

Chapter-III

Compliance Audit

CHAPTER-III COMPLIANCE AUDIT

Animal Husbandry Department (Himachal Pradesh Livestock and Poultry Development Board)

3.1 Avoidable expenditure on production of Liquid Nitrogen Gas

Extra avoidable expenditure of ₹ 1.85 crore was incurred by the Department on use of Liquid Nitrogen gas produced through its own plants during 2008-14.

To meet the requirement of semen banks for preservation of frozen semen straws, seven Liquid Nitrogen (LN₂) gas plants¹ were installed in the State between June 1986 and September 2002 at a cost of ₹ 2.85 crore.

Scrutiny of records (December 2013) of the Director, Animal Husbandry- cum-Member Secretary, Himachal Pradesh Livestock and Poultry Development Board and information collected (April-June 2014) showed that four unserviceable/ defunct LN₂ gas plants² were closed by the Department between July 2008 and June 2011. The remaining three plants³ produced 5.71 lakh litres of LN₂ gas costing ₹ 2.72 crore during 2008-14. The Department had also purchased 18.41 lakh litres of LN₂ gas costing ₹ 2.80 crore from private suppliers⁴ during the above period. The average cost of the gas produced by the Department worked out to ₹ 47.63 per litre which was much higher due to high establishment and repair and maintenance cost of gas plants as compared to the average cost (₹ 15.21 per litre) of gas purchased from private suppliers. Evidently, on an average the Department incurred extra expenditure of ₹ 1.85 crore⁵ which was avoidable.

The Director stated (April 2014) that old LN₂ gas plants were necessary for supplying gas in emergency. The reply is not acceptable as the Department continued with the production of the gas in its own plants which was uneconomical despite availability of sufficient gas in the market.

The audit findings were referred to the Government in June 2014. Reply had not been received (December 2014).

Elementary Education Department

3.2 Delay in construction of kitchen shed-cum-stores

Improper planning for construction of kitchen shed-cum-stores under Mid-day Meal scheme resulted in delay in providing the facility to 957 schools, unfruitful expenditure of ₹ 2.72 crore on incomplete kitchen sheds and blocking of ₹ 3.18 crore.

To provide a hygienic place for cooking of mid day meal and suitable storage space in schools, a grant at the rate of ₹ 0.60 lakh per kitchen shed-cum-store during 2008-09

¹ Bhangrotu, Chamba, Ghanahatti, Jeori, Palampur, Solan and Tal.

² Chamba, Ghanahatti, Jeori and Tal.

³ Bhangrotu, Palampur and Solan.

⁴ M/s Royal Air Products, Haridwar, M/s Ajay Air products (Private) Limited, Okhla and M/s Regent Air Products (Private) Limited, Gurgaon.

⁵ Average cost of gas produced in plants: $\frac{\text{₹ } 2,72,00,000}{5,71,000} = \text{₹ } 47.63 \text{ per litre.}$

Average cost of gas purchased by the Department: $\frac{\text{₹ } 2,80,00,000}{18,41,000} = \text{₹ } 15.21 \text{ per litre.}$

Difference: ₹ 47.63 - ₹ 15.21 = ₹ 32.42 per litre.

Avoidable expenditure: 5,71,000 x ₹ 32.42 = ₹ 1,85,11,820 rounded to ₹ 1.85 crore.

and ₹ 1.20 lakh during 2011-12 was provided under the National Programme of Nutritional Support to Primary Education (Mid-Day Meal scheme). The State Government released ₹ 68.39 crore to 11,362 government primary and middle schools⁶ during the year 2008-09 (₹ 67.95 crore to 11,325 schools) and 2011-12 (₹ 0.44 crore to 37 schools). The entire funds were provided by the GOI during 2008-09 and contributed in the ratio of 75 : 25 by the GOI and State Government during 2011-12. The kitchen shed-cum-store was to be constructed through Sarva Shiksha Abhiyan society and required to be completed within three months.

Scrutiny of records (February 2013) of the Director, Elementary Education and information collected (January and July 2014) showed that the construction of 681 kitchen shed-cum-stores costing ₹ 4.15 crore was still in progress after expending ₹ 2.72 crore due to slow pace of works and want of additional funds. The work on 276 kitchen shed-cum-stores (costing ₹ 1.75 crore) in 11 districts⁷ had not even been started as of June 2014 due to site disputes and non-availability of land.

The Director while confirming the facts stated (January 2014) that the kitchen shed-cum-stores could not be constructed as the concerned schools failed to provide land for the purpose. The reply is not appropriate as the feasibility of construction should have been assessed realistically before release of funds and the clear availability of land ought to have been the first pre-requisite in this assessment.

Improper planning on the part of the Department, had, thus, resulted in a delay of two to five years beyond the stipulated time for providing facility of kitchen shed - cum stores to 957 schools and blocking of ₹ 3.18 crore. Besides, funds amounting to ₹ 2.72 crore utilised so far (June 2014) on incomplete kitchen shed-cum-stores had also been rendered unfruitful.

The audit findings were referred to the Government in April 2014. Reply had not been received (December 2014).

Forest Department

3.3 Implementation of Intensification of Forest Management Scheme

Non-utilisation of ₹ 1.74 crore and non-submission of utilisation certificates of ₹ 1.02 crore deprived the State of Central funds of ₹ 3.27 crore during 2011-14. Shortfall in achievement of targets under fire control activities during above period ranged between 10 and 33 per cent. Construction of three buildings (sanctioned cost ₹ 0.43 crore) taken up for execution between February 2011 and November 2012 was lying incomplete even after incurring an expenditure ₹ 0.36 crore.

Government of India (GOI) in Ministry of Environment and Forests revised (August 2009) the Integrated Forest Protection Scheme and renamed it as Intensification of Forest Management Scheme by adding four⁸ new components in the

⁶ Primary: 7150 and Middle: 4212.

⁷ Bilaspur, Chamba, Hamirpur, Kangra, Kinnaur, Kullu, Lahaul and Spiti, Mandi, Shimla, Solan and Una.

⁸ Protection and conservation of sacred groves, conservation and restoration of unique vegetation and ecosystems, control and eradication of forest invasive species and preparedness for meeting challenge of bamboo flowering and improving management of bamboo forests.

existing three⁹ components for effective forest protection. Audit of the implementation of the scheme covering the period from 2011-12 to 2013-14 was conducted in the office of the Chief Conservator of Forests (Forest Protection), Bilaspur as Nodal Officer of the scheme and 15 out of 46 forest divisions between January 2014 and March 2014. The following are the audit findings:

3.3.1 Planning and financial management

3.3.1.1 Annual plans of operations, availability of funds and expenditure incurred

The scheme guidelines provide for sanctioning/ releasing of funds to the State as per approved Annual Plans of Operations (APOs) submitted by the State Forest Department (SFD). The support to the extent of 90 *per cent* of the approved APOs to the State (being a special category State) was to be provided by the GOI and the remaining 10 *per cent* by the State Government. Upto 80 *per cent* of the GOI share was to be released initially and the balance amount on production of utilisation of 50 *per cent* of the amount of the first instalment. Audit noticed that:

- Against the approved APOs of ₹ 13.78 crore (GOI share: ₹ 12.41 crore and State share: ₹ 1.37 crore) the GOI released ₹ 9.14 crore and the State Government ₹ 1.17 crore during 2011-14. Short release of GOI funds of ₹ 3.27 crore during above period was attributed to transfer of unutilised funds from previous years, non-submission of utilisation certificates (UCs) and delay in submission of UCs¹⁰ to the GOI.
- The SFD had spent ₹ 11.26 crore against the availability of ₹ 12.05 crore during 2011-14. The unspent balance under Central share of ₹ 1.74 crore (2010-11: ₹ 0.97 crore, 2011-12: ₹ 0.75 crore and 2012-13: ₹ 0.02 crore) was revalidated and carried over to the next financial years and ₹ 0.02 crore was lying with the State Government as of July 2014.
- Against the expenditure of ₹ 11.26 crore, UCs of ₹ 10.24 crore only were sent to GOI. The UCs of the first instalment every year required to be submitted on or before 15 January of the subsequent year were sent to the GOI after delay of 113 and 106 days during 2011-13.

The Nodal Officer stated (March 2014) that the APOs were submitted to the GOI as per field requirements and due to non-receipt of UCs from the field offices, the same could not be submitted to the GOI in time. The reply is not acceptable as the SFD had not utilised the funds even to the extent of APOs approved.

3.3.1.2 Delay in submission/ approval of annual plans of operations

As per scheme guidelines, the SFD was required to submit APOs for a particular financial year to the GOI by the end of December of the preceding financial year. It was, however, noticed that the Department had submitted the APOs during 2011-14 after a delay ranging between 101 and 179 days entailing delay in release of funds from the GOI. The Nodal Officer stated (January 2014) that the APOs could not be submitted on due dates to the GOI due to late receipt of proposals from field offices.

⁹ Forest fire control and management, strengthening of infrastructure and survey, demarcation and working plan preparation.

¹⁰ Date of submission of UCs (2011-12: 08 May 2012, 2012-13: 2 May 2013 and 2013-14: 06 May 2014).

3.3.1.3 Non-preparation of specific plan for new components

Paragraph 6 (b) of the guidelines of the scheme provides for preparation and submission of individual proposals for each of the four new components. Audit noticed that SFD did not submit the proposals for the new components during 2011-14 except for a proposal of meagre amount of ₹ 3.00 lakh under the component 'Protection and conservation of sacred groves' during 2011-12. Evidently, the envisaged activities¹¹ under the new components of the scheme were not implemented in the State. The Nodal Officer stated (July 2014) that the APOs were being sent to GOI as per field requirement. The reply is not acceptable as the SFD had ignored the important activities relating to forest protection and improvement of forest health.

3.3.2 Execution of activities

3.3.2.1 Forest fire control and management

Activity-wise details of achievements of physical and financial targets (APOs) under forest fire control and management during 2011-14 are given in **Table-3.3.1**.

Table- 3.3.1
Activity-wise targets and achievements there-against during 2011-14

(₹ in crore)

Sl. No.	Activity	Units	2011-14					
			Targets		Achievement		Shortfall	
			Phy.	Fin.	Phy.	Fin.	Phy.	Fin.
1.	Firelines maintenance	Kms.	3700	0.95	2961	0.75	739 (20)	0.20 (21)
2.	Creation of firelines	Kms.	400	1.00	316	0.78	84 (21)	0.22 (22)
3.	Firewatchers	Mandays	167800	2.02	143686	1.82	24114 (14)	0.20 (10)
4.	Water storage structures	Nos.	48	0.72	41	0.58	7 (15)	0.14 (19)
5.	Fire fighting equipment ¹²	Nos.	--	0.60	--	0.48	--	0.12 (20)
6.	Fire mapping / plans	LS	40	0.10	31	0.07	9 (23)	0.03 (30)
7.	Training and awareness	LS	--	0.24	212	0.19	--	0.05 (21)
8.	Control burning	Hectare	3000	0.15	4068	0.17	1068 (+36)	0.02 (+13)
9.	Assistance to JFMCs	Nos.	500	0.40	539	0.27	39 (+8)	0.13 (33)
10.	Hiring of taxies	LS	--	--	--	0.02	--	0.02 (+100)
11.	Deployment of Homeguards	Nos.	--	--	--	0.01	--	0.01 (+100)
Total			--	6.18	--	5.14		

Source: Information supplied by the Department.

Note: 1. Figures in parenthesis indicate percentages. 2. Phy.: Physical and Fin: Financial.

It would be seen from **Table-3.3.1** that:

- During 2011-14, except under control burning and assistance to JFMCs the percentage shortfall in achievements of physical targets in respect of all activities ranged between 14 and 23 and that of the financial targets it ranged between 10 and 33 except under control burning.
- The Department had incurred an expenditure of ₹ 0.02 crore during 2011-14 on two activities viz., hiring of taxies and deployment of homeguards without any provision in approved APOs.

Thus, the activities were not carried out effectively by the SFD during the above period. The shortfall in achievement of targets was attributed to non-availability of sufficient funds.

¹¹ 1. A comprehensive document for management plan of sacred groves, inventories of flora and fauna and improvement works 2. Management, survey/ inventory, communication, infrastructure, etc., for protection and conservation of unique, endemic and highly valuable type of vegetations 3. Works of prevention and research on forest invasive species and 4. De-congestion of bamboo areas, laying and maintenance of extraction paths, etc.

¹² Fire extinguishers, rakers, fire brooms, fire beaters, polaski, etc.

3.3.2.2 Strengthening of infrastructure of forest protection

As per provision of the scheme guidelines, strengthening of infrastructure for forest protection component include the activities of construction of buildings for forest protection office, residence of forest field staff, transit camps, inspection huts, forest roads, inspection paths, procurement of vehicles, global positioning systems (GPS), etc. The following deficiencies were noticed:

(i) Achievements against APOs

- During 2011-14, the SFD had acquired 210 GPS with an expenditure of ₹ 0.25 crore against target of 280 GPS mentioned in the approved APOs resulting in shortfall of 70 GPS. The shortfall was due to non-release of final instalments by GOI during the above period.
- Construction of 59 kms of forest roads/ paths was done during 2011-14 with an expenditure of ₹ 0.24 crore against the target of construction of 75 kms with an estimated cost of ₹ 0.30 crore. The remaining roads/ paths were not taken up for execution for want of funds as the GOI had not released the final instalments during the above period.
- Against the targets of construction of 65 buildings (office buildings: 15 and check posts/ gang huts: 50), the construction of 48 building (office buildings: 10 and check posts/ gang huts: 38) was taken up during 2011-14. The execution of the remaining 17 buildings was not taken up as of March 2014 for want of funds. Though all the buildings taken up for execution were stated as completed with an expenditure of ₹ 3.42 crore, the Nodal Officer did not monitor their execution properly as the construction of certain buildings was incomplete as indicated in the succeeding sub-paragraph.

