

Annexure 'A'

(Reference Para 1.3 of this report)

Statement indicating details of 37 URCs covered in Performance Audit.

Sl. No.	Name of URC
1	HQ Delhi Area Station Canteen
2	A F Canteen Race Course
3	A F Canteen Camero Complex
4	A F Canteen Western Air Command
5	HQ Central Command Lucknow
6	Golden Palm Bangalore
7	HQ Southern Command, Pune
8	Cobra Canteen Jabalpur
9	Defence Service Officers Institute
10	Raj Rifle Regimental Centre
11	7 Air Force Hospital
12	AF Chakeri Kanpur
13	Station Canteen Kanpur
14	ASC Centre Bangalore
15	College of Military Engineering Dapodi
16	Vajra Station Canteen Jalandhar
17	ESM Canteen Gurgaon
18	HQ MP Sub Area Bhopal
19	HQ 24 Infantry Brigade
20	HQ 21 Corp Chakra
21	ESM PSA Karad
22	INCS Karwar
23	INS Shivaji Lonavala
24	Golden Lion Canteen
25	55 (I) Mech Bde
26	AF Station B D Bari
27	College of Military Management Jabalpur
28	Military Hospital Jabalpur
29	HQ 39 Armd Bde
30	20 Mech Inf
31	20 Wing Air Force
32	E-in-C's Branch Kashmir House
33	Ordnance Depot Allahabad
34	DG NCC R K Puram
35	HQ 7 Infantry Brigade
36	HQ Coast Guard
37	HQ C A M S Delhi

Annexure 'B'**(Reference Para 4.6.1 of the Report)**

Statement indicating details of the liabilities understated and Assets overstated in the Annual Accounts of CSD for the year 2012-13 to 2014-15

Year	Net Profit reflected	Actual Net Profit	Over Statement of profit due to	(₹ in crore)	
2012-13	219.35	(-) 57.87	Understatement of liability		178.94
			Under provisioning of o/s creditors	76.21	
			Under statement of o/s liability towards VAT, Freight Octroi etc.	100.01	
			Non reflection of penalty adjusted	2.72	
			Over statement of Assets		98.28
			Over Valuation of Closing Stock	2.55	
			Excess collection of VAT/Octroi	17.79	
			Doubtful o/s VAT refund claims	56.84	
			VAT refund claims not accepted	17.65	
			Under accounting of works expdr	1.51	
			Doubtful debts	3.88	
			Incorrect accounting of prepaid exp	-0.50	
			Excise Deposit closing bal under accounting	- 1.48	
			Overstatement of o/s URC loan	0.04	
2013-14	177.94	(-) 38.20	Understatement of liability		216.14
			Understatement of sundry creditors	216.14	
2014-15	235.69	70.22	Overstatement of Assets		165.47
			Doubtful o/s VAT refund claims	95.23	
			Inflated sales of AFD	70.24	

Annexure 'C'

(Reference Para 4.8 of this report)

Statement indicating VAT rates applicable during 2014-15 to CSD and civil market at various States

State	Depots located	VAT on purchase by CSD	VAT on Sale by CSD	VAT applicable to Civil	Remarks
Delhi*	Delhi	12.50-20%	0%	12.50-20%	*AFD Electrical, Electronic items not exempted. VAT paid during purchase is claimed as refund from respective State Government.
Maharashtra*	Mumbai & Khadki	5%	0%	5%	
Gujarat	Ahmedabad	1-12.50%	0%	1-12.50%	
Karnataka*	Bangalore	14.50%	5.5%	14.50%	
Telangana*	Secunderabad	5-14.50%	0%	5-14.50%	
Andhra Pradesh*	Vizag	5-14.50%	0%	5-14.50%	
Haryana#	Ambala & Hissar	4.20%	0%	5.25 to 13.125%	#VAT applicable on purchase and exempted on sale if goods sold at prices fixed by QMG i.e. CSD (HO). The amount of VAT paid during purchase has to be merged in the costing sheet while arriving at selling price
Rajasthan#	Bikaner & Jaipur	3%	0%	1-14.50%	
Madhya Pradesh#	Jabalpur	4%	0%	5-13.50%	
Assam# (No concession on liquor)	Masimpur, Missamari & Narangi	5%	0%	5-14.50%	
Punjab	Bathinda & Jalandhar	4.004%	4.004%	6.05-14.30%	
Himachal Pradesh	Pathankot	4.004%	4.004%	6.05-14.30%	
Uttarakhand	Dehradun	0%	0%	1-13.50%	Electronic items not exempted
Nagaland	Dimapur	5%	5%	13.25%	No concession on liquor
Kerala	Kochi	2.50-7.25%	2.50-7.25%	5-14.50%	50% concession
West Bengal	Bhaghdogra & Kolkata	5-14.50%	5-14.50%	5-14.50%	No concession
Jammu & Kashmir	B D Bari, Srinagar, Leh, Udhampur	5-13.50%	5-13.50%	5-13.50%	

