government started online procurement operations and payments were made to *Arthiyas* for further payment to farmers through E-kharid portal. For RMS 2020, online payments were made in bank accounts of farmers through *Arthiyas*.

From RMS 2021, payments were made directly in farmers' bank accounts through E-Kharid portal. The metadata of online payment to farmers was to be shared through Public Fund Monitoring System⁹ (PFMS) to the Central Government. Software provider and the banks concerned were to be in tandem to ensure smooth integrated online operations (from generating gate pass upto making payment online).

Payments should have been made to a farmer within 12 days' from entry in *mandi* as worked out by audit (**Paragraph 3.4.1**). However, it has been noticed that there were delays as shown in **Table 3.6**.

Table 3.6: Detail of time taken in making payments from entering in *mandi*

(₹ in crore)

RMS	Total payment	Payment made within 12 days from entry in <i>mandi</i>	Delayed Payment	Delay ranged between			
				13 to 19 days	20 to 26 days	27 to 31 days	More than 31 days
2019	15,159.86	7,055.14	8,104.72	4,655.05	1,175.46	229.95	2,044.26
Percentage	100	46.54	53.46	30.71	7.75	1.52	13.48
2020	9,602.54 ¹⁰	33.74	9,568.80	1,703.30	5,459.70	1,256.97	1,148.83
Percentage	100	0.35	99.65	17.74	56.86	13.09	11.96
2021	15,212.63	7,487.29	7,725.34	3,822.00	1,935.44	1,335.65	632.25
Percentage	100	49.22	50.78	25.12	12.72	8.78	6.16

As shown above, only 46 *per cent* payments were made within 12 days from the entry into *mandi* in RMS 2019. While in RMS 2020 the timely payment was only 0.35 *per cent*, the situation improved in 2021, as 49 *per cent* payment was made directly into the banks of farmers timely. However, payments of ₹ 632.25 crore (four *per cent*) were delayed by more than a month in RMS 2021.

During Exit Conference (July 2024), the Department stated that main reason for delay was inconsistency of bank account details on MFMB portal and outbreak of pandemic. Further, during RMS 2021, the payments were made directly in accounts of farmers for the first time.

The payment to farmers through *E-Kharid* portal needs to be further streamlined as the verification of farmers' bank accounts was to be completed by Agriculture Department as well as IT Department by 15 March 2021 i.e. before start of RMS 2021.

⁹ It is a web-based application that manages the financial transactions of the Government of India. It was developed by the Controller General of Accounts of the Ministry of Finance.

¹⁰ Data from *E-Kharid* portal for the RMS 2020 could be extracted for only 50.8 LMT against the actual quantity of 67.31 LMT procured by SPAs

3.4.4 Avoidable expenditure on weighing of wheat

Out of all the three SPAs, HAFED had issued instructions in each RMS that 100 *per cent* weighment of wheat is to be done only if no extra carriage is involved. Where the weighbridge facility does not exist or the route through weighbridge is considered uneconomical, then only five *per cent* weighment be conducted on beam scale/platform scale at the storage point. If shortage is observed in test-check, the percentage of test weighment may be increased upto 10 *per cent*.

Audit noticed that 3.14 lakh MT wheat was stored in the open plinth/godown situated at procurement *mandi* itself in Yamuna Nagar district, Ambala Cantt, Ambala City and Samalkha (Panipat). However, wheat was weighed on weighbridge situated outside the *mandi* instead of five *per cent* test-check on beam scale/platform scale. As a result, avoidable expenditure of ₹ 2.93 crore¹¹ was incurred as detailed in *Appendix 3.2* by considering distance of storage location as 0.5 km-1 km.

During the Exit Conference (July 2024), it was stated that the instructions of HAFED were only restrictive for the *mandis* where weighbridge facilities were not available. The weighing of wheat was done to check actual difference of standard weight from *Arthiya* to weighbridge as well as from weighbridge to godowns. The weighment was done to minimize the storage loss and the expenditure incurred on weighment was in the interest of SPAs.

Reply is not tenable as due to non-installation of weighbridges in *mandis* or non-utilisation of the same, avoidable expenditure was incurred on weighment of wheat. Further, as per instructions, only five *per cent* wheat was to be weighed for test-check where weighbridge facility does not exist or the route through weighbridge is considered uneconomical.

3.4.5 Delayed payments by SPAs and non-payment of interest

As per RMS 2021 guidelines (25th March 2021) and instructions of Chief Minister (05 April 2021) payments to the farmers was to be made within 72 hours after approval of Forms-I. In case of delay, interest at the rate of nine *per cent* per annum was payable. However, the GoH decided (20 April 2021) to initiate the time limit of 72 hours from initiation of exit gate pass. From *E-Kharid* portal data, it was revealed that an amount of ₹ 9.91 crore was payable as interest to farmers due to delayed payment beyond three days of issuing exit gate pass. However, only ₹ 1.02 crore had been paid to farmers as given in *Table 3.7*.

¹¹ Ambala 1.41 lakh MT- ₹ 148.52 lakh Samalkha 0.50 lakh MT -₹ 77.50 lakh and Jagadhari 1.23 lakh MT – ₹ 67.24 lakh

Table 3.7: Interest payable and actually paid to farmers during RMS 2021

(₹ in crore)

No. of farmers entered into mandis	Interest due after three days of initiation of exit gate pass	Interest paid to farmers
5,09,733	9.91 (2,28,103 farmers)	1.02 (63,613 farmers)

Out of total 5.10 lakh farmers, in case of 2.28 lakh farmers an interest of ₹ 9.91 crore accrued due to delay in making payment. Out of this only an amount of ₹ 1.02 crore had been paid to 0.64 lakh farmers.

During the Exit Conference (July 2024), it was stated that the main reason for delay was inconsistency of bank account details on MFMB portal and outbreak of pandemic.

The reply is not tenable as the verification of farmers' bank accounts was to be completed by Agriculture Department as well IT Department maintaining *E-Kharid* portal by 15 March 2021 *i.e.*, before start of RMS.

3.4.6 Excess payment made to farmers and status of recovery

On the basis of decision taken by a Technical Committee, the Director, FSD assigned (February 2021) two banks to each SPA for making payments to farmers. Audit noticed that double payment was made to farmers by two SPAs through four banks. The details of excess amount paid and amount recovered (as of December 2024) from farmers is detailed in **Table 3.8**.

Table 3.8: Excess payment made to farmers during RMS 2021 and recoverable amount

(₹ in crore)

Name of Agency	Name of Bank	Number of Forms J	Excess payment made	Amount recovered	Amount pending for recovery
FSD	ICICI	2642	0.29	0.24	0.05
	IDBI		42.34	26.99	15.35
HAFED	Kotak	1790	1.42	0.66	0.76
	HDFC		29.92	18.71	11.21
Total			73.97	46.60	27.37

Due to the mis-interpretation of response code of Bank for pending payment as failed payment and re-triggering by *E-Kharid* portal, ₹ 73.97 crore were wrongly paid to farmers twice in their accounts by FSD & HAFED. However, the SPAs could recover only ₹ 46.60 crore as of June 2022 and ₹ 27.37 crore was still recoverable as of December 2024.

During the Exit Conference (July 2024), it was stated that excess payment was made due to some technical error in *E-Kharid*. Efforts had been made to recover the amount and more than two-third amount had already been recovered. It was further stated that efforts would be made to recover the balance amount. Final action was awaited (February 2025).

3.5 Storage of wheat

Section 22(4) (e) of National Food Security Act, 2013 stipulates that the Central Government shall create and maintain required modern and scientific storage facilities at various locations. The role of SPAs is also significant in implementation of this Act in coordination with FCI as storage capacity with SPAs is required for proper upkeep of wheat stock till its delivery to FCI. The availability of warehouses with SPAs is given in **Table 3.9**.

Table 3.9: SPA wise procurement of wheat and available storage capacity
(in lakh MT)

SPA	Average procurement during 2017-22	Storage capacity available as of March 2022	Hired Storage Capacity	Total available storage capacity	Gap between average procurement and storage
Wheat procured (excluding FCI)					
FSD	24.61	4.50	1.03	5.53	19.08
HAFED	33.43	12.74	4.00	16.74	16.69
HSWC	14.64	15.26	3.98	19.24	(-) 4.60

Due to non-availability of warehouses¹², the SPAs resorted to storage of the wheat by hiring unscientific storage space *e.g.*, open plinths, *mandi* yards, rice mills, etc. Position of wheat stored on Cover and Plinth Storage¹³ (CAP) as on 31 May of respective years has been given in **Table 3.10**.

Table 3.10: SPA wise stock stored on CAP as on 31 May each year
(in LMT)

Year	FSD		HAFED		HSWC		Total	%age in CAP
	Covered	CAP	Covered	CAP	Covered	CAP		
2017	5.35	4.91	8.31	5.24	9.50	0.88	34.19	32.26
2018	8.01	14.20	10.92	16.86	11.04	3.80	64.83	53.77
2019	6.02	21.13	12.81	24.97	10.05	6.08	81.06	64.37
2020	6.85	22.80	10.76	21.30	7.77	5.88	75.36	66.32
2021	6.49	22.75	12.85	22.77	9.15	5.12	79.13	64.00

(Source: Information furnished by FSD to GoI)

As seen from the above, due to non-availability of warehouses approximately 65 per cent of wheat available with SPAs was stored in CAP at the end of May in each year in 2019 to 2021.

3.5.1 Damage to wheat

It is the responsibility of the SPAs to maintain the health of wheat stock till its delivery to FCI. For ensuring health during storage, it is essential to maintain storage worthiness of storage space and storability of food grains.

¹² Warehouses are designed and constructed on scientific lines making them rodent proof by giving proper height, damp proof by providing pucca floor and leakage proof.

¹³ Under CAP system, wheat stock is stored in the open either on plinth (*pucca* plinth) or plain ground with dunnage (*katcha* plinth).

Audit noticed that 79,967 MTs of wheat stock was declared as damaged during RMS 2017 to RMS 2021 by FCI as given in **Table 3.11**, due to inadequate and improper storage conditions, poor preservation techniques, official apathy and negligence of custodian staff.



Damaged wheat at Maha Saraswati Rice Mills, Gumthala Garhu at FSD, Kurukshtera related to RMS 2020-21

Table 3.11: SPA wise damaged wheat during RMS 2017-2021

(In MT)

RMS	HAFED	HSWC	FSD	Total Damaged Wheat
2017-18	154	Nil	Nil	154
2018-19	129	1,976	1,012	3,117
2019-20	3,304	518	43,380	47,202
2020-21	2,921	2,020	22,330	27,271
2021-22	Nil	2,223	Nil	2,223
Total	6,508	6,737	66,722	79,967
Percentage of total wheat procured	0.04 per cent of 167.15 LMT	0.09 per cent of 73.14 LMT	0.50 per cent of 123.07 LMT	

(Source: Information furnished by SPAs)

As evident from the above table, 79,967 MT of wheat for ₹ 174.58 crore¹⁴ was damaged in the custody of three SPAs. Higher percentage of damaged wheat in FSD indicates poor internal control and poor monitoring within FSD.

During the Exit Conference (July 2024), it was stated that the main reason for damage was due to storage in CAP. Since maximum stock of FSD was stored in CAP, therefore, the quantity of damaged wheat stock was more in FSD as compared to other SPAs.

The reply is not tenable as the SPAs are responsible for maintaining health and quality of wheat before delivering the same to FCI. Further, the SPAs should

¹⁴ Calculated by adding MSP and incidentals.

have stored the wheat properly in warehouses either by augmenting the storage capacity or by hiring the warehouses.

3.5.1.1 Discrepancies noticed in tender process for auction of damaged wheat

The damaged wheat is disposed of by SPAs through e-tendering after fixing reserve price depending on the degree of damage. There was 43,835 MT¹⁵ damaged wheat lying with the FSD, for which a departmental committee was formed in June 2022 to oversee its disposal. The tender notice included a condition that bidders must have an average annual turnover of at least ₹ 15 crore over the past three years. Due to this condition, only four firms, including three consortium firms which were not engaged in the manufacturing of cattle or poultry feed could technically qualify. It was against the FCI guidelines (July 2014) for disposal of damaged foodgrains which provide that the damaged foodgrains should be disposed of through tender/auction to the bonafide manufacturer/consumer of feed only on the best commercial terms by following a transparent procedure.

Further on comparison of category wise disposal of damaged wheat, it was found that there was huge variation of disposal rates among FSD, HSWC and HAFED. FSD had realized lesser revenue of ₹ 14.18 crore in comparison to minimum of disposal rates of HSWC and ₹ 9.30 crore in comparison to minimum of disposal rates of HAFED for disposal of damaged wheat during 2018-19 and 2019-20 (*Appendix 3.3*).

During the Exit Conference (July 2024), the FSD replied that the auction was conducted after following the due procedure. The reply was not maintainable as the FCI guidelines for selling of damaged wheat to bonafide manufacturers of feed was ignored and further, the condition of having minimum average annual turnover of ₹ 15 crore during past three years was introduced which restricted wider participation and reduced competitive bidding.

3.5.2 Hiring of storage space

3.5.2.1 Excess payment of rent for open plinths

State Government had fixed (May 2012) the rates of rent for hiring pucca cemented plinths/platforms at the rate of ₹ 4.5 per MT per month. For the plinths hired under the three years' guarantee scheme the rate was fixed at the rate of ₹ 7 per MT per month.

¹⁵ Lying in stores in districts Kurukshetra, Karnal, Kaithal and Fatehabad pertaining to RMSs 2018, 2019 and 2020.

In Kurukshetra, sanction for hiring plinths¹⁶ for 78,852 MT capacity was issued (August 2017) at the rate of ₹ 4.5 per MT per month on actual utilisation basis. The Director, FSD issued revised sanction (September 2017) at the rate of ₹ 7 per MT per month under one year guarantee basis., even though the total wheat stock had already been delivered to FCI upto August 2017 resulting in avoidable payment of ₹ 60.69 lakh.

3.5.2.2 Payment of inadmissible GST

As per Clause 6 of the rent agreements (2018 to 2020) executed between HAFED and Private godowns/plinths parties it was stipulated that all taxes leviable on the godown/plinth owner will be paid by the owner itself.

Audit noticed that HAFED Hisar paid GST of ₹ 52.55 lakh on rent of ₹ 2.92 crore during RMS 2018 to RMS 2020 without any liability of GST as per agreement clause. Further, it was also noticed that GST on godown rent was released to private parties without obtaining any supporting document for payment of GST of ₹ 52.55 lakh.

3.5.2.3 Underutilisation of plinth storage capacity

The following plinths remained underutilised in FSD Kurukshetra every year during 2017-18 to 2021-22 as given in **Table 3.12**.

Table 3.12: Excess expenditure due to underutilisation of hired storage capacity

Storage point	RMS year	Sanctioned Capacity in MT	Maximum quantity of wheat stored (in MT)	Underutilised capacity in MT	Excess expenditure due to under/ non-utilization (₹ in lakh)
Kurukshetra					
Baljeet OP	2017-18	24,000	17,895	6,105	5.13
Baljeet OP	2018-19	24,000	19,058	4,942	4.15
Baljeet OP	2019-20	25,000	19,358	5,642	4.74
Baljeet OP	2020-21	42,700	33,342	9,358	7.86
Sohan OP	2019-20	10,000	6,502	3,498	2.94
Sohan OP	2020-21	20,000	15,897	4,103	3.45
Total					28.27

From the above table it is clear that the above plinths were never utilised to their full capacity. As such hiring charges to the tune of ₹ 28.27 lakh were paid without utilising the sanctioned capacity.

During the Exit Conference (July 2024), it was stated that SPAs had to follow the linkage plan of FCI for procurement and storage of wheat. In case of non-following the linkage plan, FCI could deduct carry over charges from SPAs.

The reply is not tenable as linkage plan of FCI is related to the direct delivery of wheat from *mandi* during procurement period. Linkage plan of FCI does not

¹⁶ One plinth - Jain and Prithi open plinth, Kurukshetra, Three plinths – (i) Sumerpal, (ii) Walia & (iii) New Chahal open plinths, Pehowa and One plinth - Prem & Shalini open plinth, Ladwa

affect the stored wheat. As such, the storage capacity was not utilised prudently by the DFSCs.

3.5.2.4 Blockade of storage space with unserviceable stock articles

To avoid blockade of storage space, unserviceable stock articles¹⁷ are required to be disposed of at the earliest. In the test checked districts storage space remained blocked as the unserviceable stock articles costing ₹ 17.83 crore were lying in stores (**Table 3.13**).

Table 3.13: Non disposal of unserviceable stock articles (Amount)

(₹ in crore)

District	FSD	HSWC	HAFED	HAIC
Karnal	3.03	0.24	1.30	0.13
Panipat	0.17		0.30	N.A.
Sonepat	1.20		0.33	0.05
Kurukshetra	2.30	0.09	1.02	0.73
Yamunanagar	0.35	0.49	0.77	0.02
Ambala	0.62		0.74	0.05
Hisar	0.36	0.43	N.A.	0.92
Fatehabad	1.36		0.71	
Total	9.39	1.25	5.17	2.02
Grand Total	₹ 17.83 crore			

During the Exit Conference (July 2024), it was stated that fumigation covers, paddy tops, aluminium flask, *etc.* were to be disposed of by DGS&D. The matter was under process for disposal of unserviceable stock articles.

The reply is not tenable as DGS&D was only competent authority for finalization of auction rates and responsibility of disposal of unserviceable items lies with the SPAs concerned.

3.6 Raising claims with FCI

Government of India issues Provisional Cost Sheet (PCS¹⁸) before beginning of each RMS. FCI reimburses the expenditure by the SPAs on the procurement operations as per costing approved by GoI for each RMS as per PCS. The FCI makes payment to SPAs at the time of taking delivery of wheat according to the PCS. Further, final claims are to be submitted with FCI on the basis of final cost sheet¹⁹ approved by GoI after finalization of accounts by the State Government.

FCI takes delivery from field offices of SPAs through three modes and pay MSP plus incidentals to field offices of SPAs according to the mode as detailed in **Table 3.14**.

¹⁷ Unserviceable LDPE covers, Black polythene covers, tarpaulins, wooden crates, etc.

¹⁸ PCS is an estimated cost framework issued before each RMS, since actual expenditures available only after procurement ends

¹⁹ Final Cost of incidentals approved by the GoI/FCI on the basis of audited accounts

Table 3.14: Modes of delivery made to the FCI

	Mode	Delivery method	MSP + Incidentals to be paid
A.	Ex-Mandi Delivery	Delivery of wheat direct from <i>Mandi</i> to FCI (transportation by FCI)	Statutory charges + <i>Mandi</i> labour charges + Commission to societies/ <i>Arthiyas</i> + Administrative charges + Cost of gunny bags
B.	Delivery to FCI local godown/rail head	Delivery of wheat direct from <i>Mandi</i> to FCI at FCI godown or rail head (transportation by SPA)	Mode A charges + the transportation & handling charges
C.	Ex-Godown delivery from SPA's godown	Delivery of wheat from storage point of SPAs to FCI (transportation by FCI)	Mode B charges + custody & maintenance charges, interest charges and additional charges (loading, weighment etc.)

The above incidentals are payable to SPAs for delivery of wheat up to 30th June each year. Thereafter, interest is payable by FCI to SPAs at the rates mentioned in the PCS, calculated on MSP plus incidentals except on administrative charges and storage charges. For the month of dispatch, interest as well as storage charges are allowed at half the rate. Audit observations are as follows:

3.6.1 Issuance of provisional cost sheet (PCS)

The incidentals in PCS are finalised on the basis of proposal submitted by the State Government as per Principles for Procurement Incidentals (PPI) notified by GoI in July 2003 and revised from time to time on the request of State Governments. A brief description of incidentals and method of fixation thereof is given in *Appendix 3.4*.

SPAs procure wheat by availing Cash Credit Limit (CCL)/Short Term Loans from financial institutions. Thus, all the components of the PCS should be assessed properly and timely to get entire expenditure incurred by SPAs on procurement operations reimbursed from FCI timely. Any laxity related to completeness and timeliness for PCS would result in direct loss to SPAs on account of interest. Audit noticed the following:

3.6.1.1 Losses due to delay in issuance of PCSs

The PCSs were required to be issued before the beginning of the RMS each year but audit noticed that PCSs for RMSs 2020 and 2021 were issued with a delay of 80 and 161 days. During RMSs 2020 and 2021, the FCI, while taking delivery of wheat until issuance of PCS had paid MSP of respective seasons without payment of incidentals²⁰. SPAs claimed these incidentals as supplementary bills after issuance of the PCS. SPAs borrow funds from banks on interest, however, due to delayed issuance of PCS leads to delay in claiming incidentals. SPAs have to claim such incidentals later on as supplementary

²⁰ Statutory charges, *Mandi* labour charges, Commission to societies/*Arthiyas*, Administrative charges, Cost of gunny bags, transportation & handling charges, etc.

claims. It is worth mentioning that FCI does not allow interest on supplementary claims which is ultimately borne by SPAs.

Audit noticed that claims for incidentals of ₹ 1,157.27 crore were paid as supplementary claims by FCI due to delayed issuance of PCSs resulting in extra burden of interest of ₹ 33.67 crore to SPAs as detailed in **Table 3.15**.

Table 3.15: Table showing interest loss due to delay in forwarding PCS to field offices

RMS	Direct delivery to FCI in LMT				Delay in days	Incidental (excluding MSP) (₹ per Qtl)	Incidental claimed/ paid	Short paid Per qtl.	Short paid amount (₹ in crore) (qty*short paid)	Interest rate in PCS p.a.	Loss of interest (₹ in crore)
	Food	HAFED	HWC	Total							
1	2	3	4	5	6	7	8	9 (8-7)	10 (9*5)	11	12
2020	6.24	10.71	4.46	21.41	80	292.41	0	292.41	626.05	9.61	13.19
2021	4.91	9.91	4.55	19.37	161	274.25	0	274.25	531.22	8.74	20.48
Total									1,157.27		33.67

(Source: Information obtained from FCI and SPAs)

During the Exit Conference (July 2024), the Additional Chief Secretary, GoH, FSD directed the departmental officers to take up the matter with GoI.

3.6.1.2 Loss due to delay in finalisation of Provisional Cost Sheet

GoI revised (February 2020) principles of procurement incidentals (PPI) for Central Pool applicable for procurement for wheat vide which commission/*Arthiya* charges was delinked from the MSP. The revised PPI was applicable from RMS 2020-21.

The GoH failed to de-link the *Arthiya* commission as per revised PPI and proposed (3 April 2020) *Arthiya* commission for RMS 2020-21 at the rate of ₹ 48.12 per quintal²¹ which was against the revised PPI. The PCS for RMS 2020-21 was issued by GoI in July 2020 wherein *Arthiya* commission was approved at the rate of ₹ 46 per qtl. However, the payment had been made by GoH to *Arthiya* @ ₹ 48.12 per quintal because the PCS was issued after completion of procurement season. This resulted in loss of ₹ 14.27 crore²² to the State Government on account of excess commission to the *Arthiya*.

The GoH had taken up the matter with the FCI at the highest level for revision of *Arthiya* commission to ₹ 48.12 per quintal (as already paid to *Arthiyas*) but matter remained unresolved.

Thus, due to non-fixation of *Arthiya* commission by FSD in accordance with the revised PPI as well as delayed issuance of PCS by GoI, the GoH had incurred extra expenditure of ₹ 14.27 crore.

²¹ 2.5 per cent of ₹ 1,925: MSP for RMS 2020-21

²² 67.31 lakh MT * ₹ 2.12 per qtl

The Department replied (June 2024) that during RMS 2020, *Arthiya* commission was paid at the rate of ₹ 48.12 per quintal i.e. 2.5 per cent of MSP, as per notification issued by HSAMB Haryana whereas GoI fixed *Arthiya* commission at ₹ 46 per quintal in PCS issued on 10 July 2020. Higher charges were paid due to delayed issuance of PCS by GoI. During Exit Conference (July 2024), the ACS reiterated the reply submitted by the Department. The reply was not tenable as the GoI had notified revised PPI in February 2020 i.e. before commencement of procurement season of 2020, by delinking the *Arthiya* commission from the MSP.

3.6.2 Ignoring custody and maintenance charges for covered storage

The GoI provides custody and maintenance charges for one and half month (half of the procurement period) for CAP storage. As such, there was no provision for covered storage upto 30th June each year.

During scrutiny, it came to notice that while submitting the proposals for PCSs, the GoI had not included C&M charges for covered storage, despite the fact that a huge quantity was being kept in covered storage. There was huge difference in storage charges for open plinth and covered storage payable by FCI as detailed in **Table 3.16**.

Table 3.16: Loss due to wheat stored in godown and C&M charges received for CAP

RMS	Storage charges for CAP	Storage charges for covered godown	Difference in covered & CAP rates	For one and half month	Quantities stored in godown	Loss
	(₹ per MT per month)			(₹ per MT)	(in LMT)	(₹ in crore)
2017	24.00	74.00	50.00	75.00	24.32	18.24
2018	24.00	83.00	59.00	88.50	24.00	21.24
2019	24.00	93.60	69.60	104.40	15.09	15.75
2020	24.00	104.20	80.20	120.30	8.45	10.16
2021	24.00	107.80	83.80	125.70	19.82	24.91
Total					91.68	90.30

Due to non-inclusion of C&M charges for covered godown in the PCSs, there was a loss of ₹ 90.30 crore due to claims submitted for CAP storage while in actual wheat was stored in warehouses during RMSs 2017 to 2021.

During the Exit Conference (July 2024), the ACS stated that the matter would be taken up with GoI for providing the rates of covered storage also upto 30th June.

3.7 Delivery of wheat to FCI

3.7.1 Failure in delivery as per movement plan of FCI

SPAs are required to deliver the wheat stock as per movement plan/requirement of FCI. Carry over charges (CoC) are denied by FCI if SPAs fail to deliver the wheat in accordance with requirement/ movement plan of the FCI.

Audit noticed that FCI had deducted CoC of ₹ 4.58 crore for RMSs 2017 to 2021 in selected field offices of SPAs for not delivering wheat as per movement plan as detailed in **Table 3.17**.

Table 3.17: Detail of deductions made by FCI

Sr. No.	Agency	Name of district office	Amount ₹ in crore	Reasons for deductions
1	HSWC	HSWC, Fatehabad	0.24	Non-delivery
		HSWC, Panipat	1.28	Non-delivery, non-providing of vehicles by transporter
2	Hafed	HAFED, Fatehabad	0.18	Non-delivery
		HAFED, Sonapat	0.06	Non-delivery
3	FSD	DFSC, Panipat	2.82	Non-availability of staff at godown and non-providing of adequate labour, etc.
Total			4.58	

Had the wheat stock been delivered to FCI in accordance with the demand/movement plan, loss of ₹ 4.58 crore could be avoided.

3.7.2 Deduction by FCI on account of moisture cut

RMS guidelines stipulate that wheat stock delivered to FCI should not have moisture content more than 12 *per cent*. Wheat stock containing moisture between 12 and 14 *per cent* is acceptable with a discount and above 14 *per cent* is not acceptable. The FCI deducted ₹ 4.63 crore from the payments to SPAs on account of moisture cut for RMSs 2017 to 2021 as given in **Table 3.18**.

Table 3.18: Deduction of moisture cut made by FCI

(₹ in crore)

Agency	Moisture cut deducted by FCI	Moisture cut recovered from <i>Arthiyas</i>	Pending recovery
FSD	1.02	0.24	0.78
HAFED	3.43	-	3.43
HSWC	0.17	0.00	0.17
HAIC	0.01	-	0.01
Total	4.63	0.24	4.39

Out of total ₹ 4.63 crore, in case of direct delivery from *mandis*, ₹ 0.24 crore had been recovered from *Arthiyas*.

Audit observed that in case of stored wheat, the SPAs had neither ascertained the moisture content of wheat at the time of procurement nor during storage. SPAs should evolve a mechanism to record moisture content at the time of procurement as well as during storage.

During the Exit Conference (July 2024), it was replied that deductions were made for moisture noticed during receipt of wheat from *Arthiyas*. Moisture cut during delivery of wheat was treated as shortages and accordingly responsibilities of concerned officials/officers were fixed.

3.8. Delay in finalisation of annual accounts

3.8.1 Incidental charges not claimed on the basis of consumer price index

As per instructions of GoI, annual audited accounts were to be submitted by State Government not later than 12 months after the end of financial year. As per instructions of GoI (January 2017) provisional rates of incidentals were to be fixed on the basis of Consumer Price Index²³ by taking the last final or provisional rate as base. However, the benefit of indexation was denied to the States defaulted in submitting the audited accounts.

Audit noticed that the FSD had finalised accounts only upto RMS 2017-18, even though other SPAs (HSWC, HAFED and HAIC) had prepared their annual accounts and were audited up to RMS 2021-22. Due to delayed finalization of accounts by the nodal department, these SPAs could also not submit their final claims resulting in loss to the State Exchequer. Further, the benefit of price indexation for the RMSs 2017 to 2020 to the tune of ₹ 179.10 crore could not be availed by the State resulting in avoidable extra burden of interest to the tune of ₹ 60.18 crore (as of March 2023) as detailed in **Table 3.19**.

Table 3.19: Extra burden of interest for non-availing indexation benefit

RMS	Quantity procured by SPAs (In LMT)	Indexed cost for specified incidentals (₹ per qtl)	Specified incidentals in PCS (₹ per qtl)	Indexation benefit not availed (₹ per qtl)	Difference due to non-availing indexation benefit (₹ in crore)	Rate of interest (in per cent)	Interest loss (₹ in crore)
2017-18	65.61	38.49	34.27	4.22	27.66	11.01	15.23
2018-19	77.02	42.47	36.38	6.09	46.89	9.66	18.12
2019-20	82.28	43.66	36.38	7.28	59.93	10.15	18.25
2020-21	67.31	25.88	19.25	6.63	44.62	9.61	8.58
Total	292.22				179.10		60.18

During the Exit Conference (July 2024), it was stated that submission of final cost sheets got delayed due to scarcity of staff. The department had engaged a chartered accountant firm since January 2024 for preparation and submission of accounts to GoI.

The fact remains that due to delays in submitting the audited accounts indexation benefits to the tune of ₹ 179.10 crore could not be availed.

3.8.2 Non-submission of final claims

As per instructions from the GoI, cost sheet for each RMS should be finalised within 20 months from the end of Financial Year in which RMS ends. GoH delayed finalisation of the audited accounts to finalize procurement incidentals of State Agencies as detailed in **Table 3.20**.

²³ Updation of procurement incidentals of previous provisional cost sheet upto current level on the basis of Consumer Price Index. This benefit was available upto RMS 2020.

Table 3.20: Delays in submission of final claims and further delay in finalisation by FCI

RMS	Status	Claim submission by State			Claims approved by FCI		
		Due date	Submission date	Delay in days	Due date	Final date	Delay in days
2013-14	Final	31 March 2015	06 June 2017	798	30 November 2015	05 June 2020	1,649
2014-15	Final	31 March 2016	15 February 2022	2,147	30 November 2016	18 July 2023	2,421
2015-16	Pending*	31 March 2017	15 February 2022	1,782	30 November 2017	18 July 2023	2,057
2016-17	Final	31 March 2018	21 May 2021	1,147	30 November 2018	12 July 2023	1,685
2017-18	Pending*	31 March 2019	24 November 2022	1,402	30 November 2019	Not finalized	
2018-19	Claims not submitted*	31 March 2020			30 November 2020	Not finalized	
2019-20		31 March 2021			30 November 2021	Not finalized	
2020-21		31 March 2022			30 November 2022	Not finalized	
2021-22		31 March 2023					

Source: Information provided by the Department.

* Reasons for non-finalisation of PCS 2015-16 despite finalisation of PCS for 2016-17 were not on record

There was a delay ranging between 16 and 71 months in submission of final claims by GoH. Further cost sheets for RMS 2013 was finalised in June 2020 after a delay of 55 months and costs sheets for the RMSs 2014, 2015 and 2016 were finalised in July 2023 with a delay of 56 to 80 months.

During the Exit Conference (July 2024), it was stated that submission of final cost sheet was delayed due to scarcity of staff. The department had engaged a chartered accountant firm since January 2024 for preparation and submission of accounts to GoI.

3.9 Conclusion

It was observed in audit that the availability of basic facilities such as weighbridges, fire-fighting arrangements, kisan rest houses, canteens, etc. was not adequate in some test checked *mandis*. Due to non-availability of weighbridge in some *mandis*, avoidable expenditure of ₹ 2.93 crore was incurred by HAFED on transportation of wheat to weighbridges situated outside of *mandi*.

The FSD had arranged funds for wheat procurement on higher interest rates resulting in extra burden of interest of ₹ 222.24 crore. Since timeline for activities involved in procurement process were not fixed, it resulted in delayed payment to farmers. Moreover, a large quantity of wheat remained stored unscientifically by hiring open plinths resulting in damage of wheat stock.

The State Government paid commission at the rate of ₹ 48.12 per quintal for the RMS 2020-21 while the FCI fixed the commission at ₹ 46 per quintal resulting in loss of ₹ 14.27 crore to the SPAs. Further, due to non-inclusion of custody and maintenance charges for covered go-downs in the Provisional Cost Sheet, loss of ₹ 90.30 crore occurred to SPAs. Moreover, final cost sheets for the RMSs 2018-19 onwards have not been finalised by the State Government.

3.10 Recommendations

Following recommendations are made:

1. The State Government may ensure adequate arrangements in *mandis* to provide farmers with basic facilities such as weighbridges, kisan rest houses, firefighting stations, canteens and banks.
2. The State Government may consider the viability of options for availing loans at competitive rates for wheat procurement operations.
3. The State Government may establish a clear-cut timeline for wheat procurement activities to ensure timely payments to farmers.
4. The State Government should prevent unscientific storage and minimize losses due to wheat damage.
5. The State Government should expedite the finalisation of annual accounts related to foodgrain procurement by the Food, Civil Supplies and Consumer Affairs Department for timely submission of claims to FCI.

Chapter 4

Performance Audit on Welfare of Building and Other Construction Workers

Chapter 4

Labour Department

Performance Audit on Welfare of Building and Other Construction Workers

4.1 Introduction

With a view to regulate the employment and conditions of service of building and other construction workers, the State Government of Haryana framed the Haryana Building and Other construction Workers (Regulation of employment and Conditions of Service) Rules 2005 (the Rules) under Section 62 and 40 of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service Act, 1996 (the Act) for implementation of the Act. In compliance to the provisions of Section 18 of the Act, the State Government constituted (November 2006) the Haryana Building and Other Construction Workers Welfare Board (the Board) and imposed (January 2007) cess at the rate of one *per cent* in accordance with the requirements of the Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act). The Board is responsible for registration of construction workers as beneficiaries, formulation of schemes and ultimate disbursement of benefits to the construction workers, administration and investment of funds collected as cess.

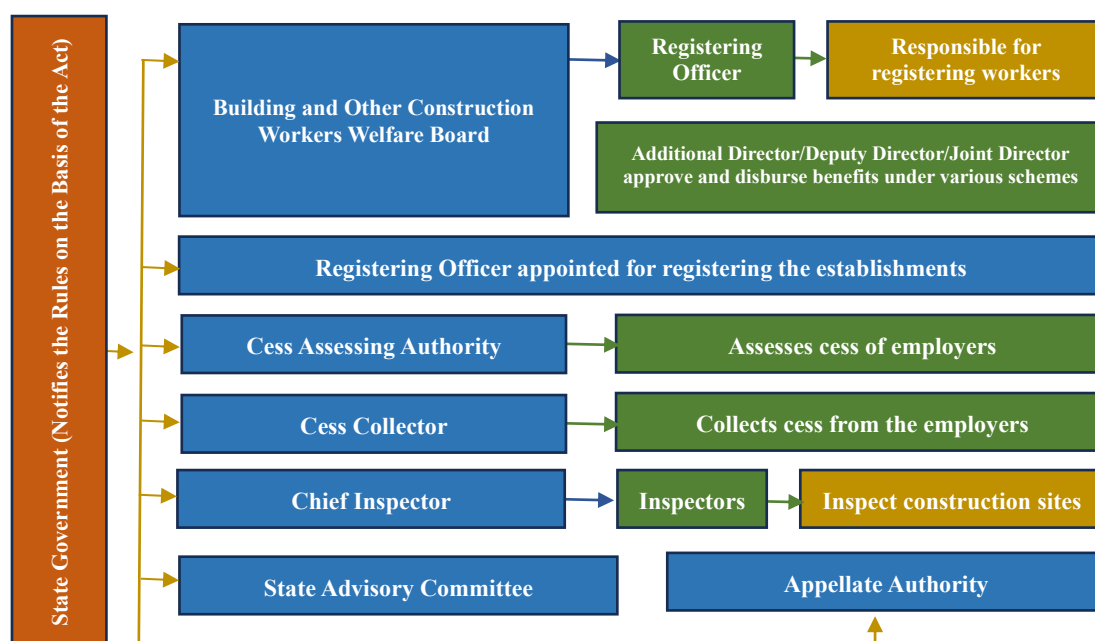
Section 2 (i) of BOCW Act enumerates that in relation to an establishment, the employer is the contractor or owner where the work is being executed directly without a contractor.

Rule 28 (1) of the Rules, 2005 read with Section 12 of the Act provides that every building worker who has completed 18 years of age but has not completed 60 years of age and who is not a member in any other welfare fund established under any law for the time being in force and who has completed 90 days of service as a building worker in the year immediately preceding shall be eligible for membership in the Fund.

4.2 Functional set-up in Haryana

The Functional chart for implementation of the Act and the Cess Act is depicted in the **Chart 4.1**.

Chart 4.1: Functional set-up for implementation of the Act and Cess Act



The State Government had constituted (April 2007) the State Advisory Committee for a term of five years to advise the State Government on matters arising out of the administration of the Fund. The Labour Commissioner is designated as Chief Inspector and other officers of the Labour Department viz. Chief Inspectors of Factories, Additional Director and Assistant Director, Industrial Safety and Health, all Joint Directors, Industrial Safety and Health, etc. are appointed as Inspectors, Registering Officers, Cess Collectors, Assessing Officers, etc. under the Act.

4.3 Audit Objectives

The Performance Audit was undertaken to ascertain:

- Whether the Rules notified by the Government under the Acts are consistent with the spirit of Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and Building and Other Construction Workers Welfare Cess Act 1996;
- Whether there was an effective system for registration of establishments and beneficiaries;
- Whether cess assessment, collection and transfer of collected cess to the Fund was efficient;
- Whether the Government prescribed appropriate health and safety norms and implemented transparent and effective system of inspections to check compliance to these norms by employers; and
- Whether administration and utilisation of funds on implementation of welfare scheme by the Board was efficient and effective.

4.4 Audit Criteria

The sources of audit criteria for assessing the implementation of various provisions of the Act/Rules were as under:

- Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the Act);
- Building and Other Construction Workers' Welfare Cess Act, 1996 (Cess Act) and Building and Other Construction Workers Welfare Cess Rules, 1998 (Cess Rules);
- Haryana Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005 (The Rules, 2005);
- State Financial Rules;
- Inspection Policy notified by State Government;
- Resolutions passed by the Board; and
- Various judgements of Supreme Court on the matter related to the Act and Cess Act.

4.5 Scope of Audit and sampling methodology

The Performance Audit covered the activities of the Board over the period of five years, from 2017-18 to 2021-22. However, the information has been updated for the year 2022-23, at appropriate places. For detailed audit scrutiny, six¹ districts were selected.

To assess whether the benefit was disbursed to eligible beneficiaries, out of 2,506 benefits disbursed in the selected Districts, 1,267 benefits were selected through stratified sampling method. These 1,267 benefits were disbursed to 646 beneficiaries². Further, a survey of 24 beneficiaries from eight villages of each selected District was carried out. Out of which, 10 beneficiaries were selected with highest amount of benefit availed and 14 beneficiaries through random sampling method. Further, in six selected Districts, 60 establishments were also selected for joint inspection.

The information regarding registration of establishments/beneficiaries, benefits availed by beneficiaries, welfare schemes run by the Board, etc. on the portal of the Labour Department was analysed by applying computer-based audit techniques.

Entry Conference was held (18 November 2021) with the Secretary-cum-Labour Commissioner of the Board in which the audit methodology, scope, objectives

¹ (i) Faridabad, (ii) Gurugram, (iii) Hisar, (iv) Jind, (v) Karnal and (vi) Panipat.

² A beneficiary can avail more than one benefit in different schemes.

and criteria were discussed. Exit Conference for the Performance Audit was held (24 June 2024) with the Principal Secretary, Labour Department, Government of Haryana wherein audit findings were discussed. The deliberations of the Exit Conference have been appropriately incorporated in the Report.

4.6 Acknowledgement

Audit acknowledges the co-operation of the Board, the Labour Department and their subordinate offices and other selected departments i.e., Town and Country Planning, Urban Local Bodies, Haryana State Industrial and Infrastructure Development Corporation, Public Works Department (Building and Roads), *etc.* in providing information and records during this Audit exercise.

Audit findings

Administration of the Board and utilisation of the fund

4.7 Receipts and expenditure

The receipts and expenditure of the Board for the period 2017-18 to 2022-23 are given in the **Table 4.1**.

Table 4.1: Receipts and expenditure of the Board for the period 2017-18 to 2022-23

(₹ in crore)							
Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 ³	Total
Opening Balance	2,407.16	2,744.34	2,948.78	3,118.96	3,229.31	3,546.84	
Receipts	Receipts from cess	328.45	288.60	285.15	355.62	422.84	472.45
	Registration, contribution fee and fine	4.21	7.24	3.61	3.26	2.01	1.59
	Interest and other misc. income	159.26	181.85	204.92	139.95	109.62	175.92
	Total receipt	491.92	477.69	493.68	498.83	534.47	649.96
Funds available	2,899.08	3,222.03	3,442.46	3,617.79	3,763.78	4,196.80	
Expenditure	Welfare expenditure	148.31	266.32	314.63	379.21	206.86	341.45
	Administration expenditure (in per cent)	6.43 (4.15)	6.93 (2.53)	8.87 (2.74)	9.27 (2.39)	10.08 (4.65)	15.67 (4.39)
	Total expenditure	154.74	273.25	323.50	388.48	216.94	357.12
Closing Balance	2,744.34	2,948.78	3,118.96	3,229.31	3,546.84	3,839.68	
Percentage of expenditure to funds available	5.34	8.48	9.40	10.74	5.76	8.51	

Source: Balance Sheets of the Board

As seen from **Table 4.1**, the expenditure vis-à-vis the fund available ranged between 5.34 per cent and 10.74 per cent during 2017-18 to 2022-23. During 2017-18 to 2022-23, the total receipts in the Fund were ₹ 3,146.55 crore. Against this, the Board spent ₹ 1,714.03 crore (including administration charges of ₹ 57.25 crore) on implementation of the schemes. At the end of the year 2022-23, the balance of the Fund was ₹ 3,839.68 crore. Audit observed deficiencies in the management of the Fund which are elaborated in subsequent paragraphs.

³ Balance Sheet for the year 2022-23 is unaudited.

4.7.1 Non-preparation of annual report

Section 26 of the Act and Rule 45 (d) of the Rules provide that the Board shall be responsible to prepare an annual report for each financial year, giving a full account of its activities during the previous financial year and submit a copy thereof to the State Government.

However, the Board did not prepare any annual report for the period covered in this audit. During the Exit Conference (June 2024), the Board assured for compliance.

4.7.2 Avoidable payment of income tax

A new sub-section 10 (46) was inserted (June 2011) in the Income Tax Act which provided that any specified⁴ income arising to any notified Body/Authority/ Board/Trust/Commission, which had been established or constituted by a Central or a State Government with the object of regulating or administering any activity for the benefit of the general public, was fully exempted from Income Tax.

For getting notified under Section 10 (46), the Board applied in January 2018 and got notified in July 2021. Since notification under Section 10 (46) was applicable from 1 June 2020, income of the Board for the Assessment Years 2008-09 to 2020-21 (up to May 2020) was to be assessed under Section 11 according to which 85 *per cent* income should have been utilised for intended purposes.

The Assessing Officer worked out a taxable income of ₹ 1,969.31⁵ crore and raised demand of ₹ 713.25 crore⁶ during December 2016 to March 2021. Against these assessment orders, the Board filed appeals before Commissioner of Income Tax which were dismissed (March 2023). Thereafter, Board filed appeals before Income Tax Appellate Tribunal which were pending as on date (July 2023).

Audit observed that the Board was required to get itself notified under Section 10 (46) immediately after its insertion in July 2011, as the income of any notified body was fully exempted under this Section. However, the Board belatedly applied on 31 January 2018. Further, it did not pursue the matter and was notified under Section 10 (46) in July 2021.

⁴ Specified income means the income of the nature and to the extent arising to a body or authority or Board/Trust/Commission (by whatever name called) referred to in this clause, which the Central Government may, by notification in the official gazette, specifies in this behalf.

⁵ (₹ 413.93 crore + ₹ 1,555.38 crore) for Assessment Years 2014-15 to 2018-19

⁶ ₹ 713.25 crore = ₹ 130.39 crore (2014-15) + ₹ 123.47 crore (2016-17) + ₹ 209.94 crore (2017-18) + ₹ 249.45 crore (2018-19)

The Board stated (March 2024) that it was not aware of provisions of Section 10 (46) of the Income Tax Act before January 2018 and the professional consultant of the Board had not advised on it. However, at present the Board has been notified under Section 10 (46) with effect from 1 June 2020.

The fact remains that the delayed action of the Board resulted in outstanding tax liability of ₹ 713.25 crore.

4.7.3 Irregular expenditure on financial assistance for purchase of sewing machines

The Board was operating a scheme “Financial assistance for the purchase of sewing machine” since June 2014 where once in lifetime financial assistance up to ₹ 3,500 was provided to registered women construction workers. Reimbursement was made on the basis of an undertaking along with price, trademark, source and date of purchase of sewing machine.

The Board decided (November 2016) to distribute sewing machines (at the rate of ₹ 2,199 per machine) under ‘Swarna Jayanti Year Celebration’ scheme and purchased 43,205 sewing machines costing ₹ 9.50 crore⁷ during the period December 2017 to March 2019. Accordingly, instructions were issued (January 2018) to its field offices to temporarily stop the existing scheme of financial assistance till the existing machines were distributed.

However, Audit found that out of these 43,205 machines, 1,257 machines remained un-distributed and were still lying in the stores of the field offices of the Board (March 2023). During the period, the field offices continued disbursement of financial assistance for purchase of sewing machines whereas machines were lying in stock. This resulted in wasteful expenditure to the tune of ₹ 27.64 lakh (1,257 x ₹ 2,199).

The Board stated (March 2024) that 1,229 sewing machines were lying in the field offices and were not in working condition.

4.8 Shortfall/non-convening State Advisory Committee and Board meetings

(i) State Advisory Committee

Rule 14 of the Haryana Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005, State Advisory Committee (SAC), constituted under the Act, shall meet at least once in six months.

During the period 2017-18 to 2022-23, no meeting of the State Advisory

⁷ ₹ 9.50 crore = 43,205 machines x ₹ 2,199 per unit

Committee had been convened which defeated the very purpose of constituting the Committee and deprived the State Government of the advisory role of the said committee.

(ii) Board meetings

Rule 36 of the Haryana Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005 read with Section 20 of the Act stipulates that the Board should ordinarily meet at least once in three months.

During the period 2017-18 to 2022-23, against the required 24 meetings of the Board, only 11 meetings (46 *per cent*) were held. This has resulted in inadequate attention to matters connected with the administration of the Fund *viz* preparation of annual report; collection of cess; co-ordination amongst the various authorities of the State Government in matters of registration of establishments, pending applications for registration of workers, inspection for health and safety of workers as discussed in the succeeding paragraphs.

During the Exit Conference (June 2024), the Board assured to make compliance in future.

4.9 Registration of establishments

Section 7 of the Act mandates employers to register with the prescribed authority within 60 days of establishment getting covered under the provisions of the Act.

As per the Act, an unregistered establishment cannot employ building workers. Rule 17 and 18 of the Rules, 2005 read with Section 7 of the Act provides the manner of making application for registration of establishment as below:



As per data maintained by the Labour Department during 2017-23, total 4,268 construction works were registered as establishments.

4.9.1 Operational construction works without registration

Audit selected 60 construction works (*Appendix 4.1*) in respect of 12 divisions of Public Works Department (PWD) (B&R), Public Health Engineering Department (PHED) and Irrigation Department from the monthly accounts of these divisions submitted to Principal Accountant General (Accounts & Entitlement) to check whether the registration of establishments was being ensured for employment of building workers.

Audit noticed that none of the selected 60 construction works were registered as establishment under the Act. It was found that an expenditure of ₹ 942.37 crore against these 60 works had been booked which indicated that despite the provision (Section 7 of the Act) that no unregistered establishment can employ building and construction workers, these establishments continued to employ these workers.

Audit analysed the reasons for registration anomaly and noticed the following:

(i) Lack of co-ordination amongst various authorities of the State Government

There was a lack of co-ordination amongst the various authorities of the State Government in matters of registration of establishments. For instance, a decision was arrived at in a meeting held on 26 March 2010 as per which the Haryana State Industrial & Infrastructure Development Corporation Limited (HSIIDC) was required to forward a copy of approved Building Plan on monthly basis to the concerned Assistant Director (AD), Industrial Safety and Health (IS&H), Labour Department. The Labour Department/Board was required to use this information for registration of establishments.

