

(2)  
Immediate/Time Bound

HIMACHAL PRADESH  
PUBLIC WORKS DEPARTMENT

Dated:- 1/8/2015

No.PW-CTR-36-1690-DP-36/2015 7628-7690

From:

Engineer-in-Chief

To

The Chief Engineer (KZ),  
Dharamshala/ (HZ), Hamirpur(MZ)  
Mandi./Shimla Zone., HPPWD.,

Subject:-

हिमाचल प्रदेश सरकार से सम्बन्धित राजस्व क्षेत्र पर भारत के नियंत्रक महालेखापरीक्षक की वर्ष 2014-15 की रिपोर्ट के लिए ड्राफ्ट पैरा "Non -deduction of royalty form the contractors bill"

The Principal Accountant (Audit) Himachal Pradesh forwarded proposed daraft para on the subject noted above to this office vide letter No. कमांक वि०प्र०/रा.सै./ए-2/ डी०पी०-36/201-15/ 2015-16/239-42 दिनांक 10/7/2015 (copy enclosed) addressed to Sh Narinder Chauhan Additional Chief Secretary (PW) & Dr. Shrikant Baldi Principal Secretary (Fin). H.P.

The reply to Audit observations is required to be sent to the AG (Audit) HP. through the Addl. Chief Secy. (PW) to the Govt. of H.P. before 15<sup>th</sup> August 2015. You are accordingly requested to ensure that the annotated reply to the para (hard copy as well as soft copy) is sent to this office by 5<sup>th</sup> August 2015 positively.

As per past experience, the officers concerned are not taking interest to comply with the observation of the audit and also the reply is delayed or not sent. As a result of which a number of paras are included in the CAG report without the comments of the department/Govt. It is a serious lapse and may not be allowed to happen in futhre. As already intimated the Pr. Chief Secy (PW) has instructed this office to recommend disciplinary action against the concered. SEs/EEs who are not taking interest in attending the CAG/PAC matter promptly. Therefore, immediate action in the matter is solicited.

Encl:-As above.

Engineer-in-Chief,  
HP.PWD., Shimla-171002.

Copy for information forwarded to the Principal Accountant General (Audit) H.P. Shimla w/r No. कमांक वि०प्र०/रा.सै./ए-2/ डी०पी०-36/201-15/ 2015-16/239-42 दिनांक 10/7/2015 for information please.

Copy for information forwarded to the Pr. Secy. (PW) to the Govt. of H.P. for information please.

Copy for information forwarded to the Pr. Secy. (Fin.) to the Govt. of H.P. for information please.

Copy through e-mail to all Superintending Engineers in HP PWD for information and necessary action immediately.

Copy through e-mail to Executive Engineers HPPWD Arki/Bajnath/ Bangana/Bharmour/ Bilaspur No.I/Bilaspur II/Bharwain/ Chamba/Dehra/D/Shala/ Dharampur /Dhami/Faithpur/ Ghumarwin/ Hamirpur/Kangra/karsog/Killar/Kullu No.I/ Kullu II/Kumarsain/ Nalagarh/ Nahan/Nirmond/ Nurpur/Rajgarh/Sarkaghat/Shillai/ Sangrah/ Shalonne/Shimla No.I/ Sundernagar & Una. The annotated reply to Draft Para should be sent through the SE/Chief Engineer of the Zone concerned immediately.

Copy to the Executive Engineer (IT) Cell for e-mailing the draft para along with its enclousers to the above offices of HP PWD.,

Engineer-in-Chief,  
HP.PWD., Shimla-171002.



