सत्यमेव जयते

Report of the Comptroller and Auditor General of India on Economic Sector for the year ended 31 March 2013

The Report has been laid on the table of the State Legislature Assembly on 18-07-2014

भारतीय लेखा एवं लेखा परीक्षा विभाग INDIAN AUDIT AND ACCOUNTS DEPARTMENT

Government of Rajasthan

Report No. 3 of the year 2014

Report of the
Comptroller and Auditor General of India

on

Economic Sector

for the year ended 31 March 2013

Government of Rajasthan

Report No. 3 of the year 2014

Table of Contents

	Reference to	
	Paragraph	Page
Preface	-	(v)
Chapter I Introduction		
About this Report	1.1	1
Profile of Audited Entity	1.2	1
Authority for Audit	1.3	2
Organisational Structure of the Office of the Accountant General (Economic and Revenue Sector Audit), Rajasthan	1.4	3
Planning and conduct of audit	1.5	3
Significant audit observations	1.6	3
Response of the Departments to Performance Audits/Audit Paragraphs	1.7	9
Follow-up on Audit Reports	1.8	10
Chapter II Performance Audit		
Agriculture Department Implementation of Rashtriya Krishi Vikas Yojana in the State	2.1	11
Department of Information Technology & Communication Performance Audit on the creation of infrastructure for National e-Governance Plan and delivery of services to common citizens through Common Service Centres	2.2	33
Department of Industries Performance Audit of Commissionerate of Industries	2.3	54
Chapter III Compliance Audit		
Non-compliance with rules and regulations	**3.1**	
Agriculture Department Non-implementation of Agriculture Resource Information System Network in Rajasthan	3.1.1	79

	Reference to	
	Paragraph	**Page**
Public Works Department		
Unauthorised utilisation of funds received from National Bank for Agriculture and Rural Development under Rural Infrastructure Development Fund	3.1.2	85
Unauthorised payment from Pradhan Mantri Gram Sadak Yojana funds	3.1.3	86
Unauthorised expenditure on construction of road works	3.1.4	87
Irregular utilisation of Pradhan Mantri Gram Sadak Yojana funds	3.1.5	88
Audit against propriety and cases of expenditure without adequate justification	**3.2**	
Public Works Department		
Injudicious expenditure on improvement of road	3.2.1	89
Cooperative Department		
Avoidable loss	3.2.2	90
Animal Husbandry, Dairy and Fisheries Department		
Underutilisation of Germ Plasma Station	3.2.3	92
Blockage and idling of funds on new bypass protein plant	3.2.4	94
Agriculture Department		
Unfruitful expenditure	3.2.5	95
Persistent and pervasive irregularities	**3.3**	
Public Works Department		
Award of work without acquisition of forest land	3.3.1	96
Failure in implementation, monitoring and governance	**3.4**	
Agriculture Department		
Infructuous investment on experiential learning	3.4.1	97
Unfruitful expenditure	3.4.2	99
Public Works Department		
Avoidable payment of interest and pro rata charges	3.4.3	101
General		
Lack of response to audit observations	3.4.4	102

Appendices		
		Page
Appendix 2.1	Statement of projects abandoned/not started/dropped	105
Appendix 2.2	Avoidable expenditure on construction of plastic lined diggis	107
Appendix 2.3	Statement of non-utilisation of the Bulk Milk Coolers in Sikar	108
Appendix 2.4	Details of excess payment of subsidy due to higher rate of earth work (Farm pond)	109
Appendix 2.5	Statement showing loss of interest	110
Appendix 2.6	Calculation of penalty not levied on Implementing Agency	111
Appendix 2.7	District wise details of Liquidated Damage imposable and recoverable from M/s CMS computers Limited for non-operational Common Service Centres	113
Appendix 2.8	Statement showing the details of Liquidated Damages to be imposed and recovered from M/s Zoom Developers Pvt. Ltd. for non-creation of Common Service Centres	114
Appendix 2.9	Statement showing the details of supplementary grant released but remained unutilised during 2008-09 to 2012-13	120
Appendix 2.10	Statement showing the details of cases regarding surrender	121
Appendix 2.11	Details of non verification of remittances from Treasury Officer during 2009-10 to 2012-13	122
Appendix 2.12	Details of longer stay of staff at one station	123
Appendix 2.13	Statement showing the details of clusters (up to March 2013)	124
Appendix 2.14	Statement showing taximeters verified by weights & measures section	126

Appendices

		Page
Appendix 3.1	Statement showing utilisation of computer hardware at other than allocated place	127
Appendix 3.2	Details of roads constructed with excess width under Pradhan Mantri Gram Sadak Yojana	129
Appendix 3.3	Statement showing details of avoidable expenditure on excess quantity executed	131

Preface

1. This Report is prepared for submission to the Governor of the State of Rajasthan under Article 151 of the Constitution of India.

2. The audit of expenditure by the Departments of the State Government is conducted under Section 13 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

3. This Report presents the results of audit of expenditure of the Government of Rajasthan.

4. The cases mentioned in this Report are those, which came to notice in the course of test audit during the year 2012-13 as well as those, which came to notice in earlier years, but could not be dealt with in the previous Reports; matters relating to the period subsequent to 2012-13 have also been included, wherever necessary.

5. The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

Chapter I
Introduction

Chapter I
Introduction

1.1 About this Report

This Report of the Comptroller and Auditor General of India (CAG) relates to matters arising from performance audit of selected programmes and activities and compliance audit of Economic Sector departments and autonomous bodies.

Compliance audit refers to examination of the transactions relating to expenditure of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by the competent authorities are being complied with. On the other hand, performance audit, besides conducting a compliance audit, also examines whether the objectives of the programme/activity/ department are achieved economically and efficiently.

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

This chapter, in addition to explaining the planning and extent of audit, provides a synopsis of the significant deficiencies in implementation of selected schemes, significant audit observations made during the audit of transactions and follow-up on previous Audit Reports. Chapter II of this Report contains findings arising out of performance audit of programmes/activities of the department of Agriculture, Information Technology & Communication and Industries. Chapter III contains observations arising out of compliance audit of the Government departments.

1.2 Profile of Audited Entity

Seventeen economic sector departments, headed by Additional Chief Secretary/Principal Secretary/Secretaries, who are assisted by Commissioner/ Deputy Secretaries and subordinate officers and also their autonomous bodies are audited by the Accountant General (Economic and Revenue Sector Audit), Rajasthan, Jaipur.

The comparative position of expenditure incurred by the Government of Rajasthan during 2010-11 to 2012-13 is given in Table 1.

Table 1: Comparative position of expenditure

(₹ in crore)

Particulars	2010-11	2011-12	2012-13
Revenue expenditure			
General Services	16,737	18,709	20,496
Social Services	17,895	21,928	25,293
Economic Services	10,220	12,744	17,408
Grants-in-aid and Contribution	21	273	265
Total	**44,873**	**53,654**	**63,462**
Capital and other expenditure			
Capital Outlay	5,251	7,119	10,684
Loans & Advances disbursed	262	1,109	2,412
Payment of Public Debt	3,317	3,490	4,707
Contingency Fund	-	-	-
Public Accounts disbursement	1,16,298	1,22,320	1,50,175
Total	**1,25,128**	**1,34,038**	**1,67,978**
Grand Total	**1,70,001**	**1,87,692**	**2,31,440**

Source: Audit Reports on State Finances of the respective years

1.3 Authority for Audit

The authority for audit by the CAG is derived from Articles 149 and 151 of the Constitution of India and the CAG's Duties, Powers and Conditions of Service (DPC) Act, 1971. The Accountant General (Economic and Revenue Sector Audit), Rajasthan, Jaipur conducts audit of expenditure of Economic Sector Departments, Autonomous Bodies, Authorities and State Corporations of the Government of Rajasthan under Sections 13[1], 14[2], 15[3], 17[4], 19[5] and 20[6] of the CAG's DPC Act. The principles and methodology for the performance and compliance audit are prescribed in the manual issued by the CAG.

1. Audit of (i) all expenditure from the Consolidated Fund of the State, (ii) all transactions of the State relating to Contingency Fund and Public Accounts and (iii) all trading, manufacturing, profit and loss accounts, balance sheets and other subsidiary accounts.
2. Audit of (i) all receipts and expenditure of a body or authority substantially financed by grants or loans from the Consolidated Fund of the State and (ii) all receipts and expenditure of any body or authority where the grant or loan to such body or authority from the Consolidated Fund of the State in a financial year is not less than ₹ 1 crore.
3. Audit of grant or loan given for any specific purpose from the Consolidated Fund of India or State to any authority or body, to scrutinise the procedures by which the sanctioning authority satisfies itself as to the fulfilment of the conditions subject to which such grants or loans were given.
4. Audit of accounts of stores and stock.
5. Audit of accounts of a corporation established by law made by the State Legislature on the request of the Governor.
6. Audit of accounts of any body or authority on the request of the Governor, on such terms and conditions as may be agreed upon between the CAG and the State Government.

1.4 Organisational Structure of the Office of the Accountant General (Economic and Revenue Sector Audit), Rajasthan



Under the directions of the CAG, the office of the Accountant General (Economic and Revenue Sector Audit), Rajasthan, Jaipur conducts audit of Revenue and Economic Sector Departments including Public Sector Undertakings and Autonomous Bodies through three groups.

1.5 Planning and conduct of audit

The Audit process starts with the assessment of risk exposure of various Government departments/organisations/autonomous bodies and schemes/ projects, *etc.* Risk assessments are based on expenditure, criticality/ complexity of activities, level of delegated financial powers, assessment of overall internal controls and the concerns of stakeholders. Previous audit findings are also considered in this exercise.

After completion of audit of each unit, Inspection Reports, containing audit findings, are issued to the head of the unit. The units are requested to furnish replies to the audit findings within one month of receipt of the Inspection Report. Whenever replies are received, audit findings are either settled or further compliance is advised. The important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports.

1.6 Significant audit observations

During the last few years, Audit has reported several significant deficiencies in implementation of various programmes/activities as well as the quality of internal controls in selected departments through Performance Audits (PAs) which had impacted the successful implementation of programmes and functioning of the departments. Similarly, the deficiencies noticed during compliance audit of the Government departments/organisations were also reported.

1.6.1 Performance Audit of programmes/activities/departments

Chapter II of this Report contains the performance audits of Rashtriya Krishi Vikas Yojana, National e-Governance Plan and Commissionerate of Industries. The salient features of the performance audits are discussed below:

1.6.1.1 Performance Audit of Implementation of Rashtriya Krishi Vikas Yojana in the State

The Rashtriya Krishi Vikas Yojana was launched in 2007-08 by the Government of India, Ministry of Agriculture, Department of Agriculture and Cooperation with the objective of achieving four *per cent* growth rate in the agriculture sector during Eleventh Five Year Plan period (2007-12) by increasing public investment in agriculture and allied sectors.

Scrutiny of the records of Agriculture Department disclosed that the scheme was implemented without preparation of a shelf of projects and Detailed Project Reports. A number of projects were abandoned, dropped or not started which indicated non-preparedness and poor planning.

Due to non-authorisation of funds to Implementing Agencies with specific allocation and non-maintenance of project wise accounts, availability/ requirement of funds under some projects could not be assessed.

Concerted steps were not taken for providing sufficient staff, responsible for implementing the scheme at grassroot level indicating poor human resource management. Inadequate awareness programmes before launching of the scheme resulted in farmers' poor response and demand, leading to non utilisation of godowns, short distribution of planting material and surrender of provision for distribution of storage bins.

Non Government Organisation was engaged, without ensuring its financial status and capability of undertaking the work which resulted in abandonment of the project. Poor contract management in execution of the civil works through agencies other than the designated agency and non-release of funds to the contractor adversely impacted the programme.

Targeted growth rate of four *per cent* during the Eleventh Five Year Plan was not achieved and the State Government could not reduce the dependence on monsoon despite implementation of new and innovative projects.

(Paragraph 2.1)

1.6.1.2 Performance Audit of the creation of infrastructure for National e-Governance Plan and delivery of services to common citizens through Common Service Centres

The Government of Rajasthan stepped into the realm of e-Governance in the year 2005. Except State Data Centre, none of the components/projects were completed as of March 2013. Due to improper financial planning, the State Government could utilise only 26 *per cent* of the funds available for National e-Governance Plan during the period 2005-2012. Funds received under Additional Central Assistance were kept in Personal Deposit account resulting in loss of interest.

Due to lackadaisical approach in planning and execution, State Government wasted eight years in implementation of the e-Governance Plan. Frequent changes in finalisation of Request for Proposal and indecisiveness on integration of Computerisation Automation Refinement of Integrated System of Management and Accounts with State Wide Area Network resulted in lapse of validity period, retendering and cost overrun.

Under State Service Delivery Gateway project, new services not included in Detailed Project Report were considered in Request for Proposal in violation of Government of India approval. Delay in implementation of State Service Delivery Gateway occurred due to delay of 15 months in finalisation of implementing agency.

Targeted numbers of Common Service Centres did not roll out within the stipulated period to provide government services to citizens in rural areas. Bharat Sanchar Nigam Limited Broad Band Connectivity was not ensured in Common Service Centres because of which the objective of providing connectivity remained unfulfilled.

Non-creation of long term capacity at State e-Mission Team and non-recruitment of Project e-Mission Teams personnel affected the strengthening of capacity building.

Thus, the Department failed to implement the National e-Governance Plan and the objectives of the scheme were not achieved within the stipulated period of five years. There was complete failure in respect of State Wide Area Network, State Service Delivery Gateway and Common Service Centres as only 12, 6 and 16 *per cent* financial targets respectively were achieved even after eight years of implementation.

(Paragraph 2.2)

1.6.1.3 Performance Audit of Commissionerate of Industries

Audit of Commissionerate of Industries disclosed weaknesses in the financial management and implementation of selected schemes. The revised estimates prepared were inaccurate and action plans though prepared were not implemented as envisaged in State Industrial Policy. The departmental manual was not updated since 1983. Internal audit of District Industry Centres was not conducted annually as prescribed. The working of Chief Vigilance Officer in the Department was ineffective.

The Department did not ensure an effective mechanism for cluster development as mid-term and final evaluation of programme was not conducted. Payment to implementing agencies was made without approval of final evaluation and impact assessment by State Level Empowered Committee. Besides, non-submission of inspection reports, Monthly Progress Reports and negligence in quarterly inspections by Commissionerate indicated poor monitoring. Monitoring and evaluation of the Mahatma Gandhi Bunkar Bima Yojana was weak as instances of forwarding of applications of ineligible weavers were noticed.

Cases of non-issuance of health cards by ICICI Lombard General Insurance Company Limited and delayed settlement of medical claims of weavers were noticed. The list of hospitals/nursing homes was not updated by ICICI Lombard General Insurance Company Limited. No haats were developed at village level which deprived the rural artisans to avail benefit of better marketing facilities. Expenditure was incurred without approval of project by Government of India. Approved calendar for organising fair and exhibition was not adhered to.

Vacant saline land was not allotted for cultivation despite lapse of 15 years of formulation of State Industrial Policy. Final lease rent was not fixed and cases of unauthorised possession of land and non-recovery of lease rent were also noticed. Infrastructure facilities under Namak Mazdoor Awaas Yojana were not provided, as a result of which, houses remained unoccupied and the intended objective of the scheme was not fulfilled.

Provisions of Integrated Handloom Development Scheme guidelines were not adhered to. Funds provided through State Plan were not recovered despite non-approval of projects by Government of India. Excess/irregular reimbursement was allowed for International Standardisation Organisation certification fee, consultancy fee, training fee and calibration charges. Systematised mechanism was not evolved for stamping of each weight and measure every year. The registration of Weights & Measures users was not provided in revised rules in the absence of which there was no mechanism to have data of all Weights & Measures users.

(Paragraph 2.3)

1.6.2 Significant audit observations arising out of Compliance Audit

Audit observed significant deficiencies in critical areas, which had impacted the effectiveness of the State Government. Some important findings of compliance audit have been reported in Chapter III. The major observations relate to the following categories:

1.6.2.1 Non-compliance with rules and regulations

For sound financial administration and control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This helps in maintaining financial discipline, prevent irregularities, misappropriation and frauds. Audit scrutiny revealed instances of non-compliance with rules and regulations involving ₹ 15.41 crore as mentioned below:

Scrutiny of the records of Agriculture Department relating to a scheme called 'Agriculture Resource Information System Network' disclosed that there was lackadaisical approach of the Department towards implementation of the project and development of application software, delay in submission and approval of proposals, indecisiveness of the department delayed preparation of Detailed Project Report and implementation of project, non-utilisation of grants, premature purchase of computers, avoidable expenditure on Soil Health Card Application, non-establishment of "Kisan Suchana Sampreshan Kendra", insufficient capacity building and lack of monitoring and evaluation.

(Paragraph 3.1.1)

Unauthorised utilisation of rural road funds of ₹ 2.75 crore for construction of roads in municipal corporation area of Kota violated the guidelines of Rural Road Infrastructure Development Fund.

(Paragraph 3.1.2)

Unauthorised payment of ₹ 1.64 crore from Pradhan Mantri Gram Sadak Yojana funds to Railway for construction of 'C' class manned level crossing[7] on railway track.

(Paragraph 3.1.3)

Non-adherence to the provisions of the guidelines of Pradhan Mantri Gram Sadak Yojana and Rural Road Manual in proposing, approving and executing the road works with excess width of 0.75 metre resulted in unauthorised expenditure of ₹ 1.28 crore.

(Paragraph 3.1.4)

Irregular utilisation of savings of ₹ 9.74 crore of Pradhan Mantri Gram Sadak Yojana on additional works of the same packages without obtaining prior approval from National Rural Road Development Agency.

(Paragraph 3.1.5)

7. Manually controlled full width lifting barrier/mechanical full width swinging barrier.

1.6.2.2 Audit against propriety and cases of expenditure without adequate justification

Authorisation of expenditure from public funds has to be guided by the principles of propriety and efficiency of public expenditure. Authorities empowered to incur expenditure are expected to enforce the same vigilance as a person of ordinary prudence would exercise in respect of his own money. Audit scrutiny revealed instances of impropriety and extra expenditure involving ₹ 18.89 crore as detailed below:

Injudicious expenditure of ₹ 1.81 crore on improvement of riding quality of pavement between km 4/0 and 22/0 of National Highway 11-A extension (Dausa-Lalsot-Kothun Road).

(Paragraph 3.2.1)

Lack of proper planning, coordination among different agencies and storage facilities forced the Department to dispose of garlic at throw away prices under Market Intervention Scheme resulted in loss of ₹ 6.99 crore.

(Paragraph 3.2.2)

Establishment of Germ Plasma Station without procuring required numbers of bulls and without ascertaining the clients for supply of frozen semen doses resulted in under utilisation of the plant costing ₹ 7.28 crore.

(Paragraph 3.2.3)

Blockage and idling of funds on new bypass protein plant established at a cost of ₹ 1.31 crore.

(Paragraph 3.2.4)

Unfruitful expenditure of ₹ 1.50 crore on establishment of tissue culture laboratory defeated the objective of developing disease free plants for distribution to Agriculture and Horticulture Departments.

(Paragraph 3.2.5)

1.6.2.3 Persistent and pervasive irregularities

An irregularity is considered persistent if it occurs year after year. It is deemed pervasive if it is prevalent in the entire system. Recurrence of irregularities, despite being pointed out in earlier audits, is indicative of slackness on the part of the executive and lack of effective monitoring. This in turn encourages wilful deviations from observance of rules/regulations and results in weakening of administrative structure. Audit observed an instance of persistent and pervasive irregularity as detailed below:

Proposing and awarding of road through forest land led to road work remaining incomplete and not providing the connectivity to temple even after incurring an expenditure of ₹ 84.26 lakh.

(Paragraph 3.3.1)

1.6.2.4 Failure of oversight/governance

Government has an obligation to improve the quality of life of the people in the area of health, education, development and upgradation of infrastructure, public services *etc.* Audit noticed instances where the funds released by the Government for creating public assets remained unutilised/blocked or proved unfruitful/unproductive due to indecisiveness, lack of administrative oversight or concerted action at various levels. Test-check cases of failure of oversight/governance noticed in audit involved ₹ 4.03 crore as discussed below:

Expenditure of ₹ 2.50 crore incurred on creation of asset under experiential learning for Vermiculture, Micro propagation, Bio-agent projects and processing and value addition of agriculture products was infructuous.

(Paragraph 3.4.1)

Failure of the Department in multiplication of bio-agents in bio-control lab established under National Horticulture Mission resulted in unfruitful expenditure of ₹ 80 lakh.

(Paragraph 3.4.2)

Avoidable payment of interest and pro rata charge of ₹ 73 lakh on acquisition of land for construction of Alwar-Rajgarh-Mahuva-Hindaun-Karauli-Mandrail road (Hindaun Bypass).

(Paragraph 3.4.3)

1.7 Response of the Departments to PAs/Audit Paragraphs

The Finance Department had issued directions to all departments (August 1969) to send their response to the draft audit paragraphs, proposed for inclusion in the Report of the Comptroller and Auditor General of India, within three weeks.

Accordingly, draft paragraphs were forwarded to the Principal Secretaries/ Secretaries of the departments concerned, drawing their attention to the audit findings and requesting them to send their response within three weeks. It was brought to their personal attention that in view of likely inclusion of such paragraphs in the Audit Reports of the Comptroller and Auditor General of India, which are placed before State Legislature, it would be desirable to include their comments. They were also advised to have meetings with the Accountant General to discuss the PAs/draft audit paragraphs, proposed for Audit Reports.

All the replies furnished by the State Government to draft paragraphs and draft performance audits forwarded to the Principal Secretaries/Secretaries have been appropriately incorporated in the Report.

1.8 Follow-up on Audit Reports

The Finance Department of the State Government decided (December 1996) that Action Taken Notes on all paragraphs/reviews that have appeared in Audit Reports be submitted to the Public Accounts Committee, duly vetted by Audit, within three months from the date of laying of the Reports in the State Legislature. A review of the outstanding Action Taken Notes on paragraphs/ performance audits included in the Reports of the Comptroller and Auditor General of India pertaining to various Economic Sector Departments as of February 2014 revealed that one Action Taken Note[8] was pending from the concerned Department.

8. Paragraph 2.1 of the Audit Report (General & Social Sector) 2011-12.

Chapter II
Performance Audit

Chapter II
Performance Audit

This chapter presents the performance audits of Rashtriya Krishi Vikas Yojana, National e-Governance Plan and Commissionerate of Industries.

Agriculture Department

2.1 Implementation of Rashtriya Krishi Vikas Yojana in the State

Executive Summary

The Rashtriya Krishi Vikas Yojana (RKVY) was launched in 2007-08 by the Government of India, Ministry of Agriculture, Department of Agriculture and Cooperation as Additional Central Assistance with objective of achieving four *per cent* growth rate in the agriculture sector during Eleventh Five Year Plan period (2007-12) by increasing public investment in agriculture and allied sectors.

State Level Sanctioning Committee (SLSC) approved projects without preparation of Detailed Project Reports (DPR) encompassing feasibility of the projects and anticipated benefits to beneficiaries.

The expenditure was understated by ₹ 112.52 crore in the accounts of State while ₹ 116.88 crore received directly by the Implementing Agency (IA) for implementation of the RKVY, were kept out of State treasury.

Project-wise accounts were not maintained which led to non-determination of the project-wise allotment of funds and expenditure thereagainst. RKVY funds were irregularly diverted for investment in equity (₹ 2 crore), acquisition of land (₹ 0.68 crore) and purchase of tractors (₹ 0.37 crore). Interest income of ₹ 5.33 crore remained unutilised in the absence of any investment policy.

Project activities like crop demonstration, farmers' training and hi-tech agriculture, amounting to ₹ 6.34 crore were awarded to a Non Government Organisation (NGO) without ascertaining its financial status and capability to perform the jobs.

Full payment of ₹ 2.29 crore was made to the supplier of olive plants, without factoring in survival of supplied plants, short supply and supply of defective plants.

Date Palm cultivation and plantation was launched without proper assessment of the demands of the farmers resulting in 55,447 date palm plants costing ₹ 12.89 crore lying in the Jodhpur nursery.

Even after incurring an expenditure of ₹ 19.34 crore, International Horticulture Innovation and Training Centre could not achieve self sustainability in operational expenses as its administrative expenses increased by 376 *per cent* between 2008 and 2011.

2.1.1 Introduction

In the backdrop of inadequate public investment in the agriculture sector and declining agricultural growth rate, a new State Plan Scheme of Additional Central Assistance, *Rashtriya Krishi Vikas Yojana* (RKVY) was launched (August 2007) by Government of India (GoI) for agriculture and allied sectors, to reverse this trend. Initially envisaged for the Eleventh Five Year Plan, it was continued in the Twelfth Five Year Plan. The funds under the scheme were provided as 100 *per cent* grant from GoI. RKVY mainly aimed at achieving four *per cent* annual growth in the agriculture sector during the Eleventh Five Year Plan (2007-12) by ensuring a holistic development of agriculture and allied sectors.