Field offices⁸ of Haryana State Industrial and Infrastructure Development Corporation (HSIIDC) issued a total of 1,523 Occupation Certificates⁹ and approved 566 Building Plans¹⁰ during 2017-23. However, as per information supplied by field offices of Labour Department in respect of selected six Districts, only 265 Occupation Certificates¹¹ and one Building Plan (in Faridabad District) were received from HSIIDC during the said period. However, HSIIDC intimated (August 2023) that, the lists of these Occupation Certificates and Building Plans

⁸ (i) Faridabad, (ii) Gurugram, (iii) Hisar, (iv) Jind, (v) Karnal and (vi) Panipat.

⁹ (i) Faridabad: 559, (ii) Gurugram: 791, (iii) Hisar: 4, (iv) Jind: 60, (v) Karnal: 93 and (vi) Panipat: 16.

¹⁰ (i) Faridabad: 284, (ii) Gurugram: 190, (iii) Hisar: 3, (iv) Jind: 66, (v) Karnal: 5 and (vi) Panipat: 18.

¹¹ Faridabad: 173, Gurugram: 88, Hisar: 2, Jind: 2, Karnal: Nil and Panipat: Nil

were also forwarded by the field offices of HSIIDC to Labour Department.

Further, out of 265 Occupation Certificates and one Building Plan received by the Labour Department, the assessment of cess was carried out by the assessing officer in 104 and 25 cases of Faridabad and Gurugram Districts, respectively. No assessment was carried out by the Labour Department in respect of cases of Jind and Hisar Districts.

The Department had neither developed any mechanism to identify the construction sites requiring registration under the Act nor taken any action to register the establishments even when they came to its notice as discussed in **Paragraph 4.9.2.**

The Board replied (March 2024) that being Government Department, it is the responsibility of a Division to ensure that the details of construction sites should be sent to the Labour Department for registration. Further, during the Exit Conference (June 2024), the Board gave assurance regarding issue of instructions to all the Departments concerned to stop release of payment of first running bill without registration of establishments under the Act.

4.9.2 Non-registration of inspected establishments

Audit selected 118 establishments¹² (120 inspection reports¹³), which were inspected by the Labour Department during 2017-18 to 2022-23, for scrutiny and observed that as on 31 March 2023, 84 establishments¹⁴ were not registered with the Labour Department. Notices were served to these unregistered establishments for non-compliance of Section 7 of the Act and the prosecutions were launched against the unregistered establishments in the Court under Section 50 of the Act, 1996. However, even after paying fine for the violations, the establishments were not got registered.

The Board replied (March 2024) that regular inspections were being conducted to ensure compliance with the Act. In case of non-compliance by the employer to get the establishment registered, the Labour Department gets prosecution launched against the employer in the Court.

However, the Board could not specify the reasons for not registering these establishments. Thus, unregistered establishments continued employing workers in contravention of the provisions of the Act.

¹² (i) Faridabad-22, (ii) Gurugram-46, (iii) Hisar-10, (iv) Jind-10, (v) Karnal-16 and (vi) Panipat-14.

¹³ (i) Faridabad-22, (ii) Gurugram-47, (iii) Hisar-10, (iv) Jind-10, (v) Karnal-16 and (vi) Panipat-15. Two establishments in Gurugram and Panipat districts were inspected twice.

¹⁴ 84 Establishments: (i) 2017-18: 2, (ii) 2018-19: 4, (iii) 2019-20: 34, (iv) 2020-21: 5, (v) 2021-22: 29 and (vi) 2022-23: 10.

4.9.3 Non-submission of returns by registered establishments

Rule 30 (2) of the Rules, 2005, requires that every employer shall submit a monthly return in Form IX showing the details of the workers entitled to be registered as well as those who left the service during the preceding month, before the fifteenth day of every month.

Further, as per Rule 89 of the Rules, 2005, every employer of a registered establishment shall submit an annual return relating to such establishment in duplicate in Form –XXXV to the registering officer not later than the fifteenth February following the end of each calendar year with a copy to the Inspector having jurisdiction. The annual return of the establishment includes number of accidents occurred, death, partial or complete disablement of the worker, amount of compensation paid to the worker or his/her nominee in the event of accident, *etc.*

Audit observed in selected Districts that the Board did not maintain any physical record regarding submission of monthly and annual return by registered employers.

Further, scrutiny of inspection reports conducted by the Labour Department of the 118 selected establishments revealed that the Department knew that monthly returns and annual returns were not submitted by 96 establishments and 24 establishments respectively. However, these reports were not acted upon by the Department to strengthen its own internal monitoring mechanism.

These returns could have enabled the Board to assess the number of construction workers entitled to be registered, workers who left the service in the preceding months, number of accidents occurred, death, partial or complete disablement of worker, *etc.*

During Exit Conference, the Board stated (June 2024) that the returns were not maintained by the Board as none of the employers had sent the returns to field offices concerned. Reply of the Board is not satisfactory as compliance to the rules could not be ensured properly. Further, the Board did not point out any violations regarding non-submission of monthly and annual returns by inspected establishments.

4.10 Registration of beneficiaries under the Act

4.10.1 Inconsistency of data of registered and engaged workers

Analysis of data regarding registered establishments obtained (27 May 2023) from the portal of the Labour Department revealed that 4,268 establishments were registered during the period 2017-18 to 2022-23. These establishments had

claimed to have employed 5.97 lakh workers. District-wise live workers¹⁵ as on 31 March 2023 and registered establishments during the period 2017-2023 is depicted in **Table 4.2**.

Table 4.2: District-wise live workers and registered establishments

Sr. No.	Name of District	Number of establishments registered during 2017-2023	Number of workers ¹⁶ intimated as engaged by establishment while applying for registration of the establishment	Live workers registered with the Board as on 31 March 2023
1	Gurugram	2,977	4,37,946	14,828
2	Faridabad	438	46,609	18,231
3	Jhajjar	208	27,222	8,012
4	Rewari	159	13,688	18,821
5	Palwal	109	11,480	14,823
6	Panchkula	26	2,408	4,849
7	Sonipat	60	15,163	18,298
8	Rohtak	53	3,832	23,843
9	Kurukshetra	26	1,428	15,144
10	Karnal	26	4,495	29,950
11	Panipat	31	6,033	37,886
12	Mewat	39	12,855	50,390
13	Sirsa	13	1,106	27,748
14	Hisar	42	1,737	79,970
15	Mahendragarh	10	1,216	18,202
16	Yamuna Nagar	11	728	26,693
17	Ambala	9	2,985	30,333
18	Bhiwani	11	2,881	37,926
19	Fatehabad	6	250	22,297
20	Charkhi Dadri	1	400	6,126
21	Jind	8	2,450	59,840
22	Kaithal	5	345	65,728
	Total	4,268	5,97,257	6,29,938

Source: Portal of the Labour Department

As evident from the above table, there were differences between data of the construction workers engaged in establishments and the data of number of live workers registered with the Board. It can be observed from the above that:

- i. During 2017-23, 0.85 lakh construction workers were reported to be engaged by 645 registered establishments¹⁷ in 19 Districts (other than Faridabad, Gurugram & Jhajjar) while applying for registration of their establishments. However, the Board's data showed 5.89 lakh live workers in these 19 Districts.
- ii. Similarly, in five Districts (Bhiwani, Hisar, Jind, Kaithal and Mewat) where number of live workers (2.94 lakh¹⁸) were highest, there were only

¹⁵ Live workers include (a) those who registered during the current year along with (b) previous members who got their registration renewed during the year.

¹⁶ Maximum number of the workers which can be employed on any day by the employer.

¹⁷ 645 establishments in 19 districts = 4,268 establishments (22 Districts) – 3,623 establishment (Faridabad: 438 + Gurugram: 2,977 + Jhajjar: 208).

¹⁸ 2,93,854 registered workers = (i) Bhiwani: 37,926, (ii) Hisar: 79,970, (iii) Jind: 59,840, (iv) Kaithal: 65,728 and (v) Mewat: 50,390.

105 registered establishments¹⁹ but the reported engagement was of 0.20 lakh²⁰ construction workers as per data available on the portal of Labour Department.

The differences between the data of construction workers engaged in establishments and data of live workers registered with the Board indicate a lack of timely updation mechanism by the establishments.

The Board replied (March 2024) that instructions have been issued to field officers to register/renew the construction workers in accordance with provisions of Section 12 of the Act and Rule 28 of the Rules. During the exit conference, the Board accepted (June 2024) the audit observation and assured future compliance.

4.10.2 Non-registration of eligible beneficiaries

Rule 28 of the Rules, 2005 provides that every building worker eligible to become a beneficiary to the Fund shall apply in prescribed form (Form V) wherein details such as name, address and registration number of the establishment (where the applicant is working) was to be provided by the worker.

The Board changed (December 2020) the system of registration for migrant workers by making registration mandatory through online portal of *Antyodaya SARAL* where Parivar Pehchan Patra (PPP)²¹ of worker was made mandatory for registration of workers by the Labour Department. As per notification of State Government (September 2021), every resident/family residing within the territorial limits of the State of Haryana was entitled to obtain a PPP. For migrant workers, documentary evidence of residence acted as a barrier for getting PPP which was made mandatory for workers registration.

During joint inspection of establishments (between October 2022 and April 2023), Audit surveyed a sample of 125 unregistered construction workers out of which 119 were migrant workers. Audit noted that 65 out of 119 migrant workers were eligible for registration with the Board, but none was registered due to mandatory requirement of PPP and they could not obtain any welfare support from the Board (as discussed in **Paragraph 4.18.2**).

¹⁹ 105 establishments: (i) Bhiwani: 11, (ii) Hisar: 42, (iii) Jind: 8, (iv) Kaithal: 5 and (v) Mewat: 39.

²⁰ 20,268 construction workers= (i) Bhiwani: 2,881, (ii) Hisar: 1,737, (iii) Jind: 2,450, (iv) Kaithal: 345 and (v) Mewat: 12,855.

²¹ Parivar Pehchan Patra is a family identity card introduced by the Government of Haryana. It assigns a unique identification number to each family in the State. It serves as a means of authentication for accessing various benefits provided by the State Government.

The Board replied (March 2024) that the Chief Minister Haryana has accorded exemption (January 2024) under the proviso of the provision to Section 8 of the Haryana Parivar Pehchan Act, 2021 to Haryana Building and Other Construction Workers Welfare Board regarding registration of migrant workers.

4.10.3 Non-registration of workers due to lack of awareness

As per the model scheme (October 2018) of Ministry of Labour and Employment, Government of India, workers' registration authorities were required to hold regular camps/create facilitation centres at prominent labour *chowks* for the purpose of conducting awareness campaigns and facilitating registration of workers.

During the period 2017-18 to 2021-22, only two awareness programmes were organised by the Board in Sonipat and Karnal.

During joint inspection of 17 ongoing construction sites {eight unregistered sites²², seven registered sites²³ and two accident sites (Gurugram)}, it was observed that out of 125 surveyed workers²⁴, 107 workers were not aware about the Board, the registration process, and its welfare schemes. This was indicative that registration authority i.e., Labour Department was not regularly conducting awareness camps and facilitating registration of workers.

Thus, the objective of the Board to provide benefits to the construction workers could not be achieved as the workers unaware of these schemes remained unregistered.

During the Exit Conference (June 2024), the Board assured to create awareness among the construction workers through advertisements and organising camps at construction sites.

4.10.4 Pending applications for registration of workers

As per the timelines prescribed for delivery of services under the Haryana Right to Services Act, 2014, the Board was required to register/renew the membership of construction workers as beneficiaries of the Board within 30 days from the date of receipt of the application from the workers.

Audit analysed the pending applications data of registration of the construction workers and observed that 94,642 applications, received during the period April 2017 to March 2023, were pending for final disposal (17 July 2023). Out of these 94,642 pending applications, not even preliminary action was taken on

²² (i) Faridabad- 2, (ii) Hisar- 2, (iii) Karnal- 1 and (iv) Panipat- 3.

²³ (i) Gurugram- 2, (ii) Hisar- 1, (iii) Jind- 1, (iv) Karnal- 2 and (v) Panipat- 1.

²⁴ (i) Faridabad- 24, (ii) Gurugram- 28, (iii) Hisar- 15, (iv) Jind- 10, (v) Karnal- 19 and (vi) Panipat- 29.

4,838 applications and on the remaining 89,804 applications, objections were raised by the Labour Department. These 4,838 applications were lying pending for periods ranging between three months to 65 months against the prescribed time limit. Of the 89,804 applications where objections were raised, 79,136 applications (88 *per cent*) for the period 2017-22 were pending.

During joint inspection of selected establishments, it was noticed that application for registration of workers were submitted to the Board by the employer of one establishment²⁵ on 29 September 2022. In this regard, Audit extracted the data from the portal and found that 16 applications were submitted by the employer on 29 September 2022 and all these 16 applications were still lying pending as on 6 March 2023. On the issue of non-registration being pointed out (6 March 2023) by the Audit, the Board raised (24 March 2023) objections on these applications mentioning “*upload valid workslips (ws)*” at their portal. However, these work slips had been signed and stamped by Deputy Manager- HR, Tata Projects Limited and uploaded on the portal which indicates lack of due diligence by the Department in scrutinising the applications to register the construction workers.

Thus, due to inaction on the applications and laxity in scrutinising the applications by the department, the workers could not get themselves registered and were consequently deprived of the benefits of the welfare schemes.

The Board replied (March 2024) that pendency of applications was for want of proper documents/replies by the applicants and the pendency of 15,376 applications for the year 2022-23 has been cleared. In its reply, it also mentioned that 6,886 applications are pending. The reply was not acceptable as no action was taken on 4,838 applications by the Board.

4.11 Overview of assessment and collection of cess

4.11.1 Non-adherence of timeline and manner of collection of cess

Rule 4 of Cess Rules provides that the cess levied shall be paid by an employer to the cess collector within 30 days of completion of the construction project or the date on which assessment of cess payable is finalised, whichever is earlier. Rules 6 and 7 of the Cess Rules stipulate that every employer, within 30 days of commencement of his work, shall furnish information in Form-I containing data relating to estimated cost of construction, details of payment of cess deposited, *etc.* to the Assessing Officer (AO) for ensuring that the cess due has been worked out correctly.

²⁵ M/s Tata Projects Limited Heritage site, Sector-59, Gurugram.

Audit noticed that Department had not ensured submission of Form-I by the employers within the prescribed time frame of 30 days for assessment of cess. Audit scrutiny of 123 assessment cases revealed the following:

- i. In 58 cases date of submission was not mentioned in Form-I submitted by the employers. Even the part to be filled-in by the AO was blank. In the absence of date of submission on Form-I, the delay in submission of Form-I as well as delay in assessment of cess could not be ascertained.
- ii. In another 40 cases, there was delay in submission of Form-I ranging between two and 137 months. This led to delayed assessment and consequential delayed realisation of cess amount.

Audit further observed that neither the employers had submitted the Form-I within prescribed time frame nor the Department initiated any action against the employers for delayed submission of Form-I by employers.

During the Exit Conference (June 2024), the Board assured that online system will be developed to curb these discrepancies.

4.11.2 Short/non-deposit of cess by the assessees

As per Rule 4 of Cess Rules, cess shall be paid by an employer to the cess collector, within 30 days of completion of the construction project or within 30 days of the date on which assessment of cess payable is finalised, whichever is earlier. Section 8 of the Cess Act further provides that if any employer fails to pay any amount of cess within the time specified in the assessment order, such employer shall be liable to pay interest on the due amount of cess at the rate of two *per cent* per month.

- In two selected districts (Jind and Faridabad), Audit found that Assessing officers had raised demand of cess in respect of eight employers²⁶ amounting to ₹ 39.25 lakh during 2018 to 2022. However, no amount was deposited by any of the employers. It was further observed that interest liability on non-deposition of cess was not found raised in the demand notices. The Assistant Director, IS&H, Hisar accepted (March 2023) and stated that warning letters had been issued to the two establishments to deposit the cess.

²⁶ (i) M/s Indigo Apparel, Plot No-106, Sec-6, Faridabad, (ii) M/s Bharat Petroleum COP. Limited Piyala installation, Piyala Assoti, (iii) M/s Trident Packings Private Limited Plot no-414, Sector-68, IMT Faridabad, (iv) M/s New Laxmi Engg. Works, Plot no-741, Sector-69, IMT, Faridabad, (v) M/s BPTP Ltd on behalf of M/s Countrywide Promoters Private Limited, the licensee of Discovery Park Sector-80, Faridabad, (vi) M/s Vijay Metal, Plot No-182, Sec-68 IMT Faridabad, (vii) M/s Ekansh Motors Private Limited and (viii) M/s Lekhraj Auto Plaza Private Limited, opposite HPCL Bottling plant Rohtak Road, Jind.

- During the joint inspection (4 January 2023) of one establishment²⁷ at Gurugram District, it was noticed that date of completion (30 June 2019) of the project was already mentioned in Registration Certificate. Further, it was also noticed that the Occupation Certificate in respect of above establishment was issued by Senior Town Planner, Gurugram on 11 January 2021. As per the record made available by the employer, the employer had already paid (July 2017 and January 2021) the cess of ₹ 13.07 lakh. It was observed that the Department did not have a mechanism to keep a track of construction progress.

On being pointed out (January 2023) by Audit, the Department carried out the assessment of establishment in April 2023 and got deposited cess amount of ₹ 35.73 lakh. During the Exit Conference (June 2024), the Board assured that suitable action will be taken under intimation to Audit. Final action was awaited (December 2024).

4.12 Collection of cess

Rule 4 (4) of Cess Rules provides that where the approval of a construction work by a local authority is required, every application for such approval shall be accompanied by a crossed Demand Draft in favour of the Board for an amount of cess payable at the notified rates on the estimated cost of construction.

As per Rule 5 (1) of Cess Rules, the proceeds of the cess collected shall be transferred by such Government office, Public Sector Undertakings, local authority, or cess collector, to the Board along with the form of challan prescribed (and in the head of account of the Board) within 30 days of its collection.

The Local authorities which are authorised to approve building plan collect cess at the time of approving the building plan and Government departments/PSUs which execute construction work deduct cess from the payments to contractors. The authorities who collect and deduct cess deposit the cess proceeds with the Board online or through demand draft after deducting one per cent collection charges.

The shortcomings noticed during scrutiny of records of cess collectors *i.e.*, Town and Country Planning Department (TCPD) and Urban Local Bodies Department (ULB) are discussed in the following sub-paragraphs:

4.12.1 Short collection of advance cess at the time of issuing occupancy certificate

Test check of four completed constructions revealed that only ₹ 3.23 crore was collected against the assessed amount of cess of ₹ 5.81 crore leaving a short

²⁷ M/s Aarvy Healthcare Private Limited, Project “Aarvy Hospital” Sector 90, Gurugram.

recovery of cess of ₹ 2.58 crore as details given in **Table 4.3**.

Table 4.3: Detail of short recovery cases

(₹ in crore)

Sr. No.	Details of Project and Licensee	Amount of cess due	Cess recovered	Short recovery
1	Group Housing Colony area measuring 23.431 acres (Licence No. 21 of 2008 dated 08 February 2008 & Licence No. 28 of 2012 dated 07 April 2012), Sector-112, Gurugram being developed by Experion Developers Private Limited & others	4.39	3.14	1.25
2	Group Housing Colony measuring 43.558 acres (Licence No. 83 of 2008 dated 05 April 2008 & Licence No. 94 of 2011 dated 24 October 2011) in Sector-37D, Gurugram being developed by Super Belts Private Limited & others C/o Countrywide Promoters Private Limited	0.86	0	0.86
3	Commercial Colony measuring 35.3675 acres (Licence No. 51 of 2008 dated 19 March 2008 & Licence No. 76 of 2014 dated 05 August 2014) in Sector-74-A, Gurugram Manesar Urban Complex developed by Abheek Real Estate Private Limited & others in collaboration with DLF Home Developers Limited	0.39	0.09	0.30
4	Group Housing Colony measuring 47.418 acres (Licence No. 2 of 1995 dated 10 March 1995, Licence No. 117-119 of 2004 dated 16 August 2004 & Licence No. 35-37 of 1996 dated 17 April 1996), Sector-48, Gurugram being developed by Sweta Estate Private Limited & others.	0.17	0	0.17
Total		5.81	3.23	2.58

Audit noticed that TCPD failed to recover cess in these four cases, in which Occupation Certificates (OCs) had been granted, also no final assessment of cess was carried out (March 2023).

During the Exit Conference (June 2024), the Board assured that final assessment of these cases would be carried out. Final action was awaited (December 2024).

4.12.2 Arrangements with Urban Local Bodies

Audit selected 11 Municipal Corporations/Councils/ Committees²⁸ of selected Districts to verify the status of cess collections by these bodies as mandated under the Cess Act. The Urban Local Bodies (ULBs) were asked to provide details of cess collected and deposited with the Board. Out of 11 MCs, 10 replied that they were not transferring cess to the Board (Municipal Corporation, Panipat did not provide the information).

It was further intimated (July 2023) by these ULBs that after November 2018, approval of Building Plans and payment (cess, sewerage and water charges, property charges, fire tax, user charges etc.) thereof was being made through Haryana Online Building Plan Approval System (HOBPAS) portal and payment was being received directly in the bank account without any breakup of charges. Due to non-availability of component-wise breakup of payment, cess amount could not be assessed by these ULBs and therefore was not being deposited to the Board.

²⁸ **Municipal Corporation:** (i) Faridabad, (ii) Gurugram, (iii) Hissar, (iv) Karnal, (v) Panipat

Municipal Councils: (vi) Hansi, (vii) Jind, (viii) Narwana

Municipal Committees: (ix) Gharaunda, (x) Pataudi and (xi) Samalkha.

Audit observed that the Board had not adopted any mechanism to check the number of building plans approved by ULBs and labour cess collected during approval of these Building Plans. Due to absence of such mechanism, the Board was not in a position to ask/send notices to ULBs for remitting the labour cess to the Board.

4.12.3 Non-maintenance of cess data by the Board

The Board collected ₹ 2,153.12 crore as cess from April 2017 to March 2023 as per the annual accounts of the Board. Despite the fact that the Board was in existence since 2006, mechanism for capturing employer-wise/establishment-wise details was not available with the Board. The department/agency-wise break-up of information of cess collected was available with the Board only since 2020-21 as it had not compiled such information for the period prior to 2020-21. Details of department/agency, which contributed the cess for the year 2020-21 and 2021-22 is given in **Table 4.4**.

Table 4.4: Details of cess contributed by department/agency during 2020-22

(₹ in crore)

Sr. No.	Department/agencies	2020-21	2021-22	Total
1.	Labour Department	98.43	95.82	194.25
2.	Town & Country Planning Department	83.38	108.94	192.32
3.	Public Works Department (Building & Roads)	24.83	26.31	51.14
4.	Municipal Corporations/Local Bodies	17.92	25.49	43.41
5.	National Highways Authority of India	39.50	30.29	69.79
6.	Haryana Shehri Vikas Pradhikaran	4.35	6.40	10.75
7.	Haryana Rural Roads and Infrastructure Development Agency	1.14	4.43	5.57
8.	Private/Others	24.06	14.63	38.69
9.	Unidentified	38.29	83.31	121.60
10.	Other Department/ agencies	23.77	28.09	51.86
	Total	355.67	423.71	779.38

Source: Information provided by the Board.

As is evident from the above, as on 31 March 2021 out of total cess of ₹ 355.67 crore, ₹ 38.29 crore (10.77 *per cent*) was from unidentified sources (for transactions, source of which could not be identified by the Board). The cess received from unidentified sources further increased to ₹ 83.31 crore (19.66 *per cent*) in 2021-22. The Board had not maintained employer-wise and establishment-wise details of cess received. In the absence of such records, the Board is not even aware of the sources from which ₹ 121.60 crore was received as cess during 2020-22.

The Board replied (March 2024) that matter will be taken up with the cess assessing officers, cess collectors and cess deductors and instructions will be issued to streamline the process of collecting and depositing the cess.

4.12.4 Mismatches between records of the Board and other authorities

Due to lack of reconciliation system, there were mismatches between the figures given by the Board and other Departments as explained in the following sub-paragraphs:

(i) Mismatch of cess collected by TCPD and received by the Board

As per the information supplied by Town and Country Planning Department (TCPD), it had collected and transferred cess proceeds of ₹ 137.61 crore to the Board during 2020-22. However, as per the information supplied by the Board, the Board had collected ₹ 192.32 crore from TCPD for the same period. Thus, there was a difference of ₹ 54.71 crore between cess amount transferred by TCPD and received by the Board. It showed that the Board might have booked other sources of receipts under TCPD. The figures of cess were never reconciled by the Board and TCPD.

(ii) Mismatch of cess collected by Labour Department and received by the Board

As per information supplied by the Board, ₹ 194.25 crore was deposited by field offices of Labour Department during 2020-22 as collected from Government departments/PSUs, etc. Out of ₹ 194.25 crore, ₹ 169 crore were deposited by six selected Districts. District-wise details of Demand Drafts forwarded by field offices of Labour Department to the Board and amount of cess actually received by the Board are given in the *Table 4.5*.

Table 4.5: Demand Drafts forwarded by field offices and amount of cess actually received by the Board

(₹ in crore)

District	Amount of all Demand Drafts forwarded by field offices to Board	Amount received by the Board	Difference
Gurugram	153.33	130.39	22.94
Hisar	2.79	3.11	(-)0.32
Jind	0.35	0	0.35
Karnal	1.88	2.20	(-)0.32
Panipat	2.73	2.91	(-)0.18
Faridabad	Information was not provided	30.38	-

Source: Departmental Records

As can be seen from the above table, there was mismatch between the figures of cess collected by the Labour Department and cess actually received by the Board. Audit observed that there were no consolidated instructions for the field offices of Labour Department on method of collecting the cess and its deposit with the Board.

Labour Department's field offices lacked establishment-specific records of cess payable, collected, and outstanding. They maintained only Demand Draft registers without any correspondence between establishment registration and received Demand Drafts. This absence of mapping would hinder the reconciliation of collected cess by the Labour Department.

Despite having a centralised bank account of the Board, the system of receiving cess amount through Demand Drafts from establishments is continuing, leading to delayed realisation and discrepancies in received amounts. As payment

technologies have advanced, there is a critical need to adapt rules to accommodate new payment methods for seamless integration ensuring accurate and timely transfer of funds.

During the Exit Conference (June 2024), the Board assured to devise a mechanism for cess reconciliation. Final action was awaited (August 2024).




4.13 Inspections of Establishments

Deficiencies noticed during scrutiny of compliance reports of the Inspections

Out of selected 120 inspection reports, in 18 cases the employers were warned by the Chief Inspector to remain vigilant in future; out of these 18 cases, the same photographs were used by six establishments in support of the compliances. These cases have been discussed below:

(i) Two inspections were conducted by the Assistant Director, IS&H, Hisar, at two²⁹ construction sites in Jind on 27 June 2019. Violations of various health and safety norms were noticed at both the sites and show-cause notices were issued to the employers on 28 June 2019. On the basis of compliance report and photographs submitted by the employers of both the establishments, Chief Inspector issued a warning to them on 13 August 2019 advising them to be more vigilant in future.

During scrutiny of inspection records of these two cases, Audit noticed that out of nine photographs, four photographs were the same in both compliance reports of construction site submitted by the employers as depicted below:

DAV Police Public Secondary School	18 Bays Bus Stand and Workshop building	DAV Police Public Secondary School	18 Bays Bus Stand and Workshop building
			
Photo 1 and 2: Left Naked electrical wire joints (Rule 103 under Section 40)		Photo 3 and 4: Non-providing of Fire fighting equipment. (Rule 91(1) under Section 40)	
			
Photo 5 and 6: Non-providing safety belts and safety nets (Rule 244 under Section 40)		Photo 7 and 8: Non-displaying rates of wages, hours of work, etc. (Rule 85 under Section 30)	







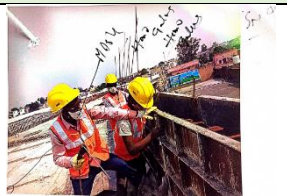
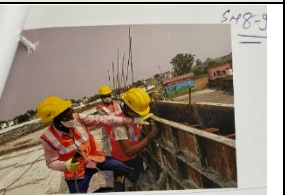
It was also observed that the Forms (Form-I, Form-IV, Form-IX and Form-X) were not bearing dates, which could prove the credibility of the information

²⁹

(i) DAV Police Public Secondary School at Police Line, Gohana Road, Jind and
(ii) 18 Bays Bus Stand and Workshop Building, Pandu Pindara (District Jind).

contained. Furthermore, the Form-IX submitted by both employers were also incorrect as the number of workers at the close of previous month, number of workers who left during the month and number of workers at the close of current month were depicted as same. It was further noticed that though the Chief Inspector considered both the compliance cases on the same date but failed to notice these discrepancies before issuing the warning to the employers.

(ii) Similarly, in four other cases, the same photographs of establishments of Karnal and Kaithal as shown in Photographs 9 to 16 were submitted by different employers to whom warnings were issued by the Chief Inspector. In two cases i.e. M/s S.S. Builder, Gharaunda (Karnal) and M/s Diamond Construction Company, Kaithal the Chief Inspector considered both these cases on the same date (15 November 2021) but did not point out these discrepancies.

M/s B B Cerial, Indri, Karnal	M/s Jugnu Chemical, Sector-3, Karnal	M/s B B Cerial, Indri, Karnal	M/s SS Builders, Gharaunda Karnal
			
Photo 9 and 10: Non-providing of temporary living accommodation with separate cooking place, etc. (Section 40)		Photo 11 and 12: First aid not provided (Rule 119 under Section 36)	
M/s SS Builders, Gharaunda, Karnal	M/s Diamond Construction Company, Kaithal	M/s SS Builders, Gharaunda, Karnal	M/s Diamond Construction Company, Kaithal
			
Photo 13, 14, 15 and 16: Non-providing suitable hand-gloves to workers which were engaged in handling sharp objects (Rule 102 under Section 40)			

Thus, notices were closed after issuing only warning without ensuring proper compliance. Inadequate scrutiny of evidence, lack of photographic documentation during inspections and absence of follow-up visits have collectively compromised the transparency and robustness of the enforcement process.

The Department stated (March 2024) that the evidence of compliance of violations made by employers were presented to the Chief Inspector's office and as a result warnings were issued to them. Further, it was also stated that certain record was mistakenly enclosed in another file. The reply is not tenable as the same photographs were submitted by the employers with different labelling of sites as shown in photographs no. 7 and 8.

During Exit Conference (June 2024) it was stated that mechanism will be developed for robust enforcement.

4.14 Inspection of Accident cases

In selected six Districts, 45 accidents³⁰ had been reported during 2017-18 to 2021-22. Out of these, 19 accident cases (in 18 establishments³¹) were selected by Audit for scrutiny as details given in *Appendix 4.2*.

In view of majority of accidents happening in the unregistered establishments, it is even more essential to ensure that establishments are registered so that provisions of the Act including provisions related to safety and health of workers are strictly complied with.

On review of these accident cases, three cases are summarised in succeeding paragraphs.

A. Construction site of M/s EMAAR MGF Land Limited

Rule 291 (1) of the Rules 2005 read with Section 43 of the Act stipulates that if it appears to the Inspector that any site or place at which any building or other construction work is being carried on, is in such condition that it is dangerous to life, safety or health of building workers or the general public, he may, serve an order on the employer prohibiting any building or other construction work at such site until measures have been taken to remove the cause of the danger to his satisfaction.

One establishment i.e. M/s EMAAR MGF Land Limited located at Palm Hill Project, Gurugram was registered on 13 March 2012. The establishment was inspected twice on 23 February 2013 and 27 June 2019 by Deputy Director, IS&H, Gurugram and noticed various violations of health and safety violations provisions like unsafe working platform, non-erection of overhead protection along periphery of building, lack of access from one working platform to another platform on the scaffold with suitable, exposure of building workers to the hazard of falling from height, etc. The prosecution was launched on 14 May 2013 and 30 September 2019 respectively. However, the results of prosecution in these two cases were not found on record.

Thereafter, a fatal accident occurred on 2 August 2022 at the site wherein four construction workers died and one worker got seriously injured. During inspection, District Town Planner (Enforcement), Gurugram observed (2 August 2022) that safety harness/belts were not provided to the labour by the contractor. An FIR was registered on 3 August 2022 against the main

³⁰ (i) Faridabad-4, (ii) Gurugram-22, (iii) Hisar-10, (iv) Jind-2, (v) Karnal-3 and (vi) Panipat-4.

³¹ 19 Accidents occurred in 18 establishments in which four establishments were registered and 14 establishments were unregistered.

contractor, Project Manager, Tower In-Charge and others.

Accident inquiry was conducted between 3 to 5 August 2022 by Assistant Director, IS&H, Gurugram II and it was reported that (i) Working platform was unsafe and inadequate, (ii) Safety and stability of walkway platform between building tower and crane was not ensured, (iii) Safety belts and safety nets were not provided/found at construction site and (iv) There was lack of supervision on the part of employer.

Prohibition order to prohibit construction was issued on 5 August 2022 and a complaint against the employer was lodged on 11 October 2022 in the court of CJM, Gurugram. The matter is still pending in the Court.

Audit observed that the violations pointed out in accident enquiry report were already mentioned in the two inspections conducted (February 2013 and June 2019) but its compliance was not ensured by the Labour Department. Thus, lack of enforcement of the provisions of the Act caused fatal incident which could have been avoided.

The Department stated (March 2024) that there was no imminent danger at the time of inspection in 2013 and 2019. The reply is not tenable as violations pertaining to workers safety had been mentioned in the Inspection Reports of the Department during the inspections in 2013 and 2019.

B. Construction site of M/s Citra Properties, Gurugram

A fatal accident occurred on 28 June 2017, causing death of two labourers on the construction work site of M/s Citra Properties. An enquiry conducted between 29 June 2017 and 28 July 2017, identified violations related to safety and health provisions.

In response to the violations, the employer submitted (16 October 2017) a compliance report and intimated that since the start of this construction site till the accident, lot of physical inspections related to safety and health provisions was conducted at site by different designated authorities under labour laws. Thereafter, a three members committee examined (25 October 2017) the compliance report and concluded that during the previous inspections of this construction site by the departmental officers, no such violation was observed. As a result, the Chief Inspector issued warning (25 October 2017) to the employer with a direction to be more careful and vigilant in the future.

During scrutiny of accident enquiry reports, Audit observed that the said work was started in May 2017, whereas the accident occurred within two months of commencement of work and the establishment was not found in the list of establishments inspected from 2017 to 2022 by the Labour Department. No copy of inspection report of Labour Department was submitted by the employer

in support of their statement. Therefore, it is evident that either inspection of this establishment was not conducted prior to the accident or inspectors who inspected the establishment kept it off the record.

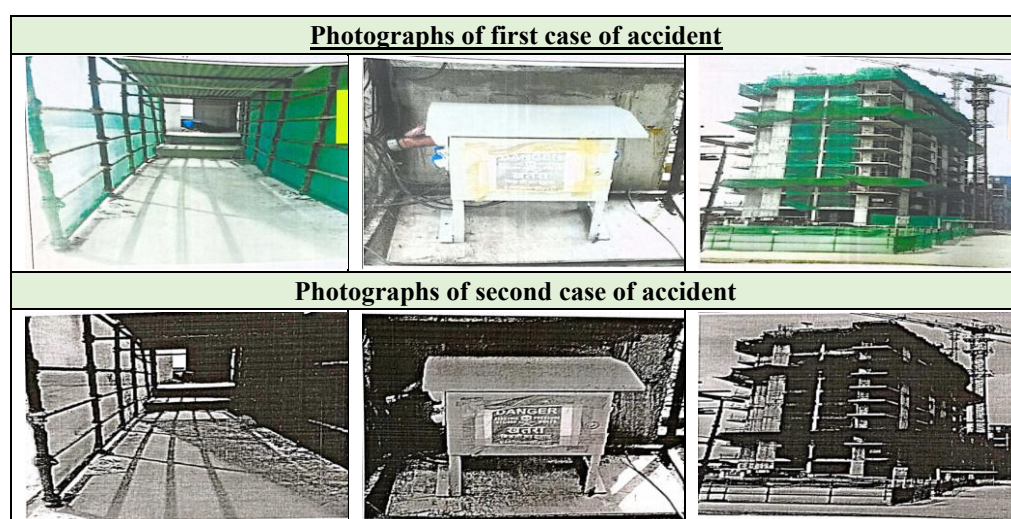
Audit further observed that neither had the Inspector collected photographic or videographic evidence during accident enquiry nor had any such evidence been found in compliance report of the employer. Moreover, the establishment was registered (04 April 2018) after occurrence of accident (28 June 2017). The fact of non-registration was neither reported by the Enquiry Officer nor looked into by the committee before letting the employer off with a warning.

C. Construction site of M/s Simplex Infrastructure Limited, Gurugram

Brief of two fatal accidents at construction site of M/s Simplex Infrastructure Limited for *The Ultima*, Sector- 81, Gurugram are as follows:

First accident: 26 June 2017	Second accident: 22 February 2018
<ul style="list-style-type: none"> One unregistered worker died in the accident. No prior inspection by an inspection officer had taken place. Accident enquiry revealed failures in ensuring worker safety and health, inadequate safety provisions and failure to promptly report the accident. The enquiry committee did not find fault directly of the management, resulting in a warning to the employer after the show-cause notice. 	<ul style="list-style-type: none"> One unregistered worker died in the accident. Fatal accident occurred with similar safety failures which was pointed out during earlier inspection. Accident enquiry identified issues with overhead protection, worker safety and health and inadequate preventive measures. The employer provided written replies to the show-cause notice. The committee reviewed the replies and found no fault in management, again leading to a warning.

During analysis of photographs attached with the compliance reports of the observations made during two accidental enquiry reports (October 2017 and September 2018), Audit noticed that three³² photographs submitted by the employer in compliance report were same in both the accidents.



³²

29 photographs in first investigation and 22 photographs in second investigation.

The genuineness of these photographic evidences for enquiries conducted within a time interval of one year is doubtful.

Audit further observed that the employer was an unregistered establishment (since January 2014) at the time of first accident (June 2017) and got registered in February 2018. In accident enquiry reports, violation of non-registration of construction site was not mentioned by the Inspecting officer.

Both enquiry reports of accidents pointed out that employer failed to ensure the safety and health of the workers, still the Department closed both the cases by issuing only a warning.

The Department stated (March 2024) that the audit observation has been noted for strict future compliance. The fact remains that without assessing the gravity of the case, the case was closed with warning.

4.15 Joint Inspections of selected establishments

Audit conducted 60 joint inspections of establishments with representatives of the Labour Department (*Appendix 4.3*) that included 23 registered establishments, 23 unregistered establishments and 14 accidental establishments to assess whether prescribed safety and health norms were adhered to by the employer. The registered establishments were selected randomly from database of registered establishments. The unregistered establishments were identified by using data of temporary electricity connection with high load taken from DISCOMs. Accidental sites were selected by using the criteria such as number of deaths, repeated accidents, etc. Summary of the key findings is given below:

- Out of 60 establishments selected for joint inspection, only 21 establishments³³ were found incomplete/under-construction and remaining 39 establishments were found completed at site. There was no record available in the Department by which it could be identified whether the construction work had been completed. However, it was mandatory for the employer to give notice of commencement and completion of work. Rule 4 of Cess Rules also provides that the cess levied shall be paid by an employer, within thirty days of completion of the construction project. The date of completion of work was to be reckoned from the notice of completion of work to be submitted by the employer in Form-IV prescribed under sub-rule 3 of Rule 20 of the HBOCW Rules, 2005.

³³

Registered establishments: 7, unregistered establishments: 10 and accident cases: 4.

- Out of the incomplete 21 establishments, four establishments³⁴ (Gurugram: 2, Hisar: 1 and Karnal: 1) were inspected by the Department prior to the joint inspections. In these four establishments, similar health and safety violations were noticed during departmental inspection as well as the joint inspection implying that no compliance was made. These repeated violations included lack of facilities, absence of safety committee/policy, exposure to hazards and non-provision of safety equipment. Continued violations despite inspection undermines the very purpose of inspection and compromises the health and safety of the construction workers.
- In six³⁵ under construction sites, where prior inspection was not done, violations related to health and safety of workers such as absence of safety policy, exposure to hazard of falling from height, lack of suitable barricading, non-formulation of emergency action plan, non-provision of safety equipment and non-maintenance of various registers/returns were noticed. In one of the cases of Gurugram, the records relating to constitution of safety committee and appointment of safety officer was not available with the employer. The presence of multiple violations at sites, where no prior inspections was conducted, underscores gaps in regulatory oversight, suggesting a need for more transparent and robust inspection policy.
- No health and safety violations were identified in remaining nine establishments during the joint inspection.
- Two construction sites were prohibited from construction work due to violations noticed during prior inspection done by the Department.

The above joint inspections highlighted the absence of proper follow-up mechanism which resulted in partial compliances/non-compliances. Consistent and transparent follow-ups could act as a preventive mechanism, minimising the likelihood of violations and hazards.

The Department stated (March 2024) that the audit observation has been noted for strict future compliance.

4.16 Implementation of welfare schemes by the Board

To review the position of the benefits disbursed by the Board under various welfare schemes, Audit extracted the data from the portal of the Labour

³⁴ Registered establishments: 2, unregistered establishments: 1 and accident cases: 1.

³⁵ (i) Registered establishments: 2 (Gurugram and Karnal) and (ii) unregistered establishments: 4 (Panipat: 2 and Karnal: 2).

Department. During the period 2017-18 to 2022-23, 4,053 establishments³⁶ were registered in which 6,56,497 benefits of ₹ 1,007.56 crore were disbursed to 2,18,901 beneficiaries in State (*Appendix 4.4*).

In six test-checked Districts, Audit selected 1,267 benefits amounting to ₹ 5.34 crore disbursed to 646 beneficiaries³⁷, for scrutiny with respect to the details provided in application forms, work slips, undertakings and other documents uploaded/attached along with the application forms by the beneficiaries. Audit noticed the following:

4.16.1 Lack of co-relation between registered establishments and benefits given

There was no co-relation between number of benefits disbursed with number of establishments registered. In Gurugram, where there were 2,786 registered establishments, 3,408 beneficiaries who availed 8,814 benefits of ₹ 9.94 crore whereas in other district such as Hisar only 42 establishments were registered while 1,68,004 benefits valuing ₹ 243.52 crore were disbursed to 49,148 beneficiaries (*Appendix 4.4*). No attempt was made by the Board to analyse the reasons for such glaring differences.

The Board replied (March 2024) that many migrant workers in Gurugram/ NCR start working at registered establishments but move to other cities or sites before completing the 90 days which is a necessary criteria for registration of construction worker and eligibility to get benefits. The reply is not acceptable as no such study/data was available with the Board which could be used to sustain this fact.

4.16.2 Benefits disbursed to ineligible beneficiaries

In the six test-checked Districts, out of 1,267 benefits of ₹ 5.34 crore, 577 benefits (45.54 *per cent*) of ₹ 2.20 crore³⁸ (41.22 *per cent*) were disbursed to ineligible beneficiaries (due to work slips not uploaded, uploaded but not signed by competent authority, fake death certificate, others) under various schemes. It was observed that the Board officials did not review application details and documents properly, leading to benefits being given to ineligible recipients. Some irregularities are discussed in detail in subsequent sub-paragraphs:

³⁶ To ensure the accurate comparison of data, data of registered establishments was also considered from 29 January 2018. In view of this, the 4,053 establishments were shown registered instead of 4,268 establishments (data of registered establishments used in *Table 4.2* of *Paragraph 4.10.1*).

³⁷ (i) Faridabad: 56, (ii) Gurugram: 96, (iii) Hisar: 169, (iv) Jind: 145, (v) Karnal: 101 and (vi) Panipat: 79.

³⁸ ₹ 219.96 lakh = (i) Faridabad: ₹ 17.79 lakh, (ii) Gurugram: ₹ 28.68 lakh, (iii) Hisar: ₹ 81.20 lakh, (iv) Jind: ₹ 67.54 lakh, (v) Karnal: ₹ 20.28 lakh and (vi) Panipat: ₹ 4.48 lakh.

(i) Non-uploading of work slips

Rule 28 (1) of the Rules, 2005 read with Section 12 of the Act provides that every building worker who has completed 18 years of age but has not completed 60 years of age and who is not a member in any other welfare fund established under any law for the time being in force and who has completed 90 days of service as a building worker in the year immediately preceding shall be eligible for membership in the Fund.

Audit observed that out of 577 cases, in 136 cases, the requisite work slips were not found uploaded by the beneficiaries, however, benefits amounting to ₹ 75.48 lakh³⁹ were disbursed to these ineligible beneficiaries.

The Board stated (March 2024) that the matter will be taken up with the officials of the Labour Department and action will be taken against the ineligible beneficiaries along with recovery of amount.

(ii) Work-slips not signed by competent authority

Rule 28 (3) of the Rules 2005 (along with its amendments in January, April and December 2018) provides that to prove that the applicant is a construction worker, a certificate from the employer or contractor shall be produced along with the application for registration. In case certificate from registered employer was not available, a certificate issued by other authorities⁴⁰ may be considered.

Audit observed that in 43 cases, the work slips were signed by authorities who were not competent to do so. These work slips were signed by persons such as Sarpanch, Accountant, Municipal Councillor, Additional Block Programme Officer, etc. In these cases, benefits amounting to ₹ 11.74 lakh⁴¹ were disbursed to ineligible beneficiaries.

The Board stated (March 2024) that the work slips were verified telephonically. However, the fact remains that the work slips were not signed by the competent authorities.

³⁹ (i) Faridabad: ₹ 16.56 lakh, (ii) Gurugram: ₹ 10.88 lakh, (iii) Hisar: ₹ 17.14 lakh, (iv) Jind: ₹ 19 lakh (Online- ₹ 18.61 lakh and Offline- ₹ 0.39 Lakh), (v) Karnal: ₹ 7.42 lakh and (vi) Panipat: ₹ 4.48 lakh.

⁴⁰ (i) Assistant Director, Industrial Safety and Health; (ii) Assistant Labour Commissioner/ Labour Inspector; (iii) District Development and Panchayat Officer; (iv) Tehsildar/ Naib-Tehsildar; (v) Block Development and Panchayat Officer/Social Education and Panchayat Officer; (vi) Sub Divisional Engineer and Junior Engineer of all the Government Departments/Board/Corporations; (vii) Secretary, Executive Officer, Municipal Engineer, Junior Engineer of the Municipal bodies; (viii) Kanoongo and Patwari; and (ix) Panchayat Secretary/Gram Sachiv.

⁴¹ (i) Gurugram: ₹ 0.13 lakh, (ii) Hisar: ₹ 10.40 lakh and (iii) Jind: ₹ 1.21 lakh.

(iii) Discrepancies noticed in issued Work-slips

In six selected Districts, Audit approached 136 authorities⁴², who were shown to have certified 306 work slips⁴³ and requested them to authenticate their certificates. Out of these 136 authorities, only nine authorities⁴⁴ responded. Of these nine authorities, only three authorities⁴⁵ accepted that the five work slips were signed by them. Six authorities replied that the 25 work slips, which had been shown to be issued by them, were not actually signed by them as discussed below:

- In Municipal Committee (MC), Narnaund (Hisar), an amount of ₹ 6.04 lakh was disbursed for 25 benefits against 16 work slips which were signed by a Secretary⁴⁶. However, current Secretary, MC, Narnaund replied that the Secretary who had signed the work slip had never been a Secretary in that office.

Two authorities⁴⁷ stated that the stamp on two work slips referred to them were not theirs; an amount of ₹ 0.16 lakh was disbursed for two benefits against these two work slips to the beneficiaries. In one case, the person who had purportedly signed the work slip as Secretary, MC Narnaund had not been the Secretary in 2019-20 in that office.

- Two authorities⁴⁸ of MC Barwala stated that signatures on six work slips referred to them were not theirs; an amount of ₹ 8.03 lakh was disbursed against these work slips.

The Board replied (March 2024) that it will suggest the signing authorities to maintain details of workers in a register whose work slips have been signed by the signing authorities. Further, during the Exit Conference (June 2024), the Board stated that recovery notices will be issued to ineligible workers who have availed these benefits.

(iv) Benefit issued on bogus death certificate.

Rule 58 (1) of the Rules, 2005 provides that an entitled nominee of registered worker shall submit an application in Form-XVIII by enclosing a death

⁴² (i) Faridabad: 12, (ii) Gurugram: 18, (iii) Hisar: 32, (iv) Jind: 46, (v) Karnal: 19 and (vi) Panipat: 9.

⁴³ (i) Faridabad: 26, (ii) Gurugram: 48, (iii) Hisar: 100, (iv) Jind: 96, (v) Karnal: 24 and (vi) Panipat: 12.

⁴⁴ (i) Gurugram: 2 and (ii) Hisar: 7.

⁴⁵ (i) Gurugram: 2 and (ii) Hisar: 1.

⁴⁶ Sh. Sandeep Kumar

⁴⁷ Sh. Pankaj and Sh. Rajinder Singh, both were erstwhile Secretary, MC Narnaund.

⁴⁸ Sh. Parveen Kumar and Sh. Dharamvir, both were erstwhile Junior Engineer, Municipal Committee, Barwala.

certificate issued by a Government doctor. As per SOP for Registration & Benefit application, the officials of the Board were required to scan the Quick Response (QR) code in order to check the authenticity of the death certificate submitted by the applicant.