Government of India  
Indian Audit and Accounts Department  
Principal Accountant General (Audit)  
Himachal Pradesh, Shimla-171 003



सत्यमेव जयते

भारत सरकार  
① भारतीय लेखा तथा लेखा परीक्षा विभाग  
प्रधान महालेखाकार (लेखापरीक्षा)  
हिमाचल प्रदेश, शिमला-171 003

संख्या: विनि. प्रति. / रा.सै. / ए-2 / डी.पी.-36 / 2014-15 / 2015-16 /  
दिनांक -07-2015

सेवा में

श्री नरेन्द्र चौहान,  
अतिरिक्त मुख्य सचिव (लोक निर्माण),  
हिमाचल प्रदेश सरकार,  
शिमला-171002।

विषय

हिमाचल प्रदेश सरकार से सम्बन्धित राजस्व क्षेत्र पर भारत के  
नियंत्रक महालेखापरीक्षक की वर्ष 2014-15 की रिपोर्ट के लिए ड्राफ्ट  
पैरा "Non-deduction of royalty from the contractors' bills"

महोदय,

भारत के नियंत्रक-महालेखापरीक्षक के राजस्व क्षेत्र पर वर्ष 2014-15 से  
सम्बन्धित लेखापरीक्षा प्रतिवेदन-हिमाचल प्रदेश सरकार में सम्मिलित करने हेतु "Non-  
deduction of royalty from the contractors' bills" विषय पर प्रस्तावित ड्राफ्ट पैरा संलग्न  
किया जाता है। हम लेखापरीक्षा पारेच्छेद को अन्तिम रूप देने से पूर्व राज्य सरकार द्वारा प्रस्तुत  
उत्तरों/ टिप्पणियों पर गम्भीरतापूर्वक विचार करने हेतु वचनबद्ध हैं। लेखापरीक्षा प्रतिवेदन को  
अन्तिम रूप देने के लिए हम एक समयबद्ध कार्यक्रम के अनुरूप कार्य करते हैं, इसलिए भेरा  
सविनय अनुरोध है कि इस पत्र के जारी करने की तिथि के एक माह के भीतर उत्तर प्रस्तुत  
किया जाए। यदि आप चाहें तो हम ड्राफ्ट पैरा पर विचार-विमर्श करने हेतु भी तैयार हैं। मैं इस  
सम्बन्ध में आपके सहयोग की आशा करता हूँ।

कुँजी सहित ड्राफ्ट पैरा की तीन प्रतियां श्री नरेश शर्मा, प्रमुख अभिलेखा, लोक  
निर्माण विभाग, निगम विहार, शिमला-171002 को आवश्यक कार्रवाई हेतु अग्रहित कर रहा हूँ।

भवदीय,

हस्ता ०/-  
प्रधान महालेखाकार

अनुलग्नक: जैसा उपरोक्त

गोपनीय/पंजीकृत

9

संख्या: विनियोजन/प्रतिवेदन/प्राप्ति/ए-2/ ड्राफ्ट पैरा- 36/2014-15/2015-16/  
दिनांक -07-2015

कुंजी सहित ड्राफ्ट पैरा की प्रति डा. श्रीकान्त बाल्दी, प्रधान सचिव (वित्त विभाग),  
हिमाचल प्रदेश सरकार, शिमला 171002 को सूचनार्थ एवं आवश्यक कार्रवाई हेतु अग्रेषित है।

हस्ता ०/-  
प्रधान महालेखाकार

अनुलग्नक: जैसा उपरोक्त

गोपनीय/पंजीकृत

संख्या: विनियोजन/प्रतिवेदन/प्राप्ति/ए-2/ ड्राफ्ट पैरा- 36/2014-15/2015-16/१३१-५२  
दिनांक 10-07-2015

कुंजी सहित ड्राफ्ट पैरा की तीन प्रतियाँ श्री नरेश शर्मा, प्रमुख अभियन्ता, लोक निर्माण  
विभाग, निगम विहार, शिमला-171002 को आवश्यक कार्रवाई हेतु अग्रेषित है।

२११ मोहन जी १२  
प्रधान महालेखाकार

अनुलग्नक: जैसा उपरोक्त

संख्या: विनियोजन/प्रतिवेदन/प्राप्ति/ए-2/ड्राफ्ट पैरा- 36/2014-15/2015-16/  
दिनांक -07-2015

कुंजी सहित ड्राफ्ट पैरा की प्रति वरिष्ठ लेखा परीक्षा अधिकारी, कैप-III अनुभाग को  
आवश्यक कार्रवाई तथा सूचनार्थ अग्रेषित है।

हस्ता ०/-  
लेखा परीक्षा अधिकारी

अनुलग्नक: जैसा उपरोक्त



(B) (4)

**CHAPTER-VII**  
**Other Tax and Non-Tax Receipts**

**7.5 Non-deduction of royalty from the contractors' bills**

As per standard agreement entered into by the State Public Works Department (PWD) with the contractors engaged in construction of buildings, roads etc., works and extracted/consumed material<sup>1</sup> in their work for which the royalty at the prescribed rates is required to be deducted from their bills by the department.

