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

Report of the Comptroller and Auditor General of India for the period ended March 2024

Government of Gujarat

Report No. 1 of 2026

(Compliance Audit - Civil)

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Preface

This Report for the period ended March 2024 has been prepared for submission to the Governor of Gujarat under Article 151 of the Constitution of India.

The Report contains significant findings of the Compliance Audit of seven State Government Departments. The audit was conducted under the Comptroller and Auditor General of India's (Duties, Powers, and Conditions of Service) Act 1971 and Regulations on Audit and Accounts, 2020 issued thereunder by the Comptroller and Auditor General of India. This Report is required to be placed before the State Legislature under Article 151(2) of the Constitution of India.

The instances mentioned in this Report were noticed during the test audit for the period 2023-24 as well as those which came to notice in earlier years but could not be reported in the previous Audit Reports; instances relating to the period subsequent to 2023-24 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.

Executive Summary

Executive Summary

Introduction

This Audit Report contains audit findings arising from two Subject Specific Compliance Audits and 16 individual Audit Paragraphs. The significant audit findings are discussed below.

Subject Specific Compliance Audit

The highlights of Subject Specific Compliance Audits related to Finance Department and Ports and Transport Department of the State Government included in the Report are mentioned below.

Finance Department

Department's Oversight on GST Payments and Return Filing (Phase-II)

The audit was taken up considering the significance of the control mechanism envisaged for tax compliance and the oversight mechanism of the Gujarat State Tax Department in this new tax regime. The sample for this audit comprised a set of deviations identified through data analysis for centralized audit that did not involve field visits; a sample of taxpayers for detailed audit that involved field visits and scrutiny of taxpayer's records at departmental premises; and a sample of Units for evaluating the compliance functions of the Units.

Audit observed deviation from provisions of the Act/ Rules and instructions on cancellation of registration, revocation of cancellation, and delays in recovery of demands in the selected 10 Units. Further, Audit observed that the system generated MIS Report for List of Revocation Application, exhibited discrepancies.

Audit issued audit enquires for 738 inconsistencies amongst the top deviations/ inconsistencies. Initial responses were not received for five inconsistencies communicated to the Department, which involves mismatch of ₹ 266.63 crore. Audit noticed deviations from the provisions of the Act in 291 cases involving an amount of ₹ 2,606.62 crore, constituting 39.70 *per cent* of inconsistencies/ mismatches for which the Department provided responses. Relatively higher rates of deviations were noticed in mismatch in tax liability declared in GSTR-3B and disclosures in E-Way Bill, settled tax liability between GSTR-01 and GSTR-09 and ITC mismatch between GSTR-2A and GSTR-3B. Out of total responses received, in 340 cases, Department's reply was acceptable to Audit. Out of these data entry errors by taxpayers comprised 45 cases (13.24 *per cent*) and the Department had proactively taken action in 87 cases.

Audit requested the Department to produce the granular records such as financial statements and related ledgers, invoices for selected months, Auditor's Report, debit and credit notes, *etc.* to examine mismatches/ inconsistencies in sampled 65 taxpayers in detail. However, the Department did not produce the requisitioned records in 63 of the audit sample of 65 selected cases. As a result of non-production of records, mismatches/ deviations noticed through data analysis, amounting ₹ 1,234.71 crore, could not be examined in Audit.

Audit recommends the following:

1. ***The Department may strengthen the monitoring mechanism in Units and ensure that the timelines specified for cancellation of registration and revocation of cancellation orders are complied with.***

2. ***The Department may consider devising appropriate mechanism to ensure mandatory filing of GSTR-10 by all taxpayers whose registration is cancelled and intimation be issued by Proper Officer to proceedings under Section 62 of the GGST Act to determine tax liability in cases where GSTR-10 is not filed.***

3. ***The Department may consider taking up the issue of data entry errors with the GSTN to introduce validation controls in GST Returns to curb data entry errors, enhance taxpayer compliance and facilitate better scrutiny.***

4. ***The Department may consider taking necessary action in making available invoice-wise information/particulars for all the tables in GSTR-1 at the back-end portal of Department.***

(Paragraph 2.1)

Ports and Transport Department

Functioning of the State Transport Authority and Regional Transport Offices

The audit was conducted to ascertain whether the State Transport Authority (STA)/ Regional Transport Offices (RTOs) carried out their core functions as per the applicable Acts/ Rules, and the enforcement activities carried out ensured compliance to Motor Vehicle Acts/ Rules and public services were discharged timely. Audit analysed both back-end and front-end data of the VAHAN and SARATHI Applications and also examined records at the office of the Commissioner of Transport (CoT) and the nine selected RTOs for the period from 01 April 2019 to 31 March 2024. Some of the audit findings have been briefly mentioned hereunder:

The registering authorities did not take necessary steps to ensure that only the validly registered vehicles ply on the roads. Though RCs of 5,36,634 vehicles had expired between 01 April 2019 and 31 March 2024, the vehicle owners had neither reported destruction/ incapacitation of their vehicles nor renewed the RCs. Thus, there was non-realisation of potential renewal fees of ₹ 88.58 crore leviable for renewal of RC. Further, due to absence of appropriate checks at the time of vehicle registration as well as improper application controls, there was incorrect categorisation and incorrect entries of the vehicles.

The RTO/ ARTOs while issuing permit, fitness certificate and Pollution Under Control Certificate (PUCC) did not ensure either compliance to the relevant provisions or payment of Government dues. Further, 1,91,977 new vehicles were not issued any State permit as of March 2024.

There were delays ranging between 31 days to 1,808 days in issuance of Contract Carriage Permits, and Goods Carriage Permits. These included 4,839 permits where delay was more than 500 days. Though permits of 98,619 vehicles had expired, neither the vehicle owners applied for renewal, nor the RTOs concerned took any action in this regard.

A total of 4,99,436 vehicles were operating with expired fitness certificates which majorly included Transport vehicles and Other Specific Vehicles. The total fees and penalty leviable in these cases of expired fitness amounted to ₹ 980.15 crore. As many of these vehicles were being issued permits, these vehicles posed a potential threat to road safety.

In case of 39,12,554 vehicles whose PUCC had expired before 31 December 2023, the vehicle owners had not got the PUCC of their vehicles renewed as of March 2024. Moreover, vehicle owners of 69,26,536 vehicles, registered between 01 April 2009 to 31 March 2019, did not get the PUCC of their vehicles renewed for even a single time during the five years' period from April 2019 to March 2024.

Vehicles were plying on road without installing Speed Governors, High Security Registration Plate, and Vehicle Tracking System Device in violation of the extant provisions which poses security and regulation risks. Analysis of toll booth data revealed that vehicles were plying on road in violation of the extant motor vehicle laws.

There were lacunae in the regulation of Motor Vehicle Aggregators in terms of their registration and compliance to the terms and conditions of the Guidelines issued by the MoRTH. As a result of delayed updation of the amended provision in the VAHAN and SARATHI Applications and incorrect categorisation of the vehicles, there were instances of levy of fees at incorrect rates for various types of services. In case of 79,762 duplicate Driving Licenses issued between April 2021 to July 2023, fees was levied at the rate of ₹ 200 instead of the revised fees of ₹ 400, resulting in short levy of fees of ₹ 1.60 crore. There was short levy of lump sum tax/ recurring tax in respect of various types of vehicles due to incorrect application of rate of tax or incorrect categorisation of the vehicles. Similarly, there was non-recovery of outstanding recurring taxes. There were instances of issue of inappropriate or deficient challans. Such deficiencies in the challans issued reduced the relevance and effectiveness of the enforcement activities. The *Mamlatdar* was not posted in eight of the nine selected RTO/ ARTOs on full time basis for recovery of arrears of tax as arrears of land revenue which resulted in slow progress in recovery of arrears. The RTO/ ARTOs did not adhere to the time limits prescribed by the Ports and Transport Department for providing various motor vehicle related services.

Audit recommends the following:

1. ***The Transport Department should institute mandatory, non-bypassable automated validation controls in VAHAN and SARATHI to prevent incorrect data entry, block non-compliant registrations or***

certifications, and generate monthly data-quality exception reports for RTO-level review.

2. ***A coordinated statewide enforcement drive should be launched, combining RTO and Traffic Police efforts and leveraging e-detection at toll plazas, to systematically identify vehicles with expired fitness, PUCC or permits and ensure time-bound compliance and recovery of fees and penalties.***
3. ***A centralised monitoring and auction cell should be established to oversee detained vehicles, supported by an automated 90-day auction trigger in VAHAN and minimum maintenance standards to prevent deterioration and safeguard recoverable value.***
4. ***Aggregator compliance should be strengthened by requiring quarterly digital reporting, linking AIS-140 fitment and simulator facilities to licence renewal, identifying unregistered platforms through digital checks, and imposing graded penalties for repeated non-compliance.***
5. ***The Department should formalise a time-bound correction protocol with NIC-including SLAs, a structured change-management log, and quarterly IT-process integration reviews to ensure statutory changes are promptly reflected in VAHAN/ SARATHI and prevent revenue or compliance lapses.***

(Paragraph 2.2)

Compliance Audit Paragraphs

Revenue Department

Short levy of Stamp Duty of ₹ 12.18 crore in 126 documents due to undervaluation of property attributable to application of incorrect *Jantri* rates or incorrect adoption of area.

(Paragraph 3.1)

Short levy of Stamp duty of ₹ 1.12 crore and Registration Fee of ₹ 10.06 lakh in eight documents relating to several distinct matters within one document.

(Paragraph 3.2)

Short levy of Stamp duty of ₹ 66.26 lakh and Registration Fee of ₹ 2.54 lakh in two documents due to incorrect classification of the document.

(Paragraph 3.3)

Premium of ₹ 55.16 crore in 173 cases was non/ short levied in cases of conversion of agricultural land under 'new and restricted tenure' to 'old tenure' for residential/ industrial/commercial/multipurpose use.

(Paragraph 3.4)

Conversion Tax of ₹ 37.16 lakh in 11 cases was short/ non levied on change in use of land from Agricultural to Non-Agricultural purpose and while giving advance possession of Government land.

(Paragraph 3.5)

Roads and Buildings Department

In 11 works executed by R&B Divisions, there was overpayment of Price Variation of ₹ 4.74 crore due to incorrect calculations and payment of PV for ineligible items of work, ineligible period and not limiting the payment within the prescribed ceiling limit.

(Paragraph 3.6)

The R&B Division proposed and extended the project completion timeline after the date of completion of the work and paid bonus of ₹ 2.40 crore to the contractor for early completion.

(Paragraph 3.7)

In two works of the R&B Divisions, cost overrun aggregating to ₹ 2.21 crore occurred owing to non-finalisation of the tenders due to incorrect adoption of bid validity period.

(Paragraph 3.8)

The R&B Division provided road widening at curves in excess of the prescribed Indian Road Congress norms at 99 curves which led to avoidable extra expenditure of ₹ 1.62 crore.

(Paragraph 3.9)

The R&B Division No. 1, Surat did not recover electricity charges aggregating to ₹ 83.05 lakh from Airport Authority of India, Surat for the electricity consumed by the private parties/ concessionaires at the Airport. Further, due to delayed initiation of the process for making Solar Photo Voltaic System functional, the R&B Electrical Division, Surat had to pay avoidable electricity charges of ₹ 62.39 lakh.

(Paragraph 3.10)

Forest and Environment Department

In certain cases of road widening projects falling within the Wildlife Sanctuaries and National Parks and their Eco-Sensitive Zones, Protected and Reserved Forests, land was diverted without approval from Ministry of Environment, Forest and Climate Change, GoI. This constituted violation of established environmental norms and procedures.

(Paragraph 3.11)

There were instances of issuance of No Objection Certificates for Non-Agricultural (NA) activities in violation of the provisions of the Eco-Sensitive Zone Notifications of the respective Protected Areas (PAs) and State Government

Policy regulating NA activities within the periphery of PAs. Moreover, in certain cases the District Collector had either granted NA permission without NOC from the Forests Department, or the NA permissions were not commensurate with the NOCs granted.

(Paragraph 3.12)

In the cases of diversion of forest land for Non-Agricultural activities, there was short levy of Net Present Value of ₹ 1.16 crore due to incorrect categorization of forest or adoption of incorrect rates. Further, in one case there was short levy of Compensatory Afforestation amount of ₹ 2.94 crore due to adoption of incorrect Right of Way for the afforestation.

(Paragraph 3.13)

Home Department

The Home Department neither established proper storage facilities for storage of seized drugs nor disposed the drugs expeditiously as per the procedures prescribed under the Narcotic Drugs and Psychotropic Substances Act and orders of the Supreme Court. As a result, there were instances of loss and destruction of the seized drugs as well as delayed disposal of the drugs.

(Paragraph 3.14)

In 590 cases, *Bandobast*/escort charges were levied at incorrect rates resulting in short levy of ₹ 2.51 crore.

(Paragraph 3.15)

Energy and Petrochemicals Department

Non-raising of demand for Dead Rent and Royalty, and non-realisation of Royalty and Interest, resulted in loss of revenue of ₹ 12.92 crore.

(Paragraph 3.16)

CHAPTER I

Introduction

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INTRODUCTION

1.1 About this Report

This Report of the Comptroller and Auditor General of India (C&AG) presents matters arising from compliance audit of the Departments of the Government of Gujarat (GoG).

Compliance audit refers to an assessment of the functioning and transactions of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by the competent authorities are being complied with. Thus, compliance audit evaluates the functioning of entities on matters of regularity and propriety.

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

The Chapters in this Report are structured as follows:

- This chapter (Chapter I), in addition to explaining the planning and extent of audit, provides a synopsis of the audit observations made during various types of audits and also briefly analyses the follow-up of the previous Audit Reports.

- Chapter II contains results of the two Subject Specific Compliance Audits (SSCAs), namely, 'Department's Oversight on GST Payments and Return Filing' under Finance Department, and 'Functioning of the State Transport Authority and Regional Transport Offices' under Ports and Transport Department.

- Chapter III contains 16 individual Audit Paragraphs on the transactions of the five Government Departments namely Revenue Department, Roads and Buildings Department, Forest and Environment Department, Home Department, and Energy and Petrochemicals Department.

1.2 Audited Entity Profile

The Principal Accountant General (Audit–II), Gujarat conducts audit of 14 Departments of Government of Gujarat. This includes audit at the Secretariat level, the field offices, and autonomous bodies falling under the jurisdiction of these Departments. Each Department is headed by Additional Chief Secretary (ACS)/ Principal Secretary (PS)/ Secretary, who are assisted by Directors/ Commissioners/ Chief Engineers and subordinate officers under them.

The summary of fiscal transactions of the Government of Gujarat (GoG) from 2019-20 to 2023-24 is represented below:

Chart 1.1: Total Disbursements and Total Receipts (₹ in crore)

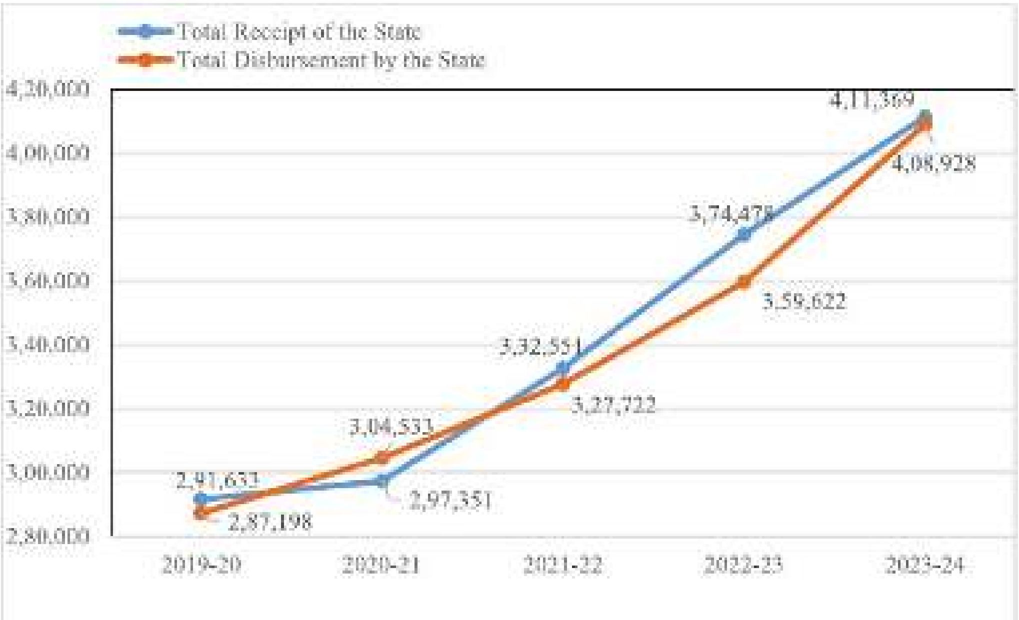


Chart 1.2: Total Receipts Profile (₹ in crore)

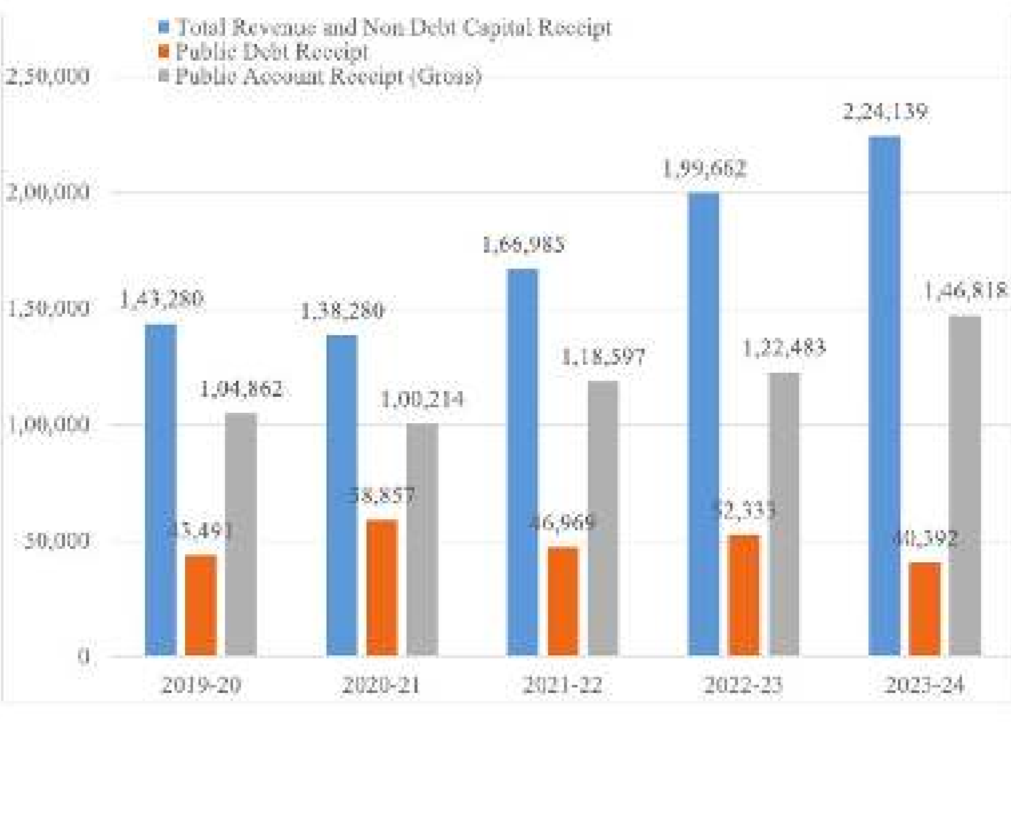


Chart 1.3: Revenue and Grants in aid Profile (₹ in crore)

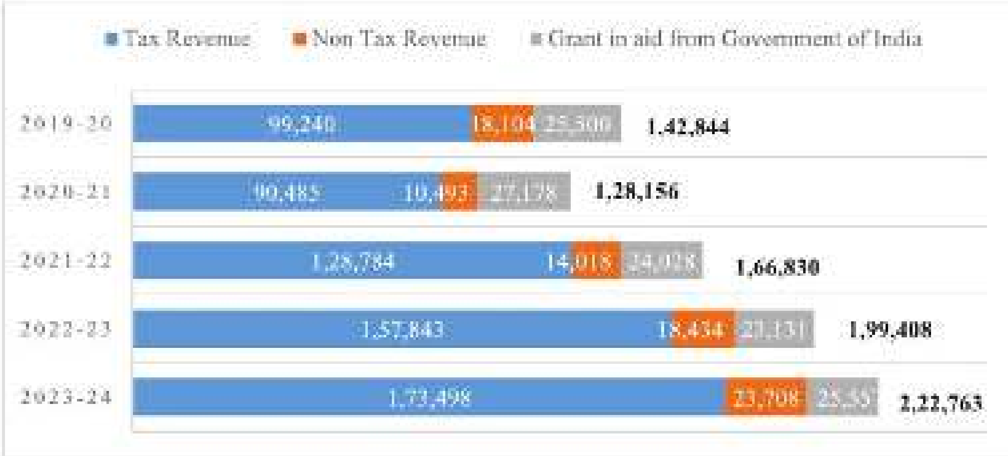


Chart 1.4: Total Expenditure, Public Debt repayment and Public Account disbursements Profile[1] (₹ in crore)

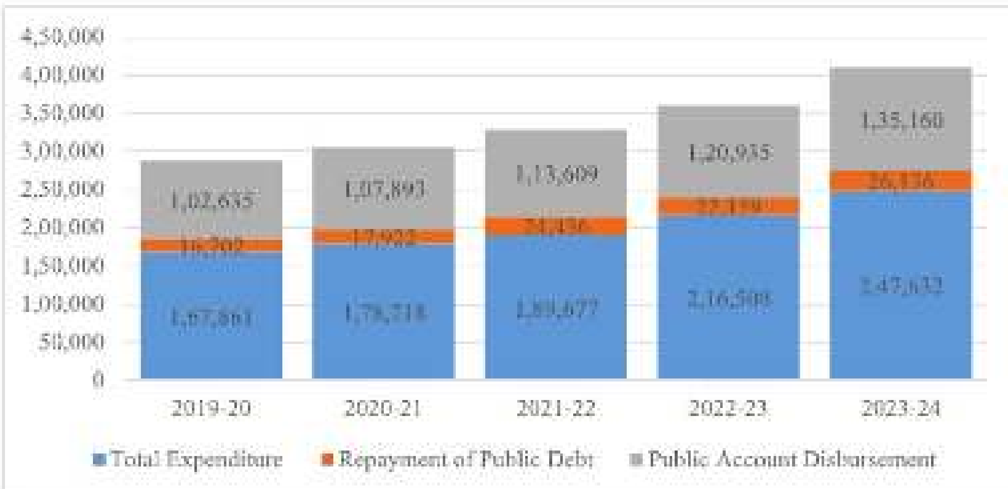
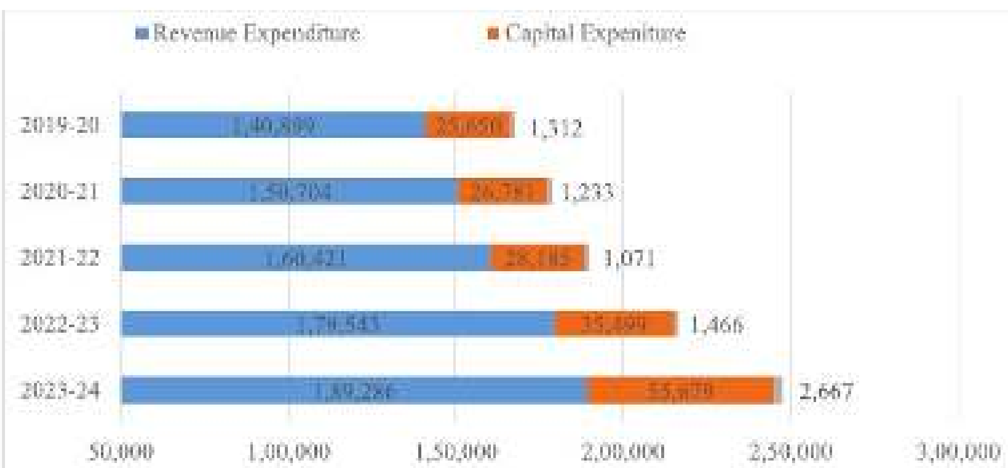


Chart 1.5: Total Expenditure Profile (₹ in crore)



Source for all graphs: Statement under Gujarat Fiscal Responsibility Act, 2005. (Budget Publication No.30 of 2023-24).

[1] The amount of Contingency Fund disbursements, being meagre at ₹ 20 crore in 2022 – 23 has not been shown in Chart 1.4.

1.3 Authority for Audit

The authority for audit by the C&AG is derived from Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act 1971.

- The C&AG conducts the audit of expenditure and the audit of receipts of the Departments of the Government of Gujarat under Section 13[2] and Section 16[3] of the C&AG's (DPC) Act, respectively.
- In addition, the C&AG also conducts audit of other Autonomous Bodies (ABs), which are substantially funded by the Government, under Section 14 of the C&AG's (DPC) Act[4].

Principles and methodologies for various audits are prescribed in the Regulations on Audit and Accounts 2020 and the Auditing Standards and Guidelines issued by the C&AG.

1.4 Planning and conduct of Audit

Audit process starts with the assessment of risks associated with various Government activities based on expenditure incurred, revenue earned, criticality and complexity of activities, delegated financial powers and responsibilities, analysis of internal controls, and concerns of stakeholders. Previous audit findings are also considered in this exercise. Based on this risk assessment, the frequency and extent of audit are decided.

After completion of the audit of each unit, Inspection Reports (IRs) containing audit findings are issued to the heads of the offices. The Departments are requested to furnish replies to the audit findings within one month of receipt of the IRs. On receipt of replies, audit findings are either settled or further action for compliance is advised.

The important audit observations arising out of these IRs are processed for inclusion in the relevant Audit Reports, which are submitted to the Governor of the State under Article 151 of the Constitution of India. The data on audit coverage during 2023-24 is as follows:

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[2] This Section empowers C&AG to audit- (a) all expenditure from the Consolidated Fund of the State and to ascertain whether the moneys shown in the accounts as having been disbursed were legally available for and applicable to the service or purpose to which they have been applied or charged and whether the expenditure conforms to the authority which governs it; (b) all transactions of the State relating to Contingency Funds and Public Accounts; (c) all trading, manufacturing, profit and loss accounts and balance-sheets and other subsidiary accounts kept in any Department of the State; and in each case to report on the expenditure, transactions or accounts so audited by him.

[3] This Section empowers C&AG to audit all receipts which are payable into the Consolidated Fund of the State and to satisfy himself that the rules and procedures in that behalf are designed to secure an effective check on the assessment, collection and proper allocation of revenue and are being duly observed and to make for this purpose such examination of the accounts as he thinks fit and report thereon.

[4] This Section empowers the C&AG to audit receipts and expenditure of (i) a body/ authority substantially financed by grants or loans from the Consolidated Fund of the State and (ii) any body or authority where the grants or loans to such body or authority from the Consolidated Fund of the State in a financial year are not less than ₹ one crore, and to report on the receipts and expenditure audited by him.

10,803 man-days utilised for compliance audit	164 entities covered under compliance audit	Two SSCAs undertaken

1.5 Significant audit observations

In the last few years, through performance and compliance audits, Audit has reported on:

- Deficiencies in the implementation of various programmes/ schemes,
- Quality of internal controls in selected Departments which impact the success of programmes,
- Deficiencies in matters of regularity and propriety in the functioning of the Departments.

The present Report contains:

Two SSCAs	16 Draft Paragraphs (DPs)
• Finance Department (1) • Ports and Transport Department (1)	• Revenue Department (5) • Roads and Buildings Department (5) • Forest and Environment Department (3) • Home Department (2) • Energy and Petrochemicals Department (1)

1.6 Response of the Government to Audit

1.6.1 Inspection Reports

The Handbook of Instructions for Prompt Settlement of Audit Objections/ Inspection Report issued by the Finance Department, GoG in 1992 provides for the prompt response by the Executive to the Inspection Reports (IRs) issued by the Principal Accountant General (PAG). The Heads of Offices and higher authorities are required to comply with the observations contained in the IRs, rectify the defects, omissions, *etc.* and fix accountability promptly, and report their compliance to the AG within four weeks of receipt of the IRs. Periodical reminders are issued to the Heads of the Departments requesting them to furnish the replies expeditiously on the outstanding paragraphs in the IRs.

Audit Committee Meetings (ACMs) are organised between Audit and the Executive to address the outstanding IR paragraphs and settle some of them expeditiously. Ten ACMs were held during the year 2023-24 in respect of paragraphs contained in IRs pertaining to seven Departments[5] under the three Audit Management Groups of the Office.

As of 30 September 2024, 1,099 IRs (4,993 Paragraphs) were outstanding against 14 Departments under the three Audit Management Groups. Year-wise details of IRs and paragraphs outstanding are given in **Appendix I**.

1.6.2 Results of Audit

During the course of the year 2023-24, the Departments concerned:

- Accepted under-assessment and other irregularities of ₹ 90.53 crore involved in 236 cases, which were pointed out in audit through Inspection Reports of 2023-24 and earlier, and
- Recovered ₹ 35.63 crore in 191 cases (out of the above 236 cases) at the instance of Audit.

1.6.3 Subject Specific Compliance Audits and Paragraphs

Two SSCAs and 16 individual Audit Paragraphs were forwarded to the ACS/ PS/ Secretary of the Departments concerned between January 2025 and August 2025 with a request to send their responses within four weeks.

The replies of the Departments and their response have been duly considered while finalising this Report.

1.6.4 Follow up of Audit Reports

Rule 7 of the Public Accounts Committee (PAC) (Rules of Procedure) 1990 provides for furnishing of Detailed Explanation (DE) by all the Departments of Government to the observations which feature in Audit Reports within 90 days of their being laid on the Table of the Legislative Assembly. These DEs are required to be furnished to the PAC after vetting by the concerned Accountant General.

1.6.4.1 Status of receipt of the Detailed Explanation on Audit Report paragraphs

Multiple Audit Reports were placed in the Gujarat Legislative Assembly as follows:

- The Audit Reports on Economic Sector and Revenue Receipts/ Sector for the years 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19 and 2019-22 were placed in the Gujarat Legislative Assembly in April 2013, July 2014, March 2015, March 2016, March 2017, March 2018, December 2019, September 2020 and March 2025, respectively.

5 (i) Finance, (ii) Forest and Environment, (iii) Home, (iv) Industries and Mines, (v) Ports and Transport, (vi) Revenue, (vii) Roads and Buildings.

- Five Standalone Performance Audits for the years ended March 2020 (one Report), March 2021 (two Reports), March 2022 (one Report), and March 2024 (one Report) were placed in September 2022, March and September 2023, March 2025, and September 2025, respectively.

These Reports included paragraphs[6] pertaining to 11 Departments, as detailed in **Table 1.1** below:

Table 1.1: Details of paragraphs included in Audit Reports and DEs received

<table>
<tr><th>Name of Department</th><th>Audit Report*</th><th>2011 -12</th><th>2012 -13</th><th>2013 -14</th><th>2014 -15</th><th>2015 -16</th><th>2016 -17</th><th>2017 -18</th><th>2018 -19</th><th>2019 -20</th><th>2020 -21</th><th>2021 -22</th><th>2023-24</th><th>Total</th><th>DEs received</th></tr>
<tr><td rowspan="3">Industries and Mines</td><td>ES</td><td>0</td><td>0</td><td>0</td><td>2</td><td>1</td><td>0</td><td>0</td><td>1</td><td colspan="3" rowspan="2">2</td><td>0</td><td rowspan="3">24</td><td>3</td></tr>
<tr><td>RS</td><td>9</td><td>0</td><td>2</td><td>0</td><td>2</td><td>1</td><td>2</td><td>1</td><td>0</td><td>17</td></tr>
<tr><td>SPA</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td colspan="3">0</td><td>1</td><td>0</td></tr>
<tr><td>Energy and Petrochemicals</td><td>RS</td><td>3</td><td>0</td><td>1</td><td>0</td><td>2</td><td>0</td><td>0</td><td>0</td><td colspan="3">0</td><td>0</td><td>6</td><td>6</td></tr>
<tr><td rowspan="2">Forests and Environment</td><td>ES</td><td>0</td><td>0</td><td>1</td><td>3</td><td>0</td><td>1</td><td>0</td><td>1</td><td>0</td><td>0</td><td>0</td><td>0</td><td>6</td><td>6</td></tr>
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<tr><td>Climate Change</td><td>ES</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>1</td><td>0</td><td colspan="3">0</td><td>0</td><td>1</td><td>0</td></tr>
<tr><td>Science and Technology</td><td>ES</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>1</td><td>0</td><td colspan="3">0</td><td>0</td><td>1</td><td>0</td></tr>
<tr><td>Home</td><td>SPA</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>1</td><td>0</td><td>1</td><td>0</td></tr>
<tr><td rowspan="2">Ports and Transport</td><td>ES</td><td>0</td><td>1</td><td>0</td><td>0</td><td>1</td><td>0</td><td>0</td><td>0</td><td colspan="3" rowspan="2">2</td><td>0</td><td rowspan="2">27</td><td>1</td></tr>
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<tr><td>Roads and Buildings</td><td>ES</td><td>5</td><td>4</td><td>5</td><td>3</td><td>3</td><td>4</td><td>3</td><td>0</td><td colspan="3">1</td><td>0</td><td>28</td><td>24</td></tr>
<tr><td>Information and Broadcasting</td><td>RS</td><td>2</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>2</td><td>2</td></tr>
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<tr><td rowspan="2">Finance Department</td><td>ES</td><td>0</td><td>0</td><td>0</td><td>2</td><td>0</td><td>0</td><td>0</td><td>0</td><td colspan="3" rowspan="2">3</td><td>0</td><td rowspan="2">124</td><td>2</td></tr>
<tr><td>RS</td><td>33</td><td>24</td><td>24</td><td>7</td><td>7</td><td>9</td><td>7</td><td>8</td><td>0</td><td>115</td></tr>
<tr><td>**Total**</td><td></td><td>**78**</td><td>**43**</td><td>**57**</td><td>**23**</td><td>**28**</td><td>**26**</td><td>**28**</td><td>**27**</td><td colspan="3">**22**</td><td>**01**</td><td>**333**</td><td>**303**</td></tr>
</table>

***ES: Economic Sector, RS: Revenue Receipts/ Revenue Sector, SPA: Standalone Performance Audit Report.**

Out of 333 paragraphs for the years 2011-12 to 2023-24, DEs for 303 paragraphs have been received up to September 2025. No DEs for the remaining 30 paragraphs[7] have been received as of September 2025.

1.6.4.2 Discussion of Audit Reports by PAC

The status of discussion of the Performance Audit (PA) and Compliance Audit (CA) paragraphs from various Audit Reports, by the Public Accounts Committee (PAC) was as under:

[6] In case a paragraph pertains to two different Departments, the same has been considered as a separate paragraph under each Department.

[7] 2016-17 (Five paragraphs), 2017-18 (Six paragraphs), 2018-19 (Two paragraphs), 2019-22 (Sixteen paragraphs), 2023-24 (one paragraph).

Table 1.2: Status of discussion of PA/ CA Paragraphs by the PAC as on 30 September 2025

Period of Audit Report	Number of PA/ CA paragraphs			
	Appeared in Audit Report		Paragraphs discussed	
	PA	CA	PA	CA
2011-12	1	77	1	77
2012-13	3	40	3	40
2013-14	3	54	3	54
2014-15	2	21	2	21
2015-16	2	26	2	25
2016-17	1	25	0	0
2017-18	1	27	0	0
2018-19	1	26	1	22
2019-20	1	18	0	0
2020-21	2		0	
2021-22	1		0	
2023-24	1	00	00	00
Total	**19**	**314**	**12**	**239**

Source: Compiled based on the discussions of PAC on the Audit Reports.

Since 2001, the office of the Principal Accountant General (Audit-II), Gujarat is in receipt of 22 Reports of the PAC of different Legislative Assemblies (as of September 2025). These Reports contained 72 recommendations, in respect of audit observations featured in Economic Sector and Revenue Sector/ Receipts Audit Reports, pertaining to 11 Departments[8].

However, as of September 2025, Action Taken Notes (ATNs) in respect of 61 recommendations were yet to be received from the Departments concerned. Thus, there was delay on the part of the State Government Departments to act on the recommendations given by the PAC on the audit observations.

[8] (i) Agriculture and Cooperation (nine), (ii) Energy and Petrochemicals (eight), (iii) Finance (five), (iv) Forests and Environment (two), (v) Home (one), (vi) Industries and Mines (three), (vii) Information and Broadcasting (one), (viii) Ports and Transport (18), (ix) Revenue (14), (x) Roads and Buildings (six), and (xi) Water Resources (five).

CHAPTER II

Subject Specific Compliance Audits

CHAPTER II

SUBJECT SPECIFIC COMPLIANCE AUDITS

Finance Department

2.1 Department's Oversight on GST Payments and Return Filing (Phase II)

2.1.1 Introduction

The introduction of Goods and Service Tax (GST) has replaced multiple taxes levied and collected by the Centre and States. GST, which came into effect from 01 July 2017, is a destination-based consumption tax on the supply of goods or services or both levied on every value addition. The Centre and States simultaneously levy GST on a common tax base. Central GST (CGST) and State GST (SGST)/ Union Territory GST (UTGST) are levied on intra-state supplies, and Integrated GST (IGST) is levied on inter-state supplies.

Section 59 of the CGST/ SGST Act stipulates GST as a self-assessment based tax, whereby the responsibility for calculating tax liability, discharging the computed tax liability and filing returns is vested on the taxpayer. The GST returns must be filed online regularly on the common GST portal, failing which, penalties will be payable. Even if the business has no tax liability during a particular tax period, it must file a nil return mandatorily. Section 61 of the Act read with Rule 99 of CGST/ SGST Rules stipulate that the Proper Officer may scrutinize the return and related particulars furnished by taxpayers, communicate discrepancies to the taxpayers and seek an explanation. Further, Section 65 and 66 of the Act empowers the Department to carry out an audit or special audit of registered persons.

This audit was taken up considering the significance of the control mechanism envisaged for tax compliance and the oversight mechanism of the Gujarat State Tax Department (Department), in this new tax regime.

2.1.2 Audit objectives

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

i. Whether the rules and procedures were designed to secure an effective check on tax compliance and were being duly observed by taxpayers? and

ii. Whether the scrutiny procedures, internal audit and other compliance functions of the Units were adequate and effective?

2.1.3 Audit methodology and scope

This SSCA was predominantly conducted based on data analysis, which highlighted risk areas and red flags pertaining to the period April 2018 to March 2021. Through data analysis, a set of 16 deviations were identified across the domains of Input Tax Credit, Discharge of tax liability, Registration and Return filing. Such deviations were followed up through a centralized audit (Limited Audit)[1], whereby these deviations were communicated to the relevant jurisdictional Joint Commissioners of State Tax and action taken by the jurisdictional formations on the identified deviations was ascertained without involving field visits. The centralized audit (Limited Audit) was supplemented by a detailed audit involving field visits for verification of records available with the jurisdictional field formations. Returns and related attachments and information were accessed through the Boweb application - the back-end application of the Department as much as feasible to examine data/ documents relating to taxpayers (*viz.* registration, tax payment, returns and other departmental functions). The detailed audit also involved accessing relevant granular records from the taxpayers such as invoices through the respective field formations. The audit also consisted of audit of departmental formations which involved a review of the compliance functions in the selected *Ghataks* (Units).

The review of the scrutiny of returns done by the Department and verification of taxpayers' records covered the period from April 2018 to March 2021, while the audit of the functions of selected Units covered the period 2020-21. The field audit for detailed audit and range audit was conducted between January 2024 and January 2025.

The Entry Conference of this audit was held in April 2024 with the Principal Secretary, Finance Department in which the Audit Objectives, sample selection, Audit Scope and methodology of all the three categories of audit (Audit of units/ Limited audit/ Detailed audit) were discussed. The Exit Conference was held in May 2025 with the Principal Secretary, Finance Department in which the audit findings were discussed. The views expressed by the State Government and the written replies to the draft report, received up to June 2025 have been suitably incorporated in the relevant paragraphs.

2.1.4 Audit sample

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

[1] The centralized audit did not involve seeking taxpayer's granular records such as financial statements related ledger accounts, invoices, agreements *etc.*

There were three distinct parts of this audit as below:

(i) Part I - Audit of Units

10 Units[2] with jurisdiction of at least one selected sample of cases for detailed audit were considered as the sample of Units for evaluation of their oversight functions for the period 2020-21.

(ii) Part II - Centralized Audit (Limited Audit)

The sample for centralized audit was selected by identification of high-value or high-risk deviations from rules and inconsistencies between returns through data analysis for evaluation of the adequacy and effectiveness of the scrutiny procedure of the Department. Accordingly, 738 samples (346 taxpayers) of 16 different dimensions were selected for centralized audit.

(iii) Part III- Detailed Audit

For Detailed audit, 65 taxpayers were selected on the basis of risk parameters such as excess ITC, tax liability mismatch, ITC reversal in proportion of exempted turnover to total turnover and irregular ITC reversal. It was conducted by accessing taxpayers' records through Boweb and seeking physical records at the Units for evaluation of the extent of tax compliance by taxpayers.

2.1.5 Audit criteria

The source of audit criteria comprised the provisions contained in the Gujarat Goods and Services Tax (GGST)/ CGST Act, IGST Act and Rules made thereunder. In addition, the notifications and circulars issued by State Tax Department, Gujarat/ CBIC (Central Board of Indirect Taxes and Customs) relating to filing of returns, notifying the effective dates of filing of various returns, extending due dates for filing returns, rates of tax on goods and services, payment of tax, availing and utilizing ITC, scrutiny of returns and oversight of tax compliance and Standard Operating Procedures (SOP) containing instructions to departmental officers, on various aspects such as non-filing of returns, cancellation of registrations *etc.* also formed part of the audit criteria.

Audit Findings

2.1.6. Compliance mechanism of the Department

The role of the Units is to ensure compliance by taxpayers in respect of accuracy of the taxable value declared, calculation and payment of tax liabilities, filing of returns, *etc.* The Units have a broad set of functions to be exercised in this regard, which were assessed as a part of this audit.

Three potential audit areas were identified, *viz.* (i) Oversight on tax payments (ii) Oversight on Registration and Cancellation of Registration and,

[2] Out of total 103 Units.

(iii) Oversight on return filing. Accordingly, relevant records and information for the period 2020-21 were requisitioned from the selected 10 Units[3].

2.1.6.1 Oversight on tax payments

Audit sought to examine the oversight of tax payments by reviewing the process of scrutiny of returns in the *Ghataks* (Units) by randomly selecting minimum of 30 scrutiny cases from each of the 10 Unit offices selected. Out of 315 scrutiny cases requisitioned, one unit[4] did not produce one case.

2.1.6.2 Outcome of examination of scrutiny cases and tax payments

As per Section 61 of the GGST Act, the Proper Officer may scrutinize the return and related particulars furnished by the registered person to verify the correctness of the return and inform him of the discrepancies noticed, if any, in such manner as may be prescribed and seek his explanation thereto.

A Incorrect determination of liability under GST

In 10 Unit Offices, out of 314 cases scrutinized by the Department, Audit observed compliance deviations amounting to ₹ 1.39 crore in 13 cases[5]. The deviations were of the nature of short reversal of ITC, non-payment of RCM, short payment of tax due to misclassification and short levy of interest.

When this was pointed out (March-November 2024), in three cases[6] recovery of ₹ 1.50 lakh[7] was made. In one case[8] the audit observation was not accepted and it was stated that the case was adjudicated by the Central Authority and under Section 6(2)(b) of the Act, once a Proper Officer initiates action under the Act, no Proper Officer shall initiate action on the same subject matter. The reply is not acceptable as the adjudication by the Central Authority was for period up to September 2020. Hence, action to determine the correct tax amount payable during the period October 2020 to March 2021 vests with the jurisdiction of the State Authorities.

In the remaining nine cases[9], reply was awaited (June 2025). One illustrative case is featured below.

Section 50 of SGST Act stipulates that every person who is liable to pay tax in accordance with the provisions of this Act or the rules made thereunder, but fails to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay, on his own, interest at such rate, not exceeding 18 *per cent*, as may be notified by the Government on the recommendations of the Council.

[3] ACST: Ahmedabad Unit-05, Unit-20, Unit-21, Gandhinagar Unit-24, Visnagar Unit-31, Vadodara Unit-40, Surat Unit-58, Valsad Unit-70, Rajkot Unit-92 and Bhuj Unit-102.
[4] ACST Ahmedabad Unit-21.
[5] ACST: Ahmedabad Unit-05, Unit-20, Unit-21 (three cases), Gandhinagar Unit-24 (two cases), Visnagar Unit-31, Vadodara Unit-40 (two cases) and Valsad Unit-70 (three cases).
[6] ACST: Ahmedabad Unit-20, Valsad Unit-70 (two cases).
[7] Recovery amount is ₹ 1,43,758+₹ 6,078+ ₹ 167.
[8] ACST Valsad Unit-70.
[9] ACST: Ahmedabad Unit-05, Unit-21 (three cases), Gandhinagar Unit-24 (two cases), Visnagar Unit-31 and Vadodara Unit-40 (two cases).

In Unit-20, Ahmedabad, Audit observed (March 2024) that the Proper Officer had computed interest liability of ₹ 5.95 lakh, however, in ASMT-10, the Proper Officer had taken interest as ₹ 3.27 lakh only. Further, the taxpayer had already paid ₹ 1.24 lakh interest before issuance of the ASMT-10 and paid interest of ₹ 3.27 lakh on issuance of ASMT-10. This had resulted in short payment of interest by ₹ 1.44 lakh due to inclusion of incorrect amount of interest.

When this was brought to notice (March 2024), the Department stated (April 2025) that the differential amount of interest was paid (April 2024) by the taxpayer.

B Delay in affecting recovery of demand in adjudication cases

As per Section 78 of GGST Act, 2017, where any amount is payable by a taxable person in pursuance of an order passed under the Act, such person shall pay the amount within a period of three months from the date of service of such order failing which the Proper Officer shall initiate recovery proceedings.

Audit observed (March 2024 to December 2024) in six Unit Offices, that the demands amounting to ₹ 1.70 crore raised by the Proper Officers in eight cases[10] during the period on completion of the adjudication proceedings during the year 2022-23 were pending recovery.

When this was brought to notice, in three cases[11] the Department replied (April 2025) that demand was recovered and in the remaining five cases[12], reply was awaited (June 2025). An illustrative case is given below:

In Unit-24, Gandhinagar, Audit observed (August 2024) in the case of a taxpayer for the year 2020-21, that the Proper Officer had issued (August 2023) DRC-07 after adjudication proceedings for an amount of ₹ 0.18 crore but recovery of the same was pending. When this was brought to notice, the Department replied (April 2025) that amount of ₹ 0.12 crore, out of ₹ 0.18 crore, had been recovered and that the action for recovering the remaining amount is being actively pursued. Further reply was awaited (June 2025).

2.1.6.3 Oversight on registration and cancellation of registration

Any person involved in the supply of goods or services subject to the threshold limit[13] of turnover in a financial year; a person selling goods or services through an e-commerce operator; an e-commerce operator required to collect tax at source; an Input Service Distributor, *etc.* is liable to be registered under the GGST Act. Further, under the GGST Act, 2017, the Proper Officer may cancel the registration of a person either on his own motion or on an application by the registered person. On cancellation of registration, the taxpayer is required to file

[10] ACST: Ahmedabad Unit-05, Unit-20, Unit-21 (two cases), Gandhinagar Unit-24 (two cases), Vadodara Unit-40 and Surat Unit-58.

[11] ACST: Ahmedabad Unit-20 and Gandhinagar Unit-24 (out of two cases, in one case there was partial recovery of ₹ 11.59 lakhs).

[12] ACST: Ahmedabad Unit-5, Unit-21 (two cases), Vadodara Unit-40 and Surat Unit-58.

[13] Turnover in a financial year exceeding ₹ 40 lakh and ₹ 20 lakh for supply of goods and supply of services respectively under the GGST Act.

final return in GSTR-10 and to pay dues, if any. Audit findings related to cancellation of registration in the selected 10 Units is discussed in succeeding paragraphs.

A Irregularities observed in cancellation of registration and revocation of cancellation of registration

As per Section 29 of the GGST Act, 2017 the Proper Officer may cancel the registration of a person either on his own motion or on an application by the registered person. Rule 22 provides that the decision on application for cancellation of registration should be taken within 30 days by the Proper Officer. Further, as per the State Tax Department guidelines[14] the Proper Officers shall immediately accept the application for cancellation in Form REG-16 submitted by the registered person and issue the order for cancellation in Form GST REG-19 and in such cases, the effective date of cancellation would be as sought by the applicant in his application but, it cannot be a date earlier to the date of application.

Further, as per Section 30 of the Act, a registered person whose registration is cancelled by the Proper Officer on his own motion under Section 29 of the Act may apply for revocation of the cancellation of registration within thirty days from the date of service of the cancellation order in Form GST REG-21 under Rule 23 of the GGST Rules, 2017. Where the Proper Officer is satisfied, that there are sufficient grounds for revocation of cancellation of registration, he shall revoke the cancellation of registration by an order in Form GST REG-22 within a period of thirty days from the date of the receipt of the application. Audit observations on cancellation of registration are discussed in the following paragraphs.

i. Delay in issuance of cancellation order

Audit observed (March 2024 to December 2024) in nine Units[15] out of the 10 selected Unit Offices, that out of 4,983 cancellation orders issued during the year 2020-21 by the Proper Officers based on application for cancellation in Form REG-16, in 1,237 cases (24.82 *per cent*), the cancellations orders were issued by the Proper Officers with delays ranging from one day to 997 days.

On this being brought to notice (February 2024 to December 2024), five Unit Offices[16] in five cases while accepting the facts stated (November 2024, April 2025 to June 2025) the following.

(i) In respect of 273 cases, pertaining to two Unit Offices[17], it was stated (May-June 2025) that the delays were procedural like issuing notice, allowing response time to taxpayers, thorough verification of outstanding dues and constraints like Departmental workload. Further, it was stated that even though report of cancellation orders in REG-19

[14] State Tax Department Circular No. 69/2018 dated 26 October 2018.
[15] ACST: Ahmedabad Unit-05, Unit-20, Unit-21, Gandhinagar Unit-24, Vadodara Unit-40, Surat Unit-58, Valsad Unit-70, Rajkot Unit-92 and Bhuj Unit-102.
[16] ACST: Ahmedabad Unit-05, Unit-20, Gandhinagar Unit-24, Valsad Unit-70 and Rajkot Unit-92.
[17] ACST: Ahmedabad Unit-20, Rajkot Unit-92.

for the *suo motu* cases were not available, but action was taken timely. It was added that monitoring mechanism and Department's internal SOP has helped expedite cancellation process and mitigation of any potential risk of misuse.

(ii) In respect of 85 cases, pertaining to two Unit Offices[18] (April and June 2025) the delays could be attributed to the absence of an established mechanism on the GST portal to ensure issue of orders in REG 19 within 30 days from application, administrative challenges like manpower shortage, transfer of Proper Officers to other jurisdictions and technical delay in transfer of task from one officer to other, technical glitch and errors on GST Portal *etc.* and claimed that there was no loss of revenue. However, it was stated that Rule 21A suspends the taxpayers' registration from the date of submission of application ensuring that the taxpayers don't circumvent the payment of tax during the period thereby protecting Government Revenue.

(iii) In respect of 56 cases of one Unit Office,[19] it was replied (June 2025) that the application is deemed approved where action is not taken and stated that during the year 2020-21, 55 cases were deemed approved and claimed that the data obtained from MIS Report was not correct.

The reply is not acceptable as the Proper Officers have to adhere to the time limit prescribed under the Rules and the Departmental instructions contained in the guidelines. Moreover, the Rules do not provide for deemed approval and it is recommended that Department may consider taking up the issue of incorrect MIS Report data.

Four Units[20] in 823 cases stated (March-December 2024) that detailed reply would be furnished in due course. However, further reply was awaited (June 2025).

ii. Irregularity in adopting effective date of cancellation of registration

Audit observed (March 2024 to December 2024) in the 10 selected Unit Offices, that out of 5,295 cancellation orders issued during the year 2020-21 by the Proper Officers based on the application for cancellation in Form REG-16, in 4,470 cases (84.42 *per cent*), the Proper Officers had cancelled the registration with effect from a date prior to the date of application.

When this was pointed out, four Unit Offices[21] did not accept the audit observation and the contention of these offices is as under:

(i) In respect of 787 cases of three Unit Offices[22], it was replied (April- May 2025) that the field for effective cancellation date requested by the taxpayer was non-editable.

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[18] ACST: Ahmedabad Unit-05, Gandhinagar Unit-24.
[19] ACST: Valsad Unit-70.
[20] ACST: Ahmedabad Unit-21, Vadodara Unit-40, Surat Unit-58, Bhuj Unit-102.
[21] ACST: Ahmedabad Unit-20, Gandhinagar Unit-24, Visnagar Unit-31 and Valsad Unit-70.
[22] ACST: Ahmedabad Unit-20, Gandhinagar Unit-24 and Valsad Unit-70.

(ii) In respect of 293 cases in one Unit Office[23], it was replied (November 2024) that the registration number gets automatically suspended from the date on which the taxpayer applied for cancellation in GST portal and the competent authority cancelled the registration from the date of filing returns.

The reply is not acceptable as the circular had restrained cancellation of the registration from a date prior to the date of application for cancellation by the taxpayer. Further, Department may consider taking up the issue of non-editability of the field with GSTN.

Further, six Units [24] in respect of 3,390 cases[25] stated (March 2024 - June 2025) that detailed reply would be furnished in due course. Further reply was awaited (June 2025)

iii. Delay in filing of revocation application by the taxpayer

Audit observed (March 2024 to December 2024) that in the 10 selected Units, out of 5,355 revocation orders issued by the Proper Officers during the year 2020-21, in 3,923 cases (73.26 *per cent*), the taxpayers had submitted the application for revocation of the cancellation of registration in Form GST REG-21 after the prescribed time period of 30 days specified in Rule 23. The delay in submitting the application for revocation ranged from one day to 937 days.

When this was pointed out, one Unit Office[26] accepted (April 2025) the audit observation. However, four Unit Offices[27] did not accept the audit observation and stated as under:

(i) In respect of one Unit Office[28] involving 66 cases it was replied (May 2025) that reasons for the delay could not be identified due to a system related issue, but in all the cases, the application for revocation of cancellation of registration were submitted within the prescribed time limit.

The reply was not supported by details such as date of application for revocation and date of service of cancellation order in respect of the above cases.

(ii) In respect of 396 cases of one Unit Office[29], it was replied (November 2024) that at the relevant point of time, there was no robust mechanism to restrict taxpayers from filing applications for revocation of cancellation in Form GST REG 21 after the prescribed time period of thirty days from the date of cancellation and the portal would

[23] ACST: Visnagar Unit-31.
[24] ACST: Ahmedabad Unit-05, Unit-21, Vadodara Unit-40, Surat Unit-58, Rajkot Unit-92 and Bhuj Unit-102.
[25] This includes reply in respect of 923 cases of ACST Rajkot Unit-92 which was not relevant to the audit observation issued.
[26] ACST Gandhinagar Unit-24.
[27] ACST: Ahmedabad Unit-05, Unit-20, Valsad Unit-70, and Rajkot Unit-92.
[28] ACST: Ahmedabad Unit-20.
[29] ACST: Ahmedabad Unit-05.

automatically generate tasks in the login of Proper Officer leading to processing of such applications.

The reply is not tenable as the Proper Officers were required to process the applications in accordance with the provisions of the Rules and reject such delayed applications.

(iii) In respect of 317 cases of one Unit Office[30], it was replied (June 2025) that revocation could be submitted within 90 days from cancellation and for delay, the application for condonation is to be made to the DCST. Further, the time for applying for revocation of applications made for cancellation of registration between 1.3.2020 to 31.8.2020 was extended till 30.9.2021 vide notification[31]. Similarly, in respect of cancellation of registration issued up to 31.12.2022, the time limit for filing application for revocation was extended by notification[32] till 30.6.2023.

The reply is not tenable as the amendment[33] to Rule 23 extending time limit to 90 days was not applicable during the period under review. Further, the Department has not provided the number of applications received for condonation out of the 317 delayed cases and the number of condonations granted by the Competent Authority.

(iv) In respect of 370 cases of one Unit Office[34] it was replied (June 2025) that taxpayers were allowed extension of the time limit for filing application for revocation by Circular[35] instructions.

The reply is not acceptable as the notification granting the extension of time limit for applying for revocation was subject to the taxpayers fulfilling certain conditions and the reply does not specify the number of cases that fulfilled the extension criteria.

In the remaining 2,211 cases[36] of five Unit Offices[37] reply was awaited (June 2025).

iv. Delay in revocation of cancellation

Audit observed (March 2024 to December 2024) in nine Units[38], during 2020-21, out of 10 selected Unit Offices that out of 4,773 revocation orders issued by the Proper Officer, 643 orders were issued with delays ranging from one day to 546 days.

[30] ACST: Valsad Unit-70.
[31] Notification 34/2021 dt 29.8.2021.
[32] Notification 3/2023 of 31.3.2023.
[33] By Notification No. 38/2023-CT dated 04.08.2023.
[34] ACST: Rajkot Unit-92.
[35] GST Circular no. 148/04/2021 dated 18.05.2021.
[36] Includes reply in respect of 513 cases of Visnagar Unit-31 and Surat Unit-58 which were not relevant to the audit observation issued.
[37] ACST: Ahmedabad Unit-21, Visnagar Unit-31, Vadodara Unit-40, Surat Unit-58 and Bhuj Unit-102.
[38] ACST: Ahmedabad Unit-05, Unit-20, Unit-21, Gandhinagar Unit-24, Vadodara Unit-40, Surat Unit-58, Valsad Unit-70, Rajkot Unit-92 and Bhuj Unit-102.

When this was pointed out, one Unit Office[39] accepted (April 2025) the delay. Further, four Unit Offices[40] in 226 cases, stated the following.

(i) In respect of 79 cases of one Unit Office[41], it was replied (November 2024) that at the relevant point of time, there was no robust mechanism to restrict taxpayers from filing applications for revocation of cancellation in Form GST REG 21 after the prescribed time period of thirty days from the date of cancellation and the portal would automatically generate tasks in the login of Proper Officer leading to processing of such applications and added that delay in issuance of cancellation order have been streamlined.

(ii) In respect of one Unit Office[42] involving 74 cases, it was replied (June 2025) that the process of revocation involved verification of the place of business, transactions and account books, details of tax paid *etc.* and applicant trader is allowed time for their submission.

(iii) In respect of 48 cases of a Unit Office[43], it was replied (December 2024) that the DCST of the Range, on the recommendation of the ACST, is authorized to revoke an order of cancellation and the process of obtaining approval takes time.

The reply is not acceptable, as the Proper Officers are required to process the revocation application within the time frame laid down in the GST Rules.

(iv) In the case of one Unit Office[44] involving 25 cases, it was replied (June 2025) that in 15 cases, delay was attributed to the shifting of the office to new location and in the remaining cases the revocation orders were issued after seeking taxpayers' reply within the time prescribed of 60 days.

Further, four Unit Offices[45] in 321 cases[46] stated (March-November 2024, May 2025) that detailed reply would be furnished in due course. Further reply was awaited (June 2025).

B Irregularities observed in filing of final return and recovery of dues

Where the taxable person whose GST registration is cancelled or surrendered under Section 45 of the GGST Act 2017, fails to file the final return[47] within the stipulated three months, a system generated notice in Form GSTR-3A is issued

39 ACST Gandhinagar Unit-24.
40 ACST: Ahmedabad Unit-05, Surat Unit-58, Valsad Unit-70 and Rajkot Unit-92.
41 ACST: Ahmedabad Unit-05.
42 ACST: Rajkot Unit-92.
43 ACST: Surat Unit-58.
44 ACST: Valsad Unit-70.
45 ACST: Ahmedabad Unit-20, Unit-21, Vadodara Unit-40 and Bhuj Unit-102.
46 This includes reply in respect of 27 cases of Ahmedabad Unit-20 which was not relevant to the observation.
47 GSTR-10 which provides the statement of stocks held by taxpayer on the day immediately preceding the date from which cancellation is made effective.

to the taxpayer. The Department clarified through Circular[48] that where the taxpayer does not file the final return within 15 days of receipt of the notice, the Proper Officer may proceed to assess the tax liability of the said person to the best of their judgment under Section 62 of the Act, taking into account all the relevant material available or gathered and issue an assessment order in Form ASMT-13. Audit noted the instances of non-filing of final return and non-recovery of tax from the cancelled registrations which are discussed below.

i. Non-filing of final return (GSTR-10)

Audit observed (March 2024 to December 2024) in 10 selected Unit Offices, that 4,378 taxpayers out of 4,486 taxpayers had not filed their final return in Form GSTR-10 as required after cancellation of their registration during the period 2020-21. However, no follow-up action was initiated by the tax officers in these cases.

On this being brought to notice, four Unit Offices[49] accepted (April 2025 - June 2025) the audit observation in 2,361 cases and, one Unit Office[50] stated (June 2025) that out of 306 cases, the taxpayers had not engaged in any business or did not have any stock with them in 104 cases. Taxpayers were not required to file GSTR-10 in five categories[51] and action had been initiated and notice issued in all the remaining cases.

The reply was not tenable as the Rules do not exempt taxpayers who do not have stock or have not availed any input service from filing GSTR-10.

Further, five Units[52] in 1,711 cases stated (March-December 2024) that detailed reply would be furnished in due course. Further reply was awaited (June 2025).

ii. Non-recovery in cases where cancelled taxpayers did not file GSTR-10

Audit observed (March 2024 to November 2024) in case of three taxpayers under the jurisdiction of three Unit Offices[53] that the Proper Officers had *suo motu* cancelled the registration of these taxpayers. These taxpayers had declared tax liability of ₹ 0.25 crore in GSTR-1 and had a credit balance totaling ₹ 0.33 crore in their electronic cash ledger/ electronic credit ledger, but no follow up action was taken to assess and recover the dues.

When this was pointed out, the JCSTs accepted (April 2025 and May 2025) the audit observation in two cases[54] and recovered ₹ 0.15 crore. In the remaining one case, reply was awaited (June 2025).

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[48] Circular No. 69/2018 dated 26.10.2018.
[49] ACST: Ahmedabad Unit-20, Gandhinagar Unit-24, Visnagar Unit-31, and Rajkot Unit-92.
[50] ACST: Valsad Unit-70.
[51] Input Service Distributor, Non-residential taxpayer, Person required to deduct TDS (Section 51), Person required to collect TCS (Section 52) and Composition taxpayer.
[52] ACST: Ahmedabad Unit-05, Unit-21, Vadodara Unit-40, Surat Unit-58, Bhuj Unit-102.
[53] ACST: Ahmedabad Unit-20, Vadodara Unit-40, and Valsad Unit-70.
[54] ACST: Ahmedabad Unit-20 (partially recovered) and Valsad Unit-70.

C Other observations noticed in the selected units

i. Erroneous MIS Report of GSTN

Goods and Services Tax Network (GSTN) and the Department's back-end portal play integral roles in facilitating the seamless process of return filing and return matching under the GST regime. Hence, monitoring of the various processes including return filing, tax payments, scrutiny process, *etc.* are of utmost importance, which can be achieved through a robust MIS Reporting system in place.

Audit observed (March 2024 to December 2024) in the 10 Unit Offices selected for audit that the system generated MIS Report for List of Revocation Application for the year 2020-21 exhibited the following discrepancies:

- In 4,966 cases pertaining to 10 units, same data was displayed in the fields for the date of application for revocation and the date of service of the order of cancellation indicating that the taxpayer had filed the application on the same day, the cancellation order was served.
- In 217 cases pertaining to eight units, date of cancellation of orders was missing.
- In 4,304 cases pertaining to 10 units, multiple revocation applications filed by the taxpayer on various occasions carried the same Application Reference Numbers (ARN).

On this being pointed out, six Unit Offices[55] in 2,664 cases accepted the audit observation and stated that the MIS report was erroneously reflecting the date of application for revocation same as the date of serving order of cancellation due to technical error and that the matter has been intimated to the concerned authority.

In remaining 2,302 cases of four Unit Offices[56], the reply was awaited (June 2025).