Audit, however, observed that the officials of the Board were not following the SOP in true spirit as a beneficiary in Gurugram District availed benefit of ₹ 2.15 lakh⁴⁹ on the basis of a death certificate, wherein on scanning the QR code by Audit, link of a fake website was opened on verification with the issuing authority. In reply, the Chief Medical Superintendent, District Combined Hospital, Balrampur confirmed (March 2024) that the death certificate was not issued by their office.

4.17 Findings regarding disbursement of benefits

4.17.1 Double payment or payment to ineligible beneficiaries

During review of the system of disbursement of selected 1,267 benefits availed by 646 beneficiaries, following shortcomings were noticed:

(i) Financial assistance under marriage/Kanyadaan scheme

On the occasion of marriage of daughter of a registered worker, a financial assistance of ₹ 50,000 is provided under Marriage scheme and after marriage of daughter, a financial assistance of ₹ 51,000 is provided under *Kanayadaan* scheme.

- In Karnal and Hisar Districts, two applicants⁵⁰ applied under the Marriage/*Kanyadaan* scheme for their daughters⁵¹. The documents attached with the applications were however in the name of their elder daughter⁵² for whom benefit had already been availed. Thus, the benefit was extended to the ineligible beneficiaries without scrutiny of documents diligently.
- In Jind District, a beneficiary⁵³ applied (20 September 2021) under the scheme for the marriage of his daughter⁵⁴ and availed benefit under *Kanyadaan* scheme. Audit, however, noticed that the beneficiary had already availed (29 December 2020) this benefit under the *Mukhya Mantri Vivah Shagun Yojana* of the State Government which is not allowed.

⁴⁹ Death Assistance- ₹ 2 lakh and Funeral Assistance- ₹ 0.15 lakh

⁵⁰ (i) Mrs Suman Devi (Reg. No. 60643466) W/o Sh. Shiv Kumar and (ii) Sh. Mahavir Singh (Reg. No. 120629626).

⁵¹ (i) Ms Muskan D/o Shri Shiv Kumar and (ii) Ms Monika D/o Sh. Mahavir Singh.

⁵² (i) Ms Jyoti D/o Shri Shiv Kumar and (ii) Smt. Mamta D/o Sh. Mahavir Singh.

⁵³ Shri Rajesh.

⁵⁴ Ms Rajni D/o Sh. Rajesh.

- In three Districts (Hisar, Faridabad and Karnal), three applicants⁵⁵ applied for availing financial assistance under *Kanyadaan* scheme for daughter's marriage which were rejected. Later these three applicants again applied under this scheme which was then accepted. Audit noticed that payments were released to these three applicants against both applications (including the rejected application). Thus, undue benefit of ₹ 1.53 lakh was given twice to these applicants⁵⁶.

(ii) Financial assistance under Death scheme

As per condition of the said scheme, the nominees/dependents of a member were eligible to get ₹ two lakh in case of death of the member. In Hisar and Yamuna Nagar Districts, nominees of two deceased construction workers applied twice and got benefits twice under the scheme. It was noticed that department did not properly scrutinise the applications with due diligence and undue benefit was extended twice to the nominees of the deceased workers⁵⁷.

(iii) Financial assistance for purchase of bicycle

Board in its 10th meeting (April 2013) approved that an amount of ₹ 3,000 was to be provided once in five years under the scheme. During scrutiny of data for the period April 2017 to March 2023, it was observed that financial assistance of ₹ 0.93 lakh for purchase of bicycle was extended twice to 31 beneficiaries during the period May 2018 to January 2023.

(iv) Financial assistance for purchase of tools

Under the above scheme, an amount of ₹ 8,000 was to be provided to a registered worker once in five years and maximum five times during his working life span. During the period August 2018 to February 2023, a total financial assistance of ₹ four lakh was provided to 25 beneficiaries in the entire State. Audit observed that as per the scheme, assistance was to be provided once in five years. However, financial assistance was extended twice to these 25 beneficiaries within five years. Thus, an amount of ₹ two lakh was given in excess to the beneficiaries in contravention of conditions laid down under the scheme.

4.17.2 Benefits extended to male workers under MMNSSY

Under *Mukhya Mantri Mahila Nirman Shramik Sammaan Yojna* (MMNSSY), a financial assistance of ₹ 5,100 is given every year to a registered female

⁵⁵ (i) Shri Ishwar Singh (Reg. No. 120657294), (ii) Shri Prem Chand (Reg. No. 619058964) and (iii) Mrs Suman Devi (Reg. No. 60643466).

⁵⁶ (i) Shri Ishwar Singh: ₹ 0.51 lakh, (ii) Shri Prem Chand: ₹ 0.51 lakh and (iii) Mrs Suman Devi: ₹ 0.51 lakh.

⁵⁷ (i) Shri Jaipal (Reg. No. 120610728) and (ii) Shri Tilak Raj (Reg. No. 603027085).

worker for the purchase of saree, suit, chappal, sanitary napkins, kitchen utensils, etc.

Audit observed that though the said scheme was exclusively meant for the female workers, benefit of ₹ 0.77 lakh was extended to 15 male workers. It indicates that the Board did not scrutinise the applications with due diligence.

4.17.3 Benefits extended on false certification

In 29 cases (Hisar: 26, Jind: 3), for availing benefits, applicants had submitted work slips signed by Gram Sachiv, J.E, M.C, State General Secretary, Secretary, M.C, etc., claiming to have worked at worksites for specific employers. It was however noticed that these persons had also worked under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) during the same period and submitted work slips shown to be engaged with employer other than MGNREGA. A total benefit of ₹ 11.66 lakh⁵⁸ was extended to these beneficiaries on the basis of above work slips.

During Exit Conference (June 2024), the Board stated that the suitable action would be taken under intimation to Audit. Final action was awaited (December 2024).

4.18 Survey of construction workers

4.18.1 Survey⁵⁹ of registered workers

Beneficiary survey of 799 beneficiaries⁶⁰ (details given in *Appendix 4.5*) was conducted by Audit in six selected Districts to evaluate the performance of the Board in respect of identification of beneficiaries, awareness about various welfare schemes of Board, registration of beneficiaries, scrutiny of applications, providing financial assistance etc. Beneficiaries were selected by Systematic Random Sampling procedure from the consolidated list of beneficiaries (Village wise).

The beneficiaries were surveyed at the address available in the database. Out of 799 beneficiaries, 611 beneficiaries could be reached and remaining 188 beneficiaries could not be contacted despite telephonic calls and visits at the address available in the database of Department. The results of survey of 611 registered workers are given below:

⁵⁸ (i) Hisar: ₹ 10.15 lakh and (ii) Jind: ₹ 1.51 lakh.

⁵⁹ Constraints faced by Audit teams in conducting Beneficiary Survey (a) Despite the intention to interview the beneficiaries independently, often the interviews were carried out in the presence of other members of family, which might have induced certain bias in the responses of the beneficiaries. (b) If the beneficiary was not present, another member of the household was interviewed.

⁶⁰ (i) Faridabad- 86, (ii) Gurugram- 96, (iii) Hisar- 210, (iv) Jind- 201, (v) Karnal- 126 and (vi) Panipat- 80.

- Only two beneficiaries were engaged in construction work in registered establishment. 540 beneficiaries were employed in construction work of individual residential houses/Roads/Parks/Walls *etc.*
- Forty-four beneficiaries⁶¹ were ineligible due to not being involved in building or other construction activity. These beneficiaries responded that they were engaged in other professions such as Anganwadi helper, stitching work, school peon, water supply worker, factory workers, etc.

4.18.2 Survey of unregistered workers

In six selected Districts, 125 unregistered workers⁶² of 17 construction sites⁶³ were interacted/surveyed. As per information elicited through questionnaire (details given in *Appendix 4.6*), it was observed that:

- Out of 125 workers who were unregistered, 119 were migrant workers from States of Bihar, Uttar Pradesh, Madhya Pradesh and Chhattisgarh.
- 107 workers were not aware of the Board, its welfare schemes and registration process.
- 72 workers were engaged in construction work for more than 90 days. Of these, seven workers responded that they were already registered with the Board in their native States. 65 workers had never applied for registration.
- As per Section 34 of the Act, temporary living accommodation to all building workers was to be provided by the employer. However, 11 workers were not provided with temporary living accommodation.
- Five workers responded that drinking water facility had not been provided at the construction site in Gurugram District.

Though the majority of the workers found at construction site were migrant workers, none of them were registered with the Board and thus could not get benefits from the welfare schemes.

⁶¹ (i) Faridabad: 1, (ii) Gurugram: 14, (iii) Hisar: 1, (iv) Jind: 2 and (v) Panipat: 26.

⁶² (i) Faridabad: 24, (ii) Gurugram: 28, (iii) Hisar: 15, (iv) Jind: 10, (v) Karnal: 19 and (vi) Panipat: 29.

⁶³ Unregistered sites- eight, Registered sites- seven, Accident sites- two

4.19 Conclusion

The Cess collection during 2017-18 to 2022-23 was ₹ 2,153.11 crore. The Board utilised only ₹ 1,656.78 crore (29.83 *per cent*) of the total available funds (i.e. ₹ 5,553.71 crore) on implementation of the schemes during 2017-18 to 2022-23. Moreover, the Board did not apply in time for tax exemption under Section 10 (46) of the Income Tax Act, resultantly there was an Income Tax liability of ₹ 713.25 crore. Audit noticed deficiencies in administrative issues such as non-preparation of annual reports, non-convening of meeting of State Advisory Committee and shortfall in Board meetings.

It was observed that a large number of construction works were not registered due to lack of coordination between the Labour Department and other work executing Departments as well between the authorities responsible for Building Plans. The establishments were not got registered, even after inspection and serving notices to the unregistered establishments.

Due to awareness programme not being conducted regularly by the registration authority, the objective of the Board to provide benefits to the construction workers could not be achieved as workers were unaware of these schemes and they remained unregistered. Further, due to inaction of the Department on pending applications potential beneficiaries also could not avail benefits of the welfare schemes.

Instances of short collection of advance cess were noticed in Audit. Further, due to lack of reconciliation system, there were mismatches between the figures given by the Board and other Departments.

The post-inspection process also indicated inadequate scrutiny of compliance reports including absence of proper follow-up on these compliance reports. There was no correlation between number of benefits disbursed with the number of establishments registered. Moreover, the Board officials did not properly verify details given in applications and documents, leading to benefits being given to ineligible recipients.

4.20 Recommendations

The Department/Board may:

1. prepare annual reports regularly for submitting to the State Government and ensure that meetings are regularly held of the State Advisory Committee and the Board;
2. coordinate with work executing departments and building plans approving authorities for registration of construction works and ensure adherence to the prescribed time-frame for registration of workers.;

3. regularly conduct awareness programmes for registration of workers and for spreading awareness about welfare schemes;
4. develop a mechanism to monitor establishment-wise accrual and receipt of cess;
5. devise a mechanism to ensure compliance, by the establishments, of the violations noticed during inspections and consider fixing responsibility of erring officials/officers for not taking appropriate action in respect of deviation noticed in inspection cases; and
6. ensure proper identity/eligibility verification of beneficiaries before releasing benefits to them.

Chapter 5

Subject Specific Compliance Audit of Enhancement and Variation in Scope of Works

CHAPTER 5

Subject Specific Compliance Audit

5. Enhancement and Variation in Scope of Works

5.1 Introduction

As per Para 10.1.1 of the Haryana Public Works Department (HPWD) Code, the estimate of a project should bring out the necessity of the proposed project and expenditure likely to be incurred on the project. The State Government or authorities subordinate to it accord administrative approval to the project on the basis of this estimate (Para 9.1.1). In case it becomes necessary to make changes in the original plan in approved projects, the revised estimate and the enhancement in scope of contract price should be got approved from the competent authority before making expenditure (Para 10.1.12). Revised administrative approval is necessary for extensive additions and alternations of more than 10 *per cent* in the project (Para 9.3.7 and 9.3.10). Para 16.19.3 provides that no variation shall be entered in the measurement book unless these are first accepted in principle by the competent authority. Para 16.19.2 states that for minimising the incidences of variations, plans and specifications should be prepared with care and in sufficient detail.

5.2 Audit Scope and Methodology

The Subject Specific Compliance Audit (SSCA) on Enhancement and Variation in Scope of Works was conducted during the period June 2022 to February 2023.

The SSCA was conducted across 11 State Government Departments, Autonomous Bodies and Public Sector Undertakings (PSUs). 98 works (**Appendix 5.1**) executed during the period 2019-22 were test-checked, wherein the agreement amounts were enhanced by more than 20 *per cent* of the original agreement amount as given in **Table 5.2.1**. In 19 test-checked works (**Appendix 5.2**), variations were found due to reduction in the scope of work against the agreements entered into as given in **Table 5.2.3**.

An exit conference was held with the Additional Chief Secretary, Government of Haryana, Public Works Department (Buildings and Roads) {ACS, PWD (B&R)} in July 2023. The deliberations of the exit conference have been incorporated suitably in the SSCA. Subsequent replies/information collected (December 2024) from test-checked Departments, Autonomous Bodies and PSUs have also been incorporated.

Table 5.2.1: Details of test-checked works where agreement amount was enhanced by more than 20 per cent

(₹ in crore)

Sr. No.	Name of Department/ Autonomous Body/ PSU	Number of Divisions	Number of works test checked	Original Agreement amount	Enhanced Agreement amount upto December 2024
1.	Public Works Department (Buildings and Roads) {PWD (B&R)}	13	26	408.15	795.75
2.	Public Health Engineering Department (PHED)	16	10	8.16	15.92
3.	Irrigation and Water Resources Department (I&WRD)	7	4	11.75	19.75
4.	Haryana State Agriculture Marketing Board (HSAMB)	6	20	30.10	46.74
5.	Executive Engineers, Panchayati Raj Divisions (EE, PRI)	6	4	1.95	2.44
6.	Haryana Police Housing Corporation (HPHC)	6	11	118.04	194.50
7.	Haryana State Industrial Infrastructure Development Corporation (HSIIDC)	5	1	11.12	14.76
8.	Haryana Shehri Vikas Pradhikaran (HSVP)	3	6	528.78	883.93
9.	Urban Local Bodies (ULBs)	3	16	16.48	23.49
	Total		98	1,134.53	1,997.28

During 2019-22, original agreement amount of ₹ 1,134.53 crore was enhanced to ₹ 1,997.28 crore in 98 test-checked works. Out of 98 works test-checked, in 27 works the enhancement was by more than 100 per cent and in four works the enhancement was by more than 500 per cent as detailed in **Table 5.2.2**. Further, no case of enhancement was noticed in Haryana State Roads and Bridge Development Corporation (HSRDC) and Haryana Tourism Corporation (HTC).

Table 5.2.2: Range-wise enhancements in works

(₹ in crore)

Range of enhancement	Number of works	Original agreement amount	Enhanced agreement amount
Upto 50 per cent	40	210.89	280.03
More than 50 per cent but less than 100 per cent	27	783.97	1,307.96
More than 100 per cent but less than 500 per cent	27	132.99	350.81
More than 500 per cent	4	6.68	58.48

Table 5.2.3: Test checked works having variations from the original agreement

Sr. No.	Name of Department/ Autonomous Body/ PSU	Number of Divisions	Number of works test checked	Agreement amount	Payments made ¹
(₹ in crore)					
1.	Public Works Department (Buildings and Roads)	13	4	30.81	24.74
2.	Haryana State Agriculture Marketing Board	6	1	2.01	2.90
3.	Haryana Police Housing Corporation	6	10	82.25	78.86
4.	Haryana State Industrial Infrastructure Development Corporation	5	4	27.82	22.21
	Total		19	142.89	128.71

¹ At the time of audit.

5.3 Audit Objectives

The subject specific compliance audit of “Enhancement and Variation in Scope of Works” was conducted to ascertain whether:

- approval of the competent authority was obtained for enhancement/variation in the scope of work;
- any new work was not added to the original work under the category of enhancement in scope of work;
- financial propriety was ensured during approval of enhancement/variation, payment to contractor, *etc.*;
- there was an effective internal control and monitoring system in place in the department(s) to minimise instances of enhancement/ variation.

5.4 Audit Criteria

Audit findings were evaluated against audit criteria sourced from the following:

- Haryana Public Works Department Code;
- Departmental Financial Rules and Delegation of financial and technical powers;
- State Government instructions; and
- Departmental instructions.

Audit Findings

In the 117 test-checked² works, Audit observed that the rules, codal provisions and instructions were not properly complied with during their execution. There was inordinate delay in completion of 13 works and five works were lying incomplete. The expenditure incurred on these five works was rendered unfruitful as no benefit can be derived against these works. Further, cost of all these works also increased resulting in increased expenditure of public money.

Common irregularities observed during audit are discussed in subsequent paragraphs.

5.5 Enhancement in scope of works

Para 10.1.12 of the HPWD Code provides that sometimes it becomes necessary to make changes in the original plan of approved projects. In such a case, revised abstract should be got approved from the competent authority and thereafter

² In 98 works, the agreement amounts were enhanced by more than 20 *per cent* of the original agreement amount. In 19 works, reduction/variations were noticed.

treated as revised estimate. The enhancement or reduction in scope of agreement price during execution due to changes in number and quantity of items of work is also required to be got approved from the competent authority before making payment to the contractor.

There were cases of enhancement where either approval was not obtained or obtained retrospectively. The details of such cases are given in **Table 5.5.1**.

Table 5.5.1: Status of approval of enhancement from Competent Authority

Sr. No.	Name of Department/ Autonomous Body/ PSU	Number of works test checked	Original Agreement amount (₹ in crore)	Enhanced Agreement amount (₹ in crore)	Status of approval of enhancement from competent authority		
					Approved	Approved retrospectively	Approval not obtained
1.	PWD (B&R)	26	408.15	795.75	8	7	11
2.	PHED	10	8.16	15.92	8	2	-
3.	I&WRD	4	11.75	19.75	4	-	-
4.	HSAMB	20	30.10	46.74	4	15	1
5.	EE, PRI	4	1.95	2.44	0	3	1
6.	HPHC	11	118.04	194.50	11	-	-
7.	HSIIDC	1	11.12	14.76	1	-	-
8.	HSVP	6	528.78	883.93	6	-	-
9.	ULBs	16	16.48	23.49	15	-	1
	Total	98	1,134.53	1,997.28	57	27	14

Out of total 98 cases of enhancement, only 57 enhancement cases were got approved from the competent authorities whereas in 27 cases, approval was granted retrospectively and in 14 cases (**Appendix 5.3**), cases for obtaining approval of enhancements were not submitted to the competent authority in violation of provisions of Para 10.1.12 of HPWD Code.

The State Government had withdrawn (February 2023) the powers of approving enhancements in agreements from the authority competent to issue technical sanction³ and decided that the Sub Committee of the Cabinet would be competent for approving enhancements beyond 20 *per cent*.

Audit noticed multiple irregularities in various works such as non-assessment of sites at the time of preparation of detailed estimates and award of works, execution of works with enhanced quantities without submitting revised estimates to the competent authorities and without obtaining approval for enhancements in agreements. Further, there was failure of monitoring as office of the Engineer-in-Chief, PWD (B&R) kept on releasing payments over and above the agreement amount without calling for revised detailed estimates and proposals for enhancements in agreements. Three illustrative cases are summarised in succeeding sub paragraphs.

³ Delegation of financial and technical authorities vide Finance Department notification number GSR-8/Const./Art.283/2008 dated 20 February 2008.

A. NCC Academy at Gharaunda (Karnal)

Decision for construction of a NCC Academy at Gharaunda, Karnal was taken in October 2016. In compliance with the decision, the Principal Secretary to Government of Haryana, Higher Education Department granted (April 2017) administrative approval of ₹ 56.94 crore for 17 works. In December 2017, the Higher Education Department decided to execute the work in two phases. In Phase I, 10 works (Girls and Boys Hostels, Mess Block, Amenities Block, Administration/ Guest House, boundary wall, roads and parking) were to be taken up. The Engineer-in-Chief, PWD (B&R) approved a detailed estimate for these structures for ₹ 18.12 crore in February 2018. The work was allotted for an agreement amount of ₹ 17.91 crore with a time limit of 24 months in February 2018. As such the target date of completion of work was fixed as February 2020.

Total payment of ₹ 42.17 crore was made to the contractor upto 18th Running Account bill prepared in September 2020 (paid in December 2020). No work was executed after September 2020. All the works taken up in Phase I were incomplete (December 2024). Main irregularities noticed were:-

- The site conditions were not assessed at the time of preparing detailed estimate, inviting tenders and commencement of work which resulted in increase in cost of various works. The design of wall was changed from brick wall to RCC wall and also the length and height of wall changed as per available site. Resultantly, the cost of boundary wall in the new proposal had been increased from ₹ 0.58 crore to ₹ 15.89 crore and the cost of road and parking had been increased from ₹ 0.20 crore to ₹ 6.82 crore. The executed quantities of earthwork also increased from 63,824 cum to 2,77,361 cum.
- Payment of ₹ 24.26 crore was made over and above the agreement amount of ₹ 17.91 crore without approval from the competent authority.
- An extra payment of ₹ 2.99 crore was made for higher rates of earthwork. Against the tender rates of ₹ 160 per cum, payment had been made at the rate of ₹ 300 per cum for 2,13,537 cum of earth work without approval of Competent Authority.
- Secured advance of ₹ 2.39 crore against construction material was recoverable from the contractor.
- New timeline for completion of work had not been decided.
- Performance security for the enhanced agreement amount had not been obtained from the contractor.

The Engineer-in-Chief, PWD (B&R) replied (July 2023) that 70 *per cent* work amounting to ₹ 42.50 crore had been executed at site and likely

enhancement would be upto ₹ 59 crore for completion of Phase I works. Revised estimate of ₹ 86 crore for Phase I and Phase II structures had been submitted to Director General, Higher Education in July 2021 for grant of revised administrative approval. Further, case for seeking enhancement in the agreement would be submitted and balance work would be taken up after receipt of revised administrative approval. Recovery of ₹ 2.99 crore⁴ had been made by preparing 19th Running Account Bill (June 2022) for the excess payment on earthwork pointed out by Audit. Secured advance of ₹ 0.92 crore had been adjusted in this bill.

The reply is not tenable as provisions of Para 10.1.3 of the HPWD Code were vitiated which provides that while preparing the estimate, site should be inspected to ascertain field conditions including availability of land. Provisions of Para 10.1.12 were also vitiated by not getting the revisions approved before making payment over and above agreement amount.

B. Upgradation of Stadium at Ambala Cantt

On the proposal of Health and Sports Minister, Haryana for upgradation of the existing stadium at Ambala Cantt according to international standards, the Engineer-in-Chief, PWD (B&R) framed a rough cost estimate for upgradation of Central Pavilion, providing FIFA approved football turf and construction of IAAF approved eight lane 400 mtr synthetic track in October 2015. The Additional Chief Secretary to Government of Haryana, Sports and Youth Affairs Department accorded (September 2016) administrative approval for ₹ 48.57 crore for the project. The Engineer-in-Chief, PWD (B&R) approved the detailed estimate for ₹ 45.58 crore in March 2017.

The work was awarded to an agency in March 2017 for an agreement amount of ₹ 40.49 crore with a time limit of 24 months to be completed by March 2019. As per the last running bill paid to the agency i.e. 31st & Running bill paid in May 2021, ₹ 114.03 crore had been paid to the agency. The entire project was lying incomplete since then. Main irregularities noticed were:

- The scope of work finalised at the time of approving detailed estimate, inviting tenders and commencement of work had not changed. However, expenditure on work increased upto ₹ 114.03 crore as against the agreement amount of ₹ 40.49 crore.
- Revised detailed estimate as per finalised drawings had not been prepared which shows monitoring failure on the part of Engineer-in-

⁴ ₹ 2.99 crore = ₹ 6.41 crore (2,13,537 cum x ₹ 300 per cum) - ₹ 3.42 crore (2,13,537 cum x ₹ 160 per cum)

Chief as the payment of ₹ 73.54 crore had been made over and above the agreement amount of ₹ 40.49 crore without submitting revised detailed estimate and case for enhancement in the agreement.

- The expenditure of ₹ 65.46 crore over and above the administrative approval of ₹ 48.57 crore was irregular.
- The Superintending Engineer, Ambala constituted a committee (November 2021) of two Executive Engineers, one Sub Divisional Engineer and two Junior Engineers from the Ambala Circle for making measurement of steel items executed and paid in the work. The Committee checked and verified the quantity of steel and reported that an amount of ₹ 65.38 crore had been paid in excess to the contractor on account of unexecuted items and excess rates for non-scheduled items.
- As per clause 48.1 of the contract, six *per cent* retention money was to be deducted from the running bills of the contractor subject to maximum five *per cent* of the overall agreement amount. 50 *per cent* retention money was refundable immediately after completion of the work to the satisfaction of Engineer-in-Charge and balance 50 *per cent* was payable on completion of defect liability period. It was, however, noticed that out of total retention money amounting to ₹ 4.45 crore deducted in this work (upto 27th RA Bill paid in January 2021), the Executive Engineer, PWD (B&R) Division No.1, Ambala had refunded (March 2021) ₹ 3.44 crore which was not only against the provisions of the contract agreement, but the interests of the State Government were also compromised.
- New timeline for completion of work has not been decided.
- Performance security for the enhanced agreement amount had not been obtained from the contractor.

The Superintending Engineer, Ambala intimated (July 2023) that the enhancement case of the work was sent to higher authorities in June 2021 which was yet to be approved. With regard to excess payments made to the agency, it was intimated that the process of recovery was also initiated, but the matter had been challenged by the contractual agency in the Hon'ble High Court. The Court had granted stay on recovery and had appointed (March 2024) arbitrator for resolving the dispute between the Department and the Contractor.

The reply was not satisfactory as the expenditure of ₹ 65.46 crore over and above the administrative approval and payment ₹ 73.54 crore to contractor over and above the agreement amount was irregular. Further, interests of the

State Government were not protected by releasing the retention money before completion of work and by not initiating timely recovery of excess payment of ₹ 65.38 crore in November 2021 when the irregularity came to notice much before the arbitration proceedings.

C. Boundary Wall for Kalpana Chawla Medical University, Kutail (Karnal)

The rough cost estimate for construction of brick boundary wall for Kalpana Chawla Medical University at village Kutail (Karnal) was administratively approved by the Additional Chief Secretary to Government of Haryana, Medical Education and Research Department in May 2016 for ₹ 5.73 crore. Later on, it was observed that the brick wall would not be sustainable as the land was covered by drain from two sides. The structure was changed to cement concrete boundary wall and the administrative approval was revised to ₹ 22.39 crore in December 2018 and further re-revised to ₹ 32.14 crore in September 2019. Out of total 4,269 meter of boundary wall 3,079 meter was converted to RCC boundary wall.

The work was allotted for ₹ 3.76 crore in June 2018 with a time limit of 15 months. As per 22nd Running Account bill paid in December 2020 total payment of ₹ 36.96 crore had been made to the contractor. The agreement was enhanced by the competent authority in May 2019 upto ₹ 21.66 crore. Main irregularities noticed were:

- Site conditions were not assessed at the time of initial estimate, calling of tenders and award of work.
- Revised estimate for ₹ 36.96 crore was not submitted to the competent authority for approval.
- Enhancement case over and above ₹ 21.66 crore had not been submitted to the competent authority.
- The expenditure of ₹ 4.82 crore over and above the administrative approval was irregular.
- Final bill for the work had not been prepared so far (December 2024).
- An extra payment of ₹ 3.16 crore⁵ had been made on earth work. Against the agreed rate of ₹ 150 per cum, payment had been made at the rate of ₹ 300 per cum for 2,10,348 cum earth work.

⁵ ₹ 3.16 crore = 2,10,348 cum x ₹ 150 per cum.

The Superintending Engineer, PWD (B&R), Karnal replied (July 2023) that the agreement amount was to be enhanced from ₹ 3.76 crore to ₹ 36.96 crore due to extraordinary site conditions and as per requirements of client department.

The reply only strengthens the audit observation that the site conditions were not assessed at the time of preparing detailed estimate and award of work. There was monitoring failure on the part of EIC, PWD (B&R) as payments were made over and above the estimated cost, agreement amount and administrative approval.

All the three works, discussed above, were awarded to the same contractor. The contractor had approached Hon'ble High Court of Punjab and Haryana for appointment of arbitrators for resolving disputes in 35 works awarded to him by PWD (B&R) Haryana. Hon'ble High Court of Punjab and Haryana has appointed arbitrators for all the 35 works in March 2024.

Further, works test-checked by audit have been discussed in succeeding paragraphs on the basis of irregularities noticed.

5.5.1 Factors responsible for enhancement

During analysis of enhancement cases, it was seen that the enhancement in the scope of works occurred due to reasons such as improper assessment of site conditions at the time of preparation of detailed estimates, addition of new structures/items after allotment of work, change in specifications after allotment of work, non-finalisation of scope before allotment of work and changes made due to demand of public and local representatives, etc. Irregularities noticed in major works are discussed in the following sub paragraphs:

(i) Improper assessment of site conditions at the time of preparation of detailed estimates

As per provisions of para 10.1.3 of the HPWD Code, while preparing the estimate, the site should be inspected to ascertain field conditions including availability of land. In case of projects of larger magnitude, the senior officers themselves should visit the site. It was, however, noticed that assessment of site conditions was not properly carried out at the time of preparation of detailed estimates resulting in significant increase in the cost of work.

Cases of enhancement where site conditions were not properly assessed, are discussed below:

Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount	Enhanced upto	Percentage of enhancement
			(₹ in crore)		
1.	2. PWD (B&R)	High level bridge over Dhanuara Escape in Karnal	1.56	4.19	168.59
<p>The State Government had granted - administrative approval for ₹ 4.22 crore in October 2018. The detailed estimate was technically sanctioned for ₹ 1.92 crore in September 2019. Tender was called for ₹ 1.81 crore. The work was allotted for ₹ 1.56 crore in January 2020. However, before starting the work, it came to notice that the work could not be executed as the existing waterway had increased during the flood of 2019. Revised detailed estimate was technically sanctioned for ₹ 4.21 crore in November 2020 wherein a bigger bridge was proposed by increasing the number of spans and vent height. Instead of canceling the agreement and inviting tenders for the bigger bridge, the work was got executed on the same agreement. The work was started in November 2020 as per new drawings and completed in June 2021. A payment of ₹ 4.19 crore was made in September 2021. Enhancement in agreement was approved <i>ex-post facto</i> in July 2021.</p> <p>The Superintending Engineer, Karnal replied (July 2023 and December 2024) that the additional work had been got executed on the already approved rates which were approved a year ago without giving any compensation of inflation and escalation. Further, the agency had mobilised its machinery and manpower in February 2020. The reply was not tenable as the changed site conditions were not assessed before inviting the tenders and due to increase in number of spans and height, the bridge became altogether a new structure from the already allotted one. Tenders should have been called for the new bridge in terms of Para 13.7.2 of the HPWD Code which provides that the tenders for works should be invited in the most transparent manner.</p>					
2.	5. PWD (B&R)	Construction of Government College at Jundla (Karnal)	10.85	15.40	41.94
<p>The State Government accorded administrative approval (December 2016) for ₹ 12 crore per college for construction of 15 Government Colleges across the State. The detailed estimate was technically sanctioned in June 2017 for ₹ 11.06 crore on normative basis (without assessing the actual site conditions). Thereafter, the work of construction of Government College at Jundla (Karnal) was allotted in July 2017 for ₹ 10.85 crore with a time limit of 21 months. However, due to - site conditions at construction site of Government College, Jundla, the quantities of various items increased such as quantities of earth work increased by 1,21,665 cum and steel by 1,831.49 qtl. Revised administrative approval of ₹ 17.12 crore had been accorded by the State Government (Higher Education Department) in August 2019. Payment of ₹ 15.40 crore had been made to the agency upto 19th Running Account Bill paid in June 2022. The Executive Engineer, Provincial Division No. 2, Karnal had not got the enhancement of ₹ 4.55 crore in agreement approved from the competent authority (Engineer-in-Chief, PWD (B&R)).</p> <p>The Superintending Engineer, Karnal replied (July 2023) that the tender was invited on the basis of standard approval issued by the State Government for 15 colleges all over the State. The site conditions were different in this work as the site was low lying which resulted in increase in quantities of various items and earth filling due to which the cost of work increased. The reply was self-explanatory as the site conditions were not assessed before the allotment of work.</p>					
3.	12. PWD (B&R)	Construction of Kabaddi Stadium at village Pai (Kaithal)	3.65	5.00	36.99
<p>This work was allotted in September 2019 for ₹ 3.65 crore with a time limit of 12 months. During execution, the scope of work increased due to increase in number of spectator galleries, change in specifications of boundary wall and increase in size of rainwater harvesting system. Payment of ₹ five crore had been made to the agency upto 3rd Running Account Bill paid in July 2021 without getting the enhancement approved from the competent authority.</p>					

As the estimate was not prepared as per the site conditions and the total funds provided by the client department had been expended, the work remained incomplete and was lying abandoned since July 2021. The Superintending Engineer, Kaithal replied (July 2023 and December 2024) that revised rough cost estimate of ₹ 6.52 crore had been submitted to the higher authorities in January 2023 for seeking revised administrative approval. Revised AA was still awaited (December 2024). The reply was not convincing as the work remained incomplete because the estimate of the work was initially prepared without assessing actual site conditions.

Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount	Enhanced upto	Percentage of enhancement
			(₹ in crore)		
4.	19. PWD (B&R)	Referral Veterinary Diagnostic and Extension Centre (RVDEC) at Keorak, Kaithal	4.98	13.41	169.28

The detailed estimate of ₹ 5.01 crore envisaged construction of technical-cum-administrative block, postmortem block and outdoor clinic block in RVDEC, Keorak. The work was allotted to an agency for an agreement amount of ₹ 4.98 crore in January 2019 with a time limit of 18 months. However, due to preparation of estimate without assessing the actual site conditions, the quantities of steel, RCC and earthwork increased during execution of work. The contractor executed the work to the tune of ₹ 5.10 crore upto June 2021. After that the work remained suspended and all the structures remained incomplete due to non-availability of funds. Payment of ₹ 0.73 crore was further made to the contractor in September 2022 making total payment of ₹ 5.83 crore.

As per correspondence between Executive Engineer, Provincial Division No.2, Kaithal and Superintending Engineer, Kaithal an amount of ₹ 8.31 crore would be required for completion of the project as structural changes were necessitated as per site conditions.

The Superintending Engineer, Kaithal replied (July 2023 and December 2024) that revised rough cost of ₹ 18.18 crore was submitted to the client department in November 2022 for arranging revised administrative approval. Further, a re-revised estimate for ₹ 38.59 crore had been prepared and submitted to the client department in September 2024 to seek revised administrative approval. The work will be completed on receipt of funds from the client department. Thus, due to preparation of estimate without assessment of the site conditions, the agreement was enhanced. Further, due to non-submission of revised estimate to the client department, revised administrative approval could not be obtained and funds from the client department could not be received. The structures were lying incomplete since June 2021.

5.	20. PWD (B&R)	Construction of new Sports Stadium at Samaspur, Charkhi Dadri	10.85	19.77	82.21
----	------------------	---------------------------------------------------------------	-------	-------	-------

Administrative approval of ₹ 20.80 crore was granted (June 2019) for Multipurpose hall, Badminton hall, Toilet block, Boundary wall, Synthetic track, Volleyball stadium, Lawn tennis court, Hockey field, Kabbadi ground, Basketball court, Hand ball ground and Swimming pool. For phase I, detailed estimate for construction of Multipurpose hall, Toilet block, Swimming pool, Badminton hall, Boundary wall, Road and Parking, etc. for ₹ 9.93 crore was submitted for approval. However, the work was allotted to an agency in February 2020 for construction of all the above-mentioned structures for ₹ 10.85 crore with a time limit of 18 months. The detailed estimate for the work was not got approved from the competent authority as per the provisions of the Para 9.5.1 of the PWD Code which gives assurances that the proposals are technically sound, specifications are appropriate for the service intended and the estimates are realistic, based on adequate data. The detailed estimate of the work was yet to be approved (September 2022).

Further, due to increased earthwork, increase in length & height of boundary wall, water tank, RCC drain, etc., the scope of work got increased to ₹ 19.77 crore.

The agency executed the work to the tune of ₹ 7.87 crore upto March 2022. The enhancement case for ₹ 19.77 crore was submitted in May 2022 to the Engineer-in-Chief, PWD (B&R). The work remained suspended for want of approval of revised estimate and revised administrative approval.

The Superintending Engineer, Bhiwani replied (July 2023) that it was not possible to complete the work within the agreement amount of ₹ 10.85 crore. Revised rough cost estimate was under preparation for obtaining revised administrative approval from the client department. The work will be completed after receipt of revised administrative approval. It was further intimated (December 2024) that the department had decided to close the agreement after incurring expenditure of ₹ 11.10 crore. The balance work would be got executed through fresh tenders. The reply was not tenable as the site conditions and actual requirements were not assessed before starting the work and the department had decided to close the agreement without getting completed the structures proposed in Phase-I as well as in agreement.

Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount	Enhanced upto	Percentage of enhancement
			(₹ in crore)		
6.	86. MC, Ambala	Construction of storm water nala from Jalbera Chowk to Session drain and Session drain to Zandu Tyre in ward 7, Ambala	0.62	1.64	164.52

In January 2018, the work was awarded for construction of drain in Ward No. 7 but after allotment of work, it was noticed that the road on which the drain was to be constructed belonged to the PWD (B&R) and not to the Municipal Corporation. The site of construction changed in November 2018 as 'From Sector 9 & 10 chowk to *Shamshan Ghat* towards Jandli' and detailed estimate for this site was technically approved in May 2019 for ₹ 1.56 crore. Due to change of site, it became totally a new work. Instead of calling fresh tenders, the work was awarded to the earlier contractor by enhancing the agreement amount from ₹ 0.62 crore to ₹ 1.64 crore. The work was completed in August 2021. Payment of ₹ 1.64 crore had been made to the contractor for his 7th & Final Bill in October 2021. The matter was taken up with Municipal Corporation, Ambala (April 2023, June 2023 and September 2024), reply was awaited (December 2024).

It is evident from the above cases that the site conditions were not properly assessed at the time of preparing detailed estimates and before allotment of work which resulted in enhancement in scope of work after its allotment. Three works (Sr. Nos. 3, 4 and 5) remained suspended for want of revised approvals and funds from the client department and the works were lying abandoned after investment of ₹ 21.93 crore on incomplete structures.

During exit conference (July 2023), while admitting the facts, the ACS, PWD (B&R) stated that instructions have been issued that detailed estimates should be prepared only after assessing site conditions and non-compliance will be taken seriously.

(ii) Enhancements due to adding new items/structure after allotment of the works

As per Para 13.7.2 of HPWD Code, the works should be executed by calling fair and competitive tenders in a transparent manner. Audit observed instances where new structures and items were added after allotment of the works resulting in enhancement in agreements which was against the provision of competitive bidding.

Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount (₹ in crore)	Enhanced to (₹ in crore)	Percentage of enhancement
1.	13.	PWD (B&R) Special Repair of Dhand Pundri Rajound Alewa road (MDR 113) km. 22.10 to 39.96 in Kaithal Distt.	2.20	3.55	61.36
<p>Two separate administrative approvals (AAs) were granted for two portions of the road. For the first portion (km 26.00 to 39.96), estimate was prepared for ₹ 2.54 crore and for the second portion (km 22.10 to 26.00), estimate was prepared for ₹ 0.71 crore. Tenders were called for the first portion for ₹ 2.54 crore and the work was allotted to an agency in March 2019 for ₹ 2.20 crore with a time limit of four months. Against the allotment of work for the first portion, the work for the second portion with an estimated cost of ₹ 0.71 crore was also got executed from the same agency under the same agreement. The work was completed in October 2019. The Engineer-in-Chief accorded approval for the enhancement in agreement upto ₹ 3.28 crore in January 2021. Though the work was completed in October 2019, final payment of ₹ 3.55 crore was made to the agency in March 2021.</p> <p>The Superintending Engineer, Kaithal replied (July 2023 and December 2024) that both works were to be got executed in single agreement, but inadvertently, only the quantities of first work had been taken in the DNIT and the mistake came to knowledge at a later stage and the agreement was got enhanced from the competent authority to avoid delay in calling tenders. The reply was not tenable as only one work was awarded to the contractor and other work was added by enhancing the agreement with the approval of competent authority.</p>					
2.	9.	PWD (B&R) Construction of Administrative Block in SDO Civil Complex at Ambala Cantt.	15.59	34.80	123.22
<p>The rough cost estimate for the work was prepared for ₹ 41.52 crore and the administrative approval was granted by the State Government for ₹ 41.52 crore against this rough cost estimate in December 2018. However, the detailed estimate was prepared for ₹ 15.46 crore (February 2019) and the work was allotted to an agency in February 2019 for ₹ 15.59 crore with a time limit of 21 months. The work was completed in November 2021.</p> <p>The Engineer-in-Chief enhanced the agreement upto ₹ 34.80 crore in May 2022 implying that the detailed estimate was not prepared as per actual requirements. The final payment of ₹ 34.52 crore had been made to the contractor upto July 2023.</p> <p>The Superintending Engineer, Ambala replied (July 2022 and July 2023) that the enhancement in scope of work was due to addition of firefighting structure, cement concrete parking, boundary wall, amendments in structures and specifications by consultants due to poor soil strength, slushy area, high water table, dewatering, water proofing treatments, etc. The reply was not tenable as initial survey and studies for construction of building should include the analysis of site conditions, soil strength, water table, etc. Further, the rough cost estimate for ₹ 41.52 crore had provisions of all the ancillary structures which were ignored at the time of preparing detailed estimate as well as DNIT. It was intimated (December 2024) that the enhancement in the scope of work had been approved by the Sub Committee of the Cabinet in February 2023.</p>					
3.	77.	(HSVP) Providing and laying of 500 mm i/d RCC NP3 pipeline, construction of manhole chamber etc. from Sec-17 (Pocket-C) to leg no. II Sector dividing road 14/17, Gurugram.	0.23	3.05	1,226.09
<p>The original work of laying 750 meter RCC NP3 storm drain pipe including construction of 20 road gullies and 19 manholes in Sector 17 of Gurugram was allotted in November 2018 for ₹ 0.23 crore with a time limit of three months for completion. In December 2019, the Additional Chief Engineer, Haryana Shahri Vikas Pradhikaran (HSVP), Gurugram enhanced the agreement upto ₹ 3.05 crore by</p>					

awarding the new work of repair of roads in Sector 1 in Pataudi town on nomination basis without inviting tenders. The agency had completed the new work and final payment was made in October 2021.					
Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount (₹ in crore)	Enhanced to (₹ in crore)	Percentage of enhancement
4.	79. (HSVP)	Construction of outfall master drains leg no. I & II and fixing of manholes covers, etc.	298.48	483.20	61.84
<p>The original work was awarded for ₹ 298.48 crore in December 2014 for laying 57.33 km RCC box type drain in December 2014 with a time limit of 18 months for completion. First enhancement in agreement was made by Chief Engineer-1, HSVP, Panchkula in September 2018 upto ₹ 392.27 crore adding new work of laying 4.510 km RCC box type drain in various localities of Gurugram. The agreement was again enhanced upto ₹ 483.20 crore by Chief Engineer in April 2019 by adding new works of laying 5.81 km RCC box type drain and two culverts to the scope of work being urgent work necessary for proper functioning of storm water drainage in Gurugram. The enhanced scope of work was to be completed by May 2019.</p> <p>New works were added to the earlier agreement instead of calling fresh competitive tenders on the plea of urgent works for making the storm water drainage functional. It was noticed that the work was still incomplete as of January 2023 and a total payment of ₹ 349.24 crore had been made to the contractor up to March 2020. No payment was made after March 2020. As such the plea of urgency was also not acceptable.</p>					
5.	81. (HSVP)	Construction of Southern Peripheral Master Road from Sohna Road to NH-8 Gurugram	2.65	18.09	582.64
<p>The original work was awarded in September 2013 for construction of 1.5 km road with a time limit of four months i.e. upto January 2014 for completion. The agreement was completed in March 2014 except approximately 314 mtr road which was under litigation. The Chief Engineer-1, HSVP Panchkula enhanced the agreement in January 2017 upto ₹ 18.09 crore by awarding the work of construction of a new road in Sector 58 and gaps in sector roads of Sector 61/62 due to urgency. However, the agency executed the work to the tune of ₹ 9.63 crore which was paid in April 2019 as 10th and Final bill.</p> <p>Instead of calling fresh tenders for new works, the already closed agreement was enhanced, which is a grave violation. Further, the work could not be completed as forest clearance was not available for the new road in Sector 58.</p>					
6.	82. (HSVP)	Providing External Storm Water Drainage Scheme of Sec-81 to 98, Gurugram	226.93	378.16	66.64
<p>The original work was awarded in March 2013 for construction of Badshahpur Nallah from Sohna Road to NH-8, Gurugram. The agreement was enhanced to ₹ 306.47 crore in the first instance in December 2014 by adding new work of 2.9 km box type drain to the scope of work. In February 2017 the agreement was enhanced to ₹ 333.30 crore by adding new work of excavation and strengthening of embankment of Nallah, RCC sump well, etc. The agreement was enhanced for the third time in March 2019 to ₹ 378.16 crore by adding new work of construction of RCC culverts at Hero Honda Chowk and Sohna/Vatika Chowk. A payment of ₹ 375.52 crore in all the three works was made in March 2019 and December 2019 to the contractor. The work was completed and handed over to Gurugram Metropolitan Development Authority (July 2020). However, the final bill was yet to be prepared (January 2023).</p> <p>Thus, new works were added to the earlier agreement instead of calling fresh competitive tenders and undue benefit was given to the contractor. The new works were added quoting urgency and mentioning that no lower rates were expected if the fresh tenders were called.</p>					

In above cases, the HSVP and PWD (B&R) had not invited fresh tenders for new works, instead the works were awarded to the existing contractors on nomination

basis by enhancing their agreement amount. This was against the provisions of financial rules and HPWD Code of transparent and competitive bidding. Moreover, the contractors were no more bound by the penalty clauses of the agreement as no action can be taken against them for delay/non-completion of the enhanced scope of work, etc.

During the exit conference (July 2023), the ACS, PWD (B&R) stated that instructions have been issued that a committee headed by Superintending Engineer will assess the enhanced requirement and will certify whether the enhanced scope of work is an integral part of the original agreement and can be executed by the same contractor or the enhanced scope of work can be separated from the original agreement and can be got executed after calling tenders independently.

(iii) Enhancements due to change in specifications after allotment of work

Para 16.19.2 of the HPWD Code provides that to minimise variations and adverse effects of variations, detailed plans and specifications should be prepared and drawings should tally with ground conditions. It was, however, noticed that the specifications were changed after allotment of work which proves that the detailed plans and specifications were not prepared as per the ground conditions. The tenders were initially called for smaller amounts and afterwards the agreements were enhanced by changing specifications without quoting reasons for higher specifications which resulted in enhancement of agreements. Hence the tendering process was fraught with the risk of unfairness and non-competitive bidding.

Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount	Enhanced to	Percentage of enhancement
			(₹ in crore)		
1.	14. PWD (B&R)	Special Repair by providing widening and strengthening of Baroda to Nagura Road in Jind District	14.41	17.87	24.01
<p>The work of widening of road from 5.50 meter to 7.00 meter and strengthening of road was awarded to an agency for an amount of ₹ 14.41 crore in September 2021 with a time limit of 12 months. The estimate envisaged for 50 mm Dense Bituminous Macadam (DBM). However, after allotment of work, the specifications were changed to 75 mm DBM. The work was completed in June 2022. The Engineer-in-Chief approved the enhancement in agreement from ₹ 14.41 crore to ₹ 17.90 crore in July 2022. Payment of ₹ 17.87 crore had been made upto 7th and Final Bill in November 2022. The Superintending Engineer, Kaithal replied (July 2023 and December 2024) that the traffic census was conducted in October 2021 and found that vehicular traffic had been increased on the road. The crust of DBM increased from 50 mm to 75 mm as per latest IRC Code. The reply was not acceptable as the traffic census was actually conducted in October 2021, i.e. after allotment of work in September 2021, which was to be conducted before approval of detailed estimates.</p>					

Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount	Enhanced to	Percentage of enhancement
			(₹ in crore)		
2.	15. PWD (B&R)	Construction of 50 Bedded Hospital at Kalayat in Kaithal District	5.88	7.99	35.88
<p>The work was allotted in January 2018 for an amount of ₹ 5.88 crore with a time limit of 18 months. The work was scheduled to be completed by September 2019. Payment of ₹ 7.99 crore had been made for the 8th and final bill in December 2021. After 15 months of completion of work, the Executive Engineer, Provincial Division, Narwana submitted the enhancement case in November 2021. The Engineer-in-Chief approved the enhancement of agreement from ₹ 5.88 crore to ₹ 8.09 crore in December 2021.</p> <p>Main reasons for enhancement stated were addition of new structures such as electrical substation, rainwater harvesting structure, fire-fighting system and parking area and increased quantities of steel bars for RCC work, aluminium work for doors, windows and ventilators. Thus, additions were made and specifications were changed after allotment of work.</p> <p>The Superintending Engineer, Kaithal replied (July 2023 and December 2024) that the scope in building works increased due to the interference of the client department. New structures such as electrical substation, rainwater harvesting structure, fire-fighting system, etc. were added. The reply was not tenable as these structures were essential part of building as per Building Code of 2017 and should have been included in the initial estimate. Further, the case for enhancement was submitted 15 months after completion of work.</p>					
3.	17. PWD (B&R)	Construction of Bus stand and Workshop at Pandu Pindara, Jind	20.00	26.57	32.85
<p>The work was allotted to an agency in April 2018 for an amount of ₹ 20 crore with a time limit of 24 months. The work was completed in May 2020 and total payment of ₹ 26.57 crore was made to the agency in September 2021. However, the case for enhancement was submitted to the Engineer-in-Chief in August 2021.</p> <p>The scope of work was enhanced due to increase in quantities of steel in RCC work, suspended floors, roofs, landings, balconies and access platform <i>etc.</i> after allotment of work. Thus, the specifications were changed after allotment of work without submitting revised detailed estimate.</p> <p>The Superintending Engineer, Kaithal replied (July 2023 and December 2024) that the scope of work increased due to additional components such as RCC tank for fire-fighting system, increase in taxi tracks, paver blocks, approaches to connect with NH-352 and other changes suggested by the client department during execution of work. The enhancement had been got approved from the competent authority. The reply was not tenable as the specifications were changed after allotment of work which should have been assessed at the time of preparing detailed estimate.</p>					
4.	18. PWD (B&R)	Construction of Community Health Centre, Muana, Jind	4.07	7.16	75.92
<p>The State Government had accorded administrative approval of ₹ 7.66 crore for the work in October 2018. The detailed estimate for the work was approved for ₹ 4.28 crore in March 2019. The work was allotted to an agency in May 2019 for an amount of ₹ 4.07 crore with a time limit of 18 months. The work was completed in May 2021 and payment of ₹ 7.16 crore had been made to the agency in July 2021. The Engineer-in-Chief approved the enhancement in October 2021 for ₹ 7.16 crore without calling for revised detailed estimate.</p> <p>The Superintending Engineer, Kaithal replied (July 2023 and December 2024) that the scope of work was enhanced due to increase in number of residences, boundary wall, rainwater harvesting system, septic tank, etc. and the enhancement has been got approved from the competent authority. The reply was not tenable as the specifications were changed after allotment of work which should have been assessed at the time of preparing detailed estimate.</p>					

Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount	Enhanced to	Percentage of enhancement
			(₹ in crore)		
5.	21. PWD (B&R)	Widening and strengthening & CCP on Badhra to Berla Road from km 0.00 to 8.10	3.20	6.23	94.69
<p>The work was allotted to an agency in August 2019 with an agreement amount of ₹ 3.20 crore with a time limit of nine months. However, after allotment of the work, on the demand of residents, the road width was increased to four lane and cement concrete road alongwith side drain was constructed in the village portion. Payment of ₹ 6.23 crore had been made for 4th Running Account Bill in September 2021.</p> <p>The Superintending Engineer, Bhiwani replied (July 2023 and December 2024) that the enhancement case was under preparation and would be submitted shortly for approval to the competent authority. As such, the work was executed without getting the approval of enhancement from the competent authority.</p>					
6.	23. PWD (B&R)	Construction of Workshop Block Haryana Roadways at Loharu	2.38	4.16	74.79
<p>The work was allotted for ₹ 2.38 crore in June 2017 with a time limit of 12 months. After allotment of the work, the consumption of quantities of steel, RCC and CC pavement increased. Total payment of ₹ 4.16 crore had been made for 3rd Running Account Bill in September 2021. The scope of work was increased due to additional structures like underground water tank, cement concrete pavement, entry-exit gates and parking. The enhancement was not got approved from the competent authority.</p> <p>The Superintending Engineer, Bhiwani replied (July 2023 and December 2024) that the enhancement case was under preparation and would be submitted to the competent authorities for approval. Further, the Department intimated (December 2024) that the work was completed in December 2020 and was being utilised by the client department. The fact remains that the work was executed without getting approval for changed specifications from the competent authority. Further, the payment over and above the agreement amount should have been made only after getting the revised detailed estimate and enhancement in agreement approved from the competent authority.</p>					
7.	24. PWD (B&R)	Construction of a new link road from Barwa to Talwandi from KM 0.00 to 7.00 in Bhiwani district	4.75	6.12	28.84
<p>The work was administratively approved for ₹ 5.60 crore in August 2021. The detailed estimate was approved for ₹ 4.84 crore in the same month. The work was allotted for ₹ 4.75 crore in September 2021 with a time limit of six months. The agency completed the work in December 2021 for ₹ 6.12 crore with changed specifications of the road by providing additional layer of water bound macadam. The revised detailed estimate was approved for ₹ 5.69 crore in October 2021 and enhancement was approved by the competent authority for ₹ 5.84 crore in November 2021.</p> <p>The Superintending Engineer, Bhiwani replied (June 2023) that specifications were changed as per requirements of the Indian Road Congress (IRC) Code. However, the fact remains that the specifications were changed after allotment of work. Further, the payment over and above the agreement amount was made without getting the revised detailed estimate and enhancement in agreement approved from the competent authority.</p>					
8.	25. PWD (B&R)	Special repair due to road cut made by Municipal Council, Bhiwani against AMRUT Yojana Project on various roads in Bhiwani city	0.76	1.70	123.68
<p>The work was administratively approved for ₹ 0.95 crore in September 2020. The detailed estimate was approved for ₹ 0.75 crore in the same month. The work was allotted for ₹ 0.76 crore in December 2020 with a time limit of 6 months for completion. After allotment of the work, the specifications were changed by increasing the quantities of Bituminous Macadam, Granular Sub-Base (GSB), etc. Payment</p>					

of ₹ 1.70 crore had been made for 4th and Final bill in November 2021. The detailed estimate was revised to ₹ 1.64 crore and administrative approval was revised to ₹ 1.71 crore in October 2021. The approval to enhancement was also accorded in October 2021.

The Superintending Engineer, Bhiwani replied (July 2023) that the road was dismantled by the Municipal Council, Bhiwani for laying pipeline under AMRUT scheme. The scope of work enhanced due to increase in size of road cut by the MC, Bhiwani. There was no change in specifications. The fact remains that the scope of work was changed after allotment of work.

Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount	Enhanced to	Percentage of enhancement
			(₹ in crore)		
9.	26. PWD (B&R)	Construction of library and workshop block in the campus of Ch. Bansi Lal Govt. Polytechnic at Bhiwani	5.75	8.32	44.70

The work was allotted for ₹ 5.75 crore in March 2017 with a time limit of 18 months for completion. During execution of the work, specifications of many items were changed which include grit finish of walls, water proofing, cement concrete specifications, etc. Payment of ₹ 8.32 crore had been made for 9th Running Account Bill in January 2021. After that no payment had been made. The case for approval of enhancement had not been submitted to the competent authority till December 2024.

The Superintending Engineer, Bhiwani replied (July 2023) that specifications of many items were changed as per requirement at site on request of Client Department. Case for approval of enhancement would be submitted to competent authority at the earliest. The point remains that the specifications of work were changed after allotment of work and without getting approval of the competent authority.

10.	87. MC, Ambala.	Supplying and fixing of Children playing equipment and works in various parks of ward no. 1 to 11 Ambala City	0.29	0.47	62.07
-----	-----------------	---------------------------------------------------------------------------------------------------------------	------	------	-------

Instead of supplying and fixing children's playing equipment such as multi play station, chain swings, merry go rounds, etc. 13 open gyms having seven equipments each⁶ were established. No approval was taken for this deviation from the competent authority. The matter was taken up with Municipal Corporation, Ambala (April 2023, June 2023 and September 2024), reply was awaited (December 2024).

In the above cases, change of specifications after allotment of work was one of the major reasons for enhancement in agreements. The specifications were changed by the Executive Engineers without obtaining formal approval from the competent authority. In three works (Sr. No. 2, 3 and 4 of the above table), enhancement cases were submitted to the competent authorities after completion of works. In four works (Sr. No. 5, 6, 9 and 10 of the above table), enhancement cases were not submitted to the competent authority till date (December 2024).

During the exit conference (July 2023) with the ACS, PWD (B&R), it was stated by the departmental officers that keeping in mind the budget constraints, estimates are kept on the lower side but due to further deterioration of roads

⁶ Air Swing, Horse Rider, Leg Press, Seated Chest Press, Elliptical exerciser, arm wheel, single pole sit up cycle.

with the time gap between preparation of detailed estimates and actual execution, revisions become necessary. The reply is not tenable as the initial estimates were deficient as they were not based on ground conditions which was against the spirit of Para 16.19.2 of the HPWD Code which provides that the variation should be kept to the minimum and detailed plans and specifications should be prepared as per ground conditions. Moreover, in three works the enhancement cases were submitted after completion of works and in four works, the enhancement cases were not submitted so far (December 2024).

(iv) Scope of work not finalised before allotment of work

Para 10.1.7 of the HPWD Code provides that a comprehensive detailed estimate should be supported by complete details, based on drawings and calculation of design. Quantities of various items of work should be calculated from the drawings. As far as possible, a detailed estimate should be prepared before commencement of work. In the following works, shortcomings were noticed regarding preparation of detailed estimates and finalisation of scope of work before allotment of work.

Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount	Enhanced to	Percentage of enhancement
			(₹ in crore)		
1.	6. PWD (B&R)	Strengthening Panipat Safidon road to Assandh section Khukhrana, Assan Mor Majra Goli road upto district Boundary in Panipat district	2.15	2.82	31.63
<p>The rough cost estimate was administratively approved for ₹ 2.98 crore in September 2019. The rough cost estimate had provision of 40 mm Bituminous Concrete (BC) (Quantity 3,308 cum). At the time of approval of detailed estimate in October 2019, the quantity of BC was reduced to 30 mm (quantity 2,482 cum), reasons for which were not found on record. The detailed estimate was approved for ₹ 1.82 crore without quoting any reason or justification for reduction in specifications. With the reduced quantities of BC, the work was allotted for ₹ 2.15 crore.</p> <p>However, after commencement of work, the quantity of BC was again increased to 40 mm and the agreement was enhanced in January 2020 by ₹ 0.67 crore.</p> <p>The Superintending Engineer, Karnal replied (July 2023) that during sanction of detailed estimate the BC was reduced to 30mm to cut down the cost of work. But on commencement of work, it was observed that traffic on the road had been increased significantly and crust of BC again increased to 40mm. Thus, the reduction in thickness of BC at the time of approval of detailed estimate was unwarranted.</p>					
2.	11. PWD (B&R)	Construction of War Memorial at Ambala Cantt in the Honour of Martyrs of the First War of India's Independence 1857	189.41	362.56	91.42
<p>The rough cost estimate of ₹ 174.92 crore for the work was administratively approved by the State Government in January 2018. The work was allotted to an agency in June 2018 for an agreement amount of ₹ 189.41 crore with a time limit of 24 months.</p>					

However, during execution of work, four structures were added to the scope of work i.e. Multistorey parking - ₹ 24.19 crore, Additional Electrical Work - ₹ 23.06 crore, Residential quarters - ₹ 3.80 crore and Retaining structure - ₹ three crore. Due to some more changes and by including these works to the scope of work, revised administrative approval of ₹ 261.07 crore was granted by the State Government. Agreement was enhanced by the competent authority from ₹ 189.41 crore to ₹ 249.10 crore in March 2022.

Further, the re-revised administrative approval was granted for ₹ 362.56 crore in August 2023. The enhancement in agreement was also got approved from the Sub Committee of Cabinet, Haryana in January 2023 for ₹ 362.56 crore. Upto November 2024, the contractor had executed work to the tune of ₹ 292.31 crore.

The Superintending Engineer, Ambala replied (July 2023) that during execution of work, four additional items were added on the demand of client department and other specifications were changed on the basis of revision in drawings. Thus, the scope of work was not finalised at the time of initial estimate and the work was allotted before finalising the actual scope of work.

During the exit conference (July 2023), the ACS, PWD (B&R) stated that the work was of special nature and was taken up for the first time in Haryana. It was not possible to assess and finalise the entire scope of work at the time of estimation and tendering. The fact remains that necessary approvals for revised scope of work and enhancement were not obtained from the competent authorities in time.

Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount	Enhanced to	Percentage of enhancement
			(₹ in crore)		
3.	16. PWD (B&R)	Construction of SDO (C) Complex Building at Kalayat in Kaithal District	8.57	12.63	47.37

The detailed estimate for the work was approved for ₹ 8.20 crore in September 2019. The work was allotted in September 2019 for ₹ 8.57 crore with a time limit of 18 months i.e. upto April 2021. The enhancement occurred due to changes to the bill of quantities which was not prepared diligently while preparing the detailed estimate for allotment of work. As such, RCC work increased by ₹ 64.78 lakh, Steel consumption increased by ₹ 87.49 lakh, Stainless steel increased by ₹ 16.18 lakh and items of ₹ 88.81 lakh were got executed at site which were not part of the detailed estimate as well as Detailed Notice for Inviting Tenders (DNIT).

The work was completed in January 2022 and the 15th Running Account Bill of the agency paid in January 2022 for ₹ 11.03 crore and 16th and Final bill for ₹ 12.63 crore was paid in April 2023.

The Superintending Engineer, Kaithal admitted in his reply (July 2023) that the scope of work increased due to fire-fighting work, increase in quantities of structural steel, RCC, stainless steel, etc. The enhancement in agreement was got approved from the Sub Committee of Cabinet in May 2023.

4.	22. PWD (B&R)	Construction of Govt. Sr. Sec. School at Dhigawa Jattan in Bhiwani District	3.62	5.00	38.12
----	---------------	-----------------------------------------------------------------------------	------	------	-------

The rough cost estimate of ₹ 4.01 crore was administratively approved in December 2016. The detailed estimate for the work was approved for ₹ 3.36 crore in June 2017. Work was allotted in September 2017 for ₹ 3.62 crore with a time limit of 15 months i.e. upto December 2018. It was noticed that the scope of work was not assessed properly at the time of preparation of detailed estimate as the quantities were taken on the lower side at the time of preparation of detailed estimates. TMT steel consumption and RCC work were increased considerably during execution of the work. Last payment was made in December 2019 for ₹ 5 crore for 4th Running Account Bill and the work was still to be completed.

The Superintending Engineer, Bhiwani replied (July 2023) that additional structures, which were integral part of the building, were constructed at site. Further, revised rough cost estimate for

₹ 6.88 crore had been submitted (December 2019). The approval of revised rough cost estimate and enhancement were still awaited (December 2024). The reply was not tenable as the revised estimate and the enhancement in scope of contract price should be got approved from the competent authority before making expenditure in compliance to the Para 10.1.12 of HPWD Code.

(v) Change in specifications/additions stated to be due to demand of public

Paragraph 10.1.12 of the HPWD Code provides that after an estimate has been sanctioned, it may sometimes become necessary to make a change in the method of execution originally contemplated. In such a case, the abstract should be re-cast in accordance with the above instructions. The details of cost and quantities already approved shall be re-arranged and the revised abstract shall be approved by the competent authority and thereafter treated as sanctioned estimate.

In the following cases, it was noticed that the scope of works was got enhanced on the demand of the public and local representatives.

(₹ in crore)

Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount	Enhanced to	Percentage of Enhancement
1.	1 PWD (B&R)	Construction of approaches of 4 lane ROB on Delhi Ambala Railway line at LC No. 61 at railway Km 99/21-23 crossing Kond-Munak-Salwan Assandh road (MDR 114) in Karnal District	21.93	37.33	70.22

Administrative approval was accorded for ₹ 50 crore for the work in February 2017. The detailed estimate for construction of approach roads of Railway Over Bridge (ROB) and service road was approved for ₹ 21.67 crore in January 2019. The work was allotted to an agency in January 2019 with a time limit of 24 months for an agreement amount of ₹ 21.93 crore. But before commencement of work, in March 2019, request from the public representative was received in the department for construction of three diversion roads. Executive Engineer, Provincial Division No.1, Karnal submitted three separate estimates of ₹ 7.68 crore to the higher authorities between November 2019 and November 2020 which were duly approved by the higher authorities for ₹ 7.11 crore. Instead of calling fresh tenders for these roads, the work on these roads was got executed from the contractor who was constructing approach roads for the ROB.

Till November 2021, a payment of ₹ 24.09 crore had been made on the work. After that, the work remained suspended apparently as the local public and local representatives demanded to increase the viaduct portion. The increase in length of viaduct portion would additionally cost ₹ 14.08 crore as per proposal submitted (January 2022). Total cost of the project increased from ₹ 21.93 crore to ₹ 43.12 crore (Initial agreement amount ₹ 21.93 crore + three diversion roads ₹ 7.11 crore + increase in viaduct portion ₹ 14.08 crore).

In respect of three roads got constructed from same contractor, the Superintending Engineer, Karnal replied (July 2023) that the public demanded (February 2019) to provide some alternative route for movement of traffic and the work of three roads was got executed from the same agency because it was not advisable to involve any other agency in execution of related works of ROB.

The reply was not tenable as demands of public were not considered thoroughly while preparing the initial proposal resulting in enhancement in the scope of work from ₹ 21.93 crore to ₹ 37.36 crore and a time overrun of 45 months from January 2021 to October 2024. Further, as three diversion roads were not provided in the original agreement, the expenditure on these roads should have been incurred only after inviting fresh tenders.

It was intimated (December 2024) that the agreement was got enhanced from the Sub Committee of Cabinet in October 2023 for ₹ 37.33 crore and payment of ₹ 37.36 crore had been made upto 15 th Running Account Bill in October 2024.					
Sr. No.	Sr. No. in Appendix 5.1 & Department Name	Name of work	Initial agreement amount	Enhanced to	Percentage of Enhancement
2.	8 PWD (B&R)	Jagadhari Ambala Road to Munnerheri	1.14	4.63	306.14
<p>The detailed estimate for the work of providing 20 mm Premix Carpet on the road was approved in August 2019 for ₹ 1.11 crore. The work was allotted in September 2019 with an agreement amount of ₹ 1.14 crore with a time limit of six months. However, on public demand, the specifications of work changed by providing 50 mm Bituminous Macadam. Revised administrative approval (AA) of ₹ 3.77 crore was granted in September 2020. Though the work was completed in June 2021, the agreement was enhanced to ₹ 4.63 crore. The final payment of ₹ 4.53 crore was made in May 2024. The enhancement in agreement got approved from Sub Committee of Cabinet in October 2023.</p> <p>Para 10.10.4 of the HPWD Code provides that the estimate of a road project should bring out prevailing or expected traffic volume, CBR⁷ evaluation and pavement design, etc. Traffic census should be conducted for designing of pavements. In this case, no such exercise was conducted and the agreement was enhanced only on local demand.</p> <p>The Superintending Engineer, Ambala replied (July 2023 and December 2024) that the condition of the road worsened due to the lapse of time in allotment of work. Hence the specifications were changed as per requirement. The reply was not tenable as the work was allotted in September 2019, within one month from the approval of estimate. Further, in absence of traffic census it cannot be ensured that the specifications were enhanced as per requirement.</p>					
3.	10 PWD (B&R)	All weather swimming pool at Ambala Cantt.	8.29	31.35	278.17
<p>The work was allotted to an agency in March 2019 for ₹ 8.29 crore with a time limit of 18 months. However, on the demand of the public representative the scope of work was increased by adding warming up pool, boxing hall, increased sitting area, etc. and the agreement was enhanced to ₹ 26.56 crore by the competent authority in November 2021. Instead of calling fresh tenders for newly added structures in terms of Para 13.7.2 for obtaining competitive rates, the works were got executed by enhancing the agreement amount. Initially the AA was granted for ₹ 15.91 crore in February 2018 which was revised for the first time in December 2020 to ₹ 33.14 crore and for the second time in October 2021 to ₹ 43.90 crore. The agency completed the work in December 2021 for which final payment of ₹ 31.35 crore was made in September 2024.</p> <p>The Superintending Engineer, Ambala admitted (July 2023) that the scope of work was increased on demand of Public representative. Further, the enhancement case was approved by the Sub Committee of Cabinet in July 2024.</p>					

In these works, the scope of work increased due to stated demand of the public and local representatives. In the absence of traffic census, requirements of better specifications of road could not be justified. The new structures were got executed without inviting fresh competitive tenders on the earlier allotted rates.

During the exit conference (July 2023), the ACS, PWD (B&R) stated that the demands of public representatives cannot be ignored and revisions were made to fulfil their demands. Further, the Department had decided that for ROBs, viaduct portion will be provided with passage to local residents. The fact, however, remains that local requirements/demands should have been assessed at the time of preparing detailed estimates.

⁷ California Bearing Ratio to measure strength of the road pavement.

(vi) Keeping tender amount initially lower than the e-tendering limit

As per Para 13.6.3(l) of HPWD Code, the amount of tender shall not be artificially pitched low with the sole purpose of keeping it initially within the tender accepting limit of a particular authority and subsequently enhancing the tender amount to the full cost of work. The State Government fixed the threshold limit for e-tendering as ₹ one lakh from June 2016. As such offline tenders can be called for a work costing less than ₹ one lakh. As per delegation of technical powers, the Executive Engineer can accept tenders only up to ₹ five lakh.

In Public Health Engineering (PHE) Circle, Sirsa, it came to notice that 113 works were allotted during January 2019 to September 2021 by inviting offline tenders (the tender notices were pasted on the notice board of the Division) by keeping the estimated cost of works less than ₹ one lakh. Afterwards the Executive Engineers (EE) enhanced each agreement by increasing the scope of work up to ₹ 4.99 lakh i.e. the upper limit up to which the EE can accept tenders. The total agreement amount in these 113 agreements increased from ₹ 1.11 crore to ₹ 5.11 crore.

In PHE Circle Hisar, 66 works were allotted between September 2018 and March 2022 for ₹ 0.63 crore through offline tendering which were afterwards enhanced to ₹ 5.10 crore (between ₹ 3.11 lakh and ₹ 19.58 lakh). In violation of provisions Para 10.1.2 of the HPWD Code, for all these 179 cases, detailed estimates explaining the object to be gained, reasons for adopting particular design in preference to others, quantities of various items to be executed, etc. were not prepared. In the absence of detailed estimates, actual requirements and reasons for enhancement could not be authenticated in audit.

Keeping the initial tender amount below the threshold limit of ₹ one lakh poses risks of vitiating the process and extending undue benefits to selected contractors by awarding works on nomination basis and execution of works at non-competitive rates due to the lack of transparency and competition in the tendering process.

5.6 Reduction/deviations in scope of work

As per paragraph 9.3.10 of the HPWD Code, in case there are material deviations from the original proposal, even though the cost may possibly be covered by saving on other items, revised estimate is required to be submitted to obtain revised administrative approval. Further paragraph 9.5.2 provides that if, subsequent to the grant of technical sanction, material/or structural changes are contemplated, the orders of the original sanctioning authority shall be obtained, even though no additional expenditure may be involved by the alterations. During audit, it came to notice that in 19 works (*Appendix 5.2*), changes which occurred during execution of work were not got sanctioned from the competent authority and the works held up for long periods were not closed.

The irregularities noticed are discussed in the following sub-paragraphs:

(i) Reduction in scope of work

Reduction in scope of work was noticed in four cases which are detailed at Sr. no.1 to Sr. no.4 of **Appendix 5.2**.

In the following work, the scope of work was reduced but revised detailed estimate were not prepared and approval from the competent authority was not obtained in violation of codal provisions.

(₹ in crore)

Sr. No. in Appendix 5.2 & Department Name	Name of work	Initial agreement amount	Payment made
4 PWD (B&R)	Four laning and strengthening of Dhand Pundri Rajound Alewa Road km 0 to 15.40	22.42	19.68
<p>Three detailed estimates for the entire road were got approved for ₹ 32.55 crore. A collective DNIT for ₹ 25.67 crore was approved, and the work was allotted in January 2017 for ₹ 22.42 crore with a time limit of 18 months from the date of start i.e. March 2017.</p> <p>Payment of ₹ 19.68 crore had been made to the agency for 15th Running Account Bill paid in October 2020. Out of this amount, ₹ 1.77 crore was paid for extra executed items and ₹ 0.12 crore was paid for escalation. Thus, work to the tune of ₹ 17.79 crore had been executed against the agreement amount of ₹ 22.42 crore. No work was executed after October 2020. Neither was the bill finalised nor was approval for variation sought from the competent authority.</p> <p>Audit noticed that out of total 15.400 km road construction approved, approximately two km road was not got constructed. Interlocking paver blocks in 18,700 sq mtr were not laid. However, 8,529 mtr 100 mm DI pipeline got laid and household connections (₹ 1.77 crore) were got executed from the contractor for which there was no approval from the competent authority. Thus, revised estimate for the reduced scope of work were not got approved from the competent authority in terms of Para 10.16.8 of the HPWD Code and irregular expenditure of ₹ 1.77 crore was incurred.</p> <p>During the exit conference (July 2023), the departmental officers intimated that the scope of construction of road might have been reduced due to non-requirement at site. Further, the work of laying of DI pipeline was required to be executed before construction of road. So the work was got executed from the agency. The case for approval of variation from the competent authority was submitted in November 2024. The fact, however, remains that variations have not been got approved from the competent authority and the final bill was also pending.</p>			

(ii) Changes in items of work during execution

In HPHC and HSIIDC, it was noticed that in 14 works, the items of agreement were changed significantly (**Appendix 5.4**). The variations were not got approved from the competent authority. A total payment of ₹ 99.10 crore was made against the agreement amount of ₹ 110.05 crore in these works. In these 14 works, it was noticed that some items executed at site were not part of the Detailed Notice Inviting tenders (DNIT), some items of DNIT were not executed at all and some items were executed with variation more than 20 per cent as shown in **Table 5.6.1**.

Table 5.6.1: Variation in execution of items noticed in test checked works

Sr No.	Variations	No. of items	Amount (₹ in crore)
1.	Items executed at site which were not part of the Detailed Notice Inviting Tenders	363	4.96
2.	Items of Detailed Notice Inviting Tenders not executed at site	359	8.44
3.	Items of Detailed Notice Inviting Tenders in which there were variation of more than 20 per cent	528	21.11
	Total Variation		34.51

5.7 Undue benefit to the contractor by allowing higher rates

In the following works, one of the factors for enhancement was higher rates allowed on items already included in the agreement. Audit observed that an extra payment of ₹ 73.73 crore was made to the executing agencies.

Table 5.7.1: Test checked works where excess payment was made to contractors

(₹ in crore)

Sr. No.	Department	Name of work	Excess payment made	Amount recovered
1.	PWD (B&R)	NCC Academy at Gharaunda (Karnal)	2.99	2.99
2.	PWD (B&R)	Construction of Boundary Wall at Kalpana Chawala Medical University, Kutail (Karnal)	3.16	--
3.	PWD (B&R)	Upgradation of War Memorial Stadium at Ambala Cantt.	65.38	--
4.	PWD (B&R)	Construction of Government College at Jundla (Karnal)	1.88	3.65
5.	PWD (B&R)	Four laning of Ladwa Shahbad Road (SH-07) from km 43.10 to 45.50 (2.40 km) in Babain town	0.10	--
6.	HSVP	Providing and laying of 500 mm i/d RCC NP3 pipeline, construction of manhole chamber etc. from Sec-17 (Pocket-C) to leg no. II Sector dividing road 14/17, Gurugram.	0.22	--
		Total excess payment made	73.73	

The works given at Sr. Nos. 1 to 3 have been discussed in paragraphs 5.5 A to 5.5 C. In the first and second works, excess payments were made to the contractors by allowing higher rates for earthwork. Against the tendered rates of ₹ 150 per cum and ₹ 160 per cum, payments were made at the rate of ₹ 300 per cum, resulting in overpayments. In case of the first work, recovery of the excess amount was made in the subsequent running bill after being pointed out by Audit. In the third work, the departmental committee had observed that an excess payment of ₹ 65.38 crore had been made to the contractor due to unexecuted items and inflated rates for non-scheduled items. Recovery of this amount was still pending at the time of reporting.

Details of the works listed at Sr. Nos. 4 to 6 are discussed below:

- **Sr. No. 4** - As per original DNIT, there was a provision of 26,405 cum of earth work for which the contractor had quoted ₹ 145 per cum. In 18th Running Account Bill, total quantity of earth work executed was 1,48,070 cum. Payment for original quantity (26,405 cum) was made at the rate of

₹ 145 per cum but payment for additional quantity of 1,21,665 cum was made at the rate of ₹ 300 per cum. An extra payment of ₹ 1.88 crore had been made to the agency. On being pointed out by Audit, total earthwork of 1,21,665 cum was deducted (in 19th Running Account Bill paid in June 2022) from the work executed, resultantly, recovery to the tune of ₹ 3.65 crore was made.

- **Sr. No. 5** - As per agreement for the item Cement Concrete 1:1.5:3 agreed rates were ₹ 3,600 per cum. However, the payment was made at the rate of ₹ 5,966.40 per cum for 431.94 cum quantities executed of this item. As such, an excess payment of ₹ 10.22 lakh (₹ 2,366.40 * 431.94 cum) was made to the contractor. The Executive Engineer replied (December 2024) that the issue of excess payment would be examined at the time of final payment.
- **Sr. No. 6** - At the time of approval of enhancement, the Additional Chief Engineer, HSVP, Gurugram had directed that escalation clause of bitumen was to be followed. However, no recovery was made for decline in rates of bitumen and an excess payment of ₹ 21.67 lakh had been made to the agency. The matter was brought to the notice of the department (January 2023). No reply (Sr. No 5 and Sr. No 6) has been furnished (May 2024).

5.8 Impact of enhancement

5.8.1 Incomplete Works due to non-approval of enhancement

Paragraph 16.37.1 of the HPWD Code provides that there are many factors which have a bearing on completion of work and the fallout of which can be avoided or minimised with sufficient preparedness and foresight. The broad guidelines under the paragraph include (i) Survey work should be thorough and the site conditions should not materially differ from what have been described in the tender; (ii) the decisions sought should be given without undue hold up; and (iii) the progress should be monitored regularly.

It was however noticed that due to shortcomings in assessment of site conditions, indecisiveness on the part of various authorities and failure in monitoring the progress, following works could not be completed and the expenditure incurred on these works was lying unfruitful. These works have been delayed for periods ranging between 18 to 60 months due to delay/non-approval of enhancement.

(₹ in crore)

Sr. No.	Sr. No. in Appendix 5.1	Name of work	Initial agreement amount Date of award (Target period of completion)	Status of Expenditure (as of December 2024)
1.	3.	NCC Academy Gharaunda in Karnal District	17.91 02 July 2018 (24 months)	42.17 (18 th R. Bill date 11 December 2020)
All the structures such as Boys Hostel, Girls Hostel, Boundary wall, etc. were lying incomplete due to failure in assessment of site conditions. Structures such as Administration/Guest House, Amenities Block, road and parking were not started so far (July 2023). The structures remained incomplete and some components could not be started as the entire funds released by the department have been expended.				
2.	7.	Stadium at Ambala Cantt	40.49 20 March 2017 (24 months)	114.03 (31 st R. Bill date 22 May 2021)
The work of stadium was incomplete even after incurring expenditure of ₹ 114.03 crore against the agreement amount of ₹ 40.49 crore. The work remained incomplete for want of decision on the objection raised by the Superintending Engineer in respect of extravagant expenditure over and above the agreement amount and extra rates allowed for structural steel.				
3.	12.	Kabaddi Hall with facilities of Kabaddi Academy in Village Pai in Kaithal District	3.65 13 September 2019 (12 months)	5.00 (3 rd R Bill date 16 July 2021)
The entire budget provided by the client department lapsed and the work was left incomplete for want of further funds and lack of monitoring by departmental authorities.				
4.	19.	Various buildings of RVDEC i.e. Technical-cum-administrative block, post mortem block and outdoor clinic block at village Keorak in Kaithal District.	4.99 11 January 2019 (18 months)	5.83 (6 th R Bill date 22 September 2024)
An additional amount of ₹ 8.31 crore (approx.) will be required for completion of RVDEC at Keorak in all respects. There was lack of monitoring on the part of departmental authorities at the time of preparing detailed estimate as well as during execution of work.				
5.	20.	New Sports Stadium at Samaspur, Charkhi Dadri	10.85 10 February 2020 (18 months)	11.10 (4 th R Bill date 6 June 2024)
The site conditions were not assessed at the time of preparing detailed estimate. The structures proposed in Phase I could not be completed.				

During the exit conference (July 2023), the ACS, PWD (B&R) informed that the decisions were being taken on these projects and works will be started very soon.

5.8.2 Time overruns

As per paragraph 16.37.1 of the HPWD Code, time overruns are likely to result in higher project cost, contractual claims, delay in the use of facility and possible loss of revenue. There was inordinate delay in completion of works due to enhancement and variation. It was noticed that in 13 works (*Appendix 5.5*),

there was time overrun ranging between four and 45 months in completion of works resulting in cost overrun of ₹ 59.51 crore against the initial agreement amount of ₹ 102.49 crore (58.06 per cent).

Delay in completion of the project causes delay in deriving benefits from the public expenditure.

5.9 Internal Control and Monitoring System

Internal controls are activities and safeguards that are put in place by an organisation to ensure that its activities proceed as planned. An effective internal control system is a prerequisite for any successful organisation. Monitoring system of an organisation is very crucial for implementation and continuance of the programme. Effective monitoring ensures proper implementation. This acquires greater importance in programmes where the focus is on expediting progress of works and ensuring completion within stipulated timelines.

Audit examination, however, disclosed a number of deficiencies with regard to adequacy of the internal control and monitoring system which are highlighted in the following paragraphs:

5.9.1 Release of funds beyond the approved amount

In 14 cases, expenditure was incurred over and above the agreement amount without seeking approval for enhancement in agreement amount from the competent authority (*Appendix 5.3*). Even though in PWD (B&R), the budget is released by the EIC, PWD (B&R) office for each running bill of the contractor, the EIC office ignored the huge enhancements in agreements and released funds.

It was noticed that in 14 cases against the agreement of ₹ 108.91 crore, payment of ₹ 255.70 crore had been made without obtaining approval from the competent authority. In 27 cases, the enhancement cases were submitted after completion of work and approval was given by the competent authority after expenditure over and above agreement amount was incurred. As such prior approval was not obtained before making payment over and above the agreement amount.

5.9.2 Revised approval of enhancements without the detailed estimates

In PWD (B&R) the revised estimate for the enhanced scope of work was not submitted for approval in even a single case. Out of a total of 26 test-checked cases of PWD (B&R), enhancements were approved by the competent authority in 15 cases. All the 15 enhancements were approved by the competent authority without seeking and passing the revised detailed estimate. In the absence of revised detailed estimates, the basic change in structures could not be assessed in audit.

5.9.3 Non-defining new timeline for projects at the time of enhancement

As per para 13.6.3 of the HPWD Code, terms of the contract should be precise and definite and shall give no room for ambiguity or misconstruction. Apportionment of risks, responsibilities and obligations of the Employer, Engineer and the Contractor should be comprehensive. Para 16.3.1 provides that for works costing more than ₹ two crore, the contractor shall be required to submit his construction programme bringing out the sequence of work and dates of commencement and completion of various stages/milestones. For works of less value, the need for work programme may be dispensed with, but their timely completion shall not be ignored.

In all the 98 test checked cases of enhancement, new timeline for various components of work as well as for the entire work were not re-fixed.

5.9.4 Non obtaining performance guarantee for enhanced amount

As per Paragraph 13.12.1 of the HPWD Code as well as terms and conditions of the Standard Bidding Document, the successful tenderer has to furnish performance security equal to five *per cent* of the contract price which may be in the form of bank guarantee to be kept as a surety that the contractor completes the work satisfactorily. At the time of approving enhancements, the competent authority had also instructed that performance guarantee for the differential amount be obtained from the contractor.

However, it was noticed that performance guarantee for enhanced agreement amount was not obtained from the contractors in any of the 98 test checked cases and as such, the interest of the State was not safeguarded to that extent.

5.9.5 Releasing of retention money before completion of work

As per clause 48.1 of the two contract agreements⁸ in Ambala, six *per cent* retention money is to be deducted from the running bills of the contractor subject to maximum five *per cent* of the overall agreement amount. The retention money so deducted is to be refunded by 50 *per cent* immediately after completion of the work to the satisfaction of Engineer-in-Charge and balance 50 *per cent* is to be released after completion of defect liability period. It was, however, noticed that in the above mentioned two cases, out of total ₹ 31.17 crore retention money deducted from the running account bills of the contractors, ₹ 16.80 crore⁹ had been refunded to the contractors even though the

⁸ (i) Up-gradation of Stadium (Construction Stadium, IAAF approved synthetic track, FIFA approved artificial Football Turf) in Stadium at Ambala Cantt (Sr. No. 7 of Appendix 5.1) and (ii) Construction of War Memorial at Ambala Cantt in the Honour of Martyrs of the First War of India's Independence 1857 (Sr. No. 11 of Appendix 5.1).

⁹ Sr. No. 7 of Appendix 5.1: ₹ 3.44 crore (77 *per cent*) out of ₹ 4.45 crore and (ii) Sr. No. 11 of Appendix 5.1: ₹ 13.36 crore (50 *per cent*) out of ₹ 26.72 crore.

works were still in progress. This was not only against the provisions of the contract agreement, but the interests of the State Government were also compromised. The matter was brought to the notice of the department (January 2023). The Superintending Engineer, PWD (B&R) Ambala replied (December 2024) that the retention money was released against the bank guarantee. The reply was not tenable, as releasing of retention money before the completion of work was against the provisions of the PWD Code, thereby compromising the interests of the State Government.

5.10 Conclusion

As per codal provisions, revised estimates should be got approved and revised administrative approval should be obtained where there are deviations of more than 10 *per cent* of the original proposal. Audit test-checked 98 cases where enhancement was more than 20 *per cent* and observed that payments were made without getting enhancements approved from the competent authority in 14 cases and in 27 cases enhancements were got approved retrospectively after making payments over and above the contract price.

Audit observed that enhancements occurred due to improper assessment of site conditions at the time of preparation of detailed estimates, addition of new items/structure after allotment of the works, change in specifications after allotment of work, non-finalisation of scope of work before awarding to contractor and changes in specifications/additions due to demand of public representatives. In all the test checked cases, the works were got executed and payments were made without getting the revised estimates approved and without obtaining revised administrative approvals.

In certain PHED divisions, the tender amount was initially kept less than ₹ one lakh to avoid e-tendering and was enhanced subsequently. It was noticed that five projects were lying incomplete after making payment of ₹ 178.13 crore against the contract price of ₹ 77.89 crore. In 13 cases there was time overrun between 4 to 45 months. In 14 cases payment of ₹ 255.70 crore had been made against the agreement amount of ₹ 108.91 crore without getting the enhancement approved from the competent authority. Undue benefit of ₹ 73.73 crore was also granted to contractors by allowing higher rates, out of which ₹ 6.64 crore was recovered after pointed out by Audit. Moreover, retention money of ₹ 16.80 crore was refunded to two contractors before completion of work in violation of clauses of agreements.

5.11 Recommendations

1. Compliance of provisions of Haryana PWD Code should be ensured:
 - by assessing site conditions before preparing detailed estimates and

inviting tenders;

- by submitting revised estimates for changes in quantities and methods of execution; and
 - by inviting separate competitive tenders for the works which were not integral parts of the original projects.
2. Local requirements and demands should be taken into account at the time of preparing project reports;
 3. Internal controls should be strengthened for keeping a check on payments over and above the agreement amount and administrative approval; and
 4. Efforts should be made to complete the incomplete projects as early as possible to derive the intended benefits from the Government investments.

Chapter 6

Compliance Audit Observations (Departments)

CHAPTER 6

Compliance Audit Observations (Departments)

Women and Child Development Department

6.1 Extra payment of premium to Life Insurance Corporation under “Aapki Beti Hamari Beti Scheme”

Lack of mechanism to identify and weed out duplicate beneficiaries under the scheme during the processing of applications for approval and sanctioning of funds resulted in grant of multiple benefits to 7,402 beneficiaries, which led to extra payment amounting to ₹ 15.54 crore to LIC.

With an aim to improve the child sex ratio in the State, the Government of Haryana (GOH) notified (August 2015) operational guidelines in respect of *Aapki Beti Hamari Beti* Scheme (ABHB). The scheme is being implemented in the State covering the first girl child born in the families belonging to Scheduled Castes and all Below Poverty Line and second/twin/multiple girls born on or after 22 January 2015 in any family in Haryana. The scheme further included (March 2017) all families whose third girl child was born on or after 24th August 2015 to receive the benefits.

Under the Scheme, all beneficiaries receive one-time grant of ₹ 21,000. The money is invested with Life Insurance Corporation of India (LIC) in the name of the beneficiary through her mother/father/guardian by the office of the District Programme Officer (DPO). LIC issues a membership certificate in favour of each beneficiary enrolled with them. The maturity value of the investment was payable after attaining 18 years of age. As per para 10 of the notification of August 2015, the benefit could be withdrawn at any stage, if it was found that the benefit was sanctioned incorrectly.

As per procedure adopted by the Department, the beneficiaries are required to submit applications through SARAL portal. The applications are forwarded to Women and Child Development Project Officer (WCDPO) for verification of eligibility and checking of duplicacy. After scrutiny of applications, the applications are forwarded to concerned DPO for approval, sanctioning and depositing the amount with LIC.

During scrutiny of records at DPO, Sonipat (October 2022) and WCDPO Julana, Jind (November 2022), Audit noticed that the Department had made payments of one-time grant of ₹ 21,000 to LIC multiple times for a number of beneficiaries under the ABHB scheme. Thereafter, LIC data of other districts was also called for from O/o Director General (DG), WCD. Scrutiny of the data revealed that the State enrolled 3,60,188 girl beneficiaries for the period from

January 2015 to July 2022 and paid a premium of ₹ 756.39 crore¹ (₹ 21,000 for each beneficiary) to LIC. On application of duplicate filter² (on name, date of birth, name of their father and mother) on the data, audit found that 7,723 beneficiaries (**Appendix 6.1**) were registered more than once (two/three/four/five/six and nine times). Thus, multiple LIC certificates in 8,238 cases were issued to these 7,723 beneficiaries resulting in excess payment of ₹ 17.30 crore³.

It was noticed that the processes of ABHB scheme were not automated. Functions such as making list of beneficiaries, drawing funds from treasury and sending the list to LIC were done manually. Hence, there was no mechanism at district level to identify and weed out duplicate beneficiaries during the processing of applications for approval and sanctioning of funds.

The Department, while admitting the facts, stated (July 2023) that it had recovered ₹ 2.09 crore in 836 cases from LIC and were making continuous efforts for the recovery of the balance amount. The Department further stated that instructions had been issued to improve the IT system and assured to fix responsibility on the concerned officers/ officials for the same. The Department further intimated (September 2024) that it had recovered ₹ 6.79 crore in 1,966 cases, however, no details of recovery were provided.

Thus, due to lack of mechanism to identify and weed out duplicate beneficiaries under the scheme during the processing of applications for approval and sanctioning of funds resulted in grant of multiple benefits to 7,402 beneficiaries, which led to extra payment amounting to ₹ 15.54 crore⁴ to LIC.

The matter was referred (March 2023) to the Government for reply/comments; their reply was awaited (January 2025).

Recommendation: *The State Government should take steps to recover the excess payments made under the Scheme and plug the loopholes in the portal to prevent duplication of beneficiaries in future.*

Irrigation and Water Resources Department

6.2 Unfruitful expenditure on non-functional restaurant

The construction of a restaurant near Hathnikund Barrage Rest House without a prior firm plan of its utilisation and involvement of Tourism Department led to unfruitful expenditure of ₹ 1.74 crore.

As per para 2.1 of the Haryana Tourism Policy, 2008, tourism was treated as a multi-sectoral activity with effective linkages and close co-ordination among

¹ 3,60,188 beneficiaries x ₹ 21,000 = ₹ 756.39 crore

² Using IDEA software

³ ₹ 17.30 crore = 8,238 cases x ₹ 21,000 in each case

⁴ 8,238 – 836 = 7,402 beneficiaries x ₹ 21,000 = ₹ 15.54 crore

various Departments and Corporations. As per policy, Haryana Tourism Department was the nodal department for finalization of proposals for development and promotion of tourist destinations. Further, para 4.7 of the policy states that the lease/auction of land *etc.* for the tourism projects will be executed by the Haryana Tourism Corporation (HTC), as an agent of the State Government.

With an objective to develop the Hathnikund Barrage as a tourist hub, the Additional Chief Secretary to Government of Haryana, Irrigation and Water Resources Department, administratively approved (February 2016) the Renovation and Beautification of the park including construction of a restaurant at Hathnikund Barrage (project) at a cost of ₹ 15 crore. The project had provisions for construction of a restaurant, children's park and open platform, food kiosk, open air theater-cum-performance platform, children's rain shower point, *etc.*

During scrutiny of records (September 2022) of the office of the Executive Engineer (EE), Water Services Division, Jagadhri, Audit noticed that as a part of this project, Chief Engineer, Yamuna Water Services (N), Panchkula approved (December 2017) an estimate amounting to ₹ 1.42 crore for the work titled "Construction of restaurant near Hathnikund Barrage Rest House on Jagadhri to Ponta Sahib Road" which was revised to ₹ 1.57 crore (January 2021). Subsequently, after the bidding process, the work was awarded (May/October 2018) to an agency for an agreement amount of ₹ 1.60 crore⁵ with a completion time limit of seven months. The agency completed (February 2020) the work with *ex-post facto* time extension for an amount of ₹ 1.54 crore.

Further scrutiny of records revealed that after a delay of approximately 21 months, the Department invited (November and December 2021) tenders twice to lease out the restaurant/bar at a minimum reserve price of ₹ one lakh per month and security deposit of ₹ 25 lakh but no agency came forward. After non-participation of any agency in the e-auction process, the EE concerned submitted a proposal (March 2022) for relaxation in the terms and conditions of the Detailed Notice for Inviting Tenders (DNIT) quoting minimum reserve price as ₹ 0.50 lakh per month and security amount of ₹ 10 lakh to the Superintendent Engineer (SE) concerned. The SE returned the same with the directions to contact the Tourism Department to take up the matter of leasing out restaurant/bar. The Department thereafter requested (March 2022) the Tourism Department to take over the work of leasing out the restaurant with the same terms and conditions on which tenders were previously issued. Meetings between both the Departments were conducted (March and April 2022) to resolve the issue of leasing out the restaurant. On

⁵ ₹ 1.60 crore = Construction of Restaurant - ₹ 1.42 crore (May 2018) + Electric work of Restaurant- ₹ 0.18 crore (October 2018)

behalf of the Tourism Department, HTC agreed (August 2022) to take over the work for leasing out of bar/restaurant at Hathnikund Barrage in due course of time, once the adventure activities started at the site, anticipating better participation of bidders for bar/ restaurant after that.

Audit further observed that though the civil work of the project had already been completed, the horticulture work was still to be executed (April 2023). As per Tourism Policy of the State, the Department was required to *ab initio* involve the Tourism Department/ HTC to implement the project (May 2018) which was done 46 months (March 2022) after the start of the project and 25 months after construction of the restaurant. Audit also observed that an amount of ₹ 0.20 crore had also been incurred from February 2020 to July 2022 on the watch and ward of the restaurant.

On being enquired, HTC confirmed (January 2023) that the Irrigation & Water Resources Department did not consult the Corporation before taking up the project. Further, the HTC intimated that before conducting the feasibility study for the assessment of the viability of licensing out of restaurant/bar to a private vendor, the process to license out adventure/water sport activities at Hathnikund Barrage would be done. HTC floated a tender to license out adventure/water sport activities at Hathnikund Barrage (August 2022) but did not receive any bid for the same and a revised tender was being prepared. The Engineer-in-Chief of Irrigation & Water Resources Department stated (May 2023) that the work of construction of the restaurant was completed in February 2020. However, the matter to lease out the restaurant/bar was still in process with the Tourism Department. On further enquiry (September 2024) about the updated status, Executive Engineer, Water Services Division, Jagadhri intimated (September 2024) that the restaurant/bar was still to be leased out.

Thus, construction of the restaurant without a prior firm plan of its utilisation and involving the Tourism Department rendered the expenditure of ₹ 1.74 crore⁶ incurred unfruitful, while the intended benefits from the investment could not be derived (September 2024).

The matter was referred (February 2023) to the Government for their reply/comments. The reply was awaited (January 2025).

Recommendation: The Department should ensure conducting a feasibility study before taking up such projects in future. The State Government should take effective steps to lease out the restaurant and ensure that the tourism hub is functional at the earliest.

⁶ ₹ 1.74 crore = ₹ 1.54 crore (expenditure on project) + ₹ 0.20 crore (expenditure on watch and ward of restaurant).

6.3 Avoidable expenditure due to late deposit of funds

Due to lackadaisical approach of the Department in making payment of compensation to the landowners, inordinate delay of 1,593 days occurred in payment of enhanced compensation which led to avoidable interest burden of ₹ 2.07 crore.

Rule 2.10 (a) of the Punjab Financial Rules, Volume-I, also applicable in Haryana, provides that every Government employee incurring or sanctioning expenditure from the revenues of the State should be guided by high standards of financial propriety. Rule 2.10 (a) (1) further provides that every Government employee is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of the expenditure of his own money. Further, as per Section 23 of the Land Acquisition Act, 1894, total compensation payable to the landowners for acquisition of land includes the market value of the land, interest amount at the rate of 12 *per cent* per annum from the date of notification under Section 4 (1) to the date of award under Section 11 and a sum of 30 *per cent* (solatium) on such market value.

In order to acquire 13.22 acre land for the purpose of digging drain in Bibipur Lake from Escape SYL, Narwana Branch Canal to Saraswati Drain Head from RD 0 to 52,700, the District Revenue Officer cum Land Acquisition Collector, Kurukshetra (DRO-cum-LAC) announced (21 September 2011) an award of ₹ 3.57 crore⁷ for paying land compensation to landowners.