The department has fixed 2.24, 1.94, 1.60 and 1.46 metric tonnes as conversion factor for one cubic meter of building stones/ masonry stone including boulders, mix aggregates, sand, and *bajri* respectively. The rate of royalty for one metric tonne was ₹ 40 fixed by the Industries Department vide notification dated 16.11.2012. Thus rates of royalty of these materials per cubic meter were ₹ 90, ₹78, ₹64 and ₹58 respectively.

Central Audit scrutinised the Monthly Schedule Dockets and vouchers of 34 B & R divisions<sup>2</sup> between January and March 2015 and noticed that in 361 cases the contractors extracted/ consumed 2,58,686.375 metric tonne of building stones/ masonry stone including boulders, mix aggregates, sand and *bajri* respectively in their works during June 2014 to August 2014. Scrutiny of vouchers further showed that the contractors had neither submitted the 'M' Form duly issued by the Mining Department nor attached the crushers' bill in support of payment of royalty for the materials. The divisions while finalising the contractors' bill, did not deduct royalty of ₹103.47 lakh as required while making final payment to the contractors. This resulted in depriving of the State Government of revenue of ₹ 103.47 lakh.

We reported the matter to the Government between April 2015 and May 2015. We have not received their replies (June 2015).

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<sup>1</sup> Sand, Stone and Aggregates

<sup>2</sup> Arki, Baijnath, Bangana, Bharmour, Bilaspur-I, Bilaspur-II, Bharwain, Chamba, Dehra, Dharamsala, Dharampur, Dhami, Fatepur, Ghumarwin, Hamirpur, Kangra, Karsog, Killar, Kullu-I, Kullu-II, Kumarsain, Nalagarh, Nahan, Nirmand Nurpur, Rajgarh, Sarkaghat, Shillai, Sangrah, Shalooni, Shimla-I, Sundernagar and Una.

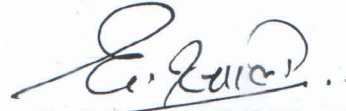
**Key to the Draft Paragraph**

(M)

(S)

1. Extract of Notification No. Ind-II (F)/6-5/2006 Dated : 16.11.2012
2. Extract of rates of metric tonnes as conversion factor for one cubic meter of building stones/ masonry stone including boulders, mix aggregates, sand, and *bajri* respectively
3. Vouchers on the accounts of 34 B & R Divisions for the Month June, July and August 2015.
4. Brief to the para alongwith calculation.