2.1.1.1 Objectives of the scheme

(i) To incentivise the States to increase public investment in agriculture and allied sectors;

(ii) To provide flexibility and autonomy to the State in the process of planning and executing agriculture and allied sector schemes;

(iii) To ensure the preparation of Agriculture Plans for the districts and the State based on agro-climatic conditions, availability of technology and natural resources;

(iv) To achieve the goal of reducing the yield gaps in important crops through focused attention;

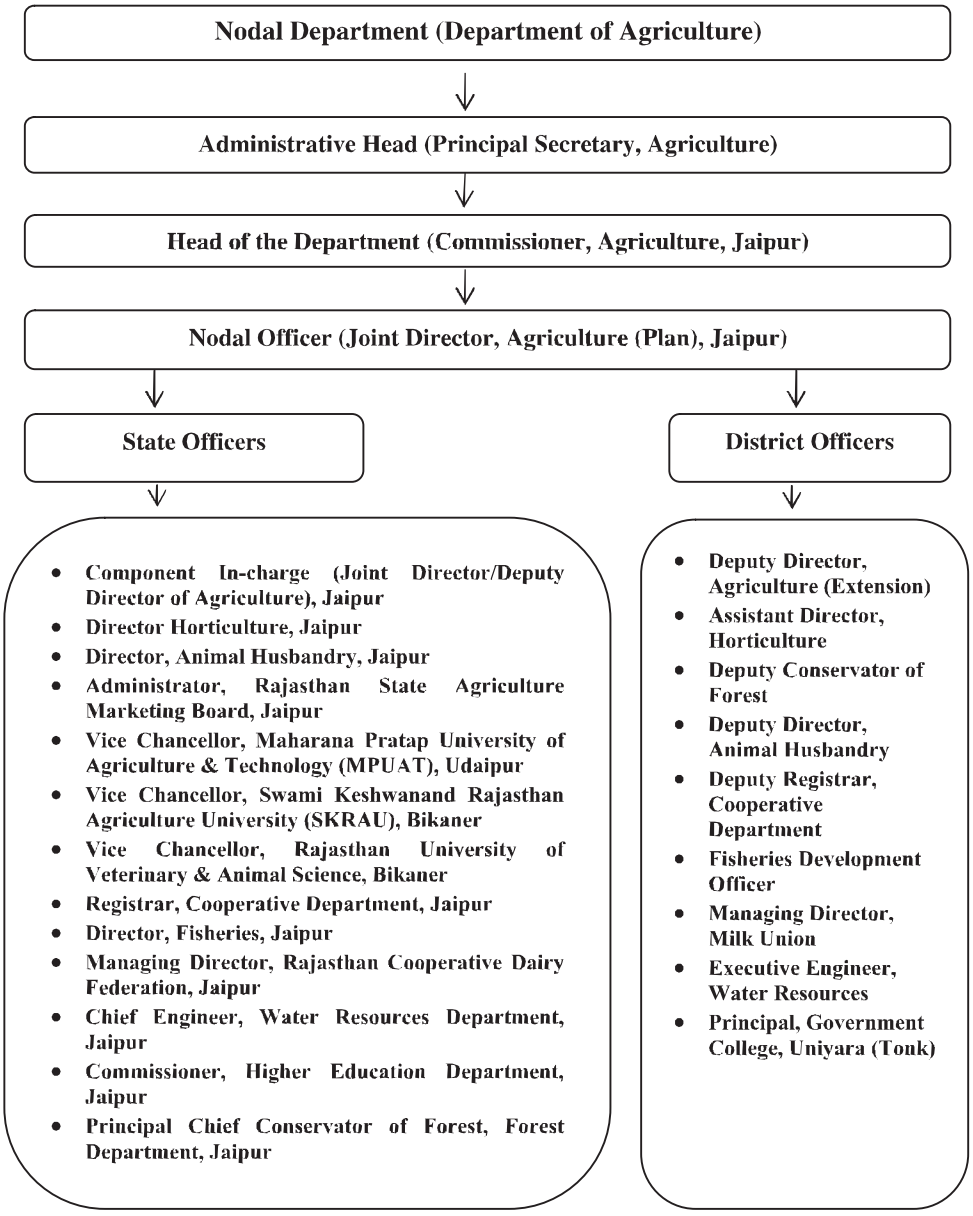
(v) To maximise returns to the farmers in agriculture and allied sectors;

(vi) To ensure that the local needs/crops/priorities are better reflected in the agriculture plans of the States; and

(vii) To bring about quantifiable changes in the production and productivity on various components of Agriculture and allied sectors by addressing them in a holistic manner.

2.1.2 Organisational Set-up

The organisational set up for implementation of the RKVY projects is given below:



A State Level Sanctioning Committee (SLSC) headed by Chief Secretary of the State is the authority to sanction specific projects and monitor their implementation. The Department of Agriculture (DoA) is the Nodal

Department and the State Government has identified 13 implementing agencies [1] for implementation of RKVY.

2.1.3 Audit Objectives

The objectives of the Performance Audit were to assess whether:

- The planning process was effective and according to the RKVY guidelines;
- Financial management ensured adequate and timely availability of funds and their effective and economic utilisation;
- Projects were implemented according to the regulatory structure in place and the intended objectives of the projects were achieved; and
- Coordination mechanism among various projects was put in place to ensure comprehensive delivery of intended service and internal control mechanism existed to ensure efficient and effective monitoring and control over implementation.

2.1.4 Audit Criteria

The audit criteria adopted were as under:

- RKVY guidelines of Government of India (GoI);
- Comprehensive State Agriculture Plan (C-SAP);
- Guidelines for projects under implementation;
- Instructions and directions issued at State/District level for implementation of RKVY; and
- State General Financial and Accounts Rules (GF & ARs).

2.1.5 Audit Coverage and Methodology

PA of 'Implementation of RKVY' for the Eleventh Five Year Plan (2007-12) was conducted in the backdrop of State agriculture and allied sectors' annual targeted of 4 *per cent* against 2.4 *per cent* growth rate during the Tenth Five Year Plan period (2002-07). Moreover, allocation on RKVY comprised 30.10 *per cent* of the total Plan allocation on these Sectors in Rajasthan. Under the scheme, 282 projects pertaining to 18[2] sectors were implemented

1. Animal Husbandry; Cooperative; Forestry; Fisheries; Horticulture; Higher Education; Maharana Pratap University of Agriculture and Technology, Udaipur; Rajasthan State Agriculture Marketing Board; Rajasthan University of Veterinary and Animal Science; Bikaner; Rajasthan Cooperative Dairy Federation; Rajasthan State Seed Corporation; Swami Keshwanand Rajasthan Agriculture University; Bikaner and Water Resources Department.
2. Research, Crop development, Dairy development, Extension, Fertilizer and INM, Fisheries, Horticulture, Marketing and Post Harvesting Management, Micro/Minor Irrigation, Agriculture Mechanisation, Animal Husbandry, Integrated Pest Management, Natural Resource Management, Seed, Cooperatives and Cooperation, Innovative Programmes, Organic Farming Bio Fertilizer and Information Technology.

during 2007-13. Out of these, records of 71 projects of 14 sectors were test checked from April to September 2012 and findings were updated from April to September 2013. Implementation of selected projects was also reviewed in nine districts[3] using random sampling. An entry conference was held on 4 July 2012 wherein methodology, audit criteria and performance indicators[4] were discussed and audit findings were discussed at an exit conference held on 20 December 2013 with the Principal Secretary, Agriculture Department.

Audit Findings

2.1.6 Planning

Para 3.1 and 3.2 of guideline provides formulation of District Agriculture Plan (DAP) by each district and preparation of C-SAP by integrating DAPs. The C-SAP required approval of Department of Agriculture and Cooperation (DAC), Ministry of Agriculture, Government of India and Planning Commission. DAPs were to be prepared to know the resources available from other existing schemes and to aim at moving towards projecting the requirement for development of agriculture and allied sectors of the districts. Audit observations are discussed below:

2.1.6.1 Delay in preparation of District Agriculture Plan and Comprehensive State Agriculture Plan

Para 3.3 of the RKVY guidelines stipulates preparation of DAPs within three months from the date of issue of the guidelines (August 2007), if not already prepared. It was observed that final shape to DAPs of 24 districts was given only in March 2009. DAPs of 3 districts[5] were not finalised at the time of integration of DAPs into C-SAP. This also resulted in delay in finalisation and submission of C-SAP to Planning Commission (May 2010). Admitting the facts (January 2014), the State Government attributed the delay to time taken for imparting training to the District Officers and coordination with other Departments. This indicated preparation and implementation of the district projects without proper planning and ensuring project requirements.

2.1.6.2 Non-preparation of Shelf of projects and Detailed Project Reports

Para 3.5 of RKVY guidelines provides for preparation of shelf of projects at the district level for submitting the group of specific/new projects to SLSC. Nodal Department was to compile such projects from each district, prioritise and place them before the SLSC. Further, para 7.1 of the guidelines also provides submission of the Detailed Project Reports (DPRs) for each project having feasibility study of the project, competencies of the Implementing

3. Banswara, Bharatpur, Hanumangarh, Jaipur, Jaisalmer, Jhalawar, Jodhpur, Rajsamand and Sikar.
4. State eligibility under RKVY, Management information system, Release of fund and Flow of crop benefits to the farmers.
5. Bundi; Rajsamand and Jaisalmer.

Agency (IA), anticipated benefits that would flow to beneficiaries in definite time line *etc.* for approval to SLSC.

Audit observed that the shelf of projects or DPRs were not prepared by any of the nodal agencies. State Government stated (February 2013) that shelf of projects was not prepared at the time of start of the scheme. As regards non-preparation of DPRs, it was stated (September 2013) that only the DPRs of projects related to construction *etc.* were prepared. It was further intimated (January 2014) that checklists as per guidelines were prepared, which consisted of all important information related to project. Reply was not acceptable as in the absence of DPRs, feasibility of the project, competencies of the IA and anticipated benefits to beneficiaries could not be ensured by SLSC. This was evident from the large number of projects being abandoned as detailed in the next paragraph.

2.1.6.3 Projects abandoned /dropped/not started

Para 7.1.3 of the guideline provides that 50 *per cent* of the project cost should be released to nodal department/nodal agency as first instalment after approval of SLSC.

- Audit scrutiny revealed that 3 projects[6] were abandoned after incurring an expenditure of ₹ 20.14 crore and 15 projects (***Appendix 2.1***) were dropped/not started despite their approval having been accorded for their implementation from the period 2008-09 to 2012-13. The Joint Director (JD) DoA (Plan), Jaipur, intimated (July 2013) that these projects were not given priority or implementing agencies/nodal agencies did not demand funds for their implementation.

- Further, SLSC approved (March 2008) a project for establishment of small scale ornamental fish breeding cum culture units at a cost of ₹ 75 lakh, for which maximum of ₹ 25,000 per unit was to be granted as assistance. It was noticed that the project was dropped (2013-14) after incurring an expenditure of ₹ 5 lakh on the ground that a similar activity, which was more beneficial, was being run under Centrally Sponsored Scheme since April 2007, where fish farmers were granted subsidy with a ceiling of ₹ 1.50 lakh.

Accepting the facts, the State Government stated (January 2014) that project was dropped due to non-receipt of proposals from fish farmers. Facts remained that the project was dropped after incurring an avoidable expenditure of ₹ 5 lakh, due to lack of proper planning and coordination.

2.1.7 Financial Management

RKVY funds were provided to the State as 100 *per cent* grant by the GoI, in two distinct streams. Further, Para 7.1.6 and 7.2.1 of the guideline provides that at least 75 *per cent* of the allocated amount was for specific and new projects under stream-I and maximum of 25 *per cent* was to be utilised for strengthening the existing state sector schemes and filling the resources gaps

6. Strengthening of extension system: ₹ 0.62 crore; Green fodder cultivation: ₹ 19.51 crore and Evaluation chickpea etc.: ₹ 0.004 crore.

under stream-II. Assistance was to be released in three instalments[7] under stream-I and in two equal instalments under stream-II.

The GoI provided ₹ 2,143.91 crore as grant in aid to RKVY including its sub schemes during 2007-13, of which an expenditure of ₹ 2,129.97 crore was incurred. Year-wise details are given in the table below:

Table 1: Position of the grant received and expenditure incurred thereagainst

(₹ in crore)

Year	Project proposals (in Nos)	Total project cost	Opening balance	Receipt from GoI	Total	Expenditure	Closing balance	*Percent*age of under utilisation
2007-08	22	120.46	-	55.76	55.76	-	55.76	100.00
2008-09	44	503.45	55.76	233.76	289.52	175.78	113.74	39.29
2009-10	46	797.89	113.74	186.12	299.86	248.62	51.24	17.09
2010-11	102	1,082.20	51.24	628.01	679.25	615.28	63.97	9.42
2011-12	18	131.88	63.97	692.08	756.05	650.44	105.61	13.97
2012-13	50	519.32	105.61	348.18	453.79	439.85	13.94	3.07
Total	**282**	**3,155.20**	**390.32**	**2,143.91**	**2,534.23**	**2,129.97**		

Source: JD, Agriculture (Plan), Jaipur

Grant of ₹ 55.76 crore received during 2007-08 remained unutilised as the same was received at the end of the financial year (January to March 2008). Under utilisation of grants ranged between 3.07 *per cent* and 39.29 *per cent* during 2008-2013. This was due to lack of control over implementation and non-release of funds to IAs due to non- receipt of utilisation certificates (UCs).

Audit observations are enumerated below:

2.1.7.1 Account figures not depicting correct picture of expenditure

During 2007-13, the State Government showed total expenditure of ₹ 1,952.07 crore under RKVY, whereas the Nodal Officer's figures were ₹ 2,129.97 crore in the UCs submitted to DAC. Thus, the expenditure was understated by ₹ 177.90 crore by State Government, as shown in the table below:

7. 50 *per cent* of the project cost as first instalment, 40 *percent* cost after utilisation of 50 *per cent* of the first instalment and 10 *per cent* after completion of the project.

Table 2: Expenditure exhibited in budget head of the State Government and that of Nodal Officer

(₹ in crore)

Sl. No.	Year	Expenditure under budget head: RKVY*			Expenditure shown by Nodal Officer**	Difference (Under stated)
		Revenue	Capital	Total		
1	2007-08	-	-	-	-	-
2	2008-09	116.87	41.34	158.21	175.78	(-) 17.57
3	2009-10	161.11	24.93	186.04	248.62	(-) 62.58
4	2010-11	479.84	102.82	582.66	615.28	(-) 32.62
5	2011-12	568.30	82.39	650.69	650.44	(+) 0.25
6	2012-13	347.60	26.87	374.47	439.85	(-) 65.38
Total		**1,673.72**	**278.35**	**1,952.07**	**2,129.97**	**(-) 177.90**

Source:- * As per Detailed Appropriation Accounts
** Provided by the Department

Further, ₹ 116.88 crore[8] received in February 2009 from GoI under RKVY were deposited directly in the accounts of State Institute of Agriculture Management (SIAM), Durgapura, Jaipur, and thus this amount escaped depiction in State budget of 2009-10.

Admitting the facts, the State Government clarified (September 2013) that ₹ 116.88 crore was released directly to SIAM by GoI and UCs had been submitted to GoI separately. For the difference of ₹ 112.52 crore (up to 2011-12) it was intimated that the figures could not be reconciled as expenditure of ₹1,690.12 crore (up to 2011-12) included expenditure incurred from ₹116.88 crore received from GoI directly. This indicated that accounts of the State did not depict the correct picture and the expenditure under RKVY was inflated. The reasons for the difference of ₹65.38 crore during 2012-13 have been called for.

2.1.7.2 Non-maintenance of project wise accounts

Para 7.1.5 of RKVY guidelines provides maintenance of project wise accounts.

Audit scrutiny revealed that though GoI allocated funds separately for the projects of *stream-I*, *stream-II* and sub-schemes, the DoA released funds to IAs in lump sum, without specifying project wise allocations. This resulted in non-maintenance of project-wise accounts by IAs. The State Government stated (January 2014) that project-wise allotment of funds would adversely affect the allotment of funds from GoI and expenditure against them under the scheme. The reply of the Government was not correct as non-maintenance of project-wise accounts led to non-determination of the project-wise allotment of funds and expenditure thereagainst.

2.1.7.3 Non-accounting of interest income

RKVY guidelines do not provide for utilisation of interest earned on RKVY funds kept in interest bearing accounts.

8. Additional Central Assistance released by DAC (sanction No: 1-11/ 2008-RKVY; dated: 24 February 2009).

It was observed that interest of ₹ 5.33 crore, earned by eight implementing agencies[9], was lying unutilised in their bank accounts in absence of clear provisions. Admitting the facts, State Government stated (January 2014) that amount of interest would be adjusted against expenditure in running projects after approval of SLSC in next meeting. The advice of the Government of India may be obtained before the interest is utilised.

2.1.7.4 Diversion of funds

Para 4 of the guidelines has enlisted the components/activities eligible for project based assistance and allows the State Government to choose other components/ activities with the condition that it should be reflected adequately in the C-SAP and got approved by Planning Commission.

In the following cases, RKVY funds were utilised in other components/ activities without reflecting them in C-SAP and approval of Planning Commission.

- Rajasthan Horticulture Development Society (RHDS) incorporated (November 2008) a new company[10] for implementation of RKVY project "Date palm tissue culture laboratory and nursery" with an investment of ₹ 8 crore of which equity shares of ₹ 2 crore were from RKVY funds. Investing RKVY funds in equity shares was not an activity under the guidelines of GoI. Moreover, this was also not reflected in approved C-SAP. The diversion of RKVY funds for investment in equities was irregular. The State Government stated (January 2014) that the company was formed under Public Private Partnerships (PPP) to develop date palm cultivation in the State, to prevent import of date palm plants and to develop tissue culture techniques. Reason for utilisation of funds for investment in equities has not been intimated. Reply was not acceptable as this diversion/ investment was in contravention of the guidelines.

- It was observed that the Commissioner, Agriculture, Jaipur sanctioned (March 2009) ₹ 0.60 crore under "miscellaneous expenses" to Rajasthan Olive Cultivation Limited (ROCL)[11] for clearing outstanding liabilities and monthly expenses of January 2009 from RKVY funds. In reply, the Government stated (January 2014) that fund was utilised for promotion of olive cultivation. As no payment account was maintained hence, the assertion of the Government could not be verified.

Rajasthan Cooperative Dairy Federation (RCDF) acquired land worth ₹ 0.68 crore[12]. Three IAs also purchased seven tractors and one motor van for four projects at a cost of ₹ 0.37 crore[13]. As acquisition of assets was not provided

9. RCDF: ₹ 190.59 lakh (June 2013); RAJFED: ₹ 145.78 lakh (March 2012); College Education: ₹ 3.92 lakh (March 2012); Cooperative: ₹ 14.76 lakh (March 2012); SIAM Durgapura: ₹ 111.69 lakh (March 2012); IHITC, Durgapura: ₹ 46.39 lakh (March 2012); RHDS: ₹ 14.29 lakh (March 2013) and SIAM society: ₹ 6.04 lakh (August 2011).
10. M/s Atul Rajasthan Date Palm Limited.
11. IA for olive cultivation in the State.
12. Construction of chilling plant: ₹ 35 lakh; (land: ₹ 20 lakh and boundary wall: ₹ 15 lakh at Hindaun City (April 2009)) and Establishment of milk processing unit: ₹ 32.81 lakh at Jaisalmer (2009-12).
13. IHITC: ₹ 0.06 crore; MPUAT: ₹ 0.04 crore; and SKRAU: ₹ 0.27 crore.

under the guidelines, expenditure incurred on these items was irregular. Admitting the facts, the Government stated (January 2014) that for achieving the objectives of the projects, the land were purchased by RCDF, tractors were utilised for crop demonstration activities and seed production programmes were carried out in adaptive trial centres. Reply was not acceptable and the expenditure of ₹ 1.05 crore was irregular as the purchases were not as per the guidelines of GoI.

2.1.8 Implementation

The SLSC approved 282 projects under 18 sectors for the period 2007-13. Overall status of the RKVY projects, as on 31 March 2013, was as under:

Table 3: Status of the RKVY projects

(₹ in crore)

S. No	Sector	Project cost	Amount released	Expenditure incurred	No. of projects	Status of projects		
						Complete	Under progress	Not Started/ Abandoned/ Dropped
1	Crop development	224.29	149.25	126.06	15	4	9	2
2	Research (Agriculture/ Horticulture/ Animal Husbandry *etc.*)	106.90	33.92	30.81	33	9	22	2
3	Dairy development	282.45	105.69	100.87	13	6	6	1
4	Animal Husbandry*	232.85	69.23	65.85	47	6	37	3
5	Extension*	159.34	57.37	55.35	19	5	11	2
6	Fertiliser and INM	283.76	145.80	139.07	10	3	6	1
7	Fisheries	33.13	7.05	5.84	13	4	9	0
8	Horticulture	345.15	239.60	210.41	32	12	19	1
9	Marketing and Post Harvest Management	166.68	53.80	46.96	15	4	10	1
10	Micro/Minor Irrigation	787.58	542.00	441.85	14	6	7	1
11	Agriculture Mechanisation	97.76	44.55	40.90	13	2	10	1
12	Natural Resource Management	24.14	17.52	14.34	6	0	5	1
13	Integrated Pest Management	3.84	3.30	2.66	4	2	2	0
14	Seed	256.01	191.96	185.20	22	13	9	0
15	Cooperative and Cooperation	80.62	51.54	47.84	11	5	6	0
16	Innovative Programmes	26.61	10.49	7.96	10	5	4	1
17	Organic Farming/ Bio Fertiliser	39.10	7.52	6.57	4	1	3	0
18	Information Technology	5.00	0.00	0.00	1	0	0	1
	Total	**3,155.21**	**1,730.59**	**1,528.54**	**282**	**87**	**175**	**18**

* 1+1=2 projects status not available

Source: Information provided by the Agriculture Department.

Sector-wise implementation of projects and audit observations are given below:

2.1.8.1 Sector-Crop Development

Golden Rays Project Rajasthan

Under the 'Golden Rays Project Rajasthan', poor tribal cultivators of five districts[14] were to be provided hybrid maize seeds during kharif by M/s Monsanto India Limited (Monsanto). The project was extended and continued in 2012-13. The deficiencies noticed in implementing the project are contained in the succeeding paragraphs.

- The Commissioner, Agriculture, Jaipur conducted (March 2010) a study on implementation of 'Golden Rays Project' Kharif 2009 by contacting 160 farmers in Udaipur and 80 in Banswara. The study revealed that 94 farmers (59 *per cent*) in Udaipur and 80 farmers (100 *per cent*) in Banswara received the seeds only after the peak season. However, no action for delay in supply of seeds was taken against Monsanto. The State Government stated (January 2014) that order for supply of maize seeds was given in July 2009 and same were distributed to the farmers as soon as these were received at the onset of monsoon. The reply is not acceptable as it is contrary to the facts given in study report of the Agriculture Department.

- Though Monsanto had agreed (May 2010) to distribute hybrid maize seeds free of cost, equal to 10 *per cent* of the project cost, no such clause for free distribution was incorporated in the Memorandum of Understanding (May 2010). A sum of ₹ 37.29 crore[15] was paid (at the rate of ₹ 99.38 per kilogram) for distribution of 3917.37 MT of hybrid maize seeds, which included 165 MT distributed free of cost. While finalising the dues, an adjustment of 165 MT only was made against the agreed 10 *per cent* (391.737 MT) of total supply of seeds. This resulted in short adjustment of 226.737 MT of seeds and excess payment of ₹ 2.25 crore to Monsanto.

The Government stated (January 2014) that 9.575 MT maize seeds were distributed free of cost in Baran district during kharif 2010. The Government further stated that on being pointed out by audit, the company supplied 216.990 MT hybrid maize seed free of cost during kharif 2013.

2.1.8.2 Sector-Micro/Minor irrigation

Artificial recharge of tube wells in Bharatpur

The project envisaged construction of 1,000 tube well recharge structures for artificial recharge of ground water in 9 blocks of Bharatpur district, at a unit cost of ₹ 10,000 each during 2009-10. Fifty *per cent* of the unit cost was to be borne by the farmers. The project was implemented by M/s Lupin Human Welfare and Research Foundation, Bharatpur, a non-governmental organisation (NGO).

14. Udaipur, Banswara, Dungarpur, Pratapgarh and Sirohi.

15. 3917.37 MT - 165.00 MT =3752.37 MT x ₹ 99.38 per kilogram.

Scrutiny of records of DD, Bharatpur, revealed that the project was abandoned after construction of only 122 structures at a cost of ₹ 12.50 lakh. First instalment of ₹ 12.50 lakh was released in September 2010 and instead of releasing the second instalment the project was abandoned. This resulted in excess release of ₹ 0.30 lakh as well as short achievement of targets and non-fulfilment of the objective of increasing the ground water level.

The Government stated (January 2014) that the second instalment was not released to the NGO, as it was busy in implementation of the projects of other departments and not paying attention towards completing the project. It is therefore evident that competency of the NGO was not properly assessed which resulted in non-fulfilment of the objectives.

Construction of diggis/plastic lined diggis in canal command areas

To increase the water storage capacity and proper utilisation of water in canal command areas of the State, the project for construction of diggis/ plastic lined diggis, was approved (June 2009) for a period of five years. A subsidy of ₹ 1.50 lakh per diggi during 2009-10 and ₹ 2 lakh during 2010-11, limited to 50 *per cent* of the actual cost was to be paid to the farmers.

Scrutiny of the records of DD, Jaisalmer revealed that the Collector, Jaisalmer issued instructions (April 2011) not to construct plastic lined diggis due to risk of damage to the lining, its short durability because of the high temperature and frequent dust storms in Jaisalmer. Meanwhile, 21 plastic lined diggis were constructed by the farmers and a subsidy of ₹ 42 lakh **(*Appendix* 2.2)** was paid during 2010-11. This indicated that these aspects were not kept in mind while approving the project. The Government stated (January 2014) that after issue of instruction by the District Collector; Jaisalmer, parameters of the construction were changed. An avoidable expenditure of ₹ 42 lakh was incurred as initial detailed study was not conducted and the parameters had to be changed subsequently.

2.1.8.3 Sector-Extension

Strengthening of extension system

The project envisaged engagement of 800 agriculture graduates as Multipurpose Extension Workers (MEW) at the sub-block level of the districts on contractual basis at ₹ 8,500 per person per month for five years with effect from June 2009. Main objective of the project was to strengthen the National Agriculture Extension System by engagement of the specialists at the sub-block level.

Audit observed that the above project was abandoned (2010-11) after engagement of 354 MEWs in 24 districts (hired for 2 to 3 months only) and after incurring an expenditure of ₹ 62.55 lakh (2009-10), despite vacancies ranging from 50 to 68 *per cent* in Assistant Agriculture Officers (AAOs) cadre and 16 to 23 *per cent* in Agriculture Supervisors cadre during 2007-12.

Accepting the facts, the Government stated (January 2014) that the project was abandoned because of non-availability of agriculture graduates due to lower remuneration, adverse geographical conditions in desert districts and

agriculture graduates not being interested to work in remote areas. This indicated that a non-feasible project was approved, implemented for a short while and then abandoned. With the abandonment of the project the agriculture extension system failed to be strengthened.