Aggrieved by the award, the landowners filed (May 2014) a court case in the Court of Additional District Judge, Kurukshetra (ADJ) for enhancement of compensation. The ADJ awarded (29 April 2016) an enhanced compensation at the rate of ₹ 27.60 lakh per acre alongwith other statutory benefits. In addition, the Court also directed that the landowners were also entitled for payment of interest at the rate of nine *per cent* per annum on the compensation amount for the period of one year from the date of taking over the possession and at the rate of 15 *per cent* per annum from the date of expiry of such period of one year till the payment is made or deposited in the Court as per Section 28 of the Act.

In June 2016, the Legal Remembrancer (LR) opined that the case was fit for appeal and forwarded (10 June 2016) the proposal to Advocate General, Haryana for filing the Regular First Appeal (RFA) against the enhanced compensation within the limitation period (which was expiring on 29 July 2016). The Advocate General, Haryana also requested (14 June 2016) the

⁷ ₹ 356.90 lakh = Cost of land: ₹ 264.37 lakh (@ ₹ 20 lakh per acre) + Solatium: ₹ 79.31 lakh (30 *per cent* of ₹ 264.37 lakh) + Additional Amount: ₹ 12.21 lakh (by calculating interest @ 12 *per cent* on ₹ 264.37 lakh upto 20 September 2011).

Executive Engineer (EE), Water Services Division, Kurukshetra to depute an officer for filing the RFA within the limitation period. Since the Department did not take any action as per the above opinion/advice, the Advocate General, Haryana again requested (November 2016 and April 2018) the Executive Engineer (EE), Water Services Division, Kurukshetra for deputing an officer for condonation of the delay and obtaining a stay on operation of the order.

After a delay of 760 days⁸, RFA was filed (August 2018) by the Department in the Hon'ble Punjab and Haryana High Court for stay alongwith condonation of delay. The Hon'ble High Court dismissed (14 September 2018) the stay application and ordered the Department to release the enhanced compensation amount to the landowners.

Thereafter, no action was taken by the Department towards payment of enhanced compensation till 15 July 2019 when EE, Water Services Division, Kurukshetra submitted the proposal for payment of enhanced compensation to Superintending Engineer (SE), SYL Circle, Ambala after a delay of 302 days⁹ which was forwarded by SE to Engineer-in-Chief (EIC), Irrigation & Water Resources Department, Panchkula. However, EIC returned the case directing (30 July 2019) the Superintending Engineer to take opinion from the LR for filing SLP in the Hon'ble Supreme Court. Again, no action was taken till 29 June 2020 when EE Water Services Division, Kurukshetra, sought opinion from LR for filing of SLP after delay of 333 days¹⁰. This time, the LR did not find (21 August 2020) the case fit for filing of SLP. After a delay of 198 days¹¹, payment of ₹ 747.31 lakh¹² was made (31 March 2021) to the ADJ, Kurukshetra.

During scrutiny of records of the office of Executive Engineer, Water Services Division, Kurukshetra (under the control of office of SE, SYL Circle, Ambala) for the period from September 2019 to July 2022, Audit observed (November 2022) that after announcement of compensation award by the ADJ in April 2016, no enhanced compensation was paid and no action was taken to file an RFA against the enhanced compensation despite the opinions/advice regularly given by the LR/ Advocate General Haryana. There was inordinate delay of 1,593 (760 + 302 + 333 + 198) for filing the RFA, submission of proposal to the higher authority, taking opinion from LR and payment of compensation to the landowners. This resulted in avoidable payment of interest of ₹ 2.07 crore¹³ on the enhanced compensation to the landowners.

⁸ Delay of 760 days is worked out from 1 July 2016 to 31 July 2018.

⁹ Delay of 302 days is worked out from 15 September 2018 to 15 July 2019.

¹⁰ Delay of 333 days is worked out from 30 July 2019 to 29 June 2020.

¹¹ Delay of 198 days is worked out from 22 August 2020 to 8 March 2021.

¹² Enhanced compensation: ₹ 316.78 lakh + interest amount: ₹ 430.53 lakh

¹³ ₹ 207.38 lakh = ₹ 316.78 lakh (balance amount to be paid to landowners as per award dated 29 April 2016) * 15 per cent* 1593/365 days.

On being pointed out, the Department stated (June 2023) that the delay was not intentional and there were two pending cases with similar names¹⁴. The case in question was found fit for appeal by the LR and the other case was not found fit for appeal by the LR. The opinion of LR of not appealing was mistakenly considered for this case by the Departmental officers/officials. Further, there was no delay, rather it was the procedural time required for completing the formalities like assessing legal heir of one deceased beneficiary, taking opinion from LR and calculating the interest portion.

The reply is not acceptable as the departmental officers/officials did not perform their duties promptly with due care. Due to this lackadaisical approach of the Department towards filing of RFA, submission of proposal to higher authority, taking further opinion from LR and making payment of compensation to the landowners resulted in inordinate delay of 1,593 days in the final payment of enhanced compensation which led to avoidable interest burden of ₹ 2.07 crore.

The matter was referred (February 2023) to the Commissioner and Secretary, Irrigation and Water Resources Department, Government of Haryana for their reply/ comments. The reply was awaited (January 2025).

Recommendation: The State Government may consider fixing responsibility of concerned officials/ officers for inordinate delay in compensating the landowners.

Urban Estate Department

6.4 Excess payment of compensation to landowners for their acquired land

There was excess payment of compensation of ₹ 3.42 crore to landowners due to erroneous measurement of land published in the Award. The Department has failed to recover the overpaid amount along with the interest of ₹ 3.25 crore.

Section 9 (1) of the Land Acquisition Act, 1894 provides that the Collector¹⁵ shall cause public notice to be given at convenient places on or near the land to be taken, stating that the Government intends to take possession of the land, and that claims for compensation for all interests in such land may be made to him.

Section 13A of the Act provides for correction of clerical errors. The Collector

¹⁴ Case No. LAC 24 of 2014 titled Mahinder Singh vs State of Haryana (present case) and Case No. LAC 69 of 2015 titled Mahinder Singh vs State of Haryana (other case).

¹⁵ The “Collector” means the Collector of a district and includes a Deputy Commissioner and any officer specially appointed by the State Government to perform the functions of a Collector under the Act.

may, at any time but not later than six months from the date of the award, or where he has been required under Section 18 to make a reference to the Court, before the making of such reference, by order, correct any clerical or arithmetical mistakes in the award or errors arising therein. The Collector shall give immediate notice of any correction made in the award to all the persons interested. Where any excess amount is proved to have been paid to any person as a result of the correction made under sub section (1), the excess amount so paid shall be liable to be refunded and in the case of any default or refusal to pay, the same may be recovered as an arrear of land revenue.

During scrutiny of records (February 2023) in the office of Land Acquisition Officer, Gurugram it was noticed that notifications under Sections 4 and 6 of the Land Acquisition Act, 1894 were issued on 7 August 2013 and 31 July 2014 respectively for acquisition of land of 108.09 acres in the revenue estate of Shikohpur, Tehsil Manesar, Gurugram for development of roads of Sectors 75 to 80, Gurugram. Award under Section 11 was announced on 29 July 2016 with rate of ₹ 4.65 crore per acre for 106.54 acre.

As part of the acquisition, land measuring 2 Bigha 19 Biswa and 12 Biswansi (1.8625 acre) from Khewat No.197/263-264 was acquired as detailed below:

Sr. No.	Khasra No.	Rakba		
		Bigha	Biswa	Biswansi
1.	1744 min	0	3	2
2.	1745 min	0	13	10
3.	1746 min	1	2	0
4.	1764 min	1	1	0
	Total	2	19	12

However, there was only 10 Biswa land that existed in Khasra No.1746 min as per records (Jamabandi) of Revenue Department and as per data provided in the affidavits of two landowners. However, in the Award document, it was published as 1 Bigha, 2 Biswa, (total 22 Biswa). Due to this, excess payment in respect of 12 Biswa i.e. 0.375 acre (22 Biswa-10 Biswa) amounting to ₹ 3.42 crore was made to the landowners on 29 September 2016. From the documents available in the file, notices under Section 13A of the Act were found to be issued only on 22 January 2020. Thereafter, only one reminder notice was given on 12 September 2022 to these landowners for depositing the above excess amount with 15 *per cent* interest. No effective action was taken by the Department for recovery of the excess amount paid to the landowners after issue of above notices despite the landowners giving affidavit for refund of compensation along with interest within a week if any adverse claim for part of the land was proved in the eyes of law. Thus, an amount of ₹ 3.42 crore as extra compensation was paid to the landowners. In addition to this, the Department was liable to recover interest of ₹ 3.25 crore from 30 September 2016 to 31 January 2023 (till the date of audit) on overpaid amount of compensation which is as below:

(₹ in crore)

Name of Landowner	Share	Amount paid	Amount to be recovered	Interest @ 15 per cent
Sh. Ram Niwas	1/3	6.80	1.37	1.30
M/s Freeson Propbuild	1/6	3.40	0.68	0.65
M/s Girdhar Propbuild	1/3	6.80	1.37	1.30
Sh. Mahipal, Sh. Satpal, Ms. Mammi	1/6	2.72	These payments had been made correctly in March 2020.	
Total		19.72	3.42	3.25

The Land Acquisition Officer (LAO) Gurugram failed to provide documents as to when the irregularity came to notice, first notice was issued to landowners or status of recovery from landowners and correspondence with Deputy Commissioner regarding recovery of the above amount as land revenue under Section 13A of the Act.

Thus, the Department has failed to recover the excess compensation amounting to ₹ 3.42 crore and interest of ₹ 3.25 crore from the landowners.

The matter was referred to LAO, Gurugram (February 2023), Additional Chief Secretary, Urban Estate Department, Government of Haryana (March 2023) and Director General, Urban Estate Department (September 2024) for their reply/comments. Neither the LAO nor the Department furnished reply to the Audit observation (January 2025).

Recommendation: The Department may expeditiously recover the excess amount paid along with interest and also consider fixing responsibility of erring officials/officers for not taking appropriate action for recovery from landowners.

6.5 Avoidable payment of penal interest due to delay in payment of enhanced compensation

Delay in payment of enhanced compensation on the decision of the Court in Gurugram and Faridabad has led to avoidable levy of penal interest amounting to ₹ 83.04 crore.

Section 28 of the Land Acquisition Act, 1894 provides that interest at the rate of nine *per cent* per annum is payable for one year from the date on which possession was taken and interest at the rate of 15 *per cent* per annum shall be payable from the date of expiry of the said period of one year till the date of actual payment.

Further, Chief Administrator, Haryana Shehri Vikas Pradhikaran (HSVP) had also issued (3 December 2010) directions to all Land Acquisition Officers (LAOs) that the claim of enhanced compensation should be submitted within three months from the date of award of the court after observing all the legal formalities to avoid interest liability on delayed payment to the landowners.

Hon'ble Supreme Court of India in its decision dated 5 September 2017 in SLP Nos. 8024-8074/2017 related to 11 villages had directed to pay the amount within four months from the date of judgement.

During the test check of records (February 2023) of the office of the LAO, Urban Estate, Gurugram for the period January 2018 to November 2022, it was noticed that in 32 cases, payment of enhanced compensation had not been made to landowners within the scheduled time period i.e. within three months as per HSVP directions of December 2010. However, in nine cases, Hon'ble Supreme Court has given four months for making payments. The delay in payment of enhanced compensation to 32 landowners resulted in avoidable payment of penal interest amounting to ₹ 55.17 crore (*Appendix 6.2*).

Similarly, 135 cases of non-payment of enhanced compensation within three months of date of award of court as per HSVP instructions of December 2010 have been noticed during the test check of records (February 2023) of LAO, Faridabad which resulted in payment of penal interest amounting to ₹ 27.87 crore in these 135 cases (*Appendix 6.3*).

A few cases having significant delays, ranging between 32 months and 82 months, are detailed below:

(₹ in crore)

Sr. No.	Land Acquisition Case No.	Date of Decision of Court	Payment of interest up to	Delay from the date of decision after deducting prescribed 90/120 days' period	Principal Amount	Penal interest @ 15 per cent on delayed payment
Gurugram						
1.	1448/10	30 May 2018	30 September 2022	48 months	10.59	6.37
2.	1450/10	30 May 2018	30 September 2022	48 months	15.18	9.13
3.	540/10	30 May 2018	30 September 2022	52 months	5.11	3.31
4.	338/11	1 November 2019	30 September 2022	32 months	7.83	3.13
5.	341/11	1 November 2019	30 September 2022	32 months	6.39	2.56
Faridabad						
6.	62/14	18 March 2015	30 November 2021	77 months	0.78	0.75
7.	62/14	18 March 2015	09 June 2021	72 months	0.26	0.23
8.	98/15	06 April 2015	30 April 2022	82 months	0.91	0.93
9.	300/10	08 November 2017	30 April 2022	52 months	2.23	1.42
10.	187/10	13 February 2017	30 April 2022	60 months	0.06	0.04

The main reasons for delay in disbursement of payment noticed were due to delays in:

- Calculating the amount of enhanced compensation by the LAOs.
- Uploading the calculation alongwith details of landowners on the bank portal by the LAOs.
- Submission of cases by Zonal Administrator-cum-Additional Director, Urban Estates for approval of Chief Administrator, HSVP.
- Releasing the funds for payment to the bank by Chief Controller Finance, HSVP.

In respect of 3 cases¹⁶, LAO, Gurugram replied (June 2023) that payment was uploaded on the portal twice, but Chief Controller of Finance (CCF), HSVP had rejected the same twice (in December 2019 and in March 2022). Finally, payment could be made in June 2022 and October 2022.

The LAO's reply is only partly acceptable as there was delay on the part of LAO also; the LAO had uploaded the calculation for payment on the bank's portal after a delay of 15 to 27 months from the date of decision in these three cases.

During the exit conference (June 2023) with Additional Chief Secretary, Town and Country Planning Department, it was intimated that payments were delayed due to non-availability of funds with HSVP. Audit noticed that HSVP was availing Cash Credit Limit (CCL) from banks and as on 31 March 2023, CCL of ₹ 7,011.31 crore availed at interest rate of 7.30 to 7.75 per cent per annum was lying unutilised. HSVP could have decreased the interest liability by making payment of compensation bearing higher interest rates by utilising CCL on lower interest rates.

Thus, delay on the part of LAOs in uploading the payment details on the banks' portal, delay in submission of cases by Zonal Administrator-cum Director Urban Estates for approval of Chief Administrator and delay in releasing payment by CCF, HSVP led to avoidable payment of penal interest amounting to ₹ 83.04 crore in the test-checked cases.

Recommendation: The State Government may consider examining all the cases of penal interest payments to comprehensively evaluate the magnitude of irregularity and to formulate a robust mechanism for avoiding delays in payment of enhanced compensation.

Haryana Shehri Vikas Pradhikaran (HSVP)

6.6 Non-recovery of sewerage charges and application of incorrect tariff rates for water consumption

HSVP failed to recover ₹ 32.67 crore due to non-raising of sewerage bills (₹ 15.08 crore) and application of incorrect water tariff (₹ 17.59 crore) during April 2018 to March 2022.

Chief Administrator, Haryana Shehri Vikas Pradhikaran (HSVP), Panchkula vide notification (January 2018) revised water and sewerage tariff in areas under the jurisdiction of HSVP with effect from 1 January 2018.

During audit (October 2022) of the office of the Chief Information Technology Officer (CITO), HSVP, Panchkula, the data of water and sewerage billing

¹⁶ Kartar Kaur LAC No. 1448/2010, Kartar Kaur LAC No. 1450/2010 and Indira LAC No. 540/2020

system of all categories¹⁷ of consumers for the period April 2018 to March 2022 under the jurisdiction of HSVP was analysed.

Following irregularities were noticed during examination of the data in audit:

(i) Non-raising of sewerage bills

As per notification (January 2018), bills for sewerage (at the rate of 20 *per cent* on water charges) were to be raised along with water bills with all categories of consumers. Audit observed that in case of 45,138 consumers, HSVP did not raise sewerage bills as a part of water bills during April 2018 to March 2022. HSVP raised water bills of ₹ 75.43 crore to these 45,138 consumers during that period but had not raised sewerage bills of ₹ 15.08 crore¹⁸ resulting in non-recovery of sewerage charges to that extent.

On being pointed out by Audit, the Executive Engineer-cum-Nodal Officer, HSVP Division No. II, Panchkula stated (April 2023) that some consumers had taken water connections and occupied the houses after taking occupation certificate from the competent authority but did not take sewerage connection. Therefore, sewerage bills were not raised by HSVP. The Chief Administrator (HSVP) replied (June 2023) that instructions had been issued (May 2023) for issuing notices for disconnecting the sewer connection of defaulting consumers and getting them regularised after recovering penalty of ₹ 20,000 per connection¹⁹ and outstanding bills from January 2018 to date. Further, notices had been issued to the 27,584 defaulting consumers of HSVP. It was informed that the number of defaulting consumers who had not deposited the sewerage charges had been reduced to 34,214, of which 6,630 fell in the jurisdiction of the Municipal Corporation. On further enquiry about the updated status, Chief Engineer HSVP intimated (September 2024) that number of defaulting consumers is reduced to 23,149 and recovery from these defaulting consumers would be calculated at the time of regularisation of connections. The reply is not satisfactory as sewerage charges of ₹ 15.08 crore (20 *per cent* of the raised water bills of ₹ 75.43 crore) were recoverable as per notification, *ibid*, for the period April 2018 to March 2022. Moreover, since sewerage connection is a necessity for occupying a newly built house, it is not possible to obtain occupation certificate from the competent authority.

¹⁷ (i) Residential- plotted; (ii) Residential Group Housing Societies; (iii) Institutional; (iv) Industrial; (v) Commercial, *etc.*

¹⁸ ₹ 15.08 crore = ₹ 75.43 crore x 20 *per cent*.

¹⁹ Rate prescribed by the HSVP (June 2009) for compounding the violation of unauthorised sewerage connection.

(ii) Application of incorrect water tariff on bills

As per revised tariff rates applicable from April 2018, water bills for residential metered connection holder consumers were to be raised at rates as detailed in **Table 6.6.1**.

Table 6.6.1: Revised water tariff applicable with effect from 1 January 2018

Water consumption	Water Charges per KL (in ₹)	Applicable rates for monthly consumption
Up to 20 kilo litre (KL)	2.50	First 10 KL
	5.00	Above 10 KL and below 20 KL
Above 20 KL and up to 30 KL	8.00	Flat rate for total water consumption
Above 30 KL	10.00	

During analysis of data relating to bills generated for water charges, it was observed that bills in respect of 1,59,761 domestic consumers, where water consumption was more than 20 KL, were prepared by applying slab rates (at the rate of ₹ 2.50 for first 10 KL and ₹ five per KL for next 10 KL i.e above 10 KL & up to 20 KL) instead of applying flat rates at the rate of ₹ 8/₹ 10 per KL on total water consumption. Due to application of incorrect rates in generation of water bills, ₹ 17.59 crore²⁰ could not be recovered by the HSVP.

The Chief Administrator, HSVP replied (June 2023) that bills were being raised incorrectly as there was no inbuilt provision in the software to raise bills as per slab rates as indicated in the notification. Further, bills for arrears on account of incorrect application of slab rates will be raised in the billing cycle started w.e.f. 10 June 2023 and it was expected that recovery would be made without any delay.

Further, Chief Engineer, HSVP stated (September 2024) that the software has been updated to raise the bills as per slab rates in accordance with notification *ibid* with effect from April 2023.

Thus the slab rates were applied incorrectly for consumers having water consumption of more than 20 KL in a month resulting in non-recovery of revenue of ₹17.59 crore.

The matter was referred (4 May 2023) to Additional Chief Secretary, Town & Country Planning and Urban Estate Department, Government of Haryana for their reply/comments. Their reply was awaited (January 2025).

Recommendation: The State Government may consider introducing a robust, automated billing system to prevent discrepancies and ensuring timely recovery of dues.

²⁰ The figure of ₹ 17.59 crore was worked out by calculating differentiating amount at the rate of ₹ 8 and ₹ 10 for the water consumption more than 20 KL but less than 30 KL and more than 30 KL respectively. The annual increment as provided in the 2018 policy has not been taken into account while calculating the amount.

Public Health Engineering Department

6.7 Avoidable loss due to irregular denial of claim for extra work done

Irregular denial of claim for the extra work done resulted in arbitration award in favour of the agency which led to unnecessary litigation and consequently, resulted in an avoidable loss of ₹ 86.49 lakh to the State exchequer.

Paras 6.5.1 and 6.5.6 of the Haryana Public Works Department Code provide that the Divisional Officer of the division is responsible for the execution and management of all the works within his division.

Para 16.19 of the Code provides that the Engineer-in-Charge, with the approval of the competent authority, may order variations as per provisions of the contract. It *inter alia* enables the Engineer-in-Charge to increase or decrease the quantity of any work and change levels, lines, positions and dimensions of any part of the work. However, steps shall be taken to minimise the incidence and adverse effect of variations by preparing plans and specifications with good care and in sufficient detail and ground levels shown in the drawings should tally with those at the site.

A work titled “Providing Sewerage Scheme Hathin Town District Palwal - Design, construction, erection, testing & commissioning of Main Pumping Station, 4.5 MLD capacity Sewage Treatment Plant (STP) & Sullage carrier etc. at Hathin Town, District Palwal” was allotted (December 2011) to M/s Bansal Construction Co., Gurugram at an agreement amount of ₹ 4.38 crore with a completion time limit of 12 months i.e. up to December 2012. The agency started the work in December 2011 and completed it in December 2014.

During scrutiny of records (December 2021) in the office of the Superintending Engineer, Public Health Engineering Mewat Project Circle, Palwal (SE), it was noticed that as per the approved design, the depth of the Sewage Treatment Plant (STP) tank was 6.00 m. However, due to the level of the sewer line at 7.40 m, the tank was constructed to a depth of 7.40 m i.e. 1.40 m (7.40 m-6.00 m) below the approved design level. Accordingly, a claim for additional expenditure of ₹ 58 lakh (additional work done: ₹ 12 lakh, expenditure incurred on running of pumps/cost of fuel/maintenance, etc: ₹ 33 lakh and ₹ 13 lakh for price escalation of material due to prolongation of work) was preferred (April 2014) by the agency. The claim was denied (May 2016) by the Department after a lapse of two years (April 2014 to May 2016) on the ground that there was no provision for compensation in the contract agreement. Aggrieved by the denial of the claim, the agency moved (June 2016) the arbitration clause and was awarded (July 2018) ₹ 62.52 lakh²¹ by the arbitrator on the report submitted by the then Executive

²¹ ₹ 25.52 lakh on account of additional work done, ₹ 25 lakh on account of prolongation of work and ₹ 12 lakh for arbitration expenses.

Engineer (XEN). Accordingly, payment of award along with interest thereon amounting to ₹ 112.01 lakh (₹ 86.49 lakh as compensation for prolongation of work, arbitration expenses and interest + ₹ 25.52 lakh expenditure on additional work) was made (April 2022) to the agency.

On being pointed out (March 2022), the Superintending Engineer (SE) agreed (September 2022) that there was a difference in the depth of the tank between that mentioned in the approved design and as per actual site. As per the terms and conditions of the agreement, there is no provision for any compensation as claimed by the agency. The reply is not satisfactory as Clause 6 of the note in the Detailed notice for inviting tenders /contract agreement provides that the payment will be made for the actual work done by the contractor.

Further, the Engineer-in-Chief (June 2023) stated that during progress of work, it was seen that some additional work of excavation of Main Pumping Station tank was required as per site condition. It was also admitted by the Engineer-in-Chief that some additional work was got executed and as per Clause 6 of the note in the contract agreement, the contractor was to be paid for the actual work done by him.

Thus, irregular denial of claim by the Department for the extra work done resulted in arbitration award in favour of the agency and a loss of ₹ 86.49 lakh²² to the exchequer on account of interest, litigation cost and compensation to the agency.

The matter was referred (February 2023) to Additional Chief Secretary, Public Health Engineering Department, Government of Haryana for their reply/ comments. Their reply was awaited (January 2025).

Recommendation: The State Government should ensure compliance of provisions of PWD Code and timely approval of competent authority in work variations to avoid loss in arbitration expenses.

²² ₹ 112.01 lakh (Payment made) - ₹ 25.52 lakh (admissible for additional work done).

Chapter 7

**Compliance Audit Observations
(Public Sector Undertakings)**

Chapter 7

Compliance Audit Observations (Public Sector Undertakings)

Haryana State Industrial and Infrastructure Development Corporation

7.1 Loss due to non-inclusion of land enhancement cost in price

Loss of ₹ 9.76 crore due to non-inclusion of the land enhancement cost while issuing regular letter of allotment.

Haryana State Industrial and Infrastructure Development Corporation (the Company) allots industrial plots as per its Estate Management Procedures (EMP, 2015) at various places in the State of Haryana. As per EMP, 2015, a “No Enhancement Policy” came into operation w.e.f. 16 October 2015. Accordingly, no enhancement was to be charged by the Company in respect of allotments to be made after coming into force of EMP, 2015. To cover future enhancement costs, a fund called Enhanced Compensation Mitigation Fund (ECMF) was created and the Company was to charge 10 *per cent* of the price of plot upfront from the allottees, as an element of cost and the same was required to be contributed to ECMF. Thereafter, the enhanced compensation awarded, if any, by courts was to be made good from the ECMF. Further, clause 2.4 of the EMP, 2015 provided that the prices of plots/ sheds would be revised on first of April each year by the Board of Directors (BODs) of the Company and the impact of enhancement orders awarded by the competent court (s) shall be taken into account before issuance of Regular Letter of Allotment (RLA). In case the highest bidder/ applicant is not ready to accept the plot at revised rates arrived at by adding such enhanced cost, the entire amount deposited by them should be refunded including processing fee.

The Company acquired land measuring 1,501.61 acres in May 2010 for Industrial Model Township (IMT) Sohna in District Nuh. Left-out/un-acquired land pocket within IMT Sohna, district Nuh measuring 44 acres was also acquired in December 2016.

The Board of Directors (BODs) decided (May 2020) not to increase the rates of plots of various industrial estates for the financial year 2020-21 due to the situation caused by COVID-19 except for the component of enhanced compensation, if any. In-line with the provisions of EMP, 2015, it was decided that the enhanced cost not already included at any stage before issuance of RLA will be added in the cost. Accordingly, the price of normal category of plot for IMT, Sohna, was increased based on the impact of enhancement compensation of ₹ 58.71 crore announced during 2019-20. Consequently, enhancement compensation of ₹ 58.71 crore was loaded on the saleable area¹ of 1,501.61 acres

¹ 823.63 acres (33,33,190 sqm) being 54.85 *per cent* of 1,501.61 acres.

and price of normal category of plot was increased by ₹ 176 per sqm².

M/s ATL Battery Technology India Private Limited (M/s ATL) approached the Company for allotment of approximately 179 acres land at IMT Sohna for manufacture of lithium-ion batteries. Accordingly, the Company worked out (13 June 2020) the reserve price of plot of approximately 175 acres at IMT, Sohna at ₹ 3.05 crore per acre for Bulk Category of plot³ without including proportionate enhancement compensation of ₹ 58.71 crore and advertised (15th June 2020) for e-auction of the above said plot. Only a single bidder i.e. M/s ATL came forward for the plot and the Company allotted (July 2020) 178 acres land at ₹ 3.05 crore per acre to M/s ATL under Mega Project category⁴.

Audit noticed that the Company neither included the proportionate enhancement compensation of ₹ 58.71 crore in the reserve price of ₹ 3.05 crore per acres while inviting the applications in June 2020 nor at the time of issue of RLA in July 2020, as required under clause 2.4 of EMP, 2015. Thus, the Company did not pass the enhancement cost to M/s ATL and it was under-charged by ₹ 9.76 crore⁵ on account of non-inclusion of land enhancement cost.

Management in its reply (October 2024) stated that enhancement compensation orders had been pronounced for land measuring 44 acres only which was acquired in 2016, whose costing after loading the enhanced compensation was to be done separately. The plot allotted to M/s ATL falls in the land measuring 1,501.61 acres acquired in May 2010 on which no enhancement was required to be loaded. It was further stated that the plot allotted was under Bulk Category plots and allotment rate of ₹ 3.05 crore per acre included ₹ 519 per square meter as ECMF cost, in the cost sheet.

The reply of the Management is not tenable as the Company had loaded the enhancement cost of ₹ 58.71 crore on saleable area of 1501.61 acres within which the land allotted to M/s ATL was located. Further, the purpose of the ECMF is to have sufficient funds to meet the liability of enhancement compensation announced by Courts from time to time after issue of RLA. Moreover, the BODs did not exempt Bulk Category Allotment from clause 2.4 of EMP, 2015. Thus, non-inclusion of the land enhancement cost on the 178 acres plot of land led to loss of ₹ 9.76 crore.

² ₹ 58.71 crore/33,33,190 sqm= ₹ 176 per sqm

³ Bulk Category of plot involves allotment of chunk of land of 100 acres. The Company has separate price fixation formula for this category.

⁴ Involving fixed capital investment (i.e. land, building, machinery & misc. fixed assets) of ₹ 100 crore and above or projects involving employment generation of more than 500 persons and serving as anchor units for proliferation of ancillaries.

⁵ ₹ 58.71 crore/1,545.61 acre (1,501.61+44) being gross area of IMT, Sohna = ₹ 3.80 lakh per acres X 256.98 acres (178 acres + 78.98 acres (being proportionate common service area)) = ₹ 9.76 crore. As per the price fixation formula, the internal development cost shall be deducted and price shall be charged on the basis of gross area and not saleable area. Further, cost of land used for common services for entire sector is to be worked out and proportionate cost to be loaded in the total cost.

The matter was referred (March 2023) to the Government for reply/comments, their reply was awaited (January 2025).

7.2 Avoidable payment of interest

Avoidable payment of interest of ₹ 5.06 crore due to delay in deposit of tax.

As per Section 139 and 140A of Income Tax Act, 1961 (Act), at the close of each financial year, every company must assess its tax liability for the year, adjust both advance tax paid and Tax Deducted at Source (TDS), deposit balance tax payable on self-assessment and file Income Tax Return (ITR) before 30 September of the Assessment Year⁶. The delayed submission of return attracts interest at the rate of one *per cent* per month on assessed income/ amount of tax short deposited under Section 234A of the Act. Further, Section 234B of the Act provides that if total advance tax deposited during the year is less than 90 *per cent* of the assessed tax, then interest at the rate of one *per cent* per month or part thereof on unpaid amount of assessed tax shall be payable from 1 April of the subsequent year till the entire tax is deposited.

For Assessment Year (A.Y.) 2019-20 (i.e. financial year 2018-19), due date for filing ITR was 30 September 2019, which was extended up to 31 October 2019. However, due date for the purpose of interest under Section 234A was not extended.

Haryana State Industrial and Infrastructure Development Corporation (the Company) declared taxable income of ₹ 1,297.84 crore (operational income of ₹ 1,161.30 crore and capital gain of ₹ 136.54 crore) while filing ITR for financial year 2018-19 (A.Y. 2019-20) on 30 October 2019. As per declared income, total tax liability worked out to ₹ 437.61 crore against which the Company had deposited advance tax of ₹ 206.28 crore and TDS of ₹ 19.46 crore up to March 2019. Consequently, there was a short-deposit of tax of ₹ 211.87 crore⁷, which was deposited on 30 October 2019.

Audit observed that the main reason for short deposit of tax was pending litigation in the High Court regarding sale of a commercial property in Gurugram for which Regular Letter of Allotment (RLA) was issued by the Company in March 2018. The High Court finally decided (16 May 2019) that the date of fresh RLA be construed from 26 March 2019 for all intents and purposes. In this regard, the Company sought advice of a tax consultant and recognised income from sale of the property in the financial year 2018-19 (i.e. AY 2019-20).

The Company filed ITR and deposited the balance tax liability on 30 October 2019 with a delay of one month from the original due date i.e. 30 September

⁶ As per Section 2(9) of the Act, Assessment Year means the period of 12 months commencing on the 1st day of April every year following completion of Financial Year on 31 March immediately preceding.

⁷ ₹ 437.61 crore - (₹ 206.28 crore + ₹ 19.46 crore).

2019 of filing the ITR, which attracted payment of interest under Section 234A and 234B of the Act. Resultantly, the Company had to pay interest of ₹ 2.12 crore⁸ under Section 234A and ₹ 14.83 crore (for seven months i.e. April to October 2019) under Section 234B of the Act.

Audit further observed that the Company did not take prompt action after *ibid* decision of the High Court, to assess its total income and tax due for the Financial Year 2018-19 (i.e. AY 2019-20). The Company approached the tax consultant only on 22 October 2019 after lapse of more than 5 months from the date of decision. This shows lackadaisical approach of the Company.

The Company should have taken prompt action and deposited the balance tax in May 2019 after decision of the Court on 16 May 2019. Had the Company deposited its balance tax even upto 30 June 2019 i.e. after giving allowance of one and half month for seeking of advice/ consultation etc., it could have avoided payment of interest of ₹ 2.12 crore under Section 234A and ₹ 8.47 crore (for four months i.e. July to October 2019) under Section 234B of the Act.

The Management stated (October 2024) that annual accounts for the year 2018-19 could not be finalised as accounts for the year 2017-18 were audited and signed by statutory auditors on 30 May 2019. It was also stated that as the Company was under heavy debt and paid tax from borrowed funds, there would not have been much impact had the Company paid tax upto 30 June 2019. The reply is not tenable as finalisation of accounts is not a pre-condition to deposit the tax due since the tax can also be worked out on the basis of provisional accounts as was actually done by the Company in October 2019. Further, even after adjusting benefit of borrowing cost at the rate of 7.83 *per cent*⁹ for the year 2019-20, the Company made an avoidable payment of interest of ₹ 2.94 crore¹⁰ under Section 234B of the Act.

Thus, the lackadaisical approach of the Company led to payment of avoidable interest of ₹ 5.06 crore (₹ 2.12 crore + ₹ 2.94 crore).

The matter was referred (March 2023) to the Government for reply/comments, their reply was awaited (January 2025).

Faridabad Smart City Limited

7.3 Wasteful expenditure on e-toilets

The Company incurred wasteful expenditure of ₹ 1.34 crore due to faulty contract management and poor operation and maintenance of 10 e-toilets.

To improve urban centres of India and make them citizen friendly and

⁸ At the rate of one *per cent* for one month on balance tax of ₹ 211.87 crore.

⁹ As per Financial Statements for the year 2019-20.

¹⁰ Being difference of ₹ 8.47 crore and ₹ 5.53 crore (₹ 211.87 crore * 7.83/100 * 4/12 months).

sustainable, Government of India through the Union Ministry of Urban Development (MoUD) had initiated the Smart Cities Mission in collaboration with the State Governments and respective city authorities. Faridabad Smart City Limited (Company), a Special Purpose Vehicle (SPV) was set up to achieve the vision of the Smart City Mission.

Faridabad Smart City Limited (the Company), as part of its area based development, decided to install e-toilets in areas under Municipal Corporation Faridabad (MCF) at selected locations on a pilot basis.

The scope of work and general specifications of tender documents *inter-alia* provided that:

- Toilets were to be connected over the General Packet Radio Service (GPRS) network to ensure the real time monitoring of the usage and health status of the e toilets;
- Operation and Maintenance included all expenditures required to be incurred on all matters essential and desirable to run the built-in system, supporting infrastructure and component of automated system smoothly and to safeguard the property; and
- Bidder was required to ensure the insurance cover during operation and maintenance period as per terms and conditions of tender.

The Company awarded (6 July 2017) work for supply, installation, operation and maintenance of 10 number of e-toilets¹¹ to a contractor for ₹ 1.86 crore¹² with defect liability period of two years. The agreement in this regard was signed with a contractor on 18 July 2017. As per contract agreement, stipulated period of completion of the work of supply, installation, testing and commissioning was four months i.e. 18 November 2017 and Operation & Maintenance (O & M) was for five years.

Clauses 25 & 26 of General Condition of Contract (GCC) provided for penalty for delay in completion of the work @ 1/16 *per cent* of agreement amount per week subject to maximum of five *per cent* of agreement. As per Clause 6.6 of Special Condition of Contract (SCC) and Clause 29 (II) b of GCC, in case the contractor failed to rectify the defects properly in the given period, the Company was at liberty to terminate the contract or get the defect rectified either departmentally or through other agencies at the risk and cost of the bidder and recover the actual cost from the bidder. Also, clause 7.1.7 of the RFP stated that for breach of RFP provisions, the bidder may be debarred for participating in future bidding processes of Government of Haryana for a minimum period of five years.

¹¹ E-Toilets are unmanned, automated, modular type and pre-fabricated public toilet with toilet seats made of stainless steel and is integrated with user-friendly electronic interfaces, to ensure cleanliness and hygiene to every user. E-Toilets have remote monitoring capabilities and its health status can be tracked over the internet.

¹² Supply, Installation, Testing and Commissioning: ₹ 1.37 crore and Operation & Maintenance: ₹ 0.49 crore.

The work for installation of eight e-toilets was completed in October 2018. The O&M for these eight e-toilets commenced from 15 October 2018. Installation of the remaining two e-toilets was completed in January 2019 and O&M for these two e-toilets commenced from 15 January 2019. Upto August 2019, the Company paid ₹ 1.34 crore (including statutory obligations of ₹ 0.05 crore) for supply, installation, testing and commissioning of the e-toilets.

Audit observed the following deficiencies in planning and contract management:

- i. The work of installation of e-toilets was awarded (July 2017) before conducting the feasibility study (January 2018) and preparing the Detailed Project Report (April 2018). Feasibility study emphasised the necessity of monitoring of use of e-toilets by the public as a critical factor for its viability. However, the Company failed to ensure proper monitoring as it failed to get these e-toilets connected to GPRS network for remote monitoring and to assess the real time status of facilities like entry, usage etc. In the absence of this automated system, incidences of vandalism, theft, non-availability of essential items, non-functioning of coin machine, unhygienic state of e-toilets etc. could not be tracked.
- ii. Construction of e-toilets was completed after a delay of 47 weeks (eight e-toilets and 60 weeks (two e-toilets) i.e. October 2018 and January 2019 from the scheduled completion date (18 November 2017) of the project. The Company did not levy penalty of ₹ 4.25 lakh¹³ as per provisions of RFP.
- iii. The contractor got standard fire and special insurance only from 13 May 2019 to 12 May 2020 with a delay of four to seven months, which was not renewed. Further, it was noticed that insurance cover against burglary and housekeeping was not taken, which was mandatory under the terms and conditions of the contract. Hence, damages on account of theft could not be safeguarded.
- iv. The Company issued several notices¹⁴ to the contractor reiterating his failure in proper operation and maintenance but neither blacklisted the contractor nor terminated the contract even after lapse of more than three years from Board of Directors (BoDs) decision (November 2019) to blacklist/ terminate the contract at the earliest on account of poor performance. Further, the contractor failed to rectify the defects and discontinued the maintenance work from January 2021.
- v. The Company neither got the defects rectified departmentally nor through any other agency at the risk and cost of the contractor, as per Clause 6.6

¹³ ₹ 3.22 lakh (₹1.37 crore *47* 0.0625/100*8/10) plus ₹ 1.03 lakh (₹ 1.37 crore *60*0.0625/100*2/10)

¹⁴ June 2019, FSCL/Engg/ET/19/654 dated 09 July 2019 and FSCL /Engg/2019/1028 dated 26 September 2019.

of SSC and Clause 29(b), nor forfeited the Performance Bank Guarantee of ₹ 9.31 lakh, which was valid up to 18 September 2022 only.

Further, it was observed that the matter for non-operation of e-toilets was placed before the BoDs which directed (25 July 2019) that e-toilets be made functional by giving work of O & M to any other agency. The BoDs decided (20 May 2020) to hand over these e-toilets to MCF. However, MCF desired (March 2021) that before taking over the e-toilets, the deficiencies may be removed. Even after lapse of more than three years neither the deficiencies in these e-toilets had been removed nor had these e-toilets been transferred to MCF till October 2024.

The Management in its reply stated (November 2024) that it has withheld ₹ 64.48 lakh (includes security, shortcomings etc. - ₹ 31.15 lakh and extra items/work - ₹ 33.33 lakh) alongwith ₹ 2.30 lakh for O&M. It was further stated that the Company had released (August 2023) ₹ 34.51 lakh to the Contractor in compliance of order¹⁵ of Micro & Small Enterprises Facilitation Council, Rajasthan and the same has been challenged by the Company before Hon'ble High Court. The reply is not acceptable as the Company failed to get the work executed as per the terms and conditions of the RFP/agreement resulting in poor monitoring and O&M of these e-toilets. Further, despite withholding the payment of the contractor, the Company neither got the deficiencies of the e-toilets rectified nor took any action against the Contractor as per the provisions in the RFP/agreement. During the exit conference (June 2023), the Director, Urban Local Bodies Department accepted that e-toilets became non-operational within a few months of installation due to poor O&M. The Commissioner and Secretary, Urban Local Bodies directed the Company to take action against the contractor in line with the decisions made in the BoDs meetings on 25 July 2019 and 18 November 2019.

Thus, e-toilets on which ₹ 1.34 crore had been spent became defunct within a few months from the date of making them operational due to poor maintenance and upkeep resulting in non-delivery of envisaged benefits to citizens, thereby rendering the expenditure unfruitful.

Haryana Tourism Corporation Limited

7.4 Loss due to opening of retail liquor outlets without conducting feasibility study

The Company incurred avoidable loss of ₹ 6.99 crore due to opening of retail liquor outlets in Gurugram without carrying out any feasibility study.

Haryana Tourism Corporation Limited (the Company) decided (June 2020) to participate in bids for opening retail liquor outlets to supplement its revenues. Towards this end, Company participated (June 2020) in the bidding process of the Excise and Taxation Department, Government of Haryana and secured six

¹⁵ Against a case filed by the Contractor for release of payment

retail outlets for sale of foreign liquor (L2 licences¹⁶) in three zones¹⁷ (two retail outlets in each Zone) in Gurugram city involving two excise districts viz. Gurugram (East) and Gurugram (West). The Company took premises on lease for these outlets. The Company made these retail outlets operational w.e.f. 07 July 2020 by issuing liquor from its already existing wholesale depot of foreign liquor (L1 licence¹⁸) at Karnal, after obtaining permission from the Excise and Taxation Department (Department). The Company also shifted (August 2020) the wholesale depot from Karnal to Gurugram (West) to ensure prompt supply of liquor to these retail outlets in Gurugram and save on transportation cost. The Company took (August 2020) *post facto* approval of its Board of Directors (BoDs) for this activity, wherein BoDs emphasised that supply to these retail outlets must be ensured from the Company's own wholesale depot to ensure quality and purity.

As per Provision 3.3.1 of the Haryana Excise Policy for the year 2020-21 (Policy), the licensee i.e. Company was to lift a basic quarterly allocated quota of liquor from wholesaler and failure to lift the quota was to attract short quota penalty.

During operation of the retail outlets, the Company realised that prescribed basic quota for lifting of liquor for the outlets was more than actual sales and it was becoming liable for short quota penalty. Moreover, due to the meagre sales it was barely able to meet the liability of payment of prescribed licence fee. The Company also realised that in addition to sizable stock at wholesale depot to feed the retail outlets, it was required to maintain stocks worth at least rupees one crore at each retail outlet to obtain the required sales. The paucity of working capital also led the Company to be not able to maintain adequate stock of all brands demanded by customers. The Company, therefore, decided (December 2020) to surrender all liquor licenses for the financial year 2020-21. While the matter regarding waiver from payment of short lifting penalties is under process (June 2023), the Company has already ended up with loss of ₹ 6.99 crore in operation of retail liquor outlets.

Audit observed that the Company decided to open retail liquor outlets without conducting any economic and logistics feasibility study to assess market conditions, sales potential and working capital requirements. The Company was not able to arrange adequate working capital as it was already running in losses since 2016-17 and was already experiencing financial crunch. Further, since as per the Policy, supplies to retail liquor outlets in an excise district could be made only from the wholesale outlets in that excise district, resultantly, the Company could not make supplies from its wholesale depot in Gurugram (West) to its retail outlets situated in Gurugram (East) and had to procure liquor from other private

¹⁶ Licence for retail outlet for sale of foreign liquor.

¹⁷ Atul Kataria Chowk (West Zone), Hero Honda Chowk (East Zone) and Bakhtawar Chowk (East Zone).

¹⁸ Licence for wholesale depot for sale of foreign liquor.

wholesalers in Gurugram (East). Moreover, due to poor retail sales, its wholesale outlets (L1) could not pay off dues of its suppliers in time, who refused to make further supplies. This in turn worsened the availability of various brands at retail outlets, thereby further impacting their sales.

The Management in its reply stated (July 2023) that the major reason for loss was due to discontinuance of supply from L1 (situated in Gurugram West) to L2 vends (in Gurugram East), which was earlier allowed by the Department. The Management further stated that the Company participated in e-bidding of L2 vends to convey a message to private players who were not participating in the e-bidding process during COVID 19 scenario. The reply of the management is not tenable as the Excise policy allows supplies to L2 vends in an excise district only from the L1 outlets in that particular excise district and the Excise department had allowed (July 2020) the Company to lift quota from L1 situated at Karnal to various L2 vends in Gurugram as a special case. However, no specific approval for lifting of quota from Gurugram West to Gurugram East was granted by the Excise department. It was incumbent on the Company, it being a commercial entity, to carry out a proper economic and logistics feasibility study to assess the challenges flowing from the existing Excise policy before participating in the bidding process. Resultantly, the Company had to bear an avoidable loss of ₹ 6.99 crore.

The matter was referred (March 2023) to the Government for reply/ comments, their reply was awaited (January 2025).