2.1.7 Inconsistencies in GST Returns- Centralized Audit

Audit analyzed GST returns data pertaining to financial year 2018-19 to 2020-21 as made available by GSTN. Rule-based deviations and logical inconsistencies between GST returns filed by taxpayers were identified on a set of 16 parameters, which can be broadly categorized into three domains *viz.* Return, ITC and Tax payments.

[55] ACST: Ahmedabad Unit-05, Unit-20, Gandhinagar Unit-24, Visnagar Unit-31, Valsad Unit-70, and Rajkot Unit-92.

[56] ACST: Ahmedabad Unit-21, Vadodara Unit-40, Surat Unit-58 and Bhuj Unit-102.

Out of the 13 prescribed GST returns[57], the following basic returns that apply to normal taxpayers were considered for the purpose of identifying deviations, inconsistencies and mismatches between GST returns/ data:

- GSTR-1: Monthly return furnished by all normal and casual registered taxpayers making outward supplies of goods and services or both and contains details of outward supplies of goods and services.

- GSTR-3B: Monthly summary return of outward supplies and input tax credit claimed, along with payment of tax by the taxpayer to be filed by all taxpayers except those specified under Section 39(1) of the Act. This is the return that populates the credit and debits in the Electronic Credit Ledger and debits in Electronic Cash Ledger.

- GSTR-6: Monthly return for Input Service Distributors providing the details of their distributed input tax credit and inward supplies.

- GSTR-8: Monthly return to be filed by the e-commerce operators who are required to deduct TCS (Tax Collected at Source) under GST, introduced in October 2018.

- GSTR-9: Annual return to be filed by all registered persons other than an Input Service Distributor (ISD), Tax Deductor at Source/ Tax Collector at Source, Casual Taxable Person and Non-Resident taxpayer. This document contains the details of all supplies made and received under various tax heads (CGST, SGST and IGST) during the entire year along with turnover and audit details for the same.

Further, following statements were also relied upon for identifying deviations, inconsistencies and mismatches between GST returns/ data.

- GSTR-9C: Annual audit form for all taxpayers having a turnover above ₹ five crore in a particular financial year. It is basically a reconciliation statement between the annual returns filed in GSTR-9 and the taxpayer's audited annual financial statements.

- GSTR-2A: A system-generated statement of inward supplies for a recipient. It contains the details of all B2B transactions of suppliers declared in their Form GSTR-1/ 5, ISD details from GSTR-6, details from GSTR-7 and GSTR-8 respectively by the counterparty and import of goods from overseas on bill of entry, as received from ICEGATE Portal of Indian Customs.

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

The data analysis pertaining to State jurisdiction on the 16 identified parameters and extent of deviations/ inconsistencies observed are summarized in **Table 2.1.**

Table 2.1: Summary of data analysis

Sl. No.[25]	Parameter	Algorithm used	Number of deviations	Amount (₹ in crore)
Domain: ITC				
1	ITC mismatch between GSTR-2A and GSTR-3B	ITC available as per GSTR-2A with all its amendments was compared with the ITC availed in GSTR-3B in Table 4A(5) including 4(D) blocked credits and subsequent years credit from Table 8C of GSTR-9.	84	1555.51
2	ITC mismatch between GSTR-2A and GSTR-9	ITC available as per GSTR-2A with all its amendments was compared with ITC available as per GSTR-9 in Table 8A.	46	559.12
3	ITC availed through GSTR- 3B after limitation period	ITC availed on belatedly filed GSTR-3B filed after due date of furnishing GSTR-3B for the month of September following the end of the financial year to which such ITC pertains or furnishing of relevant Annual Return, whichever is earlier.	47	113.85
4	ITC availed through GSTR-9 in excess of that transferred by the ISD	ISD availed in GSTR-9 Table 6G (net of Table 7B or 7H) or GSTR-3B Table 4(A)(4) (net of Table 4(B)(2)) was compared with the sum of Table 5A, 8A and Table 9A (considering adjustments) of GSTR-6 of respective GSTINs.	42	61.99
5	ITC availed under RCM vs payment of tax in GSTR-3B/ GSTR-9	RCM payments in GSTR-3B Table 3.1(d) was compared with ITC availed in GSTR-9 Table 6C, 6D and 6F. In cases where GSTR-9 was not available, the check was restricted within GSTR-3B - tax discharged in Table 3.1(d) vis-à-vis ITC availed Table 4A(2) and 4A(3).	36	323.91
6	Mismatch of ITC availed between annual returns and Books of accounts	The unreconciled amount in GSTR-9C Table 12F and examination of reasons provided in Table 13 for mismatch.	17	242.43
7	Reconciliation between ITC availed in annual returns with expenses in financial statements	The unreconciled amount in GSTR-9C Table 14T and examination of reasons provided in Table 15 for mismatch	15	299.47
Domain: Tax payments				
8	Unsettled liabilities	The greater of tax liability between GSTR-1 (Tables 4 to 11) and GSTR-9 (Tables 4G, 4N, 10 and 11) was	107	1,194.90

[25] The deviation amount in Sl. Nos. 11, 12, 13 and 14 indicate suppression of Turnover.

Sl. No.[58]	Parameter	Algorithm used	Number of deviations	Amount (₹ in crore)
		compared with tax paid in GSTR-9 (Table 9 and 14). In cases where GSTR-9 was not available, tax paid in GSTR-3B (Table 6.1) was compared with greater of the tax liability between GSTR-1 and GSTR-3B was compared. The amendments and advance adjustments declared in GSTR-1 and 9 were duly considered.		
9	Mismatch in tax liability declared in GSTR-3B and disclosures in E-Way Bill	The tax liability declared through GSTR-3B (Table 3.1 (a) and (b)) was compared with the tax liability declared in the E-Way Bills.	90	50,78,144.91[59] (including one case of data entry error of ₹ 50,70,540.45 crore)
10	Mismatch in tax paid between books of accounts and returns	The unreconciled tax paid in GSTR-9C Table 9R and examination of the reasons provided in Table 10 for mismatch.	13	170.14
11	Mismatch in taxable turnover between GSTR-2A and GSTR-3B	The mismatch in taxable turnover as declared in GSTR-3B was compared to amount liable for TCS and TDS credit as per Table 9 of GSTR-2A.	33	247.56
12	Suppression of turnover declared in GSTR-9C Table 5H	The unbilled revenue declared in Table 5H of GSTR-9C was compared with the unbilled revenue as per Table 5H of the previous year.	17	604.20
13	Mismatch in taxable turnover declared in GSTR-9C Table 7G	Mismatch in taxable turnover between financial statement and annual return declared in GSTR-9C Table 7G and examination of reasons provided in Table 8 for mismatch	24	22,095.60
Domain: Returns				
14	Irregular e-commerce transactions and suppression of turnover by Composition taxpayers	The GSTRs-8 filed by the e-commerce operators was compared with CMP-08 filed by the composition taxpayers indicating that composition taxpayers irregularly carried out in e-commerce supply and suppression of turnover.	5	4.57
15	GSTR-3B was not filed but GSTR-1 is available	Taxpayers who have not filed GSTR-3B but have filed GSTR-1 indicating taxpayers carrying on the business without discharging tax.	36	46.99
16	Short payment of interest	Interest calculated at the rate of 18 *per cent* on cash portion of tax payment on	126	49.13

[59] The deviation amount included one case of ₹ 50,70,540.45 crore where while preparing e-waybill for the movement of the goods, the taxpayer had mentioned delivery challan number of 15 digits in the column of Taxable value.

Sl. No.[58]	Parameter	Algorithm used	Number of deviations	Amount (₹ in crore)
		delayed filing of GSTR-3B vis-à-vis interest declared in GSTR-3B		
Total			**738**	**51,05,714.28**[60]

As seen from the Table above, the aforesaid deviations had also depicted very high money values under two parameters, *viz.* suppression in taxable value in comparison with E-Way Bill and mismatch in taxable Turnover declared in GSTR-9C Table 7G where ₹ 50,73,352.70 crore alone was on account of a data entry error. There could be other such unrealistic money value figures, which indicate that controls to input and validate data in the system are not designed optimally. Hence, the Department needs to rule out issues of data integrity/correctness and take suitable corrective action wherever required, apart from taking action in cases of loss /short collection of revenue. The issue of data quality and significant inconsistencies in GST data due to data entry errors is also discussed in Para 2.1.73(C) of this report.

A significant case from each of the main audit dimensions are discussed below:

i) Dimension - Mismatch in ITC availed

GSTR-2A is a purchase related dynamic details of auto drafted supplies that is automatically generated for each business by the GST portal, whereas GSTR-3B is a monthly return in which the summary of outward supplies, ITC availed and payment of tax are self-declared by the taxpayer.

To analyze the veracity of ITC utilization, relevant data were extracted from GSTR-3B and GSTR-2A for the year 2018-19 to 2020-21, and the ITC paid as per suppliers' details was matched with the ITC credit availed by the taxpayer. The methodology adopted was to compare the ITC available as per GSTR-2A with all its amendments and the ITC availed in GSTR-3B in Table 4A(5)[61] including Table 4(D)[62] and ITC availed in the subsequent year from Table 8C of GSTR-9.

Audit observed (August 2023) that in case of a taxpayer under the jurisdiction of Unit-46, Godhara, for the year 2020-21, the ITC available as per GSTR-2A was ₹ 94.44 crore. The ITC availed in Table 4A(5) and Table 4D of GSTR-3B was ₹ 176.23 crore. This resulted in mismatch of ITC availed, amounting to ₹ 81.79 crore. When this was pointed out, the Department replied (May 2025) that the taxpayer had been intimated to clarify on the matter with supporting documents. Further reply was awaited (June 2025).

[60] This mismatch includes mismatches in turnover of ₹ 22,951.93 crore given in the Parameter 11,12,13 and 14 of the table 2.1.

[61] All other eligible ITC.

[62] Blocked credits.

(ii) Dimension - ITC availed without supplier remitting tax

Section 16 (2) (c) of the GGST Act, 2017 provides that no registered person shall be entitled to the credit of any ITC in respect of any supply of goods or services or both to him unless the tax charged in respect of such supply has been actually paid to the Government, either in cash or through utilization of ITC admissible in respect of the said supply.

To analyze the extent of compliance of ITC availment under Section 16 of the GGST Act, an attempt has been made to identify likely cases where the ITC would have been passed on by the taxpayer without the actual remitting the tax. For this purpose, the relevant data from GSTR-9 particularly pertaining to Table 8A of GSTR-9 was compared with the ITC data reflected in GSTR-2A. Table 8A of GSTR-9 auto-populates from Table 3 and 5 of GSTR-2A and capture details of total credit available for inward supplies (other than imports and inward supplies liable to reverse charge but includes services from SEZs). This would be the aggregate of all the ITC that has been declared by the corresponding suppliers. Higher values in GSTR-2A than Table 8A of GSTR-9 reflect that tax was not paid by the supplier in respect of such supplies and therefore, ITC was not available.

Under this dimension, the Department was required to examine the difference in the ITC availed by the recipient who is a taxpayer under Unit-11, Ahmedabad, for the year 2018-19 and the tax paid by the supplier amounting to ₹ 33.77 crore. The difference was noticed by comparing ITC available of ₹ 37.17 crore in Table 8A of GSTR-9 with ITC available of ₹ 70.94 crore in GSTR-2A for the year 2018-19. The difference could be on account of difference in the place of supply or recipient availing ITC on invoices issued after cancellation of registration of the supplier, in which case the recipient is liable to reverse the ITC. The difference could also be on account of the supplier not filing his monthly return, i.e. GSTR-3B and thereby not discharging the tax liability.

When this was pointed out (July 2023), the Department replied (May 2025) that the taxpayers filing the GSTR-3B by 30 November 2021 were entitled to avail ITC for the period 2017-18 to 2020-21. However, the reply was silent on the reasons for the mismatch between GSTR-2A and Table 8A of GSTR-9.

(iii) Dimension - ITC in GSTR-3B filed after the limitation period

The GGST Act provides for availing of ITC only till the due date of furnishing GSTR-3B for the month of September following the end of the financial year to which such ITC pertains or furnishing of relevant annual return, whichever is earlier. Accordingly, if any GSTR-3B is furnished after such time, ITC availed therein becomes inadmissible.

To review the extent of excess/ irregular ITC availed on this account, the ITC availed through Table 4 of GSTR-3Bs pertaining to the year 2018-19, 2019-20 and 2020-21 filed by the taxpayer beyond the due dates of GSTR-3B return for the month of September of the following year, were identified at data level.

Audit observed (August 2023) that in case of a taxpayer under the jurisdiction of Unit-39, Vadodara for the year 2018-19 ITC availed after due date of filing GSTR-3B for the month of September 2019 was ₹ 12.42 crore. This resulted in irregular availment of ITC of ₹ 12.42 crore. When this was pointed out, Department replied that DRC-07 was issued (April 2024) for ₹ 24.88 crore including interest ₹ 11.22 crore and penalty ₹ 1.24 crore.

(iv) Dimension - Incorrectly availing ISD credits

The GGST Act provides that the taxpayer can, through GSTR-3B avail ITC transferred by the Input Service Distributors (ISD) in their GSTR-6s.

To analyze whether the ITC availed by the taxpayer is not in excess of that transferred by the ISD, the ITC as per GSTR-9 Table 6G (net of Table 7B) was compared with the sum of Table 5A, Table 8A, and Table 9A (considering adjustments) of GSTR-6 for respective GSTINs. In cases where Table 7B was null, Table 7H values were considered. In cases where GSTR-9 was not available, GSTR-3B Table 4(A)(4) (net of Table 4(B)(2)) was compared with the sum of Table 5A, Table 8A, and Table 9A (considering adjustments) of GSTR-6 for respective GSTINs.

In case of a taxpayer under the jurisdiction of Unit-101, Jam-Khambhalia for the year 2018-19, as per Table 6G of GSTR-9 ITC received from ISD was ₹ 12.19 crore and the ITC transferred by ISD *i.e.* sum of Table 5A, 8A and 9A of GSTR-6 was ₹ 1.46 crore. This resulted in mismatch of ISD credit of ₹ 10.73 crore which was communicated to the Department (August 2023). In response, the Department replied (May 2025) that adjudication proceedings had been completed after audit under Section 65 of the GGST Act. However, it was observed the issue raised by Audit was not included in the demand confirmed.

(v) Dimension - Excess availment of ITC on RCM

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

To analyze the veracity of ITC availed on tax paid under Reverse Charge Mechanism (RCM) for the year 2018-19, 2019-20 and 2020-21, the datasets pertaining to GSTR-3B and annual return GSTR-9 were compared to check whether the ITC availed on RCM was restricted to the extent of tax paid. The methodology adopted was to compare the taxable supplies in Table 3.1(d)[63] of GSTR-3B with ITC availed in GSTR-9 Table 6C[64], 6D[65] and 6F[66]. In cases where GSTR-9 was not available, RCM payments in GSTR-3B Table 3.1(d) were compared with GSTR-3B 4(A)(2) and 4A(3).

[63] Inward supplies (liable to reverse charge).
[64] Inward supplies received from unregistered persons liable to reverse charge.
[65] Inward supplies received from registered persons liable to reverse charge.
[66] Import of services.

Audit observed (August 2023) that in case of a taxpayer under the jurisdiction of Unit-103, Gandhidham for the year 2018-19, tax on inward supplies under reverse charge in Table 3.1(d) of GSTR-3B was ₹ 1.97 crore. However, the ITC availed in Table 6C, 6D and 6F of GSTR-9 aggregated to ₹ 65.25 crore, resulting in irregular availment of ITC amounting to ₹ 63.28 crore. When this was pointed out, the Department replied (May 2025) that clarification on the matter has been sought from the taxpayer. Further reply was awaited (June 2025).

(vi) Dimension - Unreconciled ITC in Table 12F of GSTR-9C

Table 12 of GSTR-9C reconciles ITC declared in annual return (GSTR-9) with ITC availed as per audited annual financial statement or books of accounts. Table 12F deals with unreconciled ITC.

The certified reconciliation statement submitted by the taxpayer as required under Rule 80(3) of GGST Rules in GSTR-9C for the year 2018-19, 2019-20 and 2020-21 was analyzed at data level to review the extent of identified mismatch in ITC declared in the annual return with the financial statements.

Audit observed (August 2023) in the case of a taxpayer under the jurisdiction of Unit-55, Bharuch for the year 2020-21 ITC claimed in annual return was ₹ 359.20 crore as per Table 12E of GSTR-9C and ITC availed as per audited financial statement declared in Table 12D of GSTR-9C was ₹ 335.79 crore resulting in unreconciled ITC of ₹ 23.41 crore which was declared in Table 12F of GSTR-9C. When this was pointed out, the Department replied (June 2025) that the audit observation was considered in scrutiny proceedings, however, the proceedings were dropped. However, reply was silent on the reasons as to why the mismatch pointed out by Audit had been dropped.

(vii) Dimension - Unreconciled ITC in Table 14T of GSTR-9C

Table 14 of GSTR-9C reconciles ITC declared in annual return (GSTR-9) with ITC availed on expenses as per audited annual financial statement or books of accounts. Table 14T deals with unreconciled ITC.

The certified reconciliation statement submitted by the taxpayer as required under Rule 80(3) of GGST Rules in GSTR-9C for the year 2018-19, 2019-20 and 2020-21 was analyzed at data level to review the extent of identified mismatch in ITC declared in the Annual Return with the expenses reported in the Financial Statements.

Audit observed (July 2023) in case of a taxpayer under the jurisdiction of Unit-5, Ahmedabad for the year 2020-21, ITC of ₹ 95.82 crore was claimed in annual return as per Table 14S of GSTR-9C though no ITC was available as per expenses reported in the financial statement declared in Table 14R of GSTR-9C resulting in unreconciled ITC of ₹ 95.82 crore which was declared in Table 14T of GSTR-9C. When this was pointed out the Department replied (May 2025) that audit under Section 65 of the GGST was completed in the case. However, reply was silent on the reasons for the mismatch.

(viii) Dimension - Undischarged tax liability

To analyse the undischarged tax liability, relevant data were extracted from GSTR-1 and GSTR-9 for the year 2018-19, 2019-20 and 2020-21 and the tax payable in these returns was compared with the tax paid as declared in GSTR-9. The amendments and advance adjustments declared in GSTR-1 and 9 were also considered for this purpose.

Audit observed (August 2023) that in case of a taxpayer under the jurisdiction of Unit-68, Surat for the year 2018-19, the tax payable in GSTR-1 was ₹ 114.73 crore. However, the tax paid as declared in GSTR-9 (Table 9 and 14) was ₹ 32.77 crore. This resulted in mismatch of tax liability of ₹ 81.96 crore. When this was pointed out, the Department replied (April 2025) that the adjudication proceedings under Section 73 were dropped (April 2024) as the mismatch was determined to be on account of erroneous reporting of excess turnover in the GSTR-1 filed for March 2019, which was later rectified by amendment in GSTR-1 for April 2019. However, as per the records seen by Audit, the taxpayer has not declared amendment in the GSTR-1 return for April 2019.

(ix) Dimension - Suppression of taxable value (E-Way Bill)

To analyse the extent of short payment of tax, relevant data related to tax liability declared in GSTR-3B for the years 2018-19 to 2020-21 were compared with disclosures made in E-Way Bill.

Audit observed (August 2023) that in case of a taxpayer under the jurisdiction of Unit-12, Viramgam for the year 2019-20, the tax liability declared in GSTR-3B (Table 3.1 (a)+(b)) for outward supply was ₹ 1215.02 crore and the tax liability in E-Way Bill was ₹ 1368.17 crore. Hence there was mismatch in tax liability of ₹ 153.15 crore. When this was pointed out, the Department replied (May 2025) that the observation was considered in the proceedings under Section 73 of the Act but dropped based on the taxpayers reply. However, reply was silent on the specific reasons as to why the mismatch pointed out by Audit had been dropped.

(x) Dimension - Unreconciled tax liability in Table 9R of GSTR-9C

The certified reconciliation statement submitted by the taxpayer as required under Rule 80(3) of GGST Rules in Form GSTR-9C for the year 2018-19 to 2020-21 was analyzed at data level to review the extent of identified mismatch in tax paid between the annual return and the books of account. Table 9 of the Form 9C attempts to reconcile the tax paid by segregating the turnover rate-wise and comparing it with the tax discharged as per annual return GSTR-9. The unreconciled amounts could potentially indicate tax levied at incorrect rates, incorrect depiction of taxable turnover as exempt or vice versa or incorrect levy of CGST/ SGST/ IGST. There can also be situations wherein supplies/tax declared, are reduced through amendments (net of debit notes/credit notes) in the subsequent year from April to September.

In the case of a taxpayer under the jurisdiction of Unit-02, Ahmedabad for the year 2020-21, total amount paid as declared in annual return (GSTR-9) in Table 9Q of GSTR-9C was ₹ 31.47 crore and total amount to be paid in the books of accounts as per Tables 9P of GSTR-9C was ₹ 38.82 crore. Hence there was an unreconciled payment of tax of ₹ 7.35 crore, which was communicated to the Department (August 2023). The Department replied (May 2025) that two Banks had merged with the taxpayer but the Core Banking Systems (CBS) of the erstwhile merged Banks was not integrated with the taxpayer Bank and hence the merged Banks and the taxpayer Bank reported their transactions for nine months individually, whereas the turnover reported in Financial Statement as on 31 March 2021 was for the merged entity. Hence there was no short payment. The reply is not convincing as Audit observed that the tax paid by the merged Banks were ₹ 7.29 crore as against ₹ 7.35 crore payable resulting in short payment of tax of ₹ 0.06 crore.

(xi) Dimension - Suppression of taxable value

Table 9 of GSTR-2A is generated from the declarations made by Government Departments in GSTR-7 (TDS) and e-commerce operators in GSTR-8 (TCS) on the tax deducted from suppliers.

To analyse the correctness of the taxable value declared, the outward taxable supplies (other than zero rated, nil rated and exempted) in GSTR-3B was compared with the net amount liable for TCS and TDS credit as per Table 9 of GSTR-2A. It may be noted that the deviation amount indicated may only be a fraction of non-disclosure, as exact comparison is not possible as the taxpayer may have other supplies which do not necessitate TDS recovery.

Audit observed in the case of a taxpayer under Unit-27, Modasa that for the year 2019-20, the value of taxable supplies as per GSTR-3B was ₹ 0.23 crore. However, the value of supplies on which TDS as declared in GSTR-7 was derived as ₹ 14.88 crore. The unreconciled value of supplies was ₹ 14.65 crore was communicated to the Department (August 2023). In response, the Department replied (May 2025) that the differential value of the transactions is ₹ 29.50 crore involving mismatch of tax of ₹ 3.54 crore and that adjudication proceedings have been initiated.

(xii) Dimension - Unreconciled taxable turnover in Table 7G of GSTR-9C

The certified reconciliation statement submitted by the taxpayer as required under Rule 80(3) of CGST/SGST Rules in Form GSTR-9C for the year 2018-19 to 2020-21 was analyzed at data level to review the extent of identified mismatch in taxable turnover reported in the Annual Return *vis-à-vis* the Financial Statements. Table 7G of Form 9C captures the unreconciled taxable turnover between the annual return GSTR-9 and that declared in the financial statement for the year after the requisite adjustments. The unreconciled amount in cases where the taxable turnover in GSTR-9 is less than the financial statement indicates non-reporting, under-reporting, short-reporting, omission, error in reporting of taxable supplies. It could also be on account of non-reporting of both taxable and exempted supplies.

Audit observed (August 2023) that in case of a taxpayer under the jurisdiction of Unit-45, Vadodara for the year 2019-20, the taxable turnover as per liability declared in annual return (GSTR-9) in Table 7F of GSTR-9C was ₹ 0.03 crore and taxable turnover as per financial statement as declared in Table 7E of GSTR-9C was ₹ 137.53 crore. As such, mismatch of taxable turnover of ₹ 137.50 crore was noticed in Table 7G of GSTR-9C.

This was brought to the notice (August 2023) of the Department. Reply was awaited (June 2025).

(xiii) Dimension - Suppression of taxable value

Section 10 of the GGST Act, 2017 specifies the basic requirement for eligibility and applicability of Composition Scheme. The scheme prohibited inter-State supplies and e-commerce supplies.

To analyze the likelihood of taxpayers irregularly availing the benefit of the composition levy by the scheme while engaging in transactions through e-commerce operators, the GSTR - 8 filed by the e-commerce providers were compared with CMP-08 filed by the composition taxpayers to check whether the recipient GSTINs mentioned in GSTR-8 have also filed CMP-08. Apart from irregularly availing the benefit of composition levy scheme, the possibility of mismatch in turnover as declared by the e-commerce provider in relation to the composition scheme taxpayers were also verified.

Audit observed that in the case of a taxpayer under the jurisdiction of Unit-41, Vadodara for the year 2020-21, transactions of ₹ 1.11 crore were reported in GSTR-8 and the taxpayer had declared turnover of ₹ 0.13 crore. This was communicated to the Department (August 2023) and the Department replied (May 2025) that demand in DRC-07 was issued (February 2025) for ₹ 0.21 crore including interest and penalty against which taxpayer had preferred appeal (March 2025).

(xiv) Dimension – Cases where GSTR-3B not filed but GSTR-1 or GSTR-2A available

GSTR-3B return is the instrument through which the liability can be offset, and ITC is credited in the ledger. The very availability of GSTR-1 and non-filing of GSTR-3B indicates that the taxpayers had undertaken/ carried on the business during the period but have not discharged their tax liability. It may also include cases of irregular passing on of ITC. All these cases, therefore, require to be examined. At the data level, it was attempted to identify those taxpayers who have not filed GSTR-3B (monthly return) but have filed GSTR-1 (monthly outward supply return).

Audit observed (August 2023) that in the case of a taxpayer under the jurisdiction of Unit-75, Bhavnagar for the year 2020-21 the tax payable in GSTR-1 was ₹ 5.31 crore. The taxpayer had not filed GSTR-3B (involving tax liability of ₹ 5.31 crore) for the period July 2020 to September 2020. The Department replied (May 2025) that the taxpayer was found to be non-genuine taxpayer/ bogus taxpayer and the taxpayer's registration was cancelled.

However, as the registrations of all the beneficiaries of the taxpayers, who were also bogus, were cancelled by the respective adjudicating authority, recovery from them was not possible. The reply is not acceptable as action under the provisions of the GGST Act was required to be initiated to determine tax liability of these taxpayers and recovery.

(xv) Dimension – Short-payment of interest

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

The extent of non/ short payment of interest on account of delayed remittance of tax during the year 2018-19 to 2020-21 was identified using the tax paid details in GSTR-3B and the date of filing of the GSTR-3B. Only the net tax liability (cash component) has been considered to work out the interest payable.

Audit observed (August 2023) that in case of a taxpayer under the jurisdiction of Unit-49, Nadiad for the year 2018-19 the returns (GSTR-3B) for the months of April 2018 to March 2019 were filed with delay ranging between 83 days and 144 days. Thus, interest of ₹ 1.95 crore was payable against which no interest was paid. When this was pointed out, the Department replied (June 2025) that DRC-07 was issued (September 2023) for ₹ 11.53 crore and that encumbrance was registered (March 2025) against the property of the Director of the Company and affidavit was filed (March 2025) with the Debt Recovery Tribunal for recovery of the dues.

2.1.7.1 Response to Audit

Audit issued 384 audit enquires for 738 inconsistencies amongst the top deviations/ inconsistencies in each of the 16 parameters for the year 2018-19 to 2020-21. As stated previously, these inconsistencies included one case of data entry error of ₹ 50,70,540.45 crore where while preparing e-waybill for the movement of the goods, the taxpayer had mentioned delivery challan number of 15 digits inthe column of Taxable value. The remaining mismatches involved ₹ 35,173.83 crore (including mismatch in turnover of ₹ 22,951.93 crore). The audit queries were issued to the respective Units between July 2023 and January 2024 without further scrutiny of taxpayer's records. The audit check in these cases was limited to verifying the Department's action on the identified deviations/mismatches.

Initial responses were yet to be received, as of 30 June 2025, for five inconsistencies communicated to the Department, which involves mismatch of ₹ 266.63 crore.

Based on the replies received, the details of tax recoveries or status of progress are given in subsequent paragraphs.

2.1.7.2 Results of Centralized Audit

Based on responses to the Audit Queries received from the Department, the extent to which each of the 16 parameters translated into deviations is summarized in **Table 2.2**.

Table 2.2: Summary of deficiencies

(₹ in crore)

Audit Dimension	Cases where reply received		Cases under (NCLT/ UCWT/ CGST Authority/ Cases under examination by the Department or under correspondence with taxpayer		Reply accepted by Audit		Deviations							
							Recovery made or SCN issued		ASMT-10[57] /Notice/ DRC-01A[58] issued		Department's reply not acceptable to Audit[59]		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
ITC mismatch between GSTR-2A and GSTR-3B (D1)	84	1555.52	11	255.50	37	917.24	15	142.20	0	0.00	21	223.50	36	365.70
ITC mismatch between GSTR-2A and GSTR-9 (D2)	44	544.53	1	0.93	19	336.17	12	64.07	0	0.00	12	131.00	24	195.07
ITC availed through GSTR-3B after limitation period (D3)	47	113.84	7	14.12	23	61.17	11	24.89	0	0.00	6	13.66	17	38.55
ITC availed through GSTR-9 in excess of that transferred by the ISD (D4)	41	60.95	7	23.83	20	21.58	3	2.40	0	0.00	11	13.12	14	15.52
ITC availed under RCM vs payment of tax in GSTR-3B/ GSTR-9 (D5)	36	323.91	6	94.44	22	163.70	3	0.02	1	4.97	4	60.78	8	65.77
Mismatch of ITC availed between annual returns and Books of accounts (D6)	17	242.44	5	39.60	8	145.27	2	18.06	0	0.00	2	39.51	4	57.57
Reconciliation between ITC availed in annual returns with expenses in Financial statements (D7)	15	299.46	0	0.00	9	91.54	0	0.00	0	0.00	6	207.92	6	207.92
Unsettled liabilities (D8)	107	1194.88	7	74.93	55	709.57	31	122.25	3	38.12	11	222.29	45	382.66
Mismatch in tax liability declared in GSTR-3B and disclosures in E-Way Bill (D9)	90	5078144.90	14	685.28	53	5076243.38	2	177.15	4	120.77	17	918.32	23	1216.24
Mismatch in tax paid between books of accounts and returns (D10)	13	170.14	0	0.00	11	156.37	0	0.00	0	0.00	2	13.77	2	13.77

57 Notice to the taxpayer informing him of such discrepancy and seeking his explanation.
58 Intimation of tax ascertained as being payable under Section 73(5)/ 74(5) of GGST Act, 2017.
59 Includes cases rebutted/ reply not furnished with proper documentary evidence.

Audit Dimension	Cases where reply received		Cases under (NCLT/ UCWT/ CGST Authority/ Cases under examination by the Department or under correspondence with taxpayer		Reply accepted by Audit		Deviations							
							Recovery made or SCN issued		ASMT-10[67] /Notice/ DRC-01A[68] issued		Department's reply not acceptable to Audit[69]		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
[70]Mismatch in taxable turnover between GSTR-2A and GSTR-3B (D11)	33	-	1	-	11	-	7	1.75[71]	6	-	8	-	21	-
Suppression of turnover declared in GSTR-9C Table 5H (D12)[72]	17	-	3	-	9	-	0	0.00	3	-	2	-	5	-
Mismatch in taxable turnover declared in GSTR-9C Table 7G (D13)[73]	22	-	0	0.00	22	-	0	0.00	0	0.00	0	0.00	0	0.00
Irregular e-commerce transactions and suppression of turnover by Composition taxpayers (D14)[74]	5	-	0	0.00	4	-	0	0.00	0	0.00	1	-	1	-
GSTR-3B was not filed but GSTR-1 is available (D15)	36	46.98	11	17.83	1	0.90	12	17.04	1	0.02	11	14.92	24	31.98
Short payment of interest (D16)	126	49.13	29	15.88	36	14.72	51	12.47	8	3.35	2	0.05	61	15.87
Total	**733**	**5082746.68**	**102**	**1227.38**	**340**	**5078861.61**	**149**	**582.30**	**26**	**167.23**	**116**	**1858.84**	**291**	**2606.62**

Audit noticed deviations from the provisions of the Act in 291 cases involving an amount of ₹ 2,606.62 crore, constituting 39.70 *per cent* of the 733 cases of inconsistencies/ mismatches for which the Department provided responses. Out of this, the Department has accepted the audit observations or initiated action in 175 cases with money value of ₹ 749.53 crore. In 116 cases with money value of ₹ 1,858.84 crore, the reply of the Department was not acceptable to Audit, which also includes 39 cases where reply was not supported with proper evidence. Relatively higher rates of deviations were noticed in mismatch in tax

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[70] Total unreconciled turnover of ₹ 247.56 crore between GSTR-2A and GSTR-3B in 33 cases was determined based on TDS/TCS payment. In 11 cases involving turnover of ₹ 55.78 crore Department's reply was accepted, in six cases involving turnover of ₹ 96.72 crore ASMT-10/ DRC-01A were issued, in seven cases involving turnover of ₹ 49.55 crore, the Department's reply was rebutted, reply in one case involving turnover of ₹ 5.88 crore was provided without appropriate documents. In one case involving turnover of ₹ 7.12 crore, recovery of ₹ 1.75 crore was made and in remaining one case, the issue is under correspondence with taxpayer involving mismatch of ₹ 13.44 crore.

[71] In one case (Modasa Unit-27) in respect of mismatch in taxable turnover between GSTR-2A and GSTR-3B the amount recovered was ₹ 1.75 crore.

[72] Total unreconciled turnover (TO) in Table 5H of GSTR-9C in the 17 cases is ₹ 604.20 crore. Of these, in nine cases involving mismatched TO of ₹ 246.82 crore, Department's reply was accepted. In three cases, the issue is under examination by the Department involving mismatch of ₹ 106.30 crore, in three cases involving TO of ₹ 176.03 crore ASMT-10/ DRC-01A were issued and in two cases involving TO of ₹ 75.05 crore, Department's reply was rebutted.

[73] Total unreconciled taxable turnover (TTO) in Table 7G of GSTR-9C in the 22 cases is ₹ 21,844.63 crore. In all the 22 cases involving mismatch in TTO, Department's reply was accepted by Audit.

[74] Total unreconciled TTO in e-commerce transactions by Composition taxpayers in five cases is ₹ 4.57 crore. In one case involving mismatch in TTO, of ₹ 0.98 crore Department's reply was rebutted and in remaining four cases involving ₹ 3.59 crore, Department's reply was accepted by Audit.

liability declared in GSTR-3B and disclosures in E-Way Bill, settled tax liability between GSTR-01 and GSTR-09 and ITC mismatch between GSTR-2A and GSTR-3B.

In 340 cases, constituting 46.38 *per cent* of replies received, Department's reply was acceptable to Audit. Out of these, data entry errors by taxpayers comprised 45 cases (13.24 *per cent*), the Department had proactively taken action in 87 cases (25.59 *per cent*), and in 208 cases (61.18 *per cent*) the Department had other valid explanations.

In 75 cases (10.23 *per cent*), Department was yet to examine the observation or was under correspondence with taxpayers and in 27 cases (3.68 *per cent)* were under NCLT/ Central Authority jurisdiction.

The details are given in **Appendix II.**

2.1.7.3 Analysis of causative factors

A Cases where Department has accepted the audit observations or initiated action

Considering the Department's response to 733 inconsistencies out of the sample of 738 data deviations/inconsistencies, the factors that caused the data deviations/ inconsistencies are as follows:

Out of the 733 deviations where the Department provides replies, summarized in **Table 2.2** above, the Department accepted the audit observations and initiated action in 175 cases with tax effect of ₹ 749.53 crore. Out of these cases, the Department recovered ₹ 19.15 crore in 47 cases and confirmed demand of ₹ 443.18 crore in 80 cases, issued SCN for ₹ 119.97 crore in 22 cases. Further, Department issued notice conveying discrepancies to the taxpayer in Form ASMT-10/ DRC-01A in 26 cases for ₹ 167.23 crore. A few illustrative cases are given below.

(i) Suppression of tax liability (E-Way Bill)

In case of a taxpayer under the jurisdiction of Unit-55, Bharuch for the year 2020-21, the tax liability declared in GSTR-3B (Table 3.1 (a)+(b)) for outward supply was ₹ 0.26 crore and the tax liability in E-Way Bill was ₹ 49.37 crore. Hence there was mismatch in tax liability of ₹ 49.11 crore, which was communicated to the Department (August 2023). The Department replied (June 2025) that DRC-01 was issued (November 2024) in the matter.

(ii) Short payment of tax

In case of a taxpayer under the jurisdiction of Unit-103, Gandhidham for the year 2018-19 input tax credit of ₹ 22.71 crore was availed on import of services as per GSTR-9 whereas no tax was paid on reverse charge basis on such import of services, resulting in short payment of tax of ₹ 22.71 crore which was communicated to the Department (August 2023). In response, the Department accepted the observation and replied (May 2025) that the taxpayer had been intimated (April 2025) to clarify on the matter. Further progress was awaited (June 2025).

B Cases where Department's reply was not accepted but rebutted by Audit

Out of the 733 cases where the replies were received, Department's reply was not acceptable to Audit in 116 cases[75] amounting to ₹ 1,858.84 crore. In these cases, the Department had either forwarded explanations of the taxpayers without explicitly commenting on the audit observations or the replies were not found satisfactory. A few illustrative cases are given below.

(i) Suppression of taxable value and tax liability (E-Way Bill)

In case of a taxpayer under the jurisdiction of Unit-40, Vadodara for the year 2018-19, the tax liability declared in GSTR-3B (Table 3.1 (a)+(b)) for outward supply was ₹ 82.16 crore and the tax liability in E-Way Bill was ₹ 121.15 crore. Hence there was mismatch in tax liability of ₹ 38.99 crore, which was communicated to the Department (August 2023). The Department replied (May 2025) that audit under Section 65(6) was conducted and ADT-02 issued (December 2023) and sought clarification (April 2025) from the taxpayer for further documents. Audit observed that the above issue was not considered in the proceedings.

(ii) Mismatch in ITC availed (GSTR-2A and GSTR-3B)

In case of a taxpayer under Unit-05, Ahmedabad for the year 2020-21 the ITC available as per GSTR-2A was ₹ 3.08 crore and ITC availed in GSTR-3B was ₹ 19.96 crore. The excess ITC availed of ₹ 16.88 crore was communicated to the Department (August 2023). In response, Department replied (May 2025) that audit under Section 65 of the Act was completed and furnished copy of ADT-02[76]. The reply is not acceptable as clarification regarding the ITC mismatch between GSTR-2A and GSTR-3B had not been covered in the ADT-02.

C Data entry errors by taxpayers

The data entry errors constituted six *per cent* (45 cases) of the total 733 responses received and 13 *per cent* of 340 cases where the Department's responses were accepted by Audit. Most of the data entry errors relate to mismatch in ITC, RCM, unreconciled ITC, unreconciled turnover, unreconciled taxable turnover and unreconciled tax paid (provided in GSTR-9C). An illustrative case is given below:

(i) Suppression of taxable value (E-Way Bill)

In case of a taxpayer under the jurisdiction of STO Unit-12, Viramgam for the year 2018-19 the tax liability declared in GSTR-3B (Table 3.1 (a)+(b)) for outward supply was ₹ 3,558.54 crore and the tax liability in E-Way Bill was ₹ 50,74,099 crore. Hence there was mismatch in tax liability of

[75] This includes 39 cases where the replies were not supported with proper documentary evidence.

[76] ADT-02: Audit Report under Section 65(6) of the GGST Act, 2017.

₹ 50,70,540.46 crore, which was communicated to the Department (August 2023). The Proper Officer replied (December 2023) that the taxpayer had erroneously entered the 15-digit delivery challan number in the column for taxable supply in E-Way Bill (12 December 2018) for movement of goods valued ₹ 0.001 crore from the taxpayer's godown registered as additional place of business to its own plant.

The CAG's Report No. 5 of 2022 on Union Government Department of Revenue (Indirect Taxes-Goods and Services Tax) highlighted data quality issues and significant inconsistencies in the GST data due to which Audit could not establish reliability of data for finding audit insights and trends. The Report had recommended that the Union Ministry should consider introducing appropriate validation controls (controls to prevent unreasonable data entries and/or alert the taxpayer to unreasonable data) supplemented by *post facto* data analytics in respect of important data elements. Further, the CAG's Report No. 04 of 2024 on the Government of Gujarat had again recommended that the Department should take up the issue with GSTN to introduce validation controls in GST returns.

2.1.8. Detailed Audit of GST returns

Apart from identifying inconsistencies/ deviations in GST returns through data analysis, a detailed audit of GST returns was also conducted as a part of this audit. A risk-based sample of 65 taxpayers was selected for this part of the audit. The methodology adopted was to initially conduct a desk review of GST returns and financial statements filed by the taxpayers as part of the GSTR-9C and other records available in the back-end system to identify potential risk areas, inconsistencies/ deviations and red flags. Based on the desk review results, detailed audit was conducted in State Tax Offices by requisitioning corresponding granular records of taxpayers such as financial ledgers, invoices *etc.* to identify causative factors of the identified risks and to evaluate compliance by taxpayers.

The detailed audit was conducted for 65 sampled taxpayers (193 cases) from January 2024 to January 2025.

2.1.8.1 Scope limitation

As discussed in the preceding paragraph, based on the desk review of GST returns and financial statements filed by the taxpayers as part of the GSTR-9C and other records available in the back-end system, Audit identified the mismatches related to ITC and undischarged tax liability of ₹ 1,234.71 crore. Audit requested the Department to produce the granular records such as financial statements and related ledgers, invoices for selected months, Auditor's Report, debit and credit notes, *etc.* to examine these mismatches/inconsistencies in sampled 65 taxpayers in detail. However, the Department did not produce the requisitioned records in 63 of the audit sample of 65 selected cases. Thus, in 96.92 *per cent* of the sample, Audit could not entirely examine the mismatches observed through data analysis, which constituted a significant scope limitation. The jurisdiction wise non-production of records is summarised in

Appendix III. Top ten cases of non-production of records are shown in **Appendix IV.**

As a result of non-production of records, mismatches/ deviations noticed through data analysis, amounting ₹ 1,234.71 crore, could not be examined in Audit.

When this was pointed out (January 2024 to January 2025), in 16 taxpayers[77], the JCSTs cited the Head office's[78] circular letter (August 2022) conveying the Finance Department instructions that records cannot be called for from the taxpayers only on the basis of audit requisition under the GST Act unless any scrutiny inquiry, investigation or any other proceeding is initiated against the taxpayer and that access to all the records/ data available on the GSTN portal is provided to Audit to scrutinize the data online through the SSOIDs provided by the Department.

In respect of two taxpayers[79] Department furnished partial records viz. banking details, AADHAR authentication, financial statements, invoices, *etc.* However, Audit was not provided granular records like E-Way Bill, Statement of Credit Notes/ Debit Notes, Sale Invoices, Purchase Invoices, Party Ledgers, Schedules of Financial Statements, *etc.* In respect of the remaining 45 taxpayers[80] reply was awaited (June 2025).

2.1.8.2 Detailed Audit of GST returns – Audit findings

Taxpayers' compliance to the provisions of GST Act is primarily ascertained from the self-assessment return filed under Section 59 of the Act. Non-compliance to the provisions of Act at various stages of assessments ultimately impacts the revenue due to the Government. Audit verified the veracity of returns filed by the taxpayers by evaluating correctness of availing and utilisation of ITC, assessment of tax liability and discharge of taxes due. The audit findings emerging from this part of the audit are categorised under a) GST return filing and payment b) Utilization of ITC and c) Discharge of tax liability.

A Audit findings on return filing

A registered person must file monthly or quarterly GST returns depending upon turnover and an annual GST return based on the type of business. The details of basic returns that apply to normal taxpayers are given in paragraph 2.1.7 of this report. Audit findings observed on return filing are discussed in the following paragraph.

[77] ACST: Ahmedabad Unit-09 (eight), Unit-18, Unit-20, Unit-23, Gandhinagar Unit-24 (four), Rajkot Unit-92.

[78] JCST Letter no. JCST/Audit/GST Audit/2022/23/Ja.1101 dated 01.08.2022.

[79] ACST Ahmedabad Unit-06, and Morbi Unit-91.

[80] ACST Ahmedabad Unit-05 (four), Unit-06, Unit-07 (two), Unit-08 (four), Unit-09, Unit-10 (two), Unit-11 (six), Unit-14, Unit-17, Unit-20, Unit-21 (two), Unit-22, Prantij Unit-29, Visnagar Unit-31 (two), Vadodara Unit-39, Unit-40 (four), Unit-45 (two), Valsad Unit-70, Rajkot Unit-92, Unit-93 (two), Bhuj Unit-102, Gandhidham Unit-103 (two), and Viramgam STO Unit-12 (two).

i. Non/short payment of interest by taxpayers

Section 50 of GGST Act stipulates that every person who is liable to pay tax in accordance with the provisions of this Act or the rules made thereunder, but fails to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay, on his own, interest at such rate, not exceeding 18 *per cent*, as may be notified by the Government on the recommendations of the Council. Further, as per notification[81] dated 09.04.2020, where the GSTR-3B return for the month of April 2020 is filed by 24 June 2020, the delay in payment of tax for the first 15 days would be exempted and for the remaining period up to 24 June 2020, interest was payable at the rate of nine *per cent* only.

Audit observed (January 2024 to January 2025) 162 instances of delayed filing of monthly return GSTR-3B, ranging from one day to 204 days, by 18 taxpayers (33 cases)[82], constituting 27.69 *per cent* of the 65 sampled taxpayers. Audit further observed that the Department did not levy interest on delayed filing of GSTR-3B in 54 instances of 12 taxpayers (21 cases)[83]. This had resulted in non-payment of interest of ₹ 0.16 crore in these cases.

Further, in 107 instances of six taxpayers in 12 cases[84], the taxpayer paid interest of ₹ 1.08 crore instead of ₹ 1.45 crore which had resulted in short payment of interest of ₹ 0.37 crore.

Thus, the interest payments amounting to ₹ 0.53 crore[85] were not discharged.

In response, it was informed that, recovery of ₹ 0.15 crore was made in 26 instances of three taxpayers in four cases[86], demand in DRC-07 for ₹ 0.07 crore was made in 12 instances of one taxpayer in one case[87] and SCN was issued in three cases[88] of one taxpayer for ₹ 0.02 crore in 31 instances.

In three cases[89] of three taxpayers, the Department did not accept (June 2025) the audit observations and stated

(i) In one case[90], it was replied that recovery of interest ₹ 7.96 lakh was already made. The reply was not acceptable as there was a short recovery of ₹ 0.77 lakh.

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[81] Notification No. 31/2020-State Tax dated 09.04.2020.

[82] ACST: Ahmedabad Unit-06, Unit-07 (two cases), Unit-08, Unit-09 (four cases), Unit-11 (two cases), Unit-14 (two cases), Unit-17 (three cases), Unit-18 (two cases), Gandhinagar Unit-24 (three cases), Prantij Unit-29 (two cases), Vadodara Unit-40 (two cases), Unit-45, Rajkot Unit-93 (four cases), Gandhidham Unit-103 and Viramgam STO Unit-12 (three cases).

[83] ACST: Ahmedabad Unit-06, Unit-08, Unit-09 (four cases), Unit-11 (two cases), Unit-17 (three cases), Unit-18 (two cases), Vadodara Unit-40 (two cases), Unit-45, Rajkot Unit-93 (two cases) and Viramgam STO Unit-12 (three cases).

[84] ACST: Ahmedabad Unit-07 (two cases), Unit-14 (two cases), Gandhinagar Unit-24 (three cases), Prantij Unit-29 (two cases), Rajkot Unit-93 (two cases) and Gandhidham Unit-103.

[85] Interest liability of ₹ 53,62,594.87.

[86] ACST: Ahmedabad Unit-18 (two cases - ₹ 42,950), Prantij Unit-29 (₹ 5,09,188.27), and Rajkot Unit-93 (₹ 9,32,291).

[87] ACST: Prantij Unit-29.

[88] ACST: Gandhinagar Unit-24 (three cases - ₹ 1,90,251).

[89] ACST: Ahmedabad Unit-11 (two cases) and Rajkot Unit-93.

[90] ACST: Rajkot Unit-93.

(ii) In two cases[91], it was replied that issue of notice under Section 73 of the Act was time-barred and legal remedy was not available. However, the Proper Officers had access to non-filers information for timely action in such instances.

In the remaining 22 cases[92] of 12 taxpayers, reply[93] was awaited (June 2025).

ii. Access to certain row-wise details in Form GSTR-1 on the backend portal of GSTN for Proper Officers

Section 37 of GGST Act 2017 provides that every registered person, other than an Input Service Distributor, a non-resident taxable person and a person paying tax under the provisions of Section 10 or Section 51 or Section 52, shall furnish, electronically, in such form and manner as may be prescribed, the details of outward supplies of goods or services or both effected during a tax period on or before the tenth day of the month succeeding the said tax period and such details shall be communicated to the recipient of the said supplies within such time and in such manner as may be prescribed.

Rule 59 of the GGST Rules, 2017 related to 'Form and manner of furnishing details of outward supplies' provides that every registered person, other than a person referred to in Section 14 of the Integrated Goods and Services Tax Act, 2017 is required to furnish the details of outward supplies of goods or services or both under Section 37 in Form GSTR-1.

Audit observed (January 2024 to January 2025) in 27 Units[94] that on the back-end Boweb portal of GSTN available for the Department, Proper Officers were not able to access row wise details of various columns of GSTR-1 listed below:

- Table 4A (Supplies other than those attracting reverse charge and supplies made through e-commerce operator)
- Table 4B (Supplies attracting tax on reverse charge basis)
- Table 4C (Supplies made through e-commerce operator attracting TCS: operator wise, rate wise)
- Table 5A (Outward supplies other than supplies made through e-commerce operator, rate wise)
- Table 6A (Exports)
- Table 6B (Supplies made to SEZ unit or SEZ developer)
- Table 6C (Deemed exports)

[91] ACST: Ahmedabad Unit-11 (two cases).
[92] ACST: Ahmedabad- Unit-06, Unit-07 (two cases), Unit-08, Unit-09 (four cases), Unit-14 (two cases), Unit-17 (three cases), Vadodara Unit-40 (two cases), Unit-45, Rajkot Unit-93 (two cases), Gandhidham Unit-103 and Viramgam STO Unit-12 (three cases).
[93] This includes two cases of one taxpayer in Ahmedabad Unit-14, the reply to which was not relevant to the audit observation issued.
[94] ACST: Ahmedabad-Unit-05, Unit-06, Unit-07, Unit-08, Unit-09, Unit-10, Unit-11, Unit-14, Unit-18, Unit-20, Unit-21, Unit-22, Unit-23, Gandhinagar Unit-24, Prantij Unit-29, Visnagar Unit-31, Vadodara Unit-39, Unit-40, Unit-45, Surat Unit-58, Valsad Unit-70, Morbi Unit-91, Rajkot Unit-92, Unit-93, Bhuj Unit-102, Gandhidham Unit-103 and Viramgam STO Unit-12.

- Table 12 (HSN-wise summary of outward supplies)
- Table 13 (Documents issued during the tax period)

The Proper Officer scrutinizes the return for its correctness based on the information available on the system in various forms and statements filed by the registered taxpayers. In the absence of row wise information for each column, the process of scrutiny by the Department as per its SOP could get hindered. Further, in the absence of the desired details, Audit could not ascertain the category/ classification of supplies and levy of proper tax and sought the details for the sampled taxpayers. This has also been commented upon in the earlier CAG Report[95].

When this was pointed out (January 2024 - December 2024), 18 Unit Offices having jurisdiction of 42 taxpayers[96] accepted (March 2024 - June 2025) the audit observation.

However, two Units Offices in respect of four taxpayers[97], did not accept (February 2024 - June 2025) the audit observation and stated that bifurcated functionality was available from April 2022. Audit verified the facts from Boweb and it was observed that invoice wise details of the supplies made during the financial year was not available.

In respect of the remaining 17 taxpayers[98] reply[99] was awaited (June 2025).

B Audit findings on Utilisation of Input Tax Credit

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

Sections 16 and 17 of the GGST Act prescribe eligibility and conditions to avail ITC. Credit of GGST cannot be used for payment of CGST/ UTGST and credit of CGST/ UTGST cannot be utilized for payment of GGST. Rule 36 to 45 of the GGST Rules prescribe the procedures for availing ITC and reversal of ITC.

Out of 193 cases of 65 taxpayers' examined by Audit, 419 deviations amounting to ₹ 3769.36 crore were noticed in 165 cases of 60 taxpayers. The deficiencies were mainly on account of credit availed more than available, credit claimed without payment of tax, ITC on capital goods and short reversal of ITC.

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[95] Report of the Comptroller and Auditor General of India for the period ended March 2022-Compliance Audit (Civil and Commercial), Government of Gujarat (Report No. 4 of 2024).

[96] ACST: Ahmedabad Unit-05 (four), Unit-08, Unit-09 (10), Unit-10 (two), Unit-11 (five) Unit-14, Unit-18, Unit-21 (two), Unit-22, Gandhinagar Unit-24 (four), Visnagar Unit-31 (two), Vadodara Unit-39, Vadodara Unit-45 (two), Morbi Unit-91, Rajkot Unit-92, Unit-93 (two) and Viramgam STO Unit-12 (two).

[97] ACST: Ahmedabad Unit-20 (two), Unit-23, Surat Unit-58.

[98] ACST: Ahmedabad Unit-06 (two), Unit-07 (two), Unit-08 (three), Unit-11, Prantij Unit-29, Vadodara Unit-40 (four), Valsad Unit-70, Bhuj Unit-102 and Gandhidham Unit-103 (two).

[99] The reply in respect of 16 taxpayers of the following ACSTs were not relevant to the audit observation issued: Ahmedabad Unit-06 (two), Unit-07 (two), Unit-08 (three), Unit-11, Vadodara Unit-40 (four), Valsad Unit-70, Bhuj Unit-102 and Gandhidham Unit-103 (two).

i. Suppliers passing ITC without filing GSTR-3B

As per Section 16(2) of the GGST Act, 2017, no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless the tax charged in respect of such supply has been actually paid to the Government, and he has furnished the return under Section 39 which shall be in GSTR-3B.

Audit observed (February 2024 to January 2025) that in 69 cases[100] (42 taxpayers in 22 Units) out of 65 sampled taxpayers, the ITC available to the taxpayer through GSTR-9, as given in Table 8A, included ITC from 4,999 invoices of taxable value of ₹ 31.91 crore involving tax of ₹ 5.36 crore for which the supplier had not filed GSTR-3B or supplier's registration was cancelled.

When this was pointed out, in two cases[101] of one taxpayer ₹ 0.57 lakh was recovered including interest, in two cases[102] of two taxpayers the audit observation was accepted and demand of ₹ 0.32 crore was raised.

In five cases[103] of five taxpayers, the Department did not accept the audit observations and stated

(i) In two cases[104] of two taxpayers, it was replied that that issue of notice under Section 73 of the Act was time-barred and legal remedy was not available.

(ii) In one case[105], it was replied that the amendment of a supplier was not considered in GSTR-2A. However, the details of such amendment and its impact was not intimated.

(iii) In one case[106], it was replied that adjudication proceedings on the issue was dropped. Audit verified the DRC-07 and it was observed that the audit issue raised was neither included in the order nor clarification made available.

(iv) In one case[107], it was replied that two suppliers had paid tax. However, the Department did not provide any documentary evidence or details in this regard.

In the remaining 60 cases[108] of 36 taxpayers, reply[109] was awaited (June 2025).

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[100] ACST: Ahmedabad- Unit-05 (seven cases), Unit-06 (three cases), Unit-08 (eight cases), Unit-09 (nine cases), Unit-10 (four cases), Unit-11 (seven cases), Unit-14, Unit-18, Unit-20 (three cases), Unit-21 (six cases), Unit-23, Gandhinagar Unit-24 (two cases), Prantij Unit-29, Vadodara Unit-39 (two cases), Vadodara Unit-45 (two cases), Surat Unit-63, Morbi Unit-91 (two cases), Rajkot Unit-92, Unit-93 (three cases), Bhuj Unit-102, Gandhidham Unit-103 and Viramgam STO Unit-12 (three cases).

[101] ACST Morbi Unit-91 (recovery of ₹ 57,226 in two cases).

[102] ACST: Prantij Unit-29 (one case - demand ₹ 9,324) and Bhuj Unit-102 (one case-demand ₹ 32,03,371).

[103] ACST: Ahmedabad Unit-11 (two cases), Unit-18, Vadodara Unit-45 and Surat Unit-63.

[104] ACST: Ahmedabad Unit-11 (two cases).

[105] ACST: Vadodara Unit-45.

[106] ACST: Ahmedabad Unit-18.

[107] Surat Unit-63, Ahmedabad.

ii. Availing of ineligible ITC

Section 16 of the GGST Act allows availing of ITC on any supply of goods or services or both which are used or intended to be used in the course or furtherance of his business. Section 17(5)(h) of the Act read with Rule 44 of the GGST Rules, 2017 provides that the useful life of any capital goods shall be five years and ITC on capital goods written off under the specified period shall have to be reversed in case of sale on a *pro rata* basis.

Audit observed from the financial statements of a taxpayer under the jurisdiction of Unit-08, Ahmedabad for the years 2018-19, 2019-20 and 2020-21 that the taxpayer had written off ₹ 5.11 crore, ₹ 4.17 crore and ₹ 5.19 crore respectively during these years as decommissioned asset/ obsolete or lost inventory which included assets deactivated within a span of two to three years *i.e.* within five years of its acquisition. The ITC availed on the decommissioned assets written off were liable to be reduced on *pro rata* basis under Section 17(5)(h) of the Act read with Rule 44. Department did not produce requisitioned granular records on assets acquired and decommissioned within five years, due to which the correctness of the excess ITC availed by the taxpayer could not be verified by the Audit.

On this being pointed out (May 2024), the Department replied (June 2025) that details regarding the audit observation have been sought from the taxpayer. Further reply was awaited (June 2025).

iii. Non/ short reversal of ITC

Section 16 of the GGST Act allows availing of ITC on any supply of goods or services or both which are used or intended to be used in the course or furtherance of his business. Section 17(2) of the GGST Act, read with Rule 42 and 43 of the GGST Rules, states that where the goods or services or both are used by the registered person partly for effecting taxable supplies including zero-rated supplies and partly for effecting exempt supplies, the amount of credit shall be restricted to so much of the input tax as is attributable to the said taxable supplies including zero-rated supplies.

Audit observed (February 2024 to January 2025) mismatch in 18 cases[110] (seven taxpayers) where the taxpayers had exempted or nil rated supply of ₹ 316.75 crores against the total turnover of ₹ 20,548.76 crore. In 11 cases[111] out of the 18 cases, no ITC was reversed under Rule 42. In remaining

[108] ACST: Ahmedabad Unit-05 (seven cases), Unit-06 (three cases), Unit-08 (eight cases) Unit-09 (nine cases), Unit-10 (four cases), Unit-11 (five cases), Unit-14, Unit-20 (three cases), Unit-21 (six cases) Unit-23, Gandhinagar Unit-24 (two cases), Vadodara Unit-39 (two cases), Unit-45, Rajkot Unit-92, Unit-93 (three cases), Gandhidham Unit-103, and Viramgam Unit-12 (three cases).

[109] This includes seven cases in following ACSTs, the replies of which were not relevant to the audit observation issued: Ahmedabad Unit-09 (three cases), Unit-10, Unit-20 (two cases) and Gandhinagar Unit-24 (two cases).

[110] ACST: Ahmedabad Unit-06 (six cases), Unit-20 (three cases), Unit-21 (three cases), Morbi Unit-91 (three cases), Rajkot Unit-92 (two cases) and Unit-93.

[111] ACST: Ahmedabad Unit-06 (two cases), Unit-21 (three cases), Morbi Unit- 91 (three cases), Rajkot Unit-92 (two cases) and Unit-93.

seven cases either the ITC was reversed as a *per cent* of the exempt turnover to total turnover or the details of the reversal were not on record for Audit to verify its correctness. In the absence of the details of common input credit, specific credit, blocked credits, *etc.* Audit could not examine the correctness of the ITC availed in these cases

When this was pointed out, in four cases[112] the audit observation was accepted which included recovery of ₹ 0.17 lakh in three cases[113] along with interest and penalty and demand in DRC-07 was raised in one case[114] for ₹ 4.13 crore along with interest and penalty.

In five cases[115] of two taxpayers, the Department did not accept the audit observations and stated

(i) In two cases[116] of a taxpayer, it was replied that the taxpayer had reversed ITC in proportion of supply of MEIS[117]. The reply is not acceptable as the reversal of ITC is to be determined in accordance with Rule 42.

(ii) In three cases[118] of another taxpayer, it was replied that the issue raised by Audit was considered through verification of Books of account during audit under Section 65 and the matter was closed.

The replies in the above cases were not acceptable as the Department did not produce requisitioned granular records like common credit, blocked credit, credit on exclusive taxable supplies, due to which Audit could not verify the correctness of the reversal of excess ITC as per the provisions of Rule 42 by these taxpayers.

In remaining nine cases[119] of three taxpayers, reply was awaited (June 2025).

iv. Refund related issues

Section 54 of GGST Act, 2017 stipulates that any person claiming refund may make an application before the expiry of two years from relevant date[120] and as per circular[121] of 21 November 2019 refund application in Form GST RFD-01 along with statements/ declarations/ undertakings is to be furnished electronically *w.e.f.* 26 September 2019. Where an application for refund is made, the Proper Officer shall issue an order within 60 days from the date of receipt of application complete in all respects.

[112] ACST: Rajkot Unit-93, Morbi Unit-91 (three cases).
[113] ACST: Morbi Unit-91 (three cases).
[114] ACST: Rajkot Unit-93.
[115] ACST: Ahmedabad Unit-06 (three cases) and Rajkot Unit-92 (two cases).
[116] ACST: Rajkot Unit-92 (two cases).
[117] Merchandise Exports from India Scheme.
[118] ACST: Ahmedabad Unit-06 (three cases).
[119] ACST: Ahmedabad Unit-06 (three cases), Unit-20 (three cases) and Unit 21 (three cases).
[120] For goods exported by sea or air out of India where a refund of tax paid is available the date on which the ship or the aircraft in which such goods are loaded, leaves India.
[121] Circular No. 125/44/2019-GST dated 21 November 2019 with effect from 26 September 2019.

Audit observed (July 2024 to October 2024) in four cases[122] of two taxpayers involving ₹ 3.87 crore deviations in the nature of delay in issue of refund order and non-adherence to the procedures laid down for sanction of refund order, which were pointed out to the Department. However, the reply was awaited (June 2025). An illustrative case is featured below.

A taxpayer under the jurisdiction of Unit-24, Gandhinagar for the year 2018-19, reported claim and sanction of refund of ₹ 3.63 crore as shown in Table 15A and 15B, respectively, of GSTR-9. However, on verification of refund details on Boweb, it was found that the application in GST RFD-01 was not disposed of as on the date of Audit (July 2024).

On this being pointed out (July 2024), the Proper Officer stated (September 2024) that the detailed reply would be furnished in due course. Further reply was awaited (June 2025).

v. *Mismatch in claim of ITC as noticed from returns*

Audit analyzed the GSTR-2A data of selected taxpayers along with GSTR-3B, GSTR-9 and GSTR-9C filed by the taxpayers, there were instances of mismatches of ITC among various returns and tables which are tabulated below and detailed in **Appendix V**. The mismatch could not be examined in detail by Audit since relevant records were not produced by Department. However, in some cases Department has replied to the mismatches pointed out by Audit as given in **Table 2.3**.

Table 2.3: Mismatch in claim of ITC as noticed between returns

Parameter	Taxpayers	No. of deficiencies	No. of Unit offices	Amount of mismatches (₹ in crore)
ITC mismatch between GSTR-2A and GSTR-3B/ GSTR-9.				
(i) ITC declared in GSTR-9 (Table 6B + 8C – 7H) exceeded ITC as per GSTR-2A.	24	34	17	392.15
(ii) Excess ITC availed w.r.t. provisions of Rule 36(4)[123].	20	26	12	380.73
Excess ITC claimed compared to tax paid under reverse charge mechanism. ITC availed in Table 6 of GSTR-9 exceeded RCM liability as per GSTR-3B Table 3.	7	10	7	0.51
ITC mismatch between GSTR-9(6G)/ GSTR-3B (4A(4)-4B(2)) and GSTR-6/ GSTR-2A. ITC claimed through Table 6G of GSTR-9 exceeded ITC distributed by ISD through GSTR-6 / (Table 7 - Table 8) of GSTR-2A.	6	12	5	54.65

[122] ACST: Gandhinagar Unit-24, Vadodara Unit-45 (three cases).