(ii) Incomplete building works

In two (Bilaspur and Dharamsala) out of 15 test-checked divisions, the construction of three buildings¹³ was taken up (between February 2011 and November 2012) at an estimated cost of ₹ 43.20 lakh. The SFD had incurred an expenditure of ₹ 35.90 lakh on their construction but these were lying incomplete as of March 2014 due to non-availability of funds. Evidently, the Department had taken up the works without ensuring sufficient funds. Non-completion of the buildings resulted in an unfruitful expenditure of ₹ 35.90 lakh. Besides, an excess expenditure of ₹ 4.97 lakh was incurred on the construction of the CCF office building without obtaining the revised sanction of the competent authority which was irregular.

(iii) Replacement of vehicles

For effective forest management under the scheme, the GOI accorded (March 2011) sanction of ₹ 24.00 lakh for purchase of four vehicles to be provided to the frontline staff (Range Officers). The vehicles were to be purchased on cost share basis between Centre (90 *per cent*) and State (10 *per cent*). The GOI simultaneously released ₹ 21.60 lakh for the purpose. Audit noticed that the SFD purchased (March 2012) four Bolero Jeeps at a cost of ₹ 22.40 lakh as replacement of four old

¹³ Office building of CCF (estimated cost: ₹ 16.53 lakh), office building of Range Office (estimated cost: ₹ 19.73 lakh) and Gang hut Bilaspur at Kutharna Dharamsala (estimated cost: ₹ 6.94 lakh).

vehicles (Gypsy vehicles) of Department and attached with the DFOs¹⁴ instead of the frontline staff. Thus, in contravention of the instructions *ibid*, the expenditure of ₹ 22.40 lakh was irregular.

The Conservator of Forests (Finance) stated that the vehicles were rightly attached with the DFOs, being frontline unit of the SFD. The reply is not acceptable as the frontline staff includes only the Range Officers.

3.3.3 Non-constitution of review and monitoring committee

For periodic review of the scheme, paragraph 11 of the guidelines provides for constitution of a review and monitoring committee (RMC) at State level under the chairmanship of the PCCF with Chief Conservator of Forests (Headquarters) as its Member Secretary and Conservators of Forests as members.

Audit noticed that the RMC was not constituted in State as of March 2014 which showed that the progress under the scheme was not reviewed/ monitored effectively. Nodal Officer stated (November 2014) that the RMC would be constituted shortly.

Thus, under Intensification of Forest Management Scheme, non-utilisation of ₹ 1.74 crore and non-submission of utilisation certificates of ₹ 1.02 crore deprived the State of Central funds of ₹ 3.27 crore during 2011-14. Shortfall in achievement of targets under fire control activities during the above period ranged between 10 and 33 *per cent*.

The audit findings were referred to the Government in August 2014. Reply had not been received (December 2014).

Health and Family Welfare Department

3.4 Blocking of funds due to non-creation of public health infrastructure

Failure of the Department to ensure encumbrance free sites and completion of codal formalities before drawal of funds resulted in non-creation of public health infrastructure and blocking of funds amounting to ₹ 6.54 crore for a period ranging between one and 12 years.

Rule 2.10 (b) 5 of the Himachal Pradesh Financial Rules stipulates that money should not be drawn from the treasury unless it is required for immediate disbursement. Likewise it is not permissible to draw advances from the treasury for the execution of works, the completion of which is likely to take considerable time.

The State Government accorded administrative approval and expenditure sanction for construction of 19 buildings¹⁵ of Health Sub-Centres (HSCs), Primary Health Centres (PHCs), Community Health Centres (CHCs), etc. for ₹ 8.06 crore between 2001-02 and 2011-12. The works were stipulated to be completed within one year from the date of sanction.

Scrutiny of records (March 2013-January 2014) of the Chief Medical Officers (CMOs) Bilaspur, Kangra and Sirmaur and further information collected (July-August 2014) showed that the CMOs drew ₹ 6.58 crore¹⁶ between December 2006 and September 2013 for construction of five PHCs, three CHCs, eight HSCs, two Mortuary and one OPD block and deposited the amount with the executing agencies

¹⁴ Paonta, Nalagarh, Flying Squad Bilaspur and Hamirpur.

¹⁵ Bilaspur: four; Kangra: three and Sirmaur: 12.

¹⁶ Bilaspur: ₹ 2.29 crore; Kangra: ₹ 1.32 crore and Sirmaur: ₹ 2.97 crore.

(Himachal Pradesh Public Works Department: ₹ 4.76 crore and Bharat Sanchar Nigam Limited (BSNL): ₹ 1.82 crore). The execution of works had not been started as of August 2014 due to non-availability/ transfer of land (10 cases), land dispute (two cases), site not clear (one case) and delay in finalisation of tenders¹⁷ (six cases) though an amount of ₹ 0.04 crore was incurred by executing agencies on preparatory items of these works during 2006-14. Evidently, the funds were drawn from the treasury in advance of actual requirement in contravention of the provision of State Financial Rule *ibid* which reflected improper planning on the part of the Department.

While confirming the facts, the concerned CMOs stated (December 2013 and August 2014) that the funds had been drawn as per administrative approval and expenditure sanction accorded by the State Government. It was further stated that the works could not be started due to non-availability of suitable site, land disputes, non-completion of codal formalities, etc. The replies do not explain as to why the funds were drawn in advance without ensuring availability of suitable/ encumbrance free sites and following the codal provisions.

Thus, failure of the Department to ensure encumbrance free sites and completion of codal formalities before drawal of funds resulted in non-creation of public health infrastructure and blocking of funds amounting to ₹ 6.54 crore for a period ranging between one and 12 years depriving the public of the intended benefits. Besides, it led to loss of interest of ₹ 31.14 lakh¹⁸ to the State Government during 2010-14 by keeping the money outside Government account with BSNL.

The audit findings were referred to the Government in May 2014. Reply had not been received (December 2014).

3.5 Establishment of trauma centre

Due to lack of planning and failure of the Department to provide basic infrastructure facilities and specialist manpower, the trauma centre constructed at a cost of ₹ 3.24 crore was not made fully functional.

The State Government sanctioned (May 2007) ₹ 1.50 crore for establishment of a trauma centre at Bilaspur under a centrally sponsored project for upgradation and strengthening of emergency facilities in government hospitals located near National Highways with a stipulation to complete it within two years from the date of sanction. The funds were to be spent on execution of civil works (₹ 63.00 lakh), purchase of two ambulances (₹ 20.00 lakh), equipment (₹ 66.00 lakh) and setting up of communication system (₹ 1.00 lakh). The State Government on the basis of revised estimates submitted (September 2008) by Public Works Department accorded (November 2011) approval of ₹ 2.00 crore (Centre: ₹ 0.63 crore and State: ₹ 1.37 crore) for construction of building of trauma centre. Revised timeframe for its completion was, however, not stipulated in the revised approval. The specialist manpower¹⁹ for the trauma centre was to be provided by the Department. The civil works were taken up for execution by the Public Works Department (PWD) in September 2008 as deposit works.

Scrutiny of records (January 2014) of the Chief Medical Officer (CMO), Bilaspur and further information collected (June 2014) showed that the PWD completed the

¹⁷ Non-finalisation of drawings, revision of estimates, etc.

¹⁸ Calculated at average rate of interest on State Government borrowings.

¹⁹ Anaesthetist, surgical specialist, ortho-specialist and supporting staff.

construction of the building in June 2012 after incurring an expenditure of ₹ 2.35 crore (GOI: ₹ 0.63 crore and State: ₹ 1.72 crore). The additional funds provided by the State Government were diverted from other ongoing works. One ambulance costing ₹ 10.36 lakh and machinery and equipment costing ₹ 78.82 lakh were also purchased by the Department for running of the trauma centre by June 2012. It was, however, noticed that regular specialised manpower²⁰ required to make the trauma centre fully functional was not provided as of June 2014. Besides, the basic infrastructure facilities including operation theatre (OT), ramp and lift, not included in the original plan, were also not provided. This indicated lack of proper planning on the part of the Department. Resultantly, the trauma centre was not made fully functional for the last two years.

The CMO Bilaspur stated (June 2014) that drawings of OT had been sent by PWD to their higher authorities for approval. He further added that the machinery and equipment were being used to provide medical facility to the general patients besides trauma cases and services of the specialist doctors of Regional Hospital, Bilaspur were being used for the trauma cases also. The reply is not convincing as the basic objective of establishment of the trauma centre remained unachieved.

Thus, due to lack of planning and failure of the Department to provide basic infrastructure facilities and specialist manpower, the trauma centre constructed at a cost of ₹ 3.24 crore was not made fully functional defeating its very purpose.

The audit findings were referred to the Government in July 2014. Reply had not been received (December 2014).

Higher Education Department

3.6 Unjustified expenditure on salary of teachers

Failure of the Department to adhere to the norms for upgrading school and starting science and commerce classes resulted in unjustified expenditure of ₹ 1.43 crore on the salary of teachers.

As per paragraph 2.8.3.2 (3) of the Himachal Pradesh Education Code, 2001 a minimum enrolment of 100 students is essential for starting both Science and Commerce classes in a school. The Director of Higher Education (DHE), further issued instructions (April 2009) that Science and Commerce groups may be started only if there is no school within a radius of 10 kms offering these groups. In cases where these groups were already functional, the enrolment in three consecutive years should not be less than 30 students and if low enrolment still persists, the necessary permission to continue these groups should be obtained from DHE and no student be admitted in these groups without obtaining such permission. It has also been provided that there shall be 54 periods (nine periods of specified timings for six days) in a school weekly, with minimum of 36 periods (six periods per day for six days a week) assigned to each teacher including other administrative and co-curricular activities as per requirement of the institution.

Scrutiny of records (March 2013) of the Principal, Government Senior Secondary School (GSSS), Matahani, Hamirpur district and information obtained (January 2014) showed that the school was upgraded (January 2006) from Middle to Senior Secondary from the academic session 2006-07. However, the number of students enrolled in 10+1 and 10+2 classes during 2006-14 under Science group ranged

²⁰ Anaesthetist, surgical specialist and ortho-specialist.

between zero and 19 whereas under Commerce group it ranged between zero and 16. Scrutiny further showed that Science and Commerce groups were started despite existence of three²¹ GSSSs and other privately managed schools offering Science and Commerce groups within the radius of 10 kms of GSSS, Matahani and these groups were (January 2014) continued even after persistent low enrolment for eight years and that too without seeking permission from the DHE. It was further noticed that as against required minimum teaching workload of 36 periods, only 26 periods including co-curricular activities were allotted to six teachers of Science and Commerce groups during 2007-14 (upto December 2013). The expenditure of ₹ 1.43 crore incurred on salary of teachers of Science and Commerce streams during the period from March 2008 to December 2013 had, thus, remained largely unjustified.

The Principal, while confirming the facts stated (January 2014) that Science and Commerce streams were functioning on the demand of public and in anticipation of future increase in enrolments. The reply of the Principal does not conform to the prescribed norms. Besides, the courses remained functional despite persistent low enrolments and without obtaining necessary administrative approvals.

Thus, failure of the Department to ensure the adherence of the norms for starting new groups had resulted in unjustified expenditure of ₹ 1.43 crore.

The audit findings were referred to the Government in April 2014. Reply had not been received (December 2014).

Higher Education and Social Justice and Empowerment Departments

3.7 Unfruitful expenditure on construction of hostels and residential accommodation

Construction of hostels and residential quarters at unsuitable places, without assessing the requirements resulted in their under/ non-utilisation and rendered the expenditure of ₹ 1.72 crore as largely unfruitful.

(i) To provide hostel facilities to the boy students of Schedule Castes (SC) and Schedule Tribes (ST) categories, two hostels at Government College (GC), Bassa (Mandi district) and Government Senior Secondary School (GSSS), Kanam (Kinnaur district) were constructed (2008-09) by the Himachal Pradesh Housing and Urban Development Authority and Public Works Department respectively at a cost of ₹ 1.52 crore²² and were handed over to the aforementioned institutions in September 2010. The funds for construction of these buildings were provided by the Social Justice and Empowerment Department.

Scrutiny of records of the Director, Higher Education (November 2011) and Principal, GSSS, Kanam (November 2013) and further information collected (December 2013) showed that at GC, Bassa, only 49 students²³ were allotted hostel accommodation during 2010-13 against the capacity of 180 (annual intake capacity: 60) students. Only four students of SC category, for whom the hostel was constructed, applied for the hostel accommodation whereas at GSSS, Kanam no student applied for hostel

²¹ Government Senior Secondary School, Amroh, Government Girls Senior Secondary School, Hamipur and Government Boys Senior Secondary School, Hamirpur.

²² GC, Bassa: ₹ 1.09 crore and GSSS, Kanam: ₹ 43 lakh.

²³ 2010-11: 11 (SC: one, OBC: two and General: eight); 2011-12: eight (OBC: three and General: five) and 2012-13: 30 (SC: three, OBC: two and General: 25).

accommodation as of December 2013. The hostels remained under/ un-utilised as these were constructed at school/ college preferred only by the local students.

The Principals of GSSS, Kanam and GC, Bassa attributed (November-December 2013) under/ non-utilisation of hostel accommodations mainly to the fact of students coming from the nearby places. The replies are not acceptable as all these aspects were to be kept in view before sending proposals for the construction of these hostels. The Principal, GSSS, Kanam also stated that classes and laboratory are being run in the hostel as there was shortage of class-rooms. This reply is also not acceptable as it was not appropriate for running of classes and laboratory in the hostel rooms because dimensions of hostel rooms do not meet the requirements of class rooms and laboratory.