Chandigarh
Dated: 29 July 2025


(ASHUTOSH SHARMA)
Principal Accountant General (Audit) Haryana

Countersigned

New Delhi
Dated: 06 August 2025


(K. SANJAY MURTHY)
Comptroller and Auditor General of India

Appendices

Appendix 1.1
(Reference: Paragraph 1.1; Page 1)
Details of Departments, Public Sector Undertakings and Autonomous Bodies

Departments	Public Sector Undertaking	Autonomous Bodies
1. Health and Family Welfare	1. Haryana Medical Service Corporation Limited	1. Haryana State Commission for Child Rights
2. Medical Education & Research Department	2. Haryana Backward Classes and Economically Weaker Section Kalyan Nigam Limited	2. Haryana Building & Other Construction Workers Welfare Board, Panchkula
3. Sainik and Ardh Sainik Welfare Department	3. Haryana Schedule Caste Financial Development Corporation Limited	3. Haryana Labour Welfare Board, Panchkula
4. Social Justice & Empowerment Department	4. Haryana Women Development Corporation Limited	4. Haryana State Agriculture Marketing Board
5. Welfare of SC & BC Department	5. Haryana State Financial Services Limited	5. Haryana Electricity Regulatory Commission
6. Women and Child Development	6. Haryana Agro Industries Corporation Limited	6. Haryana Khadi & Village Industries Board Panchkula
7. Higher Education Department	7. Haryana Land Reclamation and Development Corporation Limited	7. Haryana Shehri Vikas Pradhikaran Panchkula (HSVP)
8. Labour Department	8. Haryana Seeds Development Corporation Limited	8. Haryana Real Estate Regulatory Authority, Panchkula
9. School Education Department	9. Haryana State Warehousing Corporation	9. Haryana Real Estate Regulatory Authority, Gurugram
10. Skill Development & Industrial Training Department	10. Haryana International Horticulture Marketing Corporation Limited	10. Gurugram Metropolitan Development Authority
11. Sports and Youth Department Affairs	11. Haryana Minor Irrigation and Tubewells Corporation Limited	11. Housing Board Haryana, Panchkula
12. Technical Education Department	12. Haryana Power Generation Corporation Limited	12. State Compensatory Afforestation Management and Planning authority
13. Employment Department	13. Haryana Vidyut Prasaran Nigam Limited	13. Haryana State Biodiversity Board
14. Excise and Taxation Department	14. Uttar Haryana Bijli Vitran Nigam Limited	14. District Legal Service Authority, Ambala
15. Finance Department	15. Dakshin Haryana Bijli Vitran Nigam Limited	15. District Legal Service Authority, Kurukshetra
16. Rural Development Department	16. Haryana State Industrial and Infrastructure Development Corporation Limited	16. District Legal Service Authority, Karnal
17. Agriculture & Farmers' Welfare Department	17. Panipat Plastic Park Haryana Limited	17. District Legal Service Authority, Narnaul
18. Animal Husbandry & Dairying Department	18. Haryana State Housing Finance Corporation Limited (Non-Working)	18. District Legal Service Authority, Fatehabad
19. Cooperation Department	19. Haryana Concast Limited (Non-Working)	19. District Legal Service Authority, Jind
20. Fisheries Department	20. Haryana Minerals Limited (Non-Working)	20. District Legal Service Authority, Kaithal
21. Food, Civil Supplies & Consumer Affairs Department	21. Haryana Financial Corporation Limited	21. District Legal Service Authority, Hisar
22. Horticulture Department	22. Haryana Roadways Engineering Corporation Limited	22. District Legal Service Authority, Sirsa
23. Irrigation & Water Resources Department	23. Haryana Mass Rapid Transport Limited	23. District Legal Service Authority, Yamuna Nagar
24. New and Renewable Energy	24. Gurgaon Technology Park Limited	24. District Legal Service Authority, Faridabad
25. Power Department	25. Gurugram Metropolitan City Bus Limited	25. District Legal Service Authority, Panipat

Departments	Public Sector Undertaking	Autonomous Bodies
26. Industry and Commerce	26. Faridabad Smart City Limited	26. District Legal Service Authority, Bhiwani
27. Mines and Geology	27. Faridabad City Transport Services Limited	27. District Legal Service Authority, Panchkula
28. Civil Aviation	28. Karnal Smart City Limited	28. District Legal Service Authority, Rewari
29. Transport Department	29. Haryana Forest Development Corporation Limited	29. District Legal Service Authority, Gurugram
30. Town and Country Planning	30. Haryana State Roads and Bridges Development Corporation Limited	30. District Legal Service Authority, Mewat
31. Urban Local Bodies	31. Haryana Orbital Rail Corporation Limited	31. District Legal Service Authority, Palwal
32. Housing for All	32. Haryana Rail Infrastructure Development Corporation Limited	32. District Legal Service Authority, Rohtak
33. Environment & Climate Department	33. Haryana State Electronics Development Corporation Limited	33. District Legal Service Authority, Sonapat
34. Forest Department	34. HARTRON Informatics Limited	34. District Legal Service Authority, Jhajjar
35. Science and Technology Department	35. Haryana Police Housing Corporation Limited	35. District Legal Service Authority, Charkhi Dadri
36. Public Health Engineering Department	36. Haryana Tourism Corporation Limited	36. Haryana State Legal Services Authority, Panchkula
37. PWD (Buildings and Roads)	37. Drone Imaging and Information Services of Haryana Limited	37. Haryana Waqf Board, Ambala Cantt.
38. Information and Technology		38. Haryana Human Rights Commission
39. Home		
40. Art and Culture		
41. Archives		
42. Archaeology and Museum		
43. Tourism		
44. Principal Secretary to Election Department		
45. Citizen Resource Information Department		
46. General Administration		
47. State Election Commission		
48. Secretary to Haryana Vidhan Sabha		
49. Revenue And Disaster Management Department		
50. Printing and Stationery		
51. Secretary to Governor		
52. Information, Public Relations and Language		
53. Department of International Cooperation		

Appendix 1.2

(Reference: Paragraph 1.6; Page 4)

Statement showing details of category-wise amount of outstanding paragraphs

(₹ in crore)

Sr. No.	Category/Nature of Irregularities	Number of Paragraphs	Money Value
1.	Loss due to theft, fire, misappropriation	318	103.73
2.	Recoverable amount	2,361	1,26,776.81
3.	Non-compliance of rules	5,308	18,855.18
4.	Avoidable/irregular/excess expenditure	3,153	15,196.66
5.	Unfruitful/wasteful expenditure	867	2,578.36
6.	Shortcoming in implementation of scheme/execution of work	1,836	8,717.84
7.	Non-utilisation/blockade of funds	1,169	10,082.44
8.	Non-verification of store/stock	1,937	1,123.55
9.	Loss of revenue due to non-utilisation of means	2,774	27,970.07
10.	Miscellaneous	4,639	12,001.55
	Total	24,362	2,23,406.19

Appendix 1.3

(Reference: Paragraph 1.7.2; Page 5)

List of paragraphs where recovery has been pointed out but no action has been taken by the Administrative Departments as on 31 March 2024

Sr. No.	Name of Administrative Department	Year of Audit Report	Paragraph Number	Amount (₹ in lakh)
1.	Agriculture	2015-16	2.1.7.5	12,644.00
			2.1.9.3	21.41
		2017-18	2.1.6.3	2,222.00
2.	Animal Husbandry	2000-01	3.4	21.96
3.	Food and Supplies	2014-15	3.6.2	2,446.00
			3.6.3	240.00
		2017-18	3.4	2,404.00
		2018-19	3.5	299.00
4.	Town and Country Planning (HUDA)	2000-01	3.16	15,529.00
		2001-02	6.1	4,055.00
		2011-12	2.3.10.8	16,700.00
		2013-14	2.3.10.6	1,266.00
			2.3.10.11	37,386.00
			3.2	84.64
		2015-16	3.18 (a)	41,715.00
			3.18 (b)	1,077.00
		2017-18	3.17 A	16,086.00
			3.17 B	1,972.00
			3.18.7 (ii)	1,955.00
			3.18.10	4,678.00
			3.18.11 (i)	342.00
			3.18.11 (ii)	2,025.00
			3.18.11 (iii)	2,690.00
		2018-19	3.14.3.3	3,189.00
			3.14.3.4	713.00
			3.14.3.8	1,314.00
			3.14.3.11	96.00
			3.14.4.3	1,122.00
			3.14.4.5	72.00
		2019-20	3.15	561.00
			2.4	295.00
			2.5	161.00
5.	Social Justice and Empowerment (District Red Cross Society)	2011-12	3.3.5.1	1,572.00
6.	PWD (Irrigation Branch)	2010-11	3.1.2	62.25
7.	Labour and Employment	2011-12	2.1.9.4	79.95
		2019-20	2.6	154.00
8.	Urban Local Bodies	2012-13	2.2.8.6	10,182.00
9.	Cooperation	2012-13	2.5.7.4	494.00
			2.5.9.3	767.00
10.	Health and Family Welfare	2012-13	3.6	125.00
11.	School Education	2017-18	3.16.2.5	12.30
		2018-19	3.3	469.00
12.	Public Works Department (B&R)	2015-16	3.12.4.1	53.00
13.	Higher Education Department	2016-17	2.1.7.3	118.00
			2.1.8 (b)	2,631.00

Sr. No.	Name of Administrative Department	Year of Audit Report	Paragraph Number	Amount (₹ in lakh)
14.	Home (Jail) Department	2016-17	2.2.7.3	112.00
15.	Housing	2018-19	3.9	41.00
16.	Forest	2018-19	3.7.4 (ii)	274.00
17.	Welfare of SC & BC	2018-19	2.1.8.1	1,898.00
			2.1.8.2	965.00
			2.1.8.3	11.56
			2.1.8.4 (i)	48.47
			2.1.8.4 (ii)	1.57
			2.1.8.5 (i)	6.36
			2.1.8.5 (ii)	14.89
			2.1.8.6	78.91
			2.1.8.7	474.00
			2.1.8.8	85.86
			2.1.8.10	1.52
			2.1.8.11	2.54
	Total			1,96,117.19

Appendix 1.4

(Reference: Paragraph 1.7.3; Page 6)

List of PAC and COPU reports and the number of pending recommendations on CAG Report as on 31 March 2024

Sr. No.	PAC			COPU		
	PAC Report No.	Year of PAC report	Pending Recommendations	COPU Report Number	No. of COPU Paras	Year of COPU report
1.	16 th	1979-80	1	16 th	1	1983-84
2.	22 nd	1984-85	1	19 th	1	1984-85
3.	23 rd	1985-86	1	23 rd	3	1986-87
4.	26 th	1987-88	1	35 th	1	1992-93
5.	32 nd	1990-91	1	38 th	1	1994-95
6.	34 th	1991-92	5	41 st	1	1996-97
7.	36 th	1992-93	3	42 nd	1	1996-97
8.	38 th	1993-94	2	43 rd	3	1997-98
9.	40 th	1994-95	3	45 th	14	2000-01
10.	42 nd	1995-96	1	47 th	14	2000-01
11.	44 th	1996-97	6	48 th	10	2000-01
12.	46 th	1997-98	3	49 th	6	2001-02
13.	50 th	2000-01	16	50 th	4	2002-03
14.	52 nd	2001-02	5	51 st	3	2003-04
15.	54 th	2002-03	7	52 nd	4	2005-06
16.	56 th	2003-04	11	53 rd	15	2006-07
17.	58 th	2005-06	13	55 th	6	2008-09
18.	60 th	2006-07	18	56 th	3	2009-10
19.	61 st	2007-08	5	57 th	5	2010-11
20.	62 nd	2007-08	8	58 th	5	2011-12
21.	63 rd	2008-09	12	59 th	10	2012-13
22.	64 th	2009-10	7	60 th	5	2013-14
23.	65 th	2010-11	12	61 st	10	2014-15
24.	67 th	2011-12	4	62 nd	13	2015-16
25.	68 th	2012-13	11	63 rd	15	2016-17
26.	70 th	2013-14	15	64 th	18	2017-18
27.	71 st	2014-15	3	65 th	7	2018-19
28.	72 nd	2015-16	26	66 th	9	2019-20
29.	73 rd	2016-17	37	67 th	18	2020-21
30.	74 th	2016-17	35	68 th	19	2021-22
31.	75 th	2017-18	32	69 th	22	2022-23
32.	77 th	2017-18	22	70 th	12	2023-24
33.	79 th	2018-19	32	Total	259	
34.	80 th	2019-20	22			
35.	81 st	2020-21	36			
36.	82 nd	2021-22	66			
37.	83 rd	2022-23	25			
38.	88 th	2023-24	34			
39.	89 th	2023-24	89			
		Total	631			

Appendix 1.5

(Reference: Paragraph 1.7.3; Page 6)

Department/PSU-wise pending recommendations of PAC and COPU on CAG Reports as on 31 March 2024

Public Accounts Committee			Committee on Public Undertakings		
Sr. No	Name of Department	PR	Sr. No	Name of Department	PR
1.	Administration of Justice	1	1.	Power Department	67
2.	Agriculture and Farmer Welfare	30	2.	Haryana State Industrial and Infrastructure Development Corporation	25
3.	Animal Husbandry	14	3.	Haryana Financial Corporation	13
4.	Archeology and Museum	1	4.	Haryana Agro Industries Corporation Limited	46
5.	Architecture	1	5.	Haryana Agro Industries Corporation Limited & Haryana Warehousing Corporation Limited	9
6.	Civil Aviation	1	6.	Haryana Land Reclamation & Development Corporation Limited	1
7.	Civil Secretariate, General Administration	3	7.	Haryana Warehousing Corporation Limited	20
8.	Commissioner Hisar	7	8.	Haryana Seeds Development Corporation Limited	4
9.	Co-operative	12	9.	Haryana Tourism Corporation Limited	3
10.	Development & Panchayats	9	10.	Haryana Forest Development Corporation Limited	2
11.	District Gurgaon	8	11.	Haryana Schedule Castes Finance and Development Corporation Limited	2
12.	Education including HSSPP, Elementary, School Education, Higher Education	32	12.	Haryana State Roads and Bridges Development Corporation Limited	14
13.	Environment and climate change	23	13.	Haryana Police Housing Corporation Limited	3
14.	Excise and Taxation including Commercial Taxes, Prohibition & Excise	1	14.	Haryana Women Development Corporation Limited	1
15.	Finance including Lotteries, Justice, Finance, Treasury & Accounts	22	15.	Haryana Backward Classes and Economically Weaker Section Kalyan Nigam Private Limited	6
16.	Food, Civil supplies and Consumer Affairs	35	16.	Haryana State Electronics Development Corporation Limited	1
17.	Forest and Wildlife	9	17.	Haryana State Small Minor Irrigation and Tubewells Corporation Limited	3
18.	General	13	18.	Haryana State Small Industries Export Corporation Limited	5
19.	Health including Food and Drug Administration, Family Welfare	43	19.	Haryana Mineral Limited	18
20.	Home	12	20.	Haryana Urban Development Authority	15
			21.	Haryana Medical Services Corporation Limited	1
21.	Housing	2		Total	259
22.	Skill Development and Industrial Training	8			
23.	Industries & Commerce including MSME, Supplies & Disposal	10			
24.	Information, Public Relation and cultural Affairs	2			
25.	Irrigation	23			
26.	Labour and Employment	12			
27.	Medical Education and Research	6			
28.	P.W.D. (B&R)	16			
29.	Other Administrative Services	2			
30.	Printing & Stationery	3			
31.	PWD (Public Health)	24			
32.	Renewable Energy	2			
33.	Revenue and Disaster Management	22			
34.	Rural Development	19			

Public Accounts Committee			Committee on Public Undertakings		
Sr. No	Name of Department	PR	Sr. No	Name of Department	PR
35.	Social Welfare, Social Justice and Empowerment	33			
36.	Sports and Youth Affairs	6			
37.	Technical Education	4			
38.	Town & Country Planning	89			
39.	Transport	31			
40.	Urban local bodies, Urban Development, Colonization, Local Self Govt	14			
41.	Welfare of SC & BC	24			
42.	Women and child development	2			
	Total	631			

PR: Pending recommendation

Appendix 2.1

(Reference: Paragraph 2.1.3; Page 8)

Regulatory framework governing the management of different types of waste

S. No	Type of waste	Regulatory framework
1	Municipal solid waste	<ul style="list-style-type: none"> • MSW (Management and Handling) Rules, 2000 • MSW Management Manual, 2016 • National Environment Policy, 2006 • Solid Waste Management Rules, 2016
2	Plastic waste	<ul style="list-style-type: none"> • Plastic Waste (Management & Handling) Rules, 2011 • Plastic Waste Management Rules, 2016
3	Hazardous waste	<ul style="list-style-type: none"> • Solid Waste Management Rules, 2016
4	Construction and Demolition waste	<ul style="list-style-type: none"> • Construction and Demolition Waste Management Rules, 2016
5	Slaughter House Waste	<ul style="list-style-type: none"> • Prevention of Cruelty to Animals (Slaughterhouse) Rules, 2001 • Water (Prevention and Control of Pollution) Act, 1974
6	Sanitary Waste	<ul style="list-style-type: none"> • Solid Waste Management Rules, 2016

Appendix 2.2

(Reference: Paragraph 2.1.4; Page 8)

Organisational structure



(Source: Information furnished by DULB)

Appendix 2.3

(Reference: Paragraph 2.4; Page 10)

List of 18 selected ULBs

Sl. No.	Name of ULB
Municipal Corporations	
1	Hisar
2	Panipat
3	Gurugram
4	Faridabad
5	Sonipat
6	Panchkula
Municipal Councils	
7	Kalka
8	Kaithal
9	Tohana
10	Bahadurgarh
11	Narnaul
12	Palwal
Municipal Committees	
13	Nilokheri
14	Shahabad
15	Uklana
16	Beri
17	Punhana
18	Hailymandi

Appendix 2.4**(Reference: Paragraph 2.6.4; Page 13)**

Statement showing status of demarcation of separate space in the development plan for group housing or commercial, institutional or any other non-residential complex exceeding 200 dwelling or having a plot area exceeding 5,000 square meters

Sl. No	Name of group housing, commercial, institutional complex	Date Sanction of development plan	Total area exceeding 5,000 square meters
1.	M/s Abhinav Project Private Limited	30 September 2021	16,718.57
2.	Finest Promoters Private Limited	31 March 2021	5,597.974
3.	M/s Kapoor Industries LLP	15 April 2022	11,735.836
4.	M/s Ninaniya Estate Limited	20 April 2017	17,455.66
5.	M/s Sona Foundation Gurugram	27 September 2022	16,414.99
6.	M/s Rajendra Kumar Sharma	27 September 2021	8,346.66
7.	M/s Pickwell	31 March 2022	5,601.45
8.	M/s Kapoor Industries LLP	13 September 2019	9,257.14
9.	M/s Indian Transformers & Electricals	06 December 2021	5,253.78
10.	M/s Edexperential & Infraservices LLP	11 November 2021	12,317.56
11.	M/s Rajshri Yadav and Smt Gitanjali Yadav	29 November 2019	8,574.24
12.	M/s Vera Edu Infra Private Limited	18 October 2019	13,253.34
13.	Sh Satbir Singh Punia	17 December 2021	24,029.00
14.	M/s Jubilant Malls Private Limited New Delhi	06 July 2022	15,904.10

(Source: Information furnished by ULBs and DULB)

Appendix 2.5

(Reference: Paragraph 2.6.6; Page 14)

Statement showing framing of Solid Waste Management byelaws by test checked ULBs

Sl. No.	Name of ULB	Due date of byelaws	Actual date of notification	Total delay (in days)	Delay ¹ attributable to ULB (in days)
Municipal Corporations					
1	Hisar	9 April 2017	19 July 2019	831	106
2	Panipat	9 April 2017	1 September 2019	875	150
3	Gurugram	9 April 2017	Not yet framed	-	-
4	Faridabad	9 April 2017	1 January 2021	1,363	638
5	Sonipat	9 April 2017	Not yet framed	-	-
6	Panchkula	9 April 2017	24 June 2019	806	81
Municipal Councils					
7	Kalka	17 September 2020	17 December 2021	456	61
8	Kaithal	9 April 2017	1 September 2019	875	150
9	Tohana	9 April 2017	1 August 2019	844	119
10	Bahadurgarh	9 April 2017	1 August 2019	844	119
11	Narnaul	9 April 2017	1 October 2019	905	180
12	Palwal	9 April 2017	1 August 2019	844	119
Municipal Committees					
13	Nilokheri	9 April 2017	1 July 2019	813	88
14	Shahabad	9 April 2017	Not yet framed	-	-
15	Uklana	9 April 2017	5 July 2019	817	92
16	Beri	9 April 2017	1 August 2019	844	119
17	Punhana	9 April 2017	20 August 2019	863	138
18	Hellymandi	9 April 2017	1 July 2019	813	88

(Source: Information furnished by ULBs)

¹ Delay was calculated from the date (5 March 2019) of issue of SWM byelaws by DULB and date of byelaws issued by concerned ULBs after allowing the 30 days for notifying the same.

Appendix 2.6

(Reference: Paragraph 2.6.9; Page 16)

Status of Service Level Benchmarks achievement in 18 test checked ULBs

Particular	Year	Corporations						Councils						Committees					
		Hisar	Panipat	Faridabad	Gurugram ⁺	Sonipat	Panchkula ⁺	Kalka	Kaithal	Tohana	Bahadurgarh	Narnaul	Palwal	Shahabad	Uklana	Beri	Punhana	Helly Mandi	
Household level coverage of solid waste management services	2017-18	50	38	70	-	100	-	NA	10	65	85	30	32	100	50	30	80	32	30
	2018-19	50	100	88	-	100	-	NA	10	70	90	50	32	100	60	40	100	47	30
	2019-20	50	100	90	-	100	-	NA	100	85	95	70	32	100	100	50	100	47	30
	2020-21	80	100	92	-	100	-	80	100	85	100	80	75	100	100	60	100	47	55
	2021-22	90	100	94	-	100	-	80	100	95	100	100	90	100	100	80	100	47	70
Efficiency of collection of municipal solid waste	2017-18	50	100	70	-	100	-	NA	10	65	85	30	32	100	60	30	80	33	30
	2018-19	50	100	88	-	100	-	NA	10	70	90	50	32	100	80	40	100	46	30
	2019-20	50	100	90	-	100	-	NA	100	85	95	70	32	100	100	50	100	46	30
	2020-21	80	100	92	-	100	-	100	100	85	100	80	75	100	100	60	100	46	55
	2021-22	90	100	94	-	100	-	100	100	95	100	100	90	100	100	80	100	46	70
Extent of segregation of municipal solid waste	2017-18	50	0	22	-	40	-	NA	0	65	30	0	32	90	30	40	0	30	30
	2018-19	50	40	34	-	60	-	NA	0	70	40	0	32	90	40	20	0	30	30
	2019-20	50	40	55	-	80	-	NA	70	85	50	40	32	90	60	50	20	0	30
	2020-21	80	100	60	-	100	-	80	80	85	60	70	74	90	100	60	30	0	55
	2021-22	90	100	66	-	100	-	80	20	95	70	70	74	100	100	80	50	0	65
Extent of municipal solid waste recovered	2017-18	50	80	12	-	20	-	NA	0	65	10	10	32	80	10	30	5	0	30
	2018-19	50	80	12	-	40	-	NA	0	70	20	10	32	80	10	40	10	0	30
	2019-20	50	80	35	-	60	-	NA	70	85	30	30	32	80	30	50	10	0	30
	2020-21	60	80	47	-	80	-	NA	80	85	40	50	32	80	50	60	10	0	30
	2021-22	80	80	52	-	100	-	NA	20	95	60	60	90	80	80	20	0	70	70
Extent of scientific disposal of municipal solid waste	2017-18	50	0	0	-	0	-	NA	0	65	30	0	32	0	0	30	5	0	30
	2018-19	50	0	0	-	0	-	NA	0	70	40	0	32	0	0	40	10	0	30
	2019-20	50	0	0	-	0	-	NA	0	85	55	0	32	0	0	50	30	0	30
	2020-21	60	0	0	-	100	-	60	100	85	65	0	32	0	0	60	40	0	30
	2021-22	80	80	0	-	100	-	90	100	95	85	0	90	100	0	80	50	0	70
Efficiency in redressal of customer complaints	2017-18	50	80	100	-	100	-	NA	100	65	40	70	100	80	30	30	75	100	100
	2018-19	50	80	100	-	100	-	NA	100	70	50	70	100	80	40	40	75	100	100
	2019-20	50	80	100	-	100	-	NA	100	85	60	90	100	80	50	50	78	100	100
	2020-21	60	80	100	-	100	-	80	100	85	80	100	100	80	60	70	78	100	100
	2021-22	80	80	100	-	100	-	80	100	95	80	100	100	80	80	80	78	100	100

		Corporations					Councils					Committees							
Particular	Year	Hisar	Panipat	Faridabad	Gurugram [*]	Sonipat	Panchkula [*]	Kalka	Kaithal	Tohana	Bahadurgarh	Narnaul	Palwal	Nilokheri	Shahabad	Uklana	Beri	Punhana	Helly Mandi
Extent of cost recovery in SWM services	2017-18	50	0	0	-	20	-	NA	0	65	0	NA	0	0	0	30	0	0	0
	2018-19	50	0	0	-	20	-	NA	0	70	0	NA	0	0	0	40	10	0	0
	2019-20	60	0	0	-	40	-	NA	0	85	0	NA	0	0	0	60	20	0	0
	2020-21	80	0	0	-	60	-	0	0	85	0	NA	0	0	0	60	20	0	0
	2021-22	90	0	0	-	70	-	0	0	95	0	NA	0	90	0	80	30	0	0
Efficiency in collection of SWM charges	2017-18	50	0	9	-	20	-	NA	0	65	0	NA	0	0	0	30	0	0	0
	2018-19	50	0	12	-	20	-	NA	0	70	0	NA	0	0	0	40	20	0	0
	2019-20	60	0	21	-	40	-	NA	0	85	0	NA	0	0	0	60	30	0	0
	2020-21	70	0	0	-	60	-	0	0	85	0	NA	0	0	0	60	30	0	0
	2021-22	80	0	0	-	60	-	0	0	85	0	NA	0	80	0	80	40	0	0

* The information was not provided by MC Panchkula and MC Gurugram.

(Source: Information furnished by ULBs)

Appendix 2.7

(Reference: Paragraphs 2.7.1 and 2.7.5; Page 20, 23)

Statement showing the percentage of segregation at source and percentage of door-to-door collection in 18 test checked ULBs

Particular	Year	Corporations						Councils						Committees					
		Hisar	Panipat	Faridabad	Gurugram	Sonipat	Panchkula	Kalka	Kaithal	Tohana	Bahadurgarh	Narnaul	Palwal	Nilokheri	Shahabad	Ukdana	Beri	Punhana	HellyMandi
Efficiency of collection of municipal solid waste	2017-18	50	100	70	Not provided	100	Not provided	NA	10	65	85	30	32	100	60	30	80	33	30
	2018-19	50	100	88	Not provided	100	Not provided	NA	10	70	90	50	32	100	80	40	100	46	30
	2019-20	50	100	90	Not provided	100	Not provided	NA	100	85	95	70	32	100	100	50	100	46	30
	2020-21	80	100	92	Not provided	100	Not provided	100	100	85	100	80	75	100	100	60	100	46	55
	2021-22	90	100	94	Not provided	100	Not provided	100	100	95	100	100	90	100	100	80	100	46	70
Extent of segregation of municipal solid waste	2017-18	50	0	22	Not provided	40	Not provided	NA	0	65	30	0	32	90	30	30	40	0	30
	2018-19	50	40	34	Not provided	60	Not provided	NA	0	70	40	0	32	90	40	40	20	0	30
	2019-20	50	40	55	Not provided	80	Not provided	NA	70	85	50	40	32	90	60	50	20	0	30
	2020-21	80	100	60	Not provided	100	Not provided	80	80	85	60	70	74	90	100	60	30	0	55
	2021-22	90	100	66	Not provided	100	Not provided	80	20	95	70	70	74	100	100	80	50	0	65

(Source: Information furnished by ULBs)

Appendix 2.8
(Reference: Paragraph 2.7.6; Page 24)
Status of MRFs in 18 test checked ULBs

		Corporations					Councils					Committees					Total			
Particular	Year	Hisar	Panipat	Faridabad	Gurugram	Sonipat	Panchkula	Kalka	Kaithal	Tohana	Bahadurgarh	Narnaul	Palwal	Nilokheri	Shahabad	Uklana	Beri	Punhana	HellyMandi	Total
Number of MRFs required	2017-18	10	NA	7	35	1	1	0	0	1	1	1	2	1	0	10	1	1	1	73
	2018-19	10	2	7	35	2	1	0	0	1	1	1	2	1	1	10	1	1	1	77
	2019-20	10	2	7	35	2	1	0	0	1	1	1	2	1	1	2	1	1	1	69
	2020-21	10	2	7	35	2	1	2	2	1	1	1	2	1	1	2	1	1	1	73
	2021-22	10	2	6	35	0	1	2	2	1	1	1	2	1	1	2	1	1	1	70
Number of available MRFs	2017-18	0	NA	6	0	1	1	0	0	0	1	0	0	1	0	0	0	0	1	11
	2018-19	1	2	6	0	2	1	0	0	0	1	0	0	1	1	1	0	0	1	17
	2019-20	3	2	6	5	2	1	0	0	0	1	0	0	1	1	0	0	0	1	23
	2020-21	7	2	7	4	2	1	1	1	0	1	0	3	1	1	1	1	0	1	34
	2021-22	7	2	6	5	0	1	1	1	1	1	0	3	1	1	1	1	0	1	33
Short fall in MRFs	2017-18	10	NA	1	35	0	0	0	0	1	0	1	2	0	0	10	1	1	0	62
	2018-19	9	0	1	35	0	0	0	0	1	0	1	2	0	0	9	1	1	0	60
	2019-20	7	0	1	30	0	0	0	0	1	0	1	2	0	0	2	1	1	0	46
	2020-21	3	0	0	31	0	0	1	1	1	0	1	0	0	0	1	0	1	0	40
	2021-22	3	0	0	30	0	0	1	1	0	0	1	0	0	0	1	0	1	0	38

(Source: Information furnished by ULBs)

Appendix 2.9

(Reference: Paragraph 2.7.7; Page 25)

Status of Sweepers in 18 test checked ULBs

Particular	Year	Corporations						Councils						Committees						Total
		Hisar	Panipat	Faridabad	Gurugram	Sonipat	Panchkula	Kalka	Kaithal	Tohana	Bahadurgarh	Narnaul	Palwal	Nilokheri	Shahabad	Uklana	Beri	Punhana	HellyMandi	
Number of Sweepers required	2017-18	657	1,784	4,250	2,850	850	1,190	NA	100	163	510	185	453	45	107	40	48	62	52	13,346
	2018-19	730	1,784	4,425	3,100	850	1,190	NA	100	171	525	186	453	45	107	43	49	62	52	13,872
	2019-20	811	1,784	4,475	3,702	1,068	1,190	NA	105	178	541	190	453	45	107	46	50	62	52	14,859
	2020-21	901	1,784	4,538	4,736	1,068	1,190	373	110	181	557	261	453	45	107	52	52	62	52	16,522
	2021-22	919	2,250	4,625	6,033	1,068	794	373	110	184	749	265	566	45	107	52	54	62	52	18,309
Number of Sweepers available	2017-18	705	NA	3,150	NA	432	963	NA	80	127	274	174	270	35	89	20	35	60	39	6,453
	2018-19	732	250	3,078	NA	418	960	NA	80	154	271	167	265	35	104	20	35	43	54	6,666
	2019-20	714	250	2,988	NA	685	958	NA	150	149	263	199	260	35	98	20	35	43	54	6,901
	2020-21	695	250	2,930	6,586	673	686	147	150	143	248	194	263	35	98	25	31	41	53	13,248
	2021-22	751	250	2,905	6,586	659	652	147	150	144	238	202	260	35	96	35	31	40	51	13,232
Shortage of Sweepers	2017-18	-	-	1,100	-	418	227	-	20	36	236	11	183	10	18	20	13	2	18	6,893
	2018-19	-	1,534	1,347	-	432	230	-	20	17	254	19	188	10	3	23	14	19	3	7,206
	2019-20	97	1,534	1,487	-	383	232	-	-	29	278	-	193	10	9	26	15	19	3	7,958
	2020-21	206	1,534	1,608	-	395	504	226	-	38	309	67	190	10	9	27	21	21	4	3,274
	2021-22	168	2,000	1,720	-	409	142	226	-	40	511	63	306	10	11	17	23	22	6	5,077

(Source: Information furnished by ULBs)

Appendix 2.10
(Reference: Paragraph 2.7.9; Page 26)
Status of Vehicles in 14 test checked ULBs

		Corporations		Councils						Committees					Total	
Particular	Year	Hisar	Panchkula	Kalka	Kaithal	Tohana	Bahadurgarh	Narnaul	Palwal	Nilokheri	Shahabad	Uklana	Beri	Punhana	Helly Mandi	
Number of Vehicles required	2017-18	62	103	0	0	6	16	31	45	10	-	5	3	7	6	294
	2018-19	62	103	0	0	6	16	31	45	10	37	6	3	7	6	332
	2019-20	83	103	0	30	6	22	33	45	10	21	7	3	7	6	376
	2020-21	191	103	20	20	6	22	33	45	10	20	8	3	7	6	494
	2021-22	191	84	20	20	6	25	33	82	10	20	8	3	7	6	515
Number of Vehicles available	2017-18	31	103	0	0	6	16	13	22	10	-	2	3	3	6	215
	2018-19	31	103	0	0	6	16	13	22	10	21	2	3	3	6	236
	2019-20	62	103	0	14	6	22	23	22	10	21	4	3	3	6	299
	2020-21	95	103	14	20	6	22	33	20	10	20	5	3	3	6	360
	2021-22	95	84	13	20	6	25	33	82	10	20	5	3	3	6	405
Shortage of Vehicles	2017-18	31	0	0	0	0	0	18	23	0	-	3	0	4	0	79
	2018-19	31	0	0	0	0	0	18	23	0	16	4	0	4	0	96
	2019-20	21	0	0	16	0	0	10	23	0	0	3	0	4	0	77
	2020-21	96	0	6	0	0	0	0	25	0	0	3	0	4	0	134
	2021-22	96	0	7	0	0	0	0	0	0	0	0	3	0	4	110

(Source: Information furnished by ULBs)

Appendix 2.11
(Reference: Paragraph 2.7.11.1; Page 30)
Status of facilities at dump site in 13 test checked ULBs

Sl No	Particular	Municipal Corporations				Municipal Councils			Municipal Committees				Total			
		Hisar	Panipat	Gurugram	Sonipat	Panchkula	Kaithal	Tohana	Bahadurgarh	Narnaul	Nilokheri	Shahabad	Uklana	Beri	Available	Not Available
1	Drinking Water	No	No	Yes	Yes	No	No	No	Yes	Yes	No	No	No	Yes	5	8
2	Toilet	No	No	Yes	Yes	No	No	No	Yes	Yes	No	Yes	No	No	5	8
3	Lighting	No	No	Yes	Yes	No	No	No	Yes	Yes	No	No	No	Yes	5	8
4	Fire protection Equipment	No	No	Yes	Yes	No	No	No	Yes	No	Yes	No	No	No	4	9
5	Weighbridge	No	No	Yes	Yes	No	No	No	Yes	Yes	No	No	No	No	4	9
6	Shelter for equipment & machinery	No	No	Yes	Yes	No	No	No	No	No	No	No	No	No	2	11
7	Watchman shed	No	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No	Yes	No	No	7	6
8	Office Facility	No	No	Yes	Yes	Yes	No	No	Yes	Yes	No	No	No	No	5	8
9	Waste inspection facility	No	No	No	Yes	No	No	No	Yes	Yes	No	Yes	No	No	4	9
10	Vegetative covering and plantation	No	No	No	Yes	No	Yes	No	No	No	No	No	No	No	2	11
11	Storm water drains	No	No	Yes	No	Yes	No	No	No	No	Yes	No	No	No	3	10
12	Internal roads	No	Yes	Yes	Yes	No	No	No	No	No	Yes	No	No	No	4	9
13	Approach roads	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	No	Yes	No	Yes	8	5
14	Compound wall and Gate	No	No	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	7	6
15	Windrow platforms	No	No	Yes	No	No	No	No	No	Yes	No	No	No	No	2	11

(Source: Information furnished by ULBs)

Appendix 2.12

(Reference: Paragraph 2.7.11.3; Page 32)

Statement showing the Environmental Compensation on basis of "polluter pays principle" due to non-processing solid waste by ULBs in Haryana

Sl. No.	Name of MC	Waste generation (TPD)	Waste disposal (TPD)	Waste management capacity gap	Capital Cost		Per day O&M Cost		Per day Environmental externalities Cost						
					Marginal capital cost factor	Capital cost (₹ in lakh)	Factor for O&M cost	No of days	O&M component (₹ in lakh)	Marginal cost of environmental externality per day	Actual Factor	Waste Management Capacity Gap * Actual Factor	Applicable factor within Min-Max range	No of days	Environmental externality (₹ in lakh per day)
A	B	C	D	E=C-D	F	G=E*F	H	I	J=H*E*I	K	L=K*E/100000	M=L*E	N	O	P=N*O
1	Hisar	180	95	85	2.4	204	0.02	1	1.7	15	0.0128	1.08	0.05	1	0.05
2	Panipat	350	50	300	2.4	720	0.02	1	6.0	30	0.0900	27.00	0.15	1	0.15
3	Faridabad	800	734	66	2.4	158	0.02	1	1.3	15	0.0099	0.65	0.05	1	0.05
4	Gurgaon	1,138	390	748	2.4	1,795	0.02	1	15.0	35	0.2618	195.83	0.35	1	0.35
5	Panchkula	90	68	22	2.4	53	0.02	1	0.4	15	0.0033	0.07	0.50	1	0.50
6	Kalka	30	27	3	2.4	7	0.02	1	0.1	15	0.0005	0.0014	0.01	1	0.01
7	Tohana	28.31	8	20.31	2.4	49	0.02	1	0.4	15	0.0030	0.06	0.05	1	0.05
8	Bahadurgarh	112	50	62	2.4	149	0.02	1	1.2	15	0.0093	0.58	0.05	1	0.05
9	Narnaul	28	6	22	2.4	53	0.02	1	0.4	15	0.0033	0.07	0.05	1	0.05
10	Palwal	100	80	20	2.4	48	0.02	1	0.4	15	0.0030	0.06	0.05	1	0.05
11	Shahabad	25	23.4	1.6	2.4	4	0.02	1	0.0	15	0.0002	0.0004	0.01	1	0.01
12	Uklana	9	3	6	2.4	14	0.02	1	0.1	15	0.0009	0.01	0.01	1	0.01
13	Beri	9	5	4	2.4	10	0.02	1	0.1	15	0.0006	0.002	0.01	1	0.01
14	Punhana	10	2	8	2.4	19	0.02	1	0.2	15	0.0012	0.01	0.02	1	0.02
15	Helly Mandi	10	0	10	2.4	24	0.02	1	0.2	15	0.0015	0.02	0.02	1	0.02
16	Ambala Sadhar	110	0	110	2.4	264	0.02	1	2.2	15	0.0165	1.82	0.05	1	0.05
17	Ambala	180	170	10	2.4	24	0.02	1	0.2	15	0.0015	0.02	0.02	1	0.02
18	Loharu	6.4	0	6.4	2.4	15	0.02	1	0.1	15	0.0010	0.01	0.01	1	0.01
19	Charkhidadri	22	16	6	2.4	14	0.02	1	0.1	15	0.0009	0.01	0.01	1	0.01
20	Fatehabad	31.38	10	21.38	2.4	51	0.02	1	0.4	15	0.0032	0.07	0.05	1	0.05
21	Ratia	16	0	16	2.4	38	0.02	1	0.3	15	0.0024	0.04	0.04	1	0.04
22	Bhuna	13.34	0	13.34	2.4	32	0.02	1	0.3	15	0.0020	0.03	0.03	1	0.03
23	Jakkhal Mandi	5.25	0	5.25	2.4	13	0.02	1	0.1	15	0.0008	0.00	0.01	1	0.01
24	Sohna	40.33	0	40.33	2.4	97	0.02	1	0.8	15	0.0060	0.24	0.05	1	0.05
25	Hansi	38	0	38	2.4	91	0.02	1	0.8	15	0.0057	0.22	0.05	1	0.05
26	Sisai	11.25	0	11.25	2.4	27	0.02	1	0.2	15	0.0017	0.02	0.02	1	0.02
27	Narnaund	8	3	5	2.4	12	0.02	1	0.1	15	0.0008	0.00	0.01	1	0.01
28	Julana	7	0	7	2.4	17	0.02	1	0.1	15	0.0011	0.01	0.01	1	0.01

Sl. No.	Name of MC	Waste generation (TPD)	Waste disposal (TPD)	Waste management capacity gap	Capital Cost		Per day O&M Cost		Per day Environmental externalities Cost								
					Marginal capital cost factor	Capital cost (₹ in lakh)	Factor for O&M cost	No of days	O&M component (₹ in lakh)	Marginal cost of environmental externality per day	Actual Factor	Waste Management Capacity Gap * Actual Factor	Applicable factor within Min-Max range	No of days	Environmental externality (₹ in lakh per day)		
A	B	C	D	E=C-D	F	G=E*F	H	I	J=H*E*I	K	L=K*E/100000	M=L*E	N	O	P=N*O		
29	Narwana	26	14	12	2.4	29	0.02	1	0.2	15	0.0018	0.02	0.02	1	0.02		
30	Jhajjar	26	18	8	2.4	19	0.02	1	0.2	15	0.0012	0.01	0.01	1	0.01		
31	Thanesar	80.2	56.15	24.05	2.4	58	0.02	1	0.5	15	0.0036	0.09	0.05	1	0.05		
32	Ladwa	9.2	1.4	7.8	2.4	19	0.02	1	0.2	15	0.0012	0.01	0.01	1	0.01		
33	Ismailabad	7.25	3.9	3.35	2.4	8	0.02	1	0.1	15	0.0005	0.00	0.01	1	0.01		
34	Karnal	180	129	51	2.4	122	0.02	1	1.0	15	0.0077	0.39	0.05	1	0.05		
35	Tarori	14.5	12.5	2	2.4	5	0.02	1	0.0	15	0.0003	0.00	0.01	1	0.01		
36	Gharaunda	21.85	9.85	12	2.4	29	0.02	1	0.2	15	0.0018	0.02	0.02	1	0.02		
37	Indri	8.51	0	8.51	2.4	20	0.02	1	0.2	15	0.0013	0.01	0.01	1	0.01		
38	Atelimandi	6	0	6	2.4	14	0.02	1	0.1	15	0.0009	0.01	0.01	1	0.01		
39	Nuh	9	0	9	2.4	22	0.02	1	0.2	15	0.0014	0.01	0.01	1	0.01		
40	Ferozpur Jhinka	12	0	12	2.4	29	0.02	1	0.2	15	0.0018	0.02	0.02	1	0.02		
41	Tauru	11.43	0	11.43	2.4	27	0.02	1	0.2	15	0.0017	0.02	0.02	1	0.02		
42	Rohtak	160	130	30	2.4	72	0.02	1	0.6	15	0.0045	0.14	0.05	1	0.05		
43	Rewari	86	70	16	2.4	38	0.02	1	0.3	15	0.0024	0.04	0.04	1	0.04		
44	Bawal	6	3	3	2.4	7	0.02	1	0.1	15	0.0005	0.00	0.01	1	0.01		
45	Gohana	32	2	30	2.4	72	0.02	1	0.6	15	0.0045	0.14	0.05	1	0.05		
46	Kharkhoda	20	16.8	3.2	2.4	8	0.02	1	0.1	15	0.0005	0.00	0.01	1	0.01		
47	Kundli	16.5	0	16.5	2.4	40	0.02	1	0.3	15	0.0025	0.04	0.04	1	0.04		
48	Ellenabad	14	0	14	2.4	34	0.02	1	0.3	15	0.0021	0.03	0.03	1	0.03		
49	Yamunanagar	272	125	147	2.4	353	0.02	1	2.9	15	0.0221	3.24	0.05	1	0.05		
50	Sadhura	4.35	0	4.35	2.4	10	0.02	1	0.1	15	0.0007	0.00	0.01	1	0.01		
Total					Capital Cost		O&M Cost		41.98		Environmental externalities Cost					2.28	
					5,038												

(Source: Information furnished by HSPCB)

Appendix 2.13
(Reference: Paragraph 2.7.12; Page 34)
Status of Legacy Waste in 18 test checked ULBs

Sl No	Particular	Corporations					Councils					Committees					Total	
		Hisar	Panipat	Gurugram Faridabad	Sonipat	Panchkula- Kalka	Kaithal	Tohana	Bahadurgarh	Narnaul	Palwal	Nilokheri	Shahabad	Uklana	Beri	Punhana		Helly Mandi
1	Total quantity of Legacy Waste estimated (MT)	1,30,000	4,09,200	32,00,000	3,00,000	3,96,000	98,800	12,000	2,50,000	58,291	21,000	11,000	12,795	6,400	3,800	20,000	0	49,29,286
2	Revised quantity of Legacy waste (MT)	2,00,000	4,09,200	40,50,000	3,00,000	4,16,788	1,68,000	12,700	4,30,000	1,88,000	21,000	11,000	743	6,400	10,000	20,000	300	62,44,131
3	Whether work order for processing placed (Yes or No)	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	11 (cases work order placed)
4	Work completed or not (Yes or No)	No	No	No	No	No	No	No	No	No	Yes	Yes	No	No	No	No	Yes	3 (completed)
5	Quantity of legacy waste processed (In MT)	1,12,000	3,80,000	17,96,487	0	1,22,500	85,300	0	2,10,000	1,85,000	21,000	11,000	0	0	6,009	0	0	29,29,296
6	Quantity of legacy waste un-processed (In MT)	88,000	29,200	22,53,513	3,00,000	2,94,288	82,700	12,700	2,20,000	3,000	0	0	743	6,400	3,991	20,000	300	33,14,835

(Source: Information furnished by ULBs)

Appendix 2.14
(Reference: Paragraph 2.7.16.1; Page 37)

Status of Challans issued in 16 test checked ULBs

Particular	Year	Corporations					Councils					Committees					Total	
		Hisar	Panipat	Faridabad	Gurugram	Sonapat	Panchkula	Kalka	Kaithal	Bahadurgarh	Narnaul	Palwal	Nilokheri	Shahabad	Uklana	Beri		Punhana
No. of challans issued	2017-18	0	53	0	102	1	140	0	0	6	0	0	0	0	0	6	0	308
	2018-19	10	86	0	123	10	285	0	0	6	0	0	0	0	30	3	4	557
	2019-20	25	117	468	613	173	364	0	22	8	0	0	62	35	8	6	27	1,928
	2020-21	13	40	47	954	40	60	4	0	18	13	47	73	2	10	8	0	1,329
	2021-22	22	0	3,630	1,850	40	10	32	0	10	2	9	64	34	10	10	2	5,725
	2017-18	0	1,55,000	0	65,000	5,000	70,000	0	0	3,000	0	0	0	0	0	10,500	0	3,08,500
Penalty imposed (amount in ₹)	2018-19	1,04,500	1,61,000	0	72,500	50,000	1,42,500	0	0	3,000	0	0	0	15,000	1,500	2,500	0	5,52,500
	2019-20	1,12,000	94,000	9,000	12,71,000	1,73,500	1,82,000	0	11,000	8,000	0	0	42,500	17,500	3,200	3,500	21,500	19,48,700
	2020-21	43,460	47,000	30,500	7,04,500	30,000	24,600	2,000	0	10,000	1,34,000	34,100	22,900	1,000	4,200	4,500	0	10,92,760
	2021-22	31,800	0	45,35,500	16,30,000	44,000	5,000	11,900	0	10,000	4,000	4,000	16,250	42,500	4,200	5,500	1,000	63,45,650
	2017-18	0	0	0	40,000	5,000	70,000	0	0	3,000	0	0	0	0	0	10,500	0	1,28,500
	2018-19	5,500	0	0	52,500	50,000	1,42,500	0	0	3,000	0	0	0	15,000	1,500	2,500	0	2,72,500
Penalty amount recovered (amount in ₹)	2019-20	4,500	0	9,000	4,44,000	1,73,500	1,82,000		11,000	8,000	0	0	19,250	14,500	3,200	3,500	21,500	8,93,950
	2020-21	11,960	0	30,500	2,52,000	30,000	24,600	2,000	0	10,000	3,000	34,100	14,600	1,000	4,200	4,500	0	4,22,460
	2021-22	31,800	0	2,49,000	10,03,500	44,000	5,000	11,900	0	10,000	1,200	4,000	12,900	22,000	4,200	5,000	1,000	14,05,500
	2017-18	0	0	0	62	100	100	0	0	100	0	0	0	0	0	100	0	-
Percentage of amount recovered	2018-19	5	0	0	72	100	100	0	0	100	0	0	0	100	100	100	0	-
	2019-20	4	0	100	35	100	100	0	100	100	0	0	45	83	100	100	100	-
	2020-21	28	0	100	36	100	100	100	0	100	2	100	64	100	100	100	0	-
	2021-22	100	0	5	62	100	100	100	0	100	30	100	79	52	100	91	100	-

(Source: Information furnished by ULBs)

Appendix 2.15

(Reference: Paragraph 2.8.1; Page 41)

Detail of clusters formed in Haryana for Integrated Solid Waste Management

Sr. No.	Name of cluster	No. of ULBs in the Cluster	Name of ULBs Covered under cluster	Status	Technology Adopted for processing of SWM
1	Sonipat-Panipat	4	Gannuar, Samalkha, Panipat & Sonipat	Commissioned (August 2021)	Waste to Energy
2	Faridabad-Gurugram	2	Faridabad & Gurugram	Awarded (August 2017) - not yet Commissioned	Waste to Energy
3	Bhiwani	5	Bhiwani, Bawani Khara, Charkhi Dadri, Loharu & Badhra	Awarded (December 2022) - not yet Commissioned	Waste to Compost
4	Sirsa	5	Sirsa, Rania, Ellenabad, Kalanwali & Mandi Dabwali	Awarded (November 2022) - not yet Commissioned	Waste to Compost
5	Karnal-Kaithal-Kurukshetra	18	Indri, Nilokheri, Tarori, Karnal, Gharaunda, Nissing, Assandh, Thanesar, Shahbad, Ladwa, Kaithal, Kalayat, Rajound, Cheeka, Pundri, Pehowa, Ismailabad & Siwan	Awarded (November 2022) - not yet Commissioned	Waste to Compost
6	Ambala-Yamunanagar	6	Ambala, Naraingarh, Yamuna Nagar, Radaur, Barara & Sadhura	Not yet awarded	Open technology
7	Rohtrak-Bahadurgarh-Jhajjar	13	Kalanaur, Meham, Rohtak, Gohana, Bahadurgarh, Kharkhoda, Julana, Jhajjar, Sampla, Beri, Badli, Atelimandi & Kundli	Not yet awarded	Open technology
8	Panchkula	2	Panchkula & Kalka	Not yet awarded	Open technology
9	Hisar- Fatehabad	11	Hisar, Barwala, Hansi, Siwani, Fatehabad, Buna, Uklana Mandi, Ratia, Tohana, Jhaka Mandi & Adampur	Not yet awarded	Open technology
10	Jind	7	Jind, Narwana, Safidon, Uchana, Namaund, Sisai & Bass	Not yet awarded	Open technology
11	Manesar-Rewari	6	Bawal, Dharuhera, Rewari, Mahendergarh, Kanina & Manesar	Not yet awarded	Open technology
12	Palwal- Punhana	8	Punhana, F/Jhirkha, Hathin, Hodal, Palwal, Sohna, Nuh & Tauru	Not yet awarded	Open technology
13	Farukhnagar	3	Farukh Nagar, Haily Mandi & Pataudi	Not yet awarded	Open technology

(Source: Information furnished by DULB)

Appendix 3.1

(Reference: Paragraph 3.1.1; Page 56)

Agencies involved in procurement of wheat and their main functions

Food, Civil Supplies & Consumer Affairs Department (FSD):- Additional Chief Secretary, Government of Haryana, FSD is the administrative head at Government level and is responsible for policy decisions, programmes and schemes *etc.* The Director, FSD is responsible for issuing RMS policy and directions to State Procurement Agencies (SPAs) for overall management of procurement, storage and delivery operations. At district level, District Food Civil Supply & Consumer Affairs Controllers (DFSCs) are responsible for the procurement of foodgrains, its storage and final delivery to FCI. In addition to procurement functions, the DFSCs are also responsible for overall supervision of all the SPAs at the district level. In addition to the above, the FSD also make procures wheat and had procured 29.70 *per cent* of total wheat procured in the State during 2017-22.

Haryana State Co-operative Supply and Marketing Federation Limited (HAFED): HAFED is an apex co-operative federation established under Co-operative Societies Act, 1984 and acts as an agency for procurement of foodgrains. HAFED had procured 40.34 *per cent* of the total wheat procured in the State during 2017-22. It has seventeen field circles offices each headed by a District Manager (DM). DMs are responsible for the procurement of wheat, its storage and final delivery to FCI.