Strengthening and modernisation of agriculture training infrastructure

Infrastructure at SIAM, Durgapura, Jaipur was to be strengthened with construction of 5 storeyed training building, conference hall, computer hall, laboratory, library, store, guest house, canteen and hostel under the project. Audit scrutiny revealed that the work of the renovation of faculty guesthouse, alteration in mess space of residence of Deputy Director and guard/cleaner/*choukidar* room were not included in the original estimates approved by SLSC but expenditure of ₹ 1.39 crore was sanctioned by Commissioner, Agriculture (July 2010) on these works without approval of the SLSC. Accepting the facts the Government stated (September 2013) that additional construction works were included for execution in accordance with the demand and necessity. The expenditure of ₹ 1.39 crore however, was still irregular.

2.1.8.4 Sector-Marketing and Post- Harvest Management

Gramin Bhandaran Yojana

The objectives of the project was creation of scientific storage capacity with allied facilities in rural areas to meet the requirement of farmers to store farm produce, improve their marketability and prevent distress sale immediately after harvest. For this, each Gram Seva Sahakari Samiti (GSS) was to be paid ₹ 8 lakh for construction of a godown of 100 metric ton capacity.

During joint physical verification (May to July 2012) of 17 godowns constructed at a cost of ₹ 1.36 crore in 6 test checked districts[16], it was observed that the godowns were not being used to store the farm produce of farmers.

Accepting the fact, the Government stated (February 2013) that farmers could not be forced to store their farm produce in godowns. Further, it was stated (January 2014) that godowns are being used for advance stocking of fertilisers. The objective of the project was defeated as requirement of godowns by the farmers was not assessed before starting the project. The expenditure of ₹ 1.36 crore was thus wasteful.

Distribution of storage bins to farmers

The project envisaged distribution of storage bins (capacity of three quintals) to 57,000 farmers of all the districts during 2008-09, with a subsidy of ₹ 500 per bin. The period was extended to 2009-10. Against the project cost of ₹ 6.20 crore, an expenditure of ₹ 4.47 crore was incurred.

16. Banswara (one): ₹ 8 lakh; Bharatpur (three): ₹ 24 lakh; Hanumangarh (one): ₹ 8 lakh; Jaipur (seven): ₹ 56 lakh; Rajsamand (three): ₹ 24 lakh and Sikar (two): ₹ 16 lakh.

Audit observed that in six out of nine test checked districts[17], DD, Agriculture (Extension) surrendered (February 2009) the entire provision of ₹ 47.50 lakh and no storage bins were distributed. In reply, the Government stated (January 2014) that the farmers in Jaisalmer district, did not require the storage bins. It further stated that storage bins could not be distributed in remaining five districts, as manufacturer of storage bins had not got authorisation from Department of Industries, the meagre amount of subsidy available and lack of interest among farmers. The reply of Government is not acceptable as the level of subsidy available was adequate as ₹ 4.47 crore had been spent on the same and thus farmers were interested in the bins. It was not stated as to why the Industries Department had not authorised manufacture of the bins in these five districts as bins were manufactured for distribution to farmers in the other districts of the state.

2.1.8.5 Sectors-Innovative Programmes

Socio-economic development through dissemination of appropriate technology

Para 7.1.1 of the guidelines provides that funds are to be released by the nodal agency to IAs after satisfying the competencies of the IA and also that the project fulfils the objectives.

Audit scrutiny revealed that project activities (₹ 6.34 crore) like crop demonstration, farmers training and assistance for hi-tech agriculture were awarded to an NGO[18], on the basis of recommendation (March 2011) of District Collector and DD, Agriculture (Extension), Jodhpur, instead of following competitive and transparent selection procedure. The work was awarded without ascertaining the NGO's financial status and available working staff. Resultantly, the project was not implemented even after release of ₹ 41.25 lakh (July 2011) which was an undue financial benefit to the NGO.

The Government stated (September 2013) that decision for implementation of the project by the NGO was taken at a higher level and efforts were being made for obtaining physical and financial progress and action for termination of work would be taken after receipt of the report from the DD, Jodhpur. The selection of an incompetent NGO resulted in waste of money and the matter needs to be investigated. Further, the benefits under this project were denied to the farmers.

Establishment of College of Fisheries

In annual budget 2010, the DoA proposed for establishment of College of Fisheries at Udaipur under Maharana Pratap University of Agriculture and Technology (MPUAT) for development of aquaculture and fishery industries in the State, from the academic year 2010-11. *Ex post facto* approval of SLSC was accorded in October 2010.

17. Bharatpur, Bundi, Dholpur, Jaisalmer, Kota and Sirohi.
18. Shri Marudhar Bagwani Krishi Utpadan Vikas Samiti, Tehsil Bhopalgarh, Jodhpur.

Audit scrutiny revealed that the college was established by upgrading the existing Department of Limnology and Fisheries in Rajasthan College of Agriculture (RCA), Udaipur. Against total release of ₹ 4 crore under the project, expenditure of only ₹ 0.51 crore was incurred and the remaining funds were lying with MPUAT. As per the recommendation of the Indian Council for Agriculture Research (ICAR), the college required at least five departments[19] with minimum 10 faculty members. The MPUAT submitted (July 2011) requirement of ₹ 59.79 crore for smooth running of the college during 2012-17. The college was established as per the recommendation of ICAR without providing appropriate teaching, non-teaching, supporting staff and funds.

Accepting the facts, the Government stated (January 2014) that provision is being made for creation of a full fledged college, as per ICAR norms, with all five departments.

2.1.8.6 Sector-Cooperative and Cooperation

Computerisation of Cooperative Institution

The main objective of the project was to provide banking facilities by establishing 1,667 computerised mini banks at Rajiv Gandhi Seva Kendras (RGSK) in 29 districts at a cost of ₹ 25 crore. Audit observed that:

- During 2011-12, an amount of ₹ 1.50 lakh[20] each, was provided to 1,667 RGSK mini banks for purchase of computers and furniture. However, computers (total cost of ₹ 7.81 crore) were not purchased (March 2013) by 468 RGSKs of 11 districts.

Accepting the facts the Government stated (September 2013) that for purchase of computers a district level committee was constituted (November 2011), which includes representative of National Informatics Centre (NIC). Delay in purchase of computers was due to delay in nomination of representative of the NIC and adopting the long procedure laid down under GF&AR. Fact remained that due to unusual delay in purchasing computers, the objective of providing the banking facilities at the RGSKs could not be started.

- Joint inspection (July 2012) of RGSK, Khedapa (Jodhpur) by audit team along with departmental officers, revealed that computer was installed but banking transaction process was not started due to non-availability of staff. Details of operation of computers in other RGSKs of Jodhpur district were not made available to audit (January 2014).

2.1.8.7 Sector-Dairy Development

Establishment of milk processing and packing unit

The project envisaged establishment of milk processing and packing units of capacity of 50 and 25 kilolitres per day, at Bharatpur and Karauli respectively.

19. Departments of Aquaculture, Post-Harvest Technology, Fisheries Resources Management, Aquatic Environment and Basic Sciences.

20. ₹ 0.90 lakh for infrastructure development (furniture) and ₹ 0.60 lakh for computerisation.

An expenditure of ₹ 7.24 crore was incurred (March, 2013) against the project cost of ₹ 9.50 crore. Audit revealed the following:

- The duration of the project was four years from the date of approval (July 2008). However, installation and commissioning of plant and machinery could not be undertaken till date (June 2013) due to non-completion of civil works.

- Due to delay in establishment of the milk processing unit at Bharatpur, processing and packing of milk was being done at Alwar and an avoidable expenditure of ₹ 27.74 lakh on transportation of milk was incurred by Bharatpur Milk Union from January to September 2012. The Government stated (January 2014) that due to delay in installation of machinery, processing and packing of milk was carried out at Alwar. Steps may be taken to complete the construction work so that the units can start functioning at the earliest.

Installation of Bulk Milk Coolers

Under the project, Bulk Milk Coolers (BMCs) were to be installed in 18 districts[21] with the objective to enhance the keeping quality of milk and to avoid economic losses to farmers due to spillage/souring of milk. The project was approved (April 2011) by SLSC for a duration of six years and against the release of fund of ₹ 31.76 crore, the expenditure was ₹ 31.75 crore (March 2013).

Scrutiny revealed that out of 37 BMCs installed in Sikar district, 4 BMCs worth ₹ 32.51 lakh, installed during October 2010 to February 2012, were lying unutilised (July 2013) due to disputes between Cooperative Society and Management Committee (two), non requirement of BMC (one) and death of Secretary (one). Further, three BMCs worth ₹ 17.25 lakh were lying idle (July 2013) due to non-completion of civil work. Thus, non-utilisation of seven BMCs worth ₹ 49.76 lakh ***(Appendix 2.3)*** resulted in depriving the beneficiaries from BMCs. Accepting the facts, the State Government stated (January 2014) that one BMC has now been installed in Badsinghwali.

2.1.8.8 Sector-Horticulture

Olive Cultivation Projects

Olive cultivation has been implemented by a Joint Venture Company Rajasthan Olive Cultivation Limited (ROCL) incorporated on 10 August 2007 and consisting of Indolive Ltd, Plastro Plasson Industries India Limited and Rajasthan State Agriculture Marketing Board with holding of one-third equity of the Joint Venture Company under Public Private Partnership mode. Three projects[22] out of seven, approved during 2007-12, were test checked by audit. Audit scrutiny revealed that:

---

21. Ajmer, Alwar, Bharatpur, Bhilwara, Bikaner Chittorgarh, Churu, Jalore, Nagaur, Sriganganagar, Jaipur, Jodhpur, Kota, Pali, Sikar, Tonk, Sawai Madhopur and Udaipur.

22. Hi-tech agro-horticulture Research and Demonstration Centre at Bassi: ₹ 22 crore; Demonstration Hub for Vegetable at Hi-tech agro-horti research and Demonstration Centre Bassi: ₹ 6.50 crore; Centre of Excellence at Bassi: ₹ 5.50 crore.

- Para no 7.1.5 of the guidelines provides that the nodal agency should ensure project-wise maintenance of accounts by IA. It was observed that ROCL was not maintaining project-wise accounts which resulted in variation of ₹ 3.97 crore in expenditure, as reported (May 2012) by Nodal Department to SLSC and that intimated by ROCL to audit as shown below:

Table 4: Variation in figures of expenditure of Nodal Department and IA

(₹ in crore)

Name of project	Expenditure reported by nodal department (March 2012)	Expenditure reported by ROCL (March 2012)	Variation
Demonstration Hub for Vegetable at Hi-tech agro-horticulture research and Demonstration Centre, Bassi	3.50	3.35	0.15
Establishment of Hi-tech agro-horticulture Research and Demonstration Centre at Bassi	4.40	1.31	3.09
Centre of Excellence at Bassi	1.82	1.09	0.73
Total	**9.72**	**5.75**	**3.97**

Source: JD, Agriculture (Plan), Jaipur and Chief Operation Officer (COO), ROCL, Jaipur

The State Government intimated (January 2014) that the company follows mercantile system of accounting hence, liability created or to be created is treated as committed expenses and maintenance of accounts on cash basis system has now been started separately. Reply was not acceptable as project wise accounts were not maintained and was the reason for variation.

- Under the project, olive plants were imported from M/s Mihar Enterprises Limited, Israel (MELI), a company of which the Managing Director of ROCL was the owner. Though the nodal agency Rajasthan State Agriculture Marketing Board (RSAMB) issued instructions (May 2007) to ROCL not to pay more than required advance until the plants attain height of at least one metre ROCL however made payment of ₹ 2.29 crore ($ 4.94 lakh) to MELI for supply of 1,12,339 olive plants without ensuring survival and hardening of plants, till attaining the required height. MELI supplied only 90,495 plants and a large number of plants supplied were too small, of bare roots and without roots which died during the hardening process.

Accepting the facts, the State Government stated (January 2014) that legal notice for recovery of ₹ 44.45 lakh has been issued (July 2013) to MELI and recovery proceeding initiated. However, action for recovery of amount for supply of defective plants was not intimated. Further it was observed that MELI in a letter to Government in June 2011 had stated that besides ₹ 44.45 lakh which was recoverable an amount of ₹ 5.75 lakh spent on maintenance by ROCL was recoverable from MELI. This claim has not been lodged with MELI.

Date Palm Cultivation and Plantation

Under the project, date palm planting materials were to be imported and before supply of these plants to farmer fields, plants were to undergo the process of secondary hardening for nine months at Jodhpur nursery of

Horticulture Department. Subsidy of 90 *per cent* of the cost was to be borne from RKVY funds and remaining amount was to be collected from beneficiaries. The project duration was eight years starting from 2008. An expenditure of ₹ 64.40 crore (March 2013) was incurred against project cost of ₹ 88.65 crore. Following audit observations were made:

- As per approval (March 2008) of the SLSC the project was to be implemented in Barmer, Bikaner, Jaisalmer and Jodhpur districts and a total area of 900 hectares was to be covered for planting of date palm on farmers' fields during 2007-12. It was, however, observed that only 443.94 hectare (49.33 *per cent)* area was covered up to October 2012. The State Government replied (September 2013) that targets were not achieved as the farmers did not take interest due to prolonged time in fruiting (Barmer, Bikaner and Jodhpur) and shortage of staff (Jaisalmer). It was further stated (January 2014) that 576 hectare area has been covered for planting of date palm on farmer fields up to November 2013.

- Scrutiny of records of Jodhpur nursery revealed that out of 1,32,912 date palm plants received during 2009-11, only 77,076 plants were distributed and 389 plants replaced to the farmers as of July 2013. The remaining 55,447 (41.72 *per cent*) date palm plants costing ₹ 12.89 crore were lying in the nursery. The State Government replied (September 2013) that no fresh order for import of date palm plants had been issued and all future orders would strictly be governed by field demands. Further, it was intimated (January 2014) that out of 55,447 date palm plants, 12,784 plants were planted in farmer fields up to November 2013. Thus 42,663 plants procured since 2011and valuing ₹ 9.94 crore were lying in the nursery. This indicated that the project was launched without proper assessment of demand and led to blocking of funds of ₹ 9.94 crore.

Horticulture Development programme in non-National Horticulture Mission Districts

Under the project, various activities running through National Horticulture Mission (NHM) were to be implemented in nine[23] non-NHM districts. Erection of the poly greenhouses and construction of community water harvesting structures (CWHS) were important activities under the project. Audit observations are as under:

- ***Erection of Poly Greenhouses***

Poly Greenhouses of sizes ranging from 560 to 4000 square metres were to be erected under the activity, to cultivate vegetables, flowers and fruits under controlled agro-climatic atmosphere. Subsidy of 50 *per cent* of actual cost, limited to rates prescribed by RHDS, was to be paid to the farmers.

During joint inspection (21 June 2012) of farmers' fields in Bharatpur district, two units of poly greenhouse on which a subsidy of ₹ 7.10 lakh was paid during 2009-11, were found damaged and out of operation. Accepting the

23. Bharatpur, Bikaner, Churu, Dausa, Dholpur, Hanumangarh, Pratapgarh, Rajsamand and Sikar.

facts the Government stated (January 2014) that the poly greenhouses were destroyed due to natural calamities and that the Insurance company has been contacted for repairing the poly greenhouses.





Picture-1 **Picture-2**

Damaged Poly greenhouses in Bharatpur district

- There was nil achievement in Hanumangarh district against the target of erection of 4000 square metre of poly greenhouses during 2010-13. The Government stated (January 2014) that due to difficulties in sale of high value crops the farmers did not show any interest.

Construction of Community Water Harvesting Structures

Subsidy for construction of Community Water Harvesting Structures (CWHS) was to be paid to farmers limited to actual cost or ₹ 10 lakh for 2009-10, ₹ 15 lakh[24] for 2010-11 and ₹ 7.50 lakh[25] for 2011-12 whichever is less. Audit scrutiny revealed that:

In Hanumangarh district, estimates for construction of CWHS for the year 2008-09 and 2009-10 were prepared by taking a rate of ₹ 100 per cubic metre (cum) for item "earth work in excavation" while during 2010-11, rate of ₹ 36 per cum were taken for the same item of work. Thus, higher rates were taken during 2008-09 and 2009-10 which resulted in extra expenditure of ₹ 25.18 lakh ***(Appendix 2.4)*** in 14 cases.

The Government stated (January 2014) that during 2008-09 and 2009-10 the work of excavation was carried out manually at the rate of ₹ 100, as the excavation with JCBs/ Tractors was not frequent and during 2010-11 the work of excavation was carried out with JCBs/ Tractors at the rate of ₹ 36. The reply is not acceptable as excavation would have been carried out with JCBs/ Tractors even in the earlier years.

In Bharatpur and Hanumangarh districts, the targets for construction of 12 and 39 CWHS respectively, were fixed during 2008-12. Against this, 7 in Bharatpur and 10 in Hanumangarh were incomplete. In 5 cases of Hanumangarh, construction of CWHS could not be started as the farmers

24. size 100 x 100 x 3 cubic metre
25. size 50 x 50 x 3 cubic metre

expressed their inability to construct CWHS (June 2012). Accepting the facts the State Government stated (September 2013) that CWHS could not be completed due to delay in receipt of applications from farmers and selection of submerged fields. This indicated poor supervision and wrong selection of sites.

Establishment of International Horticulture Innovation and Training Centre

The project envisaged construction of Demonstration Rooms, Library, Dining-hall, Utility Building, Laboratory, Technical Building, Farm Pond, Landscaping, Green Houses and Cold Storage *etc.* at International Horticulture Innovation and Training Centre (IHITC), Durgapura, Jaipur at a cost of ₹ 25.71 crore within a period of five years. Audit scrutiny revealed the following:

- IHITC was stipulated (July 2008) to achieve self-sustainability in operational expenses during the period 2008-12. It was, however, observed that collection of training fee, the main source of income of IHITC, ranged between 23.25 and 59.89 *per cent* of the operational costs during 2008-11. Thus, the objective of making IHITC a self-sustaining entity was not achieved and achieving the same appears remote as the administrative expenses increased by 376 *per cent* during 2008-11. The State Government stated (January 2014) that efforts are being made for attaining self-sustainability by introducing new training programmes.

- Under the project, ₹ 1.81 crore was allotted to IHITC for imparting training to 4,500 farmers up to March 2012. Against this, only ₹ 68.42 lakh was utilised on training 1,419 farmers (March 2013). Thus, the shortfall in imparting training was 68.47 *per cent*. Admitting the facts the Government stated (January 2014) that farmers were actually called in accordance with the capacity of hostel but their attendance was very few.

- Two trainers, four assistant trainers and one crop supervisor were imparted technical training in the Netherlands (March-April 2009). Two assistant trainers left the institute (April 2011 and February 2013). No recovery of surety bond amount of ₹ 2.50 lakh each was effected from these trainers. Admitting the facts, the State Government stated (January 2014) that action against trainers have been initiated.

- The SLSC approved (October 2010) ₹ 2.25 crore for an additional hostel building at IHITC. An amount of ₹ 0.50 crore and ₹ 1.75 crore were released in March 2011 and March 2012 respectively. Scrutiny revealed that the entire amount was lying unutilised due to non-commencement of construction work. This resulted in blocking of funds of ₹ 2.25 crore. The State Government replied (January 2014) that matter regarding construction of additional hostel building is under consideration.

Distribution of Vegetable Mini kits

The project for free distribution of vegetable mini-kits was approved (May 2010) by SLSC for a period of three years.

Audit scrutiny revealed that the Principal Secretary, DoA approved (January 2011) ₹ 2 crore for procurement and distribution of the vegetable mini kits during zaid-2011 in all the districts. However, no mini kits were distributed to the farmers. The State Government replied (January 2014) that RHDS made strenuous efforts for implementation of the project but due to delay in receipt of direction and non-supply of mini kits by Rajasthan State Seed Corporation (RSSC) during peak season, the programme could not be implemented. The farmers were deprived from the benefit of use of the mini kits.

2.1.9 Monitoring and evaluation

DoA is the Nodal Department for implementation of the schemes and responsible for effectively coordinating between various departments and IAs with respect to implementation, monitoring and evaluation of programmes. SLSC was also responsible for monitoring the progress of the schemes and to ensure that all programmes are being implemented in accordance with the provisions laid down in guidelines. Following observations were made.

- Para 6.4 of the guidelines provides SLSC to meet as often as required but at least once in a quarter. The first meeting of SLSC was held in March 2008. It was supposed to hold at least 20 meetings during 2008-09 to 2012-13 but only 7 meetings were held during this period. Thus, there was a shortfall of 13 meetings. Accepting the facts, the Government stated (September 2013) that meeting four times a year was not possible. The Government adduced no reasons as to why it was not possible to hold the meetings. In the absence of prescribed meetings, lack of proper monitoring of implementation of the scheme was evident.

- As per para 6.3 of the guidelines, the SLSC was responsible for initiating evaluation studies from time to time. An analysis of minutes of the meeting of SLSC indicated that no evaluation study was suggested or undertaken for reviewing implementation of projects. The State Government stated (January 2014) that DAC, GoI had nominated (July 2013) the Institute for Social and Economic Changes, Bangalore for impact evaluation study of RKVY. The fact remained that the SLSC did not initiate any evaluation study.

2.1.10 Impact of RKVY in agriculture sector

RKVY was implemented with the objective of achieving four *per cent* annual growth in the Agriculture Sector during the Eleventh Five Year Plan (2007-12). However, only 3.3 *per cent* growth was registered. Analysis of data from the 'Economic Review 2011-12' of the Socio Economic Development conducted by the Planning Department, Directorate of Economic and Statistics, Rajasthan, Jaipur revealed that Gross State Domestic Product[26] (GSDP) for agriculture and allied sectors showed an increase of 2.5 *per cent* during 2011-12. The State Government clarified (September 2013) that growth in the agriculture sector depends mainly upon monsoon. Reply confirms that annual agricultural growth could not be enhanced even after

26. At constant (2004-05) prices

spending an amount of ₹ 2,129.97 crore under RKVY and the increase in GSDP was the result mainly of good monsoon in 2011-12.

2.1.11 Conclusion

- The scheme was implemented without preparation of a shelf of projects and DPRs and prior assessment of the scheme components was not carried out.
- A number of projects were abandoned, dropped or not started which indicated non-preparedness and poor planning.
- Due to sanction of funds to IAs without specific allocation and non-maintenance of project wise accounts, availability/requirement of funds under some project could not be assessed, necessitating diversion of funds and indicating poor financial management.
- The scheme was implemented in the state without taking concerted steps to provide sufficient staff (Assistant Agriculture Officers and Agriculture Supervisors), responsible for implementing it at grassroots level, indicating poor human resource management.
- Inadequate awareness programmes before launching of the scheme, resulted in farmers poor response and demand, leading to non utilisation of godowns, short distribution of planting material and surrender of provision for distribution of storage bins.
- An NGO was engaged without following a transparent procedure and ensuring its financial status and capability to undertake work was not assessed which ultimately resulted in abandoning the project.
- Poor contract management in execution of the civil works and non-release of funds to the contractor 'M/s Lupin Human Welfare and Research foundation, Bharatpur' adversely impacted the programme.
- Agriculture growth rate of targeted four *per cent* during the Eleventh Five Year Plan (2007-2012), was not achieved. The State Government could not reduce dependence on monsoons despite implementation of new and innovative projects.

2.1.12 Recommendations

- SLSC should be made more effective. It should ensure that comprehensive and proper DPRs are prepared before new projects are sanctioned and monitor the progress of implementation of various projects at different stages.
- System of financial control over implementation of projects should be strengthened by ensuring project wise fund release and account maintenance. Similarly, project wise feedback mechanism should be evolved for better control over implementation and effective utilisation of funds.
- Progress/performance of the projects/schemes should regularly be evaluated.

Department of Information Technology & Communication

2.2 Performance Audit on the creation of infrastructure for National e-Governance Plan and delivery of services to common citizens through Common Service Centres

Executive Summary

National e-Governance Plan (NeGP) was envisioned to make all government services accessible to the common man in his locality, through common service delivery outlets and ensure efficiency, transparency and reliability of such services at affordable costs.

Performance audit revealed that core infrastructure projects like State Wide Area Network (SWAN), State Data Centre (SDC), State Service Delivery Gateway (SSDG) and Common Service Centre (CSC) were not completed as of March 2013.

Department could utilise only 6 to 30 *per cent* of the available funds on various activities, except SDC (107 *per cent*) and Capacity Building (CB) (58 *per cent*). Funds of ₹ 25.15 crore were parked in non-interest bearing Personal Deposit (PD) account resulting in loss of interest of ₹ 4.39 crore. Funds of ₹ 42.35 lakh allotted for project trainings were diverted for other activities.

Excess liability of ₹ 1.36 crore was created due to delay in implementation of SWAN project. Frequent changes in finalisation of Request for Proposal (RFP) and not deciding integration issues of Computerisation Automation Refinement of Integrated System of Management and Accounts (CARISMA) with SWAN resulted in delay in the implementation of the project by six years and cost overrun of ₹ 18.03 crore.

Services of other than those approved by Government of India (GoI) were included in RFP. Liquidated damages of ₹ 1.05 crore and penalties of ₹ 3.06 crore were not levied under SSDG. Liquidated Damages of ₹ 6.23 crore for default in rolling out CSCs and ₹ 22.01 crore for non-creation of CSCs were not levied on Service Centre Agency (SCA).

2.2.1 Introduction

Approved by the Government of India (GoI) in November 2003, NeGP was envisioned to make all government services accessible to the common man in his locality, through common service delivery outlets and to ensure efficiency, transparency and reliability of such services at affordable costs.

2.2.2 Organisational set up

NeGP is a multi agency programme involving various Central Ministries/ Departments and State Governments. An Apex Committee at the Centre with Cabinet Secretary as its Chairman and Secretary, Department of Electronics and Information Technology (DEITY) as its member convener has been

constituted to oversee the programme and provide policy and strategic directions for its implementation and resolve inter ministerial issues.

At state level, Secretary cum Commissioner, Department of Information Technology and Communication (DoIT&C) is the nodal officer for implementation through RajCOMP Info Services Limited (RISL), a State Designated Agency (SDA) for implementing various schemes/components. At district level, District e-Governance Society (DeGS) is the body to certify and monitor the roll out and operation of common service centres.