[123] 20 *per cent* up to 31.12.2019 vide notification (49/2019-State Tax) on 10.10.2019, 10 *per cent* from 01.01.2020 to 31.12.2020 vide notification 75/2019-State Tax dated 27.12.2019 and five *per cent* vide notification 94/2020-State Tax dated 31.12.2020. Further, eligible credit available as uploaded by the suppliers and shall apply cumulatively for the tax period February 2020 to August 2020.

Parameter	Taxpayers	No. of deficiencies	No. of Unit offices	Amount of mismatches (₹ in crore)
ITC mismatch as per Table 8D of GSTR-9. ITC claimed through Table 8B + 8C of GSTR-9 exceeded ITC available as per Table 8A of GSTR-9.	31	56	20	754.11
ITC mismatch as per audited financial statement and annual return ITC amounting to ₹ 214.24 crore was availed in excess through GSTR-9 as compared to the annual financial statement as declared in Table 12F and 14T of GSTR-9C.	12	19	11	214.24
ITC mismatch as per Table 6J of GSTR-9 The ITC availed through GSTR-3B as per Table 6A of GSTR-9 exceeded the ITC as declared in Table 6I (6B + 6C + 6C + 6D + 6E + 6F + 6G + 6H) of GSTR-9.	19	29	12	317.00
ITC mismatch between GSTR-2A and GSTR-9 Table 8A ITC available as per GSTR-2A exceeded the auto populated ITC amount.	51	87	25	1288.54
ITC in GSTR-9(8A) more than GSTR-2A ITC available as per GSTR-9(8A) exceeded the ITC in GSTR-2A.	37	52	17	358.20

C Audit findings on discharge of tax liability

The taxable event in GST is supply of goods or services or both. Section 9 of the GGST Act is the charging section authorizing levy and collection of GGST on all intra-State supplies of goods or services or both, except on supply of alcoholic liquor for human consumption. The value of taxable supply is determined under Section 15 of the Act, and tax may be imposed at such rates not exceeding 20 *per cent* under Section 9, as may be notified by the Government. Section 5 of the IGST Act vests levy and collection of IGST on interstate supply of goods and services with the Central Government with maximum rate of 40 *per cent*.

Similarly, the powers granted under Sections 9(3) and 9(4) of the GGST Act, and Sections 5(3) and 5(4) of the IGST Act, provide for reverse charge levy on certain goods or services, wherein the recipient of the goods or services or both shall be liable for payment of GST instead of the supplier.

Audit observed 201 deviations in 113 cases of 53 taxpayers amounting to ₹ 2,024.44 crore, where taxpayers had either not paid or short paid the tax on the supplies. Audit findings are discussed in succeeding paragraphs.

i. Incorrect availing of exemptions

As per Section 11 of the GGST Act, where the Government is satisfied that it is necessary in the public interest to do, it may, on the recommendations of the Council, by notification exempt generally, either absolutely or subject to such conditions as may be specified therein, goods or services or both of any specified description from the whole or any part of the tax leviable thereon with effect from such date as may be specified in such notification. Explanation to this Section clarifies that where an exemption in respect of any goods or services or both from the whole or part of the tax leviable thereon has been granted absolutely, the registered person supplying such goods or services, or both shall not collect the tax in excess of the effective rate on such supply of goods or services or both. As per the notification 8/2018 issued by the Department, GST on used car was exempt in excess of nine and six *per cent*.

On examination of records of three taxpayers (five cases)[124], Audit observed (February 2024 to September 2024) that the taxpayers had claimed exemption on sale of used cars, insurance claim and miscellaneous income with turnover of ₹ 15.64 crore.

Audit examined the returns and other financial records of these taxpayers and observed five instances where the taxpayers had declared exempted income. Out of these three taxpayers, Audit observed

(i) As per notification 8/2018 dated 25.01.2018 intra State supply of used vehicle was exempt from SGST exceeding nine *per cent* and six *per cent* based on the capacity of the engine and length of the vehicle. The notification further provided that tax shall be payable on the margin of the supplier which shall be the difference between the consideration received for supply of such goods and the depreciated value of such goods on the date of supply in case where the supplier had availed depreciation under the Income Tax Act, 1961 and in other case, tax shall be paid on the value that represents the margin of supplier which shall be the difference between the selling price and the purchase price. In both cases where the margin to the supplier is in the negative, it shall be ignored. However, the notification further provided that where the supplier of such goods has availed input tax credit as defined in clause (63) of Section 2 of the Gujarat Goods and Services Tax Act, 2017, CENVAT as defined in CENVAT Credit Rules, 2004 or the input tax credit of Value Added Tax or any other taxes paid, on such goods, the notification shall not apply to such supplier.

In respect of one taxpayer, in three cases[125] the taxpayer had claimed exemption / nil rated supply on the sale of used car of ₹ 8.09 crore. However, further scrutiny of the record revealed that the taxpayer had availed CENVAT credit as shown in Form 3CD and was therefore not eligible for availing the exemption of the notification. On this being pointed out, the JCST replied (April 2025) that the exempt supply was

[124] ACST: Ahmedabad Unit-20 (three cases), Gandhinagar Unit- 24, Prantij Unit-29.
[125] ACST: Ahmedabad Unit-20 (three cases).

of used car purchased during the VAT regime and sold at a loss. It was further stated that the taxpayer had not availed VAT/ CENVAT credit on such purchases. The reply is not convincing as Audit observed from Form 3CD that the taxpayer had availed CENVAT credit.

(ii) In another case of a taxpayer, Audit observed on the examination of the financial records that tax was not paid on income from insurance, and other income of ₹ 1.22 crore. In response, the JCST replied (April 2025) that insurance pertained to breakage during transit. The reply is not acceptable as Department did not provide the granular records like ledger account of other income and details of ITC reversed.

(iii) In one case of a taxpayer, Audit observed that the taxpayer had claimed exemption for miscellaneous income of ₹ 6.33 crore. As Department did not produce the requisitioned granular records like ledger account, invoices bifurcation of miscellaneous income, Audit could not ascertain the nature of the income and its impact on turnover. This was brought to notice (September 2024) of the Department. Reply was awaited.

ii. Non-payment of tax on deemed supply -job work

Section 143 (1)(a) of GGST Act specifies that the inputs or capital goods, other than moulds and dies, jigs and fixtures, or tools, sent out for job work should be received back after completion of job work or otherwise within one year and three years, respectively, of their being sent out, to any of his place of business, without payment of tax. Further, as per Section 143(3), where the inputs sent for job work are not received back by the principal after completion of job work or otherwise in accordance with the provisions of clause (a) of sub-section (1) or are not supplied from the place of business of the job worker in accordance with the provisions of clause (b) of sub-section (1) within a period of one year of their being sent out, it shall be deemed that such inputs had been supplied by the principal to the job worker on the day when the said inputs were sent out.

Audit observed that a taxpayer (three cases)[126] had sent inputs weighing 29.73 lakh Kgs. during 2018-19 to 2020-21. However, Audit could not verify whether inputs weighing 13.33 lakh Kgs. valued ₹ 1.48 crore sent for job work was received back within the prescribed time as the taxpayer had not filled up the original challan numbers in the ITC-04 filed during the period April 2019 to June 2019.

This was brought to the notice (September 2024) of the Department. Reply was awaited (June 2025).

iii. Irregular application of concessional rate of tax under notification without satisfying underlying conditions

The tax on the composite supply of work contract that predominantly involve earth work[127] provided to the Central Government, State Government, Union Territory, Local Authority, a Governmental Authority or a Government Entity

[126] ACST: Vadodara Unit-45 (three cases).

[127] Constituting more than 75 *per cent* of the value of the works contract.

as defined in Section 2(119) of the GGST Act 2017 is notified[128] at the rate of five *per cent*.

A taxpayer under the jurisdiction of Unit-31, Visnagar for the years 2018-19 and 2019-20 had claimed exemption for receipts of ₹ 13.07 crore and ₹ 2.80 crore respectively on the grounds of it being consideration relating to execution of pre-GST period works contract. During scrutiny, the Proper Officer rejected the exemption claimed but accepted the taxpayer's submission that the work contract receipts were from earthwork for railways. Accordingly, concessional rate of five *per cent* tax was applied under notification *ibid* and demands of ₹ 0.65 crore and ₹ 0.14 crore were confirmed for the year 2018-19 and 2019-20 respectively, which were paid by the taxpayer.

Audit requisitioned the Department (November 2024), to produce records such as work order, Running Account (RA) bill for verification. The Department provided bill, work order of contract and RA Bill in respect of construction contract.

On examination of records, it was observed that the taxpayer was engaged in supply of earth work on Alirajpur-Jobat Sections between KM.55/0 to 56/750 under a sub-contract agreement with the main contractor who was awarded (March 2017) the contract for construction of the new BG line between Chhotaudepur-Dhar by Railways and the records provided by the Department consisted of agreement between the main contractor and the taxpayer (sub-contractor) for earthwork and invoices issued by the sub-contractor to the contractor. The taxpayer's supply of services was to the main contractor and not to Railways. Hence, the taxpayer was not eligible for concession under the notification and was liable to pay tax of ₹ 2.86 crore at the rate of 18 *per cent* instead of ₹ 0.79 crore determined at the rate of five *per cent* by the Proper Officer resulting in short levy of ₹ 2.07 crore.

iv. *Mismatch in undischarged tax liability as noticed from returns*

Audit analyzed the GSTR-1 data of the selected taxpayers along with GSTR-3B, GSTR-9 and GSTR-9C filed by the taxpayers and observed instances of mismatches of supply turnover, tax liability and tax payments among various returns and tables which are given in **Table 2.4**.

[128] Notification No. 39/2017-Integrated Tax (Rate) dated 13.10.2017.

Table 2.4: Mismatch of supply as noticed between returns

<table>
<tr><th>Parameter</th><th>No. of taxpayer</th><th>No. of deficiencies</th><th>No. of Unit offices</th><th>Amount of mismatches (₹ in crore)</th></tr>
<tr><td>Mismatch in turnover of supply as per Audited Financial Statement and Annual Return
In five cases, there was a mismatch in turnover as per GSTR-9C Table 5R and in four cases the turnover of GSTR-9 was overstated in GSTR-9C Table 5Q.
<table>
<tr><th>GSTR-9C</th><th>Unit</th><th>Cases</th><th>T.O. (₹ in crore)</th></tr>
<tr><td>5R</td><td>4</td><td>5</td><td>47.28</td></tr>
<tr><td>5Q> GSTR-9</td><td>2</td><td>2</td><td>00.02</td></tr>
</table></td><td>6</td><td>7</td><td>05</td><td>47.30</td></tr>
<tr><td>Mismatch in taxable turnover of supply as per audited financial statement and annual return
In six cases, there was a mismatch in turnover as per GSTR-9C Table 7G and in three cases the turnover of GSTR-9 was overstated in GSTR-9C Table 7F.
<table>
<tr><th>GSTR-9C</th><th>Unit</th><th>Cases</th><th>T.O. (₹ in crore</th></tr>
<tr><td>7G</td><td>5</td><td>6</td><td>1.32</td></tr>
<tr><td>7F> GSTR9</td><td>2</td><td>2</td><td>0.02</td></tr>
</table></td><td>7</td><td>8</td><td>06</td><td>01.34</td></tr>
<tr><td>Mismatch of tax payment as per GSTR-9 and GSTR-9C
There was a mismatch in GSTR-9C Table 9R in one case (one Unit). In five cases (3 Units), though there was no mismatch in tax payment shown in GSTR 9C (9R), the tax paid as per GSTR-9 was overstated (₹ 60.28 crore[129]) in GSTR-9C Table 9Q.</td><td>5</td><td>6</td><td>4</td><td>60.28</td></tr>
<tr><td>Tax liability mismatch between GSTR-1 and GSTR-9.
Tax liability declared in GSTR-1 (Table 4 (excluding 4B) +T5+T6+T7+T9(Amended value - original value of same invoice) + Debit Notes of 9 - Credit notes of 9 + T11A-T11B (net of advance and adjustment of Table 11) exceeded the tax liability as per GSTR-9 (Table 4N-4G).</td><td>43</td><td>77</td><td>22</td><td>71.09</td></tr>
<tr><td>Mismatch in tax liability of GSTR-1/GSTR-9 and taxpayment in GSTR-9.
The tax paid as per GSTR-9 Table (9+14-4G) was compared to the higher of the tax liability between GSTR-1 Table 4 (excluding 4B)+T5+T6+T7+9 (Amended value - original value of same invoice) + Debit Notes of 9 - Credit notes of 9 + 11A-T11B (net of</td><td>38</td><td>72</td><td>21</td><td>96.96</td></tr>
</table>

[129] Mismatch as per GSTR-9C Table 9R in one case was ₹ 67,136 and mismatch between Table 9Q of GSTR-9C (₹ 1,22,16,32,804) and Table 9 of GSTR-9 (₹ 61,88,74,872) was ₹ 60,27,57,932 totalling ₹ 60,28,25,068.

Parameter	No. of taxpayer	No. of deficiencies	No. of Unit offices	Amount of mismatches (₹ in crore)
advance and adjustment of Table 11 and GSTR9(4N-4G+10-11).				
Mismatch in taxable value as per GSTR-9C The adjustments from turnover of the financial statements without assigning reason in GSTR-9C (Table 5O) was ₹ 1,745.40 crore.	15	21	14	1745.40

The mismatch of ₹ 2,022.37 crore in these cases could not be examined in detail by Audit since relevant records were not produced by Department. The details of these cases are given in **Appendix VI**.

2.1.9 Conclusion

The Phase II of the audit on Department's Oversight on GST Payments and Returns Filing was undertaken as a follow up of Phase I audit. It covered the period from 2018-19 to 2020-21 and was oriented towards providing assurance on the adequacy and effectiveness of systems and procedures adopted by the Department with respect to tax compliance under the GST regime. This SSCA, similar to DORF Phase I, was predominantly conducted based on data analysis, which highlighted risk areas and red flags.

A data driven approach was adopted for planning as also, to determine the nature and extent of substantive audit. The sample for this SSCA comprised a set of deviations identified through data analysis for centralized audit that did not involve field visits; a sample of taxpayers for detailed audit that involved field visits and scrutiny of taxpayer's records at departmental premises; and a sample of Units for evaluating the oversight functions of the Units. The audit sample therefore comprised, 738 high value inconsistencies across 16 parameters selected through global queries, 65 taxpayers selected on risk assessment for detailed audit of GST returns for the years 2018-19 to 2020-21 and 10 Units for audit of Units.

In the selected Units, Audit observed deviation from provisions of the Act/ Rules and instructions on cancellation of registration, revocation of cancellation, and delays in recovery of demands.

With respect to Centralised Audit, out of the 738 high value data inconsistencies identified by Audit, the Department responded to 733 cases involving mismatches of ₹ 51,05,447.65 crore. This included one case of data entry error of ₹ 50,70,540.45 crore where while preparing e-waybill for the movement of the goods, the taxpayer had mentioned delivery challan number of 15 digit in the column of Taxable value. Further, 291 cases turned out to be deviations, with a revenue implication of ₹ 2,606.62 crore. A relatively higher rate of deficiencies was noticed in risk parameters such as mismatch in tax liability declared in GSTR-3B and disclosures in E-Way Bill, undischarged tax liability between GSTR-01 and GSTR-09 and ITC mismatch between GSTR-2A and GSTR-3B.

Out of 65 taxpayers selected for detailed audit, in 63 cases the granular records of the taxpayers were not forthcoming which constituted a significant scope limitation. These cases represent a potential risk exposure of ₹ 1,234.71 crore towards identified mismatches in ITC availment and tax payments.

2.1.10 Recommendations

1. ***The Department may strengthen the monitoring mechanism in Units and ensure that the timelines specified for cancellation of registration and revocation of cancellation orders are complied with.***

2. ***The Department may consider devising appropriate mechanism to ensure mandatory filing of GSTR-10 by all taxpayers whose registration is cancelled and intimation be issued by Proper Officer to proceedings under Section 62 of the GGST Act to determine tax liability in cases where GSTR-10 is not filed.***

3. ***The Department may consider taking up the issue of data entry errors with the GSTN to introduce validation controls in GST Returns to curb data entry errors, enhance taxpayer compliance and facilitate better scrutiny.***

4. ***Department needs to ensure the production of records during the course of field audit as non-production of requisitioned granular records results in the scope limitation and hampers Audit in discharge of its duties.***

5. ***The Department may consider taking necessary action in making available invoice-wise information/ particulars for all the tables in GSTR-1 at the back-end portal of Department.***

Ports and Transport Department

2.2 Functioning of the State Transport Authority and Regional Transport Offices

2.2.1 Introduction

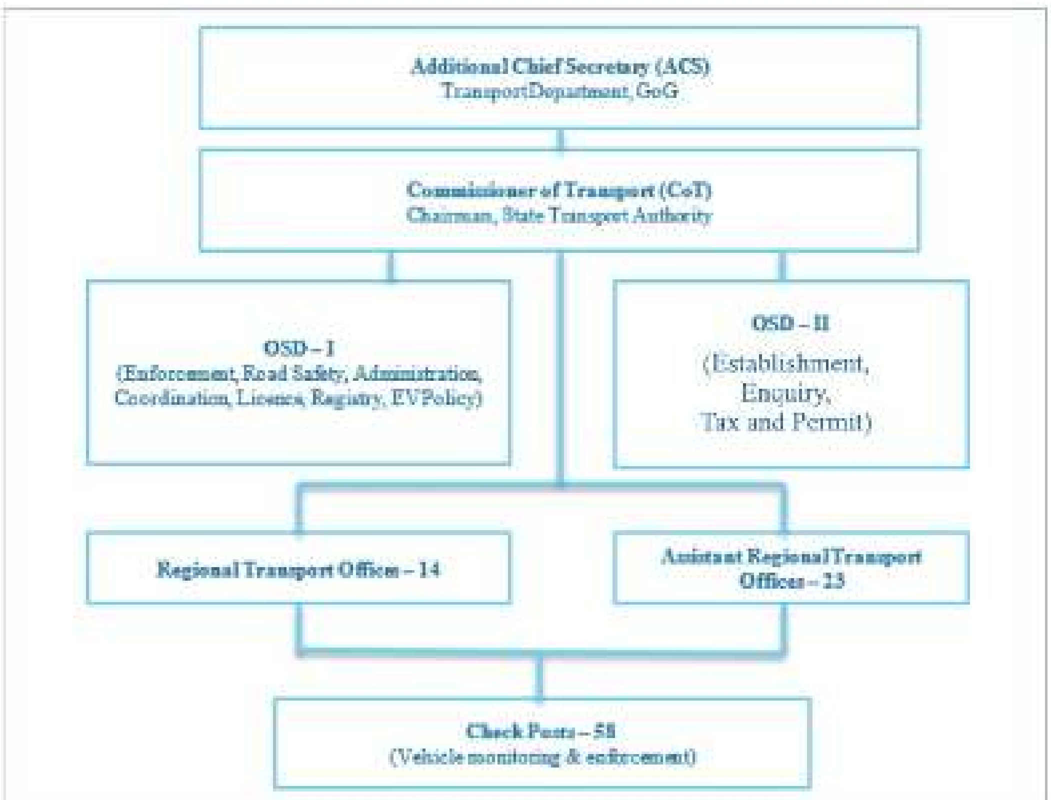
The Motor Vehicles Act 1988 (the MV Act), was enacted by the Parliament to provide comprehensive rules regarding:

- Issuance of licenses to drivers of motor vehicles,
- Issuance of licenses to conductors of stage carriages,
- Registration of motor vehicles,
- Issuance of various types of permits, *etc.*

According to the Government of India (Allocation of Business) Rules 1961, the Ministry of Road Transport and Highways (MoRTH) is responsible for formulating broad policies pertaining to road transport and enforcing the MV Act along with the Central Motor Vehicles Rules 1989 (CMVR).

The Government of Gujarat (GoG) in exercise of powers conferred by Section 138 of the MV Act notified the Gujarat Motor Vehicles Tax Act 1958 (the GMVT Act), the Gujarat Motor Vehicles (Taxation of Passengers) Act 1958 and the Gujarat Motor Vehicle Rules 1989 (GMVR).

2.2.1.1 Governance Structure at the State Level



The Transport Department, GoG headed by Additional Chief Secretary (ACS) is responsible for the enforcement of Motor Vehicle Legislations in the State. He is assisted by the Commissioner of Transport (CoT), who serves as the Chairman of State Transport Authority[130]. The CoT is responsible for the overall functioning of the Regional Transport Offices (RTOs)/ Assistant RTOs (ARTOs) in the State.

The CoT is assisted by two Officers on Special Duty (OSDs), one in-charge of Enforcement, Road Safety, Administration, Coordination, Licence, Registry and Electric Vehicles (EV) policy, and the other in-charge of Establishment, Enquiry, Tax and Permit.

There are 14 RTOs[131], 23 ARTOs[132] and 58 Check Points functioning under the CoT. The Check Points have been established to monitor the intra-state movement of vehicles and levy/ collect the applicable fine/ penalty in case of violations of the prevalent laws/ rules.

All RTOs/ ARTOs in the State provide vehicle related services like registration, permit, taxation, fitness certification *etc.* through 'VAHAN-4' (for registration of vehicles) and Driving License-related services through 'SARATHI-4' Applications

2.2.1.2 Financial Outlay

The Motor Vehicles Tax (MVT), Fees and various levies towards services rendered under the MV Act/ State Acts are collected as State revenue. The MVT is one of the major sources of tax revenue receipts[133] of the State. The levy and collection of MVT is governed by the GMVT Act, the Gujarat Motor Vehicles (Taxation of Passengers) Act 1958 and the GMVR. The expenses towards administration, pay and allowances of staff, creation of infrastructure, *etc.* constitute the expenditure of the CoT.

The revenue collected and expenditure incurred by the CoT during 2019-20 to 2023-24, is given in **Chart 2.1**.

[130] Section 68 of the MV Act mandates the establishment of State Transport Authorities (STAs) across India.

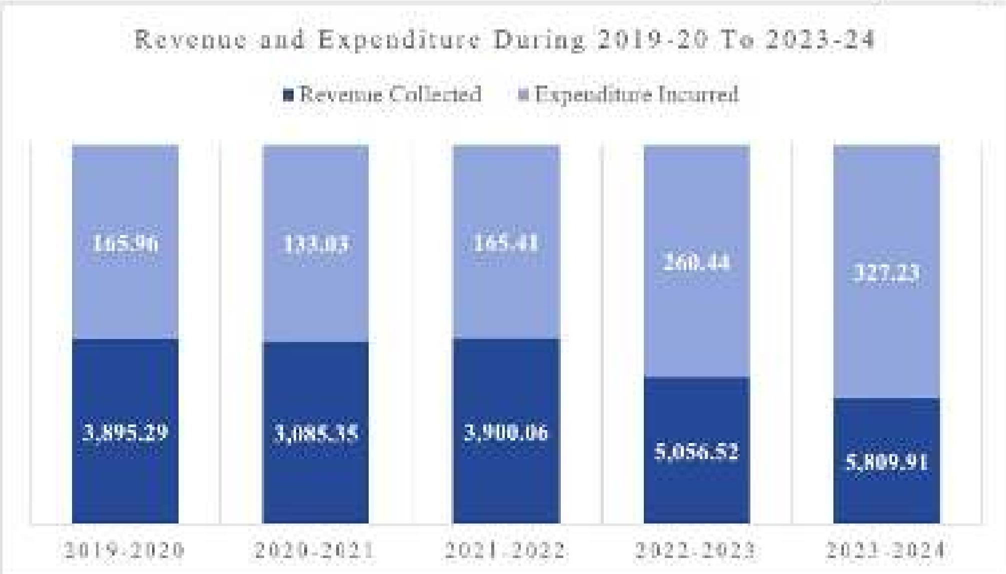
[131] (i) Ahmedabad, (ii) Bhavnagar, (iii) Godhra, (iv) Himmatnagar, (v) Jamnagar, (vi) Junagadh, (vii) Kutch-Bhuj, (viii) Mehsana, (ix) Nadiad, (x) Palanpur, (xi) Rajkot, (xii) Surat, (xiii) Vadodara, and (xiv) Valsad.

[132] (i) Anand, (ii) Anjar, (iii) Amreli, (iv) Bardoli, (v) Bavla, (vi) Bharuch, (vii) Botad, (viii) Chhota-Udepur, (ix) Dahod, (x) Dang-Ahwa, (xi) Gandhinagar, (xii) Khambaliya-Devbhoomi Dwarka, (xiii) Mahisagar-Lunavada, (xiv) Arvalli, (xv) Morbi, (xvi) Navsari, (xvii) Patan, (xviii) Porbandar, (xix) Rajpipla, (xx) Surendranagar, (xxi) Veraval-Gir Somnath, (xxii) Vastral (Ahmedabad), and (xxiii) Vyara-Tapi.

[133] After Value Added Tax, Electricity Duty and Stamp Duty.

Chart 2.1: Revenue and expenditure during 2019-20 to 2023-24

(₹ in crore)



Source: Information furnished by the office of the CoT.

2.2.1.3 Audit Objectives

The objectives of the Subject Specific Compliance Audit (SSCA) were to ascertain whether:

- The STA/ RTOs carried out their core functions as per the applicable Acts/ Rules; and
- The enforcement activities carried out ensured compliance to Motor Vehicle Acts/ Rules and public services were discharged timely.

2.2.1.4 Audit Criteria

The following served as the sources of audit criteria for the SSCA:

- The Motor Vehicles Act 1988 and the Central Motor Vehicles Rules 1989,
- The Gujarat Motor Vehicles Tax Act 1958,
- The Gujarat Motor Vehicles Rules 1989,
- The Gujarat Motor Vehicles (Taxation of Passengers) Act 1958,
- The Motor Vehicle Aggregators Guidelines 2020,
- The Gujarat Treasury Rules 2000,
- Guidelines/ Manual/ Instructions/ Circulars/ Orders issued by the MoRTH, Government of India (GoI) and the Transport Department, GoG, from time to time.

2.2.1.5 Scope and Methodology of Audit

Audit reviewed the records of the Department for the period from 01 April 2019 to 31 March 2024 between 13 August 2024 and 15 February 2025. An Entry

Conference was held with the CoT in September 2024 wherein the audit objectives, scope, criteria, and sample selected were discussed. Further, a mid-term meeting was held in January 2025 and Exit Conference was held in July 2025 with the CoT to discuss the findings of the SSCA and seek their responses.

The audit methodology involved analysis of both back-end[134] and front-end data of the VAHAN and SARATHI Applications, as well as examination of records at the office of the CoT and selected RTOs for the period covered under audit. The back-end data was analysed in relation to service-delivery activities (such as issue of licenses, registration of vehicles, issue of permits, *etc.*) and collection of applicable tax and fees. In order to substantiate the findings emerging from the analysis of the back-end data and ascertain the latest status, the front-end data (live data as of March 2025) was cross-verified in respect of sample cases, selected through Simple Random Sampling (SRS) using IDEA software.

The replies of the CoT, wherever furnished, have been suitably incorporated in the SSCA report.

2.2.1.6 Sampling Methodology

The 37 RTOs/ ARTOs of the State were classified based on geographical locations i.e. North Gujarat, South Gujarat, Central Gujarat and West Gujarat. These RTOs/ ARTOs were further categorised as High, Medium and Low, based on volume of transactions[135] and revenue collected during the period 2019-2024.

Out of these 37 RTO/ ARTOs, nine RTOs/ ARTOs[136] were selected through Stratified Random Sampling using the IDEA software for detailed scrutiny.

2.2.1.7 Acknowledgement

Audit acknowledges the cooperation extended by the Office of the Commissioner of Transport and the nine selected RTOs/ ARTOs in providing necessary data, information and records.

Audit Findings

The audit findings are discussed in the succeeding paragraphs.

2.2.2 Vehicle Registration, Permits and Fitness Certification

One of the objectives of audit was to ascertain whether the STA/ RTOs carried out their core functions as mandated in the applicable Acts/ Rules. The audit observations in this regard have been narrated in the succeeding paragraphs.

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[134] As provided by the Centre for Data Management and Analytics (CDMA), New Delhi, of the Indian Audit and Accounts Department which is in possession of the back-end database of VAHAN and SARATHI Applications.

[135] Number of vehicle registrations and online transactions in VAHAN and SARATHI Applications.

[136] (i) GJ-1 Ahmedabad, (ii) GJ-3 Rajkot, (iii) GJ-5 Surat, (iv) GJ-6 Vadodara, (v) GJ-7 Kheda, (vi) GJ-9 Sabarkantha, (vii) GJ-10 Jamnagar, (viii) GJ-26 Tapi, and (ix) GJ-32 Gir-Somnath.

2.2.2.1 Vehicle Registration

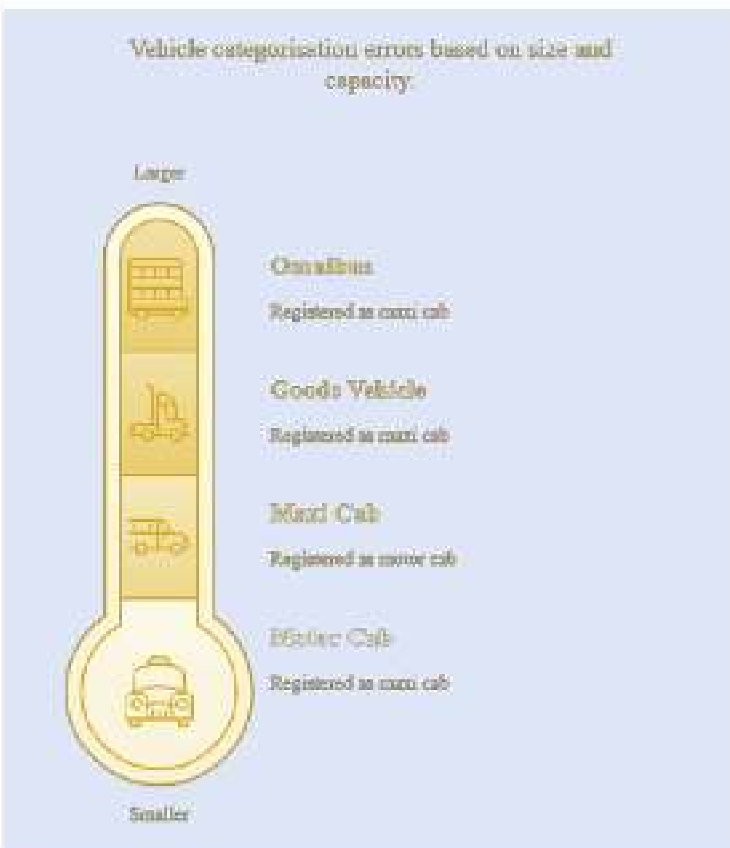
As per the MV Act, no motor vehicle should be driven or permitted to be driven without a valid Certificate of Registration (RC). Between 01 April 2019 and 31 March 2024, a total of 6,05,203 transport and 68,44,251 non-transport vehicles were registered in the 37 RTOs/ ARTOs of the State, of which 2,28,397 transport vehicles and 29,22,137 non-transport vehicles were registered in the nine sampled RTOs.

A Discrepancies in the data of registered vehicles

On analysis of the VAHAN data for the period from 01 April 2019 to 31 March 2024, Audit observed that the registering authorities did not ensure entry of valid data in the Application at the time of registration of vehicles.

(i) Misclassification of vehicles and incorrect specifications

The MV Act has specifically defined 'motor cab'[137] and 'maxi cab'[138]. Further, as per Section 2(28) of the MV Act 'a vehicle having less than four wheels fitted with engine capacity not exceeding twenty-five cubic centimetres (CC)' is not a 'motor vehicle' for the purpose of the Act.



[137] Any motor vehicle constructed or adapted to carry not more than six passengers excluding the driver for hire or reward. Motorcab attracts tax at the rate of six *per cent*.

[138] Any motor vehicle constructed or adapted to carry more than six passengers, but not more than 12 passengers, excluding the driver, for hire or reward. Maxicab attracts tax at the rate of eight *per cent* (with sitting capacity seven or eight) or 12 *per cent* (sitting capacity nine to twelve).

Audit observed that:

- 35 vehicles falling under the category of 'motor cab' (14 vehicles[139]) or omnibus (15 vehicles[140]) or goods vehicle (six vehicles), were incorrectly categorised as maxi cab.
- 69 vehicles having seating capacity ranging between eight and 13, including the driver, were registered as 'motor cab' instead of 'maxi cab'.

  On this being pointed out, the CoT stated (September 2025) that necessary correction would be made in the registration data. Further, NIC had been asked to put appropriate validation checks in VAHAN portal.
- In case of 3,618 vehicles involving bus, tractor, car, motorcycle, *etc.* cubic capacity was incorrectly mentioned up to 25.

  On this being pointed out, the CoT stated (September 2025) that after 2017 vehicles were being registered via homologation data[141] which could not be altered by the dealer or RTO/ ARTO office during registration process.

The reply of the CoT is not convincing since the CoT was required to take up the matter with NIC to enable registering authorities/ dealers to rectify the mistakes in the homologation data at the time of registration of vehicles.

The entry of incorrect specifications in the registration details of vehicles reflected inadequate input/ validation controls in the VAHAN Application. Department's reliance on homologation data without ensuring a pathway for rectifying inaccuracies at the point of registration has allowed erroneous entries to persist across thousands of records. Such deficiencies undermine the integrity of the State's vehicle database, create vulnerabilities in the levy of taxes and fees, and dilute the enforceability of transport regulations that depend on accurate vehicle attributes.

(ii) Vehicle Identification Number

The Vehicle Identification Numbering (VIN), also known as chassis number, is a combination of 17 characters (letters and numbers) in three sections[142]. It is a standard system[143] of unique identification of vehicle and verification of ownership of the vehicle which can be used to track recalls, registrations, insurance coverage, and history reports.

On analysis of the VAHAN data of the vehicles registered between April 2009 and March 2024[144] in the selected nine RTOs/ ARTOs, Audit observed that in

[139] Sedan (four), Hatchback (two), Sport Utility Vehicle (eight).

[140] Multi-Purpose Utility Vehicle.

[141] Vehicle related data like chassis no., engine no., cubic capacity, seating capacity, Horsepower, colour, *etc.* entered in respective manufacturer inventory on VAHAN Application.

[142] (i) World Manufacturer Identifier (WMI), (ii) Vehicle Descriptor Section (VDS), (iii) Vehicle Indicator Section (VIS).

[143] Automotive Industry Standard-065 (AIS-065) for 'Statutory Plates and Inscriptions for Motor Vehicles, their Location and Method of attachment-Vehicle Identification Numbering (VIN) System' was published (December 2005) by the Automotive Research Association of India (ARAI) on behest of a committee set up by the MoRTH.

[144] The validity of the initial period of registration of vehicles is 15 years. Thus, the vehicles registered between April 2009 and March 2024 were live vehicles.

case of 60,230 vehicles, out of 31,50,534 vehicles registered during 2019-2024, VIN did not conform to the specified format.

The above instances of invalid VIN reflected inadequate input controls and automated validation checks within the VAHAN Application. Further, since VIN is the primary unique identifier for establishing the identity, ownership, and traceability of a vehicle, incorrect or improperly formatted entries compromise the reliability of the registration database and impede critical functions such as enforcement, recall management, insurance verification and fraud detection.

On this being pointed out, the CoT stated (September 2025) that the issue had been resolved for new vehicles. In case of old vehicles, the CoT agreed with the Audit contention of absence of validation checks.

The reply of the CoT is not acceptable since VIN did not conform to prescribed format even in case of 60,230 vehicles registered during 2019-2024, as pointed out by Audit.

B Renewal of RCs of non-transport vehicles

Section 41(7) of the MV Act, read with Rule 52 of the CMVR, stipulates that the RC for a non-transport vehicle is valid for a period of 15 years from the date of issue, renewable for a further period of five years. If a motor vehicle has been destroyed or has been rendered permanently incapable of use, the owner has to report the same to the registering authority concerned within 14 days.

During analysis of the VAHAN data and examination of registration records of the selected nine RTOs/ ARTOs, Audit observed that though RCs of 5,36,634 vehicles[145] had expired between 01 April 2019 and 31 March 2024, the vehicle owners had neither reported destruction/ incapacitation of their vehicles[146] nor renewed the RCs (March 2024.

Thus, the registering authorities did not ensure that only validly registered vehicles were plying on road. Moreover, there was non-realisation of potential renewal fees of ₹ 88.58 crore (as of March 2024) leviable for renewal of RC.

On this being pointed out, the CoT stated (September 2025) that before expiry of registration validity reminder[147] is sent to the vehicle owner. Moreover, VAHAN data did not provide conformity that all such vehicles were on road.

The reply of the CoT is not convincing since mechanism of sending SMS to the vehicle owner was not an effective enforcement measure as established from the non-renewable of RCs. Moreover, the CoT was required to verify whether the vehicles pointed by Audit were in use or not. The absence of such follow-up allowed a large volume of vehicles to remain in the database with lapsed registrations, undermining regulatory oversight and resulting in potential non-realisation of renewal fees amounting to ₹ 88.58 crore.

[145] Two wheelers, three wheelers and Light Motor Vehicles (LMVs).
[146] As could be substantiated from the fact that the RC of these vehicles was still shown as active in the VAHAN database.
[147] Via Short Message Service (SMS) on the registered mobile number at intervals 30 days before expiry, seven days before expiry, and one day before expiry, respectively.

C Temporary registration not followed by permanent registration

Rule 53B of the CMVR provides for temporary registration of vehicles which remains valid till six months from the date of registration unless extended by the registering authority.

On the basis of VIN, Audit observed that in case of 9,322[148] vehicles purchased during 2019-2024[149], temporary registrations issued during April 2019 to September 2023, were not followed by permanent registration (as of 31 March 2024).

On analysis of front-end data of 30 randomly selected vehicles, Audit observed (March 2025) that in in one case, the permanent registration was done in August 2024 after 34 months from the date of purchase which resulted in extension of validity by 34 months beyond 15 years. The absence of timely transition from temporary to permanent registration indicates inadequate oversight by the registering authorities and weak validation controls in the VAHAN system.

On this being pointed out, the CoT stated (September 2025) that 4,305 vehicles were pending for registration for want of submission of necessary documents by vehicle owner.

The reply of the CoT is not convincing since the CoT did not furnish details of penal action taken against vehicle owners or other efforts made to ensure registration of such vehicles.

2.2.2.2 Issue of Permits

As per Section 66 of the MV Act, a vehicle can be publicly used as a transport vehicle only in accordance with the conditions of the permit granted by the STA/ RTO. As per Section 81 of the MV Act, a permit shall be effective from the date of issue or renewal thereof, for a period of five years.

A Issue/ renewal of State Permit

Audit analysed data of new transport vehicles registered between April 2019 and March 2024 and the permits issued to them. We observed that:

- 1,91,977[150] new vehicles registered between April 2019 and December 2023[151] were not issued any State permit[152] as of March 2024.
- 18,180 Contract Carriage Permits, and 10,204 Goods Carriage Permits were issued after 30 days[153] of registration of the vehicles, ranging between 31 days to 1,808 days. Of these, 4,839 permits were issued with delay of more than 500 days.
- Though permits of 98,619 vehicles had expired, neither the vehicle owners applied for renewal nor the RTOs/ ARTOs concerned took any action in this regard.

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148 Out of the total 63,58,448 vehicles, leaving aside 1,42,454 vehicles where VIN was not conforming with the prescribed 17-character alpha-numeric format.

149 2,303 vehicles in 2019-2020, 1,523 vehicles in 2020-2021, 1,926 vehicles in 2021-2022, 2,306 vehicles in 2022-2023 and 1,264 vehicles in 2023-2024.

150 53,925 vehicles in 2019-2020, 21,064 vehicles in 2020-2021, 32,687 vehicles in 2021-2022, 43,858 vehicles in 2022-2023 and 40,443 vehicles in 2023-2024.

151 Audit restricted the analysis of the vehicles registered up to December 2023 considering the fact that the owners of the new vehicles would take time to apply for the required permit.

152 Contract Carriage Permit or Goods Carriage Permit, as the case may be.

153 Audit adopted a period of 30 days as a reasonable time for issue of permit.

In order to ascertain (a) vehicles plying on road without valid permit, and (b) vehicles whose permit had expired but plying on road, Audit collected[154] data for the Month of October 2022 and October 2023 of 10 toll booths[155] located on four State Highways[156] operated under Public Private Partnership model by Gujarat State Road Development Corporation (GSRDC) and private parties. The observations noticed on analysis of the toll data have been summarised in the **Table 2.5**.

Table 2.5: Vehicles plying on the road without permit

Sl. No.	Particulars of vehicles	October 2022		October 2023	
		Number of vehicles	Number of trips	Number of vehicles	Number of trips
1	Plying without permit	5,079	48,605	5,337	64,590
2	Permit expired	49	351	304	2,429

Source: Back-end data of the VAHAN Application and toll booth data provided by the GSRDC.

Thus, transport vehicles were being used without permit. This not only resulted in loss of Government revenue but also indicated inadequate enforcement activities.

On this being pointed out, the CoT stated (September 2025) that the responsibility of getting permit was of vehicle owner. Also, vehicle owners were being intimated for renewal of permit through SMS before its expiry.

The reply of the CoT is not convincing since plying of vehicles on road without valid permit reflected inadequacy of enforcement activities. Further, the mechanism of issuing reminder was not functional at the time of audit.

B National Level Permits

Audit observations regarding National Permits are mentioned below:

- As per Rule 90(5) of the CMVR read with Notification dated 02 November 2018 of the MoRTH, the National Permit (NP) should be issued in respect of a vehicle only if such vehicle is fitted with a Vehicle Tracking System Device (VTSD) as per AIS 140.

  On analysis of the VAHAN data Audit observed that between April 2019 and March 2024, total of 1,03,240 NPs were issued to 87,377 transport vehicles without having been fitted with the VTSD.

  On this being pointed out, the CoT stated (September 2025) that Gujarat State was yet to implement VTSD, hence, NPs had been issued without the same. However, work was in process for implementation of VTSD.

  Thus, instructions of the MoRTH were yet to be complied with even after lapse of almost seven years (as of September 2025).

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[154] Audit had called for data of 16 toll booths from the Gujarat State Road Development Corporation (GSRDC). However, the GSRDC provided data in respect of only 10 toll booths of four State Highways.

[155] (i) Bed, (ii) Gajan, (iii) Galiyadanti, (iv) Gamanbariya, (v) Malvan, (vi) Sanand, (vii) Soldi, (viii) Soyal, (ix) Vanpari, (x) Vataman.

[156] (i) Ahmedabad-Viramgam-Maliya, (ii) Bagodara-Tarapur-Vasad, (iii) Halol-Godhra-Shamlaji, (iv) Rajkot-Vadinar.

- Rule 82 of the CMVR stipulated the maximum age of eight/ nine years[157] for the purpose of issue of All India Tourist Permit (AITP). The age limit was revised to 12 years with effect from 01 May 2023.

  On analysis of the VAHAN data for the period from April 2019 to March 2024, Audit observed that before 01 May 2023 AITPs were issued to 158 vehicles older than eight/nine years and to five vehicles older than 12 years on or after 01 May 2023. The issue of permits to old vehicles was not only against the rules but also posed road safety hazard.

  On this being pointed out, the CoT stated (September 2025) that AITPs were issued as per the amended rule.

  The reply of the CoT is not acceptable as the extant provisions had been violated both before and after 01 May 2023.

C Permit issued to vehicles at default

As per Section 81(4) of the CMV Act, the STA/ RTO may reject an application for the renewal of permit in case vehicle was plying without payment of due tax.

Audit compared VAHAN data of permits issued to transport vehicles between April 2019 and March 2024 with the data of tax defaulters as of January 2025 and observed that in case of 34 vehicles[158] though there were arrears of tax, the RTO/ ARTO concerned issued permits to such vehicles.

On this being pointed out, the CoT stated (September 2025) that in case of some vehicles tax was paid within 10 days of grace period after expiry of tax payment deadline. Also, currently one could not apply online for permit unless all documents were valid.

The reply of the CoT is misleading as in the above cases, the grace period was already over at the time of issue of permit. The remedial action taken by the CoT indicated that no such check was in force during the audit period.

D Permit issued to vehicles without valid fitness certificate

Section 56 of the MV Act stipulates that a transport vehicle shall not be deemed to be validly registered unless it carries a certificate of fitness.

On scrutiny of the VAHAN data Audit observed that between April 2019 and March 2024, permits had been issued to 198 vehicles whose validity of fitness certificate had expired.

On this being pointed out, the CoT instead of giving reply specific to the vehicles pointed out by Audit, stated (September 2025) that in some cases fitness certificate had been cancelled after issuance of the permit. Also, in some cases permit fees was paid earlier to fitness expiry and application was processed. However, currently for permit, the system did not allow to apply for permit in such condition.

The reply of the CoT is not convincing as it lacked specificity.

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157 Nine years in the case of a motor cab and eight years in case of other vehicles.
158 Four Buses, 26 Goods vehicles, Four maxi cabs.

2.2.2.3 Fitness Certification of Vehicles

Section 56 of the MV Act prohibits plying of vehicles on road without valid fitness certificate. It also stipulates that a transport vehicle is not validly registered, unless it carries a certificate of fitness. Further, Rule 62 read with Rule 81 of the CMVR provide that the owners of transport vehicles shall produce their vehicles for inspection:

- Biannually, after completion of two years of registration, and
- Annually, after eight years of registration.

Further, as per Rule 172A of the GMVR, a Certificate of Periodical Inspection (CPI) when granted or renewal in case of non-transport motor vehicle of the specified description, hereinafter termed as 'Other Specific Vehicles' (OSV)[159] shall be valid for a period of two years in case of new vehicles and one year in any other case. Rule 81 of the CMVR read with Rule 172A of the GMVR, prescribe fitness test fees and fitness certificate fees[160] for transport vehicles and OSVs. The MoRTH prescribed (October 2021) separate fees for vehicles more than 15 years old, effective from 01 April 2022. Prior to this, the fees were the same, irrespective of the age of the vehicle. In case a vehicle owner does not produce the vehicle for fitness certification after the expiry of the present certificate, vehicle owner shall be liable to pay penalty of ₹ 50 for each day of delay.

Observations related to fitness certification are discussed in the succeeding paragraphs:

A Renewal of Fitness Certificate

A summary of the analysis of VAHAN data regarding validity of fitness certificates of transport vehicles and OSVs registered up to March 2024 under the selected nine RTOs/ ARTOs is given in **Table 2.6**.

Table 2.6 (A): Summary of Vehicles whose Fitness Certificates expired (as of March 2024)

Sl. No.	Category of Vehicle	Fitness Expired Before April 2019	Fitness Expired During 2019–24	Total Vehicles with Expired Fitness
1	Transport vehicles (15–20 years old)	59,395	26,025	**85,420**
2	OSVs (15–20 years old)	1,687	1,675	**3,362**
3	Transport vehicles (less than 15 years old)	1,90,139	2,09,823	**3,99,962**
4	OSVs (less than 15 years old)	2,957	7,735	**10,692**
Total		**2,54,178**	**2,45,258**	**4,99,436**

Source: Back-end data of the VAHAN Application.

159 Motor Vehicles belonging to driving schools, Motor Vehicles fitted with equipment like drilling rig, generator, compressor, crane *etc.*; Tow trucks, break-down vanes, recovery vehicles; Omnibus meant for private use.

160 As amended vide Notification dated 29 December 2016 of the MoRTH.

Table 2.6 (B): Fees and Penalty[161] Leviable for Vehicles whose Fitness expired during 2019–24 (as of March 2024)

(₹ in lakh)

Sl. No.	Category of Vehicle	Fitness Certificate Fees	Fitness Test Fees	Penalty
1	Transport vehicles (15–20 years old)	2,112.85	210.14	8,028.34
2	OSVs (15–20 years old)	144.52	13.73	612.18
3*	Transport vehicles (less than 15 years old)	419.64	855.66	83,226.33
4*	OSVs (less than 15 years old)	15.46	38.67	2,337.28
Total		**2,692.47**	**1,118.20**	**94,204.13**

Source: Back-end data of the VAHAN Application.

*Though Audit has calculated the applicable penalty, the recovery of penalty in such cases had been stayed by the High Court of Gujarat vide its order dated 29 August 2017.

Explanation:

- A total of **4,99,436 vehicles** under the nine selected RTOs/ ARTOs were operating with expired fitness certificates up to March 2024.
- The total **fees and penalty leviable** amounted to **₹ 980.15 crore**, out of which **₹ 855.64 crore** relates to penalty in Categories 3 and 4 which remains stayed by the High Court.
- Transport vehicles and OSVs less than 15 years old constitute the largest share of expired fitness cases (over 4.1 lakh vehicles).

Audit further observed that even though the owners of these vehicles did not produce their vehicles for inspection and renewal of fitness certificate, the jurisdictional RTO/ ARTO did not take any step like issue of reminders to the owners of such vehicles to enforce the provisions stipulated. An amount aggregating to ₹ 980.15 crore as fees and penalty leviable was involved in these cases. Out of this an penalty amount of ₹ 855.64 crore was stayed by the High Court of Gujarat in case of Sl. No. 3 and 4 of the **Table 2.6 (B)**. Moreover, these vehicles could be a potential threat to road safety as many of these vehicles were being issued permits as discussed in **Paragraph 2.2.2.2 (D)** above and there were no records to establish that the vehicle owners had submitted any intimation regarding keeping their vehicles off-road.

On further analysis of the front-end data of 30 sample cases from each of the four categories of vehicles mentioned in **Table 2.6 (A)**, Audit observed that fitness certificates were renewed in case of 15 vehicles[162] during 2024-25 while fitness certificates were yet to be renewed in the remaining 105 vehicles even after lapse of 366 days to 2,168 days as of 31 March 2025.

On this being pointed out, the CoT stated (September 2025) that the vehicle owner had to apply for renewal. Furthermore, to strengthen enforcement activity

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[161] For vehicles older than 15 years, delay has been considered from the date of expiry of fitness certificate or date of applicability of MoRTH Notification i.e. 01 April 2022, whichever is later. For vehicles not older than 15 years, delay has been considered from date of expiry of fitness certificate or date of MoRTH Notification (29 December 2016), whichever is later.

[162] Category 1: three, Category 2: five, Category 3: two, Category 4: five.

e-detection project had been implemented from April 2025 wherein details of vehicles plying without obtaining fitness certificate was being captured at toll plaza and challans were being generated automatically.

The reply of the CoT is not convincing since it is the responsibility of the taxation authority to ensure that only the vehicles having valid fitness certificate ply on road. Moreover, the e-detection mechanism was not functional at the time of audit.

B Issue of fitness certificate to tax defaulters

Audit observed that during April 2019 to March 2024 fitness certificate had been issued in case of 193 vehicles whose owners were tax defaulter at the time of issue of the certificate.

On this being pointed out, the CoT, instead of giving reply specific to the vehicles pointed out by Audit, stated (September 2025) that in case of some vehicles though tax was paid either the column for such payment was left blank or fees for fitness certificate was paid before defaulting in tax payment. Accordingly, service was provided or service might have been provided within grace period for payment of tax. Also, currently *Parivahan* portal or Automated Fitness Management System (AFMS) portal did not allow issue of fitness certificate without payment of tax.

The reply of the CoT is not convincing as it lacked specificity. Moreover, the remedial action taken by the CoT indicated that no such check was in force during the audit period.

C Fitness Certificate issued with excess validity period

On scrutiny of the VAHAN data for the period between April 2019 to March 2024, Audit observed that in case of 857 transport vehicles/ OSVs older than eight years the validity of fitness certificates was shown between 426 days (including 60 days prior to the expiry of the existing fitness certificate) and 2,813 days from the date of test which was against the maximum permissible fitness validity period of one year for such vehicles.

On this being pointed out, the CoT stated (September 2025) that by mistake validity was given beyond prescribed time in case of non-transport vehicle converted to transport vehicles and vehicles brought from another State and reregistered in Gujarat State. This issue would be corrected through NIC.

The CoT's reply attributing the error to mistakes during conversion of non-transport vehicles and re-registration from other States does not fully address the systemic lapse, as such deviations should not have been possible if appropriate checks were in place.

D Fitness Certificate issued without valid PUCC

The CoT has prescribed that the owners of the transport vehicles and OSVs are required to have valid Pollution Under Control Certificate (PUCC) at the time of applying for fitness certificate for their vehicle.

On scrutiny of the VAHAN data Audit observed that between April 2019 and March 2024 fitness certificates had been issued to 1,95,209 vehicles without having valid PUCC in the State. Further, in case of 1,03,188 vehicles, either the

PUCC had expired on the date of issue of fitness certificate or the PUCC was taken after issue of the fitness certificate.

On this being pointed out, the CoT stated (September 2025) that since 2024 PUC 2.0 had been implemented in the State and integrated fully with VAHAN portal. Before 2024, even though during fitness test vehicle was carrying a valid PUCC issued manually, the same was not displayed online.

The explanation that PUCCs were manually issued prior to 2024 but not reflected online does not address the core issue: a fitness certificate should not have been issued unless a valid PUCC was verified and recorded, irrespective of whether the PUCC was generated through the manual system or PUC 2.0. Not capturing PUCC details in VAHAN and the issuance of fitness certificates despite expired or post-dated PUCCs indicates weak enforcement and inadequate validation controls, not merely a technical limitation.

2.2.2.4 Speed Governor in Transport Vehicles

As per Rule 118 of the CMVR, every transport vehicle (except exempted vehicles[163]) manufactured on or after 01 October 2015, shall be equipped or fitted, either at the manufacturing stage or at the dealership stage, with a speed governor having maximum pre-set speed of 60/ 80 kilometre per hour (KMPH)[164]. The vehicles registered prior to the above-mentioned date were required to be fitted with the speed governor on or before 01 April 2016. Further, MoRTH vide its letter dated 16 June 2016 directed all the State Transport Authorities to ensure proper installation of speed limiting device before granting fitness certificate.

On analysis of VAHAN data of vehicles registered between April 2009 and March 2024 Audit observed that against 2,05,811 transport vehicles (except exempted vehicles) manufactured between April 2009 and September 2015 there was no mention of speed governors having fitted in these vehicles. Moreover, the RTO/ ARTO concerned had issued fitness certificates to 1,16,229 such vehicles between April 2019 and March 2024. Similarly, as per the data, 4,46,694 transport vehicles manufactured on or after 01 October 2015, were not fitted with the speed governor. Out of these vehicles also, fitness certificates were issued in respect of 2,66,979 vehicles during the audit period.

On this being pointed out, the CoT stated (September 2025) that while doing fitness test at the RTO/ ARTO offices, the speed governor fitment was ensured manually. Hence, there was a probability that even though in many vehicles speed governor devices were fitted, the same could not be updated in the portal. Further, in case of vehicles registered in September 2015 or earlier, there was also possibility of vehicle not been in use.

The reply of the CoT is not convincing. The claim of manual verification does not address the statutory requirement that compliance with speed governor norms must be ensured and recorded before issuing a fitness certificate. The omission of speed governor data for more than six lakh vehicles, coupled with issuance of fitness certificates to a large number of them, indicates systemic

[163] (i) two wheeler, (ii) three wheeler, (iii) quadricycle, (iv) passenger vehicle having seating capacity up to nine and vehicle having Gross Vehicle Weight (GWV) up to 3,500 kg (excluded w.e.f. 01 May 2017), (v) fire tenders, (vi) police vehicle, (vii) ambulance.

[164] The speed limit of 60 KMPH was prescribed for transport vehicles such as dumpers, tankers, school buses, vehicles carrying hazardous goods.

lapses in enforcement and inadequate validation controls in VAHAN. The speculative possibility of some older vehicles being off-road does not justify fitness certification without confirming fitment. The reply, therefore, fails to explain how MoRTH instructions and CMVR provisions were ensured during the period covered by audit.

2.2.2.5 Pollution Under Control Certificate

Rule 115 (7) of the CMVR provides that after the expiry of a period of one year from the date on which the motor vehicle was first registered, every such vehicle shall carry a valid PUCC which will be valid for six months. Provided that the validity of the certificate shall be 12 months for the vehicles conforming to Bharat Stage-IV or Bharat Stage-VI norms.

On scrutiny of the VAHAN data for the period April 2019 to March 2024, Audit observed that:

- In case of 39,12,554 vehicles whose PUCC had expired before 31 December 2023, the vehicle owners had not got the PUCC of their vehicles renewed as of March 2024.
- Vehicle owners of 69,26,536 vehicles, registered between 01 April 2009 to 31 March 2019, did not get the PUCC of their vehicles renewed for even a single time during the five years' period from April 2019 to March 2024.
- In respect of 38,44,006 vehicles registered between 01 April 2009 to 31 March 2019, the PUCC was renewed only once during April 2019 to March 2024.
- Out of the 54,72,236 vehicles registered during the period April 2019 to March 2023, vehicle owners did not renew PUCC in respect of 31,23,766 vehicles between April 2020 and March 2024, after the end of initial default period of one year from the date of registration.
- PUCC of 2,57,242 vehicles conforming to BS IV/ BS VI norms were renewed with a validity period of less than one year while PUCC of 5,14,664 vehicles with fuel emission norms prior to BS IV were renewed for a validity period of more than six months ranging between 201 days and 2,401 days.

This implied that the PUCCs were not being renewed by the vehicle owners as per the norms after the prescribed intervals.

On this being pointed out, the CoT stated (September 2025) that the vehicle owner had to obtain the certificate. Furthermore, to strengthen enforcement activity e-detection project had been implemented in the State of Gujarat in which details of vehicles plying without obtaining PUCC were captured at toll plaza and challans were being issued automatically. Moreover, PUCCs were being issued manually till integration of PUCC Centres with VAHAN Application.

The reply of the CoT is not convincing since it is the responsibility of the taxation authority to ensure that vehicles having valid PUCC ply on road. This is essential to minimise environmental pollution. Moreover, the e-detection mechanism was not functional at the time of audit.

2.2.2.6 High Security Registration Plate

Rule 50 of the CMVR stipulates for mandatory installation of High Security Registration Plate (HSRP) on motor vehicles which was ratified by the GoG on

03 October 2016. Further, the CoT prescribed deadline of 30 October 2019 for installation of the HSRP on older vehicles registered prior to 16 November 2012.

Audit analysis of VAHAN data for the vehicles registered between April 2009 to March 2024 revealed that details regarding installation of HSRP in respect of 21,87,963 vehicles were not mentioned in the database. The details are given in **Table 2.7**.

Table 2.7: Details of vehicles without HSRP details

Sl. No.	HSRP installation details not found in the VAHAN database in respect of	Total vehicles registered during the period	Number of Vehicles without HSRP
1	Vehicles registered between 01 April 2009 and 15 November 2012	40,27,366	17,47,992
2	Vehicles registered between 16 November 2012 and 31 March 2019	1,00,64,791	3,65,729
3	Vehicles registered between 01 April 2019 and 31 March 2024	74,49,454	74,242
	Total	**2,15,41,611**	**21,87,963**

Source: Back-end data of the VAHAN Application and toll booth data provided by the GSRDC

The absence of details regarding installation of HSRP on these vehicles indicated that either the HSRP was not installed, or the data was not updated in the VAHAN Application.

On this being pointed out, the CoT stated (September 2025) that in case of vehicles registered after 01 April 2019 either fitment of HSRP was still pending or fitment was done but data was yet to be uploaded on the VAHAN portal. Further, the details of HSRP fitted prior to December 2018 were not updated on the VAHAN portal. Instructions had been issued to the previous agency to immediately update the data in VAHAN portal. Moreover, for vehicles registered before 01 April 2019, the responsibility for fitment had been decentralized to authorized dealers. Also, for vehicles registered after 01 April 2019, the dispatch of the RC was done once HSRP fitment data was uploaded on the VAHAN portal to ensure fitment of HSRP.

The reply of the CoT confirmed the audit observation.

2.2.2.7 Vehicle Location Tracking Device in passenger vehicles

The MoRTH vide its Notification dated 28 November 2016 prescribed that all public service vehicles registered on or after 01 January 2019 must be fitted with Vehicle Location Tracking Device (VLTD). The MoRTH vide its Notification dated 15 January 2020 further directed the State/ UTs to enforce fitment/ ensure functional status of the VLTD at the time of registration and/ or issue/ renewal of permit and/ or issue of fitness certificate.

On analysis of the VAHAN database of 54,452 passenger vehicles[165] registered between April 2019 and March 2024, Audit observed that only in six Vehicles, VLTD was installed. During this period, the registering authority issued 23, 924 fitness certificates and 43,223 permits to these vehicles, but they did not ensure

[165] Contract Carriage Bus (16,510), Luxury Cab (03), Maxi cab (3,270), Motor cab (34,531), Omni Bus (138).

fitment of the VLTD in these vehicles at the time of issue of fitness certificate/ permit to ensure public safety.

On this being pointed out, the CoT stated (September 2025) that Gujarat State was yet to implement VLTD. However, work was in process for implementation of VLTD.

The reply of the CoT is not acceptable. The Ministry's notifications of November 2016 and January 2020 made it mandatory for States to ensure VLTD fitment and verify its functional status at the time of registration, permit issuance or renewal, and fitness certification. The assertion that Gujarat is yet to implement VLTD confirms that these statutory instructions have remained unimplemented for nearly nine years.

2.2.2.8 Regulation of Motor Vehicle Aggregators

The GoG notified (31 May 2019) the Gujarat State on Demand Transportation Aggregator (GSoDTA) Rules 2019 to provide license to transportation aggregators in the State. Subsequently, the MoRTH notified (November 2020) Motor Vehicle Aggregators (MVA) Guidelines 2020 as a guidance framework for State Governments, for issuing license to transport aggregators and regulation of their business. The GoG repealed (16 February 2023) the GSoDTA Rules and adopted MVA Guidelines 2020.

Audit observed that the RTO, Ahmedabad had issued (between May 2022 and March 2024) license under the MVA Guidelines to four aggregators[166].

A Compliance to the provisions of the MVA Guidelines

Observations related to regulation of the registered aggregators have been summarised in **Table 2.8.**

Table 2.8: Observations related to regulation of the registered aggregators

Regulatory Requirement	CARE	OLA	UBER	RAPIDO
1.Registration[167] + Mandatory Security Deposit and Fees	🟢	🔴	🟢	🟢
2.Start Operations within six Months of issuance of license.	🟡 *Operations Not commenced*	🟢	🟢	🟢
3. Driving Test Simulator Facility	🟡	🔴	🔴	⚪ *No information*
4. AIS-140 Tracking Device + Panic Button	🟡	🔴	🔴	⚪
5. Maintain Updated Driver/ Vehicle Data (SARATHI/VAHAN)	⛔ *Access not given by Department*	⛔	⛔	⛔

Source: Information provided by the office of the CoT

[166] (i) Uber India Systems Private Limited (UBER), (ii) Ani Technologies Private Limited (OLA), (iii) Roppen Transportation Services Private Limited (RAPIDO), and (iv) Care Life Sciences Private Limited.

[167] OLA was given (in May and June 2022) two licenses under the erstwhile GSoDTA Rules. However, the Aggregator was not registered under the MVA Guidelines after the Rules had been repealed.

Heatmap Summary:

CARE

(*Operations Not commenced*)

OLA

(*Not registered under MVA Guidelines + safety non-compliance*)

UBER

(*Safety non-compliance*)

RAPIDO

(*Missing information + safety checks unverified*)

As a result of non-registration under the MVA Guidelines, the Aggregator (OLA) neither deposited Security Deposit of ₹ 2.50 lakh nor paid differential license fees of ₹ four lakh as per the Guidelines. Though, CARE was issued license in February 2024, it did not commence business (as of November 2024) within the stipulated period of six months. However, the RTO did not initiate any action for suspension of the license. Due to non-providing access to VAHAN and SARATHI Applications, the Aggregators were not able to ensure that the vehicles and drivers on-boarded by them comply with the extant laws and clear the e-challans issued in respect of these vehicles. Despite not complying with the MVA Guidelines (Sl. No. 3 and 4), the RTO neither penalised the Aggregators (by levy of penalty) nor took any action to suspend their license till compliance to the above conditions.