(ii) A further scrutiny of records (November 2013) of the Principal, GSSS, Kanam showed that to provide residential facilities for the teachers, residential quarters were constructed (2008-09) under Yashwant Gurukul Awaas Yojana (YGAY) by the Public Works Department (PWD) at a cost of ₹ 19.50 lakh and handed over to the Principal in September 2010. It was, however, noticed in audit that even after a period of more than three years, the aforesaid accommodation was not allotted to the teachers due to lack of basic amenities in the residential quarters and teachers coming from nearby areas.

The Principal, while confirming the facts stated (November 2013) that the residential accommodation could not be allotted as most of the teachers were local residents. The reply of the Principal confirms that construction of residential accommodation was done without assessing the actual requirement with respect to the stated purpose and had, thus, rendered the entire expenditure of ₹ 19.50 lakh as unfruitful.

Thus, construction of hostels and residential quarters at unsuitable places, without assessing the actual requirements resulted in their under/ non-utilisation and rendered the expenditure of ₹ 1.72 crore as largely unfruitful.

The audit findings were referred to the Government in April 2014. Reply had not been received (December 2014).

Irrigation and Public Health Department

3.8 Unfruitful expenditure on augmentation of water supply scheme

Expenditure of ₹ 1.19 crore incurred on augmentation of Water Supply Scheme, Mooldhar Kathanda remained unfruitful as the envisaged adequate drinking water facility was not provided to the beneficiaries.

The State Government accorded (June 2008) administrative approval for augmentation of existing (1978-79) Water Supply Scheme, Mooldhar Kathanda in Nirmand block of Kullu district to provide drinking water facility to 5039 persons of 24 villages of seven²⁴ *gram panchayats* for ₹ 1.24 crore under RIDF²⁵-XIII of NABARD²⁶ stipulated to be completed by June 2011. The technical sanction of the scheme was accorded (between September and November 2008) for ₹ 1.20 crore²⁷. The scope of the work included construction of two intake chambers, four storage

²⁴ Arsoo, Bari, Bahwa, Bhalsi, Kote, Nirmand and Nishani.

²⁵ Rural Infrastructure Development Fund.

²⁶ National Bank for Agriculture and Rural Development.

²⁷ September 2008: ₹ 59.99 lakh, October 2008: ₹ 39.31 lakh and November 2008: ₹ 20.36 lakh.

tanks²⁸, one sedimentation tank (53000 litres), three units filter bed, four stand posts and laying of galvanised iron (GI) pipes²⁹.

Scrutiny of records (February 2014) of Anni division showed that all the components of the scheme had been completed upto March 2012 with an expenditure of ₹ 1.19 crore except laying of 2185 rmts³⁰ GI pipes, construction of two intake chambers and one storage tank (7000 liters capacity). The above components were not executed due to objections from the land owners (March 2012) for laying of the GI pipes, etc., through their land. The Department finalised the scheme in 2008 on the basis of the panchayat resolutions obtained in 2000 and no objection certificates (NOCs) from the land owners were not ensured. The work had been lying in a suspended state since March 2012 and thus, the scheme was not made operational as of March 2014.

The Executive Engineers of the division stated (March 2014) that necessary undertakings from the concerned *gram panchayats* were taken earlier, but the land owners raised objections. The reply is not acceptable as the Department should have ensured NOCs from the land owners before taking up the scheme.

Thus, failure of the Department to ensure clear title of the land resulted in non-completion of the scheme in time and the expenditure of ₹ 1.19 crore remained unfruitful. Besides, the beneficiaries were deprived of the facility of adequate drinking water.

The audit findings were referred to the Government in July 2014. Reply had not been received (December 2014).

3.9 Unfruitful expenditure on construction of flow irrigation scheme

Lack of proper planning for execution of Mochka Kharga Flow Irrigation Scheme delayed the delivery of intended benefits to the beneficiaries besides resulting in unfruitful expenditure of ₹ 1.02 crore.

In order to irrigate 175.30 hectares of cultivable command area in Kullu district, an expenditure of ₹ 49.71 lakh under State head was incurred (1980-2003) for construction of 11.260 kms Mochka Kharga Flow Irrigation Scheme (FIS). However, the works³¹ under the scheme could not be completed due to non-availability of sufficient funds and the work already done was damaged by rains and filled with slips. In order to re-grade the works ₹ 51.59 lakh were sanctioned (NABARD: ₹ 46.59 lakh in November 2002 and SCSP³²: ₹ 5.00 lakh in March 2008). The works were stipulated to be completed by March 2009.

Scrutiny of records (February 2014) of Anni division showed that about 55 *per cent* of the work was completed (*Pattra* cutting 10579 rmts; CC lining: 4281 rmts and temporary *bandh* at source: one number) upto October 2010 with an overall expenditure of ₹ 1.02 crore³³. The scheme remained abandoned thereafter due to

²⁸ Capacity: 99000 litres, 60000 litres, 12300 litres and 7000 litres.

²⁹ 15 mm dia: 6020 rmts., 20 mm dia: 3750 rmts., 25 mm dia: 2070 rmts., 32 mm dia: 670 rmts., 40 mm dia: 2671 rmts., 50 mm dia: 2260 rmts., 80 mm dia: 2020 rmts., 100 mm dia: 7200 rmts. and 125 mm dia: 2000 rmts.

³⁰ GI pipe 125 mm diameter: 1100 rmts. and GI pipe 100 mm diameter: 1085 rmts.

³¹ *Pattra* cutting 11260 rmts; CC lining: 11260 rmts, outlets: eight numbers, nallah crossing: two numbers, temporary *bandh* at source: one number and head weir: one number.

³² Scheduled Caste Sub Plan.

³³ State head: ₹ 49.71 lakh; NABARD: ₹ 47.12 lakh and SCSP: ₹ 5.46 lakh.

non-availability of funds and in the meantime, the work done also got degraded. For further re-grading the work and completion of the balance work, the division had submitted (January 2014 and February 2014) revised estimates of ₹ 1.48 crore³⁴ for approval of the Superintending Engineer, Kullu, which was awaited as of November 2014. This indicated that the scheme was taken up for execution without proper planning. Besides, the funds were also not released in timely manner. Resultantly, the scheme could not be made functional in time.

While confirming the facts, the Executive Engineer of the division stated (March 2014 - November 2014) that work could not be completed due to insufficient budget provision and tough topography. The reply is not convincing as the Department should have planned the works properly so as to ensure completion of the scheme in time.

The audit findings were referred to the Government in July 2014. Reply had not been received (December 2014).

3.10 Unproductive expenditure on lift water supply scheme

Lack of foresight in planning on the part of the Department to secure prior permission from NH authority resulted in non-completion of Lift Water Supply Scheme and rendered the expenditure of ₹ 74.84 lakh as unproductive.

Administrative approval and expenditure sanction for the construction of Lift Water Supply Scheme from Ali Khad to Rohin (Bilaspur district) was accorded (March 2007) for ₹ 52.41 lakh. The scheme was designed to provide potable water to 1555 persons of Rohin and its adjoining villages. It was proposed to lift water from the source by creating suitable infrastructure including gravity main in a length of 5660 metres. The scheme was targeted for completion in March 2010.

Scrutiny of records (March 2014) of Bilaspur division showed that the scheme was taken up for execution in September 2009 and all the components of the scheme except laying of a part of the gravity main in a length of 460 metres over Kandrou bridge (over Satluj river) on National Highway (NH) No. 88 were completed upto March 2010. The work relating to laying of gravity main across the bridge was not executed due to the fact that the Department had not secured necessary permission thereof from the NH authority. It was further noticed that the design of the scheme to fix the pipeline outside the bridge railings was not practically feasible. The water hammer having substantial effect was not taken into consideration while framing the design and it was not safe to support the pipeline on the bridge railings. The division had sought permission from the NH authority in May 2013 after three years from the completion of the other works which was awaited (December 2014). Resultantly, the scheme was not made functional as of December 2014. In the meantime, an expenditure of ₹ 74.84 lakh had been incurred on the scheme.

The Executive Engineer of the division while confirming the facts stated (March 2014) that the scheme could not be commissioned due to non-receipt of permission from the NH authority for laying gravity main over Kandrou bridge. The reply is not acceptable as the Department had not secured necessary permission from the NH authority before taking up the scheme for execution and due to faulty design

³⁴

Accelerated Irrigation Benefit Programme: ₹ 0.92 crore in February 2014 and Backward Area Sub-Plan: ₹ 0.56 crore in January 2014.

of laying of gravity main over the bridge, the same could not be obtained in the last four years.

Thus, lack of foresight in planning on the part of the Department to secure prior permission from NH authority resulted in non-completion of the scheme which rendered the expenditure of ₹ 74.84 lakh as unproductive. Besides, this also resulted in non-achievement of the objective of providing potable water to the people of the area.

The audit findings were referred to the Government in June 2014. Reply had not been received (December 2014).

Medical Education and Research Department

3.11 Excess payment to Hospital Services Consultancy Corporation and loss of interest on funds kept outside government accounts

Failure of the Department in releasing funds to consultancy agency without verifying the actual expenditure on construction of hospital resulted in excess payment of ₹ 1.56 crore and non-observance of financial rules led to parking of ₹ one crore outside Government account besides interest loss of ₹ 51.60 lakh.

Rule 2.10 (b) 5 of Himachal Pradesh Financial Rules, 1971 (HPFRs) stipulates that money should not be withdrawn from treasury unless it is required for immediate disbursement.

The State Government approved (June 2003 and June 2007) the construction of a 500 bedded hospital building for Dr. Rajendra Prasad Government Medical College (RPGMC) Kangra at Tanda at an estimated cost of ₹ 54.99 crore. The building was to be constructed by Hospital Services Consultancy Corporation (India) Limited (HSCC), NOIDA. For this purpose, the State Government had entered into an agreement (September 2000) with the HSCC. As per agreement, the running payments to the consultancy agency were to be made on the basis of preliminary/detailed cost estimates, required to be submitted by the HSCC by 15th of every third month. The final payment was, however, to be released on the basis of actual expenditure of the project. The construction of the building was stipulated to be completed by December 2005.

Scrutiny of the records (January-June 2014) of the Principal, Dr. RPGMC Kangra at Tanda showed that the construction of the building was taken up for execution by the HSCC in June 2003 and completed in March 2007. The Principal drew ₹ 54.99 crore³⁵ between October 2000 and March 2006 and released ₹ 53.99 crore³⁶ to the HSCC between October 2000 and April 2007. It was noticed that out of ₹ 53.99 crore, ₹ 50.47 crore were released periodically on the basis of progress of works submitted by the HSCC, but final payment of ₹ 3.52 crore was made without examining the actual expenditure on the works. On examination of the detailed accounts of the works obtained by the Principal in July 2009 it was ascertained that the actual expenditure of ₹ 52.43 crore was incurred on construction of the building against the

³⁵ Between October 2000 and March 2005: ₹ 50.47 crore and March 2006: ₹ 4.52 crore.

³⁶ October 2000: ₹ 1.00 crore; September 2003: ₹ 1.29 crore; December 2003: ₹ 7.00 crore; March 2004: ₹ 6.50 crore; July 2004: ₹ 6.00 crore; October 2004: ₹ 3.00 crore; November 2004: ₹ 5.00 crore; January 2005: ₹ 5.00 crore; March 2005: ₹ 15.00 crore; July 2005: ₹ 0.68 crore and April 2007: ₹ 3.52 crore.

total releases of ₹ 53.99 crore resulting in excess payment of ₹ 1.56 crore to the HSCC. The amount had not been refunded by the HSCC as of June 2014.

Audit scrutiny further showed that the remaining amount of ₹ one crore (i.e. ₹ 54.99 crore minus ₹ 53.99 crore) drawn from treasury in March 2006 was kept in the shape of bank draft upto February 2011 and in the shape of fixed deposit receipts (FDR) in a bank thereafter. The amount remained deposited in FDR as of June 2014. Keeping the government money in shape of bank draft for five years and out of government account for more than eight years was contrary to the *ibid* provision of HPFRs. Apart from blocking of ₹ one crore for more than eight years, this also resulted in interest loss of ₹ 51.60 lakh (calculated at average rates of interest of government borrowings). Besides, the bank was also extended undue favour during March 2006 to February 2011.

The Additional Director (Admn.) of the Dr. RPGMC while confirming the facts stated (June 2014) that the matter had been taken up with the State Government to recover the amount from the HSCC. Regarding ₹ one crore kept in FDR, it was stated that the amount would be released to the Public Works Department for construction of burn unit as approved by the Government. The reply is not acceptable as the Department failed to enforce financial orders and strict economy.

Thus, failure of the Department in releasing funds to consultancy agency without verifying the actual expenditure incurred on the construction of the hospital building resulted in excess payment of ₹ 1.56 crore and non-observance of financial rules led to parking of ₹ one crore outside Government account besides interest loss of ₹ 51.60 lakh.

The audit findings were referred to the Government in July 2014. Reply had not been received (December 2014).

Planning Department

3.12 Implementation of Backward Area Sub-Plan

Funds ranging between ₹ 0.24 crore and ₹ 1.23 crore were withdrawn from treasury by the Deputy Commissioners (DCs) of the test-checked districts during 2010-14 in advance of actual requirement and kept in banks in contravention of the scheme guidelines. 592 works for ₹ 10.31 crore were sanctioned under roads and bridges sectors without obtaining prior technical approval during 2011-14. 168 works sanctioned (2008-14) for ₹ 3.95 crore were not taken up as of July 2014 by 11 executing agencies entailing a delay of four to 72 months.

With the aim of removing regional imbalance in the State in terms of creation of infrastructural facilities in the identified backward areas, Backward Area Sub-Plan (BASP) was introduced in June 1974. However, its effective implementation started from 1995-96. For this purpose, a separate Demand for Grant has been introduced to make the outlays non-divertible. The scheme is being implemented in 10 non-tribal districts of the State through line departments of 13³⁷ sectors/ heads of development. The Deputy Commissioners (DCs) have been declared as controlling officers for sanctioning and monitoring of the schemes under this Sub-Plan.