2.2.3 Audit Objectives

The audit objectives were to examine whether:

- the planning, coordination and programme formulation for creation of common infrastructure were in line with the objectives of NeGP;
- the core infrastructure (SWAN, SDC and SSDG) was planned and created in a coordinated manner to facilitate effective implementation of NeGP;
- the support infrastructure (CSCs and CB) was planned and implemented to promote NeGP effectively; and
- the delivery of services by Mission Mode Projects (MMPs) offered at CSCs was citizen centric and the user departments delivered the services by effectively utilising the common infrastructure created under NeGP.

In addition, the efficacy of financial management was also to be examined.

2.2.4 Audit criteria

Following audit criteria were adopted for performance audit:

- Administrative sanctions issued by GoI;
- Guidelines of SWAN, SSDG, CSC, SDC, e-Districts and capacity building (CB);
- Request for proposals (RFP);
- Conditions of Agreements/contracts; and
- General Financial and Accounts Rules.

2.2.5 Scope of audit and methodology

The scope of the performance audit was to cover the activities undertaken by DoIT&C and SDA under NeGP during 2006-07 to 2012-13. The performance audit was conducted from September 2012 to January 2013, to examine the effective and efficient implementation of the NeGP. Of the 2,760 CSCs, 40 were also selected for joint inspection on random basis. Entry conference was held on 7 September 2012 with Secretary, DoIT&C wherein the objectives, criteria and methodology of the performance audit were apprised to them through video conferencing by Deputy Comptroller and Auditor General (Defence, Communication and Railways). An exit conference was conducted

on 3 October 2013 and all the paras were discussed with the Secretary, DoIT&C.

2.2.6 Components of NeGP

NeGP broadly consists of the following three major components/ projects/schemes:

- Core infrastructure (State Wide Area Network, State Data Centre and State Service Delivery Gateway);
- Common Service Centres; and
- Mission Mode Projects embracing e-Districts and Capacity Building.

2.2.7 Financial Management

2.2.7.1 Poor absorption of Central Assistance

The position of the funds received from GoI and expenditure incurred by the Department during 2005 – 2012, was as under:

Table 5: Position of the funds received and expenditure incurred

(₹ in crore)

Name of project	Total outlay	Funds received from GoI		Interest earned on grant-in-aid	Total funds available	Expenditure incurred	Balance	*Percentage* of expenditure
		Grant-in –aid	ACA#					
SWAN	189.79[27]	15.80[28]	13.01	8.95	37.76	4.67	33.09	12
SSDG	11.51	3.70	3.70	0.68	8.08	0.47	7.61	6
SDC	48.92	4.05	6.69	0.74	11.48	12.30	(-) 0.82	107
CSC	105.08	13.39	17.52	7.49	38.40	5.96	32.44	16
e-Districts	6.42	3.21	-	0.41	3.62	1.08	2.54	30
Capacity Building	5.15	5.15	-	0.36	5.51	3.22	2.29	58
Total	**366.87**	**45.30**	**40.92**	**18.63**	**104.85**	**27.70**	**77.15**	**26**

Additional Central Assistance

Source- Utilisation Certificates (UCs) and information provided by SDA

The Department could utilise only between 6 and 30 *per cent* of the available funds on four projects. Under SDC and Capacity Building the fund utilisation was 107 *per cent* and 58 *per cent* respectively. Due to poor utilisation the Department could not access the remaining funds of ₹ 262.02 crore (71 *per cent*) approved under the projects.

Government admitted (October 2013) the facts and attributed the reasons of incurring less expenditure under NeGP to (i) the guidelines issued by GoI being quite new for the State to adopt and develop complete understanding;

27. Against total outlay of ₹ 189.79 crore, GoI share was ₹ 77.37 crore, and state share was ₹ 112.42 crore.
28 . Includes ₹ 33 lakh received in 2004-05 for preparation of feasibility study for SWAN.

(ii) e-governance/IT projects being complex in nature with multipronged approach; (iii) e-governance projects having multi stakeholders viz GoI, CDAC, Standardisation, Testing and Quality Certification (STQC) and line departments which required more coordinated efforts within DoIT &C and subsequent delay in projects; and (iv) each project's requirements being different in terms of vendor management, specifications, monitoring and are time taking.

The reply is not acceptable as the nodal agency should have assessed the pros and cons of the projects in September 2005. The issue relating to adaptation of technology and integration of CARISMA was not settled for five years from the date of administrative approval (30 September 2005) as no costing of lease line technology was assessed in compliance of Empowered Committee decision (July 2009).

2.2.7.2 Loss of interest due to parking of funds in non-interest bearing Personal Deposit Account

As per administrative approval (September 2005) issued by the Department of Electronics and Information Technology (DEITY), SDA was to open a separate project bank account in a scheduled bank for transfer of funds. Scrutiny of records revealed that funds received under Additional Central Assistance (ACA) were parked under non-interest bearing PD account, instead of deposit in bank account. A balance of ₹ 25.15 crore under various projects was available as on 31 March 2012 in this account, resulting in loss of interest of ₹ 4.39 crore (***Appendix 2.5)*** which could have been utilised in NeGP activities. The State Government stated (May 2013) that the condition of opening a separate project bank account was not applicable on ACA funds. The reply is not correct. DEITY had called for (February 2008), the details like name and address of the bank, bank account number, IFSC code, MICR code for the purpose of fund transfer under ACA and budgetary allocations from the State Government. This clearly indicated that ACA funds were to be credited to bank account.

Government further stated (October 2013) that States will need to designate a Nodal Agency for Capacity Building and ACA funds released to States will have to be released to the designated agency by the State government within 30 days of receipt of funds and accordingly funds were kept in SDA's PD Account.

The reply is not correct as both the Nodal Agency and Designated Agency existed and funds should have been kept in bank account of the SDA as per DEITY's instruction of 2008.

2.2.7.3 Excess expenditure of ₹82 lakh under SDC

Under SDC project, total expenditure of ₹ 12.30 crore was incurred against the available funds of ₹ 11.48 crore. This resulted in excess expenditure of ₹ 0.82 crore. Accepting the facts, State Government stated (May 2013) that expenditure of ₹ 12.30 crore was booked on accrual basis and there were creditors in respect of ₹ 2.48 crore as on 31 March 2012. Thus, SDA had sufficient funds for meeting the expenses under SDC project. The reply

indicated that monitoring of expenditure was weak as no expenditure in excess of available funds was permissible.

Government further stated (October 2013) that total funds available were ₹ 11.48 crore against which an expenditure of ₹ 12.30 crore was booked on accrual basis in accordance with applicable accounting standards. However, actual expenditure incurred on cash basis was ₹ 9.82 crore only. Thus, RISL had sufficient funds to meet the actual cash outflow.

The reply was not acceptable as liability beyond funds available could not be created under the scheme.

2.2.7.4 Diversion of funds of ₹42.35 lakh

As per the guidelines of CB (November 2008), the States were to nominate their Project e-Governance Mission Teams (PeMTs) for the centrally organised orientation programme by DEITY.

GoI sanctioned (28 February and 14 March 2008) ₹ 4 crore for capacity building, of which ₹ 0.45 crore was allotted for the training of PeMTs. It was observed that SDA did not nominate any PeMT for the said programmes organised by DEITY. Funds received were diverted to other activities.

DoIT&C clarified (May 2013) that expenditure on the said trainings had been done as per GoI guidelines. The reply was not correct as PeMT guidelines specifically excluded operational expenses on training of PeMT through other mechanisms including trainings through state training institutions. Hence funds of ₹ 42.35[29] lakh were diverted unauthorisedly.

Government stated (October 2013) that "States will need to designate a Nodal Agency for Capacity Building and ACA funds released to States will have to be released to the designated agency by the State government within 30 days of receipt of funds." Accordingly, funds were kept in SDA PD, Account.

Reply was not relevant to the audit observation.

2.2.7.5 Unauthorised expenditure under administrative charges

The SSDG project profile did not provide for payment of administrative charges out of SSDG funds. Scrutiny of records revealed that during September 2009 to March 2012, SDA incurred expenditure of ₹ 20.72 lakh under administrative and contingency charges.

On this being pointed out by audit (December 2012) the government accepted (October 2013) the fact and intimated that the SDA had since transferred back ₹ 17.11 lakh by transfer entry. However, the amount of ₹ 3.62 lakh is yet to be recouped.

2.2.7.6 Blocking and non-utilisation of funds

As per guidelines, the project was to be completed within 18 months from the date of approval of the pilot project report.

29. e-Governance project life and change management training: ₹ 12.85 lakh; smart government training: ₹ 12.85 lakh; web quality assurance training: ₹ 0.71 lakh and state leadership meet: ₹ 15.94 lakh.

The pilot project of e-district was approved on 17 March 2010 and assistance of ₹ 3.21 crore was released (26 March 2010) by GoI. The project was to be completed by 16 September 2011. It was observed that the project was not completed even after a period of 30 months (September 2012) and after incurring an expenditure of ₹ 1.30 crore on consultancy services/ administrative expenses.

Non-completion of the project resulted in blocking of ₹ 1.30 crore and non-utilisation of central assistance of ₹ 2.32 crore including an interest of ₹ 41.39 lakh earned on this amount.

State Government admitted (May 2013) the facts and stated that time was taken up in constitution of implementation support committee and in coordination between 12 departments providing 27 services.

Government stated (October 2013) that e-governance projects are complex in nature and do require time for compilation. This indicated poor monitoring and co-ordination in implementation of the project.

2.2.8 State Wide Area Network

The State Wide Area Network (SWAN) project was the core infrastructure for supporting e-Governance initiatives. It proposed to connect the State headquarters with all the district and block headquarters through leased line. The objective of the project was to create a secure government network for the purpose of delivering government to citizen (G2C) and government to government (G2G) services.

Audit observations on implementation of SWAN are enumerated below:

2.2.8.1 Delay in constitution of Project Implementation Committee

As per administrative approval (30 September 2005), a State Level SWAN Project Implementation Committee (PIC) was to be constituted within 15 working days of receipt of the approval. It was, however, noticed that the committee was constituted only on 3 March 2006 and its first meeting to discuss implementation of SWAN project was held on 4 April 2006.

Government admitted the delay and stated (October 2013) that it was not practically possible to constitute a committee within the given time period as Government procedures and formalities had to be complied with.

2.2.8.2 Inordinate delay in implementation of SWAN

Administrative approval for ₹ 96.62 crore[30] was issued on 30 September 2005 for setting up SWAN project. First instalment of ₹ 15.47 crore was received in 2005-06, for completion of the project within a period of five years *i.e.* by 2009-10.

It was observed that the project has not been completed up to the date of audit (March 2013) and is now expected to be completed only by August 2017 as

30. Against the sanction of ₹ 96.62 crore, GoI share was ₹ 77.37 crore, and State share is ₹ 19.25 crore.

per the information sent (September 2011) by SWAN operator to the SDA, indicating a delay of seven years. This inordinate delay in implementation will not only result in cost overrun but also deprive the citizens from availing the SWAN network for G2C and G2G services.

Government intimated (October 2013) that with the expectation of testing by December 2013, the Operator shall have to run the project for 5 years up to December 2018 and finally hand over the complete SWAN to Government of Rajasthan. Thus, the Department admitted the delay in completion of project and handing over to the State Government.

The various factors attributable for this delay are discussed in the following paragraphs.

2.2.8.3 Frequent changes in RFP and NITs

The first RFP, submitted by the consultant on 5 April 2005, was revised on the recommendations of working groups constituted (November 2006) to optimise technical solutions for SWAN by effectively utilising the existing CARISMA network. Based on the recommendations, revised RFP was submitted by the consultant M/s 3i-Infotech Limited, Mumbai (Formerly M/s ICICI InfoTech Ltd.) on 26 February 2007.

Notice Inviting Tender (NIT), as per revised RFP, was floated on 3 April 2007, which was cancelled in August 2007 on the ground of integration issues of CARISMA and SWAN. A third RFP was then prepared and submitted by the consultant on 11 September 2007. NIT was floated on 28 January 2008, which was again cancelled in April, 2009 due to lapse of validity period and introduction of new techniques. NIT was further revised and issued on 9 February 2010 which was finally accepted and work order was issued to M/s Bharti Airtel Limited (SWAN operator) on 15 April 2011. Thus, frequent changes in RFP and cancellation of bid processes delayed the project by more than six years (5 April 2005 to 15 April 2011).

State Government replied (May 2013) that RFPs were modified to cover the latest technology, having integration with existing network and to make efficient use of SWAN. These facts were further affirmed by the Government in October 2013. The argument is not correct since the delay in awarding the work by six years was not justified and noting that there were rapid and continuing technological advances in this sector, the specifications should have been frozen at some stage. Further, the delay in finalising the tender of January 2008 which was cancelled in April 2009 due to lapse of validity period and the floating of another tender in February 2010 with issue of work order in April 2011, showed that the delays were directly attributable to the Implementing Agency.

2.2.8.4 Reappointment of consultant - creation of excess liability of ₹1.36 crore

The work of feasibility study for design and implementation of SWAN project was awarded (January 2005) to M/s ICICI Infotech Limited (consultant). As per terms of the contract, payment of ₹ 16.76 lakh towards cost of project

consultancy during Stage I and ₹ 11.19 lakh towards monitoring fee during Stage II in five years, was to be made.

It was observed that the first RFP submitted by the consultant on 5 April 2005 was finalised on 9 February 2010 by DoIT&C, after a delay of nearly five years. Work order for execution of RFP on build, own, operate and transfer (BOOT) basis, was issued (15 April 2011) in favour of M/s Bharti Airtel Limited. Meanwhile the consultant refused (29 February 2012) to continue its work on existing terms and conditions, due to inordinate delay in the project. Accordingly, SDA terminated the contract in August 2012 with the consultant with retrospective effect from 20 January 2012, after forfeiting security deposit of ₹ 1.67 lakh. Thereafter, the work of Stage II, which included project management, acceptance, testing and consultancy services for SWAN, was awarded (10 December 2012) to M/s Telecommunications Consultants India Limited (TCIL) for ₹ 1.47 crore from the date of signing the agreement till the submission of all deliverables as specified in the scope of work of the RFP document. Thus, inordinate delay in finalisation of RFP and implementation of SWAN Project resulted in creation of an extra liability of ₹ 1.36 crore (₹ 1.47 crore - ₹ 0.11 crore).

Admitting the facts, the State Government stated (May 2013) that the difference in the amount was attributable to scope of work and time value of money. Government further intimated (October 2013) that the scope of work of TCIL included other activities, which were not part of scope of work of M/s 3i-Infotech and additional activities assigned to M/s TCIL led to the enhanced charges.

The reply was not acceptable as the extra liability was created due to the inordinate delay in implementation of the scheme by the SDA, which compelled the earlier consultant to refuse to continue with the work. Additional activities mentioned in the reply (October 2013) were already covered under the agreement executed with M/s 3i Infotech Limited which laid down that project consultant would render the services to perform such acts in order to implement a SWAN. As per RFP clause the consultant would supervise the hardware, install, integrate, test and commission the SWAN project as per the overall solution suggested in RFP/final design.

2.2.8.5 Retendering of the project - cost overrun ₹18.03 crore

SDA invited tenders (28 January 2008) for setting up internet protocol networking and communication and for its operational and managerial services. The financial bids were opened on 28 June 2008 and negotiations were held (18 July 2008) for ₹ 102.19 crore with the lowest bidder, M/s ITI Limited. However, the matter moved between the Finance Department and DoIT&C from July 2008 to April 2009 for a decision on the issue. Finally Finance Department opined (April 2009) that due to involvement of technical points, decision should be taken by DoIT&C at its own level. In this futile exercise, the validity period (31 March 2009) of the lowest bidder expired and they refused to extend the same. The bid was then cancelled.

DoIT&C decided (July 2009) that CARISMA network technology be used for providing horizontal connectivity to local offices, after verifying the feasibility

and carrying out the cost benefit analysis for leased line connectivity. However, the RFP of February 2010 and the final RFP of July 2010 did not contain the cost analysis of CARISMA network technology. The work was finally awarded (15 April 2011) to M/s Bharti Airtel Limited for ₹ 120.22 crore after re-tendering. Thus, due to indecisiveness and non-settlement of integration issues, a period of two years and nine months was wasted in the process of finalisation of bids, which resulted in a cost overrun of ₹ 18.03 crore (₹ 120.22 crore - ₹ 102.19 crore).

State Government clarified (May 2013) that RFPs were modified due to various changes and non-acceptance of extension of validity period by original L1. Government further stated (October 2013) that both the RFPs referred herein were altogether different and are non-comparable and the reasons for delay are not related to poor planning but a result of the changes that had to be incorporated along with new technology and experience gained from CARISMA.

The reply was not acceptable as the CARISMA project was started in December 2005 and the experience of the CARISMA project was available to the SDA when the first tender was invited in July 2008 and should have been suitably factored in when the tender was invited in July 2008.

2.2.8.6 Delay in signing of agreement – Non-forfeiture of earnest money

For implementation of SWAN, work order was issued to M/s Bharti Airtel Limited (SWAN operator) on 15 April 2011, with the condition of executing an agreement and depositing performance security within 15 days. Scrutiny of records revealed that the agreement was executed on 26 August 2011 and performance bank guarantee was deposited on 29 September 2011. This resulted in delay in execution of the project by five months. No action for forfeiture of earnest money of ₹ 3.20 crore of the SWAN operator was taken by the SDA.

State Government stated (May 2013) that there were shortcomings in the readiness of the vertical PoPs, delay in approval of horizontal offices and resolution of the issues related to original equipment manufacturer change.

Government further stated (October 2013) the period between April and September 2011 was utilised in preparation of sites and approval of Horizontal offices *etc*. Thus the delay was not on account of the RajSWAN Operator and forfeiture of Earnest Money and cancellation of work order for non-signing of agreement would not have served any purpose and would have further delayed the project.

The reply was not acceptable as the signing of agreement and deposit of the performance security were independent actions. The reply also showed that the SDA had not prepared and delayed the handing over the site to the RajSWAN operator which indicated lack of proper planning to ensure smooth implementation of the project.

2.2.9 State Service Delivery Gateway

The State Service Delivery Gateway (SSDG) project was conceptualised to act as standard-based messaging switch and provide seamless interoperability and exchange of data across the departments. The gateway acts as the single point of access to backend departments for all external entities.

Audit observations on functioning of SSDG are detailed below:

2.2.9.1 Inclusion of new services not contemplated in DPR

State Government sent (May 2009) a list of 81 services in Detailed Project Report (DPR), for approval of GoI under SSDG. GoI approved (July 2009) 41 services. Contrary to this, the State Government finalised 42 services for RFP, incorporating 26 approved and 16 new services which were neither surveyed nor contemplated in DPR.

State Government stated (May 2013) that the purpose of DPR was not defeated as only few services from the DPR were changed on request of departments concerned. The detailed survey was carried out for these new services at the time of Functional Requirement Specifications (FRS) preparation and therefore these services were included in the RFP. The RFP was got approved by GoI which included these changed services.

Government further stated (October 2013) that list of services given in the DPR is indicative only and it was expected that the same will undergo refinement during implementation.

The reply was not acceptable because lists of services were basic factors as these were prioritised in consultation with concerned departments during survey before preparation of DPR, and thereafter included and sanctioned by GoI. Incorporating new services which were not surveyed on volume/utility basis and not approved by GoI will lead to escalation in cost of implementation of the project.

2.2.9.2 Delay in finalisation of implementing agency

The administrative sanction (21 July 2009) of SSDG stipulated completion of work within six months. For this project, a list of empanelled Implementing Agencies (IAs) was communicated (August 2009) by the GoI to the State Government, to expedite the process of implementation. DoIT&C took 15 months to finalise and select its IA (M/s Wipro Limited). Letter of intent (LoI) was issued finally on 18 December 2010. This has not only delayed the project but also deprived the citizens from the facility.

The State Government accepted the facts (May 2013) stating that due to delay in preparation of FRS, RFP document and bidding process, project was delayed.

The Government later stated (October 2013) that 15 months was not a long time for issuing work order because it had to be preceded by a number of sequential steps for preparation of FRS and its vetting by various departments, preparation of RFP and its approval by GoI and bid processing.

The reply was not acceptable because six months was the time set for implementation of project keeping in mind all activities required.

2.2.9.3 Non-integration of State Service Delivery Gateway with National Service Delivery Gateway

GoI issued instructions (22 October 2008) that the State Portals (SP) were ultimately going to be integrated with the National Portal (NP) and advised State Government to take necessary steps for the same. IA was to undertake the implementation work of the project including integration of SSDG with National Service Delivery Gateway (NSDG), National Service Directory (NSD) and SP.

During test check, it was noticed that the stage of integration with NSDG was not achieved by the IA. State Government accepted (May 2013) and stated that integration would be done at the time of implementation of the project after completion of development work.

Government subsequently stated (October 2013) that SSDG has since been integrated with NSDG.

2.2.9.4 Liquidated damages of ₹1.05 crore and penalty of ₹3.06 crore not levied

Para 18.2 of RFP and clause 10.1 of agreement envisaged imposition of liquidated damages (LD) at the rate of 10 *per cent* on a delay, exceeding three fourth of period prescribed for completion of the project. In addition, penalty as per provision under clause 14.1 of agreement was also imposable.

An agreement for ₹ 10.46 crore was signed with IA (21 January 2011) for implementation of SSDG project within 24 weeks. Accordingly SSDG work was to be completed by 8 July 2011. Project plan was revised as the State Government decided to merge objectives of Rajasthan Service Delivery Guarantee Act 2011, e-Mitra and Rajasthan online with SSDG Project. Resultantly, scope of work was revised and the project was rescheduled to be completed by 26 September 2012. CSC/e-Mitra portal was already functioning and providing services to citizens since September 2011.

During scrutiny, it was observed that the SSDG project was not completed (March 2013) even after a delay of more than 24 weeks from re-scheduled date. Accordingly, the IA was liable for LD of ₹ 1.05 crore and penalty of ₹ 3.06 crore as detailed in ***Appendix 2.6***.

State Government accepted (May and October 2013) the facts and stated that the applicability of LD/penalty will be determined at the time of approval of time extension/release of payment to the IA. Fact remained that the amount was still to be recovered from IA.

2.2.9.5 Non-signing of end user licence

As per the implementation guidelines, C-DAC was to provide SSDG software product and technical assistance to the IA for implementation of the connectors, to integrate the e-form application on SP and backend of e-form

application with SSDG. Para 3.1 of user manual issued by C-DAC provides that an end user licence must be signed between C-DAC and State Government for the same.

It was observed in audit that although the soft version of the C-DAC component was received, no agreement was signed with C-DAC by SDA. The State Government stated (May 2013) that the work was assigned to C-DAC by GoI. Government further stated (October 2013) that the user licence for C-DAC automatically gets signed at the time of installation of SSDG as stake licence agreement is part of installation process.

The reply is not acceptable as an end user licence should have been signed between C-DAC and State Government, as per the implementation guidelines. However, even as on date (October 2013), only 5 services out of the 42 finalised for the RFP have been developed but not implemented. Government may ensure that all the 42 services are provided at the earliest.

2.2.10 Common Service Centres

The CSC project was conceived as the front-end delivery points for government, private and social sector services to rural citizens of India, in an integrated manner. The project had a three tier implementation structure comprising of the SDA, Service Centre Agencies (SCAs) and the Village Level Entrepreneurs (VLEs). Discrepancies noticed in running these delivery points are discussed below:

2.2.10.1 Non-fixing of targets of transactions in the Agreement

To provide G2C services to the common citizen under NeGP scheme, the work of creating, operating and managing Common Service Centres (CSCs) was awarded to two SCAs, namely M/s CMS Computers Limited (15 July 2008) for the four divisions of Jaipur, Ajmer, Kota and Udaipur (4,054 CSCs) and M/s Zoom Developers Private Limited (23 January 2009) for the three divisions of Bharatpur, Bikaner and Jodhpur (2,572 CSCs).

During scrutiny of Master Service Agreement (MSA) executed with these SCAs, it was observed that there was no condition regarding minimum transactions at CSCs. In its absence, the effectiveness of SCAs and VLEs in delivering G2C services could not be ensured.

State Government admitted (May 2013) the facts and stated that with the increasing number of services, the clause of minimum 30 transactions per CSC/month, has been introduced at a later stage and the revenue support was being released only for the CSCs who have completed G2C transactions.

2.2.10.2 Non-creation and operationalisation of the targeted Common Service Centres

Annexure-A of guidelines (August 2006) provided for completion of roll out and operationalisation of 100 *per cent* CSCs within 19 months from the date of RFP.

During scrutiny of the records (September 2012), it was observed that though in the RFP, establishment of 6,626 CSCs was approved in April 2008, only one CSC was created by M/s CMS Computers Limited by November 2009 (19 months after approval). However, 5,012[31] numbers of CSCs were created and operationalised as of March 2013, as against the target of 6,626 CSCs. This indicated that the Department did not monitor creation of CSCs as per time schedule, which resulted in non-achievement of targets on one hand and non- delivery of services to the rural population on the other.

State Government replied (May 2013) that based on ground realities, recommendations made by state level competent authorities and Empowered Committee (6 July 2012) of GoI, the project timelines was extended up to 31 March 2013. Reply was not acceptable as CSCs were to be created by SCAs within the stipulated period (April 2008 to November 2009) while the suggestion of the Empowered Committee applies to time extension cases submitted by SCAs after 6 July 2012.

Government again stated (October 2013) that the delay was due to the fact that CSC Scheme was entirely a new concept based on PPP model and finalisation of the RFP took time. It further stated that CSC roll out has been delayed for all the States and the issue has been raised at national level and discussed with DEITY. Therefore, based on recommendations of Empowered Committee, GoI and State level competent authorities, extension has been granted for CSC roll out to M/s Vakrangee Software Ltd. The contract with M/s Zoom Developers Private Limited was terminated with effect from February 2011 and M/s Vakrangee Software was entrusted the work till 30 September 2013 and M/s CMS Computers till 31 December 2013.

The reply is not acceptable because the guidelines of the scheme emphasise that SDA was to facilitate implementation of the scheme within the State and provide requisite policy, content and other support to the SCAs. State government was required to take an appropriate decision on the mode and degree of integration with the CSC scheme of the existing physical, digital and institutional infrastructure of various Government Agencies/Departments in the State and to decide on the extent and modalities of integration with the CSC Scheme of existing Government schemes. The state government should formalise the SWAN implementation plan (not yet commenced till October 2013) along with the CSC related activities in the State at the earliest.