B Non-registration of the Aggregators

Audit observed that as per the web-portals/ applications available in public domain, at least 10 other aggregators[168] were operating in Ahmedabad. However, none of them was registered under the MVA Guidelines. However, the RTO, Ahmedabad did not take any action to ensure registration of these aggregators under the MVA Guidelines.

When this was pointed out by Audit, the CoT stated (September 2025) that details had been shared with respective registering authority for scrutiny and examination.

2.2.3 License Management and Driving Schools

One of the objectives of this SSCA was to ascertain whether the STA/ RTOs carried out their core functions as per the applicable Acts/ Rules.

In the present Paragraph the core functions of the RTO/ ARTOs with respect to management of various types of licenses including those issued to motor driving schools, have been discussed.

[168] (i) Bla Bla Car (ii) Buzzway, (iii) Cabbazar, (iv) Getmecab, (v) Indrive, (vi) Meru Cab (vii) Mr Cabby, (viii) Outstation Taxi, (ix) Porter, (x) Savaari.

2.2.3.1 Short levy of fees due to delayed updating of the revised fees in SARATHI Application

The RTOs/ ARTOs act as 'Licensing Authorities' for issuance of driving license. Rule 32 of the CMVR provides for the fees to be levied for different types of licenses.

The MoRTH, GoI vide its Notification 31 March 2021 while amending Rule 32 of the CMVR, stipulated fees of ₹ 400 instead of ₹ 200 for issue of duplicate DL with effect from 01 April 2021.

Audit observed that as per the SARATHI data the selected nine RTO/ ARTOs had issued 79,762 duplicate DLs between 01 April 2021 to 28 July 2023 on levy of fees of ₹ 200 instead of the revised fees of ₹ 400. Thereafter, fees were levied as prescribed. This resulted in short levy of fees of ₹ 1.60 crore.

On this being pointed out, the CoT stated (September 2025) that update in the SARATHI portal was not done in a timely manner by the National Informatics Centre (NIC). Subsequently, necessary correction was made in the SARATHI portal and differential fees was being recovered at the time of delivery of DL related service later to the license holder.

The reply of the CoT indicated lack of coordination between the CoT office and NIC to ensure that rules of business are updated promptly in SARATHI Application.

2.2.3.2 Driving test track in the State

Availability of a well-designed and maintained testing track is a pre-requisite for administering proper driving test. Automated Driving Test Track (ADTT) is a fully computerized driving test track equipped with electronic sensors to measure skill of the driver and to record his/ her movements during the test. As of 31 March 2024, 22 ADTTs for LMVs and 23 ADTTs for two wheelers were in operation in 23 RTOs of the State.

Audit visited (during October 2024 to January 2025) the selected nine RTO/ ARTOs and during joint verification of test tracks it was observed that in seven RTO/ ARTOs, except Jamnagar and Gir-Somnath, ADTT was in place and was being operated by the departmental staff. The observations related to the seven ADTTs and two normal tracks (of Jamnagar and Gir-Somnath) are discussed below:

Photograph 2.1: Damaged/ non-operational sensors

RTO, Ahmedabad

RTO, Surat

Source: Photographs taken by Audit during joint site visit.

(i) In all the seven ADTTs, all the sensors installed at two-wheeler and LMV test tracks had either damaged and/ or became non-functional. In absence of the sensors, whether any vehicle had touched the boundaries/ barriers while attempting the test were being monitored manually through visual inspection.

(ii) The facility of a separate room or hall with functional system for displaying tutorial video of driving test procedures to the interested applicant was not available/ functional in the five RTOs *viz.* Sabarkantha, Rajkot, Kheda-Nadiad, Gir-Somnath and Jamnagar.

(iii) In all nine RTOs, no testing track was available for heavy motor vehicles.

(iv) In seven RTOs (except Ahmedabad and Vadodara) face recognition camera was either not installed or was not in working condition.

(v) At the ADTT, the only system which was functioning properly was the tracking of time limit for each stage of the test through Radio Frequency Identification (RFID) system. In the two normal tracks no such system was available, and the time was recorded manually for each stage as well as for complete process.

On this being pointed out, the CoT stated (September 2025) that an agreement had been executed (February 2025) with a vendor for modernization of ADTTs using video analytics technology. Further, civil structure work had been completed in Ahmedabad and Rajkot while land acquisition was under progress in Bardoli. In case of Anjar and Godhra, revised administrative approval had been sought from the P&T Department.

2.2.3.3 Joint Inspection of Driving Schools

The RTOs grant license to operate driving school[169]. The license so granted is valid for a period of five years and is required to be renewed from time to time.

Rule 27 of the CMVR empowers the licensing authority to inspect the driving schools while Rule 28 empowers the licensing authority to suspend or revoke the license in case of non-compliance with the requirements as prescribed under Sub-Rule 3 of Rule 24 and other conditions of the license.

In order to ascertain status of compliance with the rule provisions by the driving schools after the inspections carried out by the RTO/ ARTOs, Audit carried out joint site inspection (between October 2024 to January 2025) of three driving schools each from the selected nine RTO/ ARTOs. The observations noticed are as follows:

[169] The establishment and functioning of these driving schools is governed under Rule 24 to Rule 31 which deal with establishment, validity of license, issuance of duplicate license, general conditions to be adhered, syllabus to impart training, penal action and appeal procedures.

(a) Three driving schools[170] did not have adequate facility[171] for conducting lecture and model demonstration.

(b) Six driving schools[172] had no necessary apparatus and equipment[173]. Out of these, two driving schools had only Black Board and Sign Board

(c) At three driving schools[174], instructors did not possess required qualification[175] for imparting instructions.

Overall, the above lacunae were noticed in nine driving schools out of the 27 driving schools visited by Audit. This indicated lack of proper follow-up by the RTO/ ARTOs to ensure compliance with the requirements as per the rules.

2.2.4 Collection of Taxes and Fees

One of the objectives of this SSCA was to ascertain whether the STA/ RTOs carried out its core functions as per the applicable Acts/ Rules. The RTO/ ARTOs act as 'Taxation Authorities'. They are responsible for the assessment, levy, and collection of various types of taxes and fees related to vehicle registration, fitness certification and other services rendered under the relevant Act/ Rules. The audit observations in this regard have been narrated in the succeeding paragraphs.

2.2.4.1 Taxes on Vehicles

A Lump Sum Tax

As per the GoG Notification dated 31 March 2017, in case vehicle is owned by an individual, educational institution, local authority, public trust, social welfare institution or a university, LST is to be levied at the rate of three *per cent* (Tractor/ OSV[176]s) and six *per cent* (other vehicles), respectively. In other cases of ownership, LST is to be levied at the rate of six *per cent* (Tractor/ OSVs) and twelve *per cent* (other vehicles), respectively. Further, vehicle manufactured outside India attracts tax at double the rates prescribed above.

As per Section 7 of the GMVT Act, in case of transfer of vehicle from one tax category to another tax category, difference in *lump sum* tax is to be levied for the unexpired life of the vehicle till the date of validity of the registration certificate. Further, as per Section 13 of the GMVT Act, the State Government may, by notification in the Official Gazette, exempt either totally or partially any class of motor vehicles or any motor vehicles belonging to any class of persons, from the payment of tax. As per P&T Department's clarification letter dated 11 May 2011 addressed to the CoT, tax exemption shall not be granted to vehicles registered under 'G' series in the name of State Government's Boards, Corporations *etc*.

170 One at Gir-Somnath and two at Rajkot.
171 Classroom with black board, road plan board, traffic sign chart, sitting arrangement, *etc*.
172 One at Himatnagar, two at Kheda-Nadiad, two at Rajkot and one in Vadodara.
173 Engine gear box, brake shoe and drum, puncture kit, spanner box, *etc*.
174 One each at Himatnagar, Jamnagar and Kheda-Nadiad.
175 Matriculation, Certificate or other higher degree in Mechanical Engineering from a recognised institute and five years' experience in driving.
176 Any motor vehicle which is not intended to carry any passenger, goods or other load, and which are fitted with any equipment such as rigs, cranes, compressors or projectors, and are used for any special services or purposes or any construction equipment vehicle having unladen weight of which does not exceed 7,500 kg.

(i) Non/ short levy of Lump sum Tax

On analysis (March 2025) of VAHAN data of the vehicles registered between April 2019 and March 2024 in the selected nine RTO/ ARTOs Audit observed non/ short levy of LST of ₹ 71.98 lakh in case of 221 vehicles as narrated in the **Table 2.9**.

Table 2.9: Non/ short levy of LST

(₹ in lakh)

Sl. No.	Vehicle owned by	Number of vehicles	LST leviable	LST levied	Non/ short levy of LST
1	Individual where tax was not levied at prescribed rate	12	10.67	5.41	5.26
2	Other than individual where tax was not levied at the prescribed rate	54	37.07	19.9	17.17
3	Other than individual but registered as individual and tax levied short	77	46.97	23.53	23.44
4	Individual and later transferred to firm, however, difference not recovered	21[177]	4.63	0	4.63
5	Autonomous Bodies, Central Government and PSUs where tax was not levied	57	21.48	0	21.48
	Total	**221**	**120.82**	**48.84**	**71.98**

Source: Front-end data of the VAHAN Application

Further details of these vehicles have been given in **Appendix VII**.

On this being pointed out, the CoT stated (September 2025) that recovery had been made in case of one vehicle while nine vehicles had been blacklisted. In case of the remaining vehicles the CoT stated that detailed reply would be submitted after verification at subordinate offices. Further reply was awaited (November 2025).

(ii) Levy of recurring tax instead of lump sum tax

As per the GMVT Act, goods vehicles (with gross vehicle weight more than 7,500 kg), OSVs (with unladen weight below 7,500 kg), ordinary omnibuses and tourist/luxury omnibuses (licensed to carry not more than 12 passengers) and vehicles (other than omnibuses) licensed to carry more than nine passengers, were required to pay recurring tax up to 31 March 2017. However, the GoG vide its Notification dated 31 March 2017 prescribed to levy *lump sum* tax on these vehicles registered on or after 01 April 2017.

On scrutiny of the VAHAN data of the selected nine RTO/ARTOs, Audit observed that owners of vehicles registered in the State after March 2017 (say Category 'A') and vehicles transferred from other State to Gujarat on permanent basis after March 2017 (say Category 'B') were registered under recurring tax regime instead of levying LST. This resulted in short levy of tax of ₹ 1.05 crore as detailed in **Table 2.10**.

[177] One (1) OSV, 11 Motorcycles and nine Motor Cars.

Table 2.10: Short levy of tax due to levy of recurring tax instead of lump sum tax

Sl. No.	Details of vehicles	Category A	Category B
1	Paid recurring tax once and became defaulters later	06	50
2	Paid recurring tax more than once and became defaulters later	20	24
3	Still paying recurring taxes	24	04
4	Migrated to lumpsum tax regime subsequently	17	33
5	Short levy of taxes (₹ in lakh) from vehicles mentioned at (1) to (3)	18.49	86.87

Source: Front-end data of the VAHAN Application

On this being pointed out, the CoT stated (September 2025) that due to lack of clarity, registering authorities levied recurring tax from vehicles transferred from other States to Gujarat. However, suitable modifications had been made in VAHAN portal to avoid such irregularity. The CoT did not furnish any response in respect of new vehicles registered in the Gujarat State after March 2017.

B Recurring Taxes

According to Section 3 read with Section 4 of the GMVT Act, recurring tax shall be levied and collected in advance i.e. by the 7th day of the respective month/ quarter/ half-year/ year, at the rates notified from time to time. However, a vehicle owner may file a declaration in advance if he does not intend to use or keep for use the vehicle. For such declared period tax is not levied.

Any delay in payment of tax attracts interest at the rate of 1.5 *per cent* per month and if delay exceeds one month a penalty at the rate of 2 *per cent* per month or part thereof is also leviable under Section 18 (1) of the Act, subject to a maximum of 25 *per cent* of tax. Under Section 12A of the Act, if such tax along with interest and penalty, if any, remains unpaid even 30 days after the due date, then the motor vehicle should not be allowed to use in the State till payment of dues. Section 12B also provides that in case of non-payment of tax, interest and penalty, the motor vehicle can be detained and kept in custody till the payment of the unpaid amount.

The GoG vide its Notification dated 31 March 2017 prescribed rates for levy of per annum tax on various categories of vehicles, as detailed in **Appendix VIII**.

(i) Default in payment of recurring tax

As per 'Tax Defaulter Report' (as of January 2025) extracted from the VAHAN Application, there was tax default of ₹ 292.98 crore, excluding applicable interest and penalty, in respect of 27,694 vehicles under the nine RTO/ ARTOs selected for audit.

The details are given in **Table 2.11**.

Table 2.11: Details of tax defaulters upto the period March 2024 as of January 2025

(₹ in crore)

Type of Vehicle	Existing Defaulters as of 31 March 2019			New Defaulters (After 31 March 2019)	
	Number of Vehicles	Amount prior to April 2019	Amount during 2019-2024	Number of Vehicles	Amount during 2019-2024
Goods	6,019	18.43	53.93	10,862	56.58
Passenger	1,949	25.49	63.07	2,491	63.04
OSVs	805	0.83	2.99	5,568	8.62
Total	**8,773**	**44.75**	**119.99**	**18,921**	**128.24**

Source: Front-end data of the VAHAN Application

The owners of the above-mentioned vehicles neither paid tax nor filed non-use declarations for various periods. Thus, there were 18,921 new defaulters (first time default during 2019-24) with tax dues of ₹ 128.24 crore. Further, in case of the existing defaulters in addition to the previous dues of ₹ 44.75 crore, there was addition of ₹ 119.99 crore in the default amount during 2019-24.

On this being pointed out, the CoT stated (September 2025) that recovery of ₹ 1.87 crore and ₹ 0.78 crore had been made from 718 goods vehicles and 679 OSVs, respectively. All other vehicles had been blacklisted in VAHAN portal.

(ii) Levy of recurring taxes on OSVs

As per the Notification dated 31 March 2017, the OSVs[178] having unladen weight not more than 7,500 kg, which are owned by individual, educational institution, local authority, public trust, social welfare institution or university, attracts recurring tax of ₹ 2,000 plus ₹ 400 for every 1,000 kg or part thereof exceeding 2,000 kg. However, in case these vehicles are owned by other than an individual and entities mentioned above or are imported from outside India, tax is to be levied at double the rate.

On analysis of the VAHAN data for the period April 2019 to March 2024 Audit observed that

- In case of 925 OSVs owned by firms/ joint stock companies, the RTO/ ARTO concerned levied recurring tax at single rate instead of the double rate. This resulted in short levy of recurring tax of ₹ 2.51 crore.
- In case of 512 OSVs, though the owners of these vehicles were partnership firms or companies, the RTO/ ARTO concerned incorrectly mentioned ownership of these vehicles as individual, State Government or others and levied recurring tax accordingly. This incorrect categorisation of ownership of the OSVs resulted in short levy of recurring tax of ₹ 1.48 crore.
- In case of 269 OSVs imported by partnership firms/ companies, the RTO/ ARTO concerned either levied tax at incorrect rate or did not classify the vehicle as per the correct ownership category. This resulted in short levy of recurring tax of ₹ 2.17 crore.

[178] Vehicles not intended to carry any passenger, goods or other load and which are fitted with any equipment such as rigs, cranes, ladders or projectors, and are used for any special services or purposes or any construction equipment vehicle.

The details have been given in **Appendix IX**.

On this being pointed out, the CoT stated (September 2025) that detailed reply would be submitted after verification at subordinate offices. Further reply was awaited (November 2025).

C Levy of surcharge on OSVs

The GMVT Act prescribes for the payment of recurring tax on OSVs in advance which could be paid by the vehicle owner as per the schedule given below:

(i) annually, at the rates fixed by the State Government under Section 3 (hereinafter referred to as the "annual rate"), or

(ii) for one or more quarters, on payment for each such quarter at one fourth of the annual rate referred to in clause (i) plus 10 *per centum* thereof (hereinafter referred to as the "quarterly rate"), or

(iii) for any period less than a quarter expiring on the last day of the quarter, at the quarterly rate aforesaid less one twelfth of the annual rate of the tax for every complete calendar month which has expired during such quarter.

Thus, if the recurring tax is paid for a period less than 12 months, a surcharge of 10 *per cent* is leviable.

On analysis of the VAHAN data for the period April 2019 to March 2024 Audit observed that in case of 45,280 OSVs, though the vehicle owners paid the recurring tax for a period ranging between one month and nine months, the RTO/ ARTO concerned did not levy the surcharge at the rate of 10 *per cent* as prescribed. This resulted in short levy of tax to the tune of ₹ 4.58 crore (including ₹ 1.97 crore on 16,746 OSVs registered under the selected nine RTO/ ARTOs).

2.2.4.2 Levy and collection of fees

The MoRTH, GoI vide its Notification dated 29 December 2016 read with Notification dated 04 October 2021 (effective from 01 April 2022) while prescribing fees for registration of vehicle and renewal of the registration, stipulated that fees for transfer of ownership of the vehicle, issuance of duplicate certificate of registration (RC), alteration in the RC, change of residence of the owner, and temporary registration, shall be half of the registration fees under Rule 81 of the CMVR. The fees prescribed for registration/ renewal of registration of various types of vehicles have been shown in **Appendix X**.

Audit observations related to levy of fees for various types of services have been narrated in the following paragraph.

A Levy of temporary registration fees

MoRTH notified (31 March 2021) Temporary Registration Fees (TRF) shall be half of the registration fees under Rule 81 of the CMVR. Prior to this, the

Temporary Registration Fees (TRF) was levied at ₹ 200 for all category of vehicles

Audit observed that the selected nine RTO/ ARTOs continued to levy TRF at the rate of ₹ 200 till June 2023 instead of half of the registration fees. This has resulted in incorrect levy of TRF as detailed in **Appendix XI** and summarised in **Table 2.12.**

Table 2.12: Short or excess levy of Temporary Registration Fees

(₹ in lakh)

Particulars	Motor Cycles		OSVs		Other Vehicles	
	Number of Vehicles	Short (-) /Excess Levy (+)	Number of Vehicles	Short (-) /Excess Levy (+)	Number of Vehicles	Short (-) /Excess Levy (+)
Short Levy	108	(-)1.13	2,516	(-)32.79	3,69,166	(-)411.62
Excess Levy	8,57,094	(+)428.56	409	(+)8.40	8,599	(+)28.14
Total	8,57,202	(+) 427.43	2,925	(-)24.39	3,77,765	(-)383.48

Source: Back-end data of the VAHAN Application

On this being pointed out, the CoT stated (September 2025) that NIC did not update the revised fees in portal. Further, the applicants could avail excess amount via refund. Though CoT stated that out of pending temporary registration fees, an amount aggregating to ₹ 2.43 crore had been recovered under the nine selected RTO/ ARTOs, the reply was silent on the period and vehicles involved and recoveries still pending, if any. Moreover, the CoT did not furnish any documentary evidence in support of the stated recovery.

The reply of the CoT indicated lack of coordination between the CoT office and NIC to ensure that rules of business are updated promptly in VAHAN Application.

B Levy of temporary and new registration fees on Electric Vehicles

The MoRTH vide its Notification dated 02 August 2021 exempted 'Battery Operated Vehicles' (Electric Vehicles) from payment of fees for the purpose of issue or renewal of registration certificate and assignment of new registration mark.

On analysis of the VAHAN data for the period April 2019 to March 2024 Audit observed that despite exemption from levy of fees, the selected nine RTO/ ARTOs levied temporary registration fees and registration fees of ₹ 1.82 crore on 77,957 electric vehicles out of the total 1,20,888 electric vehicles registered on or after 02 August 2021. Thus, levy of fees, despite exemption under the rules, was irregular and put undue financial burden on the public.

On this being pointed out, the CoT stated (September 2025) that NIC did not update the portal timely. However, necessary improvements had been made in VAHAN portal as per rules. Further, the applicants could avail refund.

The reply of the CoT indicated lack of coordination between the CoT office and NIC to ensure that rules of business are updated promptly in VAHAN Application.

C Incorrect classification of OSVs

As per Notification dated 31 March 2017 issued by the GoG read with Rule 2 (ca) of the CMVR, OSVs including 'construction equipment vehicle (CEV)[179]' have been categorized as non-transport vehicles. Since levy of various types of fees under the CMVR depends on the fees prescribed for registration of vehicle, the incorrect classification would result in short/ excess levy of various types of fees.

On analysis of the VAHAN data for the period April 2019 to March 2024 pertaining to the selected nine RTO/ ARTOs, Audit observed that while registering the OSVs and delivering various types of services the RTO/ ARTO concerned adopted incorrect rate of fees due to incorrect classification[180] of such vehicles. This resulted in excess levy of registration fees of ₹ 27.88 lakh in case of 374 vehicles. This also resulted in short levy of fees aggregating to ₹ 100.47 lakh in case of 8,401 OSVs, as detailed in the **Table 2.13**.

Table 2.13: Short levy of fees while providing various services in respect of OSVs

(₹ in lakh)

Sl. No.	Particulars	Total vehicles	Short levy
1	Issue of new certificate of registration	1,877	36.21
2	Issue of duplicate RC	406	4.03
3	Recording alteration in the RC	249	2.16
4	Change of residence in the RC	306	2.86
5	Transfer of ownership	5,563	55.21
	Total	**8,401**	**100.47**

Source: Back-end data of the VAHAN Application

On this being pointed out, the CoT stated (September 2025) that the details of vehicles had been shared with offices concerned for examining and recovery in case of any short levy. Moreover, NIC had also been intimated about addition of class of vehicle as per the CMVR.

D Fees for issue of new certificate of registration to three-wheeler/ quadricycle/ LMV

The fees for registration of transport three-wheeler/ quadricycle/ LMV was changed from ₹ 1,000 (as per MoRTH Notification of December 2016) to ₹ 600 (as per MoRTH Notification of October 2021, effective from 01 April 2022).

[179] CEV means rubber tyred (including pneumatic tyred), rubber padded or steel drum wheel mounted, self-propelled, excavator, loader, backhoe, compactor roller, dumper, motor grader, mobile crane, dozer, fork lift truck, self-loading concrete mixer or any other construction equipment vehicle or combination thereof designed for off-highway operations in mining, industrial undertaking, irrigation and general construction but modified and manufactured with 'on or off' or 'on and off' highway capabilities.

[180] As Light Motor Vehicle (LMV)/ Medium Motor Vehicle (MMV)/ Medium Goods Vehicle (MGV)/ Heavy Motor Vehicle (HMV)/ Heavy Goods Vehicle (HGV).

On analysis of the VAHAN data for the period April 2022 to March 2024 Audit observed that out of the 4,50,488 cases of registration of transport three-wheeler/ quadricycle/ LMV on or after 01 April 2022, in case of 10,464 vehicles the fees was levied in excess by ₹ 41.87 lakh.

On this being pointed out, the CoT stated (September 2025) that VAHAN portal was developed by NIC and any changes made in rules were to be implemented by them. Moreover, applicant could avail excess amount via refund.

The reply of the CoT indicated lack of coordination between the CoT office and NIC to ensure that rules of business are updated promptly in VAHAN Application.

E Levy of fees for endorsing hire purchase/ lease/ hypothecation agreement

The MoRTH vide its Notification dated 29 December 2016 stipulated fees for endorsing hire purchase/ lease/ hypothecation agreement of vehicle[181]. On scrutiny of the VAHAN data for the period April 2019 to March 2024 pertaining to the selected nine RTO/ ARTOs, Audit observed short or excess levy of fees due to incorrect adoption of the rates. The details are given in **Table 2.14**.

Table 2.14: Short/ excess levy of fees for endorsing hire purchase/ lease/ hypothecation agreement

(₹ in lakh)

Type of Vehicle	Total number of vehicles	Short or Excess levy	Amount
Two Wheelers	160	Excess	1.33
Three-wheeler/ quadricycle/ LMV	77	Short	1.00
	166	Excess	3.69
Medium or heavy vehicle	1,364	Short	14.93
	2,920	Excess	44.70

Source: Back-end data of the VAHAN Application

Thus, there was net excess levy of fees of ₹ 33.79 lakh in these cases.

On this being pointed out, the CoT stated (September 2025) the details of vehicles had been shared with RTO/ ARTO for examining and recovery in case of short levy. Moreover, applicant could avail excess amount via refund as per provisions.

2.2.5 Enforcement and Recovery Activities

One of the objectives of this SSCA was to ascertain whether the enforcement activities carried out ensured compliance to Motor Vehicle Acts/ Rules. The various types of the offences and corresponding Section of the MV Act have been mentioned in **Appendix XII**. Further, the P&T Department authorized (September 2019) officers above the rank of Head Constable of Police (Traffic) to levy penalties for certain offences mentioned in the **Appendix XII**.

[181] Motor cycle: ₹ 500, Three wheeler/ quadricycle/ LMV: ₹ 1,500 , Medium and Heavy vehicles: ₹ 3000.

The audit observations in this regard have been narrated in the succeeding paragraphs.

2.2.5.1 Issue of Challan

A Challans issued *vis-à-vis* collection thereagainst

As per e-Challan portal, during the period from April 2019 to March 2024, total 19.01 lakh challans amounting to ₹ 878.77 crore were issued, of which 14.04 lakh challans amounting to ₹ 607.18 crore were paid. Out of the total outstanding amount of ₹ 271.59 crore, an amount of ₹ 178.36 crore was pending for more than one year which constitutes 65.67 *per cent* of total unpaid amount.

Audit analysed data available on the e-challan portal as well as VAHAN Application. The observations related to challans issued during the period from April 2019 to March 2024 have been narrated in the following paragraphs:

B Challan not commensurate to the category of vehicle

Vehicles other than two-wheelers were issued 3,103 challans for 'helmet' related offences and 10 challans for 'triple riding'. Similarly, 679 challans had been issued against two-wheeler riders and three-wheeler drivers for 'not wearing seatbelt'.

On this being pointed out, the CoT stated (September 2025) that after due verification reply would be communicated.

C Scrutiny of the documents/ details during enforcement activities

Any violation of Section 56 (Fitness Certificate), Section 66 (Permit), Section 146 (1) (Insurance) of the MV Act and Rule 115 (7) (PUCC) of the CMVR attracts penalty (compounding fees) at prescribed rates.

Audit observed that at the time of issue of a challan the enforcement authority did not check whether the vehicle is in compliant to all the other relevant provisions of the Act/ Rules. As a result, though

- Vehicles either had no valid permit (16,270 vehicles) or their permit had expired (2,190 vehicles),
- Fitness certificate of 28,813 vehicles had expired,
- PUCC of 80,714 vehicles (registered between April 2009 and March 2019) and of 53,571 vehicles (registered after March 2019) were not renewed as on the date of issue of challan, these violations were not mentioned in the challan.

On this being pointed out the CoT stated (September 2025) that almost all the challans were originally issued in manual form and later they had been digitized.

The reply of the CoT substantiates the audit observation.

D Challans and fitness certification in respect of detained vehicles

In case of 27 vehicles challans had been issued at the time of their detention. Though, payment of these challans was not made as of 31 January 2025, new challans had been found to be issued against these vehicles after the date of detention. Similarly, 973 vehicles which were detained at the time of issue of challan, were brought for fitness test on a later date without clearing challan.

This implied that either these vehicles had been released without clearing pending challan or the RTO/ ARTO concerned did not update the payment of challan in VAHAN Application. In case these vehicles had been released irregularly these would be plying on road illegally.

On this being pointed out the CoT stated (September 2025) that certain vehicles which had been detained on spot had absconded and were again caught and detained. Further, RTO officials without detaining the vehicle may have selected "impound" option at the time of generating challan, which, however, did not mean that the said vehicles were actually detained.

The reply of the CoT indicated gaps in the enforcement measures and irregular data entry. Moreover, the CoT did not furnish replies specific to the vehicles pointed by Audit.

E NOC issued to vehicle without disposal of challan

As per Section 48 (5) of the MV Act, before granting the No Objection Certificate (NOC) for assigning a new registration mark to the vehicle or for the transfer of ownership, all the amounts due to Government in respect of that motor vehicle should have been paid.

Audit observed that four RTOs/ ARTOs had issued NOC in respect of 16 vehicles for transfer to other States despite pendency of challans at the time of issuance. This implied that the authority did not ascertain pendency of Government dues as required under the MV Act, before issue of the NOC.

On this being pointed out, the CoT stated (September 2025) that as per Rule 167 CMVR vehicle having pending challans could avail service up to 90 days of issuance of challan.

The reply of the CoT is misleading as Rule 167 allows for provision of only three services i.e. permit, fitness certificate and tax payment during the pendency of the challan.

F Mention of driving license in challans

Audit observed that in case of 71,221 challans which were issued for driving related offenses[182] other than for over speeding, the driving license number was not mentioned. In case the driver was not having a driving license, it would be a safety hazard for other road users. Moreover, due to not mentioning of driving license, in cases where the driver was holding the same, it would be impossible to identify repeat offenders and penalise them as per the extant provisions. This deficiency in the details of the challans issued again reflected inadequacy in the enforcement activities carried out by the authorities.

On this being pointed out, the CoT stated (September 2025) that in case of challans issued manually and updated in the system later on driving license was not mentioned. However, instructions would be issued to all RTO/ ARTOs to avoid such data discrepancy.

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[182] Not wearing helmet, not fastening seat belt, triple ride, dangerous driving, *etc.*

G Challan issued without mentioning specific violation

Audit observed from the e-challan portal that 82,759 challans (Two-wheeler: 48,317, Other vehicles: 34,442) had been issued for 'other offence' though the nature of offense[183] was identifiable against certain challans as per the remarks column of the database.

In such cases, the official concerned had levied penalty as per the residuary clause (Section 177 of the MV Act) instead of the penalty applicable to the particular violation of the provision. This could not only result in short levy of penalty but also made the challan vague in nature.

On this being pointed out, the CoT stated (September 2025) that these challan seemed to be old challans or issued by police Department. Further, almost all the challans were originally issued in manual form and later digitised. However, instructions had been given to field offices to issue offense specific challans.

2.2.5.2 Recovery of the arrears of revenue

Motor Vehicles Tax (MVT) is levied in the form of *lump sum* tax as One-Time Tax (OTT) or as recurring tax on monthly/ half-yearly/ annual basis in advance at the rates specified under GMVT Act. The Section 12 of the Act prescribes for recovery of the unpaid tax along with interest and penalty as arrears of land revenue[184] after lapse of 30 days from the due date of payment.

The observations related to outstanding dues and RRC proceedings are discussed in the succeeding paragraphs:

A Vacancy in posts of *Mamlatdar*

The *Mamlatdars* of the Revenue Department, GoG are being deputed to various RTO/ ARTOs for taking necessary action including auctioning of detained vehicles for the recovery of outstanding tax dues as arrears of land revenue. Audit, however, observed that except RTO, Ahmedabad, post of the *Mamlatdar* remained vacant for more than half of the period in six RTO/ ARTOs during 2019-24. Further, in ARTO, Tapi the post remained vacant throughout the audit period while no post was sanctioned in respect of ARTO, Gir-Somnath. In absence of the dedicated posting of the *Mamlatdar* at the RTO/ ARTO concerned, the cases of revenue recovery of the RTO/ ARTOs were being dealt by regular officials posted at local offices of the Revenue Department along with cases of other Government Departments and Bodies, which may further slowdown the process.

On this being pointed out, the CoT stated (September 2025) that the posts of *Mamlatdar* were being filled by deputation by the District Collector's office.

[183] Vehicle overladen, vehicle not insured, vehicle without valid fitness certificate, *etc.*

[184] The District Collector (DC)/ *Mamlatdar* in respect of city areas and the District Development Officer (DDO)/ *Taluka* Development Officer (TDO) in respect of rural areas, has been delegated with powers for initiating the recovery proceedings by adopting any one or more of the processes like attachment of movable/ immovable property, auction of the property and even confinement of the defaulters in jail, if they fail to respond to the demand notices issued to them under the Gujarat Land Revenue Code 1879 (GLRC) and the Gujarat Land Revenue Rules 1972. The *Mamlatdar*/ TDO, on receipt of the Revenue Recovery Certificate (RRC), are required to enter them in their register of revenue recovery and initiate the recovery proceedings as laid down in the GLRC through their Village Officers (i.e. *Talatis*).

Necessary proposals had been made to the concerned District Collector regarding filling up the vacancies.

B RRC proceedings against the defaulters

Audit reviewed the VAHAN data of various category of vehicles regarding recurring tax defaulters at the selected nine RTO/ ARTOs and observed that as of 31 March 2024, the owners of 27,690 vehicles had defaulted in making payment of tax. These included 23,066 vehicles where tax of ₹ 284.38 crore was pending for recovery for more than one year. In spite of the prolonged default in payment of tax, the RTO/ ARTO concerned had initiated RRC proceedings against 5,065 vehicles only and recovered an amount of ₹ 7.62 lakh in case of 11 vehicles till the date of audit (between October 2024 and January 2025). Details of RTO wise defaulters, RRC proceedings initiated, and amount recovered is given in **Appendix XIII**.

As can be ascertained from the details mentioned in **Appendix XIII**, not a single RRC proceeding had been initiated at ARTO Tapi and RTO Gir-Somnath due to not deputing *Mamlatdar*. In four RTO/ ARTOs[185] RRC proceedings had been initiated in less than 10 *per cent* of the total cases. In case of RTO, Ahmedabad despite availability of the *Mamlatdar* throughout the audit period (April 2019 to March 24), RRCs had been issued only in 18 cases out of the 5,395 cases, where recovery was pending for more than a year. In case of the remaining three RTOs where *Mamlatdar* was available since January/ August 2023, only initial notices[186] had been served while the RRCs were yet to be sent to the jurisdictional office of the DC/ DDO for affecting the recovery.

On this being pointed out, the CoT stated (September 2025) that all the field offices were instructed to make entry of "Not to be transacted" for the tax defaulter vehicles so that vehicle owner could not avail any service without tax payment. Further, due to vacancy in the cadre of *Mamlatdar* for a longer period procedure as per land revenue code was affected. However, issuance of RRCs and recovery of dues would be further pushed.

The reply of the CoT was not convincing as position of recovery of the dues was not satisfactory even where *Mamlatdar* was posted.

2.2.5.3 Detention of Vehicles

As per Section 12B the GMVT Act in case of non -payment of tax, interest and penalty, the motor vehicle can be detained and kept in custody till the payment of the unpaid amount. If the tax due under this Act is not paid within a period of three months from the date on which such vehicle had been seized or detained such vehicle shall be liable to be sold by auction by the taxation authority in the manner as may be prescribed.

On scrutiny of the data pertaining to challans issued to transport vehicles during April 2019 to March 2024, Audit observed that 1,758 vehicles were still kept detained for a period ranging from 10 months to 69 months as of 31 January 2025 **(Appendix XIV)**.

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185 (i) Ahmedabad, (ii) Kheda, (iii) Surat, (iv) Vadodara.

186 (i) Jamnagar (98.67 *per cent*), (ii) Rajkot (22.57 *per cent*), (iii) Sabarkantha (14.89 *per cent*).

During joint site inspections at the selected nine RTO/ ARTOs, Audit observed that the detained vehicles were not being maintained properly resulting in deterioration of their condition day-by-day. This would result in decrease in their potential value at the time of their auction, as and when done. The prolonged non-disposal of these vehicles reflects inadequate enforcement of statutory provisions and weak monitoring by the taxation authorities.

The following photographs shows the detained vehicles kept at two RTOs.

Photograph 2.2: Vehicles detained at the RTOs

RTO, Surat

ARTO, Tapi (Vyara)

Source: Photographs taken by Audit during joint site visit.

On this being pointed out, the CoT stated (September 2025) that from November 2024 a drive had been conducted to auction the detained vehicles at RTO/ARTO offices. As a result of which 129 vehicles had been auctioned in eight RTO/ ARTOs[187]. In remaining offices work was under progress.

The reply of the CoT is only partly acceptable. While the auction of 129 detained vehicles since November 2024 is a positive step, this constitutes a very small fraction of the 1,758 vehicles pending disposal. The reply does not explain the delay extending over several years, nor does it address the deterioration in vehicle condition caused by prolonged neglect, which will reduce recoverable revenue at auction. The response therefore underscores the need for the Department to significantly accelerate disposal in the remaining 29 RTO/ARTOs and to ensure timely enforcement of Section 12B to prevent further erosion of asset value.

2.2.5.4 Check points

In November 2019, the State Government created 58 Check Points under the jurisdiction of 28 RTO/ ARTOs, out of the total 37 RTO/ ARTOs to enforce prevailing motor vehicle laws. At these Check Points officials (one or two Inspector of Motor Vehicle (IMV)/ Assistant IMV, one driver and one security guard) of the jurisdictional RTO/ ARTO are deployed in three shifts of eight hours. These official also work as flying squad within seven km radius of Check Point.

Nine selected RTO/ ARTOs had issued 14,248 challans for overloading during April 2019 to 2024, out of the total 58,366 challans issued in the State. Out of

[187] (i) Botad, (ii) Gandhinagar, (iii) Jamnagar, (iv) Junagadh, (v) Mehsana, (vi) Navsari, (vii) Porbandar, and (viii) Rajkot.

the nine selected RTO/ ARTOs, no Check Point had been established under the ARTO, Gir-Somnath.

During joint site visit (between October 2024 to January 2025) of eight Check Points[188] Audit observed that:

- At seven[189] out of the eight Check Points, facility to offload overloaded vehicles was not available. As a result, overloaded vehicles were being allowed to proceed after issuance of challan, which was in contravention of the Section 113 and 114 of the MV Act and directions[190] of the Supreme Court of India.
- At six Check Points[191], nearest weighbridge was more than two km away. As a result, when IMV/ AIMV posted at the Check Point escorted a vehicle to the weighbridge for weighing, the other vehicles passing through the Check Point during that period remained unchecked.
- At all the eight Check Points, necessary checking equipment i.e. breath testing analyser (to analyse drunk and drive), lux meter (to analyse intensity of headlight or any other bulbs), sound decimal meter (to analyse horn sounds) were not provided to staff for effective enforcements.
- At Surat Check Point, the speed gun was not in working condition.

Thus, the Check Points were not provided with adequate facilities and equipment which could adversely affect the enforcement activities, defeating the purpose of their establishment.

The CoT did not give any specific reply on the deficiencies noticed by Audit at the Check Points.

2.2.6 Public Services

One of the objectives of this SSCA was to ascertain whether public services were discharged timely.

The P&T Department, GoG in compliance to the Gujarat (Right of Citizens to Public Services) Act 2013, prescribed (March 2016) time limit for providing 11 services as detailed in **Table 2.15**.

Audit verified data of the whole State in respect of 11 services being provided through VAHAN and SARATHI applications to assess time taken for rendering these services. Further, since the CoT office did not provide (March 2025) data regarding time taken at various stages[192] of the workflow despite repeated requests, Audit randomly selected 30 cases each from the respective service

[188] (i) Ahmedabad, (ii) Kheda, (iii) Jamnagar, (iv) Rajkot, (v) Sabarkantha, (vi) Surat, (vii) Tapi, (viii) Vadodara.

[189] Except Ahmedabad.

[190] Writ petition number 136/2003- judgement dated 09 November 2005- Paramjit Bhasin and others Vs Government of India.

[191] (i) Ahmedabad, (ii) Rajkot, (iii) Sabarkantha, (iv) Surat, (v) Tapi, (vi) Vadodara.

[192] Filing of application along with uploading the photograph and signature and payment of the stipulated fees, scrutiny of application and inspection of the driving school premises, reverting to the applicant for necessary compliance in case the application or the facilities at the driving school are found deficient in any aspect, compliance by the applicant, and final approval.

category to ascertain the delay solely attributable to the RTO/ ARTO concerned. The details of overall delay in providing the services and the results of the analysis of the sampled cases, have been mentioned in the **Table 2.15**.

Table 2.15: Time limit prescribed vis-à-vis time taken for rendering of services

Sl. No.	Type of Service (Period/ Month)	Stipulated time limit for provision of service (in days)	No. of applications approved Applications approved with delay	Delay beyond the prescribed time limit (in days)	Result of analysis of front-end data of 30 sampled cases established the delay in
1	Issue of Pucca Driving License (January 2024)	08	14,228 1,537	1 to 300	All cases
2	Renewing Driving License (January 2024)	08	33,642 6,694	1 to 373	29 cases
3	Issue of second or (Duplicate) copy of License (January 2024)	08	4,079 673	1 to 370	26 cases
4	Grant of license for Driving Schools (April 2019 to March 2024)	15	369 220	1 to 975	28 cases
5	Renewal of license for Driving Schools (April 2019 to March 2024)		554 327	1 to 1,502	26 cases
6	Grant of No Objection Certificate (NOC) (April 2023 to March 2024)	03	11,948 5,658	1 to 598	Eight cases
7	Hypothecation termination (November 2023)	11	39,351 10,807	1 to 429	10 cases
8	Issue of duplicate certificate of registration (March 2024)	11	3,791 1,237	1 to 315	Nine cases
9	Recognition of the Pollution Under Control (PUC) Centre (April 2019 to March 2024)	30	1,619 199	1 to 524	#
10	Renewal of the PUC Centre (April 2019 to March 2024)		7,000 1,005	1 to 1,018	#
11	Transfer of ownership of motor vehicle (March 2024)	11	76,642 15,900	1 to 313	Eight cases

Source: Front-end data of the VAHAN and SARATHI Applications

* Month selected randomly through IDEA software.

\# Analysis could not be done due not providing stage-wise data by the CoT in case of services at serial number 9 and 10.

On this being pointed out, the CoT stated (September 2025) that there was a mechanism for periodical reporting and review of the pendency of the applications for various services. Additionally, arrangements had been established to generate pendency reports on the *Parivahan* portal, allowing

RTO/ARTO to monitor them effectively.

The reply of the CoT is not convincing as despite the stated mechanism, delays had been observed in providing the services.

2.2.7 Internal Control system

General Administration Department (GAD), GoG vide its instructions (March 1984 and September 2022) stipulated for inspection of different offices by the Heads of Offices/ Departments to ensure proper functioning of various offices under the Department. As per the instructions, the head office shall inspect the regional or district level offices at least once in a year.

Audit, however, observed that though the inspection team at the CoT office was required to prepare inspection calendar every year in the month of January and carryout inspections accordingly, none of the RTO/ ARTOs were inspected during the audit period from April 2019 to March 2024. Audit further observed that eight of the newly formed (between 2015 and 2017) RTO/ ARTOs were never inspected till 31 January 2025. Similarly, six offices were inspected up to 2010-11 only, 18 offices were inspected up to 2016 (in 2017-18) and four offices were inspected up to 2017 (in 2018-19).

On this being pointed out, the CoT stated (September 2025) that due to shortage of experienced staff, election duties and excessive workload, administrative inspection could not be carried out. However, the CoT office had chalked out a plan for inspection of the RTO/ ARTOs and completed inspection of 15 offices in June 2025.

Audit is of the view that regular inspections are the basis of sound internal control to timely detect deficiencies and irregularities. Therefore, the CoT office may ensure timely inspections in future.

2.2.8 Manpower availability

The status of sanctioned strength (SS) and Persons-in-Position (PIP) under the CoT as of June 2025, is as shown in the **Table 2.16**.

Table 2.16: Sanctioned Strength *vis-à-vis* Persons-in-Position

SL No.	Post	Sanctioned Strength (SS)	Persons-in Position (PIP)	Vacant post	Percentage of vacant posts
1	RTO	28	1	27	96.42
2	(ARTO)	105	27	78	74.28
3	IMV	375	326	49	13.06
4	Assistant IMV	544	396	148	27.20
Total		**1,052**	**750**	**320**	**28.70**

Source: Information provided by the office of the CoT

The above Table indicates that the CoT had shortage of staff in different cadres, ranging between 13.06 *per cent* (IMV) to 96.42 *per cent* (RTO). This shortage in staff was detrimental to the enforcement of the extant motor vehicles related provisions (including providing public services) and recovery of taxes/ fees.

On this being pointed out, the CoT stated (September 2025) that necessary actions had been taken to fill the post and strengthen the cadre.

2.2.9 Conclusion

The registering authorities did not take necessary steps to ensure that only the validly registered vehicles ply on the roads. Further, due to absence of appropriate checks at the time of vehicle registration as well as improper application controls, there was incorrect categorisation and incorrect entries of the vehicles. The RTO/ ARTOs while issuing permit, fitness certificate and Pollution under Control Certificate did not ensure compliance to the relevant provisions or without ensuring payment of Government dues. Vehicles were plying on road without installing Speed Governors, High Security Registration Plate, and Vehicle Tracking System Device in violation of the extant provisions which poses security and regulation risks. Analysis of toll booth data revealed that vehicles were plying on road in violation of the extant motor vehicle laws.

There were lacunae in the regulation of Motor Vehicle Aggregators in terms of their registration and compliance to the terms and conditions of the Guidelines issued by the MoRTH. As a result of delayed updation of the amended provision in the VAHAN and SARATHI Applications and incorrect categorisation of the vehicles, there were instances of levy of fees at incorrect rates for various types of services. There was short levy of lump sum tax/ recurring tax in respect of various types of vehicles due to incorrect application of rate of tax or incorrect categorisation of the vehicles. Similarly, there was non-recovery of outstanding recurring taxes. There were instances of issue of inappropriate or deficient challans such deficiencies in the challans issued reduced the relevance and effectiveness of the enforcement activities. The Mamlatdar was not posted in eight of the nine selected RTO/ ARTOs on full time basis for recovery of arrears of tax as arrears of land revenue which resulted in slow progress in recovery of arrears. The RTO/ ARTOs did not adhere to the time limits prescribed by the Ports and Transport Department for providing various motor vehicle related services.

2.2.10 Recommendations

1. ***The Transport Department should institute mandatory, non-bypassable automated validation controls in VAHAN and SARATHI to prevent incorrect data entry, block non-compliant registrations or certifications, and generate monthly data-quality exception reports for RTO-level review.***
2. ***A coordinated statewide enforcement drive should be launched, combining RTO and Traffic Police efforts and leveraging e-detection at toll plazas, to systematically identify vehicles with expired fitness, PUCC or permits and ensure time-bound compliance and recovery of fees and penalties.***
3. ***A centralised monitoring and auction cell should be established to oversee detained vehicles, supported by an automated 90-day auction trigger in VAHAN and minimum maintenance standards to prevent deterioration and safeguard recoverable value.***
4. ***Aggregator compliance should be strengthened by requiring quarterly digital reporting, linking AIS-140 fitment and simulator facilities to licence renewal, identifying unregistered platforms through digital checks, and imposing graded penalties for repeated non-compliance.***
5. ***The Department should formalise a time-bound correction protocol with NIC-including SLAs, a structured change-management log, and quarterly IT-process integration reviews to ensure statutory changes are promptly reflected in VAHAN/SARATHI and prevent revenue or compliance lapses.***

CHAPTER III

Compliance Audit Paragraphs

CHAPTER III

COMPLIANCE AUDIT PARAGRAPHS

Revenue Department

3.1 Short levy of Stamp Duty due to undervaluation of properties

Short levy of Stamp Duty of ₹ 12.18 crore in 126 documents due to undervaluation of property attributable to application of incorrect *Jantri* rates or incorrect adoption of area.

Under Section 3 of the Gujarat Stamp Act, 1958 (the Act) every instrument mentioned in Schedule-I shall be chargeable with duty at the prescribed rates, unless specifically mentioned.

As per Article 20(a) of Schedule I read with Section 3A of the Act, Stamp Duty on conveyance of immovable property is leviable at the rate of 4.9 *per cent* on the amount of the consideration or market value of the property whichever is higher. Section 32A of the Act empowers Sub-Registrars to refer the document to the Deputy Collector, Stamp Duty Valuation Organisation (SDVO) for determining true market value of the property and recovering deficit duty in case the consideration set forth in the instrument does not approximate to the market value of such property.

The Government of Gujarat (GoG) issues Annual Statement of Rates (ASR) (referred as *Jantri*[1]) and guidelines for determination of market value of immovable property from time to time. The Superintendent of Stamps and Inspector General of Registration issued a press release on 29 March 2023 regarding increase in extant ASR (*Jantri*), 2011 to be effective from 15 April 2023. It was clarified that if any document was signed by the parties before 15 April 2023 and ready for registration, then these documents can be submitted for registration within four months from the date of signing and the increased *Jantri* rate effective from 15 April 2023 shall not be applicable to such document. As per Government Resolution dated 13 April 2023, the new rates in case of agricultural and non-agricultural land were fixed at twice the rates specified in *Jantri* 2011.

Revenue Department, GoG (22 October 2019) clarified that in case of premium applications for non-agriculture permission for "multipurpose use", maximum non-agricultural *Jantri* rate of the village/ survey number should be considered.

During test-check of the documents registered in 19 Sub-Registrar Offices[2], during the years 2013 to 2023, Audit noticed[3] that in 126 documents there was short levy of Stamp Duty of ₹ 12.18 crore as explained below:

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[1] Annual Statement of Rates issued by the Government showing the rates for the purpose of determination of value of immovable properties and levy of Stamp Duty.

[2] Althan (Surat), Ankleshwar, Athwa (Surat), Bhuj, Bapod (Vadodara), City-1 Vadodara, Danteshwar (Vadodara), Gandhinagar, Gorwa (Vadodara), Kadi, Katargam (Surat), Mehsana, Memnagar (Ahmedabad), Naroda, Paldi, Rajkot, Sanand (Ahmedabad), Udhna (Surat), Vapi.

[3] Between September 2024 and May 2025.

i. In seven documents registered between January 2023 and July 2023 in five Sub-Registrar Offices[4], Audit observed that the *Jantri* rates (2011) were incorrectly applied while determining the market value of the property. As a result, against the Stamp Duty of ₹ 1.22 crore leviable in these cases, Stamp Duty of ₹ 0.78 crore was levied. This resulted in short levy of Stamp Duty of ₹ 0.44 crore.

On this being pointed out (between October 2024 and April 2025), the Deputy Collector (Stamp Duty Valuation Organisation) concerned replied (between September 2025 and November 2025) that short levy of Stamp Duty of ₹ 4.44 lakh and ₹ penalty of ₹ 3.37 lakh have been determined in four cases[5]. In one case the Deputy Collector (Stamp Duty Valuation Organisation), Surat replied (October 2025) that notice has been issued to the party concerned. In remaining two cases the Sub-Registrar Offices stated (between November 2024 and April 2025) that the cases have been/ would be referred to Deputy Collector (Stamp Duty Valuation Organisation) concerned for further necessary action.

ii. In 72 documents registered between April 2023 and August 2023 in 15 Sub-Registrar Offices[6] the recitals of the documents or the supporting documents attached with these documents revealed that the documents were not ready for registration before 15 April 2023. Therefore, in these cases increased *Jantri* rate effective from 15 April 2023 was required to be applied for determination of market value of the property and levy of Stamp Duty. However, in these cases, old *Jantri* rates were applied. As a result, against the leviable Stamp Duty of ₹ 19.43 crore, Stamp Duty of ₹ 10.74 crore was levied. This resulted in short levy of Stamp Duty of ₹ 8.70 crore.

On this being pointed out (between October 2024 and April 2025), the Deputy Collector (Stamp Duty Valuation Organisation) concerned stated (between July 2025 and November 2025) that short levy of Stamp Duty of ₹ 2.32 crore and penalty of ₹ 5.38 crore have been determined in 20 cases[7]. In two cases[8] short levy of Stamp Duty of ₹ 55.69 lakh and penalty of ₹ 21.69 lakh has been recovered. In 21 cases[9], the Deputy Collector (Stamp Duty Valuation Organisation) Surat stated (October 2025) that notice has been issued to the party concerned. Eight offices[10] in 19 cases stated (between April 2024 and April 2025) that the documents have been or will be forwarded to Deputy Collector (Stamp Duty Valuation Organisation) concerned for further necessary action. Two offices[11] in six cases stated (between December 2024 and April 2025) that detailed reply would be

[4] Althan (Surat), Bhuj, Gandhinagar, Gorwa (Vadodara), Mehsana.

[5] Bhuj (two cases), Mehsana (two cases).

[6] Althan (Surat), Ankleshwar, Athwa (Surat), Bhuj, Bapod (Vadodara), Danteshwar (Vadodara), Gandhinagar, Gorwa, (Vadodara), Katargam (Surat), Mehsana, Memnagar (Ahmedabad), Rajkot, Sanand (Ahmedabad), Udhna (Surat), Vapi.

[7] Althan (Surat) (two cases), Athwa (Surat) (three cases), Bhuj, Danteshwar (Vadodara) (two cases), Mehsana (four cases), Memnagar (Ahmedabad) (three cases), Rajkot (two cases) and Udhna (Surat) (three cases).

[8] Althan (Surat) and Bhuj.

[9] Athwa, (four cases), Althan (11 cases), Katargam (three cases) and Udhna (three cases).

[10] Ankleshwar (three cases), Bapod (Vadodara) (three cases), Bhuj (two cases), Danteshwar (Vadodara) (four cases), Gandhinagar, Gorwa (Vadodara) (two cases), Rajkot (two cases), Sanand (Ahmedabad) (two cases).

[11] Memnagar (Ahmedabad) (three cases), Vapi (three cases).

furnished, or action would be taken after verification of the facts. Sub-Registrar, Rajkot in four cases, while not accepting the audit observation, stated (March 2025) that the Stamp Duty has been correctly levied. The replies in these cases are not convincing as the recitals and other attached supporting documents indicated that the documents were not ready for registration before 15 April 2023. Thus, revised *Jantri* rates were required to be applied for determination of market value and levy of Stamp Duty.

iii. In 18 documents registered between January 2021 and December 2023 in eight offices[12], the recital of the documents revealed that Non-Agriculture (NA) permission had been given for 'multipurpose' use by the Collector but no specific purpose for which the property was being conveyed was mentioned in the recitals of these documents. Thus, maximum NA *Jantri* rate of the village/ survey number was required to be considered for the purpose of determining market value of the property for levy of Stamp Duty. However, as this was not considered, against the Stamp Duty of ₹ 8.31 crore leviable in these cases, Stamp Duty of ₹ 6.67 crore was levied. This resulted in short levy of Stamp Duty of ₹ 1.64 crore.

On this being pointed out (between September 2024 and April 2025), the Deputy Collector (Stamp Duty Valuation Organisation) Bhuj and Ahmedabad replied (between February 2025 and November 2025) that in five cases[13] short levy of Stamp Duty of ₹ 6.89 lakh and penalty of ₹ 4.86 lakh have been determined. Three offices[14] in 10 cases replied (between September 2024 and April 2025) that the cases have been or would be referred to Deputy Collector (Stamp Duty Valuation Organisation) concerned for further necessary action. Sub-Registrar office, Kadi accepted (May 2025) the audit observation in two cases. Sub-Registrar, Vapi in one case replied (April 2025) that detailed reply will be given after examination of the case.

iv. In seven documents registered between January 2022 and September 2023 in five offices[15], the area (in sq. m.) was incorrectly adopted while calculating the market values of the properties. As a result, against the Stamp Duty of ₹ 2.25 crore leviable in these cases, Stamp Duty of ₹ 2.07 crore was levied. This resulted in short levy of Stamp Duty of ₹ 0.18 crore.

On this being pointed out (between October 2024 and February 2025), in two cases, Deputy Collector (Stamp Duty Valuation Organisation) Surat, stated (October 2025) that notice has been issued to the party concerned. In remaining four cases it was stated (between December 2024 and March 2025) that the cases have been or will be referred to Deputy Collector (Stamp Duty Valuation Organisation) concerned for further necessary action. Sub-Registrar Office City-1, Vadodara in one case stated (June 2025) that notice has been issued by Deputy Collector (Stamp Duty Valuation Organisation) to the party concerned.

[12] Ankleshwar, Bapod (Vadodara), Bhuj, Kadi, Naroda (Ahmedabad), Paldi (Ahmedabad), Sanand (Ahmedabad), Vapi.

[13] Bhuj (two cases), Naroda (Ahmedabad) and Paldi (Ahmedabad) and Sanand (Ahmedabad).

[14] Ankleshwar (two cases), Bapod (Vadodara) and Paldi (Ahmedabad) (seven cases).

[15] Athwa (Surat), City-1 Vadodara, Danteshwar (Vadodara), Memnagar (Ahmedabad), Naroda (Ahmedabad).

v. In 22 documents registered between June 2020 and December 2023 in 12 offices[16], there was short levy of Stamp Duty due to non-compliance of the criteria prescribed in the *Jantri* guidelines for valuation of different types of properties and instructions issued by the Department from time to time. These non-compliances *inter alia* included considering non-irrigated land instead of irrigated land for valuation, market value of entire land considered at flat rate instead of evaluating the market value of each parcel of land separately, non-application of rates applicable to the grid/ value zone, considering incorrect survey no./ final plot no. resulting in application of incorrect *Jantri* rate, considering the property as office instead of shop.

As a result, against the leviable Stamp Duty of ₹ 5.76 crore, Stamp Duty of ₹ 4.54 crore was levied. This resulted in short levy of Stamp Duty of ₹ 1.22 crore and registration fee of ₹ 1.29 lakh (in one case).

On this being pointed out (between September 2024 and April 2025), Deputy Collector (Stamp Duty Valuation Organisation) concerned replied (between September 2025 and November 2025) that in 11 cases[17] short levy of Stamp Duty of ₹ 57.15 lakh and penalty of ₹ 47.01 lakh have been determined. In five cases[18] it was stated (between June 2025 and October 2025) that notice has been issued to the party concerned. Three offices[19] in three cases stated (between October 2024 and April 2025) that the documents have been or will be forwarded to Deputy Collector (Stamp Duty Valuation Organisation) concerned for further necessary action. Two offices[20] in three cases stated (between September 2024 and February 2025) that detailed reply would be furnished or action would be taken after verification of the facts.

Audit examination of 126 registered documents across 19 Sub-Registrar Offices (SROs) revealed recurring instances where Stamp Duty was levied on market values that did not align with the applicable provisions of the Gujarat Stamp Act, *Jantri* guidelines, and departmental instructions. These deviations arose from incorrect application of *Jantri* rates, non-consideration of revised rates effective from 15 April 2023, non-application of maximum NA *Jantri* rates in cases of 'multipurpose' permissions, adoption of incorrect property area, and other valuation-related omissions.

Collectively, these lapses resulted in a short levy of Stamp Duty amounting to ₹ 12.18 crore. While in many cases the Deputy Collector (Stamp Duty Valuation Organisation) concerned have issued orders determining the short levy of Stamp Duty and many SROs have since referred the cases to the Deputy Collector (Stamp Duty Valuation Organisation) for necessary action, replies in several cases were still awaited (November 2025).

The pattern of irregularities points to gaps in scrutiny at the registration stage and inconsistent interpretation of valuation norms across field offices.

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16 Athwa (Surat), Bapod (Vadodara), Bhuj, Danteshwar (Vadodara), City-01 (Vadodara), Gandhinagar, Gorwa (Vadodara), Katargam (Surat), Mehsana, Sanand (Ahmedabad), Memnagar (Ahmedabad), Udhna (Surat).

17 Bhuj (two cases), Danteshwar (Vadodara), Memnagar (Ahmedabad), Mehsana, and Katargam (Surat) (six cases).

18 Athwa (Surat), City-01 (Vadodara) (two cases), Katargam (Surat) and Udhna (Surat).

19 Danteshwar (Vadodara), Gorwa (Vadodara), Sanand (Ahmedabad).

20 Bapod (Vadodara), Gandhinagar (two cases).

Strengthening internal checks, ensuring uniform application of *Jantri* provisions, and enhancing capacity at SRO level would help safeguard government revenue and promote greater consistency in implementation of the Act.

The matter was reported to the Department/ Government between October 2024 and July 2025. Reminders were also issued in September and October 2025. The replies except in cases as mentioned above, were still awaited (November 2025).

3.2 Short levy of Stamp Duty and Registration Fee on documents containing distinct matters

Short levy of Stamp duty of ₹ 1.12 crore and Registration Fee of ₹ 10.06 lakh in eight documents relating to several distinct matters within one document.

As per Section 5 of the Gujarat Stamp Act, 1958 any instrument comprising or relating to several distinct matters or distinct transactions shall be chargeable with aggregate duties with which separate instruments would be chargeable under the Act. Under Article 20(a) of Schedule-I read with Section 3A of Gujarat Stamp Act, 1958 Stamp Duty on conveyance is leviable at the rate of 4.9 *per cent*, on the amount of consideration for such conveyance or the market value of the property which is the subject matter of such conveyance whichever is greater.

Under Article 5(ga) of Schedule-I, Stamp Duty on Agreement or Memorandum of an Agreement giving authority or power to a promoter or a developer, by whatever name called, for construction on or development of, or sale or transfer of, any immovable property, is leviable at the rate of 3.5 *per cent* of the market value of the property which is the subject matter of such an agreement.

As per Article 36(b) read with Article 6(1)(a) of Schedule-I, Stamp Duty shall be levied subject to maximum of ₹ eight lakh at the rate of twenty paise for every ₹ 100 or part thereof, where the amount of debt does not exceed ₹ 10 crore, and at the rate of fifty paise for every ₹ 100 or part thereof where the amount of loan or debt exceeds ₹ 10 crore.

Further, as provided under Article 6(2) of the Schedule, where movable property is hypothecated by way of security for the repayment of money advanced by way of loan or debt, Stamp Duty is leviable subject to maximum of ₹ eight lakh at the rate of twenty paise for every ₹ 100 or part thereof, where the amount of debt does not exceed ₹ 10 crore, and at the rate of fifty paise for every ₹ 100 or part thereof where the amount of loan or debt exceeds ₹ 10 crore.

During test-check of the records of six Sub-Registrar Offices[21] for the period 2016-2023, Audit noticed that in eight documents registered between November 2020 and December 2023, there were more than one distinct transaction. However, the SRs did not take cognizance of the recitals of the document and did not levy the aggregate Stamp Duty and Registration fee

[21] Athwa (Surat), Danteshwar (Vadodara), Gorwa (Vadodara), Memnagar (Ahmedabad), Naroda (Ahmedabad), Sola (Ahmedabad).

chargeable on each such distinct matter. This resulted in short levy of Stamp Duty and Registration fee of ₹ 1.12 crore and ₹ 10.06 lakh respectively as detailed below:

i. In one document registered at Sub-Registrar office, Sola (Ahmedabad) on 30 January 2021, Audit noticed from recital of the document that an agreement to sale 70 *per cent* of the land was previously executed between the landowner and the confirming party. As per the agreement, the consideration for the sale of above-mentioned property was set at ₹ 2.15 crore. Out of this amount, ₹ 1.84 crore was already paid by the confirming party prior to registration of the agreement.

   The landowner through present conveyance deed, sold the remaining 30 *per cent* of the land for a consideration of ₹ 1.95 crore. Further, as the confirming party executed agreement to sale for 70 *per cent* of the land, it decided to sell it to the present purchaser for ₹ 4.55 crore (₹ 2.15 crore + ₹ 2.40 crore), through present conveyance deed. Thus, the entire 100 *per cent* of the land was sold at a consideration of ₹ 6.50 crore (₹ 4.55 crore + ₹ 1.95 crore). As the confirming party through agreement to sell received the right on subject land and accepted the consideration of ₹ 4.55 crore from the purchaser to release their rights over the land, the Registering Authority was also required to recover stamp duty and registration fee on the transaction between the landowner and the confirming party. However, Sub-Registrar, levied stamp duty and registration fee only on the present conveyance deed. This resulted in short levy of Stamp Duty of ₹ 10.54 lakh and Registration Fee of ₹ 2.15 lakh.

   On this being pointed out, the Sub-Registrar stated (November 2024) that the document would be sent to the Deputy Collector (Stamp Duty Valuation Organization) for further necessary action.

ii. In one document registered at Sub Registrar office, Danteshwar (Vadodara) Audit noticed from recital of a document executed between the purchaser, the vendor and the confirming party that an agreement to sell the land was previously executed between the landowners and the confirming party. The landowner had already received full consideration from the confirming party and the confirming party has received full consideration of ₹ 7.82 crore in the present conveyance deed.