**Attested**



**Audit Officer (ARC-R)**



**Brief and calculation sheet to the Paragraph titled-"Non-deduction of royalty from the Contractors' bills"**

| Sr. No. | Name of the B&R Division | Month/year  | Voucher No                                                                                                                                                                                                                                 | No. of cases | Total No of cases | Type of material          | Unit | Quantity of Material | Rate of royalty per MT | Amount of royalty required to be deducted from the contractors' Bills | Total Amount |
|---------|--------------------------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------|---------------------------|------|----------------------|------------------------|-----------------------------------------------------------------------|--------------|
| 1       | Arki                     | July/2014   | 132,147,108,110,131 and 47                                                                                                                                                                                                                 | 06           | 06                | Sand, Stone and Aggregate | MT   | 4251.625             | 40/-                   | 170065                                                                | 170065       |
| 2       | Bainath                  | July/2014   | 5,45 and 46                                                                                                                                                                                                                                | 03           | 03                | -do-                      | -do- | 1347.950             | 40/-                   | 53918                                                                 | 53918        |
| 3       | Bangana                  | July/2014   | 63                                                                                                                                                                                                                                         | 01           | 01                | -do-                      | -do- | 142.000              | 40/-                   | 5680                                                                  | 5680         |
| 4       | Bhartnaur                | July/2014   | 24,238,287,288,17 and 63                                                                                                                                                                                                                   | 06           | 06                | -do-                      | -do- | 2347.700             | 40/-                   | 93908                                                                 | 93908        |
| 5       | Bilaspur-I               | June/2014   | 93,80 and 96                                                                                                                                                                                                                               | 03           | 03                | -do-                      | -do- | 31274.225            | 40/-                   | 1250969                                                               | 1562084      |
|         |                          | July/2014   | 43 and 29                                                                                                                                                                                                                                  | 02           | 06                | -do-                      | -do- | 7327.550             | 40/-                   | 293102                                                                |              |
|         |                          | August/2014 | 21                                                                                                                                                                                                                                         | 01           | 04                | -do-                      | -do- | 450.325              | 40/-                   | 18013                                                                 |              |
| 6       | Bilaspur-II              | July/2014   | 36                                                                                                                                                                                                                                         | 01           | 04                | -do-                      | -do- | 679.200              | 40/-                   | 27168                                                                 | 56535        |
|         |                          | August/2014 | 13,45, and 19                                                                                                                                                                                                                              | 03           |                   | -do-                      | -do- | 734.175              | 40/-                   | 29367                                                                 |              |
| 7       | Bharwain                 | June/2014   | 45,49,22,43 and 35                                                                                                                                                                                                                         | 05           |                   | -do-                      | -do- | 786.700              | 40/-                   | 31468                                                                 |              |
|         |                          | July/2014   | 12,21,6,7,3,45,31,33,34,65,95,75<br>63,64,15,88,87,86,19,11,35,37,39,<br>49,20,96,85,81 and 51                                                                                                                                             | 29           | 40                | -do-                      | -do- | 14817.475            | 40/-                   | 592699                                                                | 1494757      |
|         |                          | August/2014 | 40,19,20,21,22 and 50                                                                                                                                                                                                                      | 06           |                   | -do-                      | -do- | 21764.750            | 40/-                   | 870590                                                                |              |
| 8       | Chamba                   | July/2014   | 11                                                                                                                                                                                                                                         | 01           | 01                | -do-                      | -do- | 84.25                | 40/-                   | 3370                                                                  | 3370         |
| 9       | Dehra                    | July/2014   | 5                                                                                                                                                                                                                                          | 01           | 02                | -do-                      | -do- | 213.450              | 40/-                   | 8538                                                                  | 17102        |
|         |                          | August/2014 | 15                                                                                                                                                                                                                                         | 01           |                   | -do-                      | -do- | 214.100              | 40/-                   | 8564                                                                  |              |
| 10      | Dharamsala               | July/2014   | 47                                                                                                                                                                                                                                         | 01           | 05                | -do-                      | -do- | 372.200              | 40/-                   | 14888                                                                 | 200407       |
|         |                          | August/2014 | 29,15,28 and 32                                                                                                                                                                                                                            | 04           |                   | -do-                      | -do- | 4637.975             | 40/-                   | 185519                                                                |              |
| 11      | Dharampur                | June/2014   | 41                                                                                                                                                                                                                                         | 01           | 03                | -do-                      | -do- | 161.050              | 40/-                   | 6442                                                                  | 18079        |
|         |                          | July/2014   | 17 and 24                                                                                                                                                                                                                                  | 02           |                   | -do-                      | -do- | 290.925              | 40/-                   | 11637                                                                 |              |
| 12      | Dhami                    | August/2014 | 4 and 43                                                                                                                                                                                                                                   | 02           | 02                | -do-                      | -do- | 1514.775             | 40/-                   | 60591                                                                 | 60591        |
| 13      | Fatehpur                 | August/2014 | 2                                                                                                                                                                                                                                          | 01           | 01                | -do-                      | -do- | 279.550              | 40/-                   | 11182                                                                 | 11182        |
| 14      | Ghumarwin                | June/2014   | 65,21,209,120,153,64,62,66,125,<br>150,80,81,198,128,129,200,6,55,<br>56,24,67,70,45,46,83,158,188,<br>231,232,233,235,236,237,238,<br>239,240,135,244,245,156,157,<br>155,208,95,242,28,29,186,25,26,<br>147,148,31,111,194,224,4 and 185 | 58           | 105               | -do-                      | -do- | 31852.100            | 40/-                   | 1274084                                                               | 2959492      |
|         |                          | July/2014   | 133,111,46,47,175,177,63,64,25,<br>161,162,105,13,14,174,86,43,131,<br>36,26,121,168,3,85,60,6,9,37,4,<br>16,17,18,24 and 38                                                                                                               | 34           |                   | -do-                      | -do- | 20581.450            | 40/-                   | 823258                                                                |              |
|         |                          | August/2014 | 75 to 83,46,224,225 and 161                                                                                                                                                                                                                | 13           |                   | -do-                      | -do- | 21553.750            | 40/-                   | 862150                                                                |              |