31. DeGS: 28; M/s Vakrangee Software Ltd.: 2,212 and M/s CMS Computers Ltd.: 2,772.

2.2.10.3 Non-imposition of liquidated damages

- ***Non-imposition of Liquidated Damages for non-operationalisation Common Service Centres***

As per para 5 and 5.2 (g) of operational guidelines of RFP (Volume I), the CSCs should function every day between nine *am* and six *pm*, except on bank holidays. Serial number 2 of Schedule I of RFP envisaged that a CSC would be deemed inoperable if it is not offering available government services for a continuous period of 7 days or more than a cumulative period of 10 days in a month. In case any CSC was found inoperable then, apart from not providing any monthly revenue support,[32] a penalty of 20 *per cent* per CSC/per week of monthly revenue support sought or ₹ 1,000 per CSC/ per week, whichever is more, would be applicable on SCA.

During scrutiny of records, it was observed (September 2012), that 1,795 CSCs were established and rolled out by M/s CMS Computers (SCA) between November 2009 and June 2012 for which the SCA was eligible for revenue support for a period of 28,848 months if CSCs remained functional. Against this, SCA claimed revenue support of 13,278 months only. This indicated that for a period of 15,570 months the CSCs were not in operation and thus SCA was liable to pay LD of ₹ 6.23 crore[33] for non-operationalisation of CSCs, as detailed in ***Appendix 2.7.***

State Government stated (May 2013) that a kiosk (CSC) would be deemed operational only after being certified by SDA or its authorised agency. In the absence of Online Monitoring Tools (OMTs), complaints received from the districts were the only source for counting any kiosk as non-operational.

The reply is not acceptable as certification by SDA or its authorised agency may certify operationalisaition of the CSC but the running/operational status of the CSC could not be monitored as OMT was absent.

Government further stated (October 2013) that the project started with basic utility services of electricity and water bills only. The billing cycle for the electricity bill is bi-monthly which means that the delivery of such service through CSC network was on a bi-monthly pattern. Therefore, it was difficult to deliver the services from CSC kiosks on daily basis, even if the kiosks were functional throughout.

The reply is not acceptable because agreement executed (August 2008) with the SCA laid down that in services relating to submission of application forms/grievances, information services including utility bills and other government dues were to be provided by the SCAs. The providing of services of utility bills only is not acceptable as revenue support claims were to include other services. The Government may take steps to ensure that all the services are rendered by the CSCs at the earliest.

---

32. Revenue support: for operational CSC ₹ 1,000 per month or 50 *per cent* of tender price, whichever is higher.
33. Non-functional months of CSC x 4,000 (for four weeks say one month @ ₹ 1,000 per week) = LD to be imposed i.e. 15,570 x 4,000= 6,22,80,000 say 6.23 crore

- ***Non-imposition of Liquidated Damages of ₹ 22.01 crore for non-creation/roll out of Common Service Centres***

As per Schedule 1 of MSA (August 2008), the SCA was required to establish and operationalise CSCs in phases as per the time schedule i.e. 25 *per cent* in five months, 50 *per cent* in seven months, 75 *per cent* in nine months and 100 *per cent* in twelve months, from the date of signing of MSA, failing which no revenue support is to be granted during the period of delay. LD of ₹ 200 per day/per CSC or maximum 10 *per cent* of total revenue support sought for four years (per CSC), whichever is higher, from the scheduled date, is to be charged for CSCs, whose creation/roll out has been delayed.

Letter of intent (LoI) was issued (January 2009) to M/s Zoom Developers Private Limited (SCA) for creation of 2,572 CSCs in three divisions of Bharatpur, Bikaner and Jodhpur. MSA was executed on 2 March 2009 and work was to be completed on or before 1 March 2010 (within 12 months from MSA). It was observed that SCA failed to establish even a single CSC up to 13 December 2009. Only 488 CSCs were created and made operational between 14 December 2009 and 22 February 2011. Thus, the SCA defaulted in creating and making CSCs operational. The contract was terminated on 23 February 2011 on grounds of financial irregularities and performance bank guarantee of ₹ 1.26 crore was forfeited. However, no action was taken for imposition of LD of ₹ 22.01 crore (***Appendix 2.8***) for non-creation of required number of CSCs within the stipulated time. Further, the chances of recovery are remote because the contract has already been terminated.

State Government in final reply stated (October 2013) that after detailed deliberation, the Apex Committee extended (December 2011) the time period for establishment of the targeted number of CSCs by M/s CMS Computers till 31 March 2012 without LD. This committee was also apprised that the termination of contract with M/s Zoom Developers Private Limited was on account of non-performance and not on account of delay in roll out. The Government further stated that the roll out scenario was similar for both the SCAs and therefore the matter was put up for project timeline extension before the competent authorities and on the same grounds for difficulties in the roll out of CSCs, M/s CMS Computers was given extension till March 2012 without LD. Therefore, no LD was applicable on M/s Zoom Developers Private Limited on the same ground.

The reply is not acceptable as the contract of M/s Zoom Developers Private Limited was terminated on 23 February 2011 and the Apex Committee did not deliberate (December 2011) on issue of waiver of LD to M/s Zoom Developers Private Limited. Also, the Empowered Committee had advised (July 2012) the State Government to consider waiver of accumulated penalties as a one-time measure for the delay in roll out of CSCs, if the same is attributable to genuine reasons, but in the case of M/s Zoom Developers Private Limited, this advice was not applicable as the contract was terminated much earlier i.e. in February 2011.

2.2.10.4 Common Service Centres shown operational in spite of non-availability of connectivity

LoI was issued (July 2008) to M/s CMS Computers Limited (SCA) to create, operate and manage 4,054 CSCs for four years. From the list of CSCs, it was observed that 1,739 CSCs were created by SCA up to 2 June 2012. The SCA intimated the SDA on 4 June 2012 that the Bharat Sanchar Nigam Limited (BSNL) connectivity was available only in 1,485 stations and it was not possible to provide connectivity without broadband. This indicated that 254 CSCs were non-operational in view of non-availability of broadband facility.

State Government replied (May 2013) that apart from BSNL connectivity, data cards of different service providers were being used to deliver the services from CSCs. It was also stated that very less internet bandwidth was required for the delivery of some G2C services like railway ticket bookings, recharge services *etc*, for which these data cards are helpful.

Government further intimated (October 2013) that there were other service providers/ methods for internet connectivity available at that time and thus 1,739 CSCs were connected.

The reply is not correct because an analysis of the details given in reply to audit by the SDA (December 2012) revealed that connectivity was provided to 1,293[34] CSCs only.

2.2.10.5 Joint inspections of Common Service Centres

Joint inspections of 40 CSCs (January 2013) by audit team along with representatives of SCA and District e-Governance Society (DeGS) revealed the following:

- CSC, Jahota (Amer) was closed for the last two months. CSC at Delari (Dausa) was found locked. Locals informed that CSC was operational for two/ three days. CSC, Pali (Dausa) was not in existence. CSC, Sattasar (Bikaner) was found closed.

State Government admitted the facts and stated (May 2013) that all these CSCs were withdrawn at a later stage and that concerned DeGS have been directed to take necessary action in this regard and the SCAs have been notified to open the CSCs at the same locations.

The Government further stated (October 2013) that new CSCs have been created except CSC, Delari which was closed since 26 April 2013.

- Para 5.2 (b) (2) Volume I of the RFP (May 2008) provides that SCA will have to provide minimum revenue support to the VLEs for the entire project period. Joint inspection revealed that revenue support was not disbursed to the following VLEs, though the SCA had drawn the same for disbursement to VLEs:

34. Aircel: 4; Airtel: 258; BSNL BB: 533; BSNL dialup: 127; Data card - BSNL: 75; Idea: 17; MTS: 52; Reliance: 72; Tata: 23 and Vodafone: 132.

Table 6: Non-disbursement of revenue support

Sl. No.	Details of revenue support provided to SCAs and disbursed to VLEs				Amount (in ₹)	Balance Amount lying undisbursed with SCA (in ₹)
	Name of SCA	Revenue support drawn from Government by SCA (in ₹)	No. of VLEs for which Revenue support was drawn	No. of VLEs to whom Revenue support was given by SCA		
1	2	3	4	5	6	(3-6)
1	DeGS	1,98,220	16[35]	5[36]	78,984	1,19,236
2	ZOOM	8,100	1[37]	0	0	8,100
3	CMS	11,000	8[38]	2[39]	8,700	2,300

This indicated that the amount was not being disbursed by SCA and was retained unauthorisedly.

Government stated (October 2013) that the Department is again verifying the amount of revenue support disbursed to the VLEs vis-à-vis the amount claimed by the SCAs and shall immediately take necessary action in case of any default on SCAs part.

- Para 1.9 of RFP Volume I (May 2008) provides that delivery of government services namely land records, vehicle registration, issue of certificates, employment exchange, ration cards, electoral services, pension schemes, road transport, public grievance and utility/telephone bills would be mandatory for the CSCs. All the 40 test checked CSCs were delivering only two services *i.e.* issue of certificates (*bona fide* residence and caste) and acceptance of payments for utility bills.

State Government informed (May 2013) that service integration is a continuous process. The project started with basic utility services of electric and water bills and today more than 40 services are being provided. It was further mentioned that in April 2013, more than 8 lakh citizens of rural areas have been served by CSC network. The reply was not acceptable as the list provided by the SDA (February 2013) showed that only seven services[40] are proposed/running in the selected zones.

- As per para 5.9 (b) of RFP Volume I (May 2008) the minimum educational qualification of VLE should be class ten pass. However,

35. Karauli: Rampur, Sahar, Kota; Jodhpur: Asop-Bhopalgarh; Salwa Khurd-Bhopalgarh; Cherai-Osian; Dholpur: Basai Khare; Hinota; Badarika; Bikaner: V-2KWM-Khajuwala; Bana; Gajner-Kolayat; Sawai Madhopur: Bonli; Talawara; Malana Chore; Peepalwara;
36. Jodhpur: Asop-Bhopalgarh, Cherai-Osian; and Sawai Madhopur: Wazirpur, Bonli, Malana Chore.
37. Sawai Madhopur: Wazirpur.
38. Alwar: Sakat, Kahnawas, Sapna NGO; Jaipur: Madhorajpura, Jaisinghpura, Hastera; and Dausa: Sainthal, Gorlara.
39. Only two CSCs (Saithal, Garlera) in Dausa, acknowledged the receipt of revenue support.
40. (i) Online RSRTC bus ticketing of RSRTC; (ii) payment of various dues /fees of Municipal Corporation; (iii) Application for revaluation of marks for Board of Secondary Education; (iv) Payment of various dues/fee of Rajasthan Hosing Board; (v) Application for Ration card, Caste certificate, Bona fide residence certificate, Birth & Death Certificate; (vi) Access to Land & Revenue Records; and (vii) Sale of stamp paper, revenue ticket , deed writing.

qualification of VLE at Bonli (Sawai Madhopur) was class nine pass only. Thus, the selection of the said VLE was not in order.

Government intimated (October 2013) that DeGS has taken necessary action in this regard and setting up of a new kiosk is under process.

- CSC at village Kota (Karauli), sanctioned to a person was not found in operation. VLE informed that the centre was being operated at another village Karsai. There was no indication of CSC being run even at village Karsai.

Government intimated (October 2013) that the kiosk is working at Karsai.

The reply is not acceptable because during joint physical verification (January 2013) by the audit party, the centre was not found in operation in Kota village and this fact was confirmed by the residents of the village. Representative of the said VLE had intimated to the representative of SCA that the said centre was being operated at village Karsai. On the basis of the above information a joint physical verification was made of village Karsai where it was found that a banner was tied up temporarily with rope at a shop. The display board or the list/rate of services provided was not displayed at the kiosk at village Karsai. The VLE herself admitted that the centre was closed during July - August 2012.

- As per para 5.4 (d) of the RFP Volume I (May 2008), the VLE should issue a receipt to all citizens. One copy of computerised receipt should be issued to the customer for all transactions while another copy should be kept at CSCs and the VLE should maintain these receipt books for at least 3 years for audit. This procedure was not being followed in any of the 24[41] test checked CSCs.

Government admitted (October 2013) the facts and stated that as per audit observation, strict instructions have again been issued to all district administrations and SCAs to comply with the RFP terms and conditions and project guidelines.

- Para 4.2.4 of the tripartite agreement (November 2009) provided that the SCA should ensure that a complaint and suggestion book is kept at a prominent place at each kiosk. The book would be sent to the concerned Nodal Officer at DeGS every month for its perusal and such action as may be considered necessary. The SCA should provide online grievance monitoring system for handling the complaint received from the kiosks. No such complaint/suggestion book was being kept/ maintained by 26 VLEs[42].

41. Karauli: Rampur; Sahar; Kaimri; and Karsai. Sawai Madhopur: Bonli. Alwar: Sakat; Kanhawas; Mohalariyan; Kadooki and Gadoowas. Dholpur: Singhawali; Khera; Basai Khare; Hinota and Badarika. Jaipur: Madhorajpura and Hastera. Bikaner: V-2KWM-Khajuwala; Kakra and Gajner- Kolayat. Jodhpur: Cherai. Dausa: Golara; Baswa and Sainthal.

42. Karauli: Rampur, Sahar, Kaimri, Gudhchanda Ji, Karsai; Sawai Madhopur: Peepalwara; Alwar: Sakat, Kanhawas, Mohalariyan, Sapna NGO, Gadoowas; Dholpur: Singhawali, Khera,, Basai Khare, Hinota, Badarika; Jaipur: Madhorajpura; Bikaner: Kakra, Bana, Gajner- Kolayat; Jodhpur: Doli, Salwa Khurd, Sangariya, Cherai; and Dausa: Golara, Sainthal.

Government admitted (October 2013) the facts and stated that as per audit observation, strict instructions have again been issued to all district administrations and SCAs to comply with the RFP terms and conditions and regularly monitor all the kiosks for further compliance of Project guidelines.

2.2.10.6 Non-production of records by the Service Centre Agency

During audit it was found that SCAs M/s Zoom Developers (P), M/s Vakrangee Software and M/s CMS Computers were assigned implementation of the CSC scheme in the State.

Records of the above SCAs were requisitioned through the SDA but were not provided to audit. State Government stated (May 2013) that the Department has issued directions to the SCAs to comply with the audit observation and provide the requisite documents/ information to the audit team.

Government intimated (October 2013) that as per information received from the SCAs, a set of documents have been submitted by them. Additional documents, if specified by the Audit, can be furnished again.

The reply is not acceptable as no initial detailed record was provided by the SCA during field study despite frequent requisition for the same.

2.2.11 Capacity Building

As per para 1.3 and 2.2 of the Guidelines for implementation of Capacity Building (CB) Project and utilisation of DIT Grant-in-aid and ACA, the CB Project is mainly to provide technical and professional support to state level policy and decision-making bodies and to develop specialised skills for e-Governance.

Audit observations on functioning of CB are detailed below:

2.2.11.1 Non-creation of long term capacity building

As per para 2.3.3.4 of the said Guidelines the CB was planned to facilitate building a long term capacity of State e-Mission Team (SeMT) with an aim to retain the knowledge within the government. The three suggested sources for the selection of candidates for SeMTs were: deputation from within the government/PSUs, direct recruitment and temporary staffing through reputed organisations.

Audit scrutiny revealed that though the project was sanctioned in February 2008 for a period of three years yet personnel were not recruited till January 2011. Thereafter, temporary arrangement was made by the Central Government Agency by hiring manpower and engaging them in SeMT. However, such temporary arrangement was not provided in the guidelines.

State Government stated (May 2013) that long term capacity building measures are being taken by means of creating permanent IT cadre. The reply is not acceptable as the project was sanctioned in February 2008 for a period of three years but personnel were not recruited within that period.

Government stated (October 2013) that the State government is building required manpower capacity by means of regular new recruitments and

promotions and utilising National e-Governance Division (NEGD) consultants to their full capacity.

The reply is not acceptable as the services of new recruitees will be available after the scheme initiated in 2008 has expired.

2.2.12 Monitoring

- As per para 14 of the guidelines for Capacity Building and Institutional Framework for e-Governance under NeGP (March 2005) an Apex Committee was to be set up by August 2006 to provide strategy direction, oversee the SeGP and ensure inter-departmental coordination.

It was observed that an Empowered Committee constituted by the State Government in October 2004, was renamed as State Level Apex Committee (SLAC) with effect from 15 February 2007. Although SLAC held 18 meetings up to December 2012, yet it did not provide any strategy directions, oversee the SeGP and ensure inter-departmental coordination. This was evident from non-completion of most of the projects (March 2013) and poor performance of the scheme as brought out in the foregoing paragraphs.

- As per administrative approval (July 2009), the grantee institution should maintain a register for permanent/semi-permanent assets acquired solely or mainly out of DEITY grants.

It was observed that no assets register was maintained by SDA. State Government stated (May 2013) that SDA has opened an assets register in which assets would be entered on receipt of the invoices and hardware installation reports. The reply is not acceptable as the assets were required to be entered in assets register as and when acquired/purchased.

2.2.13 Conclusion

The Government of Rajasthan stepped into the realm of e-Governance in the year 2005. Except SDC, none of the projects were completed as of March 2013. Due to improper financial planning, the State Government could utilise only 26 *per cent* of the funds available for NeGP during the period 2005-2012. Funds received under ACA were kept in PD account resulting in loss of interest.

Due to lackadaisical approach in planning and execution, State Government wasted seven years in implementation of NeGP. Frequent changes in finalisation of RFP and indecisiveness on integration of CARISMA with SWAN resulted in lapse of validity period, retendering and cost overrun.

Under SSDG project, new services not included in DPR were considered in RFP in violation of GoI approval. Delay in implementation of SSDG occurred due to finalisation of implementing agency with a delay of 15 months.

Targeted numbers CSCs did not roll out within the stipulated period to provide G2C services in rural areas, BSNL Broad Band Connectivity was not ensured in CSCs for which the objective of connectivity remained unfulfilled.

Non-creation of long term capacity at SeMT affected the strengthening of capacity building.

Thus, the Department failed to implement the NeGP within the stipulated period of five years and the objectives were thus not achieved. There was complete failure in respect of SWAN, SSDG and CSC even after eight years of implementation.

2.2.14 Recommendations

- The State Government should take immediate action to complete the remaining works speedily to provide the required services to its citizens through SWAN, SDCs, SSDG and CSCs.
- The State Government should set up a proper monitoring mechanism to oversee the progress of implementation of the schemes.
- The State Government should ensure proper coordination among all the agencies implementing the schemes so that benefits accrue to the targeted population especially in the rural areas.
- The State Government should launch awareness programmes to educate and propagate to stakeholders of the facilities and benefits available under the various schemes.
- The State Government should immediately create a backbone of well trained IT personnel at various levels to enable the benefits of the scheme to percolate to the intended beneficiaries.
- The State Government may commission an independent accredited agency to evaluate the effectiveness of the schemes at the earliest.

Department of Industries

2.3 Performance Audit of Commissionerate of Industries

2.3.1 Introduction

The Industrial sector plays an important role in the economic development of the State. It raises the productive capacity of people and creates employment opportunities, thereby raising the living standard of people. The State Industrial Policy adopted in 1994 was revised in 1998 with the objective to accelerate the overall pace of industrial growth and to strengthen the Small Scale Industry (SSI) and Cottage Industry in the State. The Commissionerate is working with the objective to promote, assist and protect small scale industrial units and artisan sectors of Handloom, Handicraft and Household *etc*. for accelerating industrialisation in the State and to implement the schemes /programmes of the Central/State Government.

2.3.2 Organisational Structure

The administrative control of the Department of Industries vests in two Secretaries[43]. The Commissioner is the head of Commissionerate and reports to both the Secretaries. The Additional Directors, Joint Directors and Financial Adviser assist the Commissioner. At the field level, there are 35 District Industry Centres (DICs) headed by General Managers (GMs) and seven sub-centres to cater to the needs of small scale industries of the area.

2.3.3 Audit Objectives

The Audit of Commissionerate of Industries, Rajasthan, Jaipur was conducted to assess whether there exists:

- Efficient financial administration with reference to allocated priorities and optimum utilisation of resources;
- Effective project management in terms of planning and delivery of goals of the schemes/programmes;
- Efficient human resource management in terms of sanctioned strength and deployment of personnel; and
- Adequate supervision and monitoring systems including the internal control mechanism.

2.3.4 Audit Criteria

The Audit was conducted keeping in view the audit criteria derived from following sources:

- State Industrial Policy, 1998;

43. Additional Chief Secretary (Industry) and Principal Secretary (SSI).

- State Budget Manual, Departmental Manual/Policies/Rules and Regulations;
- Government notifications and instructions issued for the implementation of schemes;
- State Financial Rules and Subsidiary Treasury Rules;
- Procedures prescribed for monitoring and evaluation of schemes/programmes; and
- Guidelines of schemes and programmes.

2.3.5 Scope and Audit Methodology

The Audit sought to examine and evaluate the important aspects of the functioning of the Commissionerate of Industries as well as to assess its performance with reference to its objectives. The coverage under audit was for the period from 2008-09 to 2012-13.

The audit of functioning of the Commissionerate and 10[44] out of 35 DICs was conducted. The Commissionerate implemented 26 major schemes/ programmes during 2008-09 to 2012-13, of which 10 schemes/programmes *i.e.* State Cluster Development Programme, Mahatma Gandhi Bunkar Bima Yojana, Health Insurance Scheme, Urban Haat, Rural Haat, Salt Industries, Integrated Handloom Development Scheme, Reimbursement of rebate on sale of handloom products, Weights and Measures and Rajasthan Micro, Small and Medium Enterprises Development Assistance Scheme were selected for detailed study. Audit findings pertaining to nine schemes/programmes have only been incorporated in the Report in view of 'Reimbursement of rebate on sale of handloom products' scheme having been discontinued after 2008-09. The field study was conducted from September 2010 to January 2011 and updated during July-August 2012 and May-June 2013. Besides, the records of selected Non-Government Organisations (NGOs) implementing State cluster development programme were also test checked during the field study.

The objectives, scope, period of coverage and audit methodology for the Audit were discussed in an entry conference held on 31 May 2010 with Principal Secretary, SSI. Subsequently, audit findings were reported to the State Government and to the Commissioner of Industries in September 2013. The reply of the State Government was received in October 2013, which has been suitably incorporated while finalising the report. The Exit Conference was held on 27 November 2013 with the Additional Chief Secretary (SSI) and Commissioner of Industries and the findings pointed out in Audit were discussed therein.

The audit findings are discussed in the succeeding paragraphs.

2.3.6 Financial Management

A proper financial management is essential for optimum utilisation of limited resources and compliance with budgetary and financial provisions. The office

44. Ajmer, Alwar, Banswara, Dungarpur, Jaipur City, Jaipur Rural, Jaisalmer, Jodhpur, Kota and Udaipur.

of the Commissioner incurred actual expenditure of ₹ 295.64 crore (revenue and capital) during the years 2008-09 to 2012-13 against Revised Estimate (RE) of ₹ 329.41 crore as detailed below:

Table 7: Statement of BE, RE and Actual Expenditure

(₹ in crore)

Year	Category	BE	RE	Difference (4-3)	Percentage (5 to 3)	Actual Expenditure	Excess (+)/saving (-) w.r.t. RE	Percentage of Excess/ savings w.r.t. RE
1.	2.	3.	4.	5.	6.	7.	8.	9.
2008-09	Plan	15.24	15.41	(+) 0.17	1.12	14.68	(-) 0.73	(-) 4.74
	CSS	11.56	9.08	(-) 2.48	21.45	8.44	(-) 0.64	(-) 7.05
	Non Plan	22.55	28.96	(+) 6.41	28.43	27.12	(-) 1.84	(-) 6.35
	Total	**49.35**	**53.45**	**(+) 4.10**	**8.31**	**50.24**	**(-) 3.21**	**(-) 6.01**
2009-10	Plan	9.70	8.62	(-) 1.08	11.13	9.94	(+) 1.32	(+) 15.31
	CSS	10.59	2.67	(-) 7.92	74.79	1.67	(-) 1.00	(-) 37.45
	Non plan	34.77	31.92	(-) 2.85	8.20	31.10	(-) 0.82	(-) 2.57
	Total	**55.06**	**43.21**	**(-) 11.85**	**21.52**	**42.71**	**(-) 0.50**	**(-) 1.16**
2010-11	Plan	7.06	26.52	(+) 19.46	275.64	24.79	(-) 1.73	(-) 6.52
	CSS	2.05	2.52	(+) 0.47	22.93	1.37	(-) 1.15	(-) 45.63
	Non plan	32.52	33.47	(+) 0.95	2.92	30.65	(-) 2.82	(-) 8.42
	Total	**41.63**	**62.51**	**(+) 20.88**	**50.16**	**56.81**	**(-) 5.70**	**(-) 9.12**
2011-12	Plan	21.77	26.75	(+) 4.98	22.88	21.30	(-) 5.45	(-) 20.37
	CSS	2.19	3.53	(+) 1.34	61.19	2.58	(-) 0.95	(-) 26.91
	Non Plan	35.74	46.45	(+) 10.71	29.97	43.81	(-) 2.64	(-) 5.68
	Total	**59.70**	**76.73**	**(+) 17.03**	**28.53**	**67.69**	**(-) 9.04**	**(-) 11.78**
2012-13	Plan	24.28	26.99	(+) 2.71	11.16	23.11	(-) 3.88	(-) 14.38
	CSS	3.60	12.39	(+) 8.79	244.17	3.00	(-) 9.39	(-) 75.79
	Non Plan	39.07	54.13	(+) 15.06	38.55	52.08	(-) 2.05	(-) 3.79
	Total	**66.95**	**93.51**	**(+) 26.56**	**39.67**	**78.19**	**(-) 15.32**	**(-) 16.38**
2008-13	Plan	78.05	104.29	(+) 26.24	33.62	93.82	(-) 10.47	(-) 10.04
	CSS	29.99	30.19	(+) 0.20	0.67	17.06	(-) 13.13	(-) 43.49
	Non Plan	164.65	194.93	(+) 30.28	18.39	184.76	(-) 10.17	(-) 5.22
	Grand Total	**272.69**	**329.41**	**(+) 56.72**	**20.80**	**295.64**	**(-) 33.77**	**(-) 10.25**

Source: Information supplied by the Commissionerate of Industries

The Commissioner of Industries is responsible for collecting and reviewing the estimates of receipts and expenditure from DICs. He prepares the budget and submits it to the Finance Department for approval as per timeline specified in budget circular. Scrutiny of records disclosed the following deficiencies:

2.3.6.1 Budget Management

As per Para 177 of Rajasthan Budget Manual (RBM), REs should be prepared with great care so that they may approximate as closely as possible to the

actual expenditure. However, details given above disclosed that REs proved to be inaccurate as actual expenditure varied substantially in comparison to REs under various heads and savings with respect to REs ranged between 2.57 *per cent* and 75.79 *per cent*.