   The confirming party through agreement to sell received the right on the land and accepted full of ₹ 7.82 crore to release their rights over the land. Therefore, along with the Stamp Duty and Registration Fee levied on the present conveyance deed, the Registering Authority was also required to recover Stamp Duty and Registration Fee on the transaction between the landowner and the confirming party. However, the Sub-Registrar levied Stamp Duty and Registration Fee on the present conveyance deed. The omission resulted in short levy of Stamp Duty of ₹ 38.29 lakh and Registration Fee of ₹ 7.81 lakh.

   On this being pointed out, the Sub Registrar, stated (March 2025) that the document has been forwarded to Deputy Collector (Stamp Duty Valuation

Organization) for further necessary action and the Registration Fee of ₹ 7.81 lakh was recovered (March 2025).

iii. In one document registered at Sub-Registrar Office, Danteshwar (Vadodara), Audit noticed from recital of document executed between the purchaser, vendor and the confirming party that whole land of 7,500 sq. m. was purchased by the vendor in May 2015 and a notarized development agreement was executed by the vendor in favour of the confirming party in April 2017. The confirming party has received full consideration in the present document.

The notarized development agreement executed by the vendor in favour of the confirming party in April 2017 was liable to Stamp Duty as per Article 5(ga) *ibid.* Therefore, aggregate Stamp Duty was required to recovered on the above notarized development agreement executed between the vendor and the confirming party and present conveyance deed. However, the Sub-Registrar levied Stamp Duty on present conveyance deed only. This resulted in short levy of Stamp Duty of ₹ 23.89 lakh.

On this being pointed out, the Sub-Registrar replied (March 2025) that the document has been referred to Deputy Collector (Stamp Duty Valuation Organisation) for further necessary action.

iv. In one document registered at Sub-Registrar Office, Naroda, Audit noticed from recital of document that a shop was sold for a consideration of ₹ 2.01 crore. The current sale deed has been executed by the seller in favour of the purchasers, as per the instructions provided by the confirming party. Further, the confirming party has paid a consideration of ₹ two crore to the seller. The document does not mention any relationship or transaction between the confirming party and the purchaser. The document involves two distinct transactions; one between the seller and the confirming party and another between the confirming party and the purchaser. However, the Stamp Duty of ₹ 4.33 lakh on the transaction between the first party and the confirming party remained to be levied.

On this being pointed, Deputy Collector (Stamp Duty Valuation Organisation) Division-1, Ahmedabad *vide* its order (October 2025) confirmed the short levy of Stamp duty of ₹ 4.33 lakh and determined penalty of ₹ 7.80 lakh.

v. In Sub Registrar office, Memnagar (Ahmedabad) a document registered as "Mortgage Deed (without possession)" for extending loan/credit facility to a Company (Mortgagor) by the Mortgagees for total loan/ credit facility aggregating to ₹ 159.59 crore. Out of this aggregate credit facility, the credit facilities being extended by two mortgagees banks included cash credit of ₹ 16.77 crore and ₹ 18 crore respectively, which was being extended against 'Hypothecation of Stocks and Book-Debts'. Thus, the document consisted of two distinct matters i.e. mortgage and hypothecation. However, Stamp Duty chargeable for hypothecation was not levied which resulted in short levy of Stamp Duty of ₹ 12.56 lakh.

On this being pointed out, Deputy Collector (Stamp Duty Valuation Organisation) Division-1 Ahmedabad *vide* its order (October 2025) determined the short levy of Stamp duty of ₹ 4.20 lakh[22] and determined penalty of ₹ 3.78 lakh.

vi. In Sub-Registrar office, Gorwa (Vadodara) one document was registered as "Mortgage Deed (without possession)" for extending loan/credit facility to the Mortgagor by three Mortgagee banks. Audit noticed that one bank sanctioned credit facilities to the Mortgagor against Mortgage and Hypothecation. However, Stamp Duty required to be levied separately on Hypothecation amount of ₹ 25 crore under Article 6(2) of the Schedule-I of the Act ibid was not levied which resulted in short levy of Stamp Duty of ₹ eight lakh.

On this being pointed out, the Sub-Registrar replied (April 2025) that the document has been forwarded to Deputy Collector (Stamp Duty Valuation Organisation) for further necessary action.

vii. In Sub-Registrar office, Athwa (Surat) two documents and registered as "Deposit of Title Deeds". Audit observed that multiple borrowers had availed loan from the bank. The bank sanctioned separate loan amounts to each borrower. As each loan represents a distinct matter, under Section 5 of the Act *ibid* Stamp Duty and Registration Fee was required to be levied for each individual transaction. This being not done resulted in short levy of Stamp Duty of ₹ 14.70 lakh and Registration Fee of ₹ 10,000.

On this being pointed out, Deputy Collector (Stamp Duty Valuation Organisation) Division-1, Surat in one case *vide* its order (October 2025) determined the short levy of Stamp duty of ₹ 11.20 lakh and penalty of ₹ 10.42 lakh. In another case, Deputy Collector (Stamp Duty Valuation Organisation) stated (18 October 2025) that notice has been issued (14 October 2025) to the party concerned.

Audit scrutiny of eight registered documents across six Sub-Registrar Offices showed that the provisions of Section 5 of the Gujarat Stamp Act, 1958, requiring levy of aggregate Stamp Duty and Registration Fee on instruments involving distinct matters, were not applied uniformly. In several cases, earlier agreements to sell, development agreements, transactions involving confirming parties, and combined mortgage–hypothecation arrangements were evident from the recitals, but were not treated as separate chargeable matters.

These omissions resulted in short levy of Stamp Duty amounting to ₹ 1.12 crore and Registration Fee of ₹ 10.06 lakh. The Deputy Collector (Stamp Duty Valuation Organisation) have issued orders/ notices in some cases and Sub-Registrar Offices have referred the documents to the Deputy Collector (Stamp Duty Valuation Organisation) in other cases. The pattern of lapses indicates inadequate scrutiny of document recitals and inconsistent application of statutory provisions governing transactions involving multiple rights or financial arrangements. Strengthening internal checks and enhancing staff

[22] The amount was arrived by adjusting ₹ 11.80 lakh paid by the applicant through unregistered hypothecation deed (01 May 2023).

capacity to correctly identify distinct matters would help ensure uniform compliance and safeguard government revenue.

The matter was reported to the Department/ Government between October 2024 and July 2025. Reminders were also issued in September and October 2025. The replies wherever received have been incorporated (November 2025).

3.3 Short levy of Stamp Duty and Registration Fee due to misclassification of documents

Short levy of Stamp duty of ₹ 66.26 lakh and Registration Fee of ₹ 2.54 lakh in two documents due to incorrect classification of the document.

Under Section 3 of the Gujarat Stamp Act, 1958 every instrument mentioned in Schedule-I shall be chargeable with duty at the prescribed rates.

During test-check of the records of two Sub-Registrar offices[23], Audit noticed from the recitals of two documents registered in April and May 2023 that these documents were classified based on their titles, and Stamp Duty and Registration Fees were levied accordingly. Further scrutiny of the recitals of these documents revealed that these documents were misclassified which resulted in non/ short levy of Stamp Duty Stamp Duty of ₹ 66.26 lakh and Registration Fees of ₹ 2.54 lakh aggregating to ₹ 68.80 lakh, as mentioned below:

(i) Release Deed treated as Partition Deed

Article 49 of Schedule-I of Gujarat Stamp Act, 1958 stipulates that (a) if the release deed of an ancestral property or part thereof is executed by or in favor of brother or sister (children of renouncer's parents) or son or daughter or son of pre-deceased son or daughter of pre-deceased son or father or mother or spouse of the renouncer or the legal heirs of the above relations, Stamp Duty of ₹ 100 is leviable; and (b) in other case, same duty as is leviable on a conveyance under Article 20 on the share, interest, part or claim renounced in immovable property whichever is greater.

In Sub Registrar office, Gorwa (Vadodara), Audit observed that in one case of partition deed finalized in 2023, a *Karta* of the HUF, owned the property alongwith three other co-owners. A deed of partition was executed by which entire land and 20 *per cent* of the construction was transferred to one co-owner. Another document of release deed was executed on the same day wherein the *Karta* and the two remaining two co-owners released their share in the construction. Since the entire property is conveyed to one co-owner *vide* these two documents, the transaction was to be treated as release deed as the property was not partitioned. Further, as the property was not an ancestral property but purchased by the HUF, it was liable for levy of Stamp Duty under Article 49(b). The misclassification of the document resulted in short levy of Stamp Duty of ₹ 53.90 lakh.

[23] Bhuj and Gorwa (Vadodara).

On this being pointed out, the Sub-Registrar replied (April 2025) that the document was forwarded to Deputy Collector (Stamp Duty Valuation Organisation) for further necessary action.

(ii) Share of capital brought in by way of immovable property in partnership treated as cash

As per Article 44(b) of Schedule-I to the Gujarat Stamp Act, 1958, instrument of partnership where share of capital is brought in by way of immovable property, Stamp Duty is leviable at the rate as is leviable for conveyance under Article 20 of Schedule-I. As per Registration Act, 1908, Registration Fee on partnership deed shall be levied at the rate of one *per cent* on the amount or value of the property.

In one document, styled and registered as partnership deed at Sub-Registrar, office Bhuj, Audit noticed that though the partnership firm was established on 22 December 2021, the deed was not registered. The partners had brought in the jointly owned commercial land admeasuring 3100 sq. m. into the partnership firm as capital. However, the Sub-Registrar levied only ₹ 10,000 as Stamp Duty and ₹ 100 as Registration Fees leading to short levy Stamp Duty of ₹ 12.36 lakh and Registration Fees of ₹ 2.54 lakh aggregating to ₹ 14.90 lakh.

When this was pointed out, the Sub-Registrar stated (April 2025) that the case will be referred to Deputy Collector (Stamp Duty Valuation Organisation) for further necessary action.

Audit examination of two documents registered in different Sub-Registrar Offices revealed that Stamp Duty and Registration Fee were levied based on the titles of the instruments rather than the substance of the transactions as reflected in their recitals. In these cases, documents involving release of rights and introduction of immovable property as capital in a partnership were misclassified, resulting in short levy of Stamp Duty of ₹ 66.26 lakh and Registration Fee of ₹ 2.54 lakh.

While the cases have been forwarded to the Deputy Collector (Stamp Duty Valuation Organisation) for further action, the pattern of misclassification indicates inadequate scrutiny of document recitals and inconsistent application of statutory provisions governing the true nature of transactions. Strengthening internal checks and sensitising field offices to the correct interpretation of the Gujarat Stamp Act would help prevent recurrence of such lapses and safeguard government revenue.

The matter was reported to the Department/ Government between February 2025 to July 2025. Reminders were also issued in September and October 2025. Further replies were awaited (November 2025).

3.4 Non/ short levy of Premium/ Differential Premium

Premium of ₹ 55.16 crore in 173 cases was non/short levied in cases of conversion of agricultural land under 'new and restricted tenure' to 'old tenure' for residential/ industrial/commercial/multipurpose use.

As per the Government of Gujarat, Revenue Department Resolutions dated 13 July 1983 read with the Resolution No NSJ-102006-571-J (Part 2) dated 04 July 2008 issued under Section 43 of the Gujarat Tenancy and Agricultural Lands Act, 1948 (the Tenancy Act) in case of conversion[24] of land under 'new and restricted tenure' to 'old tenure', premium at the prescribed rates is required to be recovered by the Collector concerned. Further, Government Resolution (GR) dated 03 May 2011 prescribed the rate of premium as 25/40 *per cent* of the market value of the property for agriculture/ non-agricultural (NA) purpose, respectively. GR dated 15 April 2023 revised the rate of premium as 20/30 *per cent* of the market value of the property for agriculture/ non-agricultural (NA) purpose, respectively. The market value of the property is to be determined in accordance with the prevalent *Jantri*[25] rates and subject to the conditions prescribed therein.

Audit scrutiny of records of 13 Collector offices[26] for the period from 2021-22 to 2023-24, revealed (between October 2024 and April 2025) that in 173 cases of 'change of tenure' of land, measuring 26.10 lakh sq. m. and valued at ₹ 495.50 crore for agricultural or various non-agricultural purposes, the Department had adopted incorrect *Jantri* rates for levy of premium as shown below. The observations in detail have been narrated in **Appendix XV**, but briefly can be summed up as under:

a. In case of NA permission for 'multipurpose' use, premium is required to be paid at the highest *Jantri* rate for the village/ survey number.

   Out of total five cases, in four cases, permissions have been granted for multipurpose use, but highest non-agricultural rates available in *Jantri* have not been adopted for levy of premium. In one case, land had been converted from new tenure to old tenure for residential purpose after recovery of premium at residential rates. Later, NA use permission was granted for multipurpose use without recovery of differential premium.

   This resulted in non/ short levy of premium/ differential premium to the tune of ₹ 2.43 crore.

b. If any city survey/ Block/ revenue survey number of urban or rural areas is missing in the *Jantri*, then the market value of the property shall be determined based on the rates of the adjacent survey/ Block numbers available in the *Jantri* for the grid/ value zone map in which the missing city survey/ Block/ revenue survey number is falling. In cases where *Jantri* rate

[24] 'New and restricted' tenure land means the tenure of occupancy of the land which is non-transferrable and impartible without the prior approval of the District Authority whereas 'old' tenure land means land free of all restrictions of transfer but subject to permitted purpose of usage of land.

[25] Annual Statement of Rates (ASR) issued by the Government showing the rates for the purpose of determination of value of immovable properties and levy of Stamp Duty.

[26] Ahmedabad, Anand, Bharuch, Chhotaudepur, Gandhinagar, Himatnagar, Junagadh, Kheda, Kutch Bhuj, Navsari, Palanpur, Surendranagar and Vadodara.

was not prescribed for any grid of the village or value zone of urban area, rate of nearest grid/ value zone shall be adopted.

In 43 cases, the rates of the survey/ Block numbers were missing in the *Jantri* 2011. However, instead of following the codal provision as above, the Collectors adopted rates prescribed for the survey/ Block numbers in previous *Jantri* 2006, or rates arrived at two/ three/ four times of the agricultural rate of the same survey number of the property for residential/ industrial/ commercial purposes respectively. This resulted in short levy of premium to the tune of ₹ 6.22 crore.

c. In case of conversion of land (situated in urban areas, towns, cities, Nagarpalika areas etc.) under 'new and restricted tenure' to 'old tenure', premium at the prescribed rate is required to be recovered.

In 21 cases of change of tenure for various purposes, premium was short levied due to adoption of incorrect *Jantri* rates resulting in short levy of premium to the tune of ₹ 16.22 crore.

d. As per the GR dated 13 April 2023, twice the rate of *Jantri* applicable from 18 April 2011 shall be effective from 15 April 2023. In case of extension of time limit for payment of premium, if the extension for payment of premium is granted to the applicant where application on Integrated Online Revenue Application online platform is received before 15 April 2023, but payment of the same is made after 14 April 2023, then the premium shall be levied as per revised *Jantri* rates.

In 94 cases of conversion of land from new and restricted tenure to old tenure for agricultural or non-agricultural purposes (residential/ industrial/ /commercial/multipurpose use), the Collector adopted pre-revised *Jantri* rates. In these cases, premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rates were required to be adopted. This resulted in short levy of premium price of ₹ 26.55 crore.

e. Premium levied under Section 43 shall be valid for a period up to one year. If non-agriculture (NA) permission is not obtained within a period of one year of date of order issued for change of tenure under Section 43, then the differential premium at prevalent rates shall also be recovered while granting non-agriculture permission.

In 10 cases of conversion of land from new and restricted tenure to old tenure for non-agricultural purposes (residential/industrial/multipurpose use), the Collector had issued orders after recovery of premium price at prevalent *Jantri* rates. Later, in these cases, NA permissions have been granted after recovery of conversion tax. In these cases, NA permissions have been obtained after one year from date of order for change of tenure. Therefore, differential premium price was required to be recovered at prevalent *Jantri* rates. There was short levy of premium price of ₹ 3.74 crore.

Thus, in the above-mentioned 173 cases, the Department was required to levy premium of ₹ 157.39 crore. However, the Department levied premium of ₹ 102.23 crore only which resulted in short levy of premium/ differential premium of ₹ 55.16 crore.

Audit scrutiny across 13 Collector offices revealed widespread non-adherence to Government Resolutions governing valuation and recovery of premium for conversion of new and restricted tenure lands to old tenure. Incorrect application of Jantri rates, failure to adopt highest applicable rates for multipurpose use, non-compliance with codal provisions in cases of missing Jantri entries, application of pre-revised rates during extended payment periods, and non-recovery of differential premium where NA permission was obtained after one year resulted in short levy of premium/differential premium of ₹ 55.16 crore in 173 cases. These lapses indicate inadequate compliance oversight and ineffective internal controls in premium assessment and recovery.

The matter was reported to the Department/ Government between October 2024 to June 2025. Reminders have also been issued in July and August 2025. The replies wherever received, have been suitably incorporated in the **Appendix XV**. In remaining cases, the replies were awaited (November 2025).

3.5 Non/ short levy of Conversion Tax

Conversion Tax of ₹ 37.16 lakh in 11 cases was short/ non levied on change in use of land from Agricultural to Non-Agricultural (NA) purpose and while giving advance possession of Government land.

Section 67A of the Gujarat Land Revenue Code (GLRC), 1879 provides for levy of Conversion Tax at prescribed rates on change in the mode of use of land from Agricultural to Non-Agricultural (NA) purpose or from one NA purpose to another. The Conversion Tax is payable from the date on which NA permission is, or is deemed to have been granted, or from the date on which the land is put to NA/ another NA use, whichever is earlier. Different rates of Conversion Tax are prescribed for residential/ charitable/ temporary non-agriculture and industrial/ other purposes, depending upon the population of the city/ town/ notified area/ village. The GR dated 01 July 2008 prescribes the allottee to pay the applicable Conversion Tax within 15 days of taking possession of the acquired land. The provisions were reiterated by the Revenue Department *vide* its GR dated 05 March 2021. Revenue Department *vide* GR dated 21 March 2016, revised the Conversion Tax rate[27] with effect from 21 March 2016.

Audit scrutiny of the records of District Collector Anand and Rajkot for the period from 2021-22 to 2023-24, revealed (between September 2024 and February 2025) non-levy of Conversion Tax of ₹ 37.16 lakh in 11 cases, as detailed below:

[27] ₹ Two, ₹ Six and ₹ Eight for residential/charitable purpose, industrial/other purpose and multipurpose respectively in respect of villages, municipal boroughs, notified area and cities having a population not exceeding one lakh. ₹ 10, ₹ 30 and ₹ 40 per sq. m. for area with population exceeding one lakh as per the last census.

i. In four cases, the District Collector, Rajkot office issued order[28] for giving advance possession of Government land between August 2023 and December 2023 measuring 4,27,624[29] sq. m. without recovery of Conversion Tax from the applicants. This resulted in non-levy of Conversion Tax of ₹ 34.21 lakh[30].

   On this being pointed out, the Department stated (September 2025) that differential occupancy price and other taxes including conversion tax will be collected after the determination of market value of land by the State/District Level Valuation Committee and issuance of GR regarding allotment of land by the Revenue Department.

   The reply of the Department is not convincing as in these cases, advance possession of lands have been given and as per Section 67A of Gujarat Land Revenue Code, 1879, Conversion Tax is recoverable from the date/ deemed date of permission for non-agricultural use.

ii. In seven cases, the District Collector, Anand office issued orders between May 2023 and January 2024 for conversion of land from agricultural purpose to non-agricultural purposes having an area of 20,636 sq. m. and levied the Conversion Tax of ₹ 0.85 lakh at the rate of ₹ 2/8 against the leviable conversion tax of ₹ 3.80 lakh[31] at the prescribed rate of ₹ 6/8/40. This resulted in short levy of Conversion Tax of ₹ 2.95 lakh.

   On this being pointed out, the Department stated (November 2025) that encumbrances have been made on immovable properties of landowners for recovery of outstanding Conversion Tax. Further reply was awaited (November 2025).

The matter was reported to Department/ Government at various points of time between September 2024 and October 2025.

Roads and Buildings Department

3.6 Irregular and Overpayment of Price Variation

In 11 works executed by R&B Divisions, there was overpayment of Price Variation (PV) of ₹ 4.74 crore due to incorrect calculations and payment of PV for ineligible items of work, ineligible period and not limiting the payment within the prescribed ceiling limit.

Price Variation clauses in contracts deal with the rise and fall of prices in construction materials/ labour and other key inputs. The provision of price

[28] Between August 2023 and December 2023.

[29] Land parcels of 3,920 sq. m., 4,900 sq. m and 4,11,180 sq. m. to Gujrat Energy Transmission Corporation, Gujarat and one land parcel of 7,000 sq. m. to Gujarat Water Supply and Sewerage Board, PHW Division, Rajkot.

[30] 4,27,624 sq. m. * ₹ 8 per sq. m. = ₹ 34,20,992.

[31] 7,274 sq.m.* ₹ 40 per sq. m. (multipurpose) (population above one lakh) + 4,661 sq. m. * ₹ 8 per sq. m. (multipurpose) (population below one lakh) +8,701 sq. m. * ₹ 6 per sq. m. (industrial purpose).

variation clauses enables contractors to factor this reduced risk and thereby quote more competitive prices.

Audit observed non-compliance to price variation clauses in Item Rate Tender and Contract for Works, as well as Engineering, Procurement, and Construction (EPC) Agreements, as detailed below:

(A) Observations related to Item Rate Tender and Contract for Works

The Clause 59 and 59A of the Standard Tender Form prescribed by the R&B Department provides for Price Variation (PV) in respect of:

(i) Labour, Material (Other than Cement, Steel and Asphalt) and Petroleum, Oil and Lubricants (POL), and

(ii) Cement, Steel and Asphalt,

respectively.

The PV is to be paid/ recovered as per the formula prescribed in the Standard Tender document.

(a) Payment of PV for Cement and Steel

As per Clause 59A, the price variation is calculated using the formula:

$$A = B * \left[\left(\frac{C_1 - C_0}{C_0}\right) * D\right]$$

where A is the price variation amount payable or recoverable, B is the star rate, C_1 is the quarterly average corresponding (wholesale) index of Cement/ Steel for the quarter under consideration, C_0 is Price index of Cement/ Steel for the month in which the Draft Tender Paper (DTP) was approved, and D is Quantity of Cement/ Steel actually brought by the Contractor on work site and consumed during the quarter.

During audit of the R&B Division, Bharuch for the period April 2017 to March 2024, Audit observed (November 2023 and February 2025) the DTP for the work 'Widening and strengthening of Hansot – Rohid – Kudadara – Sisodara – Kosamba Road km 0/0 to 18/0' was approved in the month of June 2019 and index (C_0) for the month for Cement and Steel were 122.5 and 108.4, respectively. However, while calculating the amount of PV, the Division inter-changed the indices (C_0) and used incorrect index of 108.4 for Cement and index of 122.5 for Steel. As a result, instead of recovery of ₹ 15.57 lakh from the Contractor, the Division paid PV of ₹ 40.13 lakh. Thus, there was overpayment of ₹ 55.70 lakh due to incorrect calculation of PV.

The Division stated (February 2025) that the Contractor has been asked to pay the amount.

However, the status of recovery was awaited (November 2025).

(b) Payment of PV for labour, other material and POL

The PV on Labour, Material (Other than Cement, Steel and Asphalt) and POL is to be paid on works with estimated cost above ₹ 25 lakh and time limit above 12 months. It is to be noted that no PV is admissible for the work done in the first 12 months of the award of work. Moreover, the PV is to be restricted to five *per cent* of the estimated cost of the work put to tender less the value of Cement, Steel and Asphalt, based on input rates used to arrive at the sanctioned estimate. Further, the R&B Department vide its Resolution[32] dated 24 March 2022 allowed the payment of PV on material (within the prescribed ceiling limit) for the works in progress as of 01 January 2021 for the items of work executed after that date up to 30 September 2022. It may be noted that the Resolution did not mention the payment of PV in respect of Labour and POL.

The PV is to be paid/ recovered as per the following formulae prescribed in the Standard Tender document:

PV for Labour:

$$L = 0.75 * \frac{pl}{100} * R * \left(\frac{l - l_0}{l_0}\right)$$

where L is the price variation amount, pl is the percentage of labour component of the item, l_0 is average consumer price index for industrial workers for the quarter in which tender was opened, l is the average consumer price index for industrial workers for the quarter under consideration, and R is cost of the work done during the quarter and after excluding the following:

- Cost of extra items,
- Cost of Cement, Steel and Asphalt valued at Star Rate plus/ minus PV paid/ recoverable.

PV for Material:

$$M = 0.75 * \frac{pm}{100} * R * \left(\frac{m - m_0}{m_0}\right)$$

where M is the price variation amount, pm is the percentage of material component of the item, m_0 is average wholesale price index (all commodities) for the quarter in which tender was opened, m is the average wholesale price index (all commodities) for the quarter under consideration, and R is as defined above.

PV for POL:

$$Z = 0.75 * \frac{pz}{100} * R * \left(\frac{z - z_0}{z_0}\right)$$

[32] To meet out the cost escalations due to COVID-19 pandemic.

where Z is the price variation amount, pz is the percentage of POL component of the item, z_o is average price of High Speed Diesel (HSD) fixed by IOCL for the district in which work is to be carried out, for the quarter in which tender was opened, z is the average price of HSD fixed by IOCL for the district for the quarter under consideration, and R is as defined above.

During the audit of five R&B Divisions[33] for the period April 2017 to March 2024, Audit observed (between May 2023 and February 2025) irregular/ overpayment of PV of ₹ 3.40 crore to the Contractor in 10 works:

PV paid for Labour and POL

- The R&B Division, Godhra, paid PV of ₹ 19.21 lakh for labour and POL in the work of 'Widening and strengthening of Shahera-Chhanip-Morva Road Section Shahera- Morva Road Section Km 2/0 to 10/0 & Chhanip-Ujada-Vadi Road Km 0/0 to 13/0'. This was against the provisions of the March 2022 Resolution, which permitted for payment of PV for material only.

  The Division stated (July 2023 and February/ May 2025) that the PV was paid as per the GR of March 2022 within the ceiling limit of five *per cent*.

  The reply of the Division is not correct as the GR allowed for the payment of PV for only materials consumed in the work, and not for labour and POL.

- In another work of 'Widening and strengthening of Umrala-Asha-Panetha-Indore velu gam road km 0/0 to 22/0' executed by R&B Division, Bharuch, the Division paid PV aggregating to ₹ 71.02 lakh {which included PV towards material (₹ 18.84 lakh), labour (₹ 45.04 lakh), and POL (₹ 7.14 lakh)}. Since, the GR of March 2022 provided for payment of PV for only the material used in the works, the payment of PV of ₹ 52.18 lakh on labour and POL was irregular.

  Further, in the total amount considered for payment (RA Bills of February 2022, March 2022 and May 2022) of PV, the Division included the payments released against the amount withheld[34] previously from the bills of October and December 2021 i.e. for the work done during the first 12 months of the contract. This was irregular since PV was to be paid for the material used in the works executed after one year of the contract i.e. after 22 January 2021 only. Due to this, there was excess payment of PV of ₹ 4.57 lakh for material. Overall, there was irregular/ excess payment of PV of ₹ 56.75 lakh.

  The Division stated (February 2025) that the amount would be recovered after scrutiny of the records.

  However, the status of recovery was awaited (November 2025).

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[33] R&B Divisions: (i) Bharuch, (ii) Godhra, (iii) Kheda-Nadiad, (iv) Palanpur, and (v) Surat.

[34] Pending submission of certain test reports.

PV paid for ineligible period

- In another work of 'Construction of new building of Shri Govind Guru University, Godhara', R&B Division, Godhra, paid PV of ₹ 5.09 lakh for items of works executed during the quarter ending December 2022, even though the March 2022 Resolution was applicable only for the items of work executed between 01 January 2021 and 30 September 2022. In the same work, though after deducting the aggregated cost of Cement and Steel consumed during the quarter ending September 2022 and PV paid thereon, from the total value of the work done during the quarter, the 'R' value comes to 'zero', the Division paid PV of ₹ 1.50 lakh on material other than Cement and Steel, without factoring-in the 'R' value in the calculation sheet. Thus, there was irregular payment of PV of ₹ 6.59 lakh.

  The Division stated (February 2025) that the matter would be scrutinised, and recovery would be made from the final bill of the work.

- The R&B Division, Bharuch, during execution of the work of 'Widening and strengthening of Hansot – Rohid – Kudadara – Sisodara – Kosamba Road km 0/0 to 18/0' made payment of PV of ₹ 12.18 lakh for the items of work executed during the quarter ending December 2020, though as per the GR of March 2022 PV was to be paid only for the work executed during the period from January 2021 to September 2022.

  The Division stated (February 2025) that the amount would be recovered after scrutiny of the records.

- Similarly, in the total amount for another work of 'Development of Airstrip at Ankleshwar' considered for payment (RA Bill of October 2023) of PV too, the R&B Division, Bharuch, included the payments released against the amount withheld[35] previously from the bill raised in May 2023 i.e. for the work done in the first 12 months of the contract. This was irregular since PV was to be paid for the works executed after one year of the contract. As a result, there was excess payment of PV of ₹ 4.76 lakh.

  The Division stated (February 2025) that the amount would be recovered after scrutiny of the records.

  In the above three cases, though the Divisions concerned agreed to recover the amount after scrutiny of the records, but the status of recovery was awaited (November 2025) by Audit.

PV paid beyond the prescribed ceiling limit of five per cent of the net estimated cost

- In the work of 'Widening and Improvement of Suigam Limbuni Masali Mahpura Boru Dudhesan Road Km 0/0 to 20/75', the R&B Division, Palanpur, adopted the total estimated cost of ₹ 54.34 crore for arriving at the ceiling limit of five *per cent* instead of adopting the net estimated cost of

[35] Pending submission of certain test reports.

₹ 35.12 crore arrived at after deducting the cost of Cement, Steel, Asphalt (₹ 19.22 crore). As a result, the Division paid PV of ₹ 1.87 crore instead of maximum payable PV amount of ₹ 1.76 crore thereby leading to excess payment of PV of ₹ 11.03 lakh.

- Similarly, in the work of 'Widening and strengthening of Dakor Pali Road km 90/0 to 112/2' R&B Division, Kheda-Nadiad, paid PV of ₹ 2.16 crore for Labour, Material (other than Cement, Steel and Asphalt) and POL without restricting the amount to ₹ 1.48 crore, being five *per cent* of the net estimated cost of the work (₹ 29.52 crore), after deducting cost of the Cement, Steel and Asphalt. This resulted in overpayment of PV of ₹ 68.09 lakh.

- The R&B Division No. 01, Surat, while paying PV in respect of labour, material (other than Cement, Steel and Asphalt) and POL for the work of 'Construction of Multi-storeyed Building at ITI Majuragate, Surat' did not restrict the amount to five *per cent* of the net estimated cost of the work (₹ 19.86 crore), after deducting the cost of Cement, Steel, and Asphalt. As a result, the Division paid PV of ₹ 1.60 crore instead of maximum payable amount of ₹ 0.99 crore, resulting in overpayment of ₹ 61 lakh. Similarly, in two other works namely, (i) Construction of New Circuit House at Athwa lines, Surat, and (ii) Construction of Category B Block (G+12) common pool quarters (96 units) at Government quarters Ramnagar, Surat, the Division paid excess PV of ₹ 27 lakh and ₹ 73 lakh, respectively on the same account.

  In respect of the above works, the Superintending Engineer (SE) of R&B Circle, Mehsana, Ahmedabad and Surat stated (October 2023/ February 2025/ May 2025) that the ceiling of five *per cent* had been removed vide Government Resolution dated 24 March 2022.

  The reply of the SEs concerned is not correct since through the GR issued in March 2022, the Government removed the ceiling of five *per cent* on PV payable in respect of Cement, Steel and Asphalt only and not for other items of work.

(B) Observations related to Engineering, Procurement and Construction (EPC) Agreement

As per the EPC Agreement (February 2019) between Government of Gujarat and M/s. Anish Infracon India Pvt. Ltd. for 'upgradation of new NH-341 to two lane with paved side shoulder configuration', the contract price of ₹ 200.99 crore was to be adjusted for increase or decrease in rates and price of various inputs[36] in accordance with the following formula:

PV for components of road works/ other works:

$$V = 0.85 * P * R * \left(\frac{I - I_0}{I_0}\right)$$

[36] Labour, Cement, Steel, Bitumen, fuel and lubricants, plant, machinery and other material inputs.

where V is the price variation amount for various components of road works/ other works and of Major Bridges and Structures, P is percentage of Labour, Cement, Steel, Plant, Machinery and Spares, Bitumen, Fuel and Lubricants, and other material inputs, I_o is index[37] or retail price[38] for the components as on the Base Date[39], I is the index or retail price for these components for the month three months prior to the month to which Interim Payment Certificate (IPC) relates, and R is the value of the work done for the completion of a stage.

The increase or decrease for the various components of the work were to be regulated as per the indices and prices prevailing on the Base Date.

During the audit of the NH Division, Gandhidham for the period April 2017 to March 2024, Audit observed (February 2025) that the Division had paid (up to November 2021) PV of ₹ 7.35 crore for labour, cement, steel, bitumen, fuel and lubricants, other materials and construction machinery. However, the Division while calculating the PV in respect of labour, cement, steel, other materials, and construction machinery, adopted Base Date as 22 September 2018, but considered incorrect indices and rates. In case of bitumen, and fuel and lubricants, the Division did not adopt correct Base Date of 22 September 2018 and considered indices and prices different from the Base Date[40].

The incorrect adoption of Base Date and/ or indices and rates resulted in excess payment of PV of ₹ 78.30 lakh.

The Division stated (February/ May 2025) that PV would be checked and verified and the excess amount paid, if any, would be recovered.

However, the status of recovery was awaited (November 2025).

Thus, in the above cases, Audit scrutiny revealed persistent and systemic non-compliance in the application of Price Variation (PV) provisions across multiple R&B Divisions. These included incorrect adoption of indices, payment of PV for ineligible items and periods, and inability to restrict PV within the prescribed ceiling. This resulted in avoidable and irregular expenditure aggregating ₹ 4.74 crore.

These repeated deviations occurred despite clear contractual provisions and Government instructions, indicating weak internal controls, inadequate supervisory oversight, and absence of validation mechanisms for scrutiny of PV claims.

The fact that the Divisions continued to process payments without proper verification, and that recovery action remained pending in most cases even after the irregularities were pointed out, exposes continuing vulnerability of public

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[37] Wholesale Price Index WPI for construction machinery/ Gray cement/ Steel/ All commodities, Consumer Price Index for industrial workers, as the case may be.

[38] Retail Price of Bitumen at the nearest refinery at Gujarat, Official Retail Price of HSD oil of IOCL in Gujarat, as the case may be.

[39] The date which precedes the Bid Due Date (20 October 2018) by at least 28 days i.e. not after 22 September 2018.

[40] Bitumen: 01 September 2018 instead of 16 September 2018, Fuel and lubricants: 01 August 2018 instead of 01 September 2018.

funds to misapplication. Unless the Department institutes automated checks and strengthens financial controls over PV payments, the risk of recurrence of such irregularities remains high.

The Department/ Government was notified (August 2025), and their response was awaited (November 2025) despite repeated reminders (September and October 2025).

Recommendation: An automated PV Calculation Module pre-loaded with correct indices, ceilings, and data-range logic along with validation rules in a works accounting and management system, integrated with the IFMS, may help avoid such irregularities in the payment of Price Variation. The WAMIS platform of Odisha may be seen as a good practice for adaption and adoption.

3.7 Irregular Payment of Bonus

The R&B Division proposed and extended the project completion timeline after the date of completion of the work and paid bonus of ₹ 2.40 crore to the contractor for early completion.

The State Road Project Division, Vadodara (the Division) of R&B Department entered (30 August 2019) into an Engineering, Procurement, and Construction (EPC) Agreement with a Contractor. As per Clause 19.20 of the EPC Agreement, the Contractor was eligible for Bonus equivalent to 0.03 *per cent* of the contract price[41] (₹ 86.00 crore) for each day by which the project completion date precedes the scheduled or extended completion date.

The payment of Bonus, if any, was to be made only after the issue of the Completion Certificate. It is to be noted that the work was to be completed by 31 March 2021 as per the EPC Agreement. The Division had appointed a Consultant of the Project (hereinafter termed as "*Authority Engineer*" by the Department/ Division).

During the audit of the Division for the period April 2018 to March 2024, Audit observed (July 2024), that the Division made irregular payment of ₹ 2.40 crore in the form of Bonus to the Contractor. The chronology of events is given below:

The Contractor requested (August 2021) the Division for extension of time upto 28 February 2022. Based on the recommendation (December 2021) of the Authority Engineer (AE) *i.e.* the Consultant for the EPC Project and the proposal (December 2021) of the Division, the Superintending Engineer (SE), Project Implementation Unit, Gandhinagar proposed (February 2022) to the R&B Department extension of time up to 28 February 2022. The Department granted the same on 07 March 2022.

Subsequently, the Contractor applied (21 March 2022) for payment of Bonus of ₹ 2.40 crore for 93 days on account of early completion of the project. This period of 93 days was considered based on the Completion date certified by the AE *i.e.* 27 November 2021 and the extension of time approved upto 28 February 2022.

[41] Subject to a maximum of three *per cent* of the contract price.

The AE recommended (21 March 2022) to the Division for payment of the said Bonus amount and the Division paid (30 March 2022) the Bonus amount of ₹ 2.40 crore to the Contractor.

Why was the payment of Bonus to the Contractor irregular?

- The Completion Certificate issued by the AE mentioned that the work has since been completed on 27 November 2021 and the road declared fit for entry into operation. However, Audit observed that the Completion Certificate issued by the AE did not bear any date on which the Certificate was issued. Therefore, the proposal of the Division in December 2021 for extension of time *i.e.* after the road had been declared fit (beyond 27 November 2021 up to 28 February 2022), contradicted the Completion Certificate issued by the AE and was not justified in the instant case.
- The Division while submitting the proposal for grant of extension of time to the Circle Office in December 2021 did not analyse the need of *extension of time limit beyond 27 November 2021, when the work had already been completed*. The SE (Circle Office) also did not take cognizance of the Completion Certificate before sending proposal for extension of the time to the Department.

The bonus payment of ₹ 2.40 crore to the Contractor was irregular because the Division and the Circle Office processed and obtained extension of time after the work had already been completed on 27 November 2021. As the extension was not contemporaneous with the execution of the work and was granted without any justification of need, the early-completion condition envisaged under Clause 19.20 of the EPC Agreement was rendered inapplicable.

This reflects failure of contract management and due diligence at multiple levels (Authority Engineer, Division and Circle Office), where existing documentation i.e. the Completion Certificate, was either ignored or not independently verified before recommending extension. The avoidable payment of ₹ 2.40 crore constitutes financial loss to Government, besides revealing systemic weakness in scrutiny of extension proposals and certification processes.

The Department stated (September 2025) that the GoI's Circular dated 03 June 2020 permitted extension of three to six months due to impact of COVID-19 pandemic and the extension in this EPC contract was granted accordingly. The Department further stated that the AE had recommended the second extension on 20 November 2021 due to second wave of COVID-19 pandemic before the completion of the work. Thus, the payment of bonus was as per the terms of the Contract.

The reply of the Department is not convincing since the Department's reliance on the COVID-19 extension circular is misplaced. As benefit of extension of the time limit was granted to the Contractor post-completion, it created an artificial basis for eligibility of bonus.

3.8 Cost overrun due to non-finalization of tender within bid validity period

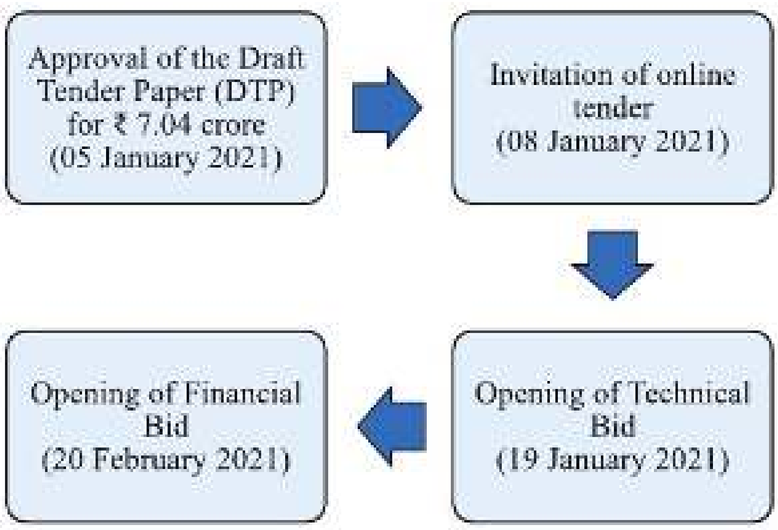
In two works of the R&B Divisions, cost overrun aggregating to ₹ 2.21 crore occurred owing to non-finalisation of the tenders due to incorrect adoption of bid validity period.

As per Clause 212-A of the Gujarat Public Works Manual (GPWM), read with Government Resolution (GR) dated 10 May 2013, cases pertaining to the acceptance of tender must be treated as immediate, as the issue of final orders should not take more than 120 days. This period of 120 days is to be reckoned from the date of opening of the Technical Bid in case of two cover bid tenders and from the date of opening of financial bid in case of single cover bid tenders.

Audit observed (February 2025) cost overrun with tendered costs increasing by ₹ 2.21 crore in two works due to non-finalization of the tenders within the bid validity period.

A. Widening and Strengthening of Asjol-Karansagar Road (Mehsana)

During the audit of R&B Division, Mehsana, the following was observed with respect to the Work of 'Widening and Strengthening of Asjol-Karansagar Road' for which, the tender was invited in two cover bid system.



The L1 bid was of ₹ 5.40 crore, which was 23.31 *per cent* below the estimated cost of ₹ 7.04 crore.

Further, Audit observed that the Division while submitting (22 February 2021) the proposal for approval of tender of the L1 bidder to the R&B Circle, Mehsana, incorrectly calculated bid validity period of 120 days from the date of opening of the Financial Bid (i.e. 20 February 2021) instead of the date of opening of the Technical Bid (i.e. 19 January 2021). Thus, the Division mentioned validity period of the tender as 20 June 2021 instead of the correct validity period of up to 18 May 2021.

It is to be noted that the R&B Circle, Mehsana, also did not take cognizance of the incorrect tender validity period and forwarded the same to the Department for approval. The Department approved the tender on 09 June 2021, before the incorrect validity period mentioned by the Division ended. Thereafter, the Division instructed (17 June 2021) the L1 bidder to submit Security Deposit (SD) as per the terms of the tender.

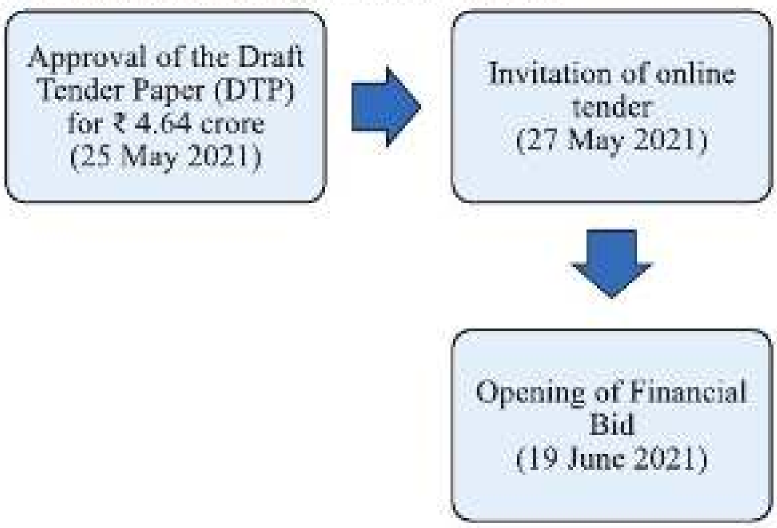
However, the L1 bidder stated (21 June 2021) that the bid validity of the tender had expired and the work could not be undertaken owing to considerable increase in the rates of materials. As a consequence, the Division had to re-invite the tender and awarded (30 December 2021) the work to another contractor at a tendered cost of ₹ 6.13 crore, which was higher than the bid quoted by the L1 bidder of the original tender by ₹ 72.53 lakh[42]. The work was completed on 06 July 2023 at a cost of ₹ 6.91 crore.

Therefore, the incorrect adoption of tender validity period by the Division and the failure to notice and rectify the mistake at subsequent stages resulted in cost overrun with tendered cost itself rising by ₹ 72.53 lakh.

The Division stated (February 2025) that this was an oversight error due to workload. The oversight error indicates an internal control failure with respect to ensuring regularity with extant norms.

B. Government Boys Hostel, Unit-2, Palanpur

During the audit of R&B Division, Palanpur, the following was observed with respect to the Work of 'Government Boys Hostel, Unit-2, Palanpur' for which, the tender was invited in single cover bid system.



The L1 bid was of ₹ 3.66 crore, 21.19 *per cent* below the estimated cost of ₹ 4.64 crore.

Further, Audit observed that while the Division submitted the proposal for approval of tender of the L1 bidder to the R&B Circle, Mehsana, on 21 June 2021, the Circle submitted the proposal to the Department on 03 August 2021 i.e. after 43 days of receipt of the proposal from the Division. The Department approved the tender on 07 September 2021 and the approval was received by the Circle Office on 29 September 2021.

42 ₹ 6,12 ,56,979 quoted by the new contractor *minus* ₹ 5,40,03,883 quoted by the original L1 bidder.

However, the Circle office communicated the approval to the Division only on 27 October 2021 i.e. after the lapse of the bid validity period on 17 October 2021[43]. The Division asked (27 October 2021 and 18 November 2021) the L1 bidder to submit Security Deposit (SD) and other documents as per the tender conditions.

As the proposal was not processed and communicated within the stipulated validity period, the L1 bidder declined (22 November 2021) to accept the tender, citing expiry of the bid validity period. This rendered the tender process infructuous and led to retendering. The work was subsequently awarded in September 2023 at a cost of ₹ 5.14 crore, which was ₹ 1.48 crore higher than the earlier L1 bid[44].

Thus, the delays at multiple administrative levels in processing and communicating the tender approval directly caused the expiry of bid validity, which in turn necessitated retendering and resulted in an avoidable increase of ₹ 1.48 crore in the tendered cost, besides delay in commencement of the work.

The Division stated (February 2025) that it had tried to convince the original L1 bidder to accept the tender.

The replies of both the Divisions in the above two respective cases are not convincing as the time and cost overrun in both the works could have been avoided if the Departmental officials had carried out due diligence during the tendering process and complied with the norms pertaining to bid validity period.

The Department/ Government was notified (May 2025), and their response was awaited (November 2025) despite repeated reminders (June and July 2025).

3.9 Avoidable excess expenditure due to not limiting road widening to the prescribed technical parameters

The R&B Division provided road widening at curves in excess of the prescribed Indian Road Congress (IRC) norms at 99 curves which led to avoidable extra expenditure of ₹ 1.62 crore.

As per the Indian Roads Congress (IRC):38-1988 (Guidelines for Design of Horizontal Curves for Highways and Design Tables) read with the Handbook for Roads (Part-I) 1986 issued by the Roads and Buildings Department, Government of Gujarat, extra width of carriageway[45] to be provided at horizontal curves[46] on single and two-lane roads is prescribed as under:

[43] Calculated as 120 days after the opening of the Financial Bid.
[44] ₹ 3.66 crore.
[45] The portion of roadway constructed for movement of vehicular traffic.
[46] Based on technical parameters such as sight distance, set-back distance, *etc.*

Table 3.1: Extra width of pavement (carriageway) at horizontal curves

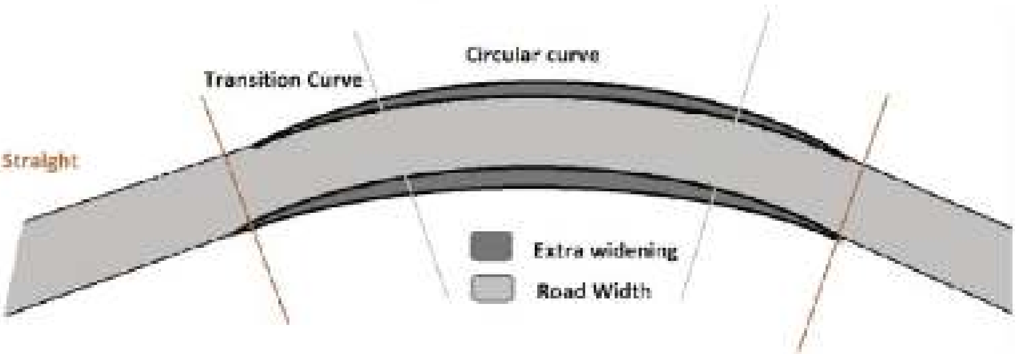
Radius of curve (m)	Up to 20	21-40	41-60	61-100	101-300
Extra width to be provided on Two-lane road **(m)**	1.5	1.5	1.2	0.9	0.6
Extra width to be provided on Single lane road **(m)**	0.9	0.6	0.6	Nil	Nil

Source: IRC:38-1988.

In short, only the specified extra width is to be provided as per the curve radius. No extra width of pavement is to be provided on horizontal curves having radius more than 300 metres. Furthermore, IRC:SP:73-2018 explicitly states that pavement widening on horizontal curves must follow the limits prescribed in IRC:38-1988. The code does not allow the executing agency to adopt higher or different widening on its own, unless supported by a separate approved design or technical justification.

An illustrative figure showing extra widening on road curve is shown in the following figure:

Figure 3.1: Extra widening on road curve



Avoidable Expenditure:

During audit of the R&B Division, Bhuj (the Division) for the period April 2018 to March 2024, Audit observed (in March 2023 and March 2025) that the Division had executed nine works of widening and strengthening/ improvement of roads involving a total of 108 horizontal curves. The Division prepared estimates for these curves as per the IRC:38-1988.

On further scrutiny, Audit observed that in the case of 99 curves[47], the Division provided widening more than the recommended width for the given radius in the IRC:38-1988, on both sides of the curves.

As a result of not restricting the widening of the roads to the limits recommended under IRC:38-1988, the Division incurred an avoidable excess expenditure of ₹ 1.62 crore. The details are provided in **Appendix XVI A and B.**

[47] Details regarding one curve out of the 108 curves were not made available to Audit while there was no observation in respect of the remaining eight curves.

Table 3.2: Details of curves with extra widening

Sl. No.	Radius of the curve (in m)	No. of curves	Prescribed widening	Widening provided by the Division (in m)	Widening provided more than the prescribed limit (in m)	Percentage of excess widening w.r.t. original width of the road
1	Between 21-40	08	1.50	1.60 to 2.20	0.10 to 0.70	1 to 7.14
2	Between 41-60	40	1.20	1.40 to 3.00	0.20 to 1.80	2 to 18
3	Between 61-100	21	0.90	1.20 to 3.50	0.30 to 2.60	3 to 37.14
4	Between 101-300	25	0.60	0.80 to 3.50	0.20 to 2.90	2 to 34.29
5	More than 300	05	Nil	0.60 to 1.60	0.60 to 1.60	8 to 16
	Total	**99**				

The Circle Office, Mehsana of the R&B Department stated (October 2025) that the total width of the road consisting of the carriageway, paved shoulder and extra widening was within the limits prescribed under IRC:SP:73-2018. It was further stated that the extra widening as against the IRC:38-1988 recommendations was provided based on the prevailing site requirement and other factors such as sight distance, braking distance and skid distance for vehicles, grade compensation and gradients and horizontal sightline offsets, for the safety of the road users.

The reply of the Circle Office is not convincing as IRC:SP:73-2018 quoted by the Circle Office is related to 'Specifications and Standards for Two-Laning of Highways with Paved Shoulder' and not to extra widening on curves. Analysis of IRC:SP:73-2018 revealed that this IRC also recommends increase in the width of pavement and roadway on horizontal curves as per the limits stipulated under the IRC:38-1988. Moreover, though requested by Audit (May and June 2025) to provide documentary evidence in support of their reasoning for extra widening, the Division did not provide (November 2025) any record indicating the need for widening beyond recommended standards.

Thus, extra widening beyond the standards not only resulted in excess expenditure but would also result in corresponding excess expenditure on future repairs and maintenance of such extra portions of the road. The practice also undermines uniformity in road design and creates risk of non-standard execution across works, thereby affecting the principle of value-for-money in public spending and exposing the Department to recurring financial leakage.

The Department/Government was notified (July 2025), and their response was awaited (November 2025) despite repeated reminders (August and September 2025).

3.10 Recovery/avoidable payment of Electricity Charges

The R&B Division No. 1 (City), Surat did not recover electricity charges aggregating to ₹ 83.05 lakh from Airport Authority of India (AAI), Surat for the electricity consumed by the private parties/ concessionaires at the Airport. Further, due to delayed initiation of the process for making Solar Photo Voltaic System (SPVS) functional, the R&B Electrical Division, Surat had to pay avoidable electricity charges of ₹ 62.39 lakh.

A. Recovery of Electricity Charges

As per the Memorandum of Understanding (MoU) executed (September 2003) between the Government of Gujarat (GoG) and Airport Authority of India (AAI) for the development of the Surat Airport, the GoG was to bear the cost of water and power supply required for the operation of the Airport.

During audit of R&B Division No. 1 (City), Surat, (the Division) for the period April 2018 to March 2024, Audit observed (July 2024) that the Dakshin Gujarat Vij Company Limited (DGVCL) raised electricity bills aggregating to ₹ 30.86 crore for the period May 2006 to March 2024 for the AAI, Surat. Against this, the Division paid (between March 2007 and February 2024) electricity charges of ₹ 28.40 crore[48] on behalf of the AAI, Surat.

The AAI, Surat informed (July 2022) the Division that the electricity bills raised by the DGVCL also included charges towards electricity consumed by private parties/ concessionaires at Surat Airport against which the AAI had been raising bills to these private parties/ concessionaires. In view of this, the AAI, Surat, requested the Division to provide the details of bank account to enable them to transfer the amount collected from the private parties/ concessionaires to the GoG.

The Division advised (August 2022) the AAI, Surat, to remit the amount through Cheque in favour of the Executive Engineer. Accordingly, the AAI, Surat transferred (between October 2022 and April 2024) an amount of ₹ 30.68 lakh from the amount of ₹ 47.17 lakh collected[49] by it towards electricity charges for the period from April 2022 to March 2024. Thus, an amount of ₹ 20.78 lakh[50] remained to be reimbursed (as of May 2024) by the AAI, Surat to the Division for the above period.

Subsequently, Audit obtained and analysed the details[51] of bills raised by the AAI, Surat for the recovery of electricity charges from the private parties/ concessionaires during the period from April 2015 to March 2022 and found that the AAI, Surat had raised bills aggregating to ₹ 62.27 lakh for recovery of the electricity charges from the private parties/ concessionaires at the Airport and had collected an amount of ₹ 33.46 lakh against it. However, the AAI, Surat, did not make any reimbursement to the GoG for this period.

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48 The remaining amount of ₹ 2.46 crore was yet to be paid as of July 2024.
49 Against total amount of ₹ 51.46 lakh billed to the private parties/ concessionaires.
50 ₹ 51.46 lakh *minus* ₹ 30.68 lakh.
51 As furnished by the AAI, Surat to Audit in July 2024.

Thus, due to not devising any mechanism for recovery of electricity charges from the private parties/ concessionaires at Airport, Surat, the Division could not recover electricity charges aggregating to ₹ 83.05 lakh (₹ 20.78 lakh plus ₹ 62.27 lakh) as of July 2024.

The Division stated (June 2025) that it had requested (September and October 2024) the AAI, Surat to provide the methodology of assessment and amount collected from the private parties/ concessionaires during the period April 2015 to March 2024 and remit ₹ 83.05 lakh with interest.

Further reply was awaited (November 2025).

B. Avoidable payment of Electricity Charges

As per the Gujarat Solar Power Policy 2015 and 2021, if a consumer had installed and commissioned a Solar Power Plant (SPP), the charges for net import (consumption) of electricity shall be as per consumer's existing tariff while in case of net export i.e., surplus energy generated and exported after adjustment of consumption at the end of the billing cycle, shall be purchased by the concerned power distribution company.

During the audit of the R&B Electrical Division, Surat, (hereinafter called "the Division") Audit observed (May 2024) that a standalone Solar Photo Voltaic System (SPVS) having capacity of 134.40 kWp[52] was installed (2009) at Jilla Seva Sadan 2, Surat as an off-grid[53] system with comprehensive maintenance period up to February 2018. Since, the lifecycle of installed batteries was about to end, the Division enquired (March 2019) with the Gujarat Energy Development Agency (GEDA) regarding the conversion of the above system from off-grid to on-grid rooftop solar system. The GEDA stated (March 2019) that the existing standalone Solar Power Plant could be converted to On-Grid[54] Rooftop system subject to fulfilment of the requirements of the prevailing Solar Power Policy. Later, the SPVS stopped functioning from 05 April 2019. Subsequently, the Division requested (May 2019) Torrent Power Limited (TPL), a private power distribution company in Surat City, for grid connectivity, which was agreed (May 2019) by the TPL.

Accordingly, the Division instructed (July 2019) its Annual Rate Contractor to prepare Draft Tender Paper (DTP) and estimates for conversion of SPVS to an On-Grid System. However, any action taken for the same was not found on records. Later, the Division initiated (July 2021) the process[55] to dismantle and scrap the batteries of the existing SPVS. However, this process also did not materialise until the District Collector, Surat, requested (April 2023) the Division to update the SPVS. The Division, after due tendering procedure, got the standalone SPVS converted to On-Grid system with net cost of ₹ 0.89 lakh[56]

[52] In the solar industry, kWp stands for kilowatt peak. It is a unit of measurement that represents the maximum electrical power output of a solar panel system or module under ideal, standard test conditions.

[53] The power generated through the System was stored in the batteries and utilised.

[54] A System connected to the electricity grid.

[55] Instructions to the Sub-Division (July 2021), Application for the technical Sanction to the Circle Office (October 2021).

[56] Tendered cost of ₹ 17.42 lakh *minus* credit of ₹ 16.53 lakh for dismantled batteries.

in November 2023. The TPL agreed (December 2023) to allow grid connectivity to the refurbished System on payment of outstanding dues and completion of other statutory formalities. However, due to not clearing the outstanding dues[57], the Solar Power System was yet to be connected to the Grid (May 2024).

Thus, had the Division initiated the process of conversion of the standalone SPVS to On-Grid System immediately after the System becoming non-functional in April 2019 and completed all the procedures with due diligence, the Solar Power System could have been converted into an On-Grid System by December 2019, considering the period of seven months taken for the conversion of the System in 2023.

Audit further observed that the monthly consumption of electricity of the Jilla Seva Sadan 2, Surat was higher than the monthly electricity generation capacity[58] of the Solar Power Plant. Considering the same, the overall electricity that could have been generated from the Solar Power Plant from the period January 2020 to March 2024 comes to 8,50,505 units. Therefore, had the Division converted the SPVS to an On-Grid System by December 2019, the Division could have availed set-off of electricity charges of ₹ 62.39 lakh[59] for the 8,50,505 units during the period January 2020 to March 2024.

The Division stated (November 2024) that the reasons for delayed conversion of SPVS were being reviewed. Further response was awaited (November 2025).

The Department/ Government was notified (May 2025) above cases, and their response was awaited (November 2025), despite repeated reminders (September and October 2025).

Forest and Environment Department

3.11 Widening of Existing Roads in Forests

In certain cases of road widening projects falling within the Wildlife Sanctuaries and National Parks and their Eco Sensitive Zones, Protected and Reserved Forests, land was diverted without approval from Ministry of Environment, Forest and Climate Change, GoI. This constituted violation of established environmental norms and procedures.

The construction of new roads and the expansion of existing ones within Protected Areas (PAs), wildlife corridors, and Eco-Sensitive Zones (ESZs) are subject to regulatory control. These activities must adhere to the applicable

[57] As of 04 August 2025, an amount of ₹ 25.15 lakh was outstanding against the Jilla Seva Sadan 2, Surat (Service No. 50061232).

[58] Monthly electricity generation capacity of the Plant: 134.4 kW X 24 Hours X Days in the month X Capacity Utilization Factor (CUF) of 17 *per cent*.

[59] As per the charges levied by the TPL between January 2020 (₹ 6.91 per unit) and March 2024 (₹ 8.42 per unit).

provisions of Acts, Rules, and Guidelines, specific to the category of ecological areas[60], as issued by the Central and State Governments to safeguard the same.

During the audit of three Deputy Conservator of Forests (DCF) offices[61], Audit observed certain irregularities in the implementation of the provisions governing the construction and expansion of roads passing through Wildlife Sanctuaries (WS) and National Parks (NP), Reserved/ Protected Forests (Other than WS/NP), and Eco-Sensitive Zone (ESZ) in road-widening projects executed under the jurisdiction of these offices. The audit observations have been brought out in subsequent paragraphs.

Road Widening Projects within WS and NP

As per Section 29 and 35 of the Wildlife (Protection) Act 1972 (WPA), prior approval of the National Board for Wildlife (NBWL) is required for diversion of land of WSs and NPs, respectively. Further, the MoEF&CC Guidelines of May 2022 provides that whenever a linear infrastructure project is planned through a wildlife habitat, an animal passage plan should be prepared by the User Agency in consultation with the Chief Wildlife Warden (CWW) for submission along with the project proposal before the NBWL.

Audit observed that the Roads & Buildings (R&B) Division, Dang North, Ahwa (the User Agency) obtained recommendation (September 2023) of the State Board for Wildlife (SBWL) for execution of the work of Road Widening[62] of the State Highway (SH), which included 0.0986 Ha land of Purna Wildlife Sanctuary. The SBWL in its recommendations had specifically directed (September 2023) the User Agency to create adequate facilities for safe transit of wildlife across the road. Based on the SBWL's recommendation, the User Agency applied (November 2023) to the MoEF&CC for final approval. The MoEF&CC raised a query regarding absence of the Animal Passage Plan in the proposal. The query was yet to be complied with (18 July 2025) by the User Agency.

Despite non-compliance with the specific conditions regarding safe transit of animals and specific instructions (January 2024) of the DCF to not execute the work till the receipt of the approval from the competent authority, the User Agency completed (June 2024) the Road Widening Project.

The completion of the road project without securing the necessary statutory clearances constituted violation of established environmental norms and procedures. This also reflected the absence of monitoring and/ or inadequate enforcement activities by the DCF to ensure that such roadworks are executed only after receipt of the required permissions.

The DCF replied (November 2024) that the User Agency carried out the work within the permissible limit of 9.75 m only as per the instructions issued by the office of the Principal Chief Conservator of Forests in January 2012.

[60] National Parks, Wildlife Sanctuaries, Reserved Forests, Protected Forests, Eco Sensitive Zones *etc.*
[61] (i) Dang South, Ahwa, (ii) Dang North, Ahwa (iii) Vyara, Tapi
[62] Subir to Shingana (SH-80), Chainage 29/500 to 37/419, 5.5 m to 12 m.

The reply is based on a clarification issued (January 2012) by the Principal Chief Conservator of Forests (Wildlife) whereby a blanket permission had been granted to the Roads and Buildings Department, GoG to execute road works within the Right of Way (RoW) of 9.75 m in PAs. However, the audit observation pertains to non-creation of safe transit for wildlife across the road length, to which no response had been furnished by the DCF. Therefore, the reply is not in context to the audit observation.

Road Widening Projects within Reserved Forest (RF)/ Protected Forest (PF) (Other than WS/ NP)

As per Section 2 of Forest Conservation Act 1980 (FCA), prior approval of the MoEF&CC is required for diversion of land of RF/ PF. However, in case the area of diverted land does not exceed one hectare, or, the land do not fall within a WS/ NP, or, the tree felling do not exceed 50 trees per hectare on *pro rata* basis, the MoEF&CC has granted General Approvals for specified public utility projects.

The details of six road widening projects undertaken in the RF/ PF falling under the jurisdiction of the three Divisions are recorded in **Appendix XVII A.**

Audit observed the following:

- In one project[63], a portion (0.0986 Ha) of the diverted area fell within the Purna Wildlife Sanctuary and the proposed work involved the felling of 229 trees in an area of 0.2854 hectares (i.e. 802 trees per Ha). As such, the project required prior approval from MoEF&CC. However, the State Government granted the approval for the diversion without seeking the approval of the MoEF&CC.