Annexure “D”

(Reference Para 2.2 & 4.8.1 of the report)

Statement showing year wise outstanding VAT refund claims of various Area Depots

Year/ Depot	A&B Mumbai	Khadki	Ahmedabad	Delhi	Bangalore	Jabalpur	Sec’bad	Vizag
2005-06	28262758	xxx	xxx	xxx	xxx	xxx	xxx	xxx
2006-07	199980402	1731689	xxx	xxx	xxx	xxx	xxx	xxx
2007-08	354466647	2641328	xxx	xxx	xxx	xxx	xxx	xxx
2008-09	174658488	3445390	xxx	xxx	xxx	xxx	xxx	xxx
2009-10	487364985	58207282	xxx	108659482	xxx	94427683	xxx	xxx
2010-11	462669262	44600154	xxx	211521465	xxx	113010225	xxx	xxx
2011-12	557694349	185889563	20360951	201852462	xxx	xxx	xxx	xxx
2012-13	457917445	240513707	52590924	235214462	xxx	xxx	xxx	xxx
2013-14	365038960	265078393	156447821	257249164	23476562	xxx	602	33130927
2014-15	808181745	xxx	115143203	315854930	45301486	xxx	380177367	212206477
2015-16	958502934	xxx	739742197	331977103	22695895	xxx	366907517	324869369
Total	4854737975	802107506	1084285096	1662329068	91473943	207437908	747085486	570206773
Total refund claims outstanding ₹ 10019663755 (say ₹ 1001.97 crore)								

A&B= Area Depot and Base Depot Mumbai

Source of Information: CSD (HO) letter No. 6/GL/F&A/AA/14-15/764 dated 21/3/2016.

Annexure “E”

(Reference Para 6.1 of the report)

Variation in profit percentage included in retail rates.

Sl. No.	URC	Tea		Soaps		Wrist Watches		Chocolates	
		Auth	Load	Auth	Load	Auth	Load	Auth	Load
1	20 Wing AF Bhaghdogra	1	5	3	5	2	5	0	5
2	HQ CC Lucknow	1	4.70	3	4.70	2	4	0	2.5
3	HQ 7 Inf Bde	1	5	3	5			0	5
4	Station Canteen Kanpur	1	5	3	5				
5	7 AF Kanpur	1	5	3	5	2	5	0	5
6	OD Allahabad			3	5	2	5	0	5
7	HQ Delhi Area Stn Canteen							0	5
8	DSOI Daula Kuan							0	5
9	AF Canteen Delhi							0	5
10	AF Canteen Camero	1	5	3	5	2	5	0	5
11	WAC subroto park			3	5			0	5
12	E-in-C Br.	1	3	3	5	-	-	0	5
13	RRRC (Delhi Cantt)	1	5					0	1
14	DG NCC (New Delhi)	1	2	3	5	2	5	0	5
15	Coast Guard Delhi			3	5			0	5
16	INS Shivaji	1	5	3	5	2	5		
17	INCS Karwar	1	5						
18	23 Wing Air Force			3	5	2	3	0	5
19	Mil Hosp Jabalpur	1	3					0	5
20	HQ 55 (I) Mech Bde					2	3	0	5
21	20 Mech Inf							0	5
22	Sudarshan Chakra Bhopal	1	5	3	5	2	5	0	5
23	HQ Paschim MP Sub Area, Jabalpur			3	5			0	5
24	Vajra Golden Lion Canteen	1	3					0	5
25	Veteran Canteen Gurgaon			3	5			0	5
26	CMM Jabalpur							0	5
27	HQ 24 Inf Div Bikaner	1	5	3	5			0	5
28	Vajra Station Canteen	1	3	3	5				
29	Cobra Canteen Jabalpur			3	5				