The State Government stated (October 2013) that savings were due to late receipt of grant from GoI under Central Sponsored Schemes and revision in plan heads under Rajasthan Micro, Small and Medium Enterprises Development Assistance Scheme (RMSMEDAS).

2.3.6.2 Excess Supplementary Grant

Para 198 of RBM provides that the supplementary grants are permissible only when necessity is clearly established and requirement is unavoidable. Scrutiny of records, however, disclosed that out of additional funds of ₹ 9.84 crore provided under various heads through supplementary grants during 2008-09 and 2010-11 to 2012-13, an amount of ₹ 6.85 crore remained unutilised at the end of the financial years as shown in ***Appendix 2.9.***

The State Government attributed (October 2013) the reasons of non-utilisation of supplementary grant to non-receipt of expenditure proposals from subordinate offices, unit remaining non-functional, non-availability of qualified bidder *etc.* The requirement of supplementary grant was thus avoidable.

2.3.6.3 Surrender and reappropriation

The detailed study of some cases of surrender and reappropriation is discussed below:

- Scrutiny of surrender and reappropriation of funds under Plan and Centrally Sponsored Schemes (CSS) disclosed that during 2012-13, the original budget provision under major heads 2851 and 2852 was made in excess of requirement. In six cases, ₹ 3.60 crore were surrendered on 31 March 2013 against original allotment of ₹ 4.97 crore. The surrender ranged between 54.55 and 90.60 *per cent* of the original grant as shown in ***Appendix 2.10***.

The reasons of surrender given by the State Government (October 2013) were non-utilisation of funds under the head tour, training and conference due to non-availability of trainees *etc.* under miscellaneous schemes and non-implementation of Terracotta Cluster, Sagwara, Dungarpur.

- Para 138 of RBM stipulates that all the savings must be surrendered immediately to Government as and when these are noticed without waiting up to end of the financial year. No saving should be kept in reserve for probable requirement in future.

Audit observed that against the budget estimate of ₹ 8 crore for the year 2009-10 under CSS for reimbursement of rebate to handloom societies on sale of handloom cloth, REs of ₹ 12 lakh were finalised in January 2010. The amount of ₹ 12 lakh also remained unutilised at the end of the year. Out of

total savings of ₹ 8 crore, an amount of ₹ 2.05 crore was surrendered and ₹ 5.95 crore reappropriated to other heads on 31 March 2010.

Audit further observed that out of the amount of ₹ 5.95 crore reappropriated, an amount of ₹ 2 crore was deposited in personal deposit (PD) account of Rajasthan State Pollution Control Board (RSPCB) on 31 March 2010 for establishing Common Effluent Treatment Plant unit IV at Pali. The decision taken to transfer the savings at the fag end of the year was to avoid lapse of the grant and in contravention to the provision of the RBM.

The State Government stated (October 2013) that funds were utilised by transferring the same to RSPCB. The reply was not acceptable as the funds transferred at the fag end of the year remained unutilised at the end of the year.

- Funds of ₹ 1,000 only were provided in original budget during 2011-12 for RMSMEDA Scheme. Supplementary grant of ₹ 4.41 crore was obtained for the scheme, but funds of ₹ 1.22 crore only were utilised, whereas ₹ 3.19 crore was surrendered/reappropriated to other heads. It was noticed in audit that the entire amount was allotted to DICs at the fag end of the year. As a result, ₹ 3.19 crore remained unutilised.

The State Government replied (October 2013) that due to new scheme, adequate proposals for utilisation of funds were not received and amount remained unutilised. The reply was not acceptable as the scheme was not new but was introduced in 2008.

- An amount of ₹ 35 lakh was provided in original budget during 2012-13 for construction of Common Facility Centre (CFC) at 'Stone Art ware Cluster', Dungarpur under cluster development scheme, despite availability of ₹ 35 lakh already sanctioned during 2009-11. Thus, the allotment of ₹ 35 lakh made during 2012-13 was without any justification.

The State Government replied (October 2013) that funds were provided to complete the CFC. However, the funds had been surrendered to Government. The reply was not acceptable as ₹ 35 lakh were already lying with the implementing agency and the further allotment of funds of ₹ 35 lakh and not utilising the same was unjustified.

2.3.6.4 Rush of Expenditure

Para 139 of RBM provides that expenditure in a year is to be evenly managed and rush of expenditure particularly in the closing month of the financial year would ordinarily be regarded as a breach of financial regularity.

Scrutiny of expenditure of plan and CSS activities in the Commissionerate and 10 test checked DICs disclosed that during 2009-13 there was rush of expenditure in the last quarter and month of the financial year as detailed below:

Table 8: Year-wise details of expenditure incurred

(₹ in crore)

Year	Total expenditure in Commissionerate and test checked DICs	Expenditure during last quarter	Percentage of total expenditure during last quarter	Expenditure during last month	Percentage of expenditure during last month
2009-10	3.55	1.48	42	1.04	29
2010-11	4.77	2.63	55	2.35	49
2011-12	5.39	4.07	76	3.50	65
2012-13	6.93	5.66	82	4.49	65

Heavy and disproportionate expenditure in the last quarter and month of the financial year indicated inadequate planning at the Commissionerate and DICs. The DICs, Jodhpur and Jaisalmer replied (June 2013) that rush of expenditure during last quarter and month was due to delay in receipt of funds and implementation of schemes.

The State Government accepted (October 2013) the facts and stated that in future effective action would be taken to utilise the budget proportionately.

2.3.6.5 Non-verification of challans

Rule 59 of General Financial and Account Rules (GF&AR) provides that all the drawing and disbursing officers have to arrange reconciliation of remittances made into treasury with the record of the Treasury Office and get it certified every month by the Treasury Officer. During scrutiny of records, it was observed that in four DICs, ₹ 4.99 crore remitted through 639 challans during the period 2009-13 ***(Appendix 2.11)*** were not reconciled and not certified from Treasury Officers, in the absence of which, possibility of irregularities cannot be ruled out.

The State Government replied (October 2013) that this was a regular process and verification of challans was under progress.

2.3.6.6 Non-recovery of financial assistance

The State Capital Investment Subsidy Scheme was implemented during 1990 to 1998. The beneficiaries got financial assistance against investment made as per rules under the scheme. The guidelines of this scheme provided that the assisted unit had to remain in production during next five years after receipt of financial assistance and prescribed that Annual Production Report was to be submitted to DIC, failing which the assistance provided was to be recovered with interest.

Scrutiny of records of selected DICs (except Jaisalmer) disclosed that as on 31 March 2013, principal amount of ₹ 6.12 crore and interest of ₹ 5.16 crore could not be recovered from 168 units which were not in production for five years after receipt of assistance and had not submitted annual production reports to concerned DICs.

The State Government stated (October 2013) that cases for recovery of dues had been registered under Public Demand Recovery/Land Revenue (PDR/LR) Act and a few cases were under litigation in the Courts.

2.3.7 Planning

The Government of Rajasthan promulgated State Industrial Policy in 1994, which was revised in 1998. The principal objective of the State Industrial Policy was to lay special emphasis on accelerating the overall pace of industrial growth and strengthening the small scale industry and cottage industry sector. For fulfilment of these objectives and implementation of the schemes, the Commissionerate of Industries prepared Annual Plan in accordance with the framed five year plan. The shortcomings noticed in compliance and implementation of the industrial policy are discussed below:

2.3.7.1 A core team comprising industry leaders, scientific community members and government representatives for working out a plan for developing a major Research and Development (R&D) Laboratory with a focus on long term projects in pure/applied sciences was not constituted by the State Government as laid down in Industrial Policy.

The State Government while accepting the facts stated (October 2013) that informal efforts were made with Director General, Council of Scientific Research, New Delhi to obtain the list of suitable persons but further progress could not be made.

2.3.7.2 Based on findings of comprehensive export potential survey of the State carried out by a professional agency, a new action plan for export promotion was to be implemented but no action in this regard was taken.

The State Government intimated (October 2013) that survey report submitted (October 1998) by Tata Economic Consultancy Services was considered as non-satisfactory and thereafter no action was taken on the issue. The reply confirmed that despite engaging a professional agency neither was any action plan prepared nor was any further action was taken.

2.3.7.3 As laid down in the Industrial Policy, the consultative committees for SSIs were to be constituted in respect of specific sectors to review the existing technology status and advise on measures for technological advancement and quality upgradation. Audit, however, noticed that no such committees were constituted.

The State Government stated (October 2013) that there was no need to constitute new committees. The reply was not acceptable as this was clearly spelt out in the Industrial Policy.

2.3.7.4 With the changed industrial climate and need of industry to adopt the necessary safeguard for increasing awareness regarding environment and pollution control, the Rajasthan State Pollution Control Board (RSPCB) had to delegate necessary powers to the nodal officers in DICs for enabling them to issue 'No Objection Certificate' (NOC) within seven days from the date of receipt of application to SSI and tiny units. Audit, however, observed that necessary powers to the nodal officers in DICs were not delegated.

The State Government stated (October 2013) that due to shortage of manpower, RSPCB could not appoint the nodal officers in DICs which delayed the process of issuing of NOCs.

2.3.7.5 Item No. 5 of State Industrial Policy envisages improvement in the system and timely clearance of issues/applications received for investment. Scrutiny of details of Eligibility Certificates (ECs) issued by the Commissionerate under "Investment Promotion Scheme 2003" disclosed that 6,252 applications involving proposed investment of ₹ 61,573.39 crore were received for issuing ECs during 2008-09, 2009-10 and 2011-12. Details for the year 2010-11 and 2012-13 were not provided to audit. Out of these, 1,191 applications were pending for disposal.

The State Government replied (October 2013) that only 31 cases were pending with the State Level Scrutiny Committee, but no details of settled cases were provided to audit.

2.3.7.6 Non-updation of Departmental Manual

The manual is a source of information and procedures regarding Commissionerate for the guidance of the officials working at various levels. The purpose of manual is to dispose of cases on rationalised system to save time and labour and to streamline procedures. The work of preparation of Departmental manual taken up in 1975 on the initiative of the Accountant General, Rajasthan, Jaipur, was finalised in May 1983. The manual was not updated by incorporating changes and amendments made after May 1983. Thus, the compliance to latest prescribed procedures and system to be followed by the officials of the Commissionerate and field offices could not be ensured. Besides, the manual does not contain instructions on financial control, manpower management, and internal audit. The State Government stated (October 2013) that work for updation of the manual was under progress.

2.3.8 Human Resource Management

2.3.8.1 Staff working in excess of sanctioned strength

There was no policy regarding transfer and posting of personnel in the Department of Industries. The details of sanctioned and working strength in the Commissionerate and in the selected DICs revealed overall staff shortage of 33.33 *per cent*. Besides, 6 officials in the Commissionerate and 10 officials in five DICs were in excess of sanctioned strength.

The State Government while accepting the facts stated (October 2013) that there was no separate policy regarding transfer and posting of personnel. Posting of excess staff in the Commissionerate was due to importance of work. Steps may be taken to conduct a work study to post personnel appropriately.

2.3.8.2 Longer stay of staff at one place

The rotation of an employee helps to ensure that one person does not deal with all the key aspects of transactions or events for undue length of time. The State Government (General Administration Department) issued (1990) instructions that no official was to be posted for more than five years in a division. In case,

the services of any official were essential for more than five years, permission of General Administration Department (GAD) was required.

Scrutiny of records of Commissionerate and selected DICs revealed that among the total working staff of 454 personnel, 286 persons (63 *per cent*) were working in the same office for more than 5 years. Further, 109 and 95 personnel out of the 286 were working for more than 10 and 20 years respectively. In the Commissionerate 67 employees (31.16 *per cent*) out of 215 were working for more than 20 years without obtaining required permission of GAD (***Appendix 2.12***).

The State Government stated (October 2013) that staff were posted for longer period due to their efficiency and experience. The reply is not acceptable as the staff posted for longer period were not technical ones and the permission of GAD for retention beyond five years was not obtained as prescribed. The Government may like to review the situation.

2.3.9 Monitoring

2.3.9.1 Internal Control Mechanism

Internal Control Mechanism is a process meant to ensure that the departmental operations are carried out according to the applicable laws and regulations.

Internal Audit

Internal Audit (IA) is a part of internal control mechanism. It evaluates and contributes to the ongoing effectiveness and level of compliance. IA must be independent, impartial and should not be entrusted with operational responsibilities. The internal audit wing is comprised of one Assistant Accounts Officer and one Junior Accountant under Financial Adviser. It was noticed that internal audit mechanism was deficient as discussed below:

- There was no manual prescribing the principles and practices which the internal audit was required to follow.
- The audit of DICs was not conducted annually as prescribed although full sanctioned strength during April 2008 to March 2013 was available.
- As of March 2013, 8 units were due/pending for audit since 2010.
- As of March 2013, 313 Inspection Reports and 2,284 paras were pending for compliance as detailed below:

1976 to 1990		1991 to 2000		2001 to 2013		Total	
IR	Paras	IR	Paras	IR	Paras	IR	Paras
93	207	88	739	132	1,338	313	2,284

Source: Commissionerate office

IA loses its effectiveness unless the deficiencies pointed out are promptly attended to.

The State Government intimated (October 2013) that efforts were being made to conduct internal audit annually and to clear the pendency of old paras. Further, it was also stated that 14 IRs and 308 paras were settled but no specific details were provided.

2.3.9.2 Response to Audit

The Accountant General (E&RSA), Rajasthan conducts audit of the Commissionerate of Industries and its subordinate offices and irregularities are reported through Inspection Reports. First reply of IR is to be furnished within four weeks. A six monthly report on pending IRs and paragraphs is sent to the Secretary for necessary action on the observations. As on 30 October 2013, 79 IRs and 170 paragraphs were pending for compliance. Out of these, 1 IR and 1 paragraph was pending for more than 10 years and 78 IRs and 169 paragraphs were pending for 1 to 10 years despite six Audit committee meetings being held during 2010-13 for disposal/settlement of outstanding paras.

2.3.9.3 Deficiencies in working of Vigilance Cell

- The head of the Department was responsible to maintain honest, transparent and corruption-free administration by appointing Chief Vigilance Officer (CVO). One of the main functions of the CVO was to make regular scrutiny of working system, sensitive areas and contact point with public in the Department. Based on such review and study, the CVO was to submit proposal and action plan to the Government to prevent probable corrupt practices. Scrutiny of records disclosed that neither any scrutiny was conducted nor any proposal and action plan was submitted by the CVO (July 2013) during the period of Audit.

- The CVO had to prepare and maintain a list of officers whose integrity was judged doubtful as per the prescribed procedure. The list of such doubtful officers was to be sent to the Anti Corruption Bureau (ACB) in the month of January every year. The list of such cases sent to ACB during 2008-09 to 2012-13 was not found on record.

The State Government stated (October 2013) that no such cases were noticed. The reply is not correct as the State Government itself had provided a list of seven cases of corruption as on March 2013 in the Commissionerate which were pending enquiry with ACB with the earliest one dating as far back as 1987. Action may be taken to finalise these cases at the earliest.

2.3.10 Scheme Implementation

State Cluster Development Programme

2.3.10.1 The "State Cluster[45] Development Programme" (Cluster Programme) was introduced (2005-06) for support and growth of artisans and entrepreneurs

45. The term 'Cluster' represents 50 or more artisans/ small entrepreneurs producing same products by using same raw material and production process located within the area of 10 to 15 kilometres.

through developing collective efforts to find and solve common problems under cluster approach. As per para 3 of the Cluster Manual, the proposals of probable clusters requiring development activities for artisans were to be obtained from DICs. The proposals were to be prepared on the basis of baseline survey conducted, Strength, Weakness, Opportunities and Threats (SWOT) analysis made, contribution by artisans in the cost of action plan and recommendations made by GMs of DICs. The preliminary selection of clusters was to be made by Commissioner of Industries, out of the proposals received from DICs. Subsequently, Diagnostic Study cum Detailed Project Reports (DS cum DPRs) were to be prepared by NGOs for these selected clusters. The final selection was to be made by State Level Empowered Committee [46] (SLEC) on the basis of DS cum DPRs presented by NGOs.

During 2006-07 to 2012-13, 39 cluster projects involving total project cost of ₹ 29.77 crore[47] were approved. Of these, only 30 cluster projects were completed by March 2013 at a cost of ₹ 13.07 crore, 3 projects had been cancelled by SLEC after incurring an expenditure of ₹ 0.25 crore and the remaining 6 projects were under progress (March 2013). 10 cluster projects were selected for detailed study as exhibited in ***Appendix 2.13***. The deficiencies noticed in selection and implementation of these cluster projects are as under.

- The Principal Secretary, Industry directed (March 2005) that cluster project reports should spell out envisaged benefits *i.e.* increase in income, turnover of artisans and social cost benefits to be achieved after implementing the cluster activities. The guidelines adopted (April 2006) for implementation of projects through NGOs also reiterated the same. Audit, however, noticed that approved DS cum DPR in all selected cases did not clearly indicate outputs to be achieved through development of those cluster projects.

The State Government accepted (October 2013) the facts and stated that record maintenance was difficult due to illiteracy of artisans. The reply is not acceptable because project reports were not to be prepared by artisans.

2.3.10.2 Lack of Monitoring and evaluation of cluster project

- GMs of DICs were required to submit Monthly Progress Report (MPR) of physical and financial progress of the cluster activities implemented during preceding month to the Commissioner in respect of each cluster. Audit, however, noticed that there was shortfall in submission of MPRs by 20 DICs (31 clusters) which ranged between 31 *per cent* and 100 *per cent* during 2008-13.

- The GMs of DICs were directed (May 2008) by the Commissionerate to monitor the implementation of cluster activities and submit monthly inspection report in prescribed proforma. The important aspects to be incorporated in the inspection report were number of participants benefitted

46. Constituted in November 2007 by State Government under Chairmanship of the Principal Secretary, Industry to take decision regarding implementation of cluster programme.

47. Excluding approved project cost of one cluster-Embroidery Cluster, Shiv (Barmer); information of which has not been provided to Audit.

through the activities implemented, trainer and description of training programmes, machinery, equipment and raw material purchased, disposal of products prepared during training, assets and permanent articles purchased along with deficiencies noticed during inspection and suggestions to rectify them.

Audit observed that in test checked DICs, no record regarding inspections and inspection reports was being maintained nor were inspection reports issued.

The State Government replied (October 2013) that mechanism would be developed for receipt of Monthly Progress Reports online, directly from Implementing Agencies and Nodal officers.

- SLEC directed (July 2008) that quarterly inspection of each cluster be conducted by Industry Extension Officer and officers belonging to accounts cadre. Audit, however, noticed that details of inspections carried out were not compiled at Commissionerate level, in the absence of which, it could not be vouchsafed that the directions of SLEC were complied with. The Commissioner replied (October 2013) that inspection of clusters was carried out at the time of inspection of DICs. The reply is not acceptable as no specific details of quarterly inspections were made available to audit despite requisition for the same. This reflected deficiency in inspection and monitoring of the scheme.

- Cluster Manual provides that mid-term evaluation of each cluster project be conducted through independent agencies after 18 months of commencement of cluster activity so that necessary improvement may be carried out on the basis of findings of such evaluation. Audit, noticed that mid-term evaluation was conducted only in one cluster (leather cluster, Kishangarh Rainwal) against 30 completed clusters up to March 2013 on which an expenditure of ₹ 13.07 crore was incurred.

- Sub-Paras 6 to 10 of Para 9 of Cluster Manual provide that after completion of cluster project, a final report should be obtained from Implementing Agency (IA) in which detailed study on income, production, turnover, export and employment generating opportunity *etc.* had to be included. Further, final evaluation and impact assessment were required to be obtained from independent agency evaluating the work of IA and got approved by SLEC. It was noticed in Audit that out of 30 completed cluster projects, final evaluation and impact assessment was done and approved by SLEC in only 3 clusters[48]. The Department could thus not ensure that the envisaged benefits of cluster development programme had reached the artisans.

The State Government while accepting the audit observations as regards not conducting the mid-term evaluation, final evaluation and impact assessment stated (October 2013) that due to lack of manpower and resources, these could not be conducted. The reply was not convincing as the Department was required to ensure effective implementation of the cluster projects through proper monitoring to provide the envisaged benefits of cluster development to the artisans.

48. Alwar, Dausa, Jaipur

2.3.10.3 Creation and operation of Common Facility Centre

The Common Facility Centre (CFC) was to be established in a cluster project for providing services of common nature like arrangement of raw material, facility of equipment and machinery for job work, adoption of improved technology, training, marketing assistance *etc.* to keep the cluster running and operative for the benefit of artisans on the basis of assessment of necessity and approval by the SLEC. Further, a Special Purpose Vehicle (SPV) in the form of a cooperative society/ federation/ association/ producer company/ private limited company was to be constituted compulsorily in each cluster for construction and operation of CFC.

- Scrutiny of records disclosed that construction of one CFC for Kotadoriya cluster at Kaithun, Kota was sanctioned, for which ₹ 1.72 crore was released to the Rajasthan State Road Development Corporation (RSRDC) up to March 2008. The stipulated date of start and completion were 16 January 2011 and 15 December 2011 respectively. However, the construction of CFC has not been completed (July 2013) even after delay of 18 months. RSRDC had incurred an expenditure of ₹ 0.65 crore on building work and installation of plant and machinery and ₹ 1.07 crore was lying with RSRDC unused (July 2013).

- One CFC for leather cluster at Bansoor, Alwar was also sanctioned for which ₹ 24 lakh was released (November 2006) to Implementing Agency (IA) without ascertaining the availability of clear and undisputed title of land. Further, these funds were diverted (February 2009) after more than two years for construction of another CFC for leather cluster at Bhinmal, Jalore without obtaining any feasibility report. The construction of CFC at Bhinmal, Jalore was subsequently cancelled (June 2011) by SLEC due to non-availability of suitable land and non-submission of any justification report (December 2010) by the GM, DIC, Jalore. These funds were surrendered (December 2011) by the IA. Thus, an amount of ₹ 24 lakh remained idle for five years due to defective planning of the Department.

- It was noticed that under Stone Art ware Cluster Scheme at Dungarpur, one CFC was sanctioned for ₹ 55.25 lakh with stipulated date of start and completion as January 2011 and September 2011 respectively. An amount of ₹ 55 lakh was issued to RSRDC for construction of this CFC. After incurring an expenditure of ₹ 20 lakh, the work was left incomplete due to illegal encroachment on land by a local resident (February 2011). Since then, no efforts were made by the Department to vacate the encroached land, which resulted in unfruitful expenditure of ₹ 20 lakh (March 2013). The remaining amount of ₹ 35 lakh was lying with RSRDC unused (July 2013).

The State Government accepted (October 2013) the facts and stated that establishment of plant and machinery in CFC, Kaithun, Kota was under process. In respect of CFC, Bansoor amount had been deposited in Government treasury and regarding Stone Art ware Cluster, Dungarpur, matter had been placed in the meeting of SLEC for taking decision.

Mahatma Gandhi Bunkar Bima Yojana

2.3.10.4 The Government of India (GOI) introduced (December 2003) "Bunkar Bima Yojana" and renamed it as "*Mahatma Gandhi Bunkar Bima Yojana* (MGBBY) in 2005-06. The basic objective of the MGBBY was to provide enhanced insurance cover to the handloom weavers in case of natural as well as accidental death and in case of total or partial disability. The annual premium of ₹ 330 was to be shared[49] by GoI, State, Life Insurance Corporation (LIC) and the weaver. GOI share was to be released directly to LIC in advance based on the number of handloom weavers to be covered under the scheme.

During examination of records of Commissionerate and seven selected DICs[50] where the scheme was in operation, the following points were observed:

Scrutiny of application

According to the guidelines of scheme, all weavers whether male or female between the age group of 18 and 59 years were eligible to be covered under the scheme. Scrutiny of records of DIC, Jodhpur disclosed that the GM, DIC being nodal officer did not scrutinise the application forms of insurance policies and forwarded the same to LIC without ensuring eligibility criteria. In five cases, applications of beneficiaries having age of 59 years or more were forwarded. In one case, insurance policy was issued in March 2008 on the basis of age of 58 years shown in application. Subsequently, the policy holder died in April 2008. At the time of death, in the application for insurance claim, the age was shown as 65 years and hence, the claim was rejected. This showed lack of scrutiny of applications at the level of GM, DIC.

The State Government while accepting the facts stated (January 2013) that directions would be issued for fixing the responsibility at DIC level regarding such cases.

Monitoring

Implementation of the scheme was to be reviewed in the meetings held every month at district level between Assistant Director, Handloom and LIC representatives. However, no such meetings were held in selected DICs during 2008-13.

The State Government stated (October 2013) that directions for monitoring at district level had been issued but as only two LIC Centres (Jaipur and Jodhpur) are functional, it was not possible for them to attend meetings in all the districts of the State. It further stated that efforts were being made to conduct meetings monthly.

Health Insurance Scheme

2.3.10.5 GOI introduced (2005-06) the Health Insurance Scheme (HIS) for Handloom Weavers to be implemented through ICICI Lombard General

49. GoI-₹ 150, LIC-₹100, State-₹ 40 and weaver-₹ 40
50. Ajmer, Alwar, Jaipur (City), Jaipur (Rural), Jaisalmer, Jodhpur and Kota.

Insurance Company Limited (ICICI Lombard). The State Director of Handlooms/Director of Industries and his subordinate officers in the field were nodal officers and responsible for efficient implementation of the scheme. The premium of policy was revised from time to time and for the year 2012-13 it was fixed at ₹ 939.76 to be shared by GoI (₹ 769.36) handloom weaver/State Government (₹ 170.40)[51]. After receipt of Health Cards (HCs) from ICICI Lombard, the Commissionerate along with the implementing agency was liable to inform individual beneficiaries about the coverage.