³⁷ Agricultural, Animal Husbandry, Ayurveda, Elementary Education, Higher Education, Horticulture, Minor Irrigation, Roads and Bridges, Rural Health, Rural Industries, Rural Water Supply, Social Forestry and Soil Conservation.

An audit of Backward Area Sub-Plan covering the period 2011-14 was conducted during May-July 2014 through test-check of records of two DCs³⁸ in Shimla Zone. The records (Road and Bridge sectors) of 11³⁹ out of 23 executing agencies (EAs) in these districts were also test-checked. The following are the audit findings:

3.12.1 Planning and financial management

3.12.1.1 Annual Action Plans

As per policy guidelines, Annual Action Plans (AAPs) for all sectors indicating the name of the proposed schemes, amount, physical targets, etc., were to be prepared by the DCs and got approved from the District Planning, Development and 20-Point Programme Review Committees (DPDCs) before the commencement of the next financial year.

Audit noticed that the AAPs were not prepared by the DCs of the test-checked districts during 2011-14. Further, DPDCs also did not take notice of non-preparation of the AAPs and their approval in the meetings held (**Paragraph 3.12.3.3**). Thus, in the absence of the AAPs, the entire amount of ₹ 18.45 crore was sanctioned and released by the DCs during 2011-14 in an *ad hoc* manner.

While admitting (June 2014) the facts the DC, Shimla did not furnish the reasons for non-preparation of the AAPs. The DC, Sirmaur stated (May 2014) that the AAPs were prepared and got approved from DPDC of the district. The reply is not acceptable as the DC had prepared the budget estimates only instead of detailed AAPs as required.

3.12.1.2 Availability of funds and releases thereof to the executing agencies

In order to regulate the expenditure in a phased manner and avoid any abnormal fluctuations, paragraph 14 of the BASP guidelines provides for quarter-wise percentage⁴⁰ of expenditure to be incurred by the DCs during a financial year. Further, as per State Government instructions (January 2004), funds are not to be drawn from treasury unless required for immediate disbursement. Like-wise, such funds are not to be kept in Bank/ Post office. Audit noticed the following deficiencies:

(i) Against the allocation of ₹ 17.46 crore⁴¹ during 2011-14, the test-checked DCs had withdrawn the entire amount from treasury for execution of the schemes/ works. Though the expenditure booked was at par with the funds allocated during above period, the booked expenditure merely reflected the amount withdrawn from the government account and not the amount actually spent on the works executed on the ground as indicated in the **Paragraph No. 3.12.2.3**.

(ii) Contrary to the instructions *ibid*, the expenditure in the fourth quarter of each year during 2011-14 in test-checked districts ranged between 16 and 59 *per cent*. The DCs of the test-checked districts stated (May and June 2014) that the expenditure was incurred after approval of the schemes by DPDC (Sirmaur district) and on receipt of proposals from *panchayats*, etc (Shimla district). The replies are not in conformity

³⁸ Shimla and Sirmaur.

³⁹ Block Development Officers: five (Chhohara, Chopal, Paonta Sahib, Rohru and Sangrah), Sub-Block under Sub-Divisional Officers (Civil), Dodra Kwar and Public Works Divisions: five (Chopal, Dodra Kwar, Paonta Sahib, Rohru and Sangrah).

⁴⁰ Percentage of expenditure: 1st quarter: 25, 2nd quarter: 40, 3rd quarter: 25 and 4th quarter: 10.

⁴¹ 2011-12: ₹ 3.96 crore; 2012-13: ₹ 6.91 crore and 2013-14: ₹ 6.59 crore.

with the provision of the guidelines, as the DCs should have ensured the release of funds in a controlled manner. Besides, in Sirmaur district no meeting of DPDC was held in the last quarter during 2011-14 as indicated in **Paragraph No. 3.12.3.2**.

(iii) The details of total availability of funds and releases to the executing agencies during 2011-14 by test-checked DCs are given in the **Table-3.12.1**.

Table- 3.12.1
Year-wise availability of funds and releases thereof to executing agencies during 2011-14
(₹ in crore)

Year	Opening Balance	Funds received during the year	Total availability of funds	Funds released to executing agencies	Balance
2011-12	1.23	3.96	5.19	4.92	0.27
2012-13	0.27	6.91	7.18	6.94	0.24
2013-14	0.24	6.59	6.83	6.59	0.24
Total		17.46		18.45	

Source: Information supplied by the department.

It would be seen from **Table-3.12.1** that contrary to the instructions *ibid*, funds to the tune of ₹ 1.98 crore were drawn (2010-11: ₹ 1.23 crore; 2011-12: ₹ 0.27 crore; 2012-13: ₹ 0.24 crore and 2013-14: ₹ 0.24 crore) in advance of requirement and kept in banks. Instead of depositing the funds in treasury, these were carried over and released to the executing agency during the subsequent years. Thus, the funds were kept outside the government account as well as the normal budgetary process.

(iv) In test-checked EAs, funds ranging between ₹ 4.34 crore and ₹ 5.39 crore remained unutilised in banks at the close of financial years 2011-14 and were carried over to the subsequent years. Besides keeping the funds outside the government account, the schemes were also not executed in time (**Paragraph 3.12.2.3**). The concerned EAs stated (May-July 2014) that the Gram Panchayats were being instructed to expedite the execution of works and the utilisation of funds. The replies are not convincing as the EAs had not made efforts for timely utilisation of the funds.

3.12.1.3 Reappropriation of funds without approval of DPDCs

DPDCs were empowered to make inter-departmental/ sectoral diversion of approved budget, keeping in view the specific needs of the area for undertaking infrastructural development. Audit noticed that departmental/ inter-sectoral re-appropriations of ₹ 4.96 crore (**Appendix-3.1**) were effected by the DCs of the test-checked districts at the end of the years 2011-12 to 2013-14 without prior approval of the DPDCs.

The DC Shimla stated (June 2014) that the re-appropriation would be got approved from the DPDC shortly. The DC Sirmaur stated (May 2014) that the re-appropriation is done by the Planning Department after approval of the Finance Department. The replies are contrary to the provisions of the BASP guidelines.

3.12.2 Implementation of schemes

3.12.2.1 Sanction of works without technical approval of estimates

According to State Government instructions (December 1999), the DCs were required to obtain technical approval of estimates before sanction of the works. In violation of this stipulation, 592 works costing ₹ 10.31 crore were sanctioned under Roads and Bridges sector by the DCs of the test-checked districts during 2011-14 without obtaining prior technical approval which ultimately, hampered the progress of the works (**Paragraphs 3.12.2.3 and 3.12.2.4**). The DC Shimla stated (June 2014) that the technical approval of all the sanctioned work were to be obtained by concerned EAs. The DC, Sirmaur stated (May 2014) that the works/ scheme were sanctioned as

per proposals received from the EAs. The replies are not acceptable as the technical viability of the schemes should have been ensured before according A/A and E/S.

3.12.2.2 Expenditure on inadmissible works

The BASP guidelines provide that developmental works should be sanctioned for the creation of durable assets leading to the benefit of the general public. The scheme also lays down a list of works⁴² for which sanction and release of funds are strictly prohibited.

Audit noticed that in violation of the guidelines, the DC Shimla had sanctioned 55 inadmissible works costing ₹ 0.95 crore (Boundary walls-29 works: ₹ 0.41 crore; community bhawans- five works: ₹ 0.10 crore, mahila mandal bhawans-two works: ₹ 0.02 crore and repair works-19: ₹ 0.42 crore) during 2009-13 under Roads and Bridges sector.

3.12.2.3 Status of works

As per the BASP guidelines, the works sanctioned by the DCs should be completed within one year from the date of sanction. It was however noticed that:

(i) The DCs of the test-checked district had not maintained/ updated the data of status of actual execution of 592 works relating to roads and bridges sanctioned for ₹ 10.31 crore under the BASP during 2011-14. The DCs concerned stated (May and June 2014) that instructions were issued to the EAs for timely completion of the works.

(ii) The position of execution of works in 11 test-checked EAs was as under:

- Of 461 works sanctioned for ₹ 7.97 crore during 2011-14, 232 works were completed with an expenditure of ₹ 3.60 crore. Of the remaining 229 works, 104 works involving sanctioned cost of ₹ 1.61 crore were lying incomplete after incurring an expenditure of ₹ 0.77 crore and 125 works sanctioned for ₹ 2.69 crore had not been started as of July 2014.
- Of 66 works sanctioned for ₹ 2.10 crore during 2008-11, 23 works (sanctioned cost: ₹ 0.83 crore) were lying incomplete after incurring an expenditure of ₹ 0.59 crore and 43 works sanctioned for ₹ 1.26 crore were not started as of July 2014. The delay in commencement/ completion of the works ranged between three and six years.

Non-commencement/ completion of the works resulted in blocking of funds of ₹ 3.95 crore besides depriving the public of the area of the intended benefits. The EAs stated (May-July 2014) that the delay in commencement/ completion of the works was due to non-availability of land, limited working season, delay by Panchayats, etc. The replies are not acceptable as the EAs did not ensure the completion of the works in time.

3.12.2.4 Physical verification/ spot inspection of works

During spot inspection of some of the works under BASP by audit, the following shortcomings were noticed:

(i) Unfruitful expenditure

The construction of Lana Chetta Bassali road from kms 2/0 to 3/510 was taken up for execution by Sangrah Public Works division in March 2010. After construction of the

⁴²

Community halls, mahila mandal bhawans, boundary walls and repair works.

road upto 2/765 kms with an expenditure of ₹ 13 lakh, the work was held up (June 2013) due to paucity of funds and even the constructed road could not be put to use due to non-construction of motorable bridge on Nait Khalla at kms 2/0. It was further noticed that the BDO, Sangrah had constructed a foot bridge (between March and July 2013) with expenditure of ₹ 2.52 lakh instead of a motorable bridge at the above spot but due to heavy rains the same was damaged in July 2013. The construction of the road was not resumed as of June 2014. Thus, the expenditure of ₹ 15.52 lakh remained unfruitful. The Executive Engineer, Sangrah division stated (June 2014) that the road works would be resumed on receipt of funds. The BDO, Sangrah stated (June 2014) that the bridge work would be resumed at the earliest.

(ii) Blocking of funds due to non-commencement of works

The DC, Shimla had sanctioned (between March 2007 and December 2011) five works⁴³ for ₹ 31.00 lakh in Dodra Kavar sub-division of Shimla district. However, the works were not started/ executed due to non-availability of sufficient funds and non-completion of codal formalities. Evidently, the DC did not ensure the technical and financial viability of the works which resulted in blocking of ₹ 31.00 lakh with the EAs for 30 to 87 months. The EAs admitted (June 2014) the facts.

3.12.3 Monitoring

3.12.3.1 Maintenance of asset registers

The BASP guidelines provide for creation of durable assets leading to the benefits of the general public and the ownership of the assets lies with the concerned Panchayats/ EAs/ Departments. Audit noticed that registers of the assets created under the Sub-Plan during 2011-14 were not maintained by the test-checked EAs. The concerned EAs while admitting the facts (May-July 2014) stated that the matter would be complied with in future. The replies do not explain as to why the important records were not maintained.

3.12.3.2 Non-preparation of monthly and quarterly progress reports

State government instructions (April 1996 and May 2001) provide for conducting review of the implementation and expenditure of the schemes under BASP by way of monthly and quarterly progress reports by 15th of the following months and 20th of the following quarter to be submitted by the DCs to the Planning Department. Audit noticed that the DCs of the test-checked districts had not prepared and submitted the requisite monthly and quarterly progress reports during 2011-14. Similarly, the DCs had also not obtained any monthly/ quarterly expenditure reports from the EAs during the above period. Evidently neither the DCs nor the EAs had monitored the execution of the schemes/ works effectively. The DCs and the EAs while admitting the facts (between May and July 2014), did not furnish any reasons for the same.

3.12.3.3 Meetings of District Planning Development and 20-Point Programme Review Committees

The DPDCs, responsible for formulation, implementation, monitoring and review of the Sub-Plan, were required to meet on quarterly basis.

⁴³ Construction of suspension bridge over Rupin river (village Jiskoon): ₹ 5.00 lakh (August 2008); construction of bridge over Chaidhar Nallah: ₹ 5.00 lakh (March 2011); construction of sarai bhawan in Gram Panchayat Kavar: ₹ 5.00 lakh (March 2007); construction of jeepable road from village Dhandarwari to Bharara: ₹ 8.00 lakh (August 2008) and construction of two roads in Gram Panchayats, Dhandarwari and Dodra: ₹ 8.00 lakh (December 2011).

Audit noticed that against 12 meetings of DPDCs required to be convened in each of the two test-checked districts during 2011-14, only one meeting in Shimla district (01 February 2012) and three meetings in Sirmaur district (28 December 2011, 09 July 2012 and 05 August 2013) were held during above period. The shortfall in holding of meetings ranged between 75 and 92 *per cent*. It showed that the schemes under the Sub-Plan were not monitored and reviewed by the DPDCs. The DCs stated (May and June 2014) that the meetings were fixed as per availability of the Chairman of the DPDCs. The fact, however, remains that the meetings of the DPDCs were not held regularly.

Thus, under BASP, funds ranging between ₹ 0.24 crore and ₹ 1.23 crore were withdrawn from treasury by the DCs of the test-checked districts during 2010-14 in advance of actual requirement and kept in banks in contravention of the scheme guidelines. The DCs had sanctioned 592 works for ₹ 10.31 crore under road and bridges sectors without obtaining prior technical approval during 2011-14. The test checked executing agencies had not taken up 168 works sanctioned (2008-14) for ₹ 3.95 crore as of July 2014 entailing a delay of four to 72 months.

The audit findings were referred to the Government in August 2014. Reply had not been received (December 2014).