Source of Information: Information furnished by URCs in Proforma URC-1 (list of 100 items)

Annexure "F"

(Reference Para 6.3.1 of the report)

Statement indicating transfer of QD amount to other units/formations (higher formation)

Sl. No.	URC	QD received (₹ in lakh)	Amount transferred (₹ in lakh)	% of transfer	Transferred to Formation HQ
1	20 Wing Air Force	55.98	29.24	52.23	IAFCWF, Command CWF and Canteen General Fund
2	7 AF Hospital	307.74	195.08	63.39	
3	AF Chakeri Kanpur	320.46	162.40	50.68	
4	AF Canteen Race course	804.91	338.87	42.10	IAF CWE, MC CWF and Canteen General Fund
5	AF Canteen WAC	541.37	301.06	55.61	
6	AF Canteen Camero	660.93	409.95	62.03	IAF CWE, IAFBA,
7	OD Allahabad	34.83	5.70	16.36	Stn Cell Allahabad
8	HQ CC Lucknow	1179.51	614.05	52.06	HQ CC Lucknow
9	HQ Delhi Area Stn Canteen	913.28	142.03	15.55	HQ Western Command
10	E-in-C's Branch	170.45	79.92	46.89	HQ E-in-C Branch
11	Raj Rifle Regt Centre	149.18	7.29	4.89	HQ Delhi Area, New Delhi
12	DG NCC, RK Puram	24.29	6.17	25.40	Trf to regimental fund
13	23 Wing AF Jammu	64.20	42.63	66.40	GME, IAF CWE, CWF
14	Mil Hosp Jabalpur	37.03	3.38	9.13	Stn Cell Jabalpur
15	CMM Jabalpur	35.42	0.77	2.17	Stn Cell Jabalpur
16	Cobra Canteen Jabalpur	568.75	55.98	9.84	Stn Cell Jabalpur
17	Veteran ESM Gurgaon	297.72	124.79	41.92	HQ WC, HQ 2 Corp, HQ 40 Arty Div etc.
18	Vajra Stn Canteen Jalandhar	468.38	170.97	36.50	Various Units/Formations
19	INCS Karwar	91.83	64.79	70.55	Indian Navy Amenity Fund IHQ MoD/Pr. Director Non Public Fund (PDNPF)New Delhi
20	ESM PSA Karad	120.61	72.90	60.44	HQ PSA Pune
21	HQ K&K Sub Area	856.50	121.43	14.18	Various Units/Formations
		7703.37	2949.40	38.29	

Source of Information: QD Accounts maintained by URCs and information furnished by URCs to Audit.

Annexure “G”

(Reference Para 6.3.1 of this report)