- In all of the above six road widening projects executed in 2022 and 2023, the width of the existing road ranged between 5.5 m to 10 m and the width post-widening ranged between 12 m to 14.6 m. However, the respective User Agencies applied for FCA permission only for portions beyond 9.75 m in view of the instructions issued by the Principal Chief Conservator of Forests (PCCF) in August 2003 and January 2012, which permitted the R&B Department to carry out activities within 9.75 m width of the road.

  Audit observed that the orders of the PCCF (issued in 2003 and 2012) had become redundant consequent upon issue of the MoEF&CC Guidelines of 2019. This was because the 2019 Guidelines explicitly provided that the road widening in the forest land, even if it falls within an existing Right of Way (RoW), would require prior approval of the Central Government under the FCA.

  Audit worked out that the actual area diverted in these six projects was 53.16 Ha[64] against which the User Agencies concerned had applied for permission under the FCA for only 31.73 Ha **(Appendix XVII A and B)**.

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[63] Sl. No. 1 in Appendix XVIIA: Subir-Shingana, SH 80 & Subir-Shabridham.

[64] Audit did not consider widening of Songadh-Ukai-Sherulla Road between 11/000 to 16/000 as it was widened from 10 m to 14.6 m, where width of the existing road was already beyond 9.75 m.

Thus, 21.43 Ha of Forest land was diverted without taking prior permission of MoEF&CC.

The DCFs concerned replied (between November 2024 and January 2025) that the User Agencies had executed the work within the permissible limit of 9.75 m, which was in accordance with the orders of the PCCF of August 2003 and January 2012 and hence, there was no violation of any prevailing provision.

The replies were not correct as the orders issued by PCCF in August 2003 and January 2012 had already been superseded by the Guidelines issued by MoEF&CC in March 2019. Therefore, the jurisdictional DCFs were required to process the applications as per the Guidelines issued by MoEF&CC.

Road Widening Projects within Eco-Sensitive Zone

As per the Government Resolution (GR) of May 2012 issued by the GoG, prior approval of the MoEF&CC (through NBWL) is required for any State Highway related project located within an Eco-Sensitive Zone[65] (ESZ).

The details of road widening projects undertaken in the ESZ falling under the jurisdiction of two Divisions (Dang North and Dang South) are shown in the Table below:

Table 3.3: Details of the State Highway Projects requiring approval of the NBWL

Name of Road [Chainage]	Location	ESZ Notification and its boundary	ESZ Area diverted	Date of Application	Status of Work (November 2024)
Subir to Shingana, SH 80 [29/500 to 37/419]	Dang North Division	31.05.2012 Upto two kilometers from the boundary of Purna Wildlife Sanctuary	2.1868 Ha	29.11.2022	• NOC granted by PCCF (WL) in May 2023 • Road work was completed in June 2024 by User Agency.
Vansda-Waghai Road [52/000 to 59/600]	Dang South Division	31.05.2012 Upto five kilometers from the boundary of Vansda NP	2.32 Ha	12.07.2019	• NOC granted by PCCF (WL) in August 2021.

Audit observed that both the above projects required prior approval from MoEF&CC. However, the PCCF (WL) did not forward the application to NBWL and based on the recommendations of the ESZ Monitoring

65 Notified ESZ or within 10 km of WSs/ NPs, where ESZ has not been finally notified.

Committee[66], granted the NOC for the road widening projects, in violation of the GR of May 2012.

The DCFs concerned stated (between November 2024 and December 2024) that the proposals were unanimously recommended by the ESZ Monitoring Committee, based on which the PCCF (WL) issued the NOC.

Audit is of the view that the PCCF (WL) was not authorised to issue NOC without obtaining prior approval of NBWL in these cases.

The execution of infrastructure projects needs to comply with extant statutes and regulations so as to ensure that development is guided by the principles of sustainable development and ecological harmony.

The Department/ Government was notified (July 2025), and their response was awaited (November 2025) despite repeated reminders (August and October 2025).

3.12 Permission for Non-Agricultural activities in the ESZs of Protected Areas

There were instances of issuance of No Objection Certificates (NOCs) for Non-Agricultural (NA) activities in violation of the provisions of the Eco Sensitive Zone (ESZ) Notifications of the respective Protected Area (PA) and State Government Policy regulating NA activities within the periphery of PAs. Moreover, in certain cases the District Collector had either granted NA permission without NOC from the Forests Department, or the NA permissions were not commensurate with the NOCs granted.

There are 28 Protected Areas (PAs) in Gujarat which comprise four National Parks (NPs), one Conservation Reserve (CR), and 23 Wildlife Sanctuaries (WLS).

The National Environment Policy 2006 defined an Eco-Sensitive Zone (ESZ) as "an area/ zone with identified environmental resources having incomparable values which require special attention for their conservation because of its landscape, wildlife, biodiversity, historical and natural values." As of June 2025, the Ministry of Environment, Forest and Climate Change (MoEF&CC) had declared (between May 2012 and September 2024) ESZs in respect of 27 PAs of Gujarat. No Objection Certificate (NOC) is to be obtained from the competent authority for the Non-Agricultural (NA) activities in the ESZ areas as per the extant provisions.

Audit scrutinised records of 12 offices of the Deputy/ Assistant Conservator of Forests (DCF/ ACF) having jurisdiction over 13 PAs (between March 2023 and February 2025). We observed certain irregularities in the NOCs issued and permissions granted for NA activities in the ESZs of nine PAs. These have been narrated in the succeeding paragraphs:

[66] Consisting of the District Collector (as Chairman) with DCF concerned as Member-Secretary, Regional Officer of the Gujarat Pollution Control Board as Member and other Members nominated by the State Government.

A. Grant of NOCs in the ESZs of the PAs

During the audit of offices of six DCF/ ACF[67], Audit observed that the competent authority i.e. Chief Wildlife Warden (CWW)[68] had granted (between February 2021 and February 2024) NOCs in 22 cases for (i) industrial activities[69] (19 cases) and (ii) eco-tourism (three cases) within the limits of the ESZ of the respective PAs. The details of these 22 cases are mentioned in **Appendix XVIII**. The issue of the NOCs in these cases was irregular as elaborated in the succeeding paragraphs.

NOCs for Industrial Activities

The ESZ Notifications prohibit certain activities in the ESZ areas like establishment of industries causing pollution, *etc*. Further, the Guidelines for Declaration of ESZ around PAs (February 2011) issued by the MoEF&CC prohibit the use or production of any hazardous substances in eco-sensitive areas.

The Gir PA consists of Gir NP, Gir WLS, Paniya WLS, and Mitiyala WLS. As the Draft ESZ Notification[70] for the Gir PA was issued in October 2016, till that time, the Forests and Environment (F&E) Department, issued (July 2015) a Policy to regulate NA activities[71] within 10 km of the periphery of the NP/ WLS constituting the Gir PA[72]. This Policy lists out the permitted and prohibited activities within the periphery of 10 km of the NP/ WLS subject to certain conditions as briefed in **Appendix XIX**.

Some of the cases[73] where NOCs had been granted in violation of the above provisions have been mentioned below:

- In seven cases[74], the CWW considered Fueling Stations, Agro processing units and Cement godown as commercial activity instead of industrial activity. Audit observed that as per the Gujarat Land Revenue Code 1879 (GLRC), 'industrial purpose' *inter alia* includes an activity of manufacturing, preservation or processing of goods and the establishment of tourism or cottage industry. Even the Revenue Department, *vide* its Resolution (February 2017) read with its Circular (February 2003) recognised Petrol/ Diesel Pump/ Retail Outlet, and production and storage of chemicals and petrochemicals as 'industrial activities'. Audit also observed that Petrol and Diesel by virtue of their characteristics are hazardous chemicals in accordance with the Manufacture, Storage and Import of Hazardous Chemicals Rules 1989.

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67 (i) Banaskantha, (ii) Dang (North), Ahwa (iii) Gir (East), Dhari (iv) Gir (West), Junagadh, (v) Wildlife Division, Vadodara, and (vi) Blackbuck NP, Velavadar.

68 Principal Chief Conservator of Forest (Wildlife).

69 Cement Godown, CNG Pump-cum-Service Station, Compressed Biogas, Fueling Station, Manufacturing of cardboard boxes, Manufacturing of concrete paver block, Petrol Pump, Processing and storage of Groundnut, Solar plant.

70 The Draft Notification for the Gir PA was issued on 25 October 2016.

71 Hotels and Resorts, other tourism/ hospitality activities, industrial units and commercial activities, farmhouses *etc.*

72 This was in compliance with the orders (dated 30 January 2006) of the Hon'ble Supreme Court of India, where Eco Sensitive Zone (ESZ) was not notified.

73 The cases are not mutually exclusive.

74 Serial Number 1 to 7 of Appendix XVIII.

The DCF, Gir (East) stated (August 2023) that as per clarification issued by the F&E Department in September 2021, the Circular of 2003 and GR of 2017, of the Revenue Department were not applicable in case of NOCs granted by the F&E Department. It was also stated that Fueling Station were only distributing/ selling the commodity on a very small basis and Agro processing unit cause only negligible pollution to the surrounding environment.

The reply of the DCF is not convincing as the Circulars/ GRs were issued by the Revenue Department in consultation with the Industries Department, GoG. Moreover, a clarification (issued by the F&E Department) cannot supersede a Government Resolution (issued by the Revenue Department). Audit also observed that the DCF office itself had recommended not to issue the NOCs in two cases of Petrol Pump. Further, no benchmarks/ instructions in terms of quantum of pollution caused by a certain activity have been prescribed to decide on the admissibility/ inadmissibility for issuance of NOC in terms of negligible pollution.

- In five cases[75], the Chief Conservator of Forest (CCF), Wildlife Circle, Junagadh had recommended (between July 2019 and February 2022) not to issue the NOC to the applicant based on the GR issued by the Revenue Department. Despite this, the CWW granted the NOC in these cases.

  The DCF, Gir (East) stated (August 2023) that the final decision to give NOC rests with the CWW.

- In two cases[76], while submitting the proposal for issue of NOC, the DCF, Banaskantha classified (January and November 2023) the establishment of Petrol Pump as a "regulated activity". Audit observed that establishment of Petrol Pump was a "prohibited activity" by virtue of their characteristics as hazardous chemicals in accordance with the Manufacture, Storage and Import of Hazardous Chemicals Rules 1989. Thus, its classification of regulated activity was against the provisions of the ESZ Notification.

  The DCF, Banaskantha stated (September 2024) that NOCs were granted keeping in view the public utility of the activity after obtaining due recommendation of the District Monitoring Committee.

  The reply of the DCF, Banaskantha, is not convincing as there were no relaxation in the ESZ Notification, to any activity deemed to be of the nature of public utility.

- In four cases[77], the DCF, Gir (East) in its proposal (December 2023) for issue of NOC classified the establishment of solar plant (an industrial activity for *production* of renewable energy) as an activity of '*use* of renewable energy sources/ adoption of green technology', permitted under the ESZ Notification. Audit observed that this was irregular as establishment of solar plant constitutes *production* of renewable energy not *use* of the energy.

[75] Serial Number 1, 2, 5, 7 and 8 of Appendix XVIII.
[76] Serial Number 17 and 18 of Appendix XVIII.
[77] Serial Number 13 to 16 of Appendix XVIII.

The DCF, Gir (East) did not furnish any response (November 2025).

NOCs for Tourism Activities

As per the ESZ Notifications, tourism activities are to be regulated as per the Tourism Master Plan, a component of the Zonal Master Plan (ZMP) for the ESZ. However, till the ZMP for the ESZ is approved, expansion of existing tourism activities is to be permitted based on the actual site-specific scrutiny and approval of the CWW on the basis of recommendations of the District Monitoring Committee[78]. Moreover, the construction of new hotels and resorts are not allowed within one km from the boundary of the PA or up to the extent of ESZ, whichever is nearer to the PA, except for '*small*'[79] temporary structures for eco-tourism activities. The cases where NOCs had been granted in violation of the above provisions have been mentioned below:

- In two cases[80], the CWW granted (January 2021 and May 2022) NOC for eco-tourism on area measuring 12,288 sq m and 21,892 sq m respectively, situated on the edge of the Jambughoda WLS. This was irregular as the ZMP of the WLS was yet to be approved (April 2025) and the size of the land parcels could not be termed as '*small*'. Moreover, the DCF concerned did not put the matter for consideration before the District Monitoring Committee, prior to sending the proposal to the CWW.

  The DCF, Wildlife Division, Vadodara agreed (January 2025) to refer the matter to the CWW. Further response was awaited (November 2025).

- In one case[81], the CWW granted (February 2021) NOC for construction of a resort on the recommendation (December 2020) of the District Monitoring Committee in the absence of a Tourism Master Plan, despite the negative opinion (May and July 2019) of the ACF, Blackbuck NP. It is pertinent to mention that the ACF was also the Member-Secretary of the District Monitoring Committee who had specifically mentioned in his recommendation that the NOC for the construction of the resort[82] could be given only after preparation of the Tourism Master Plan for the ESZ.

  The ACF, Blackbuck NP stated (February 2025) that the NOC was granted on the recommendation of the District Monitoring Committee.

B. Grant of Non-Agricultural permissions in the ESZ

During audit of the offices of the four ACF/ DCFs[83] for the period April 2013 to March 2024, Audit obtained the details of Non-Agricultural (NA) permission granted by the jurisdictional District Collector in the villages notified under the ESZ of the five NPs/ WLSs (**Appendix XX**) and observed the following:

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[78] Consisting of the District Collector (as Chairman) with DCF concerned as Member-Secretary, Regional Officer of the Gujarat Pollution Control Board as Member and other Members nominated by the State Government.

[79] The term "*small*" had not been defined in the ESZ Notification.

[80] Serial Number 20 and 21 of Appendix XVIII.

[81] Serial Number 22 of Appendix XVIII.

[82] which falls under the category of regulated activity.

[83] (i) Dang (North), (ii) Dang (South), (iii) Wildlife Division, Vadodara, and (iv) Blackbuck National Park, Velavadar.

NA permission granted without obtaining NOC

In 35 cases of 16 villages[84] the jurisdictional District Collector had granted (between May 2019 and November 2024) NA permission for:

- *'multipurpose'* use[85] (30 cases);
- *'Commercial and/ or residential'* use (four cases); and
- *'no specific purpose'* (one case).

Audit observed that grant of such NA was irregular as the same were granted without the issue of NOC by the competent authority i.e. CWW, as required under the provisions of the ESZ Notification. These included 11 cases where the land for which the NA was granted, was situated within one km of the boundary of the Blackbuck NP (one case) and Jambughoda WLS (10 cases) though there was a blanket ban on any construction activity (both commercial and industries causing pollution) within the periphery of one km of an NP/ WLS.

NA permissions not commensurate to the NOCs

The District Collector concerned (Dahod and Panchmahal) granted (between December 2021 and February 2024) NA permission for *'multipurpose'* use in six cases for land situated between 'zero' km to 14.40 km from the boundary of the Jambughoda/ Ratanmahal WLS. In these cases, NOCs were issued (between November 2020 and June 2023) for:

- *'eco-tourism'* purpose (three cases);
- *'Commercial'* purpose (two cases); and
- *'Residential'* purpose (one case).

Audit observed that this was irregular as the ESZ Notification for the respective PA explicitly mentions the activities prohibited, regulated or permitted within the ESZ and the NA permission should be specific to the activity for which NOC had been issued.

From the above it can be concluded that the grant of NA permissions in the above 41 cases indicated non-compliance with the ESZ notifications and inadequate monitoring of the NA activities in the ESZ areas by the responsible authorities of the respective PA.

The DCF, Dang (North) and the DCF, Dang (South) stated (November and December 2024, respectively) that clarification would be sought from the jurisdictional District Collector offices. The DCF, Wildlife Division, Vadodara stated (January 2025) that the instances of violation of the ESZ notification

[84] District Dang: (i) Jamlapada, (ii) Subir, (iii) Waghai.
District Navsari: (i) Ambabari, (ii) Khambhala, (iii) Kharjai.
District Panchmahal: (i) Bhat, (ii) Jaban, (iii) Khodsal, (iv) Narukot, (v) Shivrajpur.
District Chhotaudepur: (i) Lambhiya, (ii) Nani Raski, (iii) Rajpari.
District Bhavnagar: (i) Kanatalv, (ii) Velavadar.

[85] Once NA permission is granted for 'multipurpose' use for any land parcel under the GLRC, the land owner/ occupant can use the land for residential, commercial or industrial purpose as per his requirement. Also, the person need not to take permission from the District Authority for any change in the land use from one purpose to another, subsequently.

would be brought to the notice of CWW and response of the District Collector would be obtained.

Further response was awaited (November 2025) from the DCF offices.

Unauthorized NA Activity

In one case of village Velavadar, in pursuance to oral order (February 2015) of the Hon'ble Gujarat High Court, the CCF, Junagadh (WL) requested (March 2015) the District Collector, Bhavnagar to shut down a particular Lodge[86] for which the Forests Department had not provided clearance for registration under applicable law due to breach of conditions of the NOC granted by it.

However, as per Google Earth images (October 2018 and May 2024), Audit observed that not only was the Lodge operational, but it had also undergone expansion without applying for permission/ NOC from the competent authority. The ACF, Blackbuck NP confirmed (November 2025) that the Lodge was operational.

Thus, despite the request of the CCF, Junagadh (WL), the District Collector did not take any action to shut down the Lodge running illegally. The unauthorized expansion of the Lodge between October 2018 and May 2024 has been shown in the following photographs:

Photograph 3.1: Image of the Lodge as of 27 October 2018

Source: Google Earth image of 27 October 2018.

[86] Situated at a distance of 285 meter from the boundary of the NP.

Photograph 3.2: Image of the Lodge as of 11 May 2024 - Construction of additional structures shown within Red circles

Source: Google Earth image of 11 May 2024.

Thus, the unauthorized NA activity continued despite breach of conditions for grant of NA permission.

The Office of the ACF, Blackbuck NP stated (November 2025) that it was yet to receive any response from the Office of the District Collector on its request (April 2025) to close the Lodge. The ACF office further informed that though the issue was brought to the notice of the District Monitoring Committee in its meeting (June 2025), no decision was taken in this regard.

Audit also sought (April 2025) response of the jurisdictional District Collectors concerned in all the above cases, but their response was awaited (November 2025).

Based on the examination of cases in the selected Protected Areas, audit observed instances where the procedures laid down in the relevant ESZ Notifications and associated Government instructions were not fully adhered to while issuing NOCs and granting Non-Agricultural permissions. These included cases where (i) NOCs were issued for activities that did not align with the regulatory framework applicable in ESZs, (ii) NA permissions were granted without the requisite NOC from the competent authority, and (iii) permissions granted were not consistent with the purpose for which the NOC had been issued.

These patterns indicate gaps in the application of prescribed processes and scope for strengthening coordination and oversight among the authorities involved in regulating activities within the ESZs. Addressing these gaps would help ensure that decisions relating to Non-Agricultural activities in ESZs remain fully aligned with the environmental safeguards envisaged for such sensitive areas.

The Department/ Government was notified (July 2025), and their response was awaited (November 2025) despite repeated reminders (August and October 2025).

Recommendation: The Forest and Environment Department may

(i) institute a structured mechanism for regular coordination between the Revenue Authorities and the Department's representatives through periodic meetings of the District Monitoring Committee, with clear timelines for review of proposals and compliance status under the ESZ Notifications; and

(ii) issue instructions to all Forest Divisions to undertake periodic verification of actual land use, on a sample basis or in cases of perceived risk, after the grant of NOC, and to report deviations, if any, to the competent authority for timely corrective action.

3.13 Levy of Net Present Value and Additional Compensatory Afforestation

In the cases of diversion of forest land for Non-Agricultural (NA) activities, there was short levy of Net Present Value (NPV) of ₹ 1.16 crore due to incorrect categorization of forest or adoption of incorrect rates. Further, in one case there was short levy of Compensatory Afforestation amount of ₹ 2.94 crore due to adoption of incorrect Right of Way (RoW) for the afforestation.

The Compensatory Afforestation Fund Act (CAF Act) provides for compensating the loss of forest area and ecological services due to diversion of forest land for non-forestry purposes as per provisions of the Forest (Conservation) Act, 1980. The Compensatory Afforestation Fund Management and Planning Authority (CAMPA) funds including Net Present Value (NPV) are levied on various User Agencies as compensatory levies in lieu of diversion of forest land and are project specific.

In this regard, the Audit observed the following:

(A) Net Present Value (NPV)

The Hon'ble Supreme Court of India vide its multiple orders[87] in 2008 decided the rates of NPV per hectare of the forest land diverted. Different rates were prescribed for the different eco-value classes of forests according to their density i.e. Open Forest (OF), Dense Forest (DF) and Very Dense Forest (VDF)[88]. These rates were subject to upward revision after three years of their enforcement. Accordingly, the Ministry of Environment, Forest and Climate Change (MoEF&CC) revised (January 2022) the NPV rates upward by applying

[87] 28 March 2008, 28 April 2008, and 09 May 2008.

[88] Based on number of trees required to be cut per hectare in the diverted forest land: VDF – Above 400; DF – 50 to 400; and OF Below 50.

a fitment factor of 1.53. The original as well as the revised rates of NPV for the various Eco-value Classes are given below:

Table 3.4: Rates of NPV

(in ₹ in lakh/ hectare)

Eco-value Class	VDF		DF		OF	
	OR	RR	OR	RR	OR	RR
Class I	10.43	15.96	9.39	14.37	7.30	11.17
Class II	10.43	15.96	9.39	14.37	7.30	11.17
Class III	8.87	13.57	8.03	12.29	6.26	9.58

OR - Original Rate w.e.f. March 2008.
RR - Revised Rate w.e.f. January 2022.
Source: Guidelines issued by the MoEF&CC in February 2009 and January 2022.

It was also clarified (January 2022) by the MoEF&CC that the revised rates would be applicable for all proposals where:

- In-principle approval under Section 2 (ii) of the Forest (Conservation) Act 1980 (FCA) has been obtained after 06 January 2022, or
- In-principle approval was given prior to 06 January 2022 but final approval was not granted due to non-submission of complete compliance of the conditions stipulated in the in-principle approval.

Furthermore, in addition to the above, in certain specified cases of diversion, a Multiplication Factor (MF) was also prescribed by the Hon'ble Supreme Court of India for computation of the NPV as shown in the table below:

Table 3.5: Specified cases of diversion and applicable MF

Type of Diversion	Applicable NPV MF
Forest land falling in National Parks	10 times NPV for the forest area
Forest land falling in Wildlife Sanctuaries	5 times NPV for the forest area
Non-forest land falling within Marine National Parks/ Wildlife Sanctuaries	5 times NPV for the forest area

During audit of four offices[89] of the Deputy Conservator of Forests (DCF) for the period from April 2015 to March 2024, Audit observed four cases of short levy of NPV as discussed below:

1. Executive Engineer, Gujarat Energy Transmission Corporation Limited (GETCO), Navsari (the User Agency) applied (August 2020) to DCF (North/ South), Dang for diversion of 6.642 Ha[90] of forest land for erection of 66 KV D/C tower line. The MoEF&CC granted (January 2022) the in-principle approval for this project.

   The DCF, Dang North Division considered the forest land falling under its jurisdiction as 'Eco-Class I Dense Forest' while the DCF, Dang South Division considered it as 'Eco-Class I Open Forest'. Accordingly, the demand note for NPV of ₹ 92.67 lakh was issued (February 2022), which was deposited (February 2022) by the User Agency.

[89] (i) Dang North Division (Ahwa), (ii) Marine National Park (Jamnagar), (iii) Surat, and (iv) Wildlife Division (Vadodara).

[90] 5.78 Ha of Dang North Forest Division and 0.862 Ha of Dang South Forest Division. A single application for these parcels of the forest land was made by the User Agency to the Dang North Division.

Audit, however, observed that the number of trees required to be cut per hectare in the forest under Dang North Division[91] was 152 while that in the Dang South Division[92] was 58. As such, both these areas fell under the category of Dense Forest. Therefore, the application of NPV rate for Open Forest instead of Dense Forest for the land diverted in Dang South Division was incorrect, resulting in short levy of NPV of ₹ 2.76 lakh[93].

2. The MoEF&CC accorded (July 2020) in-principle approval for diversion of 0.25 Ha of Protected Forest land along Gulf of Kutch in Dwarka District, for berthing facility and allied infrastructure for Coast Guard Vessels, in favour of Deputy Commandant, Station Works Commanding Officer, Vadinar (the User Agency). The User Agency deposited (September 2020) the NPV of ₹ 9.13 lakh as per the demand note issued by the DCF, Marine National Park, Jamnagar.

   Audit observed that while issuing the demand note, the DCF, Marine National Park, Jamnagar applied NPV MF of five, applicable for cases where non-forest land falling within Marine National Park was to be diverted. However, in the instant case, the land diverted belonged to Protected Forest and was part of a National Park and hence, the NPV MF of 10 was to be applied. Therefore, the incorrect application of NPV MF resulted in short levy of ₹ 9.13 lakh[94].

3. The Gujarat Fibre Grid Network Limited (GFGNL) (the User Agency) applied[95] (February and July 2020) under Section 29 of the Wildlife Protection Act 1972 (WPA) and under Section 2 of the FCA for the diversion of 0.27369 Ha of the Reserved Forest of Ratanmahal Sanctuary in Dahod District for laying of optical fibre cable. Based on the recommendation (September 2020) of the State Board of Wildlife, the PCCF (WL) granted (December 2020) approval under the WPA with the condition to deposit the NPV before initiating any work on the land. Since the forest land was part of a Sanctuary, NPV MF of five was applicable.

   Accordingly, the User Agency deposited (January 2021) an amount of ₹ 12.14 lakh[96] at per hectare rate of ₹ 8.87 lakh prescribed for Eco-Class III Very Dense Forests. However, the MoEF&CC while granting (March 2022) the in-principle approval under the FCA, directed to recover NPV at the rates revised in January 2022 i.e. at per hectare rate of ₹ 13.57 lakh.

   The DCF, Wildlife Division, Vadodara while issuing (May 2022) the demand note to the User Agency for the Compensatory Afforestation

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91 Total Trees to be cut: 880; Area: 5.78 Ha.

92 Total Trees to be cut: 50; Area: 0.862 Ha.

93 Applicable NPV Rate for Eco Class I Dense Forest: ₹ 14,36,670 (₹ 9,39,000 X 1.53); Applied NPV Rate for Eco Class I Open Forest: ₹ 11,16,900 (₹ 7,30,000 X 1.53); Difference in the Rate applied: ₹ 3,19,770 per hectare. Therefore, short levy of NPV: ₹ 2,75,641 (₹ 3,19,770 X 0.862 Ha).

94 NPV Rate for Eco Class II of Open Forest (Littoral and Swamp Forests): ₹ 7,30,000; Applicable NPV MF: 10; Applied NPV MF: Five; Therefore, short levy of NPV= ₹ 9,12,500 (₹ 7,30,000 X (10 – 5) X 0.25 Ha).

95 Application under WPA: 26 February 2020; Application under FCA: 27 July 2020.

96 At per hectare rate of ₹ 8.87 lakh prescribed for Eco-Class III Very Dense Forests and applying NPV MF of five i.e. (₹ 8,87,000 X 5 X 0.27369 Ha).

charges, did not raise demand for the differential NPV as per the terms of the in-principle approval granted by the MoEF&CC. This resulted in short levy of NPV of ₹ 6.43 lakh[97].

4. The Essar Steel Limited, Ahmedabad (Later ArcelorMittal Nippon Steel India) was granted (June 2013) in-principle approval for the diversion of 20.76 Ha Reserved Forest land for construction of housing accommodation and allied employees' infrastructure facilities in village Hazira (Suvali). However, the final approval for the same was pending (August 2025) due to non-compliance with the terms and conditions of the in-principle approval, specifically the non-transfer of non-forest land of 110 Ha in favour of the Forest Department for Compensatory Afforestation (CA) despite repeated instructions[98] by the Circle and Division offices.

   Thus, in this case, NPV was to be collected from the User Agency as per the revised rates notified by the MoEF&CC in January 2022. Audit, however, observed (July 2025) that the DCF, Surat levied NPV at the old rate of ₹ 8.87 lakh per Ha instead of the revised rate of ₹ 13.57 lakh per Ha. This resulted in a short levy of NPV of ₹ 97.59 lakh[99].

Thus, there was short levy of NPV aggregating to ₹ 1.16 crore in the above four cases.

The DCF, Surat issued (August 2025) demand note for the deficit NPV of ₹ 97.59 lakh at the instance of Audit. The same was paid by the User Agency in September 2025. Further, the DCF, Dang South Division[100] informed (September 2025) that demand note of ₹ 2.76 lakh has been issued (July 2025) to the User Agency. The DCFs of the remaining two Divisions stated (in December 2024 and January 2025) that detailed replies would be furnished after scrutiny of the records. Further response was awaited (November 2025).

(B) Additional Compensatory Afforestation (CA)

The MoEF&CC, as per proposal (September 2020) of the Forest and Environment (F&E) Department, GoG, in its 'in-principle' approval (September 2020) for the diversion of 95.6684 Ha of Reserved/ Protected forest land in favour of Power Grid Corporation of India Limited (PGCI)[101] prescribed for the Compensatory Afforestation (CA) Scheme[102] for the plantation of medicinal plants in the Right of Way (RoW) of 67 m under the transmission line from the funds provided by the User Agency over an area of 94.7310 Ha of degraded forest land at various survey numbers of three villages of Taluka Nakhtrana, District Bhuj. The PGCI was to deposit ₹ 4.09 crore in CAMPA

[97] NPV to be charged at revised rates: ₹ 18,57,137 (₹ 13,57,110 X 5 X 0.27369 Ha); NPV recovered: ₹ 12,13,815; Therefore, short levy of NPV= ₹ 6,43,322 (₹ 18,57,137 minus ₹ 12,13,815).

[98] 2021: February, August and September, 2022: February, 2023: March and April, 2024: April and July.

[99] 20.76 Ha multiplied by ₹ 4,70,110 (₹ 13,57,110-₹ 8,87,000).

[100] Observation was issued to the Dang North Division as the application by the User Agency was made to that office. Since short levy was on the part of the Dang South Division, the reply has been received from it.

[101] For 'construction of reconfiguration of Bhuj-PS-Lakadia PS 765 KV D/C line'.

[102] Proposed by the PGCI and technically and administratively approved (August 2020) by the Chief Conservator of Foerst (CCF), Kachchh Circle Bhuj.

Fund and prepare a detailed scheme in consultation with the State Forest Department for the medicinal plantation.

During the audit of the office of the Principal Chief Conservator of Forests and Head of Forest Force (PCCF&HoFF), Gujarat for the period April 2017 to March 2024, Audit observed (July 2024) that the PGCI, while citing Chapter 10 of the Guidelines[103] issued by the MoEF&CC in 2019, requested (October 2020) the PCCF (Land) to revise the CA Scheme by considering the RoW of nine meters only instead of 67 m. As per direction (October 2020) of the PCCF (Land), the Chief Conservator of Forests (CCF), Kachchh Circle prepared (October 2020) a revised CA Scheme by adopting RoW of 20 m, for an area of 28.278 Ha at a cost of ₹ 1.15 crore, which was paid (October 2020) by the PGCI.

Audit, however, observed that the representation of the PGCI to revise the CA Scheme with RoW of nine meters was not correct as the same pertained to the 'minimum clearance between conductor and trees' while for the 765 KV D/C transmission line the RoW prescribed in the Chapter 10 of the Guidelines was 67 m only, as was approved by the MoEF&CC. Moreover, the instructions of the PCCF (Land) to revise the CA Scheme by adopting RoW of 20 m were arbitrary and lacked any basis. Further, the PCCF (Land) did not forward the revised CA Scheme to the MoEF&CC to obtain necessary approval.

The PCCF (Land) replied (July 2024) that the DCF, Kachchh (West) had issued (July 2024) revised demand note to the PGCI for ₹ 2.94 crore. Further status of recovery was awaited (November 2025).

Audit observed instances where the compensatory levies, both Net Present Value (NPV) and Additional Compensatory Afforestation (CA) charges, were not levied in accordance with the rates, conditions, and procedural requirements prescribed by the MoEF&CC and the Hon'ble Supreme Court. In four cases of forest-land diversion, incorrect application of eco-class, Multiplication Factor, or revised NPV rates led to a short levy aggregating ₹ 1.16 crore. Similarly, in the case relating to Power Grid Corporation of India Limited, the revision of the CA scheme was undertaken without due justification and without obtaining the approval of the MoEF&CC, resulting in short recovery of ₹ 2.94 crore.

These lapses point to gaps in internal scrutiny, inconsistent interpretation of Guidelines across field formations, and inadequate compliance with the conditions stipulated in the in-principle approvals. While corrective action has been initiated in some cases at the instance of Audit, recovery in other cases and departmental responses were awaited.

Such departures from prescribed procedures dilute the intent of the compensatory framework under the Forest (Conservation) Act, which seeks to ensure that ecological losses arising from diversion of forest land are adequately compensated. Strengthening internal controls, ensuring uniform application of Guidelines, and timely adherence to approval conditions would help avoid recurrence of such lapses.

[103] Handbook of guidelines for effective and transparent implementation of the provisions of Forest (Conservation) Act, 1980 issued on 28 March 2019.

The Department/ Government was notified (August 2025), and their response was awaited (November 2025), despite issue of reminder (October 2025).

Home Department

3.14 Storage and Disposal of Seized Drugs

The Home Department neither established proper storage facilities for storage of seized drugs nor disposed the drugs expeditiously as per the procedures prescribed under the Narcotic Drugs and Psychotropic Substances (NDPS) Act and orders of the Supreme Court. As a result, there were instances of loss and destruction of the seized drugs as well as delayed disposal of the drugs.

As per the instructions (16 January 2015) of the Ministry of Finance, Government of India (GoI) issued as per the powers conferred under the Narcotic Drugs and Psychotropic Substances Act 1985 (NDPS Act), the procedure to dispose seized drugs is as follows:

At the spot of seizure

All drugs seized to be properly classified, carefully weighed and sampled.

Storing seized drugs

All seized drugs to be deposited in safes/ vaults with double - locking system in designated godowns within 48 hours of seizure.

Testing seized drugs

State Enforcement Agencies to send samples of the seized drugs to their State Forensic Science Laboratory.

Application to the Magistrate

Within 30 days of receipt of the forensic report, the seizing officer is to make an application to the Magistrate.

In the presence of the Magistrate

On acceptance of the application, the seizing officer should preserve the certified inventory, photographs and samples drawn as primary evidence.

The details are then sent to the Drugs Disposal Committee (DDC)[104], to prescribe the mode of disposal[105].

[104] Headed by Superintendent of Police or the Joint Commissioner of Customs and Excise or the Joint Commissioner of Director of Revenue Intelligence.

[105] (i) Transfer to the Government Opium and Alkaloid Works under the Chief Controller of Factories (Opium, morphine, codeine and thebaine) or (ii) sale by way of tender or auction (other narcotic drugs and psychotropic substances) or (iii) destruction by incineration.

Moreover, the Hon'ble Supreme Court of India in its judgment (28 January 2016) directed Central and State Governments to take appropriate steps within six months to set up storage facilities[106] for the exclusive storage of seized Narcotic Drugs and Psychotropic and Controlled Substances. The Director General of Police, Gujarat directed (09 May 2019) all concerned police authorities to ensure compliance with the instructions given above under the NDPS Act.

Some instances of non-compliance with the aforementioned instructions issued under the NDPS Act and the orders of the Supreme Court of India, as observed during test-check of records in compliance audits, have been narrated in the following paragraphs:

(A) Superintendent of Police (SP), Bharuch

As per the information furnished (April 2025) by the Office of the SP, Bharuch, a total of 148 cases of seizure of drugs were registered under the NDPS Act between 1995 and March 2024. The SP office informed that out of these, drugs seized in 41 cases had been disposed of as of April 2025. The SP office also furnished the details of the status of seized drugs in respect of 33 out of the remaining 107 cases[107].

Audit analysed the same and observed that 788.656 kg and 22 bottles of various types of drugs[108] were seized between 1995 and March 2024 in the nine Police Stations under the jurisdiction of the SP Office, Bharuch. However, as of April 2025, 7.00 kg of drugs[109] were disposed (December 2024) in only two cases after passage of 19/ 21 years of their seizure, leaving the remaining 31 cases undisposed despite passage of substantial time since the seizure of the drugs, ranging between one year to 30 years as detailed below:

Table 3.6: Time elapsed since seizure of the drugs pending disposal as of April 2025

Sl. No.	Number of Cases	Time elapsed since seizure of the drugs (in years)
1	20	1 to 5
2	6	6 to 10
3	1	10 to 15
4	1	20 to 25
5	3	25 to 30

Source: Information provided by the Office of the SP, Bharuch.

Audit further observed that:

- In three cases, the Police Station concerned[110] was not aware of the whereabouts of 24.550 kg of *Charas*/ *Ganja*;
- In 12 cases, the report from the Forensic Science Laboratory (FSL) was pending even after lapse of one to 23 years. As a result, application for disposal of these drugs was yet to be made (April 2025) before the jurisdictional Magistrate;

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106 Equipped with vaults and double locking system to prevent theft, pilferage, or replacement and to be kept under a designated officer.

107 The Status of seized drugs in respect of 74 cases was not furnished by the SP Office, Bharuch.

108 (i) Hashish (*Charas*); (ii) Marijuana (*Ganja*); (iii) Mephedrone; and (iv) Opium (*Afeem*).

109 (i) Ganja: 1.250 kg seized in March 2003, (ii) Afeem: 5.750 kg seized in June 2005.

110 Ankleshwar City.

- In one case, of 20.961 kg of *Ganja,* application was not made before the jurisdictional Magistrate to obtain orders for disposal of the drug even after lapse of 17 months since receipt of the forensic report in September 2023; and
- In 13 cases, applications were made (between July 2024 and February 2025) before the jurisdictional Magistrate after lapse of one month of receipt of the forensic report, with a delay ranging between one month and 63 months. It is pertinent to mention that in these cases, the applications were made after being pointed out by Audit in May 2023.

Moreover, the drugs (approximately 515 kg of *Ganja* seized in November 2013 for which forensic report was pending as of April 2025) were kept in the *Muddamaal* Room of the Police Station due to absence of safes/ vaults provided with double-locking system, as shown in the following Photograph:

Photograph 3.3: Drugs kept in *Muddamaal* Room due to absence of dedicated storage facility

Source: Photograph taken by Audit in May 2023.

The SP Office, Bharuch stated (April 2025) that process for disposal of the drugs was underway. Further reply was awaited (November 2025).

(B) Additional Chief Secretary, Home Department

During audit of the ACS, Home Department for the period April 2016 to March 2023, Audit observed (November 2023/ February 2024) that:

(i) The Office of the ADGP, Anti-Terrorist Squad (ATS), Ahmedabad, seized 2,968.476 kg of narcotic drugs and controlled substances between February 2016 and February 2023 in 33 cases. Out of this, 650.582 kg of drugs seized between 2019 and 2022 remained to be disposed as of February 2024. Moreover, the drugs were kept in normal rooms instead of safes/ vaults provided with double-locking system, making them prone to theft and pilferage; and

(ii) As per the records maintained by the Office of the ADGP, CID Crime and Railways, Gandhinagar, various drug enforcement agencies[111] had seized 6,510.54 kg and 848 bottles of narcotic drugs and controlled substances in 17 cases between August 2010 and November 2022. The Office claimed (January 2025) that it had disposed of all the drugs pertaining to these cases between August 2021 and November 2024. However, there was a significant variation (35 *per cent*) in the actual quantity disposed (4,177.86 kg) between October 2022 and July 2023 vis-à-vis quantity of the drugs seized (6,510.54 kg). The ADGP Office attributed (February 2024) the shortfall in disposal of drugs to:

- Theft of nearly 144.180 kg of Cannabis (*Ganja*),
- Destruction by rats due to lack of proper storage facilities, and
- Drying out of the green plants of Cannabis (*Ganja*) and Opium, and loss of moisture in Poppy Straw.

While these factors may partially explain the reduction in the disposed quantity, the overall variation of 35 *per cent* highlights the need for a relook at the facilities of storage and disposal of seized drugs, and the shortcomings, if any, thereof.

On further analysis of the details furnished by these two offices, Audit observed that:

- The date of making application to the jurisdictional Magistrate was not available in one case; and
- In 36 cases, such applications were made after 34 days to 2,816 days of receipt of the forensic reports, against the stipulated 30 days, thereby making the delays attributable to the offices concerned.

The details regarding drugs seized and pending disposal at the above two ADGP Offices are detailed in **Appendix XXI**.

The Office of the ADGP (ATS) replied (February 2024) that with respect to the drugs pending disposal, inventory and sampling had been completed (between September 2023 and January 2024) before the jurisdictional Magistrate in six cases. In two cases, the dates had been given by the jurisdictional Magistrate for inventory and sampling. Further, the IGP (Crime-1) confirmed (February 2024) the facts in respect of the facts mentioned in respect of the Office of ADGP (CID). However, further reply regarding disposal of the drugs was not furnished by any of the two offices (November 2025).

Thus, there were delays in the disposal of the seized drugs compounded with improper storage mechanism in the offices concerned.

From the above, it can be inferred that the Home Department neither established proper storage facilities to prevent theft and destruction of drugs nor disposed the seized drugs expeditiously. This is evident in the differences in quantity of

[111] State Police, Special Operations Group, *etc.*

the drugs seized and the drugs disposed which ranged between 11.99 *per cent*[112] to 93.21 *per cent*[113]. In the absence of specific guidelines regarding acceptable limits of weight loss due to evaporation and weather factors, the loss attributed to such reasons lacked justification.

Audit examination revealed persistent and widespread non-compliance with statutory procedures prescribed under the NDPS Act, instructions of the Ministry of Finance and the directions of the Hon'ble Supreme Court for storage and disposal of seized narcotic drugs.

The Home Department could not establish secure and dedicated storage facilities and did not ensure timely disposal of seized drugs, leading to prolonged retention of drugs for periods extending up to three decades and significant shortfall in quantities ultimately disposed. Instances of theft, deterioration and destruction of seized material, coupled with delays in obtaining judicial orders and absence of basic storage safeguards highlighted weak institutional controls and lack of supervisory oversight at multiple levels.

Such lapses compromise the integrity of the criminal justice process, increase the risk of diversion of seized drugs into illicit channels and expose public funds and public safety to continuing vulnerability.

The Department/ Government was notified (July 2025), and their response was awaited (November 2025), despite issue of reminder (September/ October 2025).

Recommendation: The Home Department may ensure setting up of proper storage facilities for the exclusive storage of seized Narcotic Drugs and Psychotropic substances as mandated by the Hon'ble Supreme Court of India and notify a detailed timeline for the disposal of seized drugs.

3.15 Incorrect levy of *Bandobast*/ Escort charges

In 590 cases, *Bandobast*/ escort charges were levied at incorrect rates resulting in short levy of ₹ 2.51 crore.

As per 1999 Government Resolution[114] read with 2009 Standing Orders[115] issued by the Director General of Police and Circular[116] issued by the Additional Director General of Police (Armed Units), in case police personnel are provided to other entities[117] for security purposes, *Bandobast*/ escort charges, at the rate of twice the pay and allowances payable to the police personnel so deployed, are required to be recovered in advance from these entities. In case the police

[112] 226.270 kg Poppy Straw seized by the Anklav Police Station in February 2022. Against which the quantity disposed of was 199.14 kg.

[113] 31 kg Opium seized by the Surendranagar Special Operations Group (SOG) in February 2022. Against which the quantity disposed of was 2.106 kg.

[114] Dated 01 October 1999 issued by the Home Department, Government of Gujarat.

[115] Dated 04 November 2009.

[116] Dated 22 December 2011.

[117] Private institutes, Banks, *Akashwani*, Central/ State PSUs/ ABs, Central Government, Other State Government, *etc.*

personnel deployed have been allotted rent-free accommodation, the House Rent Allowance (HRA)[118] is also to be considered in the pay and allowances.

Audit observed (between April 2023 and March 2025) that six Police Offices under the Home Department, GoG levied *Bandobast*/ escort charges at incorrect rates[119] in 590 cases. As a result, there was short levy of *Bandobast*/ escort charges amounting to ₹ 2.51 crore[120], excluding GST of ₹ 45.17 lakh[121]. Details are given in the following Table:

Table 3.7: Details of short recovery of *Bandobast*/ escort charges

Audit Unit	Short levy of *Bandobast* charges (₹ in lakh)	Number of cases	Remarks
SRPF Group IX, Vadodara[122]	0.30	10	Non-inclusion of HRA in the Pay and Allowances.
The office issued (April 2024) revised bills to the private companies by including the HRA element for demand notices issued upto 2022-23. In respect of the demand notices issued during 2023-24, the office stated that the revised bills would be issued after verification of records. Further response was awaited (November 2025).			
Superintendent of Police, Ahmedabad (Rural)[123]	189.34	302	• Levy of Bandobast charges at single rate instead of twice the rate of pay and allowances. • Incorrect calculation.
The office stated (February 2025) that steps would be taken for recovery of *Bandobast* charges as per Audit observation. Further response was awaited (November 2025).			
Superintendent of Police, Bharuch[124]	41.48	123	• As per GR of 1999, *Bandobast* charges at the rate of twice of pay and allowances was recoverable whereas the department recovered single rate, which resulted in short levy of *Bandobast* charges of Rs.41.48 lakh in 123 cases.
The office stated (March 2024) that demand notices (for cases upto 2022-23) for the outstanding recovery had been issued to the Head Post-Office, Bharuch, and Bank of Baroda and Police Station concerned had been informed to affect the recovery of the deficit charges. After the issue of updated observation including cases for the year 2023-24, the office stated (March 2024) that updated information would be called from the Police Stations concerned for necessary action. Further response was awaited (November 2025).			

118 HRA payable to such personnel had such rent-free accommodation not been provided.
119 The rates have been arrived by Audit as per pay and allowances (DA, HRA, Medical Allowance, Special Compensatory Allowance, Transport Allowance, Clothing Allowance, Washing/ Kit Maintenance Allowance, Cycle Allowance) as payable to police personnel of different cadres.
120 Detailed calculations communicated to the Home Department in August 2025.
121 at the rate of 18 *per cent*.
122 Escort services provided between March 2014 and March 2024.
123 Escort services provided between January 2021 and March 2024.
124 Escort services provided between December 2017 and March 2024.

<table>
<tr><th>Audit Unit</th><th>Short levy of Bandobast charges (₹ in lakh)</th><th>Number of cases</th><th>Remarks</th></tr>
<tr><td>Superintendent of Police, Mehsana[125]</td><td>15.39</td><td>109</td><td>• As per GR of 1999, Bandobast charges at the rate of twice of pay and allowances was recoverable whereas the department recovered single rate, which resulted in short levy of Bandobast charges of Rs. 15.39 lakh in 109 cases.</td></tr>
<tr><td colspan="4">The office stated (June 2024) that as per 1999 GR, Bandobast charges are levied at single rate of pay and allowances in all cases except where police officials are allotted to Private Institutions, Banks, and Akashwani. In such cases, charges are recovered at twice the rate of pay and allowances.

The reply of the SP Office is not tenable as it is based on the incorrect interpretation of the GR. As per the GR, Bandobast charges are levied at the single rate of pay and allowances specifically when police personnel are deployed for traffic control purposes, and at twice the rate when their services are utilized as police guards. The distinction is based on the nature of deployment rather than the type of institution.</td></tr>
<tr><td>Superintendent of Police, Gandhinagar[126]</td><td>2.18</td><td>28</td><td>• As per GR of 1999, Bandobast charges at the rate of twice of pay and allowances was recoverable whereas the department recovered single rate, which resulted in short levy of Bandobast charges of Rs. 2.18 lakh in 28 cases.</td></tr>
<tr><td colspan="4">The office stated (January 2025) that the deficit Bandobast charges would be recovered. Further response was awaited (November 2025).</td></tr>
<tr><td>Commissioner of Police, Ahmedabad[127]</td><td>2.30</td><td>18</td><td>• As per GR of 1999, Bandobast charges at the rate of twice of pay and allowances was recoverable whereas the department recovered single rate, which resulted in short levy of Bandobast charges of Rs. 2.30 lakh in 18 cases.</td></tr>
<tr><td colspan="4">The office stated (April 2025) that records would be verified and recovery of Bandobast charges would be affected, wherever applicable. Further response was awaited (November 2025).</td></tr>
</table>

Audit scrutiny of *Bandobast* and escort deployments across six Police Offices revealed that the charges recoverable from beneficiary entities were not levied in accordance with the Government Resolution of 1999 and subsequent departmental instructions. In a total of 590 instances, the rates prescribed, namely, recovery at twice the pay and allowances, including HRA where applicable, were not uniformly applied. This resulted in short levy of ₹ 2.51 crore, excluding applicable GST.

125 Escort services provided between April 2019 and March 2024.
126 Escort services provided between July 2021 and December 2023.
127 Escort services provided between March 2022 and December 2023.

The replies received from field offices indicate that recoveries have been initiated in some cases; however, verification and corrective action are still pending in a large number of instances. The pattern of deviations points to inconsistent interpretation of the GR, inadequate scrutiny while preparing bills, and limited supervisory oversight.

The matter was reported to the Department/ Government (August 2025), and their response was awaited (November 2025), despite issue of reminder (October/ November 2025).

Recommendation: Strengthening internal checks, ensuring uniform application of prescribed rates across all units, and enhancing clarity on deployment categories would help prevent recurrence of such lapses and safeguard government revenue.

Energy and Petrochemicals Department

3.16 Levy and Collection of mining receipts by Directorate of Petroleum

Non-raising of demand for Dead Rent and Royalty, and non-realisation of Royalty and Interest, resulted in loss of revenue of ₹ 12.92 crore.

The Energy and Petrochemicals Department, GoG and Office of the Director of Petroleum (DoP) maintain the records relating to grant of licenses and leases as well as levy and collection of mining receipts from crude oil and natural gas.

Test-check of records of DoP for the period April 2017 to June 2023 was conducted in September 2023, wherein Audit observed cases of non-raising of demand for non/ short payment of dead rent, non-raising of demand for interest on delayed payment of dead rent, non-realisation of royalty and interest on delayed payment of royalty, attributable primarily to systemic weaknesses in DoP's monitoring, enforcement and follow-up mechanisms which cumulatively resulted in loss of revenue of ₹ 12.92 crore. The details are discussed in the paragraphs below:

3.16.1 Non raising of demand for late payment charges from Tarapur RFPSC block

Non-levy of interest by DoP on delayed payment of PEL fees and royalty during exploration period, non-recovery of dead rent and interest on dead rent from Tarapur RFPSC block amounting to ₹ 9.69 crore.

The State Government is empowered under Rule 5 of the PNG Rules, 1959, to grant Petroleum Exploration License (PEL)/ Petroleum Mining Lease (PML) in respect of any land vested in the State Government with the prior approval of the MoPNG, GoI. Rule 9 of the PNG Rules stipulate that every PEL and PML shall be effective from the date specified in this behalf in the license or lease order.

As per Rule 11 of the PNG Rules, 1959, the licensee is required to pay the license fee yearly in advance, calculated for each square kilometre or part thereof covered by the license, at the rate of ₹ 4,000 for each subsequent year of renewal after the fourth year.

Further, as per Rule 13, on grant of lease, the lessee shall pay the Government a fixed yearly dead rent[128] provided that the lessee shall be liable to pay only the dead rent or the royalty, whichever, is higher, within 30 days of grant of PML for every subsequent year.

As per Rule 23 of PNG Rules, in case of failure of payment in fees, royalties or other payments, the payment shall be increased by a penal rate of 200 basis points over the prime lending rate of State Bank of India (SBI) for the delayed period. In case any license fee, lease fee, royalty or other payment due in respect of license or lease is in arrears for more than three months, the State Government, with prior approval of the Central Government, may cancel such license or lease.

A Production Sharing Contract (PSC) for CB-ON-2 block (Tarapur) was entered into (12 April 2000) between Government of India (GoI), Oil and Natural Gas Corporation Limited (ONGCL), Gujarat State Petroleum Corporation Limited (GSPCL) and Hindustan Oil Exploration Company Limited wherein ONGCL was nominee and GSPCL was the Operator for the Block. ONGCL was granted PEL on 23 November 2000 for seven years.

Upon completion of the PEL period on 22 November 2007, ONGCL requested the Government of Gujarat (GoG) to relinquish its PEL and stated that the exploration license should be granted to the Operator, pursuant to GoI approval. Extension of exploration license for one year, *i.e.* 23 November 2007 to 22 November 2008, was granted (29 December 2008) post-facto by MoPNG, GoI subject to the condition that the Operator would have to sign a separate Ring Fence Production Sharing Contract (RFPSC) for the exploration area and discovered area *w.e.f.* 23 November 2007. However, upon the completion of the exploration license period on 22 November 2008, neither the Operator applied for extension from 23 November 2008 onwards, nor did the DoP follow up on the matter.

In March 2016, the RFPSC for the Tarapur Block was signed, recognizing GSPCL as the operator for the exploration, production, and development of the 570 sq.km contract area, with 80 *percent* participating interest. The Operator applied (February 2020) to the GoG and DGH for a Petroleum Mining Lease (PML) for the exploration area. In response, DGH advised (July 2021) the Operator to regularize the PEL from 23 November 2008 until the date of PML grant. The Operator paid ₹ 2.56 crore to DoP in March 2021 for the period from 23 November 2008 to 22 November 2020. GoG granted (July 2023) PEL extension to GSPCL from 23 November 2008 to 03 February 2020.

As per Article 2.2 of the Tarapur RFPSC, the extended exploration period was effective from 23 November 2007, therefore the Operator should have deposited PEL fees from 23 November 2008 onwards, along with the interest due, in March 2016[129]. However, no reason for not depositing the PEL fees in March 2016 was found on record. The PEL fees were eventually paid by the Operator in March 2021, following which the Operator applied for the PML to regularize the exploration activities carried out in the Block without a valid PEL.

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[128] ₹100 *per* hectare or part thereof for the first 100 sq. km. and ₹200 *per* hectare or part thereof for area exceeding the first 100 sq. km.

[129] RFPSC was signed in March 2016.

Although the Operator regularised the PEL belatedly in March 2021 by paying fees of ₹ 2.56 crore, DoP did not levy interest for the delayed period as required under Rule 23, resulting in non-recovery of ₹ 1.82 crore (computed based on delay × penal rate of SBI PLR *plus* 200 bps).

Subsequently, MoPNG granted (June 2023) prior approval for issuing the PML to the Operator, effective from 4 February 2020 to 22 November 2025. However, the DoP delayed the issue of No Objection Certificate (NoC)[130] for the PML, citing non-submission of details regarding the sludge oil produced and sold by the Operator during the Exploration period. Consequently, the Government of Gujarat (GoG) issued (October 2024) the PML order for the period 04 February 2020 to 22 November 2025 retrospectively with delay of more than four years after application by the Operator and more than one year after receiving prior approval from the MoPNG.

As per records furnished to Audit, the Operator has commenced commercial production from February 2025 and was liable to pay annual dead rent as per Rule 13 of PNG Rules since the date of occupation of the Mining Lease Area, i.e. since 04 February 2020 (effective date of PML). However, since the PML was issued with delay, the DoP is yet to demand or recover the annual dead rent from the Operator, along with the interest, resulting in non-recovery of ₹5.92 crore (computed based on delay × penal rate of SBI PLR *plus* 200 bps).

The DoP replied (March 2025) that it has informed GSPCL for payment of interest on late payment of PEL fees. Regarding payment of dead rent, DoP replied that dead rent and its interest was payable by GSPCL from the date the PML was granted by GoG (28 October 2024), rather than from the effective date (04 February 2020) mentioned in the prior approval received from the MoPNG. Additionally, GSPCL has requested (March 2025) MoPNG to align the PML's effective date with the date of its grant by the GoG. On the basis of the decision of the MoPNG, the status of recovery of dead rent will be informed to Audit.

The reply of the DoP that dead rent is recoverable from the date of grant of the PML is not acceptable. Although the formal issuance of the PML occurred later, the PML for Tarapur RFPSC was made effective retrospectively from 04 February 2020. Moreover, as per Clause 16.4 of the RFPSC, GSPCL was liable to pay the dead rent to the DoP from the effective date of occupation of the Mining Lease Area. Despite obtaining prior approval from the MoPNG, the DoP delayed the issuance of PML, which resulted in the non-realisation of revenue.

In subsequent reply submitted by DoP (July 2025), details of royalty of ₹ 0.96 crore paid by GSPCL in April 2024 on sludge oil produced and sold during exploration period was furnished. However, the reply was silent about recovery of interest on the delayed payment of royalty of ₹ 0.96 crore. The interest on delayed payment of royalty amounts to ₹ 1.96 crore (computed based on delay × penal rate of SBI PLR *plus* 200 bps).

[130] NoC was issued on 23 September 2024.

Thus, DoP should have raised interest on delayed PEL fees, levied dead rent from the effective date of PML (04 February 2020) and demanded interest on delayed royalty paid for sludge oil produced and sold during exploration period. However, DoP delayed issuing the PML, did not raise timely demands and did not enforce Rule 23, which resulted in non-recovery of statutory dues (November 2025) amounting to ₹ 9.69 crore[131]. The Operator delayed payments, but the revenue loss arose because DoP did not enforce statutory dues and delayed issuing PML, which directly prevented recovery.

3.16.2 Non-recovery or short recovery of dead rent from PML holders

Non-recovery/ short recovery of dead rent and non-levy of interest on delayed payments from ten PML holders amounting to ₹ 0.89 crore.

Out of 94 Petroleum Mining Leases (PML) granted during the audit period April 2017 to June 2023, recovery of dead rent was pending in 11 cases and non-levy of interest on late payments amounted to ₹ 0.89 crore[132](computed based on delay × penal rate of SBI PLR *plus* 200 bps). Seven PML holders delayed the payment of dead rent for period ranging between 74 days to 1410 days. However, interest on delayed payment was not levied by the DoP. Further, in six cases, dead rent was short recovered.

As per Rule 23 (2) PNG Rules, 1959, if any statutory payment is due in respect of a lease is in arrears for more than three months, State Government with the prior approval of the Central Government may cancel such lease. However, it was noticed that despite the delay in payments by leaseholders, DoP did not take up the matter with DGH/ MoPNG for cancellation of lease in timely manner. In most of the cases, DGH/ MoPNG was intimated only after more than a year of continuous defaults by the leaseholders. Further, in the cases of Shanti G. D. Ispat and Gauges Geo-resources the payment defaults were reported to MoPNG only after the cancellation of their Revenue Sharing Contracts by MoPNG.

Thus, the DoP should have raised the demand timely, levied interest on delay and escalated matters to MoPNG/ DGH within three months of default. However, as the monitoring was weak, interest was not levied by DoP and the cases were escalated belatedly.

The DoP replied (March 2025) that it has taken up the recovery of statutory dues with the PML holders. However, recovery of dead rent along with interest was pending (November 2025).

3.16.3 Non realisation of Royalty and interest on delayed payment of royalty

Non-recovery of royalty and non-levy of interest on delayed payments from PML holders amounting to ₹ 2.34 crore.

- The MoPNG *vide* notification dated 11 July 2022 deregulated sale of domestically produced Crude Oil *w.e.f.* 01 October 2022. The Condition no. 3 of the notification states that *unless the Contract provides otherwise, royalty, cess, other statutory levies and contractual payments such as*

[131] ₹18171206 *plus* ₹59214641 *plus* ₹19558143 *i.e.* ₹96943990. The detailed working is retained in the audit office records.

[132] The detailed working of 11 cases is retained in the audit office records.

profit petroleum, revenue share, etc., shall be valued based on the actual sales price or the price of the Indian Basket of Crude oil, as calculated by Government nominated Agency on monthly basis, whichever is higher. In view of the above notification, Indian Basket of Crude Oil became the floor price for calculation of Royalty. The MoPNG has nominated Petroleum Planning and Analysis Cell (PPAC) to calculate the price of Indian Basket of Crude Oil on monthly basis.

All the lease holders are required to submit Annual Royalty Statement (ARS) to DoP. In view of the notification issued by MoPNG, DoP should have monitored status of royalty payment from the monthly returns (production statements) of PML holders. Review of the ARS submitted by PML holders for the FY 2022-23 revealed that in case of nine PML holders the Crude price considered for Royalty calculation was less than the Price of Indian Basket of Crude Oil notified by PPAC in certain months which resulted in short payment of royalty amounting to ₹ 1.54 crore[133] (differential royalty calculated by comparing royalty payable at the benchmark price with royalty actually paid). It was also observed that ARS of four lease holders (GSPC Limited, Hindustan Oil Exploration Company Limited, Nippon Power Limited and South Asia Private Limited) has not been received by DoP for the year 2022-23 which indicates monitoring gaps and resulted in delayed reconciliation. Hence, Audit could not verify the correctness of the royalty received from these PML holders.

The DoP replied (March 2025) that correspondence with all nine lease holders has been made during the period 2023-24 and 2024-25 regarding this matter. However, recovery of royalty of ₹ 1.54 crore and interest on its delayed payment was pending (November 2025).

- As per Rule 14(1)(a)(ii) of PNG Rules, 1959, "Royalty shall be payable on monthly basis as may be provided in the lease and shall be paid by the last day of the succeeding month. Rule 23 of PNG Rules 1959 also states that "All license fees, lease fees, royalties and other payments under these rules, shall, if not paid to Central Government or the State Government as the case may be, within the time specified for such payment, be increased by a penal rate of 200 basis points over the prime lending rate of SBI for the delayed period.

  Scrutiny of records revealed that five lease holders in cases of 29 PML paid royalty with delay ranging from five days to 264 days. However, due to lack of verification controls, the DoP did not levy interest on the late payment amounting to ₹ 0.67 crore[134] (computed based on delay × penal rate of SBI PLR *plus* 200 bps). Reason for non-levy of interest by DoP was not found on record.

  The DoP replied (March 2025) that the matter has been taken up with the five lease holders.

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133 The detailed working is retained in the audit office records.
134 The detailed working is retained in the audit office records.

However, Audit observed that the recovery of interest amounting to ₹ 0.67 crore was still pending (November 2025).

- The EPD granted Sanganpur Mining Lease (SML) to Hydrocarbon Resources Development Company (Private) Limited (HDCPL) for 25 years *w.e.f.* 16 March 2001. The Statutory Compliances were made by HDCPL till July 2017, afterwards no correspondence was received by DoP from HDCPL and royalty was also not paid to DoP. Subsequently, the PSC signed (23 February 2001) with GoI was cancelled (02 June 2017) by MoPNG as HDCPL went into liquidation.

  Shanti G. D. Ispat and Power Private Limited (SGDIPPL) applied (March 2021) for grant of SML which was granted (06 July 2023) by the EPD for 10 years. DGH had informed (May 2018) DoP regarding termination of PSC and details of liquidation of HDCPL. However, DoP did not timely take up reconciliation of production and sales figures for recovery of Statutory dues from HDCPL. The matter was taken up by DoP when SGDIPPL approached (March 2021) DoP for processing SML grant application. Thereafter, the matter of pending royalty was informed (09 September 2021) to the DGH which assured of facilitation for resolution of issue pertaining to royalty payment or Differential[135] royalty as per extant applicable rules. However, royalty is yet to be received by DoP. Further, recovery of interest on royalty arrears is also pending. Thus, delay in taking timely action by DoP resulted in non-realisation of royalty and interest on royalty arrears (upto March 2024) amounting to ₹ 0.13 crore[136] (computed based on delay × penal rate of SBI PLR *plus* 200 bps).

  The DoP reiterated (March 2025) the facts already mentioned above. However, no further correspondence had been done by DoP with DGH after September 2021 for recovery of royalty and interest (November 2025).

Thus, the examination of levy and collection of mining receipts by the Directorate of Petroleum (DoP) revealed consistent and systemic deficiencies in revenue assurance, rather than isolated procedural lapses. Across all three audit areas, *viz.* PEL fees, dead rent and royalty, the DoP did not institute adequate mechanisms for monitoring statutory payments, verifying production data, raising timely demands or enforcing penal provisions prescribed under the PNG Rules, 1959 and respective Production Sharing or Revenue Sharing Contracts.

These patterns indicate weak internal controls within DoP, evident from the absence of real-time monitoring systems, irregular reconciliation of production, dispatch and payment data, inconsistent application of statutory provisions and delay in decision-making on critical regulatory actions. As a result, statutory dues amounting to ₹ 12.92 crore remained unrealised.