Haryana State Warehousing Corporation (HSWC):- The HSWC was established with the objective to construct and maintain godowns and warehouses for storage of foodgrains, fertilizers, seeds, etc. The HSWC also acts as an agency for procurement of foodgrains. The HSWC had procured 17.66 *per cent* of the total wheat procured during 2017-22. The HSWC has ten field circle offices each headed by a DM responsible for the procurement of wheat, its storage and final delivery to FCI.

Haryana Agro Industries Corporation Limited (HAIC):- HAIC provides diversified services in the agro based industry in the State including manufacturing and trading of agricultural equipment, pesticides, fertilizers, cattle feed, seeds, etc and was a procurement agency for foodgrains at MSP. The HAIC has discontinued procurement operations since 2018.

Agriculture and Farmers' Welfare Department (A&FWD): - This Department is the executive agency for Web portal “*Meri Fasal Mera Byora*” wherein each farmer is required to submit details of land under wheat cultivation and other details.

Haryana State Agricultural Marketing Board (HSAMB) is responsible for *mandi* arrangements before start of the procurement season and providing basic amenities to farmers in the *mandis* during procurement season.

Appendix 3.2

(Reference: Paragraph 3.4.4; Page 64)

Statement showing excess expenditure on wheat stored in mandi premises after weighment done outside mandi

RMS	Contractor name	Cartage of wheat bags from/to	Bags (in Nos.)	Distance (In Kms)	Rates paid (₹ per bag)	Amount Paid (in ₹)	Rates for minimum distance per bag (1 km)	Excess expenditure (in ₹)
2017-18	Jagdish Yadav & Company	Samalkha Mandi to MB plinth Samalkha	53,782	5.5	4.84	2,60,305	2.37	1,32,842
2020-21	Chaudhry roadlines	Samalkha Mandi to MB plinth Samalkha	1,41,603	11	10.27	14,53,829	1.79	12,00,793
2020-21	Rathee Transport Co.	Samalkha Mandi to MB plinth Samalkha	1,42,024	11	4.65	6,60,496	0.81	5,45,372
2018-19	Jagdish Yadav & Company	Samalkha Mandi to MB plinth Samalkha	1,26,497	13.6	6.97	8,81,862	1.16	7,34,948
2021-22	Poonam Transport Company	Samalkha Mandi to MB plinth Samalkha	3,20,733	5.3	9.76	31,29,713	4.78	15,97,250
2021-22	Shiva Transport Company	Samalkha Mandi to MB plinth Samalkha	2,16,598	12.9	20.21	43,77,662	3.87	35,39,211
Total Panipat (A)			10,01,237					77,50,416
2018-19	Pandit Road carrier	Sadhura Mandi to MB Godown Sadhura Via Ashutosh Dharam Kanta (D.K.)	64,435	6	8.77	5,65,224	6.95	1,17,272
2018-19	Pandit Road carrier	Sadhura Mandi to Hafed Complex Sadhura Via Ashutosh D.K.	39,692	2.6	6.12	2,42,923	5.3	32,547
2018-19	Maresh Kumar	Chhachrauli Mandi to Open Plinth Chhachrauli Mandi	2,49,668		6.29	15,69,363	4.12	5,41,780
2018-19	Pandit Road carrier	Sadhura Mandi to Mandi shed Sadhura Via Hafed D.K.	35,300	4	6.96	2,45,522	3.48	1,22,844
2018-19	Pandit Road carrier	Sadhura Mandi to Mandi shed Sadhura Via Hafed D.K.	53,996	4	6.96	3,75,558	3.48	1,87,906
2019-20	Suresh Kumar Sharma	Khizrabad Mandi to Open Plinth Khizrabad Mandi	2,06,516	5	10.03	20,72,202	4.42	11,58,555
2019-20	Suresh Kumar Sharma	Khizrabad Mandi to MB Godown Khizrabad Mandi	43,106	5	10.03	4,32,530	4.42	2,41,825
2019-20	Radhey Shyam	Chhachrauli Mandi to Open Plinth Chhachrauli Mandi via Shree Krishna D.K.	1,01,286	1.6	5.83	5,90,365	3.82	2,03,585
2019-20	Radhey Shyam	Chhachrauli Mandi to Open Plinth New Mandi Chhachrauli Mandi via Shree Krishna D.K.	20,043	1.8	5.83	1,16,824	3.82	40,286
2019-20	Suresh Kumar Sharma	Sadhura Mandi to Mandi open plinth Sadhura Via Hafed D.K.	89,609	3.6	7.84	7,02,580	3.92	3,51,267
2019-20	Suresh Kumar Sharma	Sadhura Mandi to Mandi shed Sadhura Via Hafed D.K.	36,999	3.6	7.84	2,90,091	3.92	1,45,036
2019-20	Ramesh Kumar	Mustafabad Mandi to Mustafabad Mandi plinth via Hafed D.K.	3,22,155	3	5.69	18,33,159	3.23	7,92,501
2019-20	The Laxmi Co-op Society	Ranjeetpur Mandi to Ranjeetpur Mandi plinth via Kishan D.K.	1,87,574	1.7	5.51	10,32,686	3.8	3,20,752
2019-20	Suresh Kumar Sharma	Sadhura Mandi to Mandi plinth Sadhura Via Hafed D.K.	13,260	3.6	7.84	1,03,965	3.92	51,979
2019-20	Suresh Kumar Sharma	Sadhura Mandi to Mandi shed Sadhura Via Hafed D.K.	18,081	3.6	7.84	1,41,765	3.92	70,878
2019-20	The Laxmi Co-op Society	Bilaspur Mandi to Bilaspur Mandi plinth via Aggrawal D.K.	57,248	1.7	5.51	3,15,162	3.61	1,08,771
2020-21	Rana Transport Co	Ranjeetpur Mandi to Ranjeetpur Mandi plinth via Kishan D.K.	1,30,648	1.7	5.17	6,75,123	3.39	2,32,553
2020-21	Radhey Shyam	Radaur Mandi to Open plinth Radaur Mandi	2,11,558	1.7	4.93	10,43,150	3.23	3,59,649
2020-21	Maresh Kumar	Chhachrauli Mandi to Open Plinth Chhachrauli Mandi via Shree Krishna D.K.	99,401	1.6	4.86	4,83,486	3.19	1,66,000

RMS	Contractor name	Cartage of wheat bags from/to	Bags (in Nos.)	Distance (In Kms)	Rates paid (₹ per bag)	Amount Paid (in ₹)	Rates for minimum distance per bag (1 km)	Excess expenditure (in ₹)
2020-21	Suresh Kumar Sharma	Sadhura Mandi to Mandi plinth Sadhura Via Hafed D.K.	24,320	3.7	5.74	1,39,594	2.87	69,798
2020-21	Suresh Kumar Sharma	Sadhura Mandi to Mandi shed Sadhura Via Hafed D.K.	17,219	3.6	5.74	98,835	2.87	49,419
2020-21	Suresh Kumar Sharma	Pratap nagar Mandi to Mandi Godown Pratap Nagar via Bains D.K.	34,246	5	7.86	2,69,115	3.46	1,50,682
2020-21	Suresh Kumar Sharma	Pratap nagar Mandi to Mandi plinth Pratap Nagar via Bains D.K.	76,601	5	7.86	6,01,954	3.46	3,37,044
2020-21	Radhey Shyam	Saraswati Nagar Mandi to Mandi open plinth Saraswati Nagar Mandi	1,65,410	2.9	5.45	9,01,087	3.09	3,90,368
2020-21	Mahesh Kumar	Kharwan Mandi to Open Plinth Kharwan Mandi	37,023	5.8	8.05	2,97,887	3.19	1,79,932
2021-22	Mohinder Pal	Radaur Mandi to Open plinth Radaur Mandi	57,091	1.7	6.76	3,85,650	4.43	1,33,022
2021-22	Mohinder Pal	Radaur Mandi to Open plinth Radaur Mandi	54,357	1.7	6.76	3,67,182	4.43	1,26,652
2021-22	Mohinder Pal	Radaur Mandi to MB Godown Radaur Mandi	17,777	1.7	6.76	1,20,084	4.43	41,420
Total Yamunanagar (B)			24,64,619					67,24,323
2017-18	Ram Murti Ravi Kumar	Ambala City	2,44,529	3.3	6.27	15,34,298	2.66	8,82,750
2017-18	Jagjeevan Pal Singh	Ambala Cantt.	85,392	4.1	10.81	9,22,977	4.52	5,37,116
2018-19	Rajan & Brother	Ambala City	6,64,353	3.2	6.83	45,36,268	2.9	26,10,907
2018-19	Baldev Singh	Ambala Cantt.	2,37,019	4.1	10.41	24,67,557	4.35	14,36,335
2019-20	Baldev Singh	Ambala City	7,79,344	3.3	8	62,38,259	3.39	35,92,776
2019-20	Jagjeevan Pal Singh	Ambala Cantt.	2,85,195	4.1	13.08	37,28,925	5.48	21,67,482
2020-21	Jagjeevan Pal Singh	Ambala Cantt.	2,26,346	4.1	13.08	29,59,474	5.48	17,20,230
2021-22	Baldev Singh	Ambala City	2,95,227	3.3	11.2	33,08,018	4.75	19,04,214
Total Ambala (C)			28,17,405					1,48,51,809
Grand Total (A+B+C)			62,83,261					2,93,26,548

Appendix 3.3

(Reference: Paragraph 3.5.1.1; Page 68)

Statement showing difference between Auction rates of damaged wheat amongst SPAs (FSD, HAFED & HSWC)

Crop year	Category of wheat	Quantity allotted (In MT)	FSD rates	Quantity lifted (in MT)	HSWC minimum rates (Per MT)	HAFED minimum rates (₹ per MT)	Realisation by FSD	Realisation By HSWC	Realisation by HAFED	Difference of HSWC & FSD	Difference of HAFED & FSD
									(₹ in lakh)		
2019-20	Feed-I	8,579	12,910	7,220	17,370	13,494	932.11	1,254.11	974.28	322	42.17
2018-19	Feed-I	244	12,000	156	17,370	13,494	18.75	27.1	21.09	8.35	2.33
2019-20	Feed-I	5,843	13,000	5,465	17,370	13,494	710.45	949.27	737.45	238.82	27.00
2019-20	Feed-II	6,169	10,810	4,982	14,370	12,660	538.60	715.91	630.77	177.31	92.17
2018-19	Feed-II	205	10,150	102	14,370	12,660	10.36	14.66	12.92	4.3	2.56
2019-20	Feed-II	8,115	10,810	6,644	14,370	12,660	718.17	954.74	841.08	236.57	122.91
2019-20	Feed-II	2,912	8,691	3,871	14,390	14,190	336.45	557.04	549.33	220.59	212.88
2019-20	Feed-III	5,629	8,691	3,055	8,500	14,190	265.51	259.68	433.50	0	167.99
2018-19	Feed-III	449	8,121	203	8,500	14,190	16.48	17.26	28.79	0.78	12.31
2019-20	Ind. use	1,052	5,731	2,234	11,900	10,160	128.04	265.85	226.99	137.81	98.95
2019-20	Ind. use	1,950	5,731	0	11,900	10,160	0.00	0	0.00	0	0.00
2018-19	Ind. use	113	5,401	60	11,900	10,160	3.25	7.14	6.11	3.89	2.86
2019-20	Manure	296	2,110	571	6,300	11,130	12.05	35.97	63.56	23.92	51.51
2019-20	Manure	2,276	2,110	1,049	6,300	11,130	22.14	66.09	116.80	43.95	94.66
Total		43,834		35,613			3,712.36	4,854.06	4,642.67	1,418.29	930.30

Appendix 3.4

(Reference: Paragraph 3.6.1; Page 71)

Brief description of incidentals and method of fixation

Incidentals	Brief description	Method of fixation
MSP	Minimum Support Price to be paid to the farmers	MSP is decided by GoI each year before crop sowing season on the basis of recommendations of Commission of Agricultural Costs and Prices (CACP).
Statutory taxes	GoH levy different taxes and cess like Market Fee, Rural Development Fee	Tax rates are notified by GoH as a percentage of sale price i.e. MSP in case of wheat.
Arthiya Commission/Dami charges	Arthiyas function as immediate intermediaries and aggregators in the process of procurement for which they charge their commission	Charges were fixed as 2.50 per cent of MSP upto RMS 2019 and fixed as ₹ 46 per quintal from RMS 2020 onwards by GoI.
Mandi Labour Charges	Charges incurred in the <i>mandi</i> for engaging the labour to perform various activities like cleaning, weighing, stitching, etc.	Charges are fixed by GoH under the Agricultural Produce Market Committee Act.
Transportation and handling charges	Charges incurred for transportation and handling	Charges are fixed by State level committee headed by ACS, GoH, FSD
Storage charges	To compensate expenditure incurred by SPA for custody and maintenance of wheat stock during procurement period.	Charges are provided separately for CAP & covered storage at Central Warehousing Corporation (CWC) rates for the storage period
Carryover charges (interest charges and storage charges)	To compensate expenditure incurred by SPA for custody and maintenance of wheat stock after procurement period till its delivery to FCI.	Interest charges were allowed on MSP, statutory charges, <i>mandi</i> labour charges, transportation charges, <i>etc.</i> , at the rates given in the PCS of respective year and storage charges at rates of central warehousing corporation (CWC).

Appendix 4.1

(Reference: Paragraph 4.9.1; Page 86)

Non-registration of establishments of 60 construction sites in selected 12 Divisions

Sr. No.	Name of work	Administratively approved cost	Tendered Cost	Expenditure incurred upto February 2023 (in lakh)	Cess deducted	Cess transferred to the Board
1. Electrical Division, B&R, Gurugram						
1	Construction of Judicial Complex (Tower of Justice) at Gurugram (Providing Heating, Ventilation and Air Conditioning (HVAC) System only)	13,352.00	784.99	865.55	8.66	0.00
2	Construction of Distt Head Quarter office building Excise & Taxation Gurugram (Providing HVAC System only)	5,748.52	435.72	413.82	4.14	0.00
3	Construction of Distt Head Quarter office building Excise & Taxation Gurugram (Providing LAN, EPBAX & CCTV)	5,748.42	448.59	446.71	2.39	0.00
4	Construction of Judicial Complex (Tower of Justice) at Gurugram (Providing Parking Management system & RFID Vehicle Access Automatic Bollard only)	13,352.00	177.67	142.14	1.42	0.00
5	Upkeepment Electrical Hazard (EH) in under Electrostatic Discharge (ESD) Gurugram	-	-	184.45	0.00	0.00
2. Electrical Division, B&R, Karnal						
6	Supply, Erection, Testing, and Commissioning of liquid oxygen tank central medical gas pipeline system and 1 No. Super speciality Operation Theatre 200 bedded Hospital Panipat	1,436.58	497.97	712.85	7.13	7.13
7	Four Lanning Kamal Kaithal Khanauri road (SH-08) Km 17.10 to 69.400 except 54.400 to 57.400 (section Chirao Mor to Kaithal making 2 lane to 4 lane) in the State of Haryana (Shifting of High Tension & Low Tension (HT<) lines under the Jurisdiction of Provl. Division No.1, Karnal)	3,934.00	516.62	509.37	5.09	5.09
8	Construction of 6 Lanning of Kamal Meerut Road up to Sugar Mill RD 0 to 2800 and 4 Lanning from Sugar Mill RD 2800 to 14670 i.e up to Haryana- UP Border in District Karnal (Hon'ble Chief Minister announcement code 20093) (Providing shifting of 11 KV, HT & LT line)	10,549.00	518.52	621.42	6.22	6.22
9	Construction of 500 bedded Temporary COVID Hospital Distt. Panipat (Providing 250 KVA transformer, Feeder electrical services, Fire suspension system, consultancy and supply of materials at site) Labour charges	5,777.40	6.73	6.73	0.07	0.07
10	Four Lanning Kamal Kaithal Khanauri road (SH-08) Km 17.10 to 69.400 except 54.400 to 57.400 (section Chirao Mor to Kaithal making lane to 4 lane) in the State of Haryana (Shifting of HT & LT lines under the Jurisdiction of Provincial Division No.1, Kaithal)	3,934.00	144.45	277.39	2.77	2.77
3. Public Health Engineering Department (PHED) Division No 2, Panipat						
11	Detailed Project Report for providing sewerage system in village Sewah District Panipat	1,063.15	1,017.90	900.00	9.00	9.00
12	Providing Sewerage System in village Bapoli District Panipat	1,099.30	728.25	489.16	4.89	4.89
13	Dadlana Village-Providing Sewerage System	644.16	429.48	388.49	3.88	3.88

Sr. No.	Name of work	Administratively approved cost	Tendered Cost	Expenditure incurred upto February 2023 (in lakh)	Cess deducted	Cess transferred to the Board
14	Providing Sewerage System in village Rana Majra District Panipat.	687.25	516.81	278.56	2.79	2.79
15	Augmentation of Water Supply Scheme for Village Chulkana District. Panipat	979.35	836.85	97.27	0.97	0.97
4.	Provincial Division No 1, Buildings & Roads (B&R), Gurugram					
16	Rough Cost estimate for the Construction of New Judicial Complex at Gurgaon (Justice of tower) (MIS No. C05/2014/23045)	13,352.00	7,886.78	9,312.76	95.57	95.57
17	District revenue officer-cum-Land Acquisition Collector, Gurugram for purchase of land measuring 32 kanal 04 marla belonging to Haryana Vidyut Prasaran Nigam Limited Sohna	805.00	0.00	805.00	0.00	0.00
18	Construction of Elevated walkway and Surface Road at Mahavir Chowk (Opposite Police Line) in Gurugram, Haryana (MIS No C05/2020/42673)	5,600.00	2,591.88	1,739.10	17.70	17.70
19	Construction of Houses / Flats for officers / official in Gurugram District. (including Electrical Installation Works) (MIS No. C05/2019/39011)	2,304.00	1,867.80	2,011.41	18.68	18.68
20	Construction of 56 Nos Multi storey Government House /flats for the residence of Judicial officer posted in Gurgaon Sector-52A & 53 in Gurgaon District (MIS No.C05/2016/28290)	4,692.00	2,658.41	3,868.95	29.31	29.31
5.	Provincial Division 1 (B&R), Hisar					
21	Construction of Southern peripheral road along with balsam and LEX	4,923.00	3,221.00	5,416.73	42.95	42.95
22	Maintenance of road for three years by way of pothole filling & patchwork repair by jet patcher/Dura patcher machines of Public Works Department (B&R) HSAMB. Urban LB HUDA & HSIIDC # 37894 (Jet Patcher)	3,682.21	9,816.00	3,911.79	24.17	24.17
23	Construction of Road Over Bridge at Level Crossing (ROBLC) -B on Hisar Mangali Sharwa Road MS #40548	4,781.78	2,312.00	4,590.88	20.91	20.91
24	Construction of ROB LC 89-60 on Rawari Bhatinda Railway line # 28836	5,966.00	4,727.00	4,947.80	7.57	7.57
25	Construction of 2-Lane ROB at LC 4 on Hisar Sadalpur Railway Line Km. 3/7- 8 xing Southern Periphery Road along Balsam and tributary MIS No. 28835	3,069.00	1,681.00	2,772.68	17.37	17.37
6.	Provincial Division No 2, Buildings & Roads, Karnal					
26	C03/2021/44363 Strengthening of road from Panipat to Munak road via Indian Oil Corporation Limited in Karnal District	1,383.76	1,242.25	1,376.38	1.96	1.96
27	C03/2019/37743 Four Lanning of Road from Gharaunda to Phurlak Km. 0.00 to 4.00 (Road ID 7495) in Karnal District (Chief Minister Announcement Code 22901)	932.45	752.51	955.20	7.73	7.73
28	C03/2021/44183 Construction of New Road from Kutail to Pandit Deen Dayal Upadhyaya Health Science University upto Ucha Samana Ganjo Garhi road in Karnal District (Back side of University Gate Km. 0.00 to 3.05)	1,322.25	401.14	643.20	5.89	5.89
29	C03/2019/38906 Upgradation of 50 Bedded Hospital at Nilokheri in Karnal District (Chief Minister Announcement Code 19966)	1,783.98	677.23	749.76	7.63	7.63

Sr. No.	Name of work	Administratively approved cost	Tendered Cost	Expenditure incurred upto February 2023 (in lakh)	Cess deducted	Cess transferred to the Board
30	C03/2021/46364 Construction of Box Type Bridge on New Road from Kutail to Pandit Deen Dayal Upadhyay Health Science University upto Ucha Samana Ganjo Garhi road in Karnal District (Eastern Side) Km. 0.00 to 3.05	1,322.25	682.46	371.42	5.16	0.00
7.	Provincial Division, Public Works Department Buildings & Roads, Panipat					
31	Construction of High Level Bridge on Yamuna River connecting Bilaspur to Khojkipur of District Panipat including guide bund and improvement & construction of 15.387 km. road in Haryana. Job No. CRF-HR-2016-17-130.	8,708.00	8,436.01	6,786.22	67.86	67.18
32	Construction of 500 Oxygenated bedded temporary hospital at Panipat	2,888.70	2,435.00	2,438.25	24.38	24.14
33	Construction of Road Over Bridge/Road Under Bridge at Level Crossing no. 47 on Jind Panipat (Delhi-Ambala) line at Railway Km. 62/6-7 on Assan More Majra Goli Road in Panipat District.	2,981.51	1,632.82	1,451.29	14.51	14.37
34	Construction of road at Drain No. 2 from Barsat Road to Sanoli road (SH-16) in Panipat District.	4,885.88	2,157.12	2,383.39	23.83	23.60
35	4 lanning Panipat (Grand Trunk Road National Highway - 44) Dahar up to National Highway-709 (Section Grand Trunk Road upto Canal) (Carrier lined channel) (Road ID 9962) (Hon'ble Chief Minister Announcement No. 22985 dated 28.08.2018) in Panipat District	1,755.80	1,337.39	1,131.64	11.32	11.20
8.	Provincial Division No 3, Buildings & Roads, Hisar					
36	Construction of integrated complex, special home, place of safety and children home at village Beed Hisar	3,434.76	2,330.94	2,418.47	23.63	23.39
37	Construction of Road Over Bridge at Level Crossing-88 at KM 134/4-5 on south run periphery road along Balsam and Distributary Hisar	4,361.26	3,010.30	1,246.93	12.38	12.26
38	Special repair of Civil Hospital at Hisar.	269.59	181.45	217.03	2.17	2.15
39	Construction of Burjs and Bar Bed Wire Fencing for land at Airport Hisar.	247.66	211.24	200.62	1.97	1.95
40	Establishment of Modern Revenue record Room in Mini Secretariat at Hisar	40.87	17.19	15.58	0.15	0.15
9.	Water Service Division, Irrigation, Faridabad					
41	Constructing of 04. No. bridges on left side of Agra Canal at X-ing point of Buriya Nailah at km 13.000 & Mawai escape at km 14.960 & Faridabad drain at km 14.590 & Chhainsa Minor at km 15.290.	1,692.03	1,692.03	1,692.03	0.00	0.00
42	Reconstruction of 6 Lane Single span Bridge at RD 4115 of Gurgaon Canal Connecting Sector 6,7,8, to Sector 3 & 4 Ballabgarh City	700.00	764.56	731.06	7.24	7.24
43	Reconstruction of VR Bridge at RD 24177 of Gurgaon Canal	-	135.18	116.59	1.15	1.15
44	Reconstruction of VR Bridge at R.D. 39800 on Gurgaon Canal	164.78	128.21	117.79	1.14	1.14
45	Restoration of internal section of Agra canal from km. 4.350 to 7.100 By UP Irrigation	143.21	143.21	143.21	0.00	0.00
10.	Provincial Division (B&R), Faridabad					
46	Rough cost estimate for Procumbent of Land (Phase-II) for widening of existing road and Construction of Bye pass and approaches to Yamuna bridge on Faridabad lassana Chirsi Manjhawali road in Faridabad District	601.29	-	294.62	0.00	0.00

Sr. No.	Name of work	Administratively approved cost	Tendered Cost	Expenditure incurred upto February 2023 (in lakh)	Cess deducted	Cess transferred to the Board
47	Construction of New Building of Government College (Pandit Jawahar Lal Nehru) Sector-16A, Faridabad Phase-1 (MIS/CO5/2019/39031)	4,643.85	2,575.54	3,396.26	32.55	32.55
48	Construction of 30 Nos. Multi-storeyed Judicial Houses in Sector-8, Faridabad (MIS. No/COS/2019/38500)	2,218.72	1,197.34	1,708.62	14.26	14.26
49	Special repair of Government Medical College at Chhainsa for establishment of covid-19	940.74	380.10	1,299.25	8.31	8.31
50	Construction of Observation Home in National Institute of Technology, Faridabad	1,044.51	782.52	1,843.38	16.94	16.94
11.	Provincial Division (B&R), Narwana, Jind					
51	Special repair widening strengthening. of road from Baroda to Naguran	2,229.30	1,441.10	1,786.68	17.87	17.87
52	Construction of Sub Divisional Officer (Civil) Complex at Kalayat	1,777.58	857.27	1,262.63	12.63	12.63
53	Construction of Road Over Bridge on Narwana Samain road	2,500.00	1,259.55	1,160.25	11.60	11.60
54	Special repair by Providing widening strengthening on Alewa to Rajound road	784.22	760.64	846.13	8.46	8.46
55	Special repair by Providing widening strengthening on Narwana Tohana road	1,132.29	769.28	576.92	5.77	5.77
12.	Water Service Division, Irrigation, Saffidon, Jind					
56	Rehabilitation of Hansi Branch from RD 30000 to 45000 by providing concrete lining including remodelling of structure	5,712.00	2,182.63	2,231.33	21.46	21.46
57	Rehabilitation of Hansi Branch from R.D 45000 to 58310 by Providing Concrete lining Including Remodelling of Structure		1,797.10	2,405.04	18.37	18.37
58	Rehabilitation of Hansi branch from RD 15000 to 30000 by providing concrete lining including remodelling of structure under head the National Bank for Agriculture and Rural Development's (NABARD) Rural Infrastructure Development Fund (RIDF) XXVI	5,642.00	2,289.62	2,225.98	22.42	22.42
59	Rehabilitation of Hansi branch from RD 0 to 15000 by providing concrete lining including remodelling of structure under head the National Bank for Agriculture and Rural Development's (NABARD) Rural Infrastructure Development Fund (RIDF) XXVI		1,912.73	1,666.12	16.49	16.49
60	Estimate for providing brick side lining from RD 0 to 8950 including reconstruction of 3 Nos. bridges at RD 2076, RD 4010, RD 6500 Padana Drain	720.00	612.10	637.52	6.31	6.31
	Total	1,86,445.36	91,008.18	94,237.80	767.19	743.61

Appendix 4.2

(Reference: Paragraph 4.14; Page 100)

List of accident sites selected for scrutiny

Name of District	Sr. No.	Name of establishment	No. of deceased worker
Faridabad	1	M/s Pebble Downtown Private Limited	1
	2	M/s Asian Fidelis Private Limited	1
	3	M/s G.D Buildtech Private Limited C/o M/s Mata Amrita Institute of Medical Sciences & Research Centre	1
	4	M/s B L Kashyap & Son Limited	2
Gurugram	5	M/s Al Abbar Metal & Glass Private Limited C/o IREO Mixed used land Project	2
	6	M/s Ahluwalia Contracts (India) Limited C/o M/s Advance India Projects Limited (AIPL) Joy Central Project.	2
	7	M/s EMAAR India Limited Project Palm Hills	4
	8	M/s Citra Properties Limited	2
Hisar	9	Construction Site of M/s Shree Shyam Snacks Food Private Limited	4
	10	GSSS Girls School, Pabra*	2
Jind	11	Residential work*	1
	12	Residential work*	1
Karnal	13	M/s Kunal construction Company C/o Construction of S.E. Office, Madhuban, Karnal	0
	14	M/s Garg and Company C/o Construction of Government College Building, Asandh, Karnal	1
	15	M/s B.S. Construction Company- Community Health Centre (CHC) Nilokheri	1
Panipat	16	M/s HR Commercial Private Limited (Thermal Power Panipat)	1
	17	(Accident occurred two times)	1
	18	M/s WG construction, Panipat in February 2021	1
	19	M/s Om Enterprises, Mehrana	1
Total			29

* Works not covered in the Act

Appendix 4.3

(Reference: Paragraph 4.15; Page 103)

Joint inspection of sampled selected registered/unregistered/accidental establishments

Sr. No.	Name of establishment	District	Date of completion of work	Date of inspection by Board, if any	Date of joint inspection	Whether on going work/ completed work
Registered establishments						
1	M/s B L Kashyap & Sons Limited C/o M/s IREO Grace Realtech Private Limited	Gurugram	31 March 2023	NA	21 February 2023	Completed
2	M/s Simplex Infrastructure Limited C/o Puri "Emerald-Bay" Housing Project, Sector 104, Gurugram	Gurugram	30 April 2020	NA	23 February 2023	Completed
3	M/s Heritage Max Realtech Private Limited Project Elevate	Gurugram	31 December 2023	NA	21 February 2023	On going work
4	M/s Instakart Services Private Limited	Gurugram	31 March 2024	06 January 2022	23 February 2023	On going work
5	M/s Nestle India Limited unit I & II	Panipat	30 June 2019	No	26 October 2022	Completed
6	M/s Emperium Realty Private Limited, Emperium Happy homes, Virat Nagar byepass road, Sector-1A, Panipat	Panipat	12 February 2022	10 February 2021	19 October 2022	Completed
7	M/s WG construction C/O Indraprastha G.E & R.F	Panipat	31 March 2023	No	27 October 2022	On going work
8	M/s ELDECO Estate One (A unit of ELDECO Infrastructure & Properties Limited)	Panipat	17 July 2022	No	16 November 2022	Completed
9	Civil work for supply of material testing and commissioning of 01 no. 33 KV sub-station Anchrakalan, Jind	Jind	10 October 2021	No	30 January 2023	Completed
10	M/s Oriental Sales Corporation C/o Dakshin Haryana Bijli Vitran Nigam Limited (DHBVNL)	Jind	3 October 2022	No	31 January 2023	Completed
11	Contract Civil Works 33 KVS/Station	Jind	31 December 2022	No	30 January 2023	Completed
12	M/s L&T Construction C/o Government Medical College	Jind	30 September 2023	No	24 January 2023	On-going work
13	M/s LC Infra Project Private Limited	Hisar	06 March 2021	29 May 2019	05 January 2023	Completed
14	Construction Site of Maintenance Yard C/o M/s The E5 Company	Hisar	31 December 2020	30 September 2020	04 January 2023	Completed
15	Contract for Civil work for Supply of Material Erection Testing and Commissioning of 01 no. 33 KV to MNC Electrical Private Limited C/o DHBVNL	Hisar	31 December 2022	No	10 January 2023	Completed
16	M/s VILCOM Healthcare Private Limited	Hisar	31 October 2024 (Due)	No	28 December 2022 and 03 January 2023	On-going work
17	M/s Rose Building Solutions Private Limited Karnal	Karnal	31 March 2021	25 June 2019 (Before registration) & 22 January 2021	14 March 2023	Completed
18	M/s Maa Vaishno Net Tech Private Limited, Karnal	Karnal	30 September 2021	No inspection report produced	06 March 2023	Completed
19	M/s Fantabulous Town Developers Private Limited, Karnal	Karnal	30 September 2024	No inspection report produced	06 March 2023	Ongoing work
20	M/s AEGIS VALUE HOMES Limited, Karnal	Karnal	30 June 2023	Yes on 29 July 2021	15 March 2023	Ongoing work
21	M/s G.D Buildtech Private Limited C/o M/s Mata Amrita Institute of Medical Sciences & Research Centre	Faridabad	15 July 2022	No	11 April 2023	Completed
22	M/s Larsen & Toubro Limited -Construction	Faridabad	28 February 2023	No	20 April 2023	Completed
23	M/s Mata Amrita Institute of medical Sciences & Research Centre	Faridabad	31 March 2021	No	11 April 2023	Completed

Sr. No.	Name of establishment	District	Date of completion of work	Date of inspection by Board, if any	Date of joint inspection	Whether on going work/ completed work
Unregistered establishments						
24	M/s AARVY Health Care Private Limited	Gurugram	30 June 2019	12 August 2019	04 January 2023	Completed
25	M/s Raheja Navodya	Gurugram	NA	No	04 January 2023	Completed
26	Chander Kanta	Gurugram	NA	No	04 January 2023	Completed
27	The Ram Shanti Cooperative Group Housing Society (CGHS) Limited	Gurugram	August 2013	No	04 January 2023	Completed
28	M/s Grasin Industries Limited, Birla Paint Division	Panipat	31 July 2024	No	16 November 2022	Ongoing work
29	M/s Ram Kumar S/o Krishan Chand	Panipat	NA	No	22 November 2022	Ongoing work
30	Gobind Ram, M/s RKGCOY Yarns, Private Limited	Panipat	NA	No	24 November 2022	Ongoing work
31	Sant Nirankari Mandal	Panipat	NA	No	27 October 2022	Completed
32	Surender Daksh Photostate opposite SP Office Mini Secretariat Jind	Jind	June 2022	No	27 January 2023	Completed
33	Deepak Kumar Contractor Work of railway under Bridge on Jind Panipat Line, Jind	Jind	NA	No	25 January 2023	Completed
34	Sunil Jindal Sh. Sanatan Dharm Ramlila Primary School, Jind	Jind	June 2022	No	25 January 2023	Completed
35	Surender Kumar Sector 26 A Green City Safidon Road, Jind	Jind	10 April 2022	No	27 January 2023	Completed
36	M/s HKSD Sarvodya Health Care, Hisar	Hisar	31 December 2023	11 February 2021	06 January 2023	Ongoing work
37	M/s RVS Hotels and Resorts Private Limited, Hisar	Hisar	NA	No	28 December 2022 and 02 January 2023	Ongoing work
38	Rajbir Singh, Plot no. 2047, Sector 16-17, Near Main Road, Hisar	Hisar	NA	NA	03 January 2023	Site was a residential site and the owner of the house refused entry
39	Partap Jain, 70 Professor Colony, Opposite Hanuman Mandir, Hisar	Hisar	NA	NA	03 January 2023 and 06 January 2023	Team visited the site twice but no person was found at the site
40	RDC India Projects, Signature Global City, Karnal	Karnal	NA	No	15 March 2023	Ongoing work
41	M/s Parsav Nath Developers, Sector 35 Karnal	Karnal	NA	No	21 March 2023	Completed
42	M/s NKG Infra Structure Limited, Kutail, Karnal	Karnal	NA	No	14 March 2023	Ongoing work
43	Kalpna Chawala Government Medical College & Hospital Karnal (JMCP Limited), Karnal	Karnal	NA	No	11 April 2023	Completed
44	M/s. Habitat residence, Sector 78, Village Faridpur	Faridabad	31 December 2023	No	10 April 2023	Ongoing work
45	Sector 86, Greater Faridabad, Adore Chowk, Bhudena	Faridabad	NA	No	10 April 2023	Ongoing work
46	World street commercial colony under mix land use policy sector 79	Faridabad	NA	No	12 April 2023	Ongoing work
Accidental establishments						
47	M/s Ahluwalia Contracts (India) Limited. C/O AIPL Joy Central Sector-65, Gurugram	Gurugram	31 December 2022	Accidental enquiry on 10 June 2022, 20 June 2022, 30 June 2022 and 08 July 2022	24 February 2023	Ongoing work
48	M/s Emaar Palm Hills, Sector-77, Gurugram	Gurugram	31 December 2022	Inspection on 23 February 2013 & 27 June 2019 and Accidental Enquiry on 11 October 2022 and 09 August 2022	23 January 2023	Ongoing work
49	M/s OM Enterprise, VPO Mehrana, District Panipat	Panipat	NA	Accidental enquiry on 12 August 2022	27 October 2022	Prohibited

Sr. No.	Name of establishment	District	Date of completion of work	Date of inspection by Board, if any	Date of joint inspection	Whether on going work/ completed work
50	M/s WG Construction Medical College Building	Panipat	NA	Inspection on 26 June 2019 and 13 January 2020 and accidental enquiry on 12 February 2021	22 September 2022	Completed
51	M/s HR Commercial Private Limited (Panipat Thermal Plant)	Panipat	NA	Accidental enquiry on 14 January 2021 and 18 January 2022	22 September 2022	Completed
52	Residential House Owner- Sh. Suresh (Narwana)	Jind	NA	Accidental Enquiry on 12 August 2021	31 January 2023	Completed
53	Residential House Owner- Sh. Naresh	Jind	NA	Accidental Enquiry on 13 May 2022	31 January 2023	Completed
54	M/s Shree Shyam Snacks Food Private Limited.	Hisar	31 December 2020	Accidental Enquiry on 20 March 2020 and 29 May 2020	10 January 2023	Completed
55	GSSS Girls School, Pabda	Hisar	NA	Accidental enquiry on 18 February 2020	04 January 2023	Completed
56	M/s Kunal construction Company C/o Construction of S.E. Office, Madhuban, Karnal	Karnal	NA	Accidental enquiry on 05 November 2018	21 March 2023	Completed
57	M/s Garg and Company C/o Construction of Government College Building, Asandh, Karnal	Karnal	31 October 2018	Accidental enquiry on 04 January 2019 and 18 January 2019	01 February 2023	Completed
58	BS Construction Company – Community Health Centre (CHC) Nilokheri	Karnal	Work stopped	Accidental enquiry on 07 April 2021 and 09 April 2021	17 March 2023	Prohibited
59	M/s. Pebble Downtown India Private Limited	Faridabad	31 March 2021	Accidental Enquiry on 24 December 2019, 31 December 2019, 06 January 2020, 03 March 2020	11 April 2023	Completed
60	M/s G.D Buildtech Private Limited C/o M/s Mata Amrita Institute of Medical Sciences & Research Centre	Faridabad	15 July 2022	Accidental Enquiry on 31 January 2020, 02 February 2020, 15 February 2020, 03 March 2020	11 April 2023	Completed

Appendix 4.4

(Reference: Paragraph 4.16; Page 105)

District-wise details on the number of beneficiaries/ benefits disbursed on welfare schemes

Name of District	Establishments registered ¹	District wise number of beneficiaries	Number of benefits disbursed	Amount disbursed (₹ in crore)
Gurugram	2,786	3,408	8,814	9.94
Faridabad	433	1,151	1,975	4.36
Jhajjar	202	1,406	3,191	4.96
Rewari	151	4,257	12,114	19.04
Palwal	109	2,011	3,875	6.61
Sonipat	60	3,689	10,002	19.40
Rohtak	52	3,015	6,703	16.36
Hisar	42	49,148	1,68,004	243.52
Mewat	36	23,664	76,010	78.15
Panipat	31	12,938	37,308	51.26
Karnal	26	3,795	8,118	24.04
Kurukshetra	25	662	1,197	5.65
Panchkula	26	303	656	4.18
Sirsa	13	17,882	55,432	61.05
Bhiwani	11	16,954	54,915	91.69
Yamuna Nagar	11	5,824	13,228	38.50
Mahendragarh	10	7,162	19,403	27.82
Ambala	9	6,737	14,725	37.24
Jind	8	27,074	79,879	118.85
Fatehabad	6	13,233	43,113	58.21
Kaithal	5	11,805	28,509	71.08
Charkhi Dadri	1	2,783	9,326	15.65
Grand Total	4,053	2,18,901	6,56,497	1,007.56

Source: Data obtained from the portal of Labour Department (<http://hrylabour.gov.in>)

¹ The data of benefits availed in the portal was from 29 January 2018.

Appendix 4.5
(Reference: Paragraph 4.18.1; Page 110)

Survey of registered workers

Sr. No	Abstract of beneficiary survey Nature of work	Gurugram	Panipat	Hisar	Faridabad	Karnal	Jind	Total
No. of workers								
1	Total number of workers	96	80	210	86	126	201	799
2	Non traceable	26	9	21	12	44	76	188
3	No. of workers surveyed	70	71	189	74	82	125	611
4	Domicile of Haryana	70	71	189	74	82	125	611
5	Worked at registered establishment	1	1	0	0	0	0	2
6	Individual residential house	47	35	185	62	82	123	534
7	Construction worker (Road, Park, Wall, Bhatta)	3	3	0	0	0	0	6
8	Death cases in which not responded by family person	5	6	3	11	0	0	25
9	Agricultural wages (Ineligible)	3	3	0	0	0	2	8
10	Factory worker (Ineligible)	0	5	0	0	0	0	5
11	Home maker/ Housewife (Ineligible)	0	4	0	0	0	0	4
12	Other than construction workers (Ineligible)	6	13	1	0	0	0	20
13	Not a construction worker from more than one year (Ineligible)	5	1	0	1	0	0	7

Appendix 4.6
(Reference: Paragraph 4.18.2; Page 111)
Survey of unregistered workers

Sr. No	Particulars	Gurugram	Panipat	Hisar	Faridabad	Karnal	Jind	Total
1	Number of work sites jointly inspected	10	11	10	8	11	10	60
2	Number of on-going work sites where survey was conducted out of 21 on-going sites	4	4	3	2	3	1	17
3	Total workers surveyed	28	29	15	24	19	10	125
4	Number of Migrant workers.	28	28	12	23	18	10	119
5	Number of workers engaged in construction work for more than 90 days	23	4	4	23	8	10	72
6	Number of workers not applied for registration	23	3	4	17	8	10	65
7	Number of workers who did not know about the process of registration, Board and its welfare schemes.	28	29	4	17	19	10	107
8	Number of workers who were not provided with temporary living accommodation.	0	0	0	0	11	0	11
9	Canteen facility was not being provided at construction site	25	0	0	0	0	0	25
10	Drinking water facility was not provided at construction site	5	0	0	0	0	0	5

Appendix 5.1

(Reference: Paragraph 5.2; Page 115)

Statement showing department/unit-wise details of test-checked works where enhancement/variation in scope of work was more than 20 per cent

Sr. No.	Name of Work	Agreement Amount (₹ in crore)	Date of allotment	Time limit in months	Payment made (₹ in crore)	Date of last payment	Enhanced to (₹ in crore)	Percentage of enhancement
Public Works Department (Buildings and Roads) {PWD (B&R)}								
1.	Construction of 4 lane ROB on Delhi Ambala Railway line at LC No. 61 at railway Km 99/21-23 crossing Kond-Munak- Salwan Assandh road (MDR 114) in Karnal District	21.93	31 January 2019	24	37.36	18 October 2024	37.33	70.22
2.	Construction of of HL Bridge over Dhanuara Escape in place of vented causeway on Newal Gheer Garhi Birbal Road to Japati Chhapra Via Randoli Road	1.56	01 January 2020	6	4.19	03 September 2021	4.19	168.59
3.	Construction of Girls Hostel, Boys Hostel, Mess Block, Admn/Guest House, Amenities Block, Boundary wall, Road/Parking & Elect works of Building of NCC Academy Gharaunda in Karnal District	17.91	02 July 2018	24	42.17	12 November 2020	42.17	135.46
4.	Construction of 7 feet 6 inch Boundary Wall around Kalpana Chawla Medical University at village Kutail (Karnal)	3.76	15 June 2018	15	36.96	12 July 2020	36.96	882.98
5.	Construction of Govt. College at Jundla in Karnal District	10.85	28 July 2017	21	15.40	24 June 2022	15.40	41.94
6.	Strengthening of road from Panipat Safidon road to Assandh section Khukhrana, Assan Mor Majra Goli road upto district Boundary (RD 0 to 15.240) in Panipat District	2.15	09 December 2019	6	2.82	23 January 2020	2.82	31.16
7.	Up-gradation of Stadium (Construction Stadium, IAAF approved synthetic track, FIFA approved artificial Football Turf) in War Heroes Memorial Stadium at Ambala Cantt	40.49	20 March 2017	24	114.03	22 May 2021	114.03	181.63
8.	Strengthening of link road from Jagadhri Ambala Road to Munnerheri in Ambala District (KM 0.00 to KM 3.040)	1.14	12 September 2019	6	4.53	01 May 2024	4.63	306.14
9.	Construction of Administrative Block in SDO Civil Complex at Ambala Cantt. (Excluding E.I. Works)	15.59	02 June 2019	21	34.52	05 July 2023	34.80	123.22
10.	Construction of all-weather swimming pool in sports complex at Ambala Cantt.	8.29	06 March 2019	18	31.35	09 September 2024	31.38	278.53
11.	Construction of War Memorial at Ambala Cantt in the Honour of Martyrs of the First War of India's Independence 1857	189.41	22 June 2018	24	292.31	11 November 2024	326.56	72.41
12.	Construction of Kabaddi Hall with facilities of Kabaddi Academy in Village Pai in Kaithal District	3.65	13 September 2019	12	5.00	16 July 2021	5.00	36.99
13.	Special Repair of Dhand Pundri Rajound Alewa road (MDR 113) km. 22.10 to 39.96 in Kaithal Distt. (Road ID 6887 & 6918)	2.20	03 August 2019	4	3.55	19 March 2021	3.55	61.36

Sr. No.	Name of Work	Agreement Amount (₹ in crore)	Date of allotment	Time limit in months	Payment made (₹ in crore)	Date of last payment	Enhanced to (₹ in crore)	Percentage of enhancement
14.	Special Repair by providing widening and strengthening of Baroda to Nagura Road in Jind District (ID 6797)	14.41	30 September 2021	12	17.87	16 November 2022	17.87	24.01
15.	Construction of 50 Bedded Hospital at Kalayat in Kaithal District	5.88	01 December 2018	18	7.99	12 September 2021	7.99	35.88
16.	Construction of SDO (C) Complex Building at Kalayat in Kaithal District	8.57	19 September 2019	18	11.03	01 May 2022	12.63	47.37
17.	Construction of Bus stand and Workshop at Pandu Pindara, Jind District	20.00	04 June 2018	24	26.57	09 February 2021	26.57	32.85
18.	Construction of Community Health Centre, Muana, Jind	4.07	30 May 2019	18	7.16	22 July 2021	7.16	75.92
19.	Construction of various buildings of RVDEC i.e. Technical-cum-administrative block, postmortem block and outdoor clinic block at village Keorak in Kaithal District.	4.98	01 November 2019	18	5.83	22 September 2022	13.41	169.28
20.	Construction of New Sports Stadium at Samaspur, Charkhi Dadri	10.85	02 October 2020	18	11.10	06 June 2024	19.77	82.21
21.	Widening and strengthening & CCP on Badhra to Berla Road from km 0.00 to 8.10 (Road ID 2429)	3.20	29 August 2019	9	6.23	30 September 2021	6.23	94.69
22.	Construction of Govt. Sr. Sec. School at Dhigawa Jattan in Bhiwani District	3.62	13 September 2017	15	5.00	17 December 2019	5.00	38.12
23.	Construction of Workshop Block Haryana Roadways at Loharu	2.38	13 June 2017	12	4.16	29 September 2021	4.16	74.79
24.	Construction of a new link road from Barwa to Talwandi from KM 0.00 to 7.00 in Bhiwani district	4.75	28 September 2021	6	6.12	12 August 2021	6.12	28.84
25.	Special repair due to road cut made by Municipal Council, Bhiwani against AMRUT Yojna Project on various roads in Bhiwani city	0.76	29 December 2020	6	1.70	11 February 2021	1.70	123.68
26.	Construction of library and workshop block in the campus of Ch. Bansil Lal Govt. Polytechnic at Bhiwani	5.75	24 March 2017	18	8.04	21 January 2021	8.32	44.70
Total (26)		408.15			742.99		795.75	94.97
Public Health Engineering Department (PHED)								
27.	Augmentation & Repair of structures of W/S scheme Dhabhi Kalan	0.47	10 September 2018	6	0.90	11 November 2019	0.90	91.49
28.	Augmentation W/S scheme Sirsa Town "Laying of various sizes of DI pipeline"	1.92	14 August 2019	12	4.12	22 December 2020	4.12	114.58
29.	Augmentation W/S scheme Sirsa Town "Laying of various sizes of DI pipeline"	0.70	11 April 2018	6	1.84	02 May 2019	1.84	162.86
30.	Providing and laying of 250 mm SW pipe sewer due to construction of RUB in Ellenabad town	0.04	20 December 2017	2	0.38	05 July 2019	0.38	850.00
31.	Augmentation W/S scheme to village Masitan	1.06	25 July 2018	12	1.76	24 May 2022	1.81	70.75
32.	Renovation of Water Works Niyana, Distt. Hisar	0.40	30 August 2017	6	0.65	22 October 2019	0.65	62.50
33.	Upgradation & Renovation of water works at village Badchhapar, Distt. Hisar	0.43	16 July 2018	3	0.65	27 June 2022	0.68	58.14