Public Works Department

3.13 Undue financial benefit to a firm

Failure to ensure compliance of contractual provisions by the Department led to extension of undue financial benefits of ₹ 8.01 crore to a firm besides rendering the expenditure of ₹ 12.66 crore largely unfruitful.

Government of India, Ministry of Road Transport and Highways accorded (January 2010) administrative approval for ₹ 33.10 crore for improvement and widening of Baroti-Rakhera-Dharampur-Marhi-Kamlah-Gallu road from 0/0 km to 30.375 kms under Central Road Fund. The Chief Engineer (National Highways), Shimla accorded (February 2010) technical sanction of the work for ₹ 31.86 crore. The work⁴⁴ was awarded (May 2011) to a firm at a tendered cost of ₹ 28.54 crore and stipulated to be completed by December 2012. Accordingly, the firm commenced the work in June 2011.

Scrutiny of records (January 2014) of Dharampur division showed that the firm did not achieve the pace of the work as prescribed in the contract agreement and failed to complete it by the stipulated date. After executing 30 *per cent* work⁴⁵ and incurring ₹ 12.66 crore, the firm stopped the work in May 2013 without intimating any reasons. The firm had not resumed the work as of October 2014. In spite of the fact that the firm had stopped the work, the Department did not take any action under various clauses of the contract agreement and thus, extended the following undue benefits to it:

- As per clause 49 of the contract agreement, the Department did not levy liquidated damages of ₹ 2.85 crore (10 *per cent* of the tendered amount of ₹ 28.54 crore) for delay.

⁴⁴ Formation cuttings, cross drainage, soling, metalling and tarring U shape drain, parapets, providing couture line and mile stone (total length: 30.375 kms).

⁴⁵ Formation cutting: 16.500 km; cross drainage: 5.520 kms, soling: 2.100 km and U shape drain: 1.684 kms.

- As per clause 51 of the contract agreement, the advance of ₹ 4.12 crore (Machinery advance: ₹ 1.27 crore and mobilisation advance: ₹ 2.85 crore) paid to the firm between August 2011 and March 2012, was required to be recovered with interest (at the rate of two *per cent* above State Bank of India prime lending rates) prior to the expiry of the original time for completion. Out of the above advance, ₹ 3.18 crore and interest ₹ 1.69 crore as of October 2014 had not been recovered as of January 2014.
- The Department had allowed (August 2013) the payment of ₹ 29.16 lakh to the firm on account of cost escalation for the period beyond the stipulated date of completion of the work which was not admissible as per contract agreement.
- The Department had not taken any action for termination of the contract and kept the contract alive indefinitely.

While confirming the facts, the Executive Engineer of the division stated (January and November 2014) that action for effecting recoveries was being initiated and efforts are being made to complete the work. The reply does not explain the reasons as to why necessary action for breach of the contract agreement was not taken against the firm in time.

Thus, failure to ensure compliance of the contractual provisions by the Department led to the extension of undue benefits of ₹ 8.01 crore⁴⁶ to the firm besides rendering the expenditure of ₹ 12.66 crore largely unfruitful as due to non-completion of the work, the public of the area was deprived of the intended benefits.

The audit findings were referred to the Government in August 2014. Reply had not been received (December 2014).

3.14 Unfruitful expenditure on incomplete road works

Failure of the Department to comply with the pre-requisite formalities before taking up the works for execution resulted in unfruitful expenditure of ₹ 2.60 crore.

Under Section 2 of Forest (Conservation) Act, 1980 (FCA), prior approval of Government of India (GOI) for the use of forest land for non-forestry purposes was required to be obtained. In other cases also, the Department was to ensure encumbrance free land before taking up execution of the works.

Scrutiny of records (March 2014) of Jogindernagar division showed that the construction of two roads⁴⁷ (length: 8.300 kms) sanctioned (August 2009 and September 2010) for ₹ 4.60 crore under NABARD⁴⁸ was stipulated to be completed during November 2011 and November 2012 respectively. On partial execution of these works for a length of 4.300 kms, ₹ 2.60 crore (Kutt-Chandani road- kms 2.300: ₹ 0.64 crore and Kuni-Rains road- kms 2.000: ₹ 1.96 crore) had been spent upto January 2014. However, the execution of the works in the remaining stretches had to be stopped midway (May 2011 and May 2012) due to involvement of forest and private land in the alignment of the roads. It was further noticed that the Department

⁴⁶ Unrecovered advance: ₹ 3.18 crore, Unrecovered interest on advances: ₹ 1.69 crore, liquidated damages: ₹ 2.85 crore and inadmissible cost escalation: ₹ 29.16 lakh.

⁴⁷ Kutt-Khetru-Chandani road (4.300 kms): ₹ 1.38 crore and Kuni-Katkal-Bhalara-Rains road (4.000 kms including three bridges): ₹ 3.22 crore.

⁴⁸ NABARD: National Bank for Agriculture and Rural Development.

had not obtained prior permission of the GOI for diversion of forest land for the purpose under FCA. The private land involved was also not acquired in the name of the Department before the commencement of the works although certificates regarding availability of encumbrance free land had been furnished by the Department for Rural Infrastructure Development Fund loan under NABARD. These works were lying incomplete for 22 to 34 months.

On this being pointed out, the Executive Engineer stated (March 2014) that the cases for diversion of forest land were under process. The reply is not acceptable as prior approval of GOI under FCA should have been obtained.

Thus, failure of the Department to comply with the pre-requisite formalities before taking up the works for execution resulted in unfruitful expenditure of ₹ 2.60 crore as due to non-completion of these works, the public of the area was deprived of the intended benefits in time.

The audit findings were referred to the Government in June 2014. Reply had not been received (December 2014).

3.15 Idle expenditure on construction of road/ bridge and undue favour to contractor

Failure of the Department to ensure timely completion of link road after incurring expenditure of ₹ 71.36 lakh resulted in idle expenditure of ₹ 1.64 crore on construction of a bridge and undue favour of ₹ 22.51 lakh to a contractor.

In order to provide road connectivity to four⁴⁹ villages of Kangra district, the Government of India (GOI), Ministry of Rural Development approved (October 2003) the construction of 7.000 kms (5/405 kms to 12/405 kms) link road from Sansai-Chobin road to Patel Nagar for ₹ 1.20 crore under Pradhan Mantri Gram Sadak Yojana (PMGSY). The work was awarded (May 2004) to a contractor for ₹ 1.21 crore and stipulated to be completed by June 2005.

Scrutiny (February 2012) of records of Baijnath division and further information collected (February 2013-May 2014) showed that the contractor commenced the work in October 2004. The contractor did not achieve the pace of the work within the stipulated period. After execution of work⁵⁰ valued at ₹ 43.85 lakh, the contractor stopped (July 2007) the same due to involvement of forest land in the alignment of the road at 5/405 kms to 8/630 kms. Though the permission for diversion of forest land for the purpose was granted by GOI in November 2007, the contractor refused (October 2008) to resume the execution of the work at old rates. Ultimately, the Department terminated (September 2011) the contract without levying liquidated damages of ₹ 12.14 lakh (at the rate of 10 *per cent* of the tendered amount) for delay in execution of the work and recovery of material valuing ₹ 10.37 lakh. In the meantime, an expenditure of ₹ 71.36 lakh⁵¹ had been incurred on the work, lying in a suspended state for the last seven years.

⁴⁹ Chamb, Kothi, Bharwal Khad and Patel Nagar.

⁵⁰ Formation cutting: 2.500 kms, Soling: 2.932 kms, Wearing G-II: 2.932 kms, Wearing G-III: 1.642 kms, Tarring: 1.387 kms, Side drain: 693 rmts and Parapets: 144 Nos.

⁵¹ Expenditure on work: ₹ 43.85 lakh; fence post (July 2007): ₹ 0.41 lakh, Compensatory afforestation (July 2007): ₹ 2.68 lakh and net present value (September 2009): ₹ 24.42 lakh.

The division submitted (May 2014) revised estimates of ₹ 76.43 lakh for approval of the Chief Engineer Mandi Zone in respect of a part⁵² of the balance work only. The remaining work was stated to be executed under State head in a phased manner subject to availability of funds.

Audit scrutiny further showed that in order to connect the link road with the Sansai-Chobin road, the Department constructed (between November 2010 and March 2014) a 56.76 metres span bridge over Binwa Khad at village Gowal (RD 5/286) alongwith approaches (link road from kms 0/000 to 5/000 constructed under State plan) with an expenditure ₹ 1.64 crore under NABARD⁵³ (RIDF⁵⁴-XIII). However, the constructed bridge could not be opened for vehicular traffic due to non-completion of the link road.

On this being pointed out in audit, the Executive Engineer of the division stated (January and May 2014) that the work would be retendered after approval of revised estimates and recovery of material would be adjusted against the final bill of the contractor. The reply is not convincing as encumbrance free land should have been ensured before the commencement of the work. Further, the final bill of the contractor has not been prepared for the last more than 30 months.

Thus, Department's inability to ensure timely completion of the road rendered the expenditure of ₹ 71.36 lakh unfruitful for the last five to seven years. Also, undue financial benefit of ₹ 22.51 lakh was extended to the contractor by way of non-levy of liquidated damages and non-recovery of materials. Besides, expenditure of ₹ 1.64 crore on bridge also remained idle.

The audit findings were referred to the Government in July 2014. Reply had not been received (December 2014).

3.16 Unfruitful expenditure on construction of Bhodi-Kharjan road

Failure of the Department to ensure timely completion of construction of road work led to unfruitful expenditure of ₹ 2.26 crore.

In order to provide transport facility to Bhodi and Kharjan villages of Kangra district, construction of 6.045 kms long Suan Bridge-Bhodi-Kharjan link road was administratively approved (December 2008) under RIDF-XIV scheme of NABARD⁵⁵ for ₹ 2.37 crore. The work was technically sanctioned (January 2009) for ₹ 2.16 crore by the Chief Engineer, North Zone, Dharamshala. The first phase (Formation cutting and road side structure in kms 0 to 6.045) of the work was awarded (February 2009) to a contractor for ₹ 1.06 crore and stipulated to be completed by September 2009. The subsequent scope of the work (Providing and laying soling, wearing and premix carpet in kms 0 to 6.045) was also awarded (August 2010) to the same contractor for ₹ 0.90 crore stipulated to be completed by August 2011.

Scrutiny of records (February 2013) of Baijnath division and further information collected (January and September 2014) showed that the contractor did not achieve the pace of the works as prescribed in the contract agreements and failed to complete these works by the stipulated dates due to involvement of forest land at kms 2.870 to 3.090 and kms 3.285 to 4.405. The work of formation cutting and cross drainage in

⁵² Formation cuttings: 3.240 kms and cross drainage: 2 Nos.

⁵³ National Bank for Agriculture and Rural Development.

⁵⁴ Rural Infrastructure Development Fund.

⁵⁵ NABARD – National Bank for Agriculture and Rural Development.

kms 4.200, soling, wearing and tarring in kms 3.545 and side drainage in kms 3.000 and parapets in kms 2.000 was executed. An expenditure of ₹ 2.26 crore had been incurred as of January 2014.

It was further noticed that the Department had not ensured the necessary permission for diversion of forest land for non-forestry purposes under Forest Conservation Act, 1980 before submission of Detailed Project Report to the NABARD authority. On the contrary, the availability of encumbrance free land was wrongly certified by the Department. Even afterwards, the matter was not pursued vigorously with the Forest Department for diversion of the forest land for the purpose. Further, the Executive Engineer (EE) of the division dropped (September 2013) the process of diversion of forest land with the plea that the work could not be continued due to closure of the funding under RIDF-XIV in December 2013. This led to non-completion of the road work for more than three years. Neither the time extensions were granted to the contractor to keep the contracts alive nor the contracts rescinded/ closed.

On this being pointed out in audit, the Executive Engineer of the division stated (February 2013 and September 2014) that the road was constructed upto 4.200 kms and both the villages stand connected by road. The reply is contradictory as both the villages were falling beyond kms 5.000 of the alignment of the road under construction and even the partially constructed road has not been approved by the road fitness committee for vehicular traffic. Besides, the reply also does not explain as to why timely action was not initiated by the Department to secure encumbrance free land for the purpose.

Thus, despite incurring an expenditure of ₹ 2.26 crore the intended benefits of transport facility to the beneficiary villages remained unfulfilled.

The audit findings were referred to the Government in May 2014. Reply had not been received (December 2014).

3.17 Unfruitful expenditure on construction of Bandi-Dharoh road

Lack of foresight in planning on the part of the Department led to non-completion of the road work in time and infructuous expenditure of ₹ 1.74 crore besides depriving the beneficiaries of the intended transport facilities.

Under Section 2 of the Forest (Conservation) Act, 1980 (FCA) prior approval of GOI for the use of forest land for non-forestry purposes is required to be obtained and in other cases, the Department is required to ensure encumbrance free land before taking up execution of works. The Engineer-in-Chief, had also issued instructions (May 2008) for ensuring clear title of the land before making proposals for the construction of roads.

In order to provide transport facility to five villages⁵⁶ in Kangra district, construction of 5.985 kms long⁵⁷ Bandi-Dharoh via Naganpat road was approved (February 2010) for ₹ 3.54 crore under RIDF⁵⁸-XV scheme of NABARD⁵⁹. The Chief Engineer, North Zone, Dharamshala accorded (April 2010) technical sanction of the road work for

⁵⁶ Banoi, Bhoie, Naganpat, Kalyara and Upper Odder.

⁵⁷ First stretch: kms 0.000 to 1.000; second stretch: kms 1.000 to 3.960 and third stretch: kms 4.165 to 6.190.

⁵⁸ RIDF- Rural Infrastructure Development Fund.

⁵⁹ NABARD – National Bank for Agriculture and Rural Development.

₹ 3.64 crore. The work was awarded (October 2010) to a Kangra based contractor for ₹ 3.05 crore stipulated to be completed by October 2012.