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[135] As per New Royalty Scheme introduced from April 2002 and MoPNG letter (10 July 2003), payment for Sanganpur ML was two fold *i.e.* (i) Lease holder will continue to pay royalty as prescribed in PSC (ii) MoPNG would pay the difference between the market price and fixed price to State Government.

[136] The detailed working is retained in the audit office records.

Going forward, these systemic weaknesses pose risks of continued under-recovery of revenue, erosion of statutory enforceability, potential disputes arising from retrospective regularisation and gaps in auditability where mandatory returns such as Annual Royalty Statements are not collected. Strengthening monitoring, enforcing contractual/ statutory penal provisions and improving coordination with MoPNG/ DGH are essential for safeguarding Government revenues.

The matter was referred (January/ March/ May 2025) to the Department/ Government. However, the reply was still awaited (November 2025).

(BIJIT KUMAR MUKHERJEE)

Ahmedabad
The 17 FEB 2026

Principal Accountant General (Audit-II),
Gujarat

Countersigned

(K. SANJAY MURTHY)

New Delhi
The 24 FEB 2026

Comptroller and Auditor General of India

Appendices

Appendix I

(Referred to in Paragraph 1.6.1)

Year wise break up of outstanding Inspection Reports as on 30 September 2024

Sl. No.	Department	2015-16		2016-17		2017-18		2018-19		2019-20		2020-21		2021-22		2022-23		2023-24		Total	
		IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para
1	Industries and Mines	20	72	22	71	17	85	19	136	11	72	2	10	17	122	6	20	11	70	**125**	**658**
2	Energy and Petrochemicals	02	08	03	12	02	04	02	10	01	01	00	00	01	04	03	13	01	07	**15**	**59**
3	Forests and Environment	3	3	6	12	12	32	13	46	3	7	1	1	1	3	2	18	11	84	**52**	**206**
4	Climate Change	01	06	01	03	01	02	01	04	01	04	00	00	00	00	01	06	01	02	**07**	**27**
5	Science and Technology	00	00	01	02	04	18	03	06	01	03	01	03	00	00	03	42	03	28	**16**	**102**
6	Home	10	21	7	15	13	28	1	2	2	2	2	6	6	33	23	133	13	107	**77**	**347**
7	Legal	9	42	10	29	12	29	6	10	4	13	3	10	10	45	6	20	1	5	**61**	**203**
8	Ports and Transport	18	39	12	24	10	29	12	66	8	53	1	9	13	85	15	108	5	56	**94**	**469**
9	Roads and Buildings	11	19	16	52	24	114	22	118	18	104	5	48	12	69	8	75	23	268	**139**	**867**
10	General Administration	6	16	6	18	12	49	1	1	4	24	0	0	0	0	9	57	5	31	**43**	**196**
11	Information and Broadcasting	13	48	7	34	10	42	1	3	0	0	1	4	0	0	3	11	0	0	**37**	**142**
12	Legislature and Parliamentary Affairs	0	0	0	0	0	0	0	0	0	0	1	4	0	0	1	5	0	0	**2**	**9**
13	Revenue	39	125	30	127	45	173	38	174	40	157	6	28	8	81	22	108	34	280	**262**	**1253**
14	Finance	21	40	16	18	30	25	37	105	36	99	2	5	2	14	10	38	15	111	**169**	**455**
	Total	**153**	**439**	**137**	**417**	**192**	**630**	**156**	**681**	**129**	**539**	**25**	**128**	**70**	**456**	**114**	**654**	**123**	**1049**	**1099**	**4993**

Appendix II

(Referred to in Paragraph 2.1.7.2)

Summary of deficiencies in Centralized Audit

(₹ in crore)

Audit Dimension	Cases where reply received		Cases under NCLT/Central Authority		Issues under examination by the Department or under correspondence with taxpayer		Department reply accepted by Audit								Compliance deviations													
							Data Entry Error		ATRQ		Other Valid Reasons		Adjudication Cases Completed		Adjudication Cases-Recovery pending		SCN issued		Recovery made		ASMT-10/DRC-01A issued		Reply not furnished with proper documentary evidence		Department's reply not acceptable to Audit		Total	
	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
ITC mismatch between GSTR-2A and GSTR-3B (D1)!	84	1555.52	2	14.94	9	240.58	9	256.85	11	215.20	37	466.19	0	0.00	17	179.88	1	0.00	2	2.32	0	0.00	10	128.34	11	95.16	38	353.70
ITC mismatch between GSTR-2A and GSTR-9 (D2)@	44	544.53	0	0.00	1	3.53	0	0.00	0	0.00	18	336.17	0	0.00	8	49.86	2	15.20	2	0.01	0	0.00	1	17.08	11	113.92	24	195.07
ITC availed through GSTR-3B after limitation period (D3)	47	313.04	5	10.11	2	4.01	0	0.00	0	0.00	23	81.17	0	0.00	11	24.39	0	0.00	0	0.50	0	0.00	0	0.00	6	13.68	17	38.55

Audit Dimension	Cases where reply received		Cases under NCLT/Central Authority		Issues under examination by the Department or under correspondence with taxpayer		Department reply accepted by Audit								Compliance deviations													
							Data Entry Error		ATRQ		Other Valid Reasons		Adjudication Cases Completed		Adjudication Cases-Recovery pending		SCN Issued		Recovery made		ASMT-10/ DRC-01A issued		Reply not furnished with proper documentary evidence		Department's reply not acceptable to Audit		Total	
	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
ITC availed through GSTR-9 in excess of that transferred by the ISD (D4)	41	50.55	2	0.48	6	23.37	1	0.58	7	3.27	12	17.73	0	0.00	3	2.40	0	0.00	0	0.00	0	0.00	7	8.50	4	4.62	14	15.52
ITC availed under RCM vs payment of tax in GSTR-3B/ GSTR-9 (D5)	35	323.91	0	0.00	8	94.44	13	131.29	5	12.10	6	20.31	0	0.00	0	0.00	1	0.02	2	0.00^	1	4.97	1	35.73	3	27.03	8	65.77
Mismatch of ITC availed between Annual returns and Books of accounts (D6)	17	242.44	0	0.00	5	39.60	0	0.00	1	12.25	9	133.02	0	0.00	2	18.06	0	0.00	0	0.00	0	0.00	2	59.51	0	0.00	4	37.27
Reconciliation between ITC availed in	15	299.45	0	0.00	0	0.00	0	0.00	1	0.00	9	91.54	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	12.91	2	194.99	3	287.92

Audit Dimension	Cases where reply received		Cases under NCLT/Central Authority		Issues under examination by the Department or under correspondence with taxpayer		Department reply accepted by Audit								Compliance deviations													
							Data Entry Error		ATRlj		Other Valid Reasons		Adjudication Cases Completed		Adjudication Cases Recovery pending		SCN issued		Recovery made		ASMT-10/ DRC-01A issued		Reply not furnished with proper documentary evidence		Department's reply not acceptable to Audit		Total	
	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
Annual returns with expenses in financial statements (D7)																												
Unsettled liabilities (D8)[8]	107	1194.88	0	0.00	7	79.93	8	168.66	26	197.67	27	141.24	0	0.00	18	88.88	8	42.37	13	11.04	3	98.12	2	64.55	9	157.74	65	582.66
Mismatch in tax liability declared in GSTR-3B and disclosures in E-way bill (D9)	91	3078144.90	0	0.00	14	695.28	6	3072738.68	5	124.27	41	3331.78	1	47.62	1	128.64	1	49.11	1	0.00	4	120.77	11	817.47	6	70.85	23	1216.24
Mismatch in tax paid between books of accounts and returns (D10)	13	170.14	0	0.00	0	0.00	5	118.51	3	27.04	3	13.01	0	0.00	0	0.00	0	0.00	1	0.00	0	0.00	1	6.42	1	7.35	2	13.77
Mismatch in taxable turnover	33	241.57	0	0.00	1	12.44	0	0.00	1	6.92	11	48.87	0	0.00	6	79.06	0	0.00	1	1.75	6	96.72	1	5.88	7	49.53	21	172.96

Audit Dimension	Cases where reply received		Cases under NCLT/Central Authority		Issues under examination by the Department or under correspondence with taxpayer		Department reply accepted by Audit							
							Data Entry Error		ATBQ		Other Valid Reasons		Adjudication Cases Completed	
	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
between GSTR-2A and GSTR-3B (D11)$														
Suppression of turnover declared in GSTR-9C Table 5H (D12)	17	604.20	0	0.00	5	106.30	2	27.34	0	0.00	7	219.47	0	0.00
Mismatch in taxable turnover declared in GSTR-9C Table 7G (D13)	22	21844.63	0	0.00	0	0.00	1	615.02	0	0.00	21	21228.61	0	0.00
Irregular e-commerce transactions and suppression of turnover by Composition	5	4.57	0	0.00	0	0.00	0	0.00	1	1.32	3	2.27	0	0.00

Audit Dimension	Compliance deviations													
	Adjudication Cases Recovery pending		SCN issued		Recovery made		ASMT-10/ DRC-01A issued		Reply not furnished with proper documentary evidence		Department's reply not acceptable to Audit		Total	
	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
between GSTR-2A and GSTR-3B (D11)$														
Suppression of turnover declared in GSTR-9C Table 5H (D12)	0	0.00	0	0.00	0	0.00	3	176.03	0	0.00	2	75.06	5	251.09
Mismatch in taxable turnover declared in GSTR-9C Table 7G (D13)	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Irregular e-commerce transactions and suppression of turnover by Composition	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.98	1	0.98

Audit Dimension	Cases where reply received		Cases under NCLT/Central Authority		Issues under examination by the Department or under correspondence with taxpayer		Department reply accepted by Audit								Compliance deviations													
							Data Entry Error		ATHQ		Other Valid Reasons		Adjudication Cases Completed		Adjudication Cases-Recovery pending		SCN Issued		Recovery made		ASMT-10/ DRC-01A Issued		Reply not furnished with proper documentary evidence		Department's reply not acceptable to Audit		Total	
	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
taxpayers (D14)																												
GSTR-5B was not filed but GSTR-1 is available (D15)&	36	46.98	6	11.14	5	0.71	0	0.00	1	0.48	0	0.00	0	0.00	7	5.35	5	11.89	0	0.00	1	0.02	0	0.00	11	14.92	24	31.88
Short payment of interest (D16)*	128	49.13	13	7.38	16	8.51	0	0.00	34	14.73	2	0.00	0	0.00	19	7.52	5	1.42	27	3.53	8	3.35	0	0.00	2	0.05	61	15.87

! ₹ 17.08 crore difference is due to the recovery of ₹ 2.32 crore instead of ₹ 19.4 crore raised in Audit.
@ ₹12.36 crore difference is due to recovery of ₹0.01 crore instead of ₹12.37 crore raised in Audit.
^ ₹ 2,708.
# ₹ 22.72 crore difference is due to recovery of ₹ 11.04 crore instead of ₹ 33.73 crore and SCN amount ₹ 42.33 crore instead of ₹ 42.36 crore raised in Audit.
$ ₹ 5.38 crore difference is due to the recovery of ₹ 1.75 crore instead of ₹ 7.13 crore raised in Audit.
& ₹ 3.75 crore difference is due to SCN amount exceeding audit observation amount by ₹ 3.75 crore.
* ₹ 2.66 crore difference is due to recovery of ₹ 3.53 crore instead of ₹ 6.19 crore raised in Audit.

Appendix III

Jurisdiction-wise non-production of records

(Referred to in Paragraph 2.1.8.1)

Sl. No.	Jurisdictional Unit	Sample	Non-production	
		Number of taxpayers	Number of taxpayers	Amount of mismatch (₹ in crore)
1	ACST Unit-5, Ahmedabad	4	4	26.63
2	ACST Unit-6, Ahmedabad	2	2	114.83
3	ACST Unit-7, Ahmedabad	2	2	5.11
4	ACST Unit-8, Ahmedabad	4	4	248.45
5	ACST Unit-9, Ahmedabad	10	10	485.42
6	ACST Unit-10, Ahmedabad	2	2	21.94
7	ACST Unit-11, Ahmedabad	6	6	3.56
8	STO Unit-12, Viramgam	2	2	0.03
9	ACST Unit-14, Ahmedabad	1	1	4.99
10	ACST Unit 17, Ahmedabad	1	1	34.41
11	ACST Unit-18, Ahmedabad	1	1	13.04
12	ACST Unit-20, Ahmedabad	2	2	3.29
13	ACST Unit-21, Ahmedabad	2	2	88.39
14	ACST Unit-22, Ahmedabad	1	1	8.72
15	ACST Unit-23, Ahmedabad	1	1	0.35
16	ACST Unit-24, Gandhinagar	4	4	0.23
17	ACST Unit-29, Prantij	1	1	8.07
18	ACST Unit-31, Visnagar	2	2	1.50
19	ACST Unit-39, Vadodara	1	1	4.85
20	ACST Unit-40, Vadodara	4	4	30.35
21	ACST Unit-45, Vadodara	2	2	2.98
22	ACST Unit-58, Surat	1	0	0.00
23	ACST Unit-63, Surat	1	0	0.00
24	ACST Unit-70, Valsad	1	1	0.02
25	ACST Unit-91, Morbi	1	1	0.25
26	ACST Unit-92, Rajkot	1	1	2.97
27	ACST Unit-93, Rajkot	2	2	122.27
28	ACST Unit-102, Bhuj	1	1	0.55
29	ACST Unit-103, Gandhidham	2	2	1.51
	Grand Total	**65**	**63**	**1234.71**

Appendix IV

(Referred to in Paragraph 2.1.8.1)

Top ten cases regarding non-production of records

Sl. No.	Division	Unit	GSTN	Mismatch of ITC (in ₹)	Mismatch of Liability (in ₹)	Total (in ₹)	List of records not produced
1	1	ACST Unit-9, Ahmedabad	24XXXXXXXXXX1ZP	2541848131	10895665	2552743796	Sales Invoices, Purchase Invoices, Credit Notes, Debit Notes, Stand alone financial statements, Sales bills of zero rated supplies *etc.*
2	1	ACST Unit-8, Ahmedabad	24XXXXXXXXXX1ZU	2230033968	0	2230033968	Sale bill, purchase bill, debit and credit notes, Standalone Financial Statement, Directors Report, ledger of sundry creditors and sundry debtors.
3	1	ACST Unit-9, Ahmedabad	24XXXXXXXXXX1ZT	1683082858	406577972	2089660830	ISD Credit Invoices. Purchase and Sale Invoices, Fixed Assets Register, Working calculation of ITC reversal, Trial balance, debit notes, credit notes *etc.*
4	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	491852087.4	728508365.5	1220360453	HSN-wise Supplies: List of HSN wise supplies of the products with their rate of tax, Purchase register, Sales register and Party ledger for the year 2018 - 19,2019-20 and 2020-21, Sales bills: Account/ Statement of Outward Supply of goods or services, Account/ Statement of sale invoices. A minimum of 20% (subject to maximum 200) of the Sales bills & corresponding E-way bills for each of the months Jan 2020 and July 2020 (Sales invoices/ Bills of supplies/ Receipt Vouchers/Payment vouchers) and other underlying documents (Agreement, Purchase Order), all Credit notes, Debit notes, delivery challans (issued or received) and advance vouchers and related amended invoices declared in R1 and connected E-way bills for the selected months. Purchase Bills: A minimum of 20% of declared invoices (subject to a maximum of 200) input invoices for each month of June 2018 and August 2018 and all the undeclared invoices (Agreement, PO) pertaining to the ITC mismatch figure for the above months. In addition, all credit/debit notes amendments specific records related to any extraordinary items like pertaining to reversal, amalgamation, demerger *etc.*, Zero rated supplies: - 25 sales bills/Shipping bills/BRCs of the Month January 2020 and October 2020 (Export and SEZ related documents (For goods Invoices, Shipping bills, Bill of export, EGM, drawback availed details/bond/LUT/contracts/agreement/RFD11 and for export of services, FIRCs/BRCs received for exports done, for SEZ supplied, endorsement by SEZ officer, Account/statement of input tax credit, availed and utilized, Account/statement of output tax,

							payable and paid, on Forward charge and Reverse Charge basis, ISD if any, ITC reversed on exempt/ NIL turnover, Standalone Financial statement (with Auditor's Report) along with all Schedules & Notes on Account, Trial balance, statement of Credit Notes issued, Directors' Reports, *etc.* relating to Gujarat state, Fixed Asset Register: Addition / deletion of capital goods, with invoice details, showing taxable value and tax separately, Accounts/ Statements of invoices of exported/ SEZ goods or services and interstate Sales, Accounts/ Statements of invoices of imported goods or services, Cost Accounting Standard (CAS4) Certificate, GST Refund statements, Sale/Merger/Demerger/Amalgamation/Orders if any, DGARM Reports: Please provide the DGARM report if any/SCN issued if any, involving above GSTIN along with action taken thereon by unit office, Job work challan: – Details of job work challans and related records, if any, Ledgers / summary of sundry creditors/trade payable/debtors at the end of the financial year that are outstanding for a period exceeding 180 days, Files of audit under Section 65 for the period 2018-19 to 2020-21.
5	1	ACST Unit-6, Ahmedabad	24XXXXXXXXXX7ZJ	1133194639	10681023	1143875662	ISD Credit Invoices, Purchase and Sale Invoices, Fixed Assets Register, Working calculation of ITC reversal, Trial balance, debit notes, credit notes *etc.*
6	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	529181755	35617609.65	564799364.6	Information relating to RC linked with Aadhar, List of HSN wise supplies of the products with their rate of tax, Account/statement of input tax credit, availed and utilized, Account/statement of output tax, payable and paid, on Forward charge and Reverse Charge basis. Accounts/statement of stock & advances received, paid and adjustments, Standalone Financial statement (with Auditor's Report) along with all Schedules & Notes on Account, Trial balance, statement of Credit Notes issued, Directors' Reports, *etc.* relating to Gujarat state, Fixed Asset Register: Addition / deletion of capital goods, with invoice details, showing taxable value and tax separately & Physical Stock Verification Statement, if any, Accounts/ Statements of invoices of imported goods or services, Cost Accounting Standard (CAS4) Certificate,GST refund statements, Sale/Merger/Demerger/Amalgamation/Orders if any, Party Ledgers if any, Details of job work challans and related records, if any, for the selected months March-2020 and January-2021 along with ITC-04 (G2), Ledgers of sundry creditors/trade payable/debtors (G3), Sales invoices/ Bills of supplies/ Receipt Vouchers/Payment vouchers for selected months and details of debit and credit notes and amendments and price list for the month September 2019 and October 2019, Input invoices and details of debit and credit notes and amendments (for the month of March-2020 and January-2021, Agreements or contracts for supply if any

7	2	ACST Unit 17, Ahmedabad	24XXXXXXXXXX1Z9	344003354.1	105986.7	344109340.8	Sale bill, purchasebill, debit and credit notes, Standalone Financial Statement, Directors Report, ledger of sundry creditors and sundry debtors.
8	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	316715209.8	2393871.3	319109081.1	Information relating to RC linked with Aadhar, List of HSN wise supplies of the products with their rate of tax, Account/statement of input tax credit, availed and utilized, Account/statement of output tax, payable and paid, on Forward charge and Reverse Charge basis, Accounts/statement of stock & advances received, paid and adjustments, Standalone Financial statement (with Auditor's Report) along with all Schedules & Notes on Account, Trial balance, statement of Credit Notes issued, Directors' Reports, *etc.* relating to Gujarat state, Fixed Asset Register: Addition / deletion of capital goods, with invoice details, showing taxable value and tax separately & Physical Stock Verification Statement, if any, Accounts' Statements of invoices of exported/SEZ goods or services and interstate Sales, Accounts' Statements of invoices of imported goods or services, Cost Accounting Standard Certificate,GST refund statements, Sale/Merger/Demerger/Amalgamation/Orders if any, Party Ledger if any, Ledgers of sundry creditors/trade payable/debtors, Sales invoices/ Bills of supplies/ Receipt Vouchers/Payment vouchers for selected months and details of debit and credit notes and amendments and price list for the month May 2018 and June 2018, Zero rated supply 25 Sales bills/Shipping Bills/BRC for the month September 2020 and October 2020. (Export and SEZ related documents (For goods Invoices, Shipping bills, Bill of export, EGM, drawback availed details/bond/LUT/ contract/ agreement/ RFD11 and for export of services, FIRCs/BRCs received for exports done, for SEZ supplied, endorsement by SEZ officer, Input invoices and details of debit and credit notes and amendments (for the month of August-2020 and March-2021, Agreements or contracts for supply if any
9	5	ACST Unit-40, Vadodara	24XXXXXXXXXXX8ZI	77253668.32	150889653	228143321.3	ISD Credit Invoices, Purchase and Sale Invoices, Fixed Assets Register, Working calculation of ITC reversal, Trial balance, debit notes, credit notes *etc.*
10	1	ACST Unit-10, Ahmedabad	24XXXXXXXXXX1ZZ	210467822.9	0	210467822.9	Sale bill, credit notes, Standalone Financial Statement, Directors Report, Schedules & Notes on Account, Trial balance *etc.*

Appendix V

Mismatch in ITC as noticed between returns

(Referred to in Paragraph 2.1.8.2 (B) (v))

Sl. No.	Division	Unit	GSTIN	Name of the Taxpayer	Financial Year	Deviation Value (in ₹)
1	2	3	4	5	6	7
1	2	ACST Unit-20 , Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 1	2019-20	2472167.40
2	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 2	2018-19	2230033968.29
3	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z2	Taxpayer 3	2018-19	27649.60
4	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 4	2020-21	2216048.72
5	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 5	2018-19	654676.11
6	5	ACST Unit-39, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 6	2020-21	3130976.00
7	1	ACST Unit-16, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 7	2019-20	103130538.52
8	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 8	2019-20	42018543.00
9	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 9	2018-19	35854322.00
10	3	ACST Unit-29, Prantij	24XXXXXXXXXX1Z8	Taxpayer 10	2018-19	73624707.28
11	3	ACST Unit-29, Prantij	24XXXXXXXXXX1Z8	Taxpayer 11	2019-20	7057740.79
12	4	ACST Unit-31, Visnagar	24XXXXXXXXXX1ZP	Taxpayer 12	2019-20	7709204.94
13	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 13	2018-19	4018047.00
14	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 14	2019-20	5207762.00
15	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 15	2018-19	14420070.30
16	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 16	2019-20	4132135.50
17	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 17	2020-21	49418222.60
18	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 18	2018-19	7974957.00
19	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 19	2020-21	2530590.00
20	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 20	2018-19	46610.00
21	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 21	2019-20	6728416.00
22	8	ACST Unit-70, Valsad	24XXXXXXXXXX1ZI	Taxpayer 22	2019-20	1555448.00
23	12	ACST Unit-102, Bhuj	24XXXXXXXXXX1Z4	Taxpayer 23	2018-19	349341.00
24	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 24	2018-19	74147979.00
25	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 25	2019-20	51382063.00
26	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 26	2020-21	30429193.00
27	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 27	2018-19	4348210.00
28	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 28	2018-19	22941593.00
29	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 29	2019-20	684654995.00
30	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 30	2020-21	411971293.00
31	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 31	2019-20	913213.00
32	2	ACST Unit-14, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 32	2019-20	21549190.00
33	12	ACST Unit-103, Gandhidham	24XXXXXXXXXX1ZT	Taxpayer 33	2018-19	14755628.52
34	12	ACST Unit-103, Gandhidham	24XXXXXXXXXX1ZO	Taxpayer 34	2019-20	95426.24
35	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 35	2019-20	1514750.00
36	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 36	2020-21	20703465.69
37	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 37	2018-19	1157087309.00
38	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 38	2018-19	247465.87
39	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 39	2019-20	145384.76
40	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 40	2020-21	281600.37
41	6	ACST Unit-39, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 41	2020-21	3130976.00
42	1	ACST Unit-16, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 42	2019-20	2060143040.00
43	2	ACST Unit-18, Ahmedabad	24XXXXXXXXXX1ZJ	Taxpayer 43	2018-19	318761.00
44	2	ACST Unit-18, Ahmedabad	24XXXXXXXXXX1ZJ	Taxpayer 44	2019-20	405818.00
45	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 45	2018-19	92267943.74
46	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 46	2019-20	106029971.10
47	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 47	2020-21	92596554.35
48	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 48	2018-19	139436666.00
49	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 49	2020-21	8706854.00
50	3	ACST Unit-29, Prantij	24XXXXXXXXXX1Z8	Taxpayer 50	2018-19	74440093.00
51	3	ACST Unit-29, Prantij	24XXXXXXXXXX1Z8	Taxpayer 51	2019-20	5390472.00
52	4	ACST Unit-31, Visnagar	24XXXXXXXXXX1ZP	Taxpayer 52	2019-20	6259038.42
53	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 53	2018-19	4551026.00
54	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 54	2019-20	4865771.00
55	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1ZV	Taxpayer 55	2018-19	30508.00
56	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1ZV	Taxpayer 56	2019-20	2622.00
57	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1ZV	Taxpayer 57	2020-21	64866.00
58	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 58	2018-19	24919407.52
59	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 59	2020-21	258988.22
60	2	ACST Unit-14, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 60	2019-20	19515292.00
61	2	ACST Unit-14, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 61	2020-21	32695882.00
62	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 62	2019-20	233701.00

Sl. No.	Division	Unit	GSTIN	Name of the Taxpayer	Financial Year	Deviation Value (in ₹)
1	2	3	4	5	6	7
63	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 63	2018-19	173481502.83
64	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 64	2020-21	796877883.64
65	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 65	2020-21	70253986.83
66	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 66	2018-19	1124369.06
67	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZL	Taxpayer 67	2018-19	18362779.71
68	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZL	Taxpayer 68	2020-21	21864726.09
69	12	ACST Unit-103, Gandhidham	24XXXXXXXXXX1ZT	Taxpayer 69	2018-19	14888415.49
70	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 70	2018-19	1840497.00
71	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 71	2019-20	783499.00
72	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 72	2020-21	2030730.00
73	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 73	2018-19	94567022.00
74	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 74	2019-20	122198487.00
75	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 75	2018-19	160139.00
76	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 76	2019-20	422437.00
77	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 77	2020-21	459477.00
78	8	ACST Unit-70, Valsad	24XXXXXXXXXX1ZI	Taxpayer 78	2019-20	2365312.00
79	12	ACST Unit-102, Bhuj	24XXXXXXXXXX1Z4	Taxpayer 79	2018-19	3499461.00
80	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 80	2018-19	93520917.00
81	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 81	2019-20	50285044.00
82	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 82	2020-21	17947124.00
83	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 83	2018-19	2946080.00
84	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 84	2018-19	338740.00
85	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 85	2019-20	304399.00
86	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 86	2020-21	3920342.00
87	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 87	2018-19	255266529.00
88	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 88	2019-20	834137718.00
89	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 89	2020-21	1190808572.00
90	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 90	2019-20	240979.83
91	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 91	2018-19	1083490.00
92	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 92	2019-20	30545710.08
93	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 93	2020-21	311853987.00
94	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 94	2019-20	287225.00
95	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z2	Taxpayer 95	2019-20	44024.62
96	1	ACST Unit-10, Ahmedabad	24XXXXXXXXXX1ZW	Taxpayer 96	2018-19	7080924.00
97	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 97	2019-20	4784.00
98	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 98	2019-20	3782236.00
99	2	ACST Unit-23, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 99	2018-19	813329.78
100	2	ACST Unit-23, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 100	2019-20	535124.24
101	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 101	2019-20	268333822.00
102	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 102	2018-19	11274.00
103	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 103	2018-19	9481123.05
104	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 104	2019-20	221104506.00
105	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 105	2020-21	1269888114.00
106	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 106	2018-19	77920.00
107	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 107	2019-20	1339470.00
108	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 108	2020-21	2492587.00
109	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 109	2020-21	13626758.00
110	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1Z8	Taxpayer 110	2019-20	36236
111	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1Z8	Taxpayer 111	2020-21	904898
112	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 112	2020-21	71,53,175.39
113	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 113	2018-19	1125477366
114	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 114	2019-20	100947127
115	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 115	2020-21	60705899.4
116	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 116	2018-19	9846470
117	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 117	2018-19	11762843.96
118	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 118	2019-20	21107306.12
119	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 119	2020-21	356518.35
120	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 120	2020-21	568847.62
121	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 121	2019-20	102242
122	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 122	2019-20	36559507
123	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 123	2020-21	2,36,757
124	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 124	2019-20	9867
125	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 125	2020-21	1175797543
126	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 126	2018-19	58618227
127	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 127	2020-21	3779080
128	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZL	Taxpayer 128	2018-19	567471.32
129	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 129	2018-19	1417331
130	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 130	2020-21	5764661

Sl. No.	Division	Unit	GSTIN	Name of the Taxpayer	Financial Year	Deviation Value (in ₹)
1	2	3	4	5	6	7
131	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX1ZV	Taxpayer 131	2019-20	132537
132	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z2	Taxpayer 132	2020-21	11080
133	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 133	2018-19	490028469
134	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 134	2019-20	36758169
135	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 135	2018-19	3377229
136	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 136	2019-20	6264146
137	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 137	2020-21	10462184
138	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 138	2018-19	1240514.00
139	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 139	2020-21	909216.18
140	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 140	2018-19	1510583.24
141	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZL	Taxpayer 141	2018-19	4484743.99
142	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 142	2020-21	40473791.00
143	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 143	2018-19	46774386.00
144	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 144	2018-19	51584854.00
145	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 145	2020-21	1538253.55
146	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 146	2018-19	2087078.41
147	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 147	2018-19	6284133.68
148	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 148	2019-20	7930554.34
149	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 149	2020-21	9802654.96
150	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZR	Taxpayer 150	2018-19	34641333.82
151	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZR	Taxpayer 151	2020-21	68477081.90
152	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 152	2020-21	142249570.43
153	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 153	2019-20	1142694316.03
154	1	ACST Unit-10, Ahmedabad	24XXXXXXXXXX1ZW	Taxpayer 154	2018-19	44230.29
155	1	ACST Unit-10, Ahmedabad	24XXXXXXXXXX1ZW	Taxpayer 155	2020-21	964713.58
156	1	ACST Unit-10, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 156	2018-19	22600676.22
157	1	ACST Unit-10, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 157	2020-21	28162232.04
158	1	ACST Unit-10, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 158	2019-20	1943004377.78
159	12	ACST Unit-102, Bhuj	24XXXXXXXXXX1Z4	Taxpayer 159	2018-19	3150120.00
160	12	ACST Unit-102, Bhuj	24XXXXXXXXXX1Z4	Taxpayer 160	2020-21	8030919.00
161	12	ACST Unit-103, Gandhidham	24XXXXXXXXXX1ZT	Taxpayer 161	2018-19	132786.97
162	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 162	2018-19	1172.00
163	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 163	2018-19	412881.84
164	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 164	2019-20	483825.88
165	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 165	2020-21	1122061.64
166	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 166	2018-19	2299499.29
167	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 167	2018-19	12332813.76
168	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 168	2020-21	44242612.81
169	2	ACST Unit-14, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 169	2018-19	4763042.00
170	2	ACST Unit-14, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 170	2020-21	102150830.00
171	2	ACST Unit-18, Ahmedabad	24XXXXXXXXXX1ZJ	Taxpayer 171	2019-20	72457034.55
172	2	ACST Unit-18, Ahmedabad	24XXXXXXXXXX1ZJ	Taxpayer 172	2020-21	93243696.45
173	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 173	2018-19	9255164.00
174	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 174	2018-19	101764062.00
175	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 175	2020-21	106537158.00
176	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 176	2019-20	645466794.00
177	2	ACST Unit-22, Ahmedabad	24XXXXXXXXXX1ZW	Taxpayer 177	2018-19	98309.00
178	3	ACST Unit-24, Gandhinagar	24XXXXXXXXXX1ZW	Taxpayer 178	2018-19	6271008.54
179	3	ACST Unit-29, Prantij	24XXXXXXXXXX1Z8	Taxpayer 179	2018-19	815385.72
180	6	ACST Unit-39, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 180	2018-19	199205.09
181	6	ACST Unit-39, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 181	2020-21	516069.78
182	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 182	2018-19	113546.00
183	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 183	2018-19	333341.00
184	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 184	2019-20	1470168.00
185	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 185	2020-21	4332794.00
186	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 186	2019-20	10501000.00
187	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 187	2020-21	47845633.00
188	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 188	2020-21	135407545.00
189	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1ZV	Taxpayer 189	2018-19	137783.00
190	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 190	2018-19	404291.00
191	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 191	2020-21	26351277.00
192	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 192	2018-19	1250589.00
193	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 193	2020-21	51536265.00
194	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 194	2019-20	5225820.00
195	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 195	2018-19	5532002.00
196	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 196	2020-21	6159988.00
197	8	ACST Unit-70, Valsad	24XXXXXXXXXX1ZI	Taxpayer 197	2018-19	3798.00
198	8	ACST Unit-70, Valsad	24XXXXXXXXXX1ZI	Taxpayer 198	2019-20	421113.00

Sl. No.	Division	Unit	GSTIN	Name of the Taxpayer	Financial Year	Deviation Value (in ₹)
1	2	3	4	5	6	7
199	8	ACST Unit-70, Valsad	24XXXXXXXXXX1ZI	Taxpayer 199	2020-21	554646.00
200	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 200	2020-21	38107.00
201	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZA	Taxpayer 201	2019-20	125634.00
202	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 202	2020-21	228076.00
203	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 203	2019-20	781079.00
204	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 204	2018-19	1322922.00
205	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 205	2018-19	2044328.00
206	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 206	2018-19	2369380.00
207	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z5	Taxpayer 207	2018-19	4327958.00
208	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z5	Taxpayer 208	2020-21	4951785.00
209	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 209	2018-19	6074442.00
210	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z5	Taxpayer 210	2019-20	8629561.00
211	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 211	2018-19	10539977.00
212	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 212	2020-21	16486641.00
213	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 213	2020-21	66176612.00
214	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 214	2019-20	1910349890.00
215	10	ACST Unit-92, Rajkot	24XXXXXXXXXX1ZE	Taxpayer 215	2018-19	502122.00
216	10	ACST Unit-92, Rajkot	24XXXXXXXXXX1ZE	Taxpayer 216	2020-21	5029831.00
217	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1Z3	Taxpayer 217	2018-19	5610435.00
218	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 218	2018-19	10499341.00
219	2	ACST Unit-23, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 219	2020-21	4627208.00
220	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 220	2018-19	652461.70
221	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 221	2020-21	1036966
222	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 222	2019-20	3350549
223	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 223	2019-20	1009578.2
224	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 224	2019-20	1255762
225	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZL	Taxpayer 225	2020-21	34448881.49
226	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 226	2020-21	40656219
227	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 227	2019-20	7556105.37
228	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 228	2018-19	1086723925
229	1	ACST Unit-10, Ahmedabad	24XXXXXXXXXX1ZW	Taxpayer 229	2019-20	77679.14
230	12	ACST Unit-102, Bhuj	24XXXXXXXXXX1Z4	Taxpayer 230	2019-20	2580699
231	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 231	2020-21	28201.92
232	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 232	2019-20	31164.5
233	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 233	2019-20	70907.78
234	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 234	2019-20	338139.77
235	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 235	2018-19	407210.24
236	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 236	2020-21	533236.92
237	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 237	2019-20	2,59,05,894.72
238	2	ACST Unit-14, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 238	2019-20	10127847
239	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 239	2019-20	1025638
240	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 240	2020-21	2763721
241	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1Z8	Taxpayer 241	2019-20	26148908
242	2	ACST Unit-22, Ahmedabad	24XXXXXXXXXX1ZW	Taxpayer 242	2019-20	6383207
243	3	ACST Unit-29, Prantij	24XXXXXXXXXX1Z8	Taxpayer 243	2019-20	16,67,268.37
244	6	ACST Unit-39, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 244	2019-20	631764.15
245	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 245	2019-20	6305979
246	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 246	2018-19	16805992
247	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1ZV	Taxpayer 247	2019-20	46111.78
248	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1ZV	Taxpayer 248	2020-21	191859.56
249	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 249	2019-20	385860.71
250	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 250	2019-20	760130
251	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 251	2019-20	130695
252	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 252	2018-19	732309
253	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 253	2019-20	744194
254	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 254	2020-21	804730
255	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 255	2020-21	1723471
256	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZA	Taxpayer 256	2020-21	1887641
257	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 257	2019-20	4214323
258	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 258	2019-20	6134812
259	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 259	2019-20	7020243
260	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 260	2020-21	14945301
261	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 261	2018-19	1890440952
262	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1Z3	Taxpayer 262	2019-20	692908.61
263	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1Z3	Taxpayer 263	2020-21	2480659.2
264	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 264	2019-20	2751919.58
265	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 265	2020-21	49693193.75
266	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 266	2019-20	874506.85

Sl. No.	Division	Unit	GSTIN	Name of the Taxpayer	Financial Year	Deviation Value (in ₹)
1	2	3	4	5	6	7
267	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 267	2020-21	8686595.96
268	1	STO Unit-12, Viramgam	24XXXXXXXXXX2Z9	Taxpayer 268	2019-20	16112318.39
269	1	STO Unit-12, Viramgam	24XXXXXXXXXX2Z9	Taxpayer 269	2020-21	27016848.88
270	1	STO Unit-12, Viramgam	24XXXXXXXXXX2Z9	Taxpayer 270	2018-19	169233319.4
271	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX1ZV	Taxpayer 271	2018-19	177243487
272	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX1ZV	Taxpayer 272	2019-20	577467471
273	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX1ZV	Taxpayer 273	2020-21	4859015248
274	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 274	2018-19	137588044
275	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 275	2019-20	26967006
276	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 276	2020-21	69447894
277	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 277	2019-20	1564516.27
278	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 278	2020-21	17711424.68
279	2	ACST Unit-22, Ahmedabad	24XXXXXXXXXX1ZW	Taxpayer 279	2020-21	87125074.38
280	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 280	2020-21	39784213.38
281	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 281	2019-20	1045777.95
282	2	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 282	2020-21	2715981.38
283	1	ACST Unit-10, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 283	2020-21	107337284.35
284	1	ACST Unit-10, Ahmedabad	24XXXXXXXXXX1ZW	Taxpayer 284	2020-21	1851478.12
285	3	ACST Unit-24, Gandhinagar	24XXXXXXXXXX1ZO	Taxpayer 285	2020-21	2348545.49
286	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 286	2020-21	483380975.96
287	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 287	2020-21	74293456.84
288	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 288	2020-21	8282120.21
289	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1ZV	Taxpayer 289	2019-20	6155.28
290	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 290	2019-20	1650528170.67
291	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 291	2020-21	891319960.30
292	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 292	2020-21	6360.82
293	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZL	Taxpayer 293	2020-21	66816554.40
294	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 294	2019-20	11382453.10
295	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 295	2020-21	85120677.72
296	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 296	2019-20	9764035.71
297	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 297	2020-21	67489632.61
298	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 298	2020-21	2844678.14
299	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 299	2019-20	3527894.63
300	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 300	2020-21	179078334.90
301	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 301	2019-20	467740.86
302	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 302	2020-21	10522160.99
303	12	ACST Unit-91, Morbi	24XXXXXXXXXX1Z5	Taxpayer 303	2020-21	2545183.87
304	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 304	2020-21	520167.00
305	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 305	2018-19	29977088.00
306	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 306	2019-20	10616159.32
307	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 307	2020-21	13633035.29
308	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 308	2020-21	155031352.06
309	2	ACST Unit-18, Ahmedabad	24XXXXXXXXXX1ZJ	Taxpayer 309	2018-19	57440206.00
310	2	ACST Unit-18, Ahmedabad	24XXXXXXXXXX1ZJ	Taxpayer 310	2019-20	72541528.00
311	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 311	2018-19	104706824.00
312	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 312	2019-20	46479628.00
313	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 313	2020-21	55362342.00
314	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 314	2018-19	45288.54
315	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 315	2019-20	108708.55
316	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 316	2018-19	2512742.63
317	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 317	2020-21	1150.93
318	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 318	2018-19	549704
319	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 319	2019-20	610608
320	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 320	2020-21	36
321	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 321	2019-20	12148.2
322	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 322	2018-19	18637
323	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1ZV	Taxpayer 323	2019-20	297098
324	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 324	2018-19	983725
325	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z5	Taxpayer 325	2019-20	79030

Appendix VI

Mismatch of Supply as noticed between returns

(Referred to in Paragraph 2.1.8.2 (C) (iv))

Sl. No.	Division	Unit	GSTIN	Name of the Taxpayer	Financial Year	Deviation Value (in ₹)
1	2	3	4	5	6	7
1	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 1	2019-20	265633.62
2	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 2	2020-21	72078.17
3	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 3	2018-19	471405410.00
4	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 4	2019-20	156101.00
5	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 5	2019-20	1042499.00
6	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 6	2019-20	9917.00
7	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 7	2019-20	10581.00
8	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 8	2019-20	265633.62
9	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 9	2020-21	72078.17
10	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 10	2018-19	225997.00
11	3	ACST Unit-24, Gandhinagar	24XXXXXXXXXX2ZR	Taxpayer 11	2018-19	11595627.00
12	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 12	2019-20	156101.00
13	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 13	2019-20	1042499.00
14	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 14	2019-20	9917.00
15	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 15	2019-20	10581.00
16	2	ACST Unit-22, Ahmedabad	24XXXXXXXXXX1ZW	Taxpayer 16	2019-20	67136.00
17	4	ACST Unit-31, Visnagar	24XXXXXXXXXX1ZP	Taxpayer 17	2019-20	7234912.00
18	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 18	2018-19	593928005.48
19	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 19	2019-20	1195700.00
20	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 20	2020-21	232520.00
21	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 21	2019-20	166795.00
22	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 22	2018-19	773496.16
23	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 23	2019-20	32852.66
24	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1Z8	Taxpayer 24	2018-19	4283335.7
25	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1Z8	Taxpayer 25	2019-20	416139
26	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1Z8	Taxpayer 26	2020-21	1139878.9
27	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 27	2018-19	11718923
28	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZU	Taxpayer 28	2020-21	123811
29	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZR	Taxpayer 29	2018-19	97918906
30	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZR	Taxpayer 30	2019-20	8656430
31	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 31	2018-19	1119824.62
32	2	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 32	2019-20	1486208.56
33	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 33	2019-20	16743.43
34	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 34	2018-19	80898.55
35	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 35	2019-20	8553.08
36	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 36	2018-19	2180841.71
37	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 37	2019-20	166088.97
38	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 38	2020-21	148499.9
39	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 39	2018-19	1295.48
40	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 40	2019-20	1765560.99
41	6	ACST Unit-39, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 41	2018-19	1235091.2
42	6	ACST Unit-39, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 42	2019-20	2822196.42
43	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 43	2018-19	125450.14
44	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 44	2019-20	136542.88
45	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 45	2020-21	284590.18
46	3	ACST Unit-24, Gandhinagar	24XXXXXXXXXX1ZO	Taxpayer 46	2018-19	95224.75
47	3	ACST Unit-24, Gandhinagar	24XXXXXXXXXX2ZR	Taxpayer 47	2020-21	173440.08
48	2	ACST Unit-18, Ahmedabad	24XXXXXXXXXX1ZJ	Taxpayer 48	2018-19	385317.52
49	2	ACST Unit-18, Ahmedabad	24XXXXXXXXXX1ZJ	Taxpayer 49	2020-21	27189.38
50	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 50	2018-19	35831397.9
51	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 51	2020-21	1142657
52	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 52	2018-19	1648425.72

53	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 53	2020-21	5379247.08
54	2	ACST Unit-23, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 54	2018-19	1354316.31
55	3	ACST Unit-23, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 55	2019-20	42493
56	2	ACST Unit-23, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 56	2020-21	525572.71
57	4	ACST Unit-31, Visnagar	24XXXXXXXXXX1ZP	Taxpayer 57	2018-19	1770377.59
58	5	ACST Unit-31, Visnagar	24XXXXXXXXXX1ZP	Taxpayer 58	2019-20	9586810.54
59	6	ACST Unit-31, Visnagar	24XXXXXXXXXX1ZP	Taxpayer 59	2020-21	32735.52
60	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 60	2018-19	7971352.71
61	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 61	2020-21	40465.25
62	11	ACST Unit-92, Rajkot	24XXXXXXXXXX1ZE	Taxpayer 62	2019-20	1592659.77
63	12	ACST Unit-92, Rajkot	24XXXXXXXXXX1ZE	Taxpayer 63	2020-21	7261468.96
64	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 64	2019-20	142801693
65	10	ACST Unit-95, Rajkot	24XXXXXXXXXX1Z3	Taxpayer 65	2018-19	1824284
66	10	ACST Unit-95, Rajkot	24XXXXXXXXXX1Z3	Taxpayer 66	2019-20	80366
67	2	ACST Unit-14, Ahmedabad	24XXXXXXXXXX1Z7	Taxpayer 67	2020-21	6106738
68	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZA	Taxpayer 68	2020-21	6181232
69	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 69	2018-19	10891824
70	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 70	2018-19	97523009.00
71	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 71	2019-20	4327572.00
72	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 72	2019-20	420147.33
73	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZL	Taxpayer 73	2020-21	790174.86
74	12	ACST Unit-103, Gandhidham	24XXXXXXXXXX1ZT	Taxpayer 74	2020-21	204086.12
75	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 75	2019-20	280553
76	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 76	2020-21	1706292
77	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 77	2018-19	106646512
78	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 78	2019-20	40337236
79	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 79	2020-21	4638000
80	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 80	2018-19	352351
81	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 81	2019-20	145800
82	12	ACST Unit-102, Bhuj	24XXXXXXXXXX1Z4	Taxpayer 82	2018-19	11870636
83	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z5	Taxpayer 83	2018-19	11186
84	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z5	Taxpayer 84	2019-20	400
85	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 85	2018-19	250002
86	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 86	2020-21	43573
87	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 87	2018-19	166726
88	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z2	Taxpayer 88	2020-21	34766
89	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 89	2018-19	4946188
90	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 90	2019-20	44397
91	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX1ZV	Taxpayer 91	2018-19	4615547
92	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX1ZV	Taxpayer 92	2019-20	18104879
93	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX1ZV	Taxpayer 93	2020-21	19421341
94	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 94	2018-19	10656902
95	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 95	2020-21	24121
96	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 96	2018-19	2698567
97	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 97	2019-20	248163
98	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 98	2020-21	1016713
99	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 99	2019-20	105986.7
100	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 100	2019-20	2617719
101	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 101	2020-21	2212714
102	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1Z8	Taxpayer 102	2018-19	4244315.96
103	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1Z8	Taxpayer 103	2019-20	400759.27
104	2	ACST Unit-20, Ahmedabad	24XXXXXXXXXX1Z8	Taxpayer 104	2020-21	1014249.1
105	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 105	2018-19	11,21,224.62
106	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 106	2019-20	1486214.56
107	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z2	Taxpayer 107	2018-19	957287.43
108	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1Z2	Taxpayer 108	2019-20	1880163.71
109	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZZ	Taxpayer 109	2019-20	8555.89
110	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 110	2018-19	1976391.71
111	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 111	2019-20	75872.97
112	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 112	2020-21	1759788.96
113	7	ACST Unit-58, Surat	24XXXXXXXXXX1Z0	Taxpayer 113	2018-19	77760
114	6	ACST Unit-39, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 114	2018-19	1337527.2
115	7	ACST Unit-39, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 115	2019-20	2826195.42

116	1	STO Unit-12, Viramgam	24XXXXXXXXXX1ZZ	Taxpayer 116	2020-21	284388.26
117	2	ACST Unit-18, Ahmedabad	24XXXXXXXXXX1ZJ	Taxpayer 117	2018-19	385539.88
118	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 118	2018-19	3,56,17,036.65
119	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 119	2020-21	573.00
120	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 120	2018-19	1645695.31
121	3	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 121	2019-20	18736
122	4	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1ZX	Taxpayer 122	2020-21	729439.99
123	2	ACST Unit-23, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 123	2018-19	1358796.17
124	3	ACST Unit-23, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 124	2019-20	236411.17
125	2	ACST Unit-23, Ahmedabad	24XXXXXXXXXX1ZN	Taxpayer 125	2020-21	525565.69
126	4	ACST Unit-31, Visnagar	24XXXXXXXXXX1Z1	Taxpayer 126	2019-20	1344
127	4	ACST Unit-31, Visnagar	24XXXXXXXXXX1Z1	Taxpayer 127	2020-21	6804.4
128	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 128	2018-19	8160909.71
129	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 129	2020-21	41268.25
130	12	ACST Unit-92, Rajkot	24XXXXXXXXXX1ZE	Taxpayer 130	2020-21	7261487.09
131	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 131	2018-19	3,93,09,583.00
132	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 132	2019-20	9,52,50,260.00
133	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 133	2020-21	20,517.00
134	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1Z3	Taxpayer 134	2018-19	22,21,939.00
135	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1Z3	Taxpayer 135	2019-20	80,368.00
136	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZA	Taxpayer 136	2020-21	6178835
137	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 137	2018-19	10895665
138	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZL	Taxpayer 138	2018-19	58564.13
139	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZL	Taxpayer 139	2020-21	868323.53
140	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 140	2018-19	96630856.00
141	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 141	2019-20	4327576
142	12	ACST Unit-103, Gandhidham	24XXXXXXXXXX1ZT	Taxpayer 142	2020-21	204086.12
143	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 143	2018-19	996400
144	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 144	2019-20	1492551
145	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 145	2020-21	3468784
146	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 146	2018-19	105914418
147	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 147	2019-20	40337232
148	5	ACST Unit-40, Vadodara	24XXXXXXXXXX8ZI	Taxpayer 148	2020-21	4638003
149	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 149	2018-19	352348
150	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 150	2019-20	145796
151	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZJ	Taxpayer 151	2020-21	823734
152	12	ACST Unit-102, Bhuj	24XXXXXXXXXX1Z4	Taxpayer 152	2018-19	5141013
153	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z5	Taxpayer 153	2018-19	2412
154	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 154	2018-19	171507
155	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 155	2019-20	1323705
156	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 156	2020-21	276093
157	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 157	2018-19	154060
158	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZT	Taxpayer 158	2019-20	406423912
159	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z2	Taxpayer 159	2020-21	139749
160	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 160	2018-19	4971643
161	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 161	2019-20	44396
162	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX2ZX	Taxpayer 162	2020-21	5854
163	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX1ZV	Taxpayer 163	2018-19	4615547
164	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX1ZV	Taxpayer 164	2019-20	18104879
165	1	ACST Unit-07, Ahmedabad	24XXXXXXXXXX1ZV	Taxpayer 165	2020-21	19421341
166	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 166	2018-19	10656902
167	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX7ZJ	Taxpayer 167	2020-21	24121
168	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 168	2018-19	2239277
169	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 169	2019-20	255506
170	1	ACST Unit-06, Ahmedabad	24XXXXXXXXXX1ZY	Taxpayer 170	2020-21	1019208
171	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 171	2019-20	6,66,92,832
172	2	ACST Unit-17, Ahmedabad	24XXXXXXXXXX1Z9	Taxpayer 172	2020-21	93,99,967
173	2	ACST Unit-22, Ahmedabad	24XXXXXXXXXX1ZW	Taxpayer 173	2019-20	73,76,31,481
174	1	ACST Unit-08, Ahmedabad	24XXXXXXXXXX1ZI	Taxpayer 174	2020-21	26,36,47,731.27
175	1	ACST Unit-11, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 175	2019-20	48,01,84,308
176	3	ACST Unit-24, Gandhinagar	24XXXXXXXXXX3Z8	Taxpayer 176	2018-19	43,69,99,821.96
177	2	ACST Unit-18, Ahmedabad	24XXXXXXXXXX1ZJ	Taxpayer 177	2018-19	96035

178	3	ACST Unit-29, Prantij	24XXXXXXXXXX1Z8	Taxpayer 178	2018-19	4,70,73,666.00
179	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 179	2018-19	31,42,54,168.79
180	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 180	2019-20	26,22,69,292.32
181	2	ACST Unit-21, Ahmedabad	24XXXXXXXXXX1Z0	Taxpayer 181	2020-21	54,73,13,696.00
182	5	ACST Unit-45, Vadodara	24XXXXXXXXXX1Z9	Taxpayer 182	2020-21	18,89,545
183	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 183	2019-20	160314630.6
184	10	ACST Unit-93, Rajkot	24XXXXXXXXXX1ZY	Taxpayer 184	2020-21	1049196
185	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 185	2018-19	11904463037
186	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1ZP	Taxpayer 186	2020-21	2028544644
187	5	ACST Unit-40, Vadodara	24XXXXXXXXXX1ZY	Taxpayer 187	2018-19	47575848
188	12	ACST Unit-102, Bhuj	24XXXXXXXXXX1Z4	Taxpayer 188	2019-20	38850258
189	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z2	Taxpayer 189	2018-19	30498044
190	1	ACST Unit-09, Ahmedabad	24XXXXXXXXXX1Z2	Taxpayer 190	2019-20	55263191
191	1	ACST Unit-05, Ahmedabad	24XXXXXXXXXX1ZS	Taxpayer 191	2020-21	35187.50

Appendix VII

Non/ short levy of Lump sum Tax

(Referred to in Paragraph 2.2.4.1 (A) (i))

Short levy of LST on SPV/ Motor Car/ Motorcycle (Individual)

(₹ in lakh)

Sl. No.	Type of vehicle	Number of RTOs	Number of vehicles	LST leviable	LST levied	Short levy of LST
1	OSVs	4	6	3.88	0.67	3.21
2	Motor Car	2	3	6.16	4.39	1.77
3	Motorcycle	1	1	0.08	0.07	0.01
4	Imported Tractors	2	2	0.55	0.28	0.27
	Total		**12**	**10.67**	**5.41**	**5.26**

Short levy of LST on Tractor/ SPV/ Motor Car (Other than individual, *etc.*)

(₹ in lakh)

Sl. No.	Type of vehicle	Number of RTOs	Number of vehicles	LST leviable	LST levied	Short levy of tax
1	Agricultural Tractors	3	6	2.13	1.09	1.04
2	Commercial Tractors	8	23	7.10	3.76	3.34
3	Special Purpose Vehicles	7	12	8.50	4.43	4.07
4	Motor Car	4	13	19.34	10.62	8.72
	Total		**54**	**37.07**	**19.9**	**17.17**

Short levy of LST on Motorcar/ Motorcycle owned by other than individual

(₹ in lakh)

Sl. No.	Type of vehicle	Number of RTOs	Number of vehicles	LST leviable	LST levied	Short levy of tax (₹ in lakh)
1	Motorcycle	5	31	2.28	1.18	1.10
2	Motor Car	6	46	44.69	22.35	22.34
	Total		**77**	**46.97**	**23.53**	**23.44**

Non levy of LST on vehicles owned by Central Government/ PSUs/ ABs/ LAs *etc.*

(₹ in lakh)

Sl. No.	Type of vehicle	Number of RTOs	Number of vehicles	Tax leviable but not levied
1	Agricultural Tractors	3	06	1.08
2	Commercial Tractors	1	1	0.13
3	OSVs	1	1	0.47
4	Motor Car	6	35	18.48
5	Motorcycle	4	13	0.67
	Sub-total		**56**	**20.83**
6	**Goods Transport Vehicles**	1	1	0.72
	Grand Total		**57**	**21.55**

Appendix VIII

Rates for levy of per annum tax on various categories of vehicles

(Referred to in Paragraph 2.2.4.1 (B))

Sl. No.	Vehicle Class	Registration Period	Tax per annum (in ₹)
1	Goods transportation vehicles registered in the State with gross vehicle weight exceeding 7,500 kg	Prior to April 2017	₹ 800 per 1,000 kg or part thereof
2	Sleeper designated omnibuses licensed to carry	Any time	For every passenger
	Not more than 20 passengers		₹ 9,000
	More than 20 passengers		₹ 13,200
	More than 20 passengers (sleeper super luxury)		₹ 15,000
3	Designated omnibus or contract carriage buses licensed to carry passengers	Any time	For every passenger
	Ordinary buses (more than 12 passengers)		₹ 4,500
	Luxury or tourist buses (13 to 20 passengers)		₹ 4,500
	Luxury or tourist buses (more than 20 passengers)		₹ 7,800
	Super-Luxury or tourist buses (more than 20 passengers)		₹ 9,000
4	Vehicles license to carry more than nine passengers, other than designated omnibus (Stage Carriage)	Prior to April 2017	₹ 1,200 plus ₹ 80 per passenger (seats) plus ₹ 40 (standing capacity)
5	Private Service Vehicles	Prior to April 2017	₹ 500 for every passenger
	Private Service Vehicles used for educational institutes		₹ 200 for every passenger
6	Tractors exceeding 7,500 kg in weight unladen	Prior to April 2017	₹ 2,000 plus ₹ 400 for every 1,000 kg or part thereof exceeding 2,000 kg
	Special purpose vehicle with unladen weight not exceeding 7,500 kg	Prior to April 2017	
	Special purpose vehicle with unladen weight exceeding 7,500 kg	Any time	
	Breakdown van	Any time	
7	If the vehicle at (6) is owned by a person other than individual, a local authority, a public trust, a university or an educational or social welfare institution		Twice the rate
8	If the vehicle at (4 to 6) is manufactured out of India and imported into India		Twice the rate

Appendix IX

Short levy of recurring taxes on Other Specific Vehicles

(Referred to in Paragraph 2.2.4.1 (B) (ii))

A: Levy of tax at single rate instead of double rate

(₹ in lakh)

Sl. No.	Category of vehicle owner as per VAHAN data	Number of vehicles	Recurring tax short levied during April 2017 and March 2019	Recurring tax short levied during April 2019 and March 2024	Total short levy
1	Partnership Firm	869	55.57	179.80	235.37
2	Joint Stock Company[1]	56	1.94	14.10	16.04
	Total	**925**	**57.51**	**193.90**	**251.41**

B: Incorrect categorization of ownership

(₹ in lakh)

Sl. No	Vehicle owner classified as	Actual vehicle owner	Number of vehicles	Recurring tax short levied during April 2017 and March 2019	Recurring tax short levied during April 2019 and March 2024	Total short levy
1	Individual	Partnership Firm/ Company	401	21.63	97.15	118.78
2	Others		110	1.79	26.72	28.51
3	State Government		1	0.18	0.30	0.48
	Total		**512**	**23.60**	**124.17**	**147.77**

C: Short levy of recurring tax on imported OSVs

(₹ in lakh)

Sl. No.	Vehicle owner classified as	Actual Vehicle owner actual category	Number of Vehicles	Recurring tax short levied during April 2017 and March 2019	Recurring tax short levied during April 2019 and March 2024	Total short levy
1	Company	Partnership Firm/ Company	04	2.14	2.64	4.78
2	Partnership Firm		227	54.81	108.19	163.00
3	Others		13	0.50	9.50	10.00
4	Individual		25	6.12	33.60	39.72
	Total		**269**	**63.57**	**153.93**	**217.50**

[1] A Joint Stock Company is registered under Companies Act 2013 and is a corporate structure that allows multiple individuals to collectively own and invest in a company.

Appendix X

Fees for registration and renewal of registration of various types of vehicles

(Referred to in Paragraph 2.2.4.2)

Sl. No.	Type of Vehicle	2016 Notification		2021 Notification	
		New Registration	Renewal of Registration	New Registration	Renewal of Registration
1	Motorcycle	300	300	300	1,000
2	Transport (Three-Wheeler/ Quadricycle)	1,000	1,000	600	2,500
	Non-transport (Three-Wheeler/ Quadricycle)	600	600	600	2,500
3	Transport (LMV)	1,000	1,000	600	5,000
	Non-Transport (LMV)	600	600	600	5,000
3	MGV/ MPV	1,000	1,000	1,000	1,000
	HGV/ HPV	1,500	1,500	1,500	1,500
4	Imported Motor Vehicle (two wheeled)	2,500	2,500	2,500	10,000
5	Imported Motor Vehicle (three wheeled)	5,000	5,000	2,500	10,000
6	Imported Motor Vehicle (four or more wheeled)	5,000	5,000	5,000	40,000
7	Any other vehicle not mentioned above i.e. Special Purpose Vehicles	3,000	3,000	3,000	6,000

Appendix XI

Excess/ short levy of TRF

(Referred to in Paragraph 2.2.4.2 (A))

A: Excess/ short levy of TRF on two wheelers

(₹ in lakh)

Sl. No.	Status	No. of Vehicles	TRF Levied/ recovered	TRF required to be levied	Difference
(A) Short levy					
(1)	TRF short levied and recovery pending	108	0.22	1.35	(-)1.13
(B) No short or excess levy					
(1)	Correctly levied	1,37,514	207.07	207.07	0.00
(2)	TRF not applicable	2,92,609	0.00	0.00	0.00
(3)	TRF short levied but recovery made	9	0.11	0.11	0.00
(C) Excess levy					
(1)	Excess TRF Levied	8,57,093	1,714.19	1,285.64	(+)428.55
(2)	TRF not levied but recovery made, hence excess levied	1	0.01	0.00	(+)0.01
	Grand Total (Net excess levy of TRF)	**12,87,334**	**1,921.60**	**1,494.17**	**(+) 427.43**

B: Excess/ short levy of TRF on Other Specific Vehicles

(₹ in lakh)

Sl. No.	Particulars	Number of Vehicles	TRF required to be levied	TRF levied/ recovered	Difference
A1	Excess TRF levied	24	0.60	0.72	(+)0.12
A2	Excess RF levied, which resulted in levy of excess TRF	66	0.28	4.76	(+)4.48
A3	No TRF[1] levied, but recovered	319	0.00	3.80	(+)3.80
A	**Sub-total (TRF excess levied/ recovered)**	**409**	**0.88**	**9.28**	**(+)8.40**
B1	Short RF levied. Hence, TRF was levied/ recovered short	88	1.32	0.48	(-)0.84
B2	TRF was short levied, recovery pending	2,428	36.88	4.93	(-)31.95
B	**Sub-total (TRF short levied/ recovered)**	**2,516**	**38.20**	**5.41**	**(-)32.79**
C	**Grand Total (Net short levy/ recovery of TRF)**		**39.08**	**14.69**	**(-)24.39**

[1] Vehicles registered after 14 September 2023 are required to be sold with permanent registration number (except vehicles opting for choice numbers or drive away chassis vehicles). Hence, TRF is not leviable on such vehicles.