Sr. No.	Name of Work	Agreement Amount (₹ in crore)	Date of allotment	Time limit in months	Payment made (₹ in crore)	Date of last payment	Enhanced to (₹ in crore)	Percentage of enhancement
34.	Renovation of water supply scheme village Singhwa Ragho, Distt. Hissar	0.45	15 May 2018	6	0.99	17 February 2022	1.02	126.67
35.	Providing Independent Canal based WW to village Mehrara, Tehsil Julana, Distt. Jind	1.15	26 October 2018	12	1.77	28 July 2021	2.00	73.91
36.	Augmentation of 11 no. rural W/S schemes (Canal based) covered 15 no. villages in Julana constituency of district Jind "Construction of RCC Pipe inlet channel silt catch pit sump well after commissioning 4 No. WW covering 6 no. Village and all other work contingent thereto"	1.54	27 March 2018	9	2.27	22 November 2021	2.52	63.64
Total (10)		8.16			15.33		15.92	95.10
Irrigation and Water Resources Department (I&WRD)								
37.	Construction of V.R bridge at RD 118500 of chautang Nallah	0.81	04 September 2019	6	1.30	24 September 2021	1.30	60.49
38.	Increasing capacity of WJC(MLL) from reach Rd 81500 to RD 96000	5.48	18 May 2018	9	8.36	06 August 2021	8.36	52.55
39.	Increasing capacity of WJC(MLL) from reach Rd 68220 to RD 81400	4.91	01 June 2018	9	9.27	30 November 2021	9.27	88.80
40.	Separation of village pond from flood & wastewater in idiyana link drain and protection to village abadi in village idiyana	0.55	11 September 2019	6	0.82	02 December 2021	0.82	49.09
Total (4)		11.75			19.75		19.75	68.09
Haryana State Agriculture Marketing Board (HSAMB)								
41.	S/R of link road from village Chang to Kharak Kalan in Bawani Khara Constituency.	0.73	29 June 2017	6	2.48	November 2019	2.48	239.73
42.	S/R of L/R in Tosham Constituency G-06 (Work Plan 2020-21)	1.04	15 September 2020	10	2.46	15 February 2022	2.46	136.54
43.	S/R of link roads in Bhiwani Constituency Group-I (Work Plan 2018-19)	1.08	04 September 2018	6	2.48	November 2020	2.48	129.63
44.	S/R of various L/R Safidon constituency G-1	1.88	22 September 2020	10	4.25	March 2022	4.25	126.06
45.	Construction of 3 Nos. Gate with re-construction of Boundary wall and Nallah and repair of service road in NGM at Bhiwani in Bhiwani Constituency.	1.07	27 November 2018	9	2.10	November 2020	2.10	96.26
46.	Widening & Stg. Of L/R bhukhapuri to Budehra	0.49	20 February 2020	6	0.81	24 February 2022	0.81	65.31
47.	S/R of internal road, road and parking area in NGM Julana	3.81	06 August 2019	8	6.33	06 May 2024	6.33	66.14
48.	Widening & Stg. Of L/R from village butana to Sandhir	0.67	03 June 2019	8	0.91	June 2021	0.91	35.82
49.	Const. of Road from Farmana Gohana Road to Farmana Guhna Road in Sonipat	0.81	14 February 2017	6	1.21	June 2021	1.21	49.38
50.	Const. of L/R from village Morkhi to Bhagkhera Shivanamal Road	0.87	18 March 2020	6	1.32	03 January 2025	1.32	51.72
51.	S/R of L/R (1) Katwal to Bali Engineering College (ID-2641) (2) Mahra to Sikandrapur Majra (ID-4959) (3) Ishapur Khari to Siwana Mall (ID-4950) in Distt. Sonapat G-5	0.96	07 August 2018	10	1.04	04 November 2020	1.41	46.88

Sr. No.	Name of Work	Agreement Amount (₹ in crore)	Date of allotment	Time limit in months	Payment made (₹ in crore)	Date of last payment	Enhanced to (₹ in crore)	Percentage of enhancement
52.	Const. of Shahid Samarak of Late Sh. Pankaj Sangwan in village Kohla in the MC Baroda	0.15	14 February 2020	2	0.24	January 2024	0.24	60.00
53.	S/R of various L/R of Safidon constituency (G-4)	1.58	14 August 2018	6	2.24	July 2021	2.24	41.77
54.	S/R for 3 No L/R in notified area of MC kamal and Taraori (G-2)	2.26	03 August 2018	6	3.01	26 November 2020	3.01	33.19
55.	S/R of various L/R of Narwana Constituency	1.89	14 August 2018	6	2.52	November 2019	2.52	33.33
56.	S/R of 3 no L/R of MC Bhattu Kalan G-A	1.24	19 October 2020	9	1.58	November 2021	1.58	27.42
57.	Const. of L/R plateform in New Grain market Jundla Mandi	7.06	22 June 2018	12	8.53	September 2021	8.53	20.82
58.	Construction of road from Purani Chundipur to Dhakwal Rodan	0.68	05 April 2018	6	0.76	12 November 2020	0.76	11.76
59.	S/R of various L/R of Dabwali constituency in Sirsa G-2	0.80	22 October 2020	4	0.98	April 2022	0.98	22.50
60.	Widening & Sig. Of L/R from village Bastara to NGM Ghraunda	1.03	24 July 2019	8	1.12	02 November 2020	1.12	8.74
Total (20)		30.10			46.37		46.74	55.28
Executive Engineer, Panchayati Raj Division (EE, PRI)								
61.	Construction of Block Office Building Nagpur Distt Fatehabad	1.24	03 November 2017	12	1.58.	16 June 2021	1.58	27.42
62.	Construction of VKC Khereri Rohtak	0.22	11 February 2020	6	0.27	22 December 2021	0.27	22.73
63.	Construction of Ayurvedic Dispensary Ugalan Hisar	0.27	09 October 2019	4	0.32	31 January 2022	0.32	18.52
64.	Construction of VKC at Indergarh (Rohtak)	0.22	19 February 2020	6	0.27	31 December 2021	0.27	22.73
Total (04)		1.95			2.44		2.44	25.13
Haryana Police Housing Corporation (HPHC)*								
65.	Upgradation of 2 nd and 3 rd floor for CID in Sector 6, Panchkula	0.79	30 March 2018	6	3.19	November 2019	3.19	303.80
66.	Up-gradation of Police Head Quarter Building Sec-6 Panchkula	1.28	03 April 2018	8	3.77	October 2019	3.79	196.09
67.	Construction work of UHBVN Head office	29.64	12 April 2017	36	72.07	August 2023	72.07	143.15
68.	Construction of National Institutes of Fashion Technology (NIFT) at Sector - 23 Panchkula	72.03	15 May 2018	24	97.39	March 2022	97.39	35.21
69.	Extension of administrative block for HAP in Madhuban, District Kamal	1.20	02 May 2017	12	1.60	May 2019	1.60	33.33
70.	Balance work of Police Public School Bhondsi Distt. Gurugram	3.78	01 August 2017	15	4.78	September 2020	4.78	26.46
71.	Special repair 357 Type-II and Type III houses in PTC Sunarian, District Rohtak	1.19	10 January 2018	9	1.50	May 2020	1.50	26.05
72.	Construction of Women Police Station at Ambala.	1.80	03 May 2017	12	2.27	April 2022	2.29	27.22
73.	Construction of State Vigilance Building at Rohtak,	4.02	13 November 2018	15	4.97	August 2021	4.97	23.63
74.	Construction of office building of District Forum Rohtak in District Administration Complex at Rohtak,	1.10	30 August 2018	12	1.34	June 2020	1.35	22.73
75.	Special repair of 23 Officer Residences in Police Lines and Sushant Lok Gurugram	1.21	26 December 2018	12	1.47	June 2020	1.57	29.75
Total (11)		118.04			194.35		194.50	64.77

Sr. No.	Name of Work	Agreement Amount (₹ in crore)	Date of allotment	Time limit in months	Payment made (₹ in crore)	Date of last payment	Enhanced to (₹ in crore)	Percentage of enhancement
Haryana State Industrial Infrastructure Development Corporation (HSIIDC)								
76.	Construction of Community Center Building at Residential Sector-I Manesar Distt. Gurugram	11.12	08 October 2018	18	14.68	-	14.76	32.73
Total (01)		11.12			14.68		14.76	32.73
Haryana Shehri Vikas Pradhikaran (HSVP)								
77.	Providing and laying of 500 mm i/d RCC NP3 pipeline, construction of manhole chamber etc. from Sec-17 (Pocket-C) to leg no. II Sector dividing road 14/17, Gurugram.	0.23	30 November 2018	3	2.94	06 October 2021	3.05	1226.09
78.	Annual maintenance of staff quarter in Sector 15-II Gurugram.	0.09	20 September 2019	2	0.48	19 June 2020	0.48	433.33
79.	Construction of outfall drains Master SWD leg No. I & II, fixing of SFRC main-hole heavy duty cover, etc.	298.48	24 December 2014	18	349.24	13 January 2020	483.20	61.89
80.	Construction of footpath along both sides of master road between Sector 49/50, Gurugram.	0.40	20 May 2016	1	0.87	30 July 2018	0.95	137.50
81.	Construction of Southern Peripheral Master Road from Sohna Road to NH-8 Gurugram	2.65	09 September 2013	4	9.63	22 April 2019	18.09	582.64
82.	Providing External Stom Water Drainage Scheme of Sec-81 to 98, Gurugram	226.93	25 March 2013	18	375.52	December 2019	378.16	66.64
Total (06)		528.78			738.68		883.93	67.16
Urban Local Bodies (Municipal Corporation Karnal, Ambala & Gurugram)								
83.	Construction of Kalpana Chawla Dwar on Munak Road under Municipal Corporation Karnal	0.46	29 January 2021	4	0.56	16 June 2022	0.56	21.74
84.	Construction work for interior fit-out of office building of Municipal Corporation Karnal	9.92	20 August 2020	9	11.3	19 September 2022	11.3	13.91
85.	Construction of storm water nala from Kasturba Gandhi Chowk to Banoori Naka ward 3 & 4	1.44	06 November 2017	15	1.99	26 May 2022	1.99	38.19
86.	Construction of storm water nala from Jalbera Chowk to Session drain and Session drain to Zandu Tyre ward 7	0.62	01 January 2018	9	1.64	02 November 2021	1.64	164.52
87.	Supplying and fixing of Children playing equipment's and works in various parks of ward no. 1 to 11 Ambala City	0.29	08 March 2019	6	0.47	07 November 2020	0.47	62.07
88.	Construction of parking in Sector I market, ward no. 11	0.25	28 December 2018	6	0.35	04 October 2019	0.35	40.00
89.	Renovation/Repair/maintenance of office of Commissioner and Chief Engineer in the office complex Municipal Complex	0.26	08 October 2021	3	0.37	08 February 2022	0.37	42.31
90.	Construction of storm water nala from Chowki no. 4 Nahan House to Banoori naka via Miri Piri Chowk and Ghaas mandi Chowk RH side ward no. 3 & 4	1.25	06 November 2017	12	2.45	28 June 2022	2.45	96.00

Sr. No.	Name of Work	Agreement Amount (₹ in crore)	Date of allotment	Time limit in months	Payment made (₹ in crore)	Date of last payment	Enhanced to (₹ in crore)	Percentage of enhancement
91.	Construction of storm water nala from Jalbera Chowk to Radha Swami Satsang Bhawan via East Durga Nagar RH side II	1.18	12 October 2017	15	2.54	26 May 2022	2.54	115.25
92.	Providing and laying 80 mm thick interlocking tiles in Kirti Nagar and Friends Colony ward no. 19 under Municipal Corporation Gurugram	0.07	27 September 2018	2	0.15	18 August 2020	0.15	114.29
93.	Repairing of water supply pipeline leakage/contaminated water problem in ward no. 19 in zone 2 under Municipal Corporation Gurugram	0.05	28 June 2019	1	0.11	11 May 2020	0.11	120.00
94.	Boundary wall at Dundahera Border opposite market Sector-21 under Municipal Corporation Gurugram	0.10	24 June 2020	1	0.29	11 November 2021	0.29	190.00
95.	Repair and maintenance of shamshan ghat at village tikri, ward no. 29 in zone IV under Municipal Corporation Gurugram	0.14	01 May 2018	4	0.27	05 March 2020	0.27	92.86
96.	Providing and laying of 200 mm sewer line at Dundhera School wali gali to Sector 21 Shiv Mandir ward no. 4 in zone II under Municipal Corporation Gurugram	0.06	04 September 2019	3	0.24	22 May 2020	0.24	300.00
97.	Construction/Renovation of Community Centre Sector 39 under Municipal Corporation Gurugram	0.20	31 August 2018	2	0.36	03 June 2020	0.36	80.00
98.	Providing and making BM and BC slip road from NH-08 to Jhasra road red light ward no. 19 under Municipal Corporation Gurugram	0.19	05 August 2019	2	0.40	13 May 2020	0.40	110.53
Total (16)		16.48			23.49		23.49	42.54
Grand Total (98)		1,134.53			1,798.08		1,997.28	76.04

*Date of last payment is taken as date of approval

Appendix 5.2

(Reference: Paragraphs 5.2 and 5.6; Pages 115, 137)

List of works wherein variations were made during execution due to significant changes in items of works

Sr. No.	Name of Work	Agreement amount (₹ in crore)	Date of allotment	Time limit in months	Payment made (₹ in crore)
Public Works Department (Buildings and Roads) {PWD (B&R)}					
1.	Construction of 4 Veterinary Hospitals at (i) Atta, (ii) Bapoli, (iii) Naultha (iv) Panipat	1.27	18 May 2018	12	0.30
2.	Construction of 5 Veterinary Dispensaries at (i) Adhmi, (ii) Kurar, (iii) Nohra, (iv) Passina Kalan, (v) Sitana	1.49	18 May 2018	12	1.48
3.	Improvement of road by providing four lanning of Ladwa Shahbad Road (SH-07) from km 43.10 to 45.50 (2.40 km) in Babain town	5.63	24 January 2018	06	3.28
4.	Four lanning of road from km 11.95 to 15.40 and strengthening from km 11.45 to 15.40 Dhand Pundri Rajound Alewa Road	22.42	30 January 2017	18	19.68
Total (04)		30.81			24.74
Haryana State Agriculture Marketing Board (HSAMB)					
5.	Special Repair of 6 link road in the notified area of MC Nissing, Nigdhu and Asandh	2.01	24 August 2020	06	2.90
Total (01)		2.01			2.90
Haryana Police Housing Corporation (HPHC)					
6.	Construction of new Hostel Block in Govt. College for Women in Sector -14, Gurugram	3.62	20 April 2020	15	3.50
7.	Construction of 96 Type-II houses in Police Lines, Gurugram (HPHC Gurugram)	16.37	26 June 2017	21	16.40
8.	Special Repair of 72 No. Houses in Police Colony at Sector 5, Panchkula	1.12	15 March 2021	06	0.79
9.	Construction of 48 Type-II and 12 Type-I houses in Police Lines, Rewari Group-III	7.43	15 May 2017	18	6.92
10.	Construction of welfare centre in Police line, Nuh	2.53	08 July 2019	12	2.14
11.	Construction of 12 Type-I, 96 Type-II, 24 Type-III and 12 Type-IV houses in Police Line, Sonapat	24.16	11 September 2019	24	23.61
12.	Construction of Mitra Kaksh Sadar Police Station, women station and police station Bawani Khara in district Bhiwani	0.91	17 February 2020	08	0.87
13.	Construction of 96 Type-II, 12 Type-III and 12 Type-IV houses in Police Lines, Karnal	20.46	16 September 2019	24	19.50
14.	Construction of 18 Type-II and 2 Type-III houses in Women police station at Ambala City	3.39	25 November 2019	15	3.08
15.	Construction of Police Station at Barara Distt. Ambala	2.26	04 September 2018	12	2.05
Total (10)		82.25			78.86
Haryana State Industrial Infrastructure Development Corporation (HSIIDC)					
16.	Civil Foundations for Silos in Mega Food park at Industrial Estate, Barhi Sonipat	2.21	13 April 2017	02	2.09
17.	Construction of Sector Road (60 mtr. Wide) between Sector M-14 & M-15 and part portion of 75 mtr. Wide Sector Road in Sector-16 at IMT Manesar	6.79	24 July 2019	06	5.79
18.	Upgradation of infrastructure facilities in old Industrial Area (Near Assandh Road), Panipat	16.94	01 March 2019	12	12.38
19.	Construction of two bay fire station building in Ph-1 Sec-38 at Industrial Estate, Rai Distt Sonipat	1.88	08 March 2019	08	1.95
Total (04)		27.82			22.21
Grand Total (19)		142.89			128.71

Appendix 5.3

(Reference: Paragraphs 5.5 and 5.9.1; Page 118, 142)

List of works wherein expenditure was incurred without getting enhancement approved from the competent authority

(₹ in crore)

Sr. No.	Sr. No. in Appendix 5.1	Name of work	Agreement amount	Payment made
Public Works Department (Buildings and Roads)				
1.	3	NCC Academy Gharanda in Karnal District	17.91	42.17
2.	4	Boundary Wall around Kalpana Chawla Medical University at village Kutail (Karnal)	3.76	36.96
3.	5	Construction of Govt. College at Jundla in Karnal District	10.85	15.40
4.	7	War Heroes Memorial Stadium at Ambala Cantt	40.49	114.03
5.	12	Kabaddi Hall in Village Pai in Kaithal District	3.65	5.00
6.	19	RVDEC at village Keorak in Kaithal District.	4.98	5.83
7.	20	New Sports Stadium at Samaspur, Charkhi Dadri	10.85	11.10
8.	21	Badhra to Berla Road from km 0.00 to 8.10	3.20	6.23
9.	22	Govt. Sr. Sec. School at Dhigawa Jattan in Bhiwani District	3.62	5.00
10.	23	Construction of Workshop Block Haryana Roadways at Loharu	2.38	4.16
11.	26	Construction of library and workshop block in the campus of Ch. Bansil Lal Govt. Polytechnic at Bhiwani	5.75	8.04
Haryana State Agriculture Marketing Board				
12.	51	Special Repair of three link roads in Sonipat i.e. Katwal to Bali Engineering College, Mahra to Sikandrapur Majra and Isharpur Kheri to Siwana Mall	0.96	1.04
Executive Engineer, Panchayati Raj				
13.	64	Construction of VKC at Village Indergarh (Rohtak)	0.22	0.27
Municipal Corporation, Ambala				
14.	87	Supplying and fixing of Children playing equipment's and works in various parks of ward no. 1 to 11 Ambala City	0.29	0.47
		Total	108.91	255.70

Appendix 5.4
(Reference: Paragraph 5.6 (ii); Page 138)

List of works wherein variations occurred due to change in quantities of various items during execution of work

Sr. No	Name of the work	Agreement amount	Payment upto last paid bill	Items executed beyond DNIT		Non-execution of DNIT items		More than 20 per cent variations		Total amount of Variation	Percentage to Agreement amount
				Items	Amount	Items	Amount	Items	Amount		
Haryana Police Housing Corporation											
1	Construction of new Hostel Block in Government College for Women in Sector -14, Gurugram	361.85	349.47	38	22.10	20	73.10	53	83.24	178.44	49.31
2	Construction of 96 Type-II houses in Police Lines, Gurugram (HPHC Gurugram)	1,637.00	1,640.00	42	144.44	31	43.16	50	478.96	666.56	40.72
3	Special Repair of 72 No. Houses in Police Colony at Sector 5, Panchkula	111.88	78.46	12	9.46	16	8.46	0	0.00	17.92	16.02
4	Construction of 48 Type-II and 12 Type-I houses in Police Lines, Rewari Group-III	743.00	692.00	19	59.44	26	76.26	26	35.23	170.93	23.01
5	Construction of welfare centre in Police line, Nuh	253.00	213.67	20	24.45	36	39.69	28	60.03	124.17	49.08
6	Construction of 12 Type-1, 96 Type-II, 24 Type-III and 12 Type-IV houses in Police Line, Sonapat	2,416.00	2,361.00	19	34.00	0	0.00	73	276.00	310.00	12.83
7	Construction of Mitra Kaksh Sadar Police Station, women station and police station Bawani Khara in district Bhiwani	90.45	86.61	64	15.70	22	8.05	25	12.07	35.82	39.60
8	Construction of 96 Type-II, 12 Type-III and 12 Type-IV houses in Police Lines, Karnal	2,046.00	1,950.00	16	32.2	42	337.08	75	431.77	801.05	39.15
9	Construction of 18 Type-II and 2 Type-III houses in Women police station at Ambala City	338.08	308.00	16	12.14	77	31.29	65	92.32	135.75	40.15
10	Construction of Police Station at Barara Distt. Ambala	225.80	205.29	65	54.25	42	27.68	64	66.94	148.87	65.93

Sr. No	Name of the work	Agreement amount	Payment upto last paid bill	Items executed beyond DNIT		Non-execution of DNIT items		More than 20 per cent variations		Total amount of Variation	Percentage to Agreement amount
				Items	Amount	Items	Amount	Items	Amount		
Haryana State Industrial Infrastructure Development Corporation											
11	Civil Foundations for Silos in Mega Food park at Industrial Estate, Barhi Sonipat	220.98	209.46	7	22.03	4	1.59	6	60.99	84.61	38.29
12	Construction of Sector Road (60 mtr. Wide) between Sector M-14 & M-15 and part portion of 75 mtr. Wide Sector Road in Sector-16 at IMT Manesar	678.88	578.83	7	19.23	11	6.08	22	198.69	224.00	33.00
13	Upgradation of infrastructure facilities in old Industrial Area (Near Assandh Road), Panipat	1693.62	1134	7	39.18	4	186.33	5	287.59	513.10	30.30
14	Construction of two bay fire station building in Ph-1 Sec-38 at Industrial Estate, Rai District Sonipat	188.32	178.62	31	7.54	28	5.36	36	26.76	39.66	21.06
	Total	11,004.86	9,910.41	363	496.16	359	844.13	528	2,110.59	3,450.88	31.36
	Total ₹ in crore	110.05	99.10	363	4.96	359	8.44	528	21.11	34.51	31.36

Appendix 5.5

(Reference: Paragraph 5.8.2; Page 141)

Detail of works wherein time and cost overrun occurred due to enhancement and variation in agreement

Sr. No.	Sr. No. in Appendix 5.1	Name of work	Initial agreement amount (₹ in crore)	Payment made (₹ in crore)	Running Bill and date	Scheduled completion period (in months)	Scheduled date of completion	Date of completion/ Date of last bill paid	Time overrun (in months)
1.	1	Construction of 4 lane ROB on Delhi Ambala Railway line at LC No. 61 at railway Km 99/21-23 crossing Kond-Munak- Salwan Assandh road (MDR 114) in Karnal District	21.93	37.36	15 th & R. Bill date 18 October 2024	24	January 2021	October 2024	45
2.	2	HL Bridge over Dhanuara Escape	1.56	4.19	5 th & F. Bill date 3 September 2021	6	August 2020	June 2021	10
3.	5	Govt. College at Jundla in Karnal District	10.85	15.40	19 th & R. Bill date 24 June 2022	21	April 2019	June 2022	38
4.	8	Link road from Jagadhri Ambala Road to Munnerheri in Ambala District (KM 0.00 to KM 3.040), Road ID-178	1.14	4.53	4 th & F. Bill date 01 May 2024	6	March 2020	June 2021	15
5.	10	All-weather swimming pool in sports complex at Ambala Cantt.	8.29	31.35	19 th & F. Bill date 09 September 2024	18	September 2020	December 2021	15
6.	15	50 Bedded Hospital at Kalayat in Kaithal District	5.88	7.99	8 th F. Bill date 9 December 2021	18	September 2019	July 2020	10
7.	16	SDO (C) Complex Building at Kalayat in Kaithal District	8.57	12.63	16 th F. Bill date 17 July 2023	9	March 2021	January 2022	9
8.	18	Construction of Community Health Centre, Muana, Jind	4.07	7.16	6 th F. Bill date 22 July 2021	18	January 2021	May 2021	4
9.	21	Widening and strengthening & CCP on Badhra to Berla Road from km 0.00 to 8.10 (Road ID 2429)	3.02	6.23	4 th R. Bill, 30 September 2021	9	June 2020	September 2021	15
10.	23	Workshop Block Haryana Roadways at Loharu	2.38	4.16	3 rd R. Bill date 29 September 2021	12	June 2018	December 2020	27
11.	26	Library and workshop block in the campus of Ch. Bansri Lal Govt. Polytechnic at Bhiwani	5.75	8.04	9 th R. Bill date 21 January 2021	18	October 2018	September 2022 ¹	35
		Total	73.44	139.04					
Sr. No. in Appendix 5.2									
12.	3.	Four lanning of Ladwa Shahbad Road (SH-07) from km 43.10 to 45.50 (2.40 km) in Babain	5.63	3.28	3 rd R. Bill date 7 December 2020	6	November 2018	November 2020	24
13.	4.	Four lanning of road from km 11.95 to 15.40 and strengthening from km 11.45 to 15.40 Dhand Pundri Rajound Alewa Road	22.42	19.68	15 th R. Bill date 23 October 2019	18	August 2018	September 2019	12
		Total	28.05	22.96					
		Grand Total	102.49	162.00					

¹ The work was under progress on date of audit i.e. September 2022.

Appendix 6.1
(Reference: Paragraph 6.1; Page 148)
Details of total beneficiaries and multiple payments to single beneficiary

Sr. No.	Name of District	No. of total Beneficiaries	Total No. of beneficiaries overpaid	Payments made to each beneficiary	2015	2016	2017	2018	2019	2020	2021	2022	Total extra payments	Total extra payments district wise
1	Sonipat	22,742	558	double	27	62	341	93	27	7	1	0	558	566
			4	triple	0	1	2	0	1	0	0	0	8	
2	Panipat	15,765	336	double	2	7	19	194	59	52	3	0	336	342
			3	triple	0	0	0	3	0	0	0	0	6	
3	Ambala	24,624	111	double	3	3	8	27	33	30	7	0	111	115
			2	triple			1	1					4	
4	Bhiwani	27,813	95	double	2	4	9	15	42	20	3	0	95	95
5	Fatehabad	13,615	261	double	10	48	23	21	53	64	42	0	261	263
			1	triple						1			2	
6	Hisar	26,346	559	double	105	62	145	197	27	20	3	0	559	569
			5	triple	1			3		1			10	
7	Jhajjar	13,354	96	double	8	67	4	7	4	4	2	0	96	96
8	Jind	25,719	946	double	37	175	288	294	74	69	9	0	946	1,338
			193	triple			8	168	17				386	
			2	four				2					6	
9	Kaithal	22,275	777	double	88	134	79	121	180	142	33	0	777	913
			65	triple	29	14	1	9	7	4	1		130	
			2	four					1	1			6	
10	Kurukshetra	18,872	272	double	85	9	24	43	72	38	1	0	272	282
			5	triple	1			1	3				10	
11	Mewat	17,530	492	double	72	63	102	144	67	34	10	0	492	522
			12	triple	2	1		3	2	3	1		24	
			2	four				1	1				6	
12	Yamunanagar	25,540	74	double	4	13	11	31	12	3	0	0	74	74

Sr. No.	Name of District	No. of total Beneficiaries	Total No. of beneficiaries overpaid	Payments made to each beneficiary	2015	2016	2017	2018	2019	2020	2021	2022	Total extra payments	Total extra payments district wise
13	Narnaul	14,737	981	double	189	237	153	350	42	6	3	1	981	1,186
			26	triple	14	1	7	3	1				52	
			32	four	27	2		3					96	
			11	five	11								44	
			1	six	1								5	
			1	nine	1								8	
14	Panchkula	5,489	69	double	1	2	4	11	13	21	17	0	69	69
15	Rohtak	16,692	176	double	8	64	21	19	20	36	8	0	176	178
			1	triple				1					2	
16	Sirsa	16,560	530	double	6	17	37	118	82	98	172	0	530	613
			20	triple		2	3		1	5	9		40	
			13	four				2		3	8		39	
			1	five							1		4	
17	Faridabad	4,962	59	double	21	21	9	8	0	0	0	0	59	63
			2	triple			1	1					4	
18	Gurugram	10,976	46	double	18	20	2	5	1	0	0	0	46	46
19	Karnal	24,886	750	double	54	131	272	267	18	8	0	0	750	801
			24	triple	1	3	17	2	1				48	
			1	four			1						3	
20	Rewari	11,691	105	double	4	11	14	33	18	15	10	0	105	107
			1	triple				1					2	
			7,723		832	1,174	1,606	2,202	879	685	343	1	8,238	8,238
		3,60,188												

Extra payment of ₹ 17,29,98,000 = 8,238 cases x ₹ 21,000

Say ₹ 17.30 crore

Appendix 6.2
(Reference: Paragraph 6.5; Page 156)
Cases of avoidable payment of interest made to landowners in Gurugram

Sr. No	LAC No.	Village	Award No	Date of award	Name of court	Date of Decision of Court	Interest paid upto	delay of days from date of judgement of court to date of interest paid after deduction of grace period 90/120 days	Principal	Extra Panel Interest @ 15 per cent of delay of date
1	1448/10	Chauma	66	23 December 2009	ADJ	30 May 2018	30 September 2022	1464	10,59,27,298	6,37,30,506
2	1450/2010	Chauma	66	23 December 2009	ADJ	30 May 2018	30 September 2022	1464	15,17,97,601	9,13,28,091
3	426/10	Harsuru	18	26 September 2008	SC	5 September 2017	07 April 2021	1190	7,43,09,389	3,63,40,345
4	422/10	Harsuru	18	26 September 2008	SC	5 September 2017	26 May 2019	508	1,33,25,574	27,81,942
5	427/10	Harsuru	18	26 September 2008	SC	5 September 2017	26 May 2019	508	4,26,41,838	89,02,214
6	716/10	Harsuru	18	26 September 2008	SC	5 September 2017	27 March 2018	83	12,03,74,355	41,05,920
7	665/10	Sihri	17	26 September 2008	SC	5 September 2017	08 September 2018	248	1,64,93,885	16,81,021
8	540/10	Sihri	17	26 September 2008	SC	5 September 2017	30 April 2022	1578	5,10,58,280	3,31,10,945
9	539/10	Sihri	17	26 September 2008	SC	5 September 2017	30 April 2022	1578	5,45,14,718	3,53,52,421
10	100/12	Pawala Khursapur	75	31 March 2010	HC	23 October 2019	30 September 2022	983	4,36,37,778	1,76,28,467
11	78/12	Pawala Khursapur	75	31 March 2010	HC	23 October 2019	30 September 2022	983	12,74,797	5,14,983
12	93/12	Pawala Khursapur	75	31 March 2010	HC	23 October 2019	30 September 2022	983	39,21,441	15,84,155
13	55/13	Pawala Khursapur	75	31 March 2010	HC	23 October 2019	30 September 2022	983	38,68,804	15,62,891
14	95/12	Pawala Khursapur	75	31 March 2010	HC	23 October 2019	30 September 2022	983	49,71,709	20,08,434
15	79/12	Pawala Khursapur	75	31 March 2010	HC	23 October 2019	30 September 2022	983	4,18,13,355	1,68,91,450
16	23/16	Wazirabad	45	22 February 2007	ADJ	20 March 2018	31 January 2022	1323	9,41,09,510	5,11,67,212
17	224/08	Rewari	25	07 December 2006	HC	29 January 2016	27 November 2017	578	3,99,90,984	94,99,228
18	296/11	Dhankot	82	31 March 2010	HC	23 October 2019	11 July 2022	902	5,22,11,145	1,93,53,885
19	312/11	Dhankot	82	31 March 2010	HC	23 October 2019	11 July 2022	902	2,72,68,494	1,01,08,020
20	1512/10	Dhankot	82	31 March 2010	HC	23 October 2019	11 July 2022	902	1,64,41,296	60,94,541
21	333/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	5,44,47,820	2,17,94,045
22	338/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	7,82,68,741	3,13,28,940
23	335/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	1,22,88,571	49,18,795
24	331/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	81,86,025	32,76,653
25	352/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	31,38,312	12,56,185
26	346/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	3,42,18,942	1,36,96,952
27	353/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	5,25,57,270	2,10,37,307
28	349/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	60,49,757	24,21,560
29	345/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	39,22,889	15,70,230
30	339/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	1,87,16,438	74,91,703
31	332/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	90,74,637	36,32,341
32	341/11	Baighera	72	31 March 2010	HC	1 November 2019	30 September 2022	974	6,39,00,566	2,55,77,733
									Total	55,17,49,113

Appendix 6.3
(Reference: Paragraph 6.5; Page 156)
Cases of avoidable payment of interest made to landowners in Faridabad

Sr. No.	Lac no.	Name of village	Award No	Award Date	Name of Court	Date of Judgement of Court	Interest paid upto	Delay (in days) from Date of Judgement of Court to interest paid excluding 90 days grace period	Principal Enhanced Amount	Interest Paid on Principal Enhanced Amount from Date of Judgement of Court to payment @ 15 per cent (14*H4*15/36500)
1	250/11	Baselwa	1	27 August 2010	SC	14 July 2021	30 April 2022	200	5,15,35,594	42,35,802
2	250/11	Baselwa	1	27 August 2010	SC	14 July 2021	30 April 2022	200	6,01,51,608	49,43,968
3	62/14	FM Neemka	11	27 August 2010	ADJ	18 March 2015	30 November 2021	2359	77,70,515	75,33,142
4	62/14	FM Neemka	11	27 August 2010	ADJ	18 March 2015	09 June 2021	2185	51,38,652	46,14,228
5	62/14	FM Neemka	11	27 August 2010	ADJ	10 June 2021	30 November 2021	83	25,69,326	1,81,613
6	62/14	FM Neemka	11	27 August 2010	HC	31 May 2019	09 June 2021	650	1,99,36,234	53,25,432
7	62/14	FM Neemka	11	27 August 2010	HC	10 June 2021	30 November 2021	83	99,68,117	7,04,595
8	62/14	FM Neemka	11	27 August 2010	HC	31 May 2019	09 June 2021	650	1,31,83,856	35,21,715
9	62/14	FM Neemka	11	27 August 2010	HC	10 June 2021	30 November 2021	83	65,91,928	2,24,848
10	62/14	FM Neemka	11	27 August 2010	SC	14 July 2021	30 November 2021	49	2,32,58,937	4,68,365
11	62/14	FM Neemka	11	27 August 2010	SC	14 July 2021	30 November 2021	49	1,53,81,165	3,09,730
12	1328/11	FM Neemka	27	04 February 2011	ADJ	08 May 2014	28 May 2015	295	40,16,094	4,86,883
13	1328/11	FM Neemka	27	04 February 2011	SC	14 July 2021	30 April 2022	200	6,35,22,810	52,21,053
14	320/11	Bhotala	24	04 February 2011	S C	14 July 2021	12 June 2022	243	8,00,95,522	79,98,580
15	254/11	Basela	1	27 August 2010	S C	14 July 2021	30 April 2022	200	8,95,79,672	73,62,713
16	254/11	Basela	1	27 August 2010	S C	14 July 2021	30 April 2022	200	5,12,74,609	42,14,351
17	865/11	Pehldpur	3	27 August 2010	ADJ	24 March 2014	11 November 2014	142	80,36,451	4,68,976
19	857/11	Palwali	7	27 August 2010	SC	14 July 2021	30 April 2022	200	1,73,04,842	14,22,316
20	858/11	Palwali	7	27 August 2010	SC	31 January 2022	30 July 2022	90	1,32,78,816	4,91,134
21	858/11	Palwali	7	27 August 2010	SC	31 January 2022	30 July 2022	90	46,97,028	1,73,726
22	86/13	Palwali	7	27 August 2010	SC	14 July 2021	30 April 2022	200	58,14,091	4,77,870
23	295/11	Bhatola	24	04 February 2011	SC	14 July 2021	30 April 2022	200	5,37,60,955	44,18,709
24	1282/11	Faridpur	25	04 February 2011	SC	30 September 2021	30 April 2022	122	1,48,83,463	7,46,212
25	98/15	Faridpur	25	04 February 2011	SC	14 July 2021	30 April 2022	200	3,56,74,406	29,32,143
26	98/15	Faridpur	25	04 February 2011	ADJ	06 April 2015	30 April 2022	2491	90,52,818	92,67,357
27	1222/11	FM Neemka	27	04 February 2011	SC	18 February 2022	30 June 2022	42	2,80,77,996	4,84,634
28	1133/11	FM Neemka	27	04 February 2011	ADJ	22 January 2013	14 November 2014	571	9,77,732	2,29,432
29	1133/11	FM Neemka	27	04 February 2011	SC	14 July 2021	30 April 2022	200	77,32,418	6,35,541
30	1173/11	F M Neemka	27	04 February 2011	SC	14 July 2021	30 April 2022	200	1,96,69,222	16,16,648
31	839/11	Baselwa	1	27 August 2010	SC	14 July 2021	30 April 2022	200	1,27,87,854	10,51,056
32	67/10	Baroli	1	24 April 2009	SC	14 July 2021	31 August 2022	323	6,93,738	92,087

Sr. No.	Lac no.	Name of village	Award No	Award Date	Name of Court	Date of Judgement of Court	Interest paid upto	Delay (in days) from Date of Judgement of Court to interest paid excluding 90 days grace period	Principal Enhanced Amount	Interest Paid on Principal Enhanced Amount from Date of Judgement of Court to payment @ 15 per cent (14*H4*15/36500)
33	372/10	Sihli	4	24 April 2009	SC	14 July 2021	15 June 2022	246	5,16,81,120	52,24,749
34	1273/11	Faridpur	25	04 February 2011	SC	14 July 2021	30 April 2022	200	2,46,59,333	20,26,794
35	377/11	Firojpur	10	09 June 2009	ADJ	24 December 2011	08 September 2012	169	9,15,023	63,550
36	377/11	Firojpur	10	09 June 2009	HC	10 December 2015	05 April 2019	1122	53,07,138	24,47,100
37	377/11	Firojpur	10	09 June 2009	SC	02 November 2017	28 September 2018	240	86,92,726	8,57,365
38	261/11	Palwal	7	09 June 2009	ADJ	24 July 2013	08 May 2014	198	99,006	8,056
39	261/11	Palwal	7	09 June 2009	SC	08 November 2017	12 November 2018	279	75,760	8,686
40	300/10	Palwal	7	09 June 2009	SC	08 November 2017	30 April 2022	1544	2,23,08,207	1,41,55,016
41	1152/11	FM Neemka	27	04 February 2011	ADJ	22 January 2013	04 July 2015	803	29,46,100	9,72,213
42	187/10	Firoz Pur	10	09 June 2009	ADJ	30 November 2012	08 March 2015	738	97,927	29,700
43	187/10				HC	13 February 2017	30 April 2022	1812	5,67,979	4,22,950
44	187/10				SC	07 May 2019	30 April 2022	999	9,30,308	3,81,936
45	93/99	Ajrondha	13	29 June 1998	SC	11 March 2019	31 December 2020	571	85,35,622	20,02,948
46	35/12	Bhatola	18	27 August 2010	SC	14 July 2021	30 April 2022	200	1,09,64,778	9,01,215
47	807/11	Faridpur	9	27 August 2010	SC	14 July 2021	30 April 2022	200	2,58,70,070	21,26,307
48	1089/11	Bhatola	24	04 February 2011	SC	14 July 2021	30 April 2022	200	2,12,01,425	17,42,583
49	91/99	Ajrondha	15	29 June 1998	SC	11 March 2019	31 December 2020	571	2,69,92,841	63,34,074
50	424/11	Bhatola	18	27 August 2010	SC	14 July 2021	30 April 2022	200	1,21,08,343	9,95,206
51	1130/11	FM Neemka	27	04 February 2011	ADJ	22 January 2013	15 September 2014	511	12,11,185	2,54,349
52					ADJ	22 January 2013	15 January 2014	268	20,34,052	2,24,024
53					SC	14 July 2021	30 April 2022	200	2,56,65,045	21,09,456
54	326/10	Palwal	7	09 June 2009	ADJ	16 January 2014	08 December 2014	236	20,93,702	2,03,060
55					SC	08 November 2017	28 March 2019	415	16,02,129	2,73,240
56	68/14	Neemka	10	27 August 2010	SC	06 September 2021	30 April 2022	146	51,37,732	3,08,264
57	523/11	Kheri Khurd	8	27 August 2010	ADJ	18 March 2013	27 March 2015	649	14,20,260	3,78,801
58					ADJ	18 March 2013	31 July 2022	3332	14,20,260	19,44,783
59					SC	14 July 2021	30 April 2022	200	1,92,52,264	15,82,378
60	1159/11	FM Neemka	27	04 February 2011	ADJ	22 January 2013	10 June 2014	414	6,19,460	1,05,393
61					SC	14 July 2021	30 April 2022	200	48,99,025	4,02,660
63	67/16	Kheri Kalan	10	09 August 2012	SC	14 July 2021	30 April 2022	200	7,61,85,853	62,61,851
64	1204/11	F M Neemka	27	04 February 2011	SC	14 July 2021	30 April 2022	200	1,61,59,472	13,28,176
65	427/11	Bhatola	18	27 August 2010	SC	14 July 2021	30 April 2022	200	1,29,82,835	10,67,082
66	479/11	Fajipur	11	27 August 2010	SC	14 July 2021	30 April 2022	200	5,00,99,253	41,17,747
67	621/11	Neemka	10	27 August 2010	SC	14 July 2021	30 April 2022	200	98,28,499	8,07,822
68	540/11	Kheri Kalan	16	27 August 2010	SC	30 September 2021	30 April 2022	122	1,01,17,380	5,07,255
69	252/11	Baselwa	1	27 August 2010	SC	14 July 2021	30 April 2022	200	1,81,51,477	14,91,902

Sr. No.	Lac no.	Name of village	Award No	Award Date	Name of Court	Date of Judgement of Court	Interest paid upto	Delay (in days) from Date of Judgement of Court to interest paid excluding 90 days grace period	Principal Enhanced Amount	Interest Paid on Principal Enhanced Amount from Date of Judgement of Court to payment @ 15 per cent (14*H4*15/36500)
70	655/11	Neemka	10	27 August 2010	SC	14 July 2021	30 April 2022	200	46,12,133	3,79,079
71	445/11	F M Neemka	11	27 August 2010	SC	31 January 2022	30 June 2022	60	2,36,52,565	5,83,214
72	729/11	Bhudena	17	27 August 2010	ADJ	16 October 2015	30 April 2022	2298	5,20,98,013	4,92,00,507
73		Bhudena	17	27 August 2010	SC	14 July 2021	30 April 2022	200	4,93,72,564	40,58,019
74	237/11	Wazirpur	4	27 August 2010	SC	14 July 2021	30 April 2022	200	1,04,19,603	8,56,406
75	599/11	Mutrzapur	15	27 August 2010	ADJ	24 August 2013	17 September 2014	299	16,89,116	2,07,553
76					SC	14 July 2021	30 April 2022	200	2,03,86,052	16,75,566
77	1037/11	Bhatola	18	27 August 2010	SC	14 July 2021	15 May 2022	215	1,80,68,640	15,96,476
78	473/11	F.M. Neemka	11	27 August 2010	ADJ	07 November 2013	27 September 2014	234	18,29,388	1,75,922
79						07 November 2013	27 September 2014	234	18,29,388	1,75,922
80					SC	14 July 2021	30 April 2022	200	2,03,38,602	16,71,666
81	533/11	Kheri Kalan	16	27 August 2010	ADJ	27 May 2013	26 June 2014	305	8,76,704	1,09,888
82						27 May 2013	26 June 2014	305	8,76,704	1,09,888
83					SC	30 September 2021	30 April 2022	122	1,08,40,050	5,43,487
84	545/11	Kheri Kalan	11	27 August 2010	ADJ	27 May 2013	17 June 2014	296	9,35,151	1,13,755
85					ADJ	27 May 2013	17 June 2014	296	9,35,151	1,13,755
86					SC	13 November 2021	30 April 2022	78	1,15,62,720	3,70,641
87	169/12	Neemak	1	22 May 2012	ADJ	07 May 2014	22 June 2015	321	12,47,899	1,64,620
88					SC	14 July 2021	30 April 2022	200	65,83,877	5,41,141
89	870/11	Pahladpur	3	27 August 2010	SC	14 July 2021	30 April 2022	200	3,10,45,125	25,51,654
90	239/11	Wazirpur	4	27 August 2010	SC	14 July 2021	30 April 2022	200	1,52,32,718	12,52,004
91	720/11	Budhena	17	27 August 2010	SC	14 July 2021	30 April 2022	200	5,83,58,458	47,96,586
92	476/11	F M Neemka	11	27 August 2010	SC	14 July 2021	30 April 2022	200	1,99,02,775	16,35,845
93	551/11	Kheri Kalan	16	27 August 2010	SC	13 November 2021	30 April 2022	78	1,18,78,575	3,80,765
94	615/11	Badshahpur	6	27 August 2010	SC	14 July 2021	30 April 2022	200	2,15,89,849	17,74,508
95	1102/11	Neemka	1	22 May 2012	SC	14 July 2021	30 April 2022	200	2,09,869	17,250
96	59/14	Chandawali	6	07 September 2001	HC	19 November 2015	15 October 2022	2432	11,23,115	11,22,500
97	91/01	Ajronda	13	29 June 1998	SC	11 March 2019	31 December 2020	571	3,12,279	73,279
98	803/11	Kheri Khurd	8	27 August 2010	SC	14 July 2021	30 April 2022	200	37,23,689	3,06,057
99		Kheri Khurd	8	27 August 2010	SC	14 July 2021	30 April 2022	200	76,85,059	6,31,649
100	685/11	Neemka	10	27 August 2010	ADJ	27 February 2013	20 October 2013	145	1,55,858	9,287
101					ADJ	27 February 2013	20 October 2013	145	1,55,858	9,287
102					SC	31 January 2022	31 July 2022	91	13,30,423	49,754
103	157/11 wrongly mentioned 1057/11 in dump data	Riwazpur	14	27 August 2010	SC	14 July 2021	30 April 2022	200	1,09,48,964	8,99,915

Sr. No.	Lac no.	Name of village	Award No	Award Date	Name of Court	Date of Judgement of Court	Interest paid upto	Delay (in days) from Date of Judgement of Court to interest paid excluding 90 days grace period	Principal Enhanced Amount	Interest Paid on Principal Enhanced Amount from Date of Judgement of Court to payment @ 15 per cent (14*H4*15/36500)
104	197/99	Ajrona	15	29 June 1998	HC	06 October 2010	29 October 2011	298	1,01,14,049	12,38,625
105					HC	06 October 2010	29 October 2011	298	8,25,635	1,01,112
106					SC	11 March 2019	31 December 2020	571	21,25,229	4,98,701
107					SC	11 March 2019	31 December 2020	571	42,50,461	9,97,403
108					SC	11 March 2019	31 December 2020	571	3,46,976	81,421
109					SC	11 March 2019	31 December 2020	571	1,73,487	40,710
110					SC	11 March 2019	31 December 2020	571	3,46,976	81,421
111					SC	11 March 2019	31 December 2020	571	42,50,461	9,97,403
112	116/2000	Ajrona	15	29 June 1998	HC	06 October 2010	17 October 2011	286	16,84,298	1,97,963
113	567/11	Kheri Kalan	10	09 August 2012	SC	11 March 2019	31 December 2020	571	17,69,581	4,15,246
114	254/2000	Tilori Banger	16	29 June 1998	HC	14 July 2021	30 April 2022	200	2,22,63,844	18,29,905
115	255/11	Baselwa	1	27 August 2010	SC	06 October 2010	29 September 2011	268	15,85,222	1,74,592
116					SC	11 March 2019	31 December 2020	571	8,32,743	1,95,409
117	130/13 wrongly mentioned	Kheri Kalan	10	09 August 2012	SC	14 July 2021	30 April 2022	200	5,12,74,609	42,14,351
118	130/11	Kheri Kalan	10	09 August 2012	SC	14 July 2021	30 April 2022	200	1,05,84,893	8,69,991
119	317/11	Riwajpur	14	27 August 2010	SC	14 July 2021	30 April 2022	200	10,04,05,352	82,52,495
120	312/2k	Ajrona	13	29 June 1998	SC	11 March 2019	31 December 2020	571	73,55,904	17,26,118
121	694/11	Budena	17	27 August 2010	SC	14 July 2021	30 April 2022	200	9,58,67,660	78,79,534
122	440/11	Neemka	10	27 August 2010	SC	14 July 2021	30 April 2022	200	98,70,542	8,11,277
123	275/99	Ajrona	13	29 June 1998	SC	11 March 2019	31 December 2020	571	48,95,837	11,48,845
124	103/13	Kheri Kalan	10	09 August 2012	SC	13 November 2021	30 April 2022	78	3,81,70,831	12,23,558
125	129/13	Kheri Kalan	10	09 August 2012	SC	30 September 2021	30 April 2022	122	4,06,06,673	20,35,896
126	830/11	Faridpur	9	27 August 2010	SC	14 July 2021	30 April 2022	200	11,84,208	97,332
127	628/11	Neemka	10	27 August 2010	SC	31 January 2022	15 May 2022	14	49,56,205	28,515
128	287/11	Takawali	5	27 August 2010	HC	31 May 2019	15 October 2022	1143	1,54,58,719	72,61,363
129	648/2K	Ajrona	13-15	29 June 1998	SC	11 March 2019	31 December 2020	571	5,13,510	1,20,499
130	369/2k	Ajrona	13-15	29 June 1998	SC	11 March 2019	31 December 2020	571	2,69,60,072	63,26,384
131	299/2k	Ajrona	13-15	29 June 1998	SC	11 March 2019	31 December 2020	571	12,90,749	3,02,884
132	498/2K	Ajrona	13	29 June 1998	SC	11 March 2019	31 December 2020	571	95,76,552	22,47,210
133	59/99	Ajrona	13	29 June 1998	SC	11 March 2019	31 December 2020	571	70,52,295	16,54,874
134	179/98	Ajrona	13	29 June 1998	HC	06 October 2010	29 November 2011	329	70,83,960	9,57,790
135					SC	11 March 2019	31 December 2020	571	24,80,879	5,82,157
									Total	27,86,72,378

© COMPTROLLER AND
AUDITOR GENERAL OF INDIA
www.cag.gov.in

<https://cag.gov.in/ag/haryana/en>