Scrutiny of records (February 2014) of Kangra division showed that the contractor started the work in December 2010. However, the contractor did not achieve pace of the work within the stipulated period due to involvement of private land (kms 0.0 to 3.960, kms 4.165 to 4.500 and kms 5.690 to 6.190) and forest land (kms 4.500 to 5.690). The work at kms 0.500 to 1.000 was held up (July 2011) due to the land having been earmarked (February 2009) by the district administration for setting up of Border Security Force (BSF) Battalion. The work of formation cutting in kms 0.638, cross drainage in kms 3.550, providing and laying of granular sub base course and wearing in kms 2.400 and parapets kms 0.500 was executed. Further scrutiny showed that the Department had not ensured the necessary permission for diversion of forest land for non-forestry purpose under FCA and clear title of the private land before submission of detailed project report to the NABARD authorities. In the meantime, the Department had incurred an expenditure of ₹ 1.74 crore, but the work was lying incomplete as of July 2014.

On this being pointed out, the State Government stated (August 2014) that the work got delayed due to involvement of private and forest land in the alignment of the road. It was further stated that the private land was owned by co-sharers and the process for transfer of land in the name of the Department would be initiated in a phased manner depending upon the availability of all the land owners together. The fact, however, remains that the Department did not ensure encumbrance free land before conceptualisation of the road.

Thus, lack of foresight in planning on the part of the Department led to non-completion of the road work in time and unfruitful expenditure of ₹ 1.74 crore besides depriving the beneficiaries of the intended transport facilities.

3.18 Unproductive expenditure on construction of road and bridge

Failure of the Department to ensure timely completion of construction of road and bridge work resulted in unproductive expenditure of ₹ 1.46 crore.

To provide transport facility to eight⁶⁰ villages of Solan district, construction of Bhud-Gularwal-Bhatoli Kalan-Gharade-Patta road⁶¹ (length 15.600 kms) was approved (October 2007) under NABARD⁶² (RIDF⁶³-XIII) for ₹ 2.34 crore. The work⁶⁴ including a bridge at 16.105 kms was awarded (May 2008) to a contractor at a tendered cost of ₹ 1.73 crore with the stipulation to complete it by 29 November 2009.

Scrutiny of records (February 2013) of Kasauli division and further information collected (January 2014) showed that the contractor took up the work in May 2008 but did not achieve the pace of the work as stipulated. After executing the work of value of ₹ 1.28 crore including formation cutting in 15.000 kms, cross drainage 9.000 kms, soling 3.300 kms and side drain 1.700 kms, the contractor stopped (March 2010) the work due to non-receipt of design of the bridge from the division. The division

⁶⁰ Gharade, Fofta, Katal, Duni, Nali, Ekhu, Gatiwala and Braghu.

⁶¹ Kms 15.000 to 30.600.

⁶² NABARD – National Bank for Agriculture and Rural Development.

⁶³ RIDF- Rural Infrastructure Development Fund.

⁶⁴ Formation cutting: 15.600 kms; Cross Drainage: 15.600 kms; Soling: 15.600; Side Drain: 15.600; Parapets: 15.600 and Bridge: 24 metres span.

granted extension upto 31 March 2011 but the contractor did not resume the work with the plea that the work could not be executed at previously quoted rates. The design of the bridge was made available to the contractor in May 2011 i.e. after 18 months of the scheduled date of the completion of the project. However, the contractor failed to execute the work. Ultimately, the work had to be closed in July 2012 without levying any liquidated damages/ penalty under various clauses of the contract agreement as the delay was mainly due to the inability of the Department to submit the design of the bridge in time. In the meantime, an expenditure of ₹ 1.46 crore had been incurred on the work.

The division had prepared (May 2013) the revised estimate of the remaining work for ₹ 0.85 crore exceeding the previous estimate of ₹ 1.73 crore by ₹ 0.58 crore, which was approved (June 2013) by the Chief Engineer (South Zone) Shimla. The work was lying in a suspended state as of January 2014.

While confirming the facts, the Executive Engineer of the division stated (January 2014) that due to non-finalisation of the site of the bridge, the design could not be provided to the contractor in time. Tenders for the remaining work had been called for. The reply is not convincing as all codal formalities should have been completed before taking up the work and the design of the bridge should also have been provided to the contractor within the stipulated period of completion of the work.

Thus, failure of the Department to ensure timely completion of construction of road and bridge work resulted in unproductive expenditure of ₹ 1.46 crore.

The audit findings were referred to the Government in April 2014. Reply had not been received (December 2014).

Tourism and Civil Aviation Department

3.19 Blocking of funds due to non-execution of works under integrated development of tourist circuits

Lack of proper planning by the Department for execution of works/ facilities for Integrated Development of Tourist Circuits in the State resulted in blocking of Central Financial Assistance of ₹ 9.66 crore.

With the objective of boosting tourism in the State, the Government of India (GOI), Ministry of Tourism, sanctioned (September 2009 to December 2010) a Central Financial Assistance (CFA) of ₹ 12.08 crore for creation of 98 facilities such as provision of public conveniences, construction of tourist information centres, parks, rain shelters, development of camping sites, picnic spots, trek routes, public parkings, etc., in different tourist circuits under the scheme of "Integrated Development of Tourist Circuits". GOI released the first installment of ₹ 9.66 crore to the State Tourism Department between November 2009 and January 2011 and the balance amount of ₹ 2.42 crore was, however, to be released on the issue of utilisation certificates by the State Government. The works were required to be completed within 30 months from the date of sanction.

Scrutiny of records (December 2013) of the Director, Tourism and Civil Aviation (DTCA) and information received from the Director (August 2014) showed that out of ₹ 9.66 crore released by the GOI, the Department released (January 2010 to March 2011) ₹ 8.11 crore to various executing agencies (EAs) for execution of the works/ projects. However, the works/ projects were not started due to non-availability of suitable sites, non-finalisation of tenders/ preliminaries, etc. and the entire amount

of ₹ 9.66 crore had been lying unutilised (Department: ₹ 1.55 crore and EAs ₹ 8.11 crore) for four to five years. Due to non-utilisation of the amount, GOI had also not released the second installment of ₹ 2.42 crore to the State Government as of August 2014. Besides, the requisite tourist facilities could not be created.

While admitting the facts, the DTCA stated (August 2014) that the works could not be taken up for execution in time due to limited working season and tough geographical conditions of the areas. The reply is not acceptable as all these aspects should have been kept in view in the project proposals and incorporated in the planning stage itself.

The audit findings were referred to the Government in May 2014. Reply had not been received (December 2014).

Transport Department (Himachal Pradesh Bus Stands Management and Development Authority)

3.20 Idle investment on construction of bus stand

Improper planning and funds management of the Authority for construction of bus stand at Rohru led to idle investment of ₹ 76 lakh.

The Himachal Pradesh Bus Stands Management and Development Authority (Authority) administratively approved (January 2007) the construction of a new bus stand at Rohru (Shimla district) for ₹ 6.48 crore and entrusted (May 2007) its execution to the Himachal Pradesh Public Works Department (HPPWD). The HPPWD further awarded (May 2007) the work to a contractor for ₹ 5.93 crore with the stipulation to complete it in one year. The Authority released ₹ 50 lakh between May 2007 and January 2008 for execution of the aforesaid work.

Scrutiny of records (July 2012) of the Authority and information collected (March 2014) showed that the contractor commenced the construction work of the bus stand in May 2007. As the Authority did not have further funds for completion of the bus stand it approached (July 2007) the State Government for release of funds. However, the State Government directed (January 2008) the Authority to mobilise the funds at its own level since the construction of bus stand fell in the priority list of the Authority. In the meantime, the contractor after execution of work of the bus stand upto the attic floor level valued at ₹ 76 lakh stopped (September 2010) further work due to non-payment of bill. The Authority released (November 2011) an amount of ₹ 26 lakh to make payment to the contractor and also asked the HPPWD to close the contract agreement due to paucity of funds. The work was lying in an abandoned state since September 2010 and the investment of ₹ 76 lakh made on construction of the bus stand had also remained idle as of May 2014.

On this being pointed out (August 2012, April 2013 and June 2013) the State Government released (January 2014) ₹ 1.95 crore to the Authority with the directions to reduce the cost of the project and accordingly modify the plan. However, the work had not commenced due to failure of the Authority to get the plan revised from the HPPWD as of May 2014.

The Chief Executive Officer of the Authority stated (March 2014) that the work was abandoned due to insufficient funds and the matter for arranging funds was taken up with the State Government time and again. The reply reflected improper planning on the part of the Authority as the work was taken up without ensuring sufficient funds due to which the bus stand could not be constructed in a timely manner.

The audit findings were referred to the Government in April 2014. Reply had not been received (December 2014).

Tribal Development Department

3.21 Execution of schemes under Tribal Area Sub-Plan

552 works were sanctioned for ₹ 13.35 crore during 2011-14 by the Project Officers of the two Integrated Tribal Developmental Projects without obtaining prior technical sanctions. Contrary to the schemes guidelines, 124 inadmissible works were also sanctioned for ₹ 2.15 crore during above period. Due to non-completion of bridge works the expenditure of ₹ 10.21 crore on construction of three bridges and two link roads remained unfruitful.

Under Tribal Area Sub Plan (TASP), the State Planning Department allocates nine *per cent* of the total State outlays to the Department who in turn allocates the divisible outlays to each of the five Integrated Tribal Development Projects (ITDPs) in the State and indivisible outlays in the nature of grant-in aid, etc., to the Administrative Departments. An audit of TASP covering the period 2011-14 was conducted during June-August 2014 through test-check of records of the Commissioner, Tribal Development Department (TDD), Shimla and ITDPs Bharmaur and Spiti at Kaza. The records of execution of Border Area Development Programme (BADP), Vidhayak Kshetriya Vikas Nidhi Yojana (VKVNY), Nucleus Budget (NB), Community Development (CD)-2515 Minor works and scheme of Hostels for ST boys and ST girls in 13 executing agencies⁶⁵ in these two ITDPs were also test checked. The following are the audit findings:

3.21.1 Allocation of funds and expenditure

Funds under the TASP are provided to ITDPs in respect of schemes BADP, VKVNY and NB and to the Development Blocks in respect of Minor works by the Commissioner, TDD for sanctioning of development schemes. Against the allocation of ₹ 80.25 crore⁶⁶ during 2011-14, the five ITDPs/ Development Blocks had withdrawn ₹ 80.33 crore⁶⁷ from treasury for execution of the schemes/ works resulting in excess expenditure of ₹ 0.08 crore which had not been regularised as of July 2014. Though, the expenditure incurred was almost at par with the funds allocated during the above period, the expenditure merely reflected the amount withdrawn from the government account and not the amount actually spent on the works executed on the ground.

3.21.1.1 Availability of funds and releases thereof to the executing agencies

As per instructions (May 2004) of the State Government, funds were to be utilised in the same financial year and the unutilised amount at the end of each financial year, was to be deposited in the treasury. Likewise, parking of BADP funds in banks was also strictly prohibited. Out of total availability of ₹ 29.05 crore, the POs of the test checked ITDPs released ₹ 28.44 crore to the executing agencies during 2011-14 and funds ranging between ₹ 0.70 crore and ₹ 3.12 crore remained unutilised in savings bank accounts in contravention of instructions *ibid*. Similarly, against the total availability of ₹ 21.04 crore, the test-checked blocks and Kaza division of HPPWD spent ₹ 14.11 crore (67 *per cent*) on different developmental works during 2011-14 and remaining amount of ₹ 6.93 crore was lying unutilised in savings bank accounts

⁶⁵ Block Development Officers: Bharmaur and Spiti at Kaza; HPPWD division: Spiti at Kaza; Gram Panchayats: Bharmaur, Chobia, Dankhara, Ghared, Greema, Sanchuin, Holi, Khurik, Tabo and Tunda.

⁶⁶ 2011-12: ₹ 24.63 crore; 2012-13: ₹ 29.62 crore and 2013-14: ₹ 26.00 crore.

⁶⁷ 2011-12: ₹ 24.63 crore; 2012-13: ₹ 29.70 crore and 2013-14: ₹ 26.00 crore.

as of March 2014. Besides, the BDO, Spiti at Kaza sanctioned ₹ 1.12 crore to four NGOs⁶⁸ and released ₹ 0.76 crore for execution of six works between November 2011 and September 2012 without ensuring that they were not receiving any foreign aid.

The concerned POs stated (May-July 2014) that funds were drawn in advance of requirement to avoid lapse of budget and were not utilised due to rush of work. The reply is not in conformity with the State Government's instructions *ibid* as huge amount was kept outside Government account.

3.21.1.2 Non-release of funds as per norms and non-formation of vigilance committees

(i) Scrutiny of records showed (May 2014) that BDO, Bharmaur had released ₹ 76.68 lakh for execution of 79 works⁶⁹ directly to different committees during 2009-14 in excess of the norms contained in Rule 107 of HPPR Rules, 2002 in three instalments instead of four i.e. 1st instalment ₹ 31.84 lakh; 2nd ₹ 40.58 lakh and 3rd instalment ₹ 4.25 lakh which resulted in excess release of ₹ 12.67 lakh and ₹ 21.41 lakh in 1st and 2nd instalments respectively. Records of execution of works by these committees were not furnished for scrutiny as the same were not maintained/ kept by the BDO, Bharmaur.

(ii) Rule 108 of HPPR Rules, 2002 provides that vigilance committees shall have the power to inspect all works being executed by the GPs including records and accounts being maintained in respect of these works. Audit noticed that no vigilance committee was formed by the BDO, Bharmaur or by the concerned GPs to oversee the functioning of works awarded to different committees for execution as of June 2014.

While confirming the facts the BDO, Bharmaur stated (June 2014) that the norms of release of funds would be adhered to strictly in future.