C: Excess/ short levy of TRF on Vehicles other that two-wheeler and OSVs

(₹ in lakh)

Sl. No.	Particulars	Number of Vehicles	TRF to be levied	TRF levied	Difference
(A)	**No Recovery required**				
A1	Correct TRF levied.	71,617	228.40	228.40	--
A2	TRF not applicable.	1,56,748	0	0	--
A3	TRF was short levied, but recovery made.	24,440	86.52	86.52	--
	Total	**2,52,805**	**314.92**	**314.92**	--
B	**Excess levied/ recovered**				
B1	Excess TRF levied.	1	0.00	0.01	(+)0.01
B2	Excess RF levied, which resulted in levy/ recovery of excess TRF.	3,894	11.68	19.47	(+)7.79
B3	TRF not leviable, but recovered.	4,704	0	20.34	(+)20.34
	Total excess levied	**8,599**	**11.68**	**39.82**	**(+)28.14**
C	**Short levied/ recovery**				
C1	TRF was short levied, recovery pending.	3,68,833	1,148.34	737.67	(-)410.68
C2	RF Short levied, hence, TRF short paid, recovery pending	280	1.42	0.58	(-)0.84
C3	RF Short levied, which resulted in levy/recovery of short TRF.	53	0.27	0.16	(-) 0.11
	Total short levied	**3,69,166**	**1150.03**	**738.41**	**(-) 411.62**
D	**Grand Total**	**6,30,570**	**1476.64**	**1,093.15**	**(-) 383.48**

Appendix XII

Type of offence and corresponding Section of the MV Act

(Referred to in Paragraph 2.2.5)

Sl. No.	Offences Under Law	Section/ Rule
1	Penalty for travelling without pass or ticket and for dereliction of duty on the part of conductor and refusal to ply Contract Carriage, *etc.*	Section 124 read with (r/w) Section 178 (1), (2) and (3)(b)
		Section 178(3)(a)
2	Disobedience of orders, obstruction, and refusal of information.	Section 179(1) & (2)
3	Allowing unauthorized persons to drive vehicles	Section 3 and 4 r/w Section 180
4	Driving vehicles in contravention of Section 3 or Section 4: Necessity for DL and age limit in connection with driving of Motor Vehicles	Section 3 and 4 r/w Section 181
5	Offences relating to licenses (during the period of disqualification)	Section 19 and 20 r/w Section 182(1)
6	Punishment for offences relating to constructions, maintenance, sale and alteration of motor vehicles and components	Chapter VII of MV Act r/w Section 182A(1)
		Chapter VII r/w Section 182A(3)
		Section182A(4)
7	Punishment for contravention of Section 62-A	Section 62-A r/w Section 182B
8	Driving at excessive speed	Section 112 r/w Section 183(1)(i)
		Section 183(1) to (4)
9	Driving dangerously (only to the extent to the use of handheld communication devices)	Section 184(c)
10	Driving when mentally or physically unfit to drive	Section 186
11	Racing and trials of speed	Section 189
12	Using vehicle in unsafe condition	Section 190(2)
13	Using vehicle without registration	Section 39 r/w Section 192(1)
14	Using vehicles without permit/ violation of permit conditions	Section 66(1) r/w Section 192A
15	Driving vehicles exceeding permissible weight	Section 113, 114 & 115 r/w Section 194

16	Carriage of excess passengers	Section 194-A
17	Failure to use safety belts	Section 194-B
18	Violation of safety measures for Motor-Cycle drivers and Pillion riders	Section 194-C
19	Penalty for not wearing protective head gear	Section 194-D
20	Failure to allow free passage to emergency vehicles	Section 194-E
21	Use of horns in silent zones	Section 194-F
22	Driving Uninsured Vehicle	Section 146 r/w Section 196
23	Unauthorized interference with vehicle	Section 198
24	General provisions for punishment of offences (for offences not specified)	Section 177

Appendix XIII

Details of tax defaulters vis-à-vis RRC proceedings

(Referred to in Paragraph 2.2.5.2 (B))

RTO Name	Total number of vehicles having tax default	Number of vehicles where tax was pending for more than one year	Outstanding amount (₹ in lakh)	Number of vehicles where RRC was initiated (percentage of the total)	Vehicles in respect of which recovery was made after issuance of RRC	Amount recovered (₹ in crore)	Vehicles in respect of which RRCs were yet to be issued	Percentage of vehicles where RRCs were yet to be issued
GJ01 Ahmedabad	6021	5395	9336.65	18 (0.33)	0	0	5377	99.67
GJ03 Rajkot	4381	3324	4202.19	738 (22.20)	6	3.29	2586	77.80
GJ05 Surat	3738	3142	4337	69 (2.20)	0	0	3073	97.80
GJ06 Vadodara	4156	3390	3088.87	319 (9.41)	0	0	3071	90.59
GJ07 Kheda	1584	1233	789.53	5 (0.41)	0	0	1228	99.59
GJ09 Sabarkantha	1742	1410	1231.30	210 (14.89)	1	0.82	1200	85.11
GJ10 Jamnagar	4280	3765	4026.26	3706 (98.43)	4	3.51	59	1.57
GJ26 Tapi	949	792	925.25	0 (0.00)	0	0	792	100.00
GJ32 Gir-Somnath	839	615	500.87	0 (0.00)	0	0	615	100.00
	27690	**23066**	**28437.62**	**5065 (19.32)**	**11**	**7.62**	**18001**	**78.04**

Appendix XIV
RTO wise details of vehicles detained

(Referred to in Paragraph 2.2.5.3)

RTO/ ARTO	Total detained vehicles as on 31 January 2025	Minimum period elapsed since vehicle was detained (in months)	Maximum period elapsed since vehicle was detained (in months)
Ahmedabad	62	10	67
Ahmedabad East	39	10	69
Amreli	64	10	62
Anand	20	10	47
Anjar	18	10	16
Ahva-Dang	1	12	12
Bavla	12	10	46
Botad	4	15	64
Chhota Udepur	22	10	69
Khambhaliya (Devbhumi Dwarka)	5	12	47
Lunawada (Mahisagar)	14	22	69
Modasa (Arvalli)	2	22	37
Morbi	16	17	66
Veraval (Gir Somnath)	10	33	53
Banaskantha	462	10	69
Bardoli	38	10	60
Bharuch	64	10	69
Bhavnagar	78	10	69
Dahod	31	11	60
Gandhinagar	17	11	66
Jamnagar	45	11	69
Junagadh	3	11	61
Kachchh	172	10	69
Kheda	71	10	69
Mehsana	37	11	67
Narmada	8	10	39
Navsari	6	10	69
Panchmahal	120	11	69
Patan	31	10	69
Porbandar	7	10	54
Rajkot	27	10	68
Sabarkantha	3	14	61
Surat	75	10	60
Surendranagar	63	23	64
Tapi	23	19	47
Vadodara	83	10	68
Valsad	5	23	48
Grand total	**1,758**		

Appendix XV

Non/ short levy of premium/ differential premium

(Referred to in Paragraph 3.4)

In case of non-agricultural permission for 'multipurpose' use, premium at highest *Jantri* rate for the village/ survey number was not levied
The market value of the property for levy of premium is determined in accordance with the *Jantri* rate and subject to the conditions prescribed therein. As per clause no.15 of Circular[1] dated 07 March 2019 read with clarification dated 22 October 2019 and rectification Circular dated 22 May 2020, in case of NA permission for 'multipurpose' use, premium is required to be paid at the highest *Jantri* rate for the village/ survey number. **Audit observation:** (i) In one case (pointed out by audit in November 2024) of conversion of land measuring 38,435 sq. m. situated at one village of District Ahmedabad from new and restricted tenure to old tenure for multipurpose use, the Collector, Ahmedabad did not adopt (June 2023) the highest *Jantri* rate for the survey number. This resulted in short levy of premium price of ₹ 7.69 lakh. After this was pointed out in audit, the Department stated (November 2025) that encumbrance has been made on the immovable property of the land owner for recovery of differential premium. (ii) In one case (pointed out by audit in November 2024) of conversion of land measuring 44,282 sq. m. situated at one village of District Ahmedabad from new and restricted tenure to old tenure for residential purpose, the Collector, Ahmedabad office recovered (August 2023) premium at residential rate. But, later, NA use permission had granted (November 2023) for multipurpose use. The Collector, Ahmedabad office was required to recover differential premium by adopting the highest *Jantri* rate for the survey number. This being not done resulted in non-levy of differential premium price of ₹ 174.83 lakh. After this was pointed out in audit, the Department stated (November 2025) that encumbrance has been made on the immovable property of the land owner for recovery of differential premium. (iii) In one case (pointed out by audit in January 2025) of conversion of land measuring 39,366 sq. m. situated at one village of District Kutch Bhuj from new and restricted tenure to old tenure for multipurpose use, the Collector Kutch Bhuj office did not adopt (April 2024) the highest *Jantri* rate for the survey number. This resulted in short levy of premium price of ₹ 7.09 lakh. After this was pointed out in audit, the Department stated (November 2025) that *Jantri* rates have been adopted based on opinion of the Dy. Collector (SDVO), Kutch Bhuj for levy of premium. The reply is not convincing as the Collector was required to adopt the highest *Jantri* rate for the survey number. (iv) In two cases (pointed out by audit in March 2025) of conversion of land measuring 10,503 sq. m. situated at various villages of District Gandhinagar from new and restricted tenure to old tenure for multipurpose uses, the Collector Gandhinagar office did not adopt (February 2023 and March 2024) the highest *Jantri* rates for the survey numbers. This resulted in short levy of premium price of ₹ 53.33 lakh.

[1] No. NSJ/102006/571/J (part-2).

The market value of the property was not determined based on the rate of the adjacent survey/ block numbers available in the *Jantri*

Superintendent of Stamps (SS) *vide* circular letter dated 30 April 2011 instructed all Deputy Collectors (Stamp Duty Valuation Organisation)/ Sub Registrars that if any city survey/ block/ revenue survey number of urban or rural areas, as the case may be is missing in the *Jantri*, then the market value of the property shall be determined based on the rate of the adjacent survey/ block numbers available in the *Jantri* for the grid/ value zone map in which the missing city survey/ block/ revenue survey number is falling.

Revenue Department vide GR dated 13 April 2023 stipulated in form of *Jantri* Guidelines that in cases where *Jantri* rate was not prescribed for any city survey/ block/ revenue survey number of urban or rural area, available rate of grid/ value zone shall be adopted. In cases where *Jantri* rate was not prescribed for any grid of the village or value zone of urban area, rate of nearest grid/ value zone shall be adopted.

Audit observation:

(i) In 14 cases (pointed out by audit in November 2024) of conversion of land measuring 1,18,534 sq. m. situated at various villages of District Ahmedabad from new and restricted tenure to old tenure for non-agricultural purposes (residential/ industrial/ multipurpose use), the rate of the survey/ block numbers were missing in the *Jantri* 2011. The Collector was required to adopt the rate of the adjacent/ nearby survey/ block numbers falling in the same or adjacent (as the case may be) grid/ value zone map of the missing survey/ block numbers. However, the Collector adopted (between April 2023 and March 2024) rate prescribed for the survey/ block numbers in previous *Jantri* 2006 or rate arrived at as per the formula prescribed *vide* GR dated 03 December 2011. This resulted in short levy of premium price of ₹ 121.42 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owners for recovery of differential premium.

(ii) In 16 cases (pointed out by audit in October 2024) of conversion of land measuring 1,07,919 sq. m. situated at various villages of District Chhotaudepur from new and restricted tenure to old tenure for non-agricultural purposes (residential/ industrial/ commercial/ multipurpose use), the rate of the survey numbers were missing in the *Jantri* 2011. The Collector was required to adopt the rate of the adjacent/ nearby survey numbers falling in the same or adjacent (as the case may be) grid/ value zone map of the missing survey numbers. However, the Collector adopted (between March 2022 and January 2024) the rate prescribed for the survey numbers in previous *Jantri* 2006. This resulted in short levy of premium price of ₹ 59.62 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owners for recovery of differential premium.

(iii) In two cases (pointed out by audit in January 2025) of conversion of land measuring 49,777 sq. m. situated at various villages of District Kutch Bhuj from new and restricted tenure to old tenure for industrial purpose, the rate of the survey numbers were missing in the *Jantri* 2011. The Collector was required to adopt the rate of the adjacent/ nearby survey numbers falling in the same grid/ value zone map of the missing survey numbers. However, the Collector adopted (between February 2022 and July 2023) the rate arrived at based on agricultural rate. This resulted in short levy of premium price of ₹ 62.25 lakh.

After this was pointed out in audit, the Department stated (November 2025) that *Jantri* rates have been adopted based on opinion of the Dy. Collector (SDVO), Kutch Bhuj for levy of premium. The reply is not convincing as the Collector was required to adopt the rate of the adjacent/ nearby survey numbers falling in the same grid/ value zone map of the missing survey numbers.

(iv) In two cases (pointed out by audit in February 2025) of conversion of land measuring 86,011 sq. m. situated at various villages of District Vadodara from new and restricted tenure to old tenure for non-agricultural purposes (residential/ industrial use), the rate of the survey numbers was missing in the *Jantri* 2011. The Collector was required to adopt the rate of the adjacent/ nearby survey numbers falling in the same or adjacent (as the case may be) grid/ value zone map of the missing survey numbers. However, the Collector adopted (between February 2022 and October 2023) the rate arrived at based on agricultural rate (in one case) or prescribed for the survey numbers in previous *Jantri* 2006 in another case. This resulted in short levy of premium price of ₹ 84.97 lakh.

(v) In six cases (pointed out by audit in March 2025) of conversion of land measuring 47,544 sq. m. situated at various villages of District Gandhinagar from new and restricted tenure to old tenure for residential or multipurpose use, the rate of the survey numbers were missing in the *Jantri* 2011. The Collector office, Gandhinagar was required to adopt the rate of the adjacent/ nearby survey numbers falling in the same grid/ value zone map of the missing survey numbers. However, the Collector office, Gandhinagar adopted (between January 2023 and March 2024) the rate arrived at based on agricultural rate. This resulted in short levy of premium price of ₹ 265.25 lakh.

After this was pointed out in audit, the Department stated (November 2025) that in one case, no NA rate was available in *Jantri* for the Grid in which the RS number is covered. Therefore, NA rate has been calculated based on agricultural rate of the RS number for levy of premium. The reply is not convincing as NA rate for the adjacent Grid was available and required to be adopted for levy of premium in view of the instructions contained in GR dated 13 April 2023.

(vi) In one case (pointed out by audit in March 2025) of conversion of land measuring 6,923 sq. m. situated at one village of District Gandhinagar from new and restricted tenure to old tenure for residential purpose, the rate of the survey number was missing in the *Jantri* 2011. The Collector office, Gandhinagar was required to adopt the rate of the adjacent/ nearby survey numbers falling in the same grid/ value zone map of the missing survey numbers. However, the Collector office, Gandhinagar adopted (in February 2023) the rate arrived at based on agricultural rate. This resulted in short levy of premium price of ₹ 20.77 lakh.

(vii) In two cases (pointed out by audit in April 2025) of conversion of land measuring 5,090 sq. m. situated at various villages of District Kheda from new and restricted tenure to old tenure for residential or multipurpose use, the rate of the survey numbers were missing in the *Jantri* 2011. Non-agricultural rates of adjacent survey numbers of the same grid/ adjacent grid were also not available. The Collector office, Kheda was required to adopt the rate based on agricultural rate as per GR dated 13 April 2023. However, the Collector office, Kheda adopted (between August 2023 and November 2023) the rates based on opinion of the Dy. Collector (SDVO), which were incorrect. This resulted in short levy of premium price of ₹ 7.63 lakh.

Adoption of incorrect *Jantri* rate

In case of conversion of land (situated in urban areas, towns, cities, Nagarpalika areas etc.) under 'new and restricted tenure' to 'old tenure', premium at the prescribed rate is required to be recovered.

Revenue Department vide GR dated 30 December 2011 clarified that in *Jantri*, where both irrigated (*Piyat*) and non-irrigated (*Bin-Piyat*) rate are available, the rate which is higher shall be considered to arrive at non-agricultural rate.

Audit observation:

(i) In four cases (pointed out by audit in November 2024) of conversion of land measuring 2,35,211 sq. m. situated at various villages of District Ahmedabad from new and restricted tenure to old tenure for residential purposes, the Collector, Ahmedabad office adopted (July 2023) reduced *Jantri* rate based on decision of the meeting (July 2014) of District Committee, Ahmedabad. There was nothing on records to show that these reduced rates were ratified by the Department. The Department was required to adopt *Jantri* rate available online. This resulted in short levy of premium price of ₹ 225.98 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owners for recovery of differential premium.

(ii) In one case (pointed out by audit in January 2025) of conversion of land measuring 37,231 sq. m. situated at one village of District Kutch Bhuj from new and restricted tenure to old tenure for industrial purpose, the Collector, Kutch Bhuj office adopted (in November 2023) incorrect rate. In absence of non-agricultural rate in *Jantri*, industrial rate was arrived at based on incorrect agricultural rate. This resulted in short levy of premium price of ₹ 1.79 lakh.

(iii) In one case (pointed out by audit in January 2025) of conversion of land measuring 24,484 sq. m. situated at one village of District Kutch Bhuj from new and restricted tenure to old tenure for residential purpose, the Collector, Kutch Bhuj office adopted (in July 2023) incorrect rate. In absence of non-agricultural rate in *Jantri*, industrial rate was arrived at based on rate of non-irrigated land instead of irrigated land. This resulted in short levy of premium price of ₹ 1.18 lakh.

(iv) In one case (pointed out by audit in February 2025) of conversion of land measuring 2,933 sq. m. situated at one village of District Anand from new and restricted tenure to old tenure for commercial purpose, the Collector, Anand office adopted (November 2023) rate of incorrect value zone. This resulted in short levy of premium price of ₹ 140.78 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance has been made on the immovable property of the land owner for recovery of differential premium.

(v) In two cases (pointed out by audit in February 2025) of conversion of land measuring 36,292 sq. m. situated at various villages of District Vadodara from new and restricted tenure to old tenure for multipurpose use, the Collector, Vadodara office adopted (between June 2023 to July 2023) incorrect rate in one case and adopted industrial rate instead of commercial rate in another case. This resulted in short levy of premium price of ₹ 52.76 lakh.

After this was pointed out in audit, the Department stated (November 2025) in one case that based on opinion of Dy. Collector (SDVO), Vadodara-2, multipurpose rate had been adopted for levy of premium. The reply is not convincing as highest *Jantri* rate i.e. four times of agricultural rate was required to be adopted.

(vi) In four cases (pointed out by audit in February 2025) of conversion of land measuring 11,091 sq. m. situated at various villages of District Vadodara from new and restricted tenure to old tenure for agricultural or non-agricultural purposes (residential/ multipurpose use), the Collector, Vadodara office adopted (between July 2022 and October 2023) rate of incorrect value zones. This resulted in short levy of premium price of ₹ 533.06 lakh.

After this was pointed out in audit, the Department stated (November 2025) that as per opinion of Dy. Collector (SDVO), Vadodara-2, these RS numbers are covered in Value Zone 12/0/2/B and accordingly, *Jantri* rate of that value zone had been adopted for levy of premium. The reply is not convincing as the RS numbers are covered in two Value Zones and highest available rate was required to be adopted. This has also been clarified in Clause 22 of GR dated 13 April 2023.

(vii) In two cases (pointed out by audit in February 2025) of conversion of land measuring 1,37,415 sq. m. situated at various villages of District Vadodara from new and restricted tenure to old tenure for residential purpose, the Collector, Vadodara office adopted (between December 2022 and February 2023) incorrect rate. In absence of non-agricultural rate in *Jantri*, residential rates were arrived at based on rate of non-irrigated lands instead of irrigated lands. This resulted in short levy of premium price of ₹ 115.86 lakh.

(viii) In one case (pointed out by audit in March 2025) of conversion of land measuring 6,576 sq. m. situated at one village of District Gandhinagar from new and restricted tenure to old tenure for multipurpose use, the Collector, Gandhinagar office adopted (November 2022) incorrect rate. This resulted in short levy of premium price of ₹ 2.63 lakh.

After this was pointed out in audit, the Department stated (November 2025) that different rates are available in *Jantri* as per RS number and TP/FP number and commercial rate as per RS number (which is higher than rate as per TP/FP number) has been adopted for levy of premium. Reply is not convincing as *Jantri* rate as per TP/FP number was available and required to be adopted for levy of premium.

(ix) In two cases (pointed out by audit in April 2025) of conversion of land measuring 27,613 sq. m. situated at various villages of District Bharuch from new and restricted tenure to old tenure for residential purpose, the Collector, Bharuch office adopted (in June 2023) rate of incorrect value zone in one case and incorrect rate in another case. This resulted in short levy of premium price of ₹ 45.88 lakh.

(x) In three cases (pointed out by audit in April 2025) of conversion of land measuring 55,747 sq. m. situated at one village of District Himatnagar from new and restricted tenure to old tenure for multipurpose uses, the Collector, Himatnagar office adopted (between February

2023 and June 2023) rates of incorrect value zone. This resulted in short levy of premium price of ₹ 501.72 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owners for recovery of differential premium.

Revised *Jantri* rates effective from 15 April 2023 were not adopted

Revenue Department, Government of Gujarat vide GR dated 13 April 2023 revised the *Jantri* rate. As per the GR, twice the rate of *Jantri* applicable from 18 April 2011 will be effective from 15 April 2023.

Further, Revenue Department, Government of Gujarat vide circular dated 18 September 2023 had also clarified the method of collection of premium in case of extension of time limit for payment of premium. If the extension for payment of premium is granted to the applicant where application on Integrated Online Revenue Applications (iORA) online platform is received before 5 April 2023, but payment of the same is made after 14 April 2023, then the premium shall be levied as per revised *Jantri* rate.

Audit observation:

(i) In 48 cases (pointed out by audit in November 2024) of conversion of land measuring 7,29,925 sq. m. situated at various villages of District Ahmedabad from new and restricted tenure to old tenure for agricultural or non-agricultural purposes (residential/ industrial/ multipurpose use), the Collector, Ahmedabad office adopted (April 2023 to March 2024) pre-revised *Jantri* rate. In these cases, premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rates were required to be adopted. This resulted in short levy of premium price of ₹ 1,168.13 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owner for recovery of differential premium.

(ii) In two cases (pointed out by audit in February 2025) of conversion of land measuring 52,572 sq. m. situated at two villages of District Surendranagar from new and restricted tenure to old tenure for residential purpose, the Collector, Surendranagar office adopted (August 2023 and October 2023) pre-revised *Jantri* rates. In these cases, premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rates were required to be adopted. This resulted in short levy of premium price of ₹ 71.32 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owners for recovery of differential premium.

(iii) In one case (pointed out by audit in February 2025) of conversion of land measuring 4,856 sq. m. situated at one village of District Junagadh from new and restricted tenure to old tenure for multipurpose use, the Collector, Junagadh office adopted (August 2023) pre-revised *Jantri* rates. In this case, premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rate was required to be adopted. This resulted in short levy of premium price of ₹ 13.11 lakh.

(iv) In four cases (pointed out by audit in February 2025) of conversion of land measuring 2,03,624 sq. m. situated at various villages of District Anand from new and restricted tenure to old tenure for agricultural or industrial purposes, the Collector, Anand office adopted (between April 2023 and July 2023) pre-revised *Jantri* rates. In these cases, premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rates were required to be adopted. This resulted in short levy of premium price of ₹ 137.28 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owners for recovery of differential premium.

(v) In six cases (pointed out by audit in February 2025) of conversion of land measuring 24,680 sq. m. situated at various villages of District Anand from new and restricted tenure to old tenure for residential or multipurpose uses, the Collector, Anand office adopted (between June 2023 and September 2023) pre-revised *Jantri* rates. In these cases, premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rates were required to be adopted. This resulted in short levy of premium price of ₹ 122.01 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owners for recovery of differential premium.

(vi) In three cases (pointed out by audit in February 2025) of conversion of land measuring 33,336 sq. m. situated at various villages of District Anand from new and restricted tenure to old tenure for agricultural and industrial purposes, the Collector, Anand office adopted (June 2023) pre-revised *Jantri* rates. In these cases, premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rates were required to be adopted. This resulted in short levy of premium price of ₹ 20.40 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owners for recovery of differential premium.

(vii) In one case (pointed out by audit in February 2025) of conversion of land measuring 2,489 sq. m. situated at one village of District Vadodara from new and restricted tenure to old tenure for residential purpose, the Collector Vadodara office adopted (in July 2023) pre-revised *Jantri* rate. In this case, premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rate was required to be adopted. This resulted in short levy of premium price of ₹ 116.97 lakh.

After this was pointed out in audit, the Department stated (November 2025) that as per opinion of Dy. Collector (SDVO), Vadodara-2, intimation for payment of premium had been issued before 15 April 2023. The reply is not convincing as premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rate was required to be adopted.

(viii) In one case (pointed out by audit in February 2025) of conversion of land measuring 12,493 sq. m. situated at one village of District Vadodara from new and restricted tenure to old tenure for multipurpose use, the Collector Vadodara office adopted (in July 2023) pre-revised *Jantri* rate. In this case, initially permission has been sought for 7,496 sq. m. of land only (in April 2023) and the application had been filed in July 2023. Later, based on request the applicant, the case had been re-opened without submission of any application for increased land area of 12,493 sq. m. In this case, premium had been paid and order of the Collector had been issued after 15 April 2023. Therefore, revised *Jantri* rate was required to be adopted in respect of additional land area of 4,997 sq. m. This resulted in short levy of premium price of ₹ 34.98 lakh.

After this was pointed out in audit, the Department stated (November 2025) that request for closure of application had not been approved by the Collector in physical file. Therefore, the case had been re-opened and permission had been granted for 12,493 sq. m. of land. The reply is not convincing as initially permission was sought for 7,496 sq. m. of land only and revised *Jantri* rate was required to be adopted in respect of additional land area of 4,997 sq. m.

(ix) In one case (pointed out by audit in March 2025) of conversion of land measuring 35,994 sq. m. situated at one village of District Navsari from new and restricted tenure to old tenure for residential and commercial purpose, the Collector Navsari office adopted (in July 2023) pre-revised *Jantri* rate. In this case, premium has been paid after due date of payment (i.e. after 21 days from the date of intimation for payment of premium) and therefore, revised *Jantri* rate was required to be adopted. This resulted in short levy of premium price of ₹ 34.55 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance has been made on the immovable property of the land owner for recovery of differential premium.

(x) In one case (pointed out by audit in March 2025) of conversion of land measuring 12,748 sq. m. situated at one village of District Gandhinagar from new and restricted tenure to old tenure for multipurpose use, the Collector Gandhinagar office adopted (in May 2023) pre-revised *Jantri* rate. In this case, premium has been paid after due date of payment (i.e. after 21 days from the date of intimation for payment of premium) and therefore, revised *Jantri* rate was required to be adopted. This resulted in short levy of premium price of ₹ 7.90 lakh.

(xi) In 18 cases (pointed out by audit in March 2025) of conversion of land measuring 1,90,773 sq. m. situated at various villages of District Palanpur from new and restricted tenure to old tenure for agricultural or various non-agricultural purposes (residential/ commercial/ industrial/ multipurpose), the Collector, Palanpur office adopted (between April 2023 and August 2024) pre-revised *Jantri* rates. In these cases, premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rates were required to be adopted. This resulted in short levy of premium price of ₹ 742.18 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owners for recovery of differential premium.

(xii) In one case (pointed out by audit in April 2025) of conversion of land measuring 22,460 sq. m. situated at one village of District Bharuch from new and restricted tenure to old tenure for industrial purpose, the Collector, Bharuch office adopted (May 2024) pre-revised *Jantri* rate. In this case, premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rate was required to be adopted. This resulted in short levy of premium price of ₹ 59.51 lakh.

(xiii) In one case (pointed out by audit in April 2025) of conversion of land measuring 12,141 sq. m. situated at one village of District Bharuch from new and restricted tenure to old tenure for industrial purpose, the Collector, Bharuch office adopted (June 2023) pre-revised *Jantri* rate. In this case, premium had been paid during period of extension for payment of premium and therefore, revised *Jantri* rate was required to be adopted. This resulted in short levy of premium price of ₹ 5.03 lakh.

(xiv) In six cases (pointed out by audit in April 2025) of conversion of land measuring 26,280 sq. m. situated at one village of District Kheda from new and restricted tenure to old tenure for agricultural or various non-agricultural purposes (residential/ multipurpose), the Collector, Kheda office adopted (between May 2023 and July 2023) pre-revised *Jantri* rates. In these cases, premium was paid during period of extension for payment of premium (in two cases) or after due date of payment i.e. after 21 days from the date of intimation for payment of premium (in four cases) and therefore, revised *Jantri* rates were required to be adopted. This resulted in short levy of premium price of ₹ 121.67 lakh.

Differential premium was not recovered in cases where NA permissions have not been obtained within one year from the date of order for change of tenure

Revenue Department vide GR dated 17 February 2012 stipulates that premium levied under Section 43 shall be valid for a period up to one year. If non-agriculture (NA) permission is not obtained within a period of one year of date of order issued for change of tenure under Section 43, then the differential premium at existing rate shall also be recovered while granting non-agriculture permission.

(i) In six cases (pointed out by audit in November 2024) of conversion of land measuring 50,619 sq. m. situated at various villages of District Ahmedabad from new and restricted tenure to old tenure for non-agricultural purposes (residential/ multipurpose use), the Collector, Ahmedabad office had issued orders (between September 2021 and June 2022) after recovery of premium price at prevalent *Jantri* rate. Later, in these cases, NA permissions have been granted (between May 2023 and September 2023) after recovery of conversion tax. In these cases, NA permissions have been obtained after one year from date of order for change of tenure. Therefore, differential premium price was required to be recovered at existing *Jantri* rate. This being not done resulted in short levy of premium price of ₹ 46.99 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owners for recovery of differential premium.

(ii) In two cases (pointed out by audit in December 2024) of conversion of land measuring 32,780 sq. m. situated at one village of District Surendranagar from new and restricted tenure to old tenure for industrial purpose, the Collector, Surendranagar office had issued orders (in October 2015) after recovery of premium price at existing *Jantri* rate. Later, in these cases, NA permissions have been granted (in December 2023) after recovery of conversion tax. In these cases, NA permissions have been obtained eight years after the date of order for change of tenure. Therefore, differential premium price was required to be recovered at existing *Jantri* rates. This being not done resulted in short levy of premium price of ₹ 16.72 lakh.

After this was pointed out in audit, the Department stated (November 2025) that encumbrance have been made on the immovable properties of the land owners for recovery of differential premium.

(iii) In one case (pointed out by audit in January 2025) of conversion of land measuring 20,841 sq. m. situated at one village of District Kutch Bhuj from new and restricted tenure to old tenure for industrial purpose, the Collector, Kutch Bhuj office had issued orders (in July

2022) after recovery of premium price at prevalent *Jantri* rate. Later, NA permission has been granted (in August 2023) after recovery of conversion tax. In this case, NA permission has been obtained one year after the date of order for change of tenure. Therefore, differential premium price was required to be recovered at prevalent *Jantri* rate. This being not done resulted in short levy of premium price of ₹ 6.67 lakh.

After this was pointed out in audit, the Department stated (November 2025) that premium had been recovered by adoption of *Jantri* rate which was higher than the rate opined by Dy. Collector (SDVO), Kutch Bhuj. The reply is not relevant, as NA permission has been obtained one year after the date of order for change of tenure. Therefore, differential premium price was required to be recovered at prevalent *Jantri* rate.

(iv) In one case (pointed out by audit in March 2025) of conversion of land measuring 20,385 sq. m. situated at one village of District Gandhinagar from new and restricted tenure to old tenure for residential purpose, the Collector, Gandhinagar office had issued order (in August 2020) after recovery of premium price at prevalent *Jantri* rate. Later, NA permission has been granted for multipurpose use (in November 2023) after recovery of conversion tax. In this case, NA permission for multipurpose use has been obtained (in November 2023) three years after the date of order for change of tenure. Therefore, differential premium price was required to be recovered at existing *Jantri* rate for multipurpose use. This being not done resulted in short levy of premium price of ₹ 303.23 lakh.

Appendix XVI

(Referred to in Paragraph 3.9)

A: Extra quantity of 'widening of curves' work

SL No.	Curve No.	Width of Road (in m)	Length of Circular Curve (in m)	Length of Transition Curve (in m)	Total length of the Curve (in m)	Radius of Curve (in m)	Maximum extra widening prescribed under the IRC (in m)	Extra widening provided by the Division (in m)	Undue extra widening provided by the Division (in m)	Total undue extra quantity of work along the curve (in sq m)
	W1	Widening and Strengthening of Nakhatrana-Nirona road Km. 0/0 to 26/00								
1	2	10	92.14	50.00	142.14	110.00	0.60	2	1.40	397.99
2	3	10	63.69	50.00	113.69	125.00	0.60	2	1.40	318.33
3	5	10	66.58	20.00	86.58	90.00	0.90	1.5	0.60	103.90
4	6	10	83.56	50.00	133.56	125.00	0.60	1.6	1.00	267.12
5	7	10	79.32	50.00	129.32	130.00	0.60	1.5	0.90	232.78
6	8	10	29.86	100.00	129.86	195.00	0.60	1.6	1.00	259.72
7	9	10	33.41	20.00	53.41	80.00	0.90	2	1.10	117.50
8	10	10	27.96	20.00	47.96	30.00	1.50	2.2	0.70	67.14
9	11	10	58.56	120.00	178.56	360.00	0.00	1.6	1.60	571.39
10	12	10	42.34	20.00	62.34	65.00	0.90	1.2	0.30	37.40
11	13	10	27.76	20.00	47.76	65.00	0.90	1.6	0.70	66.86
12	14	10	37.61	20.00	57.61	70.00	0.90	1.6	0.70	80.65
13	15	10	6.22	120.00	126.22	360.00	0.00	0.8	0.80	201.95
14	16	10	40.05	100.00	140.05	240.00	0.60	1.6	1.00	280.10
15	18	10	18.62	20.00	38.62	55.00	1.20	1.4	0.20	15.45
16	19	10	32.92	20.00	52.92	75.00	0.90	2	1.10	116.42
17	20	10	44.72	20.00	64.72	80.00	0.90	2.5	1.60	207.10
18	21	10	41.31	10.00	51.31	50.00	1.20	2.9	1.70	174.45
19	22	10	172.11	40.00	212.11	160.00	0.60	1.6	1.00	424.22
20	23	10	72.03	20.00	92.03	55.00	1.20	3	1.80	331.31
21	24	10	35.63	120.00	155.63	320.00	0.00	1.3	1.30	404.64
22	25	10	39.33	40.00	79.33	90.00	0.90	1.2	0.30	47.60

23	**26**	10	69.96	40.00	109.96	105.00	0.60	3.5	2.90	637.77
24	**27**	10	18.60	120.00	138.60	310.00	0.00	0.9	0.90	249.48
									Sub-total	**5,611.29**
	W2	**Strengthening and improvement of Chitrod-Rapar-Dholavira road (Km. 0/0 to 57/945)**								
25	**1**	7	16.31	30.00	46.31	65.00	0.90	2	1.10	101.89
26	**2**	7	23.39	25.00	48.39	40.00	1.50	2	0.50	48.39
27	**3**	7	14.24	60.00	74.24	140.00	0.60	2.173	1.57	233.57
28	**4**	7	51.47	60.00	111.47	170.00	0.60	1.908	1.31	291.61
29	**5**	7	44.41	45.00	89.41	80.00	0.90	2	1.10	196.69
30	**6**	7	73.49	60.00	133.49	100.00	0.90	2	1.10	293.68
31	**7**	7	138.21	30.00	168.21	225.00	0.60	1.426	0.83	277.88
32	**8**	7	154.71	50.00	204.71	170.00	0.60	1.908	1.31	535.53
33	**9**	7	139.58	50.00	189.58	200.00	0.60	1.657	1.06	400.77
34	**10**	7	204.81	40.00	244.81	300.00	0.60	1.202	0.60	294.75
35	**11**	10	76.65	71.20	147.85	140.00	0.60	0.8	0.20	59.14
36	**12**	10	42.37	46.70	89.07	170.00	0.60	0.8	0.20	35.63
37	**13**	10	19.52	70.40	89.92	200.00	0.60	0.8	0.20	35.97
38	**14**	10	61.76	78.40	140.16	150.00	0.60	0.80	0.20	56.06
									Sub-total	**2,861.57**
	W3	**Widening and Strengthening of Pragpar-Umaiya-Selari road (0/0 to 13/0)**								
39	**1**	7	198.532	25	223.53	150	0.60	1.6	1.00	447.06
40	**2**	7	40.496	10	50.50	65	0.90	1.69	0.79	79.78
41	**3**	7	58.08	30	88.08	100	0.90	1.6	0.70	123.31
42	**4**	7	69.309	30	99.31	60	1.20	1.6	0.40	79.45
43	**5**	7	62.659	30	92.66	300	0.60	1.6	1.00	185.32
44	**6**	7	75	20	95.00	60	1.20	1.60	0.40	76.00
45	**7**	7	36.789	25	61.79	60	1.20	1.6	0.40	49.43
46	**8**	7	65.878	40	105.88	80	0.90	1.6	0.70	148.23
47	**9**	7	35.471	20	55.47	60	1.20	1.6	0.40	44.38
48	**10**	7	33.381	20	53.38	60	1.20	1.60	0.40	42.70
									Sub-total	**1,275.67**

	W4	**Widening and Strengthening of Kera S.H. Road MDR (0/0 to 8/00)**								
49	**1**	7	16	20	36.00	30	1.50	1.6	0.10	7.20
50	**2**	7	10	80	90.00	90	0.90	1.6	0.70	126.00
51	**3**	7	17	120	137.00	120	0.60	1.6	1.00	274.00
									Sub-total	**407.20**
	W5	**Widening and Improvement of Deshalpar-Hazipir road (0/0 to 16/00)**								
52	**1**	7	264.97	75	339.97	400	0.00	0.6	0.60	203.98
									Sub-total	**203.98**
	W6	**Widening and Strengthening of Mandvi-Gundiyari-Zarpara-Mundra road (0/0 to 19/00)**								
53	**1**	10	32.13	40	72.13	45	1.20	1.6	0.40	57.70
54	**2**	10	30	40	70.00	50	1.20	1.6	0.40	56.00
55	**3**	10	24	50	74.00	30	1.50	1.6	0.10	14.80
56	**4**	10	42	40	82.00	40	1.50	1.6	0.10	16.40
57	**5**	10	80	20	100.00	50	1.20	1.6	0.40	80.00
58	**6**	10	95	40	135.00	120	0.60	1.6	1.00	270.00
59	**7**	10	38	30	68.00	60	1.20	1.6	0.40	54.40
60	**8**	10	11	20	31.00	30	1.50	1.6	0.10	6.20
61	**9**	10	47	50	97.00	50	1.20	1.6	0.40	77.60
									Sub-total	**633.10**
	W7	**Widening and Strengthening of Kotda-Bita road (0/0 to 24/00)**								
62	**1**	7	9.237	30	39.24	30	1.50	2	0.50	39.24
63	**2**	7	12.676	35	47.68	70	0.90	2	1.10	104.89
64	**3**	7	10.063	40	50.06	30	1.50	2	0.50	50.06
65	**4**	7	37.283	55	92.28	70	0.90	2	1.10	203.02
66	**5**	7	33.14	35	68.14	125	0.60	2	1.40	190.79
67	**6**	7	32.191	35	67.19	70	0.90	2	1.10	147.82
									Sub-total	**735.82**
	W8	**Adesar Varuvandh 0/0 to 11/800**								
68	**1**	7	35	95	130	150	0.6	3	2.4	624.00
69	**2**	7	60	90	150	130	0.6	3	2.4	720.00
70	**3**	7	40	90	130	100	0.9	3	2.1	546.00

71	**4**	7	16.67	40	56.67	100	0.9	3.5	2.6	294.68
72	**5**	7	45	95	140	100	0.9	3	2.1	588.00
									Sub-total	**2,772.68**
	W9	**Suthari Kothara Road (0/0 to 47/250)**								
73	**1**	10	35	60	95	60	1.2	2	0.8	152.00
74	**2**	10	35	40	75	55	1.2	2	0.8	120.00
75	**3**	10	40	25	65	45	1.2	2	0.8	104.00
76	**4**	10	35	40	75	50	1.2	2	0.8	120.00
77	**5**	10	45	45	90	55	1.2	2	0.8	144.00
78	**6**	10	32	40	72	60	1.2	2	0.8	115.20
79	**7**	10	30	55	85	50	1.2	2	0.8	136.00
80	**8**	10	30	50	80	50	1.2	2	0.8	128.00
81	**9**	10	33	51	84	50	1.2	2	0.8	134.40
82	**10**	10	30	54	84	50	1.2	2	0.8	134.40
83	**11**	10	30	55	85	45	1.2	2	0.8	136.00
84	**12**	10	45	60	105	45	1.2	2	0.8	168.00
85	**13**	10	30	45	75	50	1.2	2	0.8	120.00
86	**14**	10	30	45	75	50	1.2	2	0.8	120.00
87	**15**	10	35	50	85	50	1.2	2	0.8	136.00
88	**16**	10	32	40	72	50	1.2	2	0.8	115.20
89	**17**	10	33	45	78	50	1.2	2	0.8	124.80
90	**18**	10	30	55	85	50	1.2	2	0.8	136.00
91	**19**	10	30	50	80	55	1.2	2	0.8	128.00
92	**20**	10	35	75	110	45	1.2	2	0.8	176.00
93	**21**	10	31	60	91	50	1.2	2	0.8	145.60
94	**22**	10	32	68	100	55	1.2	2	0.8	160.00
95	**23**	10	30	60	90	60	1.2	2	0.8	144.00
96	**24**	10	25	65	90	55	1.2	2	0.8	144.00
97	**25**	10	30	65	95	55	1.2	2	0.8	152.00
98	**26**	10	30	55	85	50	1.2	2	0.8	136.00
99	**27**	10	30	45	75	45	1.2	2	0.8	120.00
									Sub-total	**3,649.60**
									Grand total	**18,150.91**

B: Excess expenditure on the extra widening provided at the curves

Tender Item No.	Name of work	Item Description		Total undue extra quantity of work along the curve (in sq m)	Depth/ Thickness (in m)	Density (kg/ cubic m)	Unit	Total undue extra quantity of the item of work	Tender Rate per Unit	Avoidable excess expenditure on the item (in ₹)
5	W1: Widening and Strengthening of Nakhatrana-Nirona road Km. 0/0 to 26/00	Box Cutting		5611.29	0.55		cubic m	3086.21	35	108017.33
6		GSB	I	5611.29	0.15		cubic m	841.69	500	420846.75
7			II	5611.29	0.15		cubic m	841.69	500	420846.75
8		WBM	I	5611.29	0.15		cubic m	841.69	500	420846.75
9		WMM	I	5611.29	0.1		cubic m	561.129	475	266536.28
10		Prime Coat (SS-1)		5611.29	1		sq m	5611.29	34	190783.86
12		BM		5611.29	0.05	2.2	MT	617.2419	1525	941293.90
13		DBM		5611.29	0.05	2.3	MT	645.29835	1725	1113139.65
14		BC		5611.29	0.03	2.4	MT	404.01	2350	949430.27
									Sub-total	**48,31,741.54**
4	W2: Strengthening and improvement of Chitrod-Rapar-Dholavira road (Km. 0/0 to 57/945)	Box Cutting		2861.57	0.55		cubic m	1573.86	25	39346.54
5		GSB	I	2861.57	0.15		cubic m	429.24	550	236079.25
6			II	2861.57	0.1		cubic m	286.16	550	157386.17
7		WBM	I	2861.57	0.15		cubic m	429.24	550	236079.25
8		WMM	I	2861.57	0.1		cubic m	286.16	625	178847.92
9		Prime Coat (SS-1)		2861.57	1		sq m	2861.57	10	28615.67
10		Tack Coat (RS-1)		2861.57	0		sq m	0.00	8	0
13		BM		2861.57	0.0375	2.2	MT	236.08	1850	436746.62
14		BM		2861.57	0.05	2.3	MT	329.08	1850	608798.32
15		BC		2861.57	0.03	2.4	MT	206.03	2550	525383.65
									Sub-total	**24,47,283.38**

4	W3: Widening and Strengthening of Pragpar-Umaiya-Selari road (0/0 to 13/0)	Box Cutting		1275.67	0.55		cubic m	701.62	25	17540.42
5		GSB	I	1275.67	0.15		cubic m	191.35	600	114810.02
6			II	1275.67	0.15		cubic m	191.35	600	114810.02
7		WBM	I	1275.67	0.15		cubic m	191.35	700	133945.02
8		WMM	I	1275.67	0.1		cubic m	127.57	700	89296.68
9		Prime Coat (SS-1)		1275.67	1		sq m	1275.67	8	10205.34
12		BM		1275.67	0.05	2.2	MT	140.32	1600	224517.37
13		DBM		1275.67	0.05	2.3	MT	146.70	1700	249392.88
14		BC		1275.67	0.03	2.4	MT	91.85	2300	211250.44
									Sub-total	**11,65,768.18**
4	W4: Widening and Strengthening of Kera S.H. Road MDR (0/0 to 8/00)	Box Cutting		407.20	0.65		cubic m	264.68	66	17468.88
5		GSB	I	407.20	0.15		cubic m	61.08	780.33	47662.56
6			II	407.20	0.2		cubic m	81.44	722.35	58828.18
7		WBM	I	407.20	0.15		cubic m	61.08	780.12	47649.73
8		WMM	I	407.20	0.1		cubic m	40.72	750.33	30553.44
9		Prime Coat (SS-1)		407.20	1		sq m	407.20	49.4	20115.68
11		BM		407.20	0.05	2.2	MT	44.79	2079.59	93149.00
12		DBM		407.20	0.05	2.3	MT	46.83	2478.54	116065.07
13		BC		407.20	0.03	2.4	MT	29.32	2853.65	83664.45
									Sub-total	**5,15,156.99**
5	W5: Widening and Improvement of Deshalpar-Hazipir road (0/0 to 16/00)	Box Cutting		203.98	0.45		cubic m	91.79	50	4589.55
8		GSB	I	203.98	0.15		cubic m	30.60	450	13768.65
9			II	203.98	0.2		cubic m	40.80	450	18358.20
10		WBM	I	203.98	0.1		cubic m	20.40	500	10199.00
11		WMM	I	203.98	0.15		cubic m	30.60	500	15298.50
12		Prime Coat (SS-1)		203.98	1		sq m	203.98	25	5099.50

13		Tack Coat (RS-1)		203.98	1		sq m	203.98	25	5099.50
16		BUSG		203.98	0.0375	2	MT	15.30	1400	21417.90
17		DBM		203.98	0.075	2.3	MT	35.19	1800	63335.79
18		BC		203.98	0.03	2.4	MT	14.69	2400	35247.74
									Sub-total	**1,92,414.33**
4	W6: Widening and Strengthening of Mandvi-Gundiyari-Zarpara-Mundra road (0/0 to 19/0)	Box Cutting		633.10	0.8		cubic m	506.48	5	2532.42
5		GSB	I	633.10	0.15		cubic m	94.97	500	47482.50
6			II	633.10	0.1		cubic m	63.31	500	31655.00
7		WBM	I	633.10	0.15		cubic m	94.97	600	56979.00
8		WMM	I	633.10	0.1		cubic m	63.31	550	34820.50
9		Prime Coat (SS-1)		633.10	1		sq m	633.10	50	31655.00
12		BM		633.10	0.05	2.2	MT	69.64	1400	97497.40
13		DBM		633.10	0.05	2.3	MT	72.81	1750	127411.38
14		BC		633.10	0.03	2.4	MT	45.58	2350	107120.52
									Sub-total	**5,37,153.71**
6	W7: Widening and Strengthening of Kotda-Bita road (0/0 to 24/00)	GSB	I	735.82	0.15		cubic m	110.37	550	60705.32
7			II	735.82	0.2		cubic m	147.16	550	80940.20
8		WBM	I	735.82	0.1		cubic m	73.58	650	47828.30
9		WMM	I	735.82	0.15		cubic m	110.37	650	71742.45
10		Prime Coat (SS-1)		735.82	1		sq m	735.82	25	18395.50
13		BM		735.82	0.0375	2	MT	55.19	1700	93817.05
14		DBM		735.82	0.05	2.2	MT	80.94	1900	153786.38
15		SDBC		735.82	0.025	2.3	MT	42.31	2100	88850.27
									Sub-total	**6,16,065.46**
5	W8: Widening and Strengthening Adesar Varuvandh road 0/00 to 11/800	Box cutting		2772.68	0.5		cubic m	1386.34	50	69317.10
6		GSB	I	2772.68	0.2		cubic m	554.54	1000	554536.80
7		WBM	I	2772.68	0.15		cubic m	415.90	1100	457492.86
8		WMM	I	2772.68	0.1		cubic m	277.27	1050	291131.82

9		Prime Coat (SS-1)	2772.68	1		sq m	2772.68	40	110907.36
11		BM I	2772.68	0.0375	2.2	MT	228.75	2800	640490.00
12		BM II	2772.68	0.05	2.2	MT	305.00	2800	853986.67
13		BC	2772.68	0.03	2.4	MT	199.63	3600	718679.69
								Sub-total	**36,96542.31**
4	W9: Widening and strenghening Suthari Kothara Road (00/000 to 47/250)	Box Cutting	3649.60	0.513		cubic m	1872.24	40	74889.79
5		GSB	3649.60	0.2		cubic m	729.92	700	510944.00
6		WBM	3649.60	0.1		cubic m	364.96	800	291968.00
7		WMM	3649.60	0.15		cubic m	547.44	900	492696.00
9		Prime Coat (SS-1)	3649.60	1		sq m	3649.60	50	182480.00
10		BUSG-1	3649.60	0.0375	2	MT	136.86	2350	321621.00
13		SDBC	3649.60	0.025	2.3	MT	91.24	3900	355836.00
								Sub-total	**22,30,434.79**
						Total Amount of Extra Widening (₹)			**1,62,32,560.69**

Appendix XVII

(Referred to in Paragraph 3.11)

A: Details of Road Widening Projects

Case No.	Name of Road [Chainage]	Type of Forest Diverted [Location]	Date of Application under FCA [Area diverted under FCA] [Actual Area diverted]	Details of Work and their status (November 2024)
1.	Subir-Shingana, SH 80 & Subir-Shabridham [29/500 to 37/419] & [0/000 to 2/180]	RF of Purna Sanctuary & PF [Dang North Division]	November 2022 [0.29 Ha i.e. (0.0986 Ha – RF & 0.1868 Ha – PF)] [0.82 Ha]	• Widening of Road from 5.5 m to 12 m. • General Approval given by State Government. (In-principle approval in May 2023 and Final Approval in December 2023 under FCA) • Road work was completed in June 2024 by User Agency.
2.	Gondalvihir-Laskariya-Subir-Khapatiya Road, SH 80 [6/000 to 9/330]	RF & PF [Dang South Division]	14.06.2023 [0.30 Ha i.e. (0.2799 Ha – RF & 0.0172 Ha – PF)] [0.86 Ha]	• Widening of Road from 5.5 m to 12 m. • General Approval given by State Government. (In-principle approval on March 2024 and Final Approval is pending)
3.	Tokarva-Khapatiya Road [8/400 to 40/500]	RF & PF [Vyara Division]	28.08.2023 [15.57 Ha i.e. (7.1004 Ha – RF & 8.4681 Ha – PF)] [28.58 Ha]	• Widening of Road (8/400 to 12/600) from 7 m to 14.6 m. • Widening of Road (12/600 to 40/500) from 5.5 m to 14.6 m • In-principle approval granted by MoEF&CC in December 2024 and Final Approval is pending.
4.	Boarda-Satkashi-Sherulla Road [0/000 to 29/500]	RF [Vyara Division]	23.11.2022 [14.30 Ha] [20.95 Ha]	• Widening of Road from 7.5 m to 14.6 m. • In-principle approval granted by MoEF&CC in January 2024 and Final Approval is pending.

5.	Songadh-Ukai-Sherulla Road [16/000 to 18/500]	PF [Vyara Division]	19.11.2022 [1.21 Ha] [1.77]	• Widening of Road (16/000 to 18/500) from 7.5 m to 14.6 m. • In-principle approval granted by MoEF&CC in January 2024 and Final Approval is pending.
6.	Subir to Shingana, SH 80 [37/419 to 37/962]	RF [Vyara Division]	15.02.2023 [0.06 Ha] [0.18 Ha]	• Widening of Road from 5.5 m to 12 m. • In-principle approval granted by MoEF&CC in October 2023 and Final Approval is pending.

B: Details of forest area diverted under FCA and actual area diverted

Case Number	Chainage	Side of Road	Length of Road (in m)	Existing Width of Road (in m)	Width of Road post widening (in m)	Width of Road post widening on either of side of the central axis (in m)	Width of widened Road (in m)	Width of widened Road on either of side of the central axis	Width of Road for which permission was obtained (in m)	Width of Road for which permission was obtained on either of side of the central axis (in m)	Actual Forest Area Diverted for Road Widening (in Ha)	Forest Area for which permission was obtained under FCA (in Ha)
Case No.1	29/500 to 37/419	Left	1750.1	5.5	12	6	6.5	3.25	2.25	1.125	0.568783	0.196886
		Right	449.9	5.5	12	6	6.5	3.25	2.25	1.125	0.146218	0.050614
	0/000 to 2/180	Left	277	5.5	12	6	6.5	3.25	2.25	1.125	0.090025	0.031163
		Right	59.9	5.5	12	6	6.5	3.25	2.25	1.125	0.019468	0.006739
Case No. 2	6/000 to 9/330	Left	1404	5.5	12	6	6.5	3.25	2.25	1.125	0.4563	0.15795
		Right	1237	5.5	12	6	6.5	3.25	2.25	1.125	0.402025	0.139163
Case No.3	8/400 to 12/600	Left	4200	7	14.6	7.3	7.6	3.8	4.85	2.425	1.596	1.0185
		Right	4200	7	14.6	7.3	7.6	3.8	4.85	2.425	1.596	1.0185
	12/600 to 40/500	Left	27900	5.5	14.6	7.3	9.1	4.55	4.85	2.425	12.6945	6.76575
		Right	27900	5.5	14.6	7.3	9.1	4.55	4.85	2.425	12.6945	6.76575

Case No.4	0/000 to 29/500	Left	29500	7.5	14.6	7.3	7.1	3.55	4.85	2.425	10.4725	7.15375
		Right	29500	7.5	14.6	7.3	7.1	3.55	4.85	2.425	10.4725	7.15375
Case No. 5	16/000 to 18/500	Left	2500	7.5	14.6	7.3	7.1	3.55	4.85	2.425	0.8875	0.60625
		Right	2500	7.5	14.6	7.3	7.1	3.55	4.85	2.425	0.8875	0.60625
Case No.6	37419 to 37/962	Left	267	5.5	12	6	6.5	3.25	2.25	1.125	0.086775	0.030038
		Right	276	5.5	12	6	6.5	3.25	2.25	1.125	0.0897	0.03105
Total											**53.16029**	**31.7321**

Appendix XVIII

(Referred to in Paragraph 3.12 (A))

Details of NOCs granted

Sl. No.	Name of the applicant	Survey Number (Area in sq. m.)	Village/ Taluka/ District	Purpose (Date of NOC)	Adjacent PA	Distance from the boundary of the PA (in km)	Key Observation
NOCs for Industrial Activities							
1	Vasabhai Meramanbhai Solanki	66/P9 (1,929)	Chitrod/ Talala/ Gir Somnath	CNG Pump, Service Station etc. (04.12.2021)	Gir Sanctuary	0.58	The Chief Conservator of Forest, Wildlife Circle, Junagadh based on the GR issued by the Revenue Department and opinion of the DCF concerned recommended (March 2021) not to issue NOC for the purpose.
2	Sureshbhai Dhirubhai Bhalana	1/P1/P2 (2,086)	Khilavad/ Gir Gadhda/ Gir Somnath	Petrol Pump (Treated as commercial activity) (02.06.2022)	Gir Sanctuary	1.80	The village was included in the draft Notification dated 25 October 2016 for ESZ. The Chief Conservator of Forest, Wildlife Circle, Junagadh on the basis of the GR issued by the Revenue Department, meeting (October 2017) with the District Collector and opinion of the DCF concerned recommended (September 2019) not to issue NOC for the purpose.
3	ArvindSingh SardarSingh Rathod	600 (1,769)	Khambha/ Khambha/ Amreli	Petrol Pump (Treated as commercial activity) (01.11.2021)	Mitiyala Sanctuary	1.25	The DCF concerned recommended not to issue NOC for the purpose.
4	Gabrubhai Punabhai Katriya	244 (4,047 out of 20,943)	Dhokadva/ Gir Gadhda/ Gir Somnath	Processing of Groundnut (Treated as	Gir Sanctuary	4.20	The village was included in the draft Notification dated 25 October 2016 for ESZ. The applicant obtained (June 2022)

				Commercial activity) (02.03.2021)			NA permission for multipurpose use from the District Collector.
5	Jayantibhai Tarshibhai Rupala	1149 (7,830)	Dhari/ Dhari/ Amreli	Cement Godown (Treated as Commercial activity) (29.07.2021)	Gir Sanctuary	4.00	The village was included in the draft Notification dated 25 October 2016 for ESZ. The Chief Conservator of Forest, Wildlife Circle, Junagadh on the basis of opinion of the DCF concerned recommended (July 2019) not to issue NOC for the purpose.
6	Maheshbhai Raghavbhai Heerpara	130/P6/P2 (2,428)	Heepara/ Gir Gadhda/ Gir Somnath	Storage and processing of Groundnut (13.09.2021)	Gir Sanctuary	2.10	The applicant obtained (February 2022) NA permission for multipurpose use from the District Collector.
7	Bhagabhai Rambhai Malvi	208/P1 (4,047 out of 26,305)	Dhokadva/ Gir Gadhda/ Gir Somnath	Manufacture of concrete paver block (Treated as Commercial activity) (17.03.2022)	Gir Sanctuary	3.40	The village was included in the draft Notification dated 25 October 2016 for ESZ. The Chief Conservator of Forest, Wildlife Circle, Junagadh on the basis of opinion of the DCF concerned recommended (October 2021) not to issue NOC for the purpose.
8	Madhubhai Naranbhai Savaliya	350/1 P1 (2,378)	Molvel/ Dhari/ Amreli	Manufacturing of cardboard boxes	Gir Sanctuary	4.70	The village was included in the proposed ESZ. The Chief Conservator of Forest Wildlife Circle, Junagadh on the basis of opinion of the DCF concerned recommended (February 2022) not to issue NOC for the purpose.
9	Champrajbhai Jilubhai Vala	395 (11,654)	Sarasiya/FV/Amreli	Petrol Pump (09.02.2024)	Gir Sanctuary	1.6	

10	Kanjibhai Becharbhai Malvi	111/p5/p1 (2,126 out of 7,719)	Dhokadva/Gir Gadhda/ Gir Somnath	Fueling station (07.11.2023)	Gir Sanctuary	3.5	Applicant obtained NA permission (December 2023) for multipurpose use from the District Collector.
11	Shri Vallabhbhai Bachubhai Thumar	154/p3 (4,755)	Vadviyala/Gir Gadhda/ Gir Somnath	Agro Processing Unit of Groundnut (Industrial) (30.05.2023)	Gir Sanctuary	6.7	Applicant obtained NA permission (June 2023) for multipurpose use from the District Collector.
12	Hirpara Manubhai Virjibhai	57/1/p2 (30,375)	Malsika/Dhari/Amreli	Compressed Biogas (Industrial) (19.03.2023)	Gir Sanctuary	8	
13	Maulik Vasudevbhai Patel	210/p2 (21,954)	Vaghavadi/Dhari/Amreli	Solar (Industrial) (19.04.2023)	Gir Sanctuary	9.2	NOCs granted to a single user in four adjacent survey numbers on cumulative area of 1,01,554 sq. m. of Vaghvadi village for industrial purpose.
14	Maulik Vasudevbhai Patel	206 (30,967 out of 38,344)	Vaghavadi/Dhari/Amreli	Solar (Industrial) (19.04.2023)	Gir Sanctuary	9.2	
15	Maulik Vasudevbhai Patel	210/p1 (36,695 out of 38,142)	Vaghavadi/Dhari/Amreli	Solar (Industrial) (19.04.2023)	Gir Sanctuary	9.3	
16	Maulik Vasudevbhai Patel	212 (11,938)	Vaghavadi/Dhari/Amreli	Solar (Industrial) (19.04.2023)	Gir Sanctuary	9.36	
17	Vinodbhai Nathabhai Patel	43 (4,679)	Balundara/Amirgadh/Banaskantha	Petrol Pump (03.05.2023)	Jessore Sanctuary	0.77	The village was included in the ESZ notified vide Notification dated 12 October 2017. The DCF in its recommendation for grant of NOC classified the activity as regulated instead of prohibited.

18	Kantibhai Virbhanbhai Bhil	314P (2,050)	Jethi/Amirgadh/Banaskantha	Petrol Pump (08.02.2024)	Balaram-Ambaji Sanctuary	0.059	The village was included in the ESZ notified vide Notification dated 08 November 2021. The DCF in its recommendation for grant of NOC classified the activity as regulated instead of prohibited.
19	Rajubhai Sayajibhai Chaudhary	57 (3,000 out of 26,393)	Subir/ Subir/ Dang	Petrol Pump (08.05.2021)	Purna Sanctuary	Not mentioned in the NOC	The village was included in the ESZ notified vide Notification dated 31 May 2012. Applicant obtained NA permission (July 2021) for multipurpose use from the District Collector.
				NOCs for Tourism Activities			
20	Kirenben Jamnadas Desai	126, 127 and 128 (21892)	Narukot/ Jambughoda/ Panchmahal	Eco-tourism (18.03.2021)	Jambughoda Sanctuary	0	The village was partly included in the ESZ notified vide Notification dated 08 March 2019.
21	Jitendra Naginbhai Patel	71p1 (12288)	Motarasaka/ Bodeli/ Chhotaudepur	Eco-tourism (06.05.2022)	Jambughoda Sanctuary	0	The village was partly included in the ESZ notified vide Notification dated 08 March 2019.
22	Anala Outdoors Pvt. Ltd.	2/47 (4047)	Velavadar/ Bhavnagar/ Bhavnagar	Resort (15.02.2021)	Blackbuck NP	Beyond one km	The village was partly included in the ESZ notified vide Notification dated 08 March 2019.

Appendix XIX

Regulations prescribed under the Policy of July 2015

(Referred to in Paragraph 3.12 (A))

Distance from the boundary of the NP/ WLS	Activities permitted/ prohibited	Condition (s) attached
Within one km	**Permitted:** Residential/ storage facility for self or their families by the farmers in their farms. **Prohibited:** All other activities.	On maximum five *per cent* of the total area of the land parcel.
Within one km to two km	**Permitted:** Residential (self), Hotel, Resort, Homestay, other tourism/ hospitality activities, farmhouse. **Prohibited:** Commercial and Industrial activities.	Low rise building up to 13.5 m height on maximum five *per cent* (10 *per cent* in case of residential building) of the total area of the land parcel.
Within two km to five km	**Permitted:** Residential (non-commercial) and Commercial. **Prohibited:** Industrial.	Low rise building up to 13.5 m height on maximum 15 *per cent* (25 *per cent* in case of residential building) of the total area of the land parcel.
Within five km to 10 km	**Permitted:** Residential and Commercial. **Prohibited:** Industrial.	As per regulations prescribed by the District Committee[1].

[1] Under the chairpersonship of the District Collector and the Deputy Conservator of Forest (DCF) concerned, District Development Officer and Superintendent of Police as the members.

Appendix XX

Details of NP/ WLSs

(Referred to in Paragraph 3.12 (B))

Sl. No.	Name of the NP/ WLS	Date of Notification	Extension of the ESZ (km upto from the boundary of the protected area)	District	Talukas	No. of villages covered
1	Purna WLS	31 May 2012	2	Dang and Tapi	Ahwa and Songhadh	46
2	Vansda NP	31 May 2012	5	Dang, Navsari, and Tapi	Ahwa, Vansada, and Vyara	16
3	Jambughoda WLS	08 March 2019	1.10 to 4.98	Panchmahal and Chhotaudepur	Ghoghamba, Halol, and Jambughoda, Bodeli, Pavi Jetpur,	102
4	Ratanmahal WLS	29 January 2019	19.67	Chhotaudepur and Dahod	Baria, Chhotaudepur, Dhanpur,	32
5	Blackbuck NP	06 July 2017	1.00 to 3.70	Ahmedabad and Bhavnagar	Bhavnagar, Vallabhipur, and Dholera	09

Appendix XXI

Irregularities noticed in storage and disposal of seized drugs

(Referred to in Paragraph 3.14)

Name of the Office	Drugs seized	Weight (in kg)	Date on/ Period during which seized	Nature of irregularity
ADGP, ATS	Brown Sugar	1.921	Between February 2016 and February 2023	The following drugs seized between 2019 and 2022 remained to be disposed as of February 2024: i. Cannabis/ Charas (6.859 kg) ii. Heroin (47.982 kg) iii. Mephedrone (including its waste) (593.798 kg) iv. Methamphetamine (1.943 kg) Moreover, the drugs were kept in normal rooms instead of safes/ vaults provided with double-locking system.
	Cannabis resin/ *Charas*	0.972		
	Ephedrine	1,364		
	Cannabis/ *Ganja*	5.887		
	Heroin	933. 822		
	Mephedrone (including its waste)	594.518		
	Methamphetamine	66.868		
	Opium	0.488		
	Sub-total	**2,968.476**		
ADGP, CID Crime and Railways	Cannabis/ *Ganja*	2,184.38	Between October 2022 and July 2023	As against 6,510.54 kg of the drugs seized, the office disposed only 4,177.86 kg of the drugs. The shortfall was attributed to theft (144.180 kg of Cannabis/ *Ganja*), destruction by rats due to lack of proper storage facilities, drying out of the green plants of Cannabis (*Ganja*) and Opium and loss of moisture in Poppy Straw, due to substantial delay in disposal of drugs.
	Cannabis/ *Ganja* Plant (Green/ Dried)	521.41		
	Opium Plants	42.51		
	Poppy Straw	3,762.24		
	Sub-total	**6,510.54**		

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