Scrutiny of records maintained at the Commissionerate and seven selected DICs[52] disclosed the following irregularities:

- During 2008-13, though 9,787 applications of weavers along with state/weavers share were submitted to ICICI Lombard, only 8,842 HCs were issued to weavers. The remaining 945 HCs pertaining to the period from January 2009 to March 2013 had not been issued till date (October 2013).

The State Government stated (October 2013) that target for issuing HCs have been achieved by ICICI Lombard due to which balance HCs were not issued. The reply was not acceptable as no time limit had been fixed by the Government for issue of the HCs once ICICI Lombard received the premium.

- Against the provision to reimburse medical claims within 15 days of its receipt, medical claims of ₹ 7.50 lakh of 307 weavers of four selected DICs[53], submitted between November 2007 and March 2013 were not settled by ICICI Lombard till May 2013. Further, claims of 109 weavers of ₹ 2.42 lakh were reimbursed with delay of 4 to 36 months.

The State Government accepted (October 2013) the facts and stated that pending claims would be settled promptly.

- ICICI Lombard or its authorised representative had to furnish a list of medium class hospitals/nursing homes for medical treatment to the handloom weavers, State Government and Office of Development Commissioner for Handlooms. This list was to be updated quarterly. Audit scrutiny disclosed that the list of medium class hospitals/nursing homes was not updated quarterly during 2008-13 by ICICI Lombard or its authorised representatives. Resultantly, beneficiaries remained unaware of the nearest authorised hospitals for getting treatment.

- Further, ICICI Lombard did not adhere to the scheme, guidelines/GoI instruction (October 2008) as its representatives never visited villages to collect the medical reimbursement claims of the weavers as was required.

- At the district level a committee consisting of Assistant Director, Handloom of the State Government and representatives of ICICI Lombard was required to meet in the first week of every month to monitor the progress of enrolment of applicants and to resolve the issue with regard to payment of claims. Scrutiny of records of selected DICs disclosed that no such type of meeting was held during audit period.

51. Including handloom weaver's contribution of minimum ₹ 50.
52. Ajmer, Alwar, Jaipur (City), Jaipur (Rural), Jaisalmer, Jodhpur and Kota.
53. Alwar, Jodhpur, Jaipur (City), Kota.

The State Government stated (October 2013) that directions would be issued for prompt implementation of scheme.

2.3.10.6 Urban and Rural Haat

Urban haat

The Development Commissioner (Handloom), Ministry of Textiles, GoI was implementing various schemes since 1996-97 for successful growth and development of handloom sector. The component of urban haat was introduced in 1997-98, to provide adequate direct marketing facilities to the craft persons/weavers for selling their products directly to the customers. The estimated project cost of ₹ two crore per haat was to be shared by the GoI and State Government in the ratio of 70:30. Expenditure in excess, if any, was to be borne by the State Government.

Rural haat

The rural artisans do not have the wherewithal to connect themselves to the market as they lack adequate capacity, market intelligence and negotiation skills. Therefore, to bridge these inadequacies, the setting up of rural haats for promotion of rural products at village, district and state level was provided under the *Swarnjayanti Gram Swarozgar Yojana* (SGSY) of the GoI. The project cost of rural haat at village, district and State level was maximum up to ₹ 0.15 crore, ₹ 1.50 crore and ₹ 3 crore respectively, to be shared by the GoI and State Government in the ratio of 75:25.

Ten rural haats and three urban haats were developed in 13 districts[54] up to March 2013. The scrutiny of records of urban and rural haats at Commissionerate and five DICs[55] disclosed that:

- The GoI made provisions of ₹ 10 lakh and ₹ 5 lakh in the first and second years for publicity for each urban haat under the scheme. It was observed during audit that urban haats were developed at Ajmer, Jaipur and Jodhpur during 2008-13 but publicity of the project was not done despite provision of ₹ 45 lakh under the scheme. State Government informed (October 2013) that efforts were being made for receiving funds from GoI.

- As per Rule 8 (2) of GF & AR, withdrawal of money from Government account was to be made for immediate requirement. The project reports for urban haats at Alwar and Sikar were submitted (July 2009) to the GoI for approval and release of central share. Audit observed that funds of ₹ 90 lakh were released and transferred (January 2010) by the State Government to the Personal Deposit (PD) account of *Udyam Protsahan Sansthan* Jaipur, of which an expenditure of ₹ 84.16 lakh was incurred up to November 2011, though the approval of the project report submitted (July 2009) was neither received nor the central share released by the GoI.

54. Rural-Bhilwara, Bikaner, Bharatpur, Chittorgarh, Dausa, Jhunjhunu, Jaisalmer, Rajsamand, Kota, Udaipur, Urban-Ajmer, Jaipur and Jodhpur.
55. Ajmer, Jaisalmer, Jodhpur, Kota and Udaipur.

The State Government stated (October 2013) that action was being taken to obtain the sanction of GoI.

- All the 10 rural haats were developed at district level whereas no haats were developed at village level which deprived the rural artisans to avail benefit of better marketing facilities at village level to sell their products throughout the year. The objective of creation of rural haats was thus defeated.

The State Government stated (October 2013) that the rural haats were developed at district headquarters as per sanction issued by GoI. The reply was not acceptable as rural haats were not constructed at village level as envisaged in the guidelines.

- The actual benefits to artisans were to be extended by utilisation of haats through organising fairs and exhibitions for which a calendar of programmes for each year was to be followed. Approved calendar relating to organising fairs and exhibitions was not adhered to. There was a shortfall ranging between 57 and 100 *per cent* in organising fairs and exhibitions during 2008-09 to 2010-11. Besides, shortfall in stalls actually allotted during each fair/exhibition to artisans against available stalls ranged between 7 and 95 *per cent* in nine haats. Information for 2011-13 was not provided by the Department (October 2013).

The State Government stated (October 2013) that instructions had been issued to GMs to organise the fairs and exhibitions as per approved calendar.

- As per guidelines issued by the GoI and project reports approved, operation and maintenance of haats was to be carried out from the income generated from operation of these haats through fair, exhibition *etc.* Audit found that during 2008-12, in five selected DICs, expenditure of ₹ 70.71 lakh was incurred against income of ₹ 31.91 lakh. Against deficit of ₹ 38.80 lakh, Commissionerate provided funds of ₹ 52.02 lakh. Information for 2012-13 was still awaited (October 2013). Thus, the amount of ₹ 13.22 lakh was allowed in excess by the Commissioner, Industries without justification. No specific reply was given by State Government.

Salt Industries

2.3.10.7 In November 2007, the State Government revised rules prescribing the conditions on which available saline land for the purpose of the Salt industry is allotted on lease. Scrutiny of records at the Commissionerate and three DICs[56] where activities of salt industry were operational disclosed the following irregularities:

Vacant saline land not allotted for cultivation

State Industrial Policy, 1998 envisaged that the vacant saline land measuring about 18,000 acres would be brought under cultivation in a phased manner. Audit, however, noticed that no saline land was allotted for cultivation despite a lapse of more than 15 years.

56. Jaisalmer, Jodhpur and Ajmer.

The State Government stated (October 2013) that allotment could not be made due to geographical conditions of saline land, water logging in the area, legal dispute etc. and hence a proposal to declare salt area as non-saline is under process. The fact remains that the vast saline area was not brought under cultivation even after 15 years of the State Industrial Policy.

Lease rent for saline area

Rule 7 of Rajasthan Land Revenue (Allotment of Land in Saline Area) Rules, 1997 (Rules 1997) and Rule 9 of revised Rules 2007 (Rules 2007) provide that lease rent for each saline area is required to be fixed considering the salinity and availability of brine in the area. Until lease rent is fixed by the State Government, an interim lease rent as mentioned in the rules was to be charged.

Scrutiny of records disclosed that the State Government did not fix the lease rent for each saline area and an interim lease rent was being charged for all the saline area at the rate of ₹ 100 per acre and ₹ 161.88 per acre per annum for the period January 1997 to November 2007 and December 2007 to date respectively without considering the salinity and availability of brine in each area.

The State Government stated (October 2013) that due to availability of different types of brine in the same area, it was not practically possible to fix lease rent as per the salinity. The reply is not acceptable as the Rules lay down that survey of saline areas was to be undertaken through samples taken and based on the survey the area proposed to be declared as saline area was to be mapped out. Further, under Rules 2007 only land with brine density of more than 10 *per cent* is to be considered as saline area. Because adequate action was not taken as per the Rules, the revenue due to Government was affected, non-saline areas were not allotted for cultivation and saline areas were not mapped.

Unauthorised possession of salt land by ex-lessee

Rule 14 and 16 of Rules 2007 provide renewal of lease of allotted saline land after expiry of validity period of 20 years. Test check of records of 184 leases in DICs, Jaisalmer and Jodhpur and 85 leases in DIC, Kishangarh (Ajmer) disclosed that in 198 cases[57], though the lease period had expired between March 1994 and March 2008, no action was initiated to either terminate the lease or to take over possession of the areas. This resulted in unauthorised possession of salt land and loss of revenue to Government.

The State Government stated (October 2013) that action to terminate and regularise lease cases was under process.

Non-recovery of lease rent

Rule 7 of Rules 1997 and Rule 9 of Rules 2007 provide that lease rent for each saline area is to be fixed considering the salinity and availability of brine in the area.

57. Jaisalmer-25, Jodhpur-134 and Kishangarh (Ajmer)-39.

Audit noticed that no mechanism had been evolved to ensure realisation of lease rent as the Commissionerate did not have details of outstanding lease rent. It was also noticed (July 2012) that an amount of ₹ 8.99 lakh was shown as outstanding lease rent in DIC, Jaisalmer but details of the same could not be verified in the absence of proper records.

The State Government stated (October 2013) that all records regarding recovery of lease rent were maintained at DIC level. The reply is not acceptable as no proper record was found maintained at the Commissionerate or at DIC level.

Namak Mazdoor Awaas Yojana

2.3.10.8 The *Namak Mazdoor Awaas Yojana* (NMAY) was formulated (October 2003) by the Department of Industrial Policy and Promotion, GoI to ameliorate the living condition of salt workers by providing dwelling units to salt workers. The project cost of each dwelling unit was ₹ 50,000 including ₹ 10,000 for infrastructure facility. 10 *per cent* of the cost was to be shared by the beneficiary.

Scrutiny of records of Commissionerate and DIC, Jodhpur disclosed that central assistance of ₹ 2.03 crore was released up to June 2011 for construction of 450 houses[58]. State Government released ₹ 1.61 crore to beneficiaries for construction of houses on the land provided to them free of cost and ₹ 45 lakh to concerned DICs for infrastructure facilities. Out of 450 sanctioned houses, 449 houses were completed as of March 2009, whereas one house was completed in November 2011.

During joint inspection (September 2010) of houses constructed at Baap (Phalodi), Jodhpur by Audit with Deputy Director, DIC, Jodhpur, it was observed that the doors/windows were in broken condition. Further, other infrastructure facilities such as approach road, drinking water and electricity connections *etc.* were either not completed or in bad condition. As a result, these houses were not being utilised by the salt workers. Thus, the intended purpose of construction of houses under NMAY was not fulfilled even after completion of houses by incurring an expenditure of ₹ 2.06 crore (January 2013).

The State Government stated (October 2013) that at the time of production of salt, maximum number of houses remain occupied and adequate infrastructure facilities have been provided as per available resources. The reply was not acceptable as no evidence in support of adequate facilities provided had been furnished to audit.

As per para 4 of NMAY guidelines, *pattas* were to be issued to allottees of houses. However, Audit observed that *pattas* were not issued to allottees, even after expiry of more than six years from the date of issue (November 2006) of allotment letters of houses.

The State Government stated (October 2013) that work of issuing of Pattas is done by Panchayats/Nagarpalikas. The reply was not acceptable as the Department did not pursue the matter with *Panchayats/Nagarpalikas*.

58. Jodhpur-89 houses and Nagaur-361 houses.

Integrated Handlooms Development Scheme

2.3.10.9 The GOI formulated (December 2007) Integrated Handloom Development Scheme (IHDS) to facilitate sustainable development of handloom weavers located in and outside identified handloom clusters into cohesive, self managing and competitive socio-economic units. The maximum permissible project cost for each cluster was not to exceed ₹ 60 lakh for a project period of three years.

The GoI approved (January 2008) two handloom cluster projects at Pokhran (Jaisalmer) and Napasar (Bikaner) at a cost of ₹ 1.05 crore as detailed below:

Table 9: Details of approved handloom cluster projects under IHDS

(₹ in lakh)

Sl. No.	Name of handloom cluster project	Name of implementing agency	Project cost	Central share	State share	Beneficiary share
1.	Pokhran	M/s Urmul Marusthaliya Bunkar Vikas Samiti, Phalodi, Jodhpur	46.19	38.33	6.12	1.74
2.	Napasar	M/s Rangsutra Craft Duniya Producer Company Ltd.	58.70	49.03	7.82	1.85
Total			**104.89**	**87.36**	**13.94**	**3.59**

Source: Information provided by Department

The position of funds received from the GoI and provided to IAs is detailed below:

Table 10: Details of funds received and provided to IAs

(₹ in lakh)

Sl.No.	Name of cluster project	Funds received from the GoI		Funds provided to the IA		Time taken to provide funds (in months)
		Month/Year	Amount	Month/ Year	Amount	
1.	Pokhran	1/08	12.45	3/09	11.72	14
		8/10	14.20	2/11	14.20	6
2.	Napasar	1/08	13.70	3/09	11.71	14
		8/10	19.28	1/11	19.28	5
Total		**-**	**59.63**	**-**	**56.91**	**-**

Source: Departmental Information

Scrutiny of records relating to the above cluster projects, scheduled to be completed by March 2011 disclosed following irregularities:

- The GoI sent (April 2007) Diagnostic Study Reports (DSRs) for above clusters to State Government for returning the same with acceptance by May 2007 but the required acceptance was submitted to GoI in December 2007

with delay of seven months. State Government confirmed (October 2013) that the delay of seven months was due to examination of feasibility of DSRs.

- Para 6 (iii) of the IHDS guidelines provides submission of quarterly report indicating the impact of the scheme on weavers after commencement of project. Audit observed that the first instalment of assistance from the GoI was received in January 2008 but the report indicating financial progress without any impact assessment was submitted to the GoI belatedly in July 2010. Resultantly, the GoI released funds in August 2010 with a delay of 30 months.

The State Government stated (October 2013) that due to delay in obtaining utilisation certificates, physical progress reports and impact assessment reports, quarterly report could not be sent to GoI in time.

- Para 6 (x) of IHDS guidelines provides release of funds to IA by State Government within three months from the date of transfer/ adjustment to the State fund. The GoI released funds of ₹ 26.15 lakh (January 2008) and ₹ 33.48 lakh (August 2010) out of central share of ₹ 87.36 lakh sanctioned (January 2008). However, the State Government provided (March 2009 and February 2011) funds to the IAs after a delay of 14 and 6 months respectively without assigning any reason. As a result, central assistance to the extent of ₹ 27.73 lakh (32 *per cent*) was not released up to June 2011 despite expiry of scheduled completion period (March 2011) of these projects. Thus, weavers were deprived of the benefit available under the scheme.

Scrutiny of records of DIC, Jaisalmer disclosed the following:

- The Self Help Groups (SHGs) of weavers were to be formed under the scheme. As against 575 weavers, SHGs were formed for only 160 weavers (28 *per cent* only) during the project period.

- It was also noticed that against the project cost of ₹ 46.19 lakh, an amount of ₹ 34.25 lakh was released to IA, out of which expenditure of ₹ 23.15 lakh (50 *per cent*) had been incurred (as of July 2010). However, no expenditure was incurred on basic inputs like margin money and machinery for which provision of ₹ 11.40 lakh was available in project cost.

The State Government stated (October 2013) that ₹ 3.24 lakh had been spent against margin money and machinery and efforts were being made to grant more margin money to weavers.

2.3.10.10 Funds released in anticipation of approval

The Commissioner of Industries sanctioned seven cluster projects[59] under IHDS and funds of ₹ 37.64 lakh were provided (March 2008) to the Rajasthan Bunkar Sahakari Sangh Limited, whereas the proposals of these clusters were sent in November 2008 to GoI for approval. Reasons for releasing the funds in advance without approval of proposals were not found on record.

The State Government informed (October 2013) that GoI approved (February 2011) only three projects along with central assistance of ₹ 39.88

59. Dariba (Churu), Mangool (Barmer), Barmer, Junia (Ajmer), Asnawar (Jhalawar), Leta (Jalore) and Shahpura (Bhilwara) at ₹ 5.37 lakh each.

lakh for which utlisation report had been sent to GoI. It further stated that the funds provided through State Plan for four clusters were lying in PD account of Rajasthan Bunkar Sahakari Sangh Limited and action was being taken to recover the same. The fact remains that undue benefit of ₹ 37.64 lakh was given to the Sangh for three years i.e. from March 2008 to February 2011 and action was not taken immediately to recover the surplus funds.

Rajasthan Micro, Small and Medium Enterprises Development Assistance Scheme

2.3.10.11 With a view to strengthening the institutional support framework, improving quality of Micro, Small and Medium enterprises products through research and development and compatibility with the environmental benchmark, 'The Rajasthan Micro, Small and Medium Enterprises Development Assistance Scheme' was introduced under incentive package in 2008.

Para 7 (iii) of the scheme provides that reimbursement of expenses subject to a limit of ₹ two lakh or 10 times of the fee whichever is lower incurred for filing and obtaining Patent/ISO certificates during the period between 1 April 2007 and 31 December 2011 by an industrial enterprise will be allowed. Further, as per declaration given by the enterprise/applicant, in case of availing of excess benefits or non-compliance with the provisions/conditions of the scheme, the applicant was liable to repay whole of amount actually availed under the scheme along with interest at the rate of 18 *per cent* per annum on such amount from the date on which the benefit was availed for the first time. In August, 2011 the Commissioner instructed all DICs that reimbursement of expenses would include application, registration and certification audit fees.

During review of records of three DICs out of ten, it was noticed that the Department had reimbursed excess expenses for ISO certification fees and irregular reimbursement on items i.e. consultancy fee, training fee, calibration charge *etc*. of ₹ 95.27 lakh in respect of 72 beneficiaries.

The State Government stated (October 2013) that in 33 cases, action for recovery was under process. In the exit conference, it was stated that a committee was being constituted for reviewing the cases.

Weights and Measures

2.3.10.12 The Commissionerate renders services to citizens by ensuring compliance of rules and regulations regarding Weights and Measures (W&M) so that consumer's interest can be safeguarded. With a view to ensure delivery of accurate weights and measures of articles and to protect consumer's interest, Rajasthan Weights and Measures Standard (Enforcement) Rules, 1997 were made effective in the State from January 1998. These rules were amended in May 2011. Rule 13 of Rajasthan Legal Metrology (Enforcement) Rules, 2011 (effective from 3 May 2011) provides that the accuracy of W&M as per standard is to be verified and stamped every year. Besides, inspection of W&M is also required to be carried out to ensure the compliance of above rules.

Audit observed that:

- The provision for registration of W&M users was removed while amending the rules in 2011 due to which the data of all W&M users were not available with the Controller, Legal Metrology. In the absence of such data the Controller was not in a position to ensure that verification and stamping of each W&M was done every year. Further, the Controller did not evolve any mechanism to have data of W&M users who had come for verification and stamping of W&M at the office of the Legal Metrology Officer or other specified places.

- Audit obtained the details of total number of metered taxi/auto rickshaws plying in Jaipur and Jodhpur districts from Transport Department and results of verification and stamping of taxi meters conducted by the Controller during 2008-09 to 2012-13. Scrutiny of these details disclosed ***(Appendix 2.14)*** that percentages of verified and stamped taxi-meters in these two districts were 33.24 and 61.51 *per cent*.

The State Government stated (October 2013) that registration of W&M users was not provided in the Central Act (Central Metrology Act, 2009 effective from 13 January 2010) and accordingly this was not provided in the State rules. It further stated that 100 *per cent* verification and stamping of auto/taxi-meters is possible through effective enforcement and procedural improvement by the Transport Department. A proper mechanism may be evolved by the Department to collect data of W&M users. In respect of verification and stamping of auto/taxi meters, effective enforcement may be ensured.

2.3.10.13 Non-utilisation of Machinery and Equipment

Two 'Mobile Standard Weight Kit with Crane' (Mobile kit), costing ₹ 1.24 crore were provided (May 2010) by GoI for verification of weigh bridges. Scrutiny of records disclosed that one Mobile kit provided at DIC, Udaipur was lying idle due to non-availability of operator. As per log book of vehicle, the kit was used only for 19 days during 2010-11 to 2012-13.

The State Government intimated (October 2013) that mobile kit operator was arranged temporarily from DIC, Jodhpur and action for appointment of a regular operator had been initiated.

2.3.10.14 Non-utilisation of Mass Flow Meter

During the review of records of DIC, Jaipur City, it was noticed that two mass flow meter machines valuing ₹ 12.50 lakh were received from Government of India in September 2012 for verification of LPG dispenser for vehicles. Due to non-availability of trained operators, these machines were lying idle (June 2013). This resulted in blockage of funds of ₹ 12.50 lakh and loss of revenue to be earned from verification of LPG dispensers.

The State Government stated (October 2013) that verification of LPG pumps by mass flow meters was going to be started soon. The reply is not acceptable as the machines were still lying packed and the guarantee period of one year had already expired in September 2013.

2.3.11 Conclusion

Audit of Commissionerate of Industries disclosed several weaknesses in the financial management, human resource management and implementation of selected schemes. The revised estimates prepared were inaccurate and action plans were prepared but not implemented as envisaged in State Industrial Policy. Departmental manual was not updated since 1983. Internal audit of DICs was not conducted annually as prescribed. The working of Chief Vigilance Officer in the Department was ineffective.

State Cluster Development Programme- The Department did not ensure an effective mechanism for cluster development as mid-term/final evaluation of programme was not conducted. Payment to implementing agencies was made without approval of final evaluation and impact assessment by SLEC. Besides, non-submission of IRs, MPRs and negligence in quarterly inspections by Commissionerate indicated poor monitoring.

Mahatma Gandhi Bunkar Bima Yojana- Monitoring and evaluation of the scheme was weak as instances of forwarding of applications of ineligible weavers were noticed.

Health Insurance Scheme- Cases of non-issuance of health cards by ICICI Lombard and delayed settlement of medical claims of weavers were noticed. The list of hospitals/nursing homes were not updated by ICICI Lombard.

Urban & Rural Haat- No haats were developed at village level which deprived the rural artisans to avail benefit of better marketing facilities. Expenditure was incurred without approval of project by GoI. Approved calendar for organising fair and exhibition was not adhered.

Salt Industries- Vacant saline land was not allotted for cultivation despite lapse of 15 years of formulation of State Industrial Policy. Final lease rent was not fixed and cases of unauthorised possession of land and non-recovery of lease rent were also noticed.

Namak Mazdoor Awaas Yojana -Infrastructure facilities were not provided as a result of which, houses remained unoccupied and the intended objective of the scheme could not fully accrue.

Integrated Handloom Development Scheme- Provisions of IHDS guidelines were not adhered to. Funds provided through State Plan were not recovered despite non-approval of projects by GoI.

Rajasthan Micro, Small and Medium Enterprises Development Assistance Scheme- Excess/irregular reimbursement was allowed for ISO certification fee, consultancy fee, training fee and calibration charges.

Weights and Measures- Systematised mechanism was not evolved for stamping of each weight and measure every year. The registration of W&M users was not provided in revised rules in the absence of which there was no mechanism to collect data of all W&M users.

2.3.12 Recommendations

The Department may

- ensure completion of tasks envisaged in the State Industrial Policy;
- ensure compliance of the provisions of Rajasthan Budget Manual in finalising the budget estimates, revised estimates, supplementary grants, surrender and reappropriation of funds;
- evolve effective internal control mechanism for implementation of various schemes and disposal of outstanding paras of internal and external audit;
- ensure compliance of provisions of cluster manual prepared for operating and monitoring the activities of cluster programmes;
- make an effort to terminate or take possession of salt land where lease period has expired;
- make efforts to realise lease rent from salt cultivators, map out non-saline areas and allot the same to cultivators;
- ensure prompt issue of health cards by ICICI Lombard and timely settlement of medical claims under Health Insurance Scheme;
- take measures to upgrade the infrastructural facilities so that the houses constructed under NMAY are occupied;
- ensure compliance of rules and regulations regarding weights and measures so that the consumer's interest is safeguarded; and
- monitor and evaluate impact of the schemes/programmes.

Chapter III
Compliance Audit

Chapter III
Compliance Audit

Audit of transactions of the Government Departments, their field formations as well as audit of the autonomous bodies brought out lapses in management of resources and failures in the observance of the norms of regularity, propriety and economy, which have been presented in the succeeding paragraphs under broad objective heads.

3.1 Non-compliance with rules and regulations

Agriculture Department

3.1.1 Non-implementation of Agriculture Resource Information System Network in Rajasthan

3.1.1.1 Introduction

The Department of Agriculture and Cooperation (DAC), Ministry of Agriculture (MoA), Government of India (GoI), launched (April 2005) a scheme called 'Agriculture Resource Information System Network (AGRISNET)', a mission mode project, to provide improved services to the farming community through use of Information and Communication Technology (ICT). Since the scheme was going to be implemented in the projectised mode, the State Governments were to determine the output and deliverables for each project in terms of government to citizen (G2C) services. Provisions of government to government (G2G) services would be treated as an intermediate output. The project also envisaged covering G2B, G2E and G2F services[1] using AGRISNET portal, video conferencing, mobile based system, citizen service centres, knowledge hub *etc.* It aimed to assess the farmers' information needs, build a system using ICT in agriculture technology, empower farmers in the use of ICT and make available information on resources relevant to farmers, like seed certification, fertilizers, pesticides *etc.*

In order to ensure that the benefits of the scheme were visible before the end of Tenth Five Year Plan (2002- 2007), GoI conceived (May 2005) the implementation period of AGRISNET Project in about one year time (mid 2006). Considering the transformational potential of the Scheme, audit conducted a study (April-May 2013) of the progress and achievements of the scheme. It was observed that though a Detailed Project Report (DPR) was submitted (November 2009) by the Department, prescribing one year period for completion of the project, no services under AGRISNET have been launched in Rajasthan till date (July 2013) *i.e.* seven years after the due date. Hence no benefits envisaged under the Scheme were visible either in the Tenth or Eleventh Five Year Plans (2007-12). The details of analysis of the factors responsible for this complete failure, based on the records of 106

1. Government to business, government to employee and government to farmers.

units/offices in 9 (out of 33) test checked districts[2], are enumerated in following paragraphs:

3.1.1.2 Lackadaisical approach of the Department towards implementation of the project

Approval cum Monitoring Committee (AMC) of DAC, called for proposals (17 May 2005) from the State Governments seeking project preparation assistance by 15 June 2005 and project proposals for funding before 31 July 2005 with a view that the project could be completed in about one year's time.