3.21.1.3 Maintenance of Assets Registers

The scheme guidelines of VKVNY, BADP and NB provide for creation of durable assets leading to the benefit of the general public and the ownership of assets lies with the concerned Panchayat/ EA/ Department. Audit noticed that the asset registers of the assets created under the above schemes during 2011-14 were not maintained by the 13 test-checked executing agencies. The EE, HPPWD Division Spiti at Kaza stated (July 2014) that assets register was not maintained due to shortage of staff and other test-checked executing agencies confirmed the facts and stated (May-July 2014) that assets register would be prepared in future.

3.21.2 Execution of works

3.21.2.1 Non-preparation of estimates

The scheme guidelines of VKVNY, BADP and NB stipulates that estimates of the works should be got technically approved from the technical staff of the executing

⁶⁸ Span Foundation Society, Kaza: two works; Yontan Society for Common Spiti Welfare, Rangrik: one work; President, Institute of Studies to Buddhist Philosophy and Tribal Culture, Tabo: two works and Director, Spiti Children Home School, Rangrik at Munselling: one work.

⁶⁹ VKVNY: ₹ 29.97 lakh for 25 works; Nucleus Budget: ₹ 13.42 lakh for 20 works and CD-2515 Minor works: ₹ 33.29 lakh for 34 works.

agencies before sanction of works. It was noticed that 552 works⁷⁰ costing ₹ 13.35 crore were sanctioned by the test-checked POs of ITDP during 2011-14 under above schemes without obtaining prior technical sanctions from the technical staff of the executing agencies resulting in non-completion of works in time as pointed out in **paragraph 3.21.2.4**. The POs stated (May-July 2014) that technical sanctions could not be obtained due to time constraints. The reply is not acceptable as technical sanctions were necessary to ensure proper execution of work.

3.21.2.2 Irregular sanction and execution of works

Nucleus Budget Rules, 1995 prohibits sanction of funds for repair and maintenance of works. As per guidelines of VKVNY and BADP construction of office, residential and other buildings relating to the Central and State Government departments, agencies or organisations, all types of repair works and works within places of worship were not permissible. Audit noticed that contrary to the *ibid* rules the PO, ITDP Bharmaur sanctioned 13 works costing ₹ 9.55 lakh between July 2007 and August 2013 for repair and maintenance of assets such as *panchayat ghars*, *sarais*, Mahila Mandal bhawans, schools, etc. The POs of ITDPs Bharmaur and Kaza sanctioned (September 2003-February 2014) ₹ 2.05 crore⁷¹ for the construction of 111 inadmissible works like construction of Mahila Mandal Bhawans, furnishing of Community Bhawans, beautification/ construction/ repair of Government buildings, works within places of worship, etc. The action of the ITDPs to divert ₹ 2.15 crore for construction of works not permissible under the schemes was irregular.

Similarly, against the admissible provision of ₹ 5.36 lakh (15 per cent of allocation of ₹ 35.74 lakh during 2012-14), the PO, Bharmaur had sanctioned ₹ 20.15 lakh for execution of 18 works relating to construction of *pucca* paths resulting in excess release of ₹ 14.79 lakh contrary to the instructions issued (March and September 2000) by the State Government.

Further, the PO, ITDP Bharmaur had entrusted execution of 79 works costing ₹ 79.11 lakh between August 2006 and February 2014 to different committees instead of government agencies which was contrary to the provision of VKVNY guidelines.

The PO, ITDP Bharmaur stated (May 2014) that repair and maintenance works, inadmissible works and funds for villages paths were sanctioned as per recommendation of concerned MLAs/ Project Advisory Committees. The reply is not acceptable as works should have been sanctioned as per the prescribed rules.

3.21.2.3 Status of works

As per the scheme guidelines, the works sanctioned by the ADM/ POs should be completed within a period of 12 to 18 months from the date of sanction.

It was noticed that 228 works⁷² sanctioned (between September 2001 and March 2013) for ₹ 16.50 crore by POs of test-checked ITDPs had not been completed as of July 2014 and an expenditure of ₹ 14.51 crore was incurred on these works. This

⁷⁰ VKVNY: 75 works costing ₹ 0.95 crore; Nucleus Budget: 138 works costing ₹ 0.91 crore
BADP: 88 works costing ₹ 7.52 crore and CD-2515 Minor works: 251 works costing ₹ 3.97 crore.

⁷¹ BADP: 13 works costing ₹ 1.16 crore and VKVNY: 98 works costing ₹ 0.89 crore.

⁷² VKVNY: 32 works costing ₹ 0.40 crore; NB: 31 works ₹ 0.22 crore; CD-2515 Minor works: 111 works costing ₹ 1.80 crore and BADP: 54 costing ₹ 14.08 crore.

resulted in blocking of unspent amount of ₹ 1.99 crore. Similarly 93 works⁷³ sanctioned (between October 2010 and March 2014) for ₹ 2.16 crore had not been started as of July 2014 and the entire amount was lying unspent in banks for the past three to 46 months.

The BDOs and EE concerned stated (June-July 2014) that the works were lying incomplete due to limited working seasons and not started due to non-completion of codal formalities by the GPs. The replies are not acceptable as all these factors should have been taken into account before sanctioning/ execution of the works.

3.21.2.4 Unfruitful expenditure on construction of bridges and link roads

In order to provide road connectivity to seven villages in Spiti valley (Lahaul & Spiti district), the Assistant Commissioner Spiti at Kaza administratively approved construction of three bridges⁷⁴ (between September 2001 and October 2002) for ₹ 3.17 crore (revised to ₹ 9.39 crore) under BADP, NABARD and Rural Roads and released (upto March 2014) ₹ 13.42 crore⁷⁵ to the Spiti division of HPPWD for execution of the works. Scrutiny of records (July 2014) of Spiti division showed the following deficiencies:

(i) The HPPWD awarded (May 2008) the construction of Hansa-Kiamo bridge over Spiti river to a contractor for ₹ 98.48 lakh with a stipulation to complete it by May 2010. After execution of the work of Kiamo side abutment, the contractor stopped (September 2012) the work without assigning any reason. The work was lying in a suspended state for two years. In the meantime, an expenditure of ₹ 2.72 crore (Civil work: ₹ 1.34 crore and procurement of Bailey bridge: ₹ 1.38 crore) was incurred on the work upto March 2013. Due to non-completion of the bridge work, the approach road completed (August 2003) at a cost of ₹ 34.38 lakh was also not put to use. Resultantly, the expenditure of ₹ 3.06 crore (bridge ₹ 2.72 crore and road: ₹ 0.34 crore) remained unfruitful.

(ii) The construction work of 97.60 m span suspension bailey bridge (RD 0/397) over pin river on Tangti Yogma Gogma to Khar village road was awarded (March 2007) to a contractor for ₹ 1.19 crore (revised to ₹ 4.03 crore in June 2007) and completion by May 2009. The work was taken up for execution by the contractor in June 2007. As the work of excavation (valued at ₹ 0.36 crore) was in progress a flash flood occurred (10 August 2007) in river due to increase in inflow of water which washed away the entire work executed till above date. The construction site of bridge was changed (November 2007) to 90 mtrs upstream and accordingly new drawings were evolved. The work on new site was started in August 2008 but due to slow pace of work the construction work of sub-structure had not been completed as of November 2014 in spite of extension granted to contractor upto November 2010 and an expenditure of ₹ 3.40 crore on the work. Further, due to non-completion of

⁷³ VKVNY: 13 works costing ₹ 0.09 crore, NB: 26 works costing ₹ 0.17 crore, BADP: 22 works costing ₹ 1.47 crore and CD-2515 Minor Works: 32 works costing ₹ 0.43 crore.

⁷⁴ Bridge over Spiti River between Hansa and Kiamo villages for ₹ 0.46 crore (revised to ₹ 1.75 crore), Motorable bridge at Tangti Yogma Gogma to village Khar road over Pin Nala for ₹ 1.44 crore (revised to ₹ 4.04 crore) and bridge over Sambha Lama Nallah on Chicham to Kibber road for ₹ 1.27 crore (revised to ₹ 3.60 crore).

⁷⁵ Hansa and Kiamo bridge: ₹ 3.59 crore (BADP: ₹ 0.40 crore and NABARD: ₹ 3.19 crore), Tangti Bridge: ₹ 5.78 crore (BADP: ₹ 2.15 crore; TFC: ₹ 3.18 crore and 5054 head Major Bridges: ₹ 0.45 crore) and Chicham bridge: ₹ 4.05 crore (BADP: ₹ 3.60 crore and 5054 head Major Bridges: ₹ 0.45 crore).

bridge, five km link road constructed (February 2010) at a cost of ₹ 90.31 lakh from Tangti Yogma Gogma to village Khar could also not be opened for vehicular traffic despite lapse of more than four years after its completion. Resultantly, the expenditure of ₹ 4.30 crore (bridge ₹ 3.40 crore and road: ₹ 0.90 crore) remained unfruitful.

(iii) The construction work of 111.10 mtrs span Chicham bridge (suspension type) over Sambha Lama Nallah on Chicham to Kibber road was awarded (December 2002) to a contractor for ₹ 2.61 crore and stipulated to be completed by January 2006. The contractor started the work in January 2003. The anchorage block of Chicham side and abutment had been completed and anchorage block of Kibber side was in progress after an expenditure of ₹ 2.85 crore but the work was lying incomplete as of November 2014 due to slow pace of execution even after expiry of more than nine years from the stipulated period of completion.

Thus, due to lack of proper monitoring, to initiate action against the contractors and failure of the Department to ensure timely completion of the above bridges not only resulted in unfruitful expenditure of ₹ 10.21 crore on bridges and roads but also deprived the beneficiaries of the intended benefits of the scheme years together.

The EE Spiti at Kaza stated (July 2014) that delay in construction of bridges was due to short working seasons/ climatic conditions, tough topography and change of site of bridge. The reply is not acceptable as all these factors should have been taken into account before sanctioning of works.

3.21.2.5 Non-receipt of monthly/ quarterly progress reports and utilisation certificates of works

Audit noticed that neither workwise physical and financial progress reports, were obtained nor utilisation certificates (UCs) of 1116 works costing ₹ 15.44 crore⁷⁶ sanctioned between October 2003 and July 2013 were obtained by the POs of the test-checked ITDPs as of July 2014.

The POs of test-checked ITDP stated (May-July 2014) that work wise physical and financial monthly/ quarterly progress reports and UCs would be obtained from the executing agencies.

3.21.3 Centrally sponsored scheme of Hostels for ST boys and ST Girls

3.21.3.1 Delay in completion of hostel buildings

Construction of two hostel buildings at Himachal Pradesh University (HPU), Shimla and National Institute of Technology (NIT), Hamirpur with an intake capacity of 213 students (HPU: 88 and NIT: 125) was sanctioned by GOI during November 2010 and February 2012 at an estimated cost of ₹ 7.84 crore (HPU: ₹ 3.61 crore and NIT: ₹ 4.23 crore). These buildings were stipulated to be completed by October 2012 and January 2014 respectively.

Scrutiny of records showed that the works were lagging behind their schedule of completion ranging between six to 21 months and were still incomplete even after incurring an expenditure of ₹ 4.03 crore. Slow pace of construction of hostel buildings not only resulted in unfruitful expenditure of ₹ 4.03 crore but also deprived the

⁷⁶ VKVNY: 163 works costing ₹ 1.22 crore; Nucleus Budget: 249 works costing ₹ 1.73 crore, CD-2515 Minor Works: 500 works costing ₹ 6.39 crore and BADP: 204 works costing ₹ 6.10 crore.

beneficiaries of the intended benefits of the hostel buildings. Besides, 2nd instalment of ₹ 3.81 crore had also not been released by the GOI as of July 2014 due to non-submission of utilisation certificates of ₹ 4.03 crore by the State Government.

The Deputy Director, TDD stated (August 2014) that the hostel buildings were lying incomplete due to non-release of further instalments by the GOI. The reply is not acceptable as due to slow pace of work, the UCs were sent late to the GOI i.e., March 2014 and May 2014 respectively.

It may be seen that funds ranging between ₹ 0.70 crore and ₹ 3.12 crore remained unutilised in savings bank accounts during 2011-14 in contravention of State Government instructions (May 2004). The Project Officers of the test-checked Integrated Tribal Development Projects had sanctioned 552 works costing ₹ 13.35 crore without obtaining prior technical sanctions during the above period. Contrary to the schemes guidelines, the POs had sanctioned ₹ 2.15 crore for execution of 124 inadmissible works. Expenditure of ₹ 10.21 crore incurred on construction of three bridges and two link roads remained unfruitful due to non-completion of bridge works.

The audit findings were referred to the Government in September 2014. Reply had not been received (December 2014).

Urban Development Department

3.22 Blocking of funds for construction of parking places

Absence of proper planning for construction of parking places by the Department resulted in blocking of ₹ 1.18 crore for a period of five to six years besides denial of parking facilities to the public.

Rule 2.10 (b) 5 of State Financial Rules, 1971 provides that money should not be withdrawn from treasury in respect of works the completion of which is likely to take considerable time.

With a view to provide parking facilities to the public, the State Government approved (2007-09) construction/ development of three⁷⁷ parking places at an estimated cost of ₹ 1.49 crore under the scheme Rajiv Gandhi Urban Renewal Facility and released (February 2008-March 2009) ₹ 1.18 crore to Municipal Council, Rampur (₹ 59.55 lakh) and two Nagar Panchayats (Chowari: ₹ 26.00 lakh and Jawalamukhi: ₹ 32.30 lakh). The construction of parking places at Rampur, Chowari and Jawalamukhi was entrusted to Himachal Pradesh Urban Development Authority (HIMUDA), Public Works Department (PWD) and Nagar Panchayat Jawalamukhi respectively. The works were stipulated to be completed within a period of one year from the date of sanction.