|    |           |             |                                       |    |    |                           |      |           |      |        |        |
|----|-----------|-------------|---------------------------------------|----|----|---------------------------|------|-----------|------|--------|--------|
| 15 | Hamirpur  | June/2014   | 44,10,9,96,81,3,4,53,54,26,1          | 11 | 18 | Sand, Stone and Aggregate | MT   | 13978.925 | 40/- | 559157 | 716690 |
|    |           | July/2014   | 32,30,16,9,26                         | 05 |    | -do-                      | -do- | 2531.475  | 40/- | 101259 |        |
| 16 | Kangra    | August/2014 | 47 and 4                              | 02 |    | -do-                      | -do- | 1406.850  | 40/- | 56274  |        |
| 17 | Karsog    | August/2014 | 15,5 and 4                            | 03 | 03 | -do-                      | -do- | 4461.175  | 40/- | 178447 | 178447 |
| 18 | Killar    | June/2014   | 86 and 83                             | 02 | 02 | -do-                      | -do- | 320.750   | 40/- | 12830  | 12830  |
| 19 | Kullu-I   | June/2014   | 11,12,13,14,15,16 and 34              | 07 | 07 | -do-                      | -do- | 1421.375  | 40/- | 56855  | 56855  |
|    |           | August/2014 | 42,72,6,91,71,14,15 and 117           | 08 |    | -do-                      | -do- | 4157.250  | 40/- | 166290 |        |
|    |           | August/2014 | 9 and 11                              | 02 | 10 | -do-                      | -do- | 2008.725  | 40/- | 80349  | 246639 |
| 20 | Kullu-II  | June/2014   | 65 and 66                             | 02 |    | -do-                      | -do- | 337.850   | 40/- | 13514  |        |
|    |           | July/2014   | 24                                    | 01 | 04 | -do-                      | -do- | 153.575   | 40/- | 6143   | 26045  |
|    |           | August/2014 | 78                                    | 01 |    | -do-                      | -do- | 159.700   | 40/- | 6388   |        |
| 21 | Kumarsain | July/2014   | 14,15,16 and 17                       | 04 | 04 | -do-                      | -do- | 1260.950  | 40/- | 50438  | 50438  |
| 22 | Nahan     | July/2014   | 10,13,14,33,81,72,48,46,47 and 74     | 10 | 11 | -do-                      | -do- | 4592.775  | 40/- | 183711 | 283662 |
|    |           | August/2014 | 28                                    | 01 |    | -do-                      | -do- | 2498.775  | 40/- | 99951  |        |
| 23 | Nalagarh  | July/2014   | 5,72,93 and 125                       | 04 | 07 | -do-                      | -do- | 441.175   | 40/- | 17647  | 43227  |
|    |           | August/2014 | 51,82 and 84                          | 03 |    | -do-                      | -do- | 639.500   | 40/- | 25580  |        |
| 24 | Nirmand   | June/2014   | 16,17 and 18                          | 03 | 03 | -do-                      | -do- | 561.400   | 40/- | 22456  | 22456  |
| 25 | Nurpur    | June/2014   | 92,107,114,115,111,82,105,110 and 113 | 09 | 09 | -do-                      | -do- | 1628.475  | 40/- | 65139  | 65139  |
| 26 | Rajgarh   | June/2014   | 97,19,30 and 12                       | 04 |    | -do-                      | -do- | 4674.200  | 40/- | 186968 |        |
|    |           | July/2014   | 3,2 and 78                            | 03 | 08 | -do-                      | -do- | 1559.275  | 40/- | 62371  | 273975 |
|    |           | August/2014 | 42                                    | 01 |    | -do-                      | -do- | 615.900   | 40/- | 24636  |        |
| 27 | Rohru     | June/2014   | 14 and 87                             | 02 |    | -do-                      | -do- | 282.225   | 40/- | 11298  |        |
|    |           | August/2014 | 35,36,37,38 and 40                    | 05 | 07 | -do-                      | -do- | 1818.075  | 40/- | 72723  | 84012  |
| 28 | Salooni   | June/2014   | 45,65,44,72,74 and 73                 | 06 |    | -do-                      | -do- | 3889.575  | 40/- | 155583 |        |
|    |           | July/2014   | 102,75,98,37,64,1,28,3,30,78,77,7     | 17 | 25 | -do-                      | -do- | 8317.350  | 40/- | 332694 | 582973 |
|    |           | August/2014 | 6,29,2,32,31 and 100                  | 02 |    | -do-                      | -do- | 2367.400  | 40/- | 94696  |        |
|    |           | August/2014 | 112 and 1                             | 02 |    | -do-                      | -do- | 194.400   | 40/- | 7776   |        |
| 29 | Sarkaghat | June/2014   | 21,22 and 23                          | 03 | 07 | -do-                      | -do- | 1401.950  | 40/- | 56078  | 63854  |
|    |           | July/2014   | 31,33,35 and 52                       | 04 |    | -do-                      | -do- | 178.425   | 40/- | 7137   | 7137   |
| 30 | Sangrah   | August/2014 | 58,78 and 107                         | 03 | 03 | -do-                      | -do- |           |      |        |        |