Statement indicating QD amount lying in accounts but certified as utilised

Name of URC	Date of Utilisation certificate	Amount of QD in Utilisation Certificate (₹ in lakh)	Unutilised amount lying in QD account# (₹ in lakh)	Brief Reply of URC
Station canteen, Kanpur	22/4/2015	65.22	47.09	QD for year 2012-13 was received very late in three tranches during months of November 2014 and February 2015 only. QDs of various years were received together at belated stages, creating ambiguity at URC level
HQ Coast Guard, Delhi	15/10/2014	14.01	25.85	Due to shortage of canteen and non-availability of suitable storage space at URC CGHQ, it was decided that new suitable canteen will be constructed at CGHQ and QD amount will be utilized for development of infrastructure. The jobs are likely to be completed by early November 2015 and all the QD amount of 2012 and 2013 will be utilized by November 2015.
	30/6/2015	8.60	26.29	
HQ Delhi Area Stn canteen, Delhi Cantt	30/9/2013	237.32	23.66	Utilization certificate as submitted does not indicate that the complete amount has been utilized but indicates that the amount what was expended has been utilized for purpose as promulgated in the MoD guidelines.
AF Station Race Course, Delhi	17/9/2014	320.37	199.41	QD is spent for various welfare activities. Accordingly, to claim the authorized allotment of QD the utilization certificate was given. Hence it was not done with any malafide intention.
	19/5/2015	167.20	239.23	
Total amount lying unutilised			561.53	

#as on date of certification

Source of Information: QD Accounts maintained by URCs and information furnished by URCs to Audit.

Annexure "H"

(Reference Para 6.3.1 of this report)

Statement indicating amount of QD unutilised as certified by Chartered Accountant

Name of URC	Date of Utilization Certificate	Total Amount of QD received (₹)	QD utilized as per CA (₹)	Unutilised amount ₹	Brief Reply of URC
AF Camero, Delhi	24/09/2014	24486305	23957193	529112	The unspent balance of QD has been carried forward to the next financial year as per the policy and guidelines in vogue circulated vide Air HQ No./26100/ 27/D Accts/ CSD dated 01/06/2012
	03/05/2015	14590681	13291832	1298849	
WAC, Delhi	05/06/2013	5124506	5058445	66061	Unspent portion of QD was carried forward to in accordance with guidelines issued vide Para-11 of DACL 03/2012. URC had earmarked this amount to cater towards URC share for the cost of recent renovation of URC
	24/09/2014	18668734	14069750	4598984	
	24/05/2015	11509349	7620751	3888598	
CAMS Delhi	07/06/2013	403517	166000	237517	The clear guidelines for refund of unutilized amount to Government have not been received by this unit. Hence the amount was carried forward to next financial year and same was also reflected in the Utilization Certificate.
INS Shivaji	15/10/2013	1234038	394712	839326	* Including Opening Balance of ₹ 630539/- **Including interest of ₹ 107929/-
	06/01/2014 and 29/12/2014	*3837837	3548724	**397042	
	27/07/2015	1658561	890100	768461	
Total				12623950	

Say ₹ 1.26 crore

Source of Information: Information regarding utilisation of QD furnished by URCs.

Annexure “I”

(Reference Para 6.5 of the report)

**Statement indicating details of Service Personnel deployed at URC as furnished by
ibid URCs**

Sl. No.	URC	Details of Service personnel
1	HQ C A M S Delhi	1 Officer (Lt. Col.), 1 Havaldar and 1 Sepoy
2	CME Dapodi, Pune	2 JCOs, 01 Havaldar
3	INS Shivaji, Lonavla	1 Officer, 5 JCO/ORs
4	ASC Centre & College Ban- galore	1 Officer, 2 JCOs and 12 ORs
5	INCS Karwar	1 Officer
6	Cobra Canteen	1 Officer
7	23 Wing Air Force	1 Officer, 1 JCO/ORs
8	Mil Hosp Jabalpur	1 Officer, 2 JCO/ORs
9	HQ 55 (I) Mech Bde	1 Officer, 1 JCO, 14 ORs
10	20 Mech Inf	3 ORs
11	HQ 21 Corp Chakra	1 Officer, 4 JCOs, 1 A/C Clerk, 11 ORs
12	HQ Paschim MP Sub Area	1 Officer, 3 ORs
13	HQ 39 Armd Bde	1 Officer, 3 JCO/ORs
14	CMM Jabalpur	1 Officer, 1 JCO
15	HQ 24 Inf Div Bikaner	1 Officer, 4 JCO/ORs

Source of Information: Information furnished by URCs under Serial No.17 of Proforma URC-I