Scrutiny of the records (January 2014) of the Director, Urban Development (UD), Shimla and further information collected (June 2014) showed that HIMUDA did not execute the work of parking place at Rampur and returned the entire amount to the Department without assigning any reason in September 2013. Thereafter, the Department deposited (October 2013) the funds with the PWD for execution of work. However, the PWD also did not commence the work as of June 2014 due to non-finalisation of estimates. The works at Chowari and Jawalamukhi were not commenced as of June 2014 due to non-availability of suitable sites. The entire amount remained unutilised with the executing agencies for five to six years.

⁷⁷

Chowari, Jawalamukhi and Rampur.

The Director (UD) stated (June 2014) that finalisation of estimates by the PWD for the construction of car parking at Rampur was now under process. He further stated that new sites have now been identified for construction of parking place at Chowari and Jawalamukhi. The reply is not acceptable as the Department had withdrawn money from treasury without proper planning.

Thus, absence of proper planning for execution of parking places by the Department resulted in blocking of ₹ 1.18 crore and deprived the people of the areas of intended parking facilities. Besides, keeping ₹ 91.85 lakh outside government account (HIMUDA: ₹ 59.55 lakh and NP: ₹ 32.30 lakh) resulted in interest loss⁷⁸ of ₹ 41.43 lakh⁷⁹ to the State exchequer.

The audit findings were referred to the Government in April 2014. Reply had not been received (December 2014).

Women and Child Development and Health and Family Welfare Departments

3.23 Implementation of Schemes for Welfare and Protection of Girl Child

Under Kishori Shakti Yojana and Rajiv Gandhi Scheme for Empowerment of Adolescent Girls 40 to 49 per cent identified girls (11-18 years of age) remained uncovered during 2011-14. Out of 98,776 beneficiaries identified in the Beti Hai Anmol Yojna, 77,213 were covered and thus 21,563 deprived of the intended benefits during above period. The Balika Ashrams constructed under the scheme Mukhya Mantri Bal Udhhar Yojana were understaffed and lacked basic infrastructure facilities.

For welfare and protection of girl child, five schemes including Kishori Shakti Yojana (KSY), Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA), Beti Hai Anmol Yojana (BHAY), Mukhya Mantri Bal Udhhar Yojna (MMBUY) and Indira Gandhi Balika Suraksha Yojna (IGBSY) are being implemented in the State. With the objective of ascertaining effectiveness of the delivery of services under these schemes the audit covering the period 2011-12 to 2013-14 was conducted during April 2014 to June 2014 by a test-check of records in the Directorates of Women and Child Development (WCD), Health and Family Welfare, three⁸⁰ each out of 12 District Programme Officers and 12 Chief Medical Officers, six⁸¹ out of 78 Child Development Programme Officers and two⁸² out of seven Balika Ashrams in the State.

3.23.1 Financial assistance and expenditure

Audit noticed that against availability of ₹ 54.39 crore⁸³ during 2011-14 under different schemes relating to welfare of girl child, an expenditure of ₹ 53.84 crore⁸⁴ was incurred and ₹ 0.55 crore remained unutilised as of March 2014.

⁷⁸ Calculated at average rate interest on State Government borrowings.

⁷⁹ ₹ 25.85 lakh (with MC Rampur from February 2009 to September 2013) and ₹ 15.58 lakh (with NP Jawalamukhi from April 2009 to March 2014).

⁸⁰ Bilaspur, Shimla and Solan.

⁸¹ Arki, Basantpur, Bilaspur, Ghumarwin, Kandaghat and Theog.

⁸² Durgapur and Mashobra.

⁸³ KSY: ₹ 1.46 crore; SABLA: ₹ 36.73 crore; BHAY ₹ 10.68 crore; MMBUY: ₹ 2.16 crore and IGBSY: ₹ 3.36 crore.

⁸⁴ KSY: ₹ 0.90 crore; SABLA: ₹ 37.33 crore; BHAY ₹ 10.71 crore; MMBUY: ₹ 2.19 crore and IGBSY: ₹ 2.71 crore.

3.23.2 Kishori Shakti Yojana (KSY) and Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA)

KSY and SABLA were aimed at empowering the nutritional and health status of all adolescent girls (11-18 years) and promoting self development, awareness of health, hygiene, nutrition, family welfare and management and decision making capability of women. The intervention was to be limited to the approved amount of ₹ 1.10 lakh per block for KSY and ₹ 3.80 lakh for SABLA and expenditure was required to be met from grant released by GOI to the State Government. During 2011-14, KSY was being implemented in 46 blocks/ projects of eight districts⁸⁵ and SABLA was launched (September 2010) on pilot basis replacing KSY in other four districts⁸⁶ of the State covering 32 blocks/ projects.

3.23.2.1 Coverage of beneficiaries

The position of beneficiaries identified and coverage thereagainst during 2011-14 was as given in **Table-3.23.1**.

Table-3.23.1
Position of identified beneficiaries and coverage thereagainst during 2011-14
(In numbers)

Year	Population of Adolescent girls as per census 2011	KSY		SABLA		Total		
		Identified	Covered	Identified	Covered	Identified	Covered	Shortfall
2011-12	416804	221631	90810	156772	101643	378403	192453	185950 (49)
2012-13	420889	217064	130056	164027	97551	381091	227607	153484 (40)
2013-14	416663	214543	60541	163305	152215	377848	212756	165092 (44)

Source: Figures supplied by the Women and Child Development Department.

It would be seen from **Table-3.23.1** that the girls identified under the schemes were not commensurate with the population of girls (11-18 years) as per census 2011 and even the identified girls were not covered to the extent of 40 to 49 *per cent* under these programmes. This indicated that the Department failed to review the nutritional and health status of all the adolescent girls in the age group of 11-18 years during 2011-14.

The Department attributed (August 2014) less coverage of beneficiaries to the tough geographical conditions of State and reluctance of parents to send their children for camps/ training, etc., under above programmes. The fact, however, remains that the schemes were not implemented effectively as a large number of girls remained uncovered during 2011-14.

3.23.2.2 Training to Sakhi-Sahelis under SABLA

Under this scheme, a group to be known as *Kishori Samooh* was to be formed comprising of 15-25 Adolescent Girls at each anganwadi centre. One girl as sakhi and two girls as sahelis from within the group were to be selected to form peer monitor for group. One day training course was to be conducted at block level to these selected Sakhi-Sahelis. The training to 25 batches each comprising of 30 Sakhi-Sahelis per project was required to be imparted in a phased manner.

It was, however, noticed that against the targeted training to 72,000 Sakhi-Sahelis in 2400 groups during 2011-14, training to 70,695 Sakhi-Sahelis in 2076 groups was imparted and 1305 Sakhi-Sahelis remained deprived of the required training course.

⁸⁵ Bilaspur, Hamirpur, Kinnaur, Lahaul and Spiti, Mandi, Shimla, Sirmaur and Una.

⁸⁶ Chamba, Kangra, Kullu and Solan.

The Director WCD stated (June 2014) that training to all the Sakhi-Sahelis could not be imparted due to shortage of manpower.

3.23.2.3 Procurement of training kits

As per Annual Action Plan approved for implementation of SABLA during 2013-14, training kits for day to day activities of Sakhi-Sahelis were to be provided to 8042 anganwadi centres (AWCs). For this purpose, ₹ 28.63 lakh was provided during 2013-14.

It was, however, noticed that during 2013-14, no training kit was purchased by the Department for supply to AWCs. This deprived the beneficiaries of the intended facilities during 2013-14.

While confirming the facts, the Director WCD stated (July 2014) that tenders for procurement for the year 2013-14 were floated during February 2014 and supply was made in May 2014.

3.23.2.4 Inadequate meetings of State Level Coordination Committee under SABLA

As per guidelines of SABLA, Coordination Committees at the block/ project, district and State levels were required to be constituted for proper assessment, evaluation and monitoring of the programme. The meetings of Coordination Committees were required to be held monthly at block/ project level and quarterly at district and State levels.

It was noticed that no meeting of State Level Coordination Committee was held during 2011-14. Audit scrutiny further showed that only 12 meetings (25 *per cent*) of district level committees were held against the requisite 48 meetings during 2011-14. Similarly, only 51 meetings (five *per cent*) against 1152 meetings were held at block / project level. This indicated inadequate high level monitoring, evaluation and follow up in implementation of the programme.

While admitting the facts, the Director WCD stated (July 2014) that the requisite meetings could not be convened during 2013-14 due to preparation for Lok Sabha elections. The concerned CDPOs stated (June 2014) that meetings were not held during 2011-14 due to shortage of staff.

3.23.3 Beti Hai Anmol Yojna

The Beti Hai Anmol Yojna was launched (July 2010) with a view to discourage early marriage and to improve enrolment and retention of girl children in the school. Under this scheme, post-birth grant at a rate of ₹ 5100 (with effect from July 2010 to May 2012) and ₹ 10,000 (June 2012 onwards) and annual scholarship ranging between ₹ 300 and ₹ 1500 was to be provided to the school going girls from class one to 10+2 level, belonging to the Below Poverty Line (BPL). The benefit of the scheme was admissible to the BPL parents having two female children in the family.

3.23.3.1 Coverage of beneficiaries

Audit noticed that against 18,222 beneficiaries identified during 2011-14 under post birth grant, 13,332 beneficiaries were covered and 4,890 beneficiaries (27 *per cent*) remained deprived of the intended benefits. Similarly, against 80,554 beneficiaries identified during 2011-14 under scholarships, 63,881 beneficiaries were covered resulting in shortfall of 16,673 beneficiaries (21 *per cent*). Thus, there was a shortfall in coverage of beneficiaries by the Department during 2011-14.

The Director stated (July 2014) that all the identified beneficiaries could not be assisted due to shortage of funds. The contention is not convincing as the Department should have made provision of funds as per the requirements.

3.23.4 Mukhya Mantri Bal Udhhar Yojana

The State Government launched (September 2006) an integrated scheme named 'Mukhya Mantri Bal Udhhar Yojna' (MMBUY) for the children in need of care, protection and rehabilitation between age group of 6-18 years. Under this scheme seven⁸⁷ Balika Ashrams were established in the State. The inmates of Ashrams were to be provided free boarding, lodging and educational facilities upto 10+2 level.

3.23.4.1 Lack of infrastructural facilities in Balika Ashrams

As per guidelines, facilities like library, recreational and sports facilities were to be provided by the Ashrams being run under the scheme.

Audit noticed that four⁸⁸ out of seven Balika Ashrams had no library facility whereas two (Garli and Sunni) had no playgrounds.

While confirming the facts the Director, WCD stated (June 2014) that the aforesaid facilities in balika ashram at Garli could not be provided due to insufficient space as balika ashram was running in a private building whereas other balika ashrams were being run by NGOs. The reply is not convincing as the Department should have ensured the availability of adequate infrastructural facilities in Balika Ashrams.

3.23.4.2 Inadequate manpower

As per guidelines of MMBUY, adequate staff was required to be provided by the WCD Department in the balika ashrams.

It was, however, noticed that balika ashrams were not adequately staffed, as against the sanctioned strength of 63 personnel⁸⁹ in seven balika ashrams, 19 posts⁹⁰ (30 per cent) of various categories were lying vacant as of June 2014. It was further noticed that no post of security personnel was sanctioned for any of the seven balika ashrams. As a result, nine⁹¹ girls absconded from the balika ashrams during 2012-14 (2012-13: six and 2013-14: three), of that whereabouts of five girls were not known as of June 2014. This indicated that the affairs of ashrams were not effectively managed.

While admitting the facts, the Director, WCD stated that the matter for permission of outsourcing of security personnel was taken up (September 2013) with the Government, but was not responded by the Government as of June 2014.

3.23.5 Indira Gandhi Balika Suraksha Yojna (IGBSY)

In order to counter the declining sex ratio, the State Government launched (October 2006) Indira Gandhi Balika Suraksha Yojna (IGBSY) under which financial assistance of ₹ 25,000 and ₹ 20,000 was to be provided to the parents having one female child and two female children respectively. The benefit was to be extended to the couples, adopting terminal family planning methods.

⁸⁷ Chamba, Durgapur, Garli, Mashobra, Kalpa, Sunni and Tissa.

⁸⁸ Garli, Kalpa, Sunni and Tissa.

⁸⁹ Superintendent: seven; Warden: seven; Clerk /Assistant: seven; Cook: seven; Attendant: seven; Aya: seven; Sweeper: seven; Craft Teacher: seven and Helper: seven.

⁹⁰ Superintendent: two; Warden: one; Clerk /Assistant: four; Cook: two; Attendant: three; Aya: three; Sweeper: one; Craft Teacher: one and Helper: two.

⁹¹ Durgapur: two; Mashobra: five and Sunni: two.

The Department received ₹ 3.36 crore under IGBSY during 2011-14, against this an expenditure of ₹ 2.72 crore was incurred and the unspent amount of ₹ 0.64 crore was surrendered to the government.

3.23.5.1 Coverage of beneficiaries

It was noticed that records regarding actual coverage of beneficiaries and utilisation certificates had not been maintained at the Directorate level. In the absence of any record, authenticity of the expenditure in respect of State as a whole could not be verified in audit. It was, however, observed that in the three⁹² test-checked CMOs all the beneficiaries identified during 2011-14 were paid the entitled incentives.

Thus, under Kishori Shakti Yojana and Rajiv Gandhi Scheme for Empowerment of Adolescent Girls, the identified girls (11-18 years of age) ranging between 40 and 49 *per cent* remained uncovered during 2011-14. Out of 98,776 beneficiaries identified in the Beti Hai Anmol Yojna, 77,213 were covered and thus 21,563 deprived of the intended benefits during above period. The Balika Ashrams constructed under the scheme Mukhya Mantri Bal Udhhar Yojana were understaffed and lacked basic infrastructure facilities.

The audit findings were referred to the Government in August 2014. Reply had not been received (December 2014).



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⁹²

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