|    |             |              |                                                  |     |    |      |      |            |      |        |                                    |
|----|-------------|--------------|--------------------------------------------------|-----|----|------|------|------------|------|--------|------------------------------------|
| 31 | Shillai     | July/2014    | 65,1,100,109,29 and 37                           | 06  | 06 | -do- | -do- | 1796.500   | 40/- | 71860  | 1000                               |
| 32 | Shimla-I    | June/2014    | 44                                               | 01  | 02 | -do- | -do- | 210.250    | 40/- | 8410   | 19824                              |
|    |             | July/2014    | 84                                               | 01  |    | -do- | -do- | 285.350    | 40/- | 11414  |                                    |
| 33 | Sundernagar | June/2014    | 74,136,158,143,108,220,8,9,200,76 and 77         | 11  | 18 | -do- | -do- | 2347.700   | 40/- | 93908  | 215641                             |
|    |             | July/2014    | 86,38,49,50,2 and 3                              | 06  |    | -do- | -do- | 2936.850   | 40/- | 117474 |                                    |
|    |             | August/2014  | 78                                               | 01  |    | -do- | -do- | 106.475    | 40/- | 4259   |                                    |
| 34 | Una         | June/2014    | 83,22,61 and 97                                  | 04  |    | -do- | -do- | 12456.500  | 40/- | 498260 | 618581                             |
|    |             | July / 2014  | 112, 150, 5, 73, 22, 98, and 45                  | 07  |    | -do- | -do- | 1032.925   | 40/- | 41317  |                                    |
|    |             | August/ 2014 | 110, 37, 81, 82, 83, 104, 43, 44, 97, 40 and 41. | 11  | 22 | -do- | -do- | 1975.100   | 40/- | 79004  |                                    |
|    | Total       |              |                                                  | 361 |    |      |      | 258686.375 |      |        | 10347455<br>Say<br>₹103.47<br>lakh |