Lackadaisical approach of the Department of Agriculture (DoA) towards implementation of the project is indicated in the table below:

Sl. No.	Activities of the project	Due date	Actual date of completion	Delay
1	Submission of proposal to AMC of DAC, GoI	15 June 2005	April 2006	10 months
2	Submission of project proposals to AMC for funding and subsequent DPR	31 July 2005	November 2009	4 years and 4 months
3	Proposals approved by AMC	----------	December 2009	-
4	Completion of project	Before the end of the Tenth Five Year Plan (March 2007)	Work under progress (September 2013)	7 years

Delay in submission and approval of proposals

The Agriculture Department approached (July 2005) RajCOMP, a Government of Rajasthan Undertaking, for the cost estimates for preparation of proposals of AGRISNET. As no response was received from RajCOMP, the Department sent its proposals (April 2006) to DAC, GoI, which were not accepted by AMC, DAC, GoI (14 June 2006) on the ground that the proposal was in initial stage and it did not indicate the module to be used for implementation of the project.

The Department thereafter, approached (September 2006) National Informatics Centre (NIC) for preparation of the proposal. The proposal was prepared and submitted by NIC (March 2007) to the Department but it remained under deliberations between the Department and NIC for more than two years due to non-response by NIC for one year and additional demand for preparation of DPR. Meanwhile, validity period of sanction of ₹ 5 lakh released (30 June 2006) for preparation of project proposal by GoI lapsed which was revalidated in January 2009.

Finally NIC issued a work order of ₹ 4.32 lakh (July 2009) to M/s Infogain, for preparation of DPR, which was submitted in November 2009 to the Department.

2. Bhilwara, Bikaner, Chittorgarh, Dausa, Karauli, Kota, Jhalawar, Rajsamand and Sikar.

The Department submitted (November 2009) the project proposal of ₹ 7.95 crore. GoI approved (16 December 2009) the proposal for ₹ 5.60 crore, disallowing activities amounting to ₹ 2.35 crore[3].

The lackadaisical approach of the Department towards implementing the scheme as per the DPR projections shown in the Table above was evident as it took four and half years to obtain approval of GoI.

Government admitted the facts and stated (January 2014) that in the absence of any response from RajCOMP and NIC, the Department prepared project proposal at its own level.

The reply is not correct as the Department should have taken steps within the stipulated time for preparation of the proposals to send to GoI.

Inordinate delay in preparation of DPR and implementation of project

After seven months of the GoI approval (December 2009), the Department approached (July 2010) NIC and Department of Information Technology and Communication (DoIT&C), for obtaining their consent for implementation of the project. DoIT&C submitted an approach note (July 2010) for the job, and the Department issued (October 2010) approval for implementation of the project to DoIT&C, directing them to prepare software by December 2010. DoIT&C, while considering the proposal for preparation of RFP bid document, pointed out (28 January 2011) that the DPR prepared by NIC (Infogain), did not cover scope of application development and ICT deployment for preparation of RFP. Hardware requirement had also not been mapped with the application requirement and costing of hardware was also not proper. The Department agreed (February 2011) for redrafting the DPR and accordingly, DoIT&C issued work order (28 February 2011) to PricewaterhouseCoopers (PWC), a consulting agency, for redrafting the DPR.

However, in contravention of the above decision, the Department assigned NIC (July 2011) to implement the NIC application prepared for other States, after customising the same as per their requirement and informed DoIT&C that services of the consultant (PWC) were no more required. In the process, the Department lost two years (November 2009 to August 2011). It was, however observed that the Department paid and advance of ₹ 2.49 crore (March 2012) to NIC against total cost of ₹ 4.05 crore, without executing any agreement. The work which was scheduled to be completed before the end of Tenth Five Year Plan was not completed (March 2013).

The Department stated (June 2013) that due to slow progress by the consultant, the project work was allotted to NIC and the portal could not be activated because all the applications were still under process of completion.

3. Hand handling cost (₹ 1.09 crore), Misc. expenditure (₹ 0.10 crore), Site preparation (₹ 0.73 crore), Laptop to various offices (₹ 0.38 crore), Seminars, Workshops (₹ 0.05 crore)

The Department further intimated (June 2013) that eight software applications[4] would be completed by April 2014.

Government admitted (January 2014) the facts and stated that NIC is a GoI undertaking and GoI has given approval to NIC to implement the AGRISNET project in the State.

3.1.1.3 Non-utilisation of grants

GoI sanctioned grant (17 February 2010) of ₹ 5.60 crore for implementation of the scheme. Additional funds of ₹ 5.11 crore for strengthening of IT apparatus was sanctioned out of which ₹ 1.78 crore was released (30 March 2011). Interest of ₹ 0.12 crore was also earned by Department on these grants during 2010-13. Thus, total funds available with the Department were ₹ 7.50 crore.

- Additional grant of ₹ 1.78 crore (March 2011) released for installation of computers in the 463 offices of Assistant Agriculture Officers (AAOs) and networking/broadband connectivity in 700 AAO offices was not utilised, leading to non-release of remaining grant of ₹ 3.33 crore. This deprived the State from the benefits of this grant on developing infrastructure for the scheme. Reasons for non-utilising the grant were not furnished by the Department (January 2014).

Government stated (January 2014) that due to non-availability of government building, electrical connections and safety arrangements in these AAOs offices, computer hardware in 463 AAO offices could not be utilised.

The reply is not acceptable because Department should have created infrastructure before installation of computers in AAOs offices.

- The Department incurred an expenditure to ₹ 2.31 crore[5] on purchase of hardware and training during 2010-11 and paid advance of ₹ 2.49 crore (March 2012) to NIC. No other activity was undertaken during 2011-13. The Department stated (June 2013) that delay in implementation was due to late receipt of grant. The reply was not acceptable as the Department applied for the grant on 4 February 2010 though the project was approved on 16 December 2009. Grant was sanctioned by GoI on 17 February 2010 and there was no delay in receipt of grant.

3.1.1.4 Avoidable expenditure

Premature purchase of computers

The Department incurred an expenditure of ₹ 2.27 crore for procurement of hardware equipment (456 computers, 471 printers[6] and 441 UPS) during 2010-11 against the grant of ₹ 5.60 crore.

---

4. Monthly progress report (MPR); Budget; demand, supply and monitoring of fertilizers; monitoring of seed demands and availability; weekly information of sowing, weather, pest management; monitoring of soil testing programmes; PIS and monitoring of quality of quality control agriculture inputs.
5. Purchase of hardware ₹ 2.27 crore, ₹ 0.04 crore transferred for training of employees of Agriculture Department to State Institute of Agriculture Management (SIAM), Durgapura, Jaipur.
6. 30 printers were provided by supplier on free of cost against the purchases.

The equipment could not be utilised as the application software and infrastucture were not available and had to be diverted to other offices, though such diversion was not provided under the scheme. During scrutiny of records of 106 test checked units under 9 districts, it was noticed that 30 computers were diverted to offices other than those to which these were to be allotted ***(Appendix 3.1)*** and 10 were lying unutilised. Four computer sets[7] were found seal packed and four sets[8] were not handed over to the present incumbents by their predecessors and 58 sets were being utilised by the officers for doing routine office work.

It was also observed during field visit that poor condition of building, non-availability of office, absence of electricity connection, lack of safety measures, and absence of computer trained staff and posts lying vacant were some of the reasons for diversion or non-utilisation of computers. Considering the high rate of obsolescence and the drastic cut in price of older models, the premature purchase of hardware at ₹ 2.27 crore, without ensuring software application and creating infrastructure for providing AGRISNET services to farmers proved unproductive.

Government admitted (January 2014) the facts and stated that in the first phase, Kisan Seva Kendra are being constructed at 248 Panchayat Samitis under RIDF with the help of NABARD which are likely to be completed within financial year 2013-14. Establishment of the basic infrastructure is under process at those centres through Rashtriya Krishi Vikas Yojana. Reply is not acceptable because in the absence of software the computer hardware was not being utilised for the scheme.

Avoidable expenditure on Soil Health Card Application

The advance of ₹ 2.49 crore paid to NIC (March 2012) for implementing the AGRISNET project included cost of soil health card application. It was observed that a separate project named "Online soil health card" was also sanctioned in May 2012 by the Department and an expenditure of ₹ 6.30 lakh was incurred from it. As this work was already covered under the AGRISNET scheme, an avoidable expenditure of ₹ 6.30 lakh was incurred on the same item of work from two different schemes/projects.

Government admitted the facts and stated (January 2014) that for the AGRISNET project, software is also to be prepared by NIC. Therefore amount of ₹ 6.30 lakh will be adjusted when the other software is developed by NIC.

3.1.1.5 Critical components not covered

Non-establishment of "Kisan Suchana Sampreshan Kendra"

For proper implementation and providing infrastructure for AGRISNET project, 'Kisan Suchana Sampreshan Kendras' (KSSK) were to be established

7. Assistant Director-Jhalawar; AAO-Fatehpur, Bandikui, Nadoti.
8. AAO-Barisadri, Sapotara, Mahuwa, Gangrar.

in the offices of AAOs at Panchayat level from Rashtriya Krishi Vikas Yojana (RKVY) or National Food Security Mission (NFSM) funds. The Department issued (April 2010) instructions for making arrangements of safe building, site development and hiring of the building where it was necessary or renovating the existing government building, up to 15 May 2010, for establishment of KSSK.

It was observed that Deputy Directors, Agriculture (DD) Dausa and Sikar submitted proposals (8 July 2010 and 2 December 2010) for expenditure on building, computers table, toners and electricity *etc.* to Commissioner, Agriculture but no budget was released from the Head Office. Assistant Director (AD), Hindaun City, Karauli did not submit the required proposal for release of funds. DD, Agriculture (Extension), Bikaner could not furnish information regarding submission of budget proposals. It confirmed (May 2013) that office building, electricity connection and security of computers were not available which indicated that no infrastructure was developed for KSSKs. Thus, the Department was not prepared for implementation of the project. Reasons for non-providing of funds under the budget were not furnished (June 2013).

Government stated (January 2014) that @ ₹ 10,000 each for 250 AAOs offices a sum of ₹ 25 lakh was sanctioned in 2010-11 so that AGRISNET project at preliminary level may be started after strengthening of these offices. As the construction process of Kisan Suchana Sampreshan Kendras for 249 Panchayat Samitis and 3000 Gram Panchayats has been started as declared by GoR in the financial year 2011-12 budget, separate budget for these offices was not provided.

Reply was not acceptable because budget was not sanctioned for the offices mentioned in the para despite receipt of proposals as intimated to audit.

Insufficient capacity building

The grant (February 2010) of ₹ 5.60 crore for AGRISNET included a provision of ₹ 0.68 crore under capacity building for training in two phases. In the first phase training was to be given on computer awareness (introduction to computers, Windows, operations, email, MS office, basics *etc.*) and in the second phase on Relational Database Management System (RDBMS) and application software (AGRISNET Portal) to 456 officers/officials at a rate of ₹ 15,000 each. An advance of ₹ 4 lakh was sanctioned to the State Institute of Agriculture Management (SIAM), Durgapura for this purpose. It was, however, noticed that only 196 AAOs were imparted training in 10 programmes of five days each, by incurring an expenditure of ₹ 3.05 lakh against ₹ 29.40 lakh. Thus, while training was not imparted to 260 officials, the average expenditure incurred on training was only ₹1,556 per person.

Government admitted the facts and intimated (January 2014) that after developing software, remaining amount out of the provision of ₹ 0.68 crore will be utilised on capacity building of officials/officers of the headquarters, regional offices and sub offices.

3.1.1.6 Lack of monitoring and evaluation

The Department did not form State Level Steering Committee, Project Implementation Committee, Committee for Monitoring and Evaluation and District Level Implementation Committees *etc.* as envisaged in the guidelines for monitoring the work. Monthly physical and financial progress reports (MPRs) have also not been submitted by State Government to GoI, as directed by AMC (May 2005).

Government stated (January 2014) that in view of the lack of officials in the Department for handling computer cell for AGRISNET project, Project e-Governance Mission Team and e-Governance cell has been constituted (March 2012) under the mission leader and information of this project relating to receipt and expenditure was sent to GoI from time to time.

Reply is not acceptable as committees required in the guidelines were not constituted and information sent and utilisation certificate cannot serve the purpose of monthly progress reports.

Thus, a project which was conceived for completion by the end of Tenth Five Year Plan (March 2007), was approved by GoI for Rajasthan, only in December 2009. The slow progress and the poor monitoring resulted in failure of the scheme and deprived farmers of the benefits from use of ICT.

Public Works Department

3.1.2 Unauthorised utilisation of funds received from National Bank for Agriculture and Rural Development under Rural Infrastructure Development Fund

Unauthorised utilisation of rural road funds of ₹ 2.75 crore for construction of roads in municipal corporation area violating Rural Infrastructure Development Fund guidelines

The guidelines of National Bank for Agriculture and Rural Development (NABARD) provide that funds available under Rural Infrastructure Development Fund (RIDF) shall be utilised only for rural roads and bridges.

Administrative approval and financial sanction of ₹ 4.00 crore was conveyed (September 2011) by Deputy Secretary (Roads), Public Works Department, Rajasthan, Jaipur for the construction of 12 rural roads[9] in Kota North and South Constituencies.

Superintending Engineer (SE) Circle, Kota/Executive Engineer (EE) City Division, Kota issued (September 2011) technical sanctions and the EE, City Division, Kota issued work orders (22 September 2011) in favour of

9. Four roads in package RJ-23-09: Badgaon to Gordhanpura, NH-76 Railway crossing to NH-12 along Canal, Balita to Dhan Dhan Satguru Ashram, Balita to Girdharpura. Eight roads in package RJ 23-10: Missing Link Ghoda Basti, Missing Link Shrinathpuram, Missing Link Balakund Road, Missing Link Santoshi Nagar, Link Road Mahaveer Nagar, Link Road Talwandi, Link Road Shivpura, Link Road Deen Dayal Nagar.

M/s Amrit Construction for package RJ-23-09 for ₹ 1.68 crore and M/s Pareta Associates for package RJ-23-10 for ₹ 1.52 crore and the stipulated date of completion was fixed as 29 February 2012. The works were in progress and the total expenditure incurred was ₹ 2.75 crore (₹ 1.40 crore on package RJ- 23-09 and ₹ 1.35 crore on package RJ- 23-10) up to March 2013.

Test check (April 2012) of records of City Division, Kota disclosed that all these roads were constructed in the Kota Municipal Corporation area utilising RIDF funds which were meant only for construction of rural roads and bridges as per provisions of guidelines *ibid.*

The State Government while accepting the facts stated (May 2013) that these roads were within the Municipal limits of Kota Nagar Nigam but status of these roads was rural. The reply was not acceptable as the roads constructed in the Municipal area were not rural roads as per information provided by the Kota Nagar Nigam of the areas falling in the Municipal limits. Hence, the funds under RIDF utilised for construction of these roads violated the guidelines of RIDF.

3.1.3 Unauthorised payment from Pradhan Mantri Gram Sadak Yojana funds

Unauthorised payment of ₹ 1.64 crore from Pradhan Mantri Gram Sadak Yojana funds to Railways

Para 11.1 of Pradhan Mantri Gram Sadak Yojana (PMGSY) guidelines provides that all the projects scrutinised by the State Technical Agency (STA) and cleared by the Ministry of Rural Development will be tendered as such and no changes shall be made in the work without prior approval of the National Rural Road Development Agency (NRRDA).

Deputy Secretary (Roads), PWD, Rajasthan, Jaipur conveyed (April 2006) administrative sanction of ₹ 1.76 crore for construction of four roads[10] under package no RJ-BN-11-05 of PMGSY after scrutiny of the proposals by STA and approval by Government of India. Chief Engineer (CE), PWD, Jaipur approved (November 2006) the work in favour of M/s Om Construction Company at 22.83 *per cent* above 'G' schedule aggregating to ₹ 2.33 crore ('G' schedule amount was ₹ 1.83 crore) including maintenance charges of ₹ 0.8 crore for five years. The Executive Engineer, PWD Division, Churu issued (December 2006) work order for ₹ 2.33 crore stipulating the dates of commencement and completion as 1 January 2007 and 30 September 2007 respectively. The works of all the roads were completed in June 2009 and final payment of ₹ 2.04 crore was made to the contractor in November 2012.

During test check (March 2012) of records of SE, PWD Circle, Churu, it was noticed that the road 'NH 65 KM 80/0 to Jaipuriya Khalsa' included in the above package was passing through the railway track on which 'C' class manned level crossing[11] was constructed by Railways. The Department paid

10. Bairasar Bada to Kanawasi, NH-65 to Jhanbar, Noohand to Bas Mamraj, NH-65 km 80/0 to Jaipuriya Khalsa.

11. Manually controlled full width lifting barrier/mechanical full width swinging barrier.

₹ 1.64 crore to the Railways from PMGSY funds (November 2008 and January 2010) which included cost of work, wages of gateman for 30 years, consumable store and maintenance charges for 30 years. It was observed that in the Detailed Project Report (DPR) proposed for the road and approved by STA, no provision for the railway crossing and payment to be made to the Railways was made. Hence, the amount of ₹ 1.64 crore paid to the Railways was in contravention to the provisions of PMGSY guidelines *ibid.*

SE, Churu stated (March 2012) that the DPR included provision of railway crossing but the same was not approved by STA. State Government stated (July 2013) that sanction for payment to the Railways from PMGSY funds was issued after approval of the Minister of PWD. The replies were not acceptable as the payment made to the Railways was unauthorised and contrary to the provisions of the PMGSY guidelines.

Thus, the unauthorised payment of ₹ 1.64 crore made from the PMGSY funds to the Railways was required to be refunded to PMGSY account.

3.1.4 Unauthorised expenditure on construction of road works

Non-adherence to the provisions of Pradhan Mantri Gram Sadak Yojana guidelines and Rural Road Manual resulted in unauthorised expenditure of ₹ 1.28 crore on construction of road works

Para 8.5 (ii) of Pradhan Mantri Gram Sadak Yojana (PMGSY) guidelines provides that in new construction, to connect habitations with population below 500, where the projected traffic growth is likely to be very low, the carriageway width may be restricted to 3 metres. Further, clause 2.6.4 of Rural Road Manual (RRM) stipulates that rural road carriageway width may be restricted to 3 metres where the traffic density is less than 100 Motorised Vehicles Per Day (MVPD) and where the traffic is not likely to increase due to situation like dead end, low habitation and terrain condition.

State Government issued (July 2007 and February 2008) administrative sanction of ₹ 9.24 crore for construction of 16 new rural roads (65.32 km) in Jalore district with width of 3.75 metres under PMGSY (***Appendix 3.2***). Technical sanctions of the works were issued by Superintending Engineer (SE), PWD, Jalore and Executive Engineers (EEs) Jalore, Bhinmal and Sanchore in July 2007 and February 2008 for ₹ 8.92 crore. Works were awarded to various contractors in October-November 2007 and May-June 2008 by EEs, PWD Jalore, Sanchore and Bhinmal. Works of ₹ 8.71 crore were executed by the contractors up to May 2011.

Test check (May 2011) of records of SE, PWD Circle, Jalore disclosed that as per Detailed Project Reports (DPRs) of the above roads, the population of the habitations was below 500 and traffic density was between 16 and 40 MVPD which was below 100 MVPD. Based on all these conditions, the roads proposed to be constructed should have been of 3 metre width, but the roads approved by State Technical Agency (STA) were executed with width of 3.75 metres which resulted in unauthorised expenditure of ₹ 1.28 crore ***(Appendix 3.3)***.

The State Government stated (July 2013) that road works with width of 3.75 metres were proposed in view of the possibility of increase in traffic density of more than 100 motorised vehicles per day in future and accordingly technical estimates were sanctioned by the competent authority. The reply was not acceptable due to the fact that at the time of proposing these road works, traffic density was between 16 and 40 MVPD and will remain between 30 and 76 MVPD even after ten years design life period of roads based on the projected growth rate of six percent per year as mentioned in the Detailed Project Report. The non-adherence to the laid down norms thus resulted in unauthorised expenditure of ₹ 1.28 crore.

3.1.5 Irregular utilisation of Pradhan Mantri Gram Sadak Yojana funds

Irregular utilisation of funds of ₹ 9.74 crore of Pradhan Mantri Gram Sadak Yojana on additional works

Para 11.5 of Pradhan Mantri Gram Sadak Yojana (PMGSY) guidelines provides adjustment of excess/deficit up to 10 *per cent* of any package under intimation to National Rural Road Development Agency (NRRDA). However, in all other cases including material changes in the scope of work or quantities, prior approval of NRRDA is required to be taken. Rule 286 (2) of Rajasthan Public Works Financial and Accounts Rules (PWF&AR) also provides that where there are material deviations from the original proposals, even though the cost of the same may possibly be covered by savings on other items, revised administrative approval must be obtained from the authority competent to approve the cost. Rule 352 further states that any anticipated or actual savings on a sanctioned estimate for definite project should not, without special authority, be applied, to carry out additional work not contemplated in the original project.

In accordance with the approval issued (July 2007) by the Government of India (GoI), Deputy Secretary (Roads), Public Works Department (PWD), Rajasthan, Jaipur conveyed administrative sanction of ₹ 14.68 crore for upgradation of roads under four[12] packages in July 2007 and of ₹ 31.41 crore under ten[13] packages in February 2009 of PMGSY in Sriganganagar district. After sanction of the tender of works by Additional Chief Engineer, Bikaner Zone, Executive Engineers (EEs), PWD Division, Suratgarh and Sriganganagar issued the work orders in September 2007 for four packages and during May to December 2009 for the remaining ten packages. The work for upgradation of roads relating to all the packages were completed by incurring an expenditure of ₹31.22 crore between April 2008 and May 2010.

During test check (April 2012) of records of Superintending Engineer, PWD Circle, Sriganganagar, it was observed that in the 14 packages, there were savings between 13.32 and 45.61 *per cent*. Audit further noticed that the concerned EEs issued new work orders (October 2010 to December 2010) for additional works and included the cost of these new works in the same 14 packages and incurred an expenditure of ₹ 6.67 crore without obtaining revised administrative approval from the NRRDA.

12. BNUG-03, 04, 06, 07.
13 . BNUG-23, 24, 26, 29, 30, 33, 36, 38, 45 and 46.

Similarly, in another case, in accordance with the approval issued (October 2009) by the Government of India (GoI), Deputy Secretary (Roads), Public Works Department (PWD) Rajasthan, Jaipur conveyed (October 2009) the administrative sanction of ₹ 18.55 crore for upgradation of roads under five packages viz. RJ01-BNUG-08 to 12 of PMGSY in Ajmer district. After sanction of the tender of works by Additional Chief Engineer, Ajmer Zone, EEs PWD Division, Beawar and District Division, Ajmer issued the work orders in April 2010. Work of all packages except package no RJ01-BNUG-12 had been completed by incurring an expenditure of ₹ 12.31 crore (December 2010 to October 2011).

During test check (January 2012) of records of Superintending Engineer, PWD, Ajmer, it was noticed that in all the five packages, savings would range between 26 and 51 *per cent*. Audit further noticed that concerned EEs issued new work orders (October 2010) for additional works and included the cost of these new works in the same five packages and incurred an expenditure of ₹ 3.07 crore up to January 2013 without obtaining revised administrative approval from the NRRDA.

While accepting the facts in both the above cases, State Government replied (June-July 2013) that additional works were executed in compliance of the order issued by CE, PWD, Rajasthan, Jaipur for utilisation of savings of PMGSY funds and the total expenditure including the additional works was within the administrative approval issued by the State Government. The reply is not acceptable as the order of utilisation of savings issued by CE, PWD was contrary to the PMGSY guidelines issued by the Government of India.

Thus, the utilisation of savings of ₹ 9.74 crore for additional items of work without obtaining prior approval from NRRDA was in contravention of provision of PMGSY guidelines and rules of PWF&AR.

3.2 Audit against propriety and cases of expenditure without adequate justification

Public Works Department

3.2.1 Injudicious expenditure on improvement of road

Injudicious expenditure of ₹ 1.81 crore on improvement of riding quality of pavement between km 4/0 and 22/0 of National Highway 11-A extension (Dausa-Lalsot-Kothun Road)

The Indian Road Congress in 2001 (IRC:37-2001) recommended that pavement for National Highways (NH) should be designed for a life period of 15 years by considering the California Bearing Ratio[14] (CBR) value of crust and calculating the design traffic in terms of million standard axle[15] (msa).

14. The California Bearing Ratio (CBR) is a penetration test for evaluation of the mechanical strength of road sub grades and base courses.
15. It is a unit of design traffic on the basis of which the design of flexible pavement of road is considered.

To improve existing surface in km 4/0 to 22/0 of NH 11-A Extension (Dausa-Lalsot-Kothun Road) as the crust had failed completely the Chief Engineer (CE) NH, Public Works Department (PWD), Rajasthan submitted (July 2009) proposals for ₹ 6.37 crore to the Ministry of Road Transport & Highways (MORT&H), Government of India (GoI). After approval of the proposals, MORT&H issued administrative and financial sanction of ₹ 6.10 crore on 22 October 2009. The work was awarded (February 2010) in favour of M/s Rajendra Singh Bhamboo for ₹ 4.23 crore the scheduled date of completion as 3 November 2010. The work was completed by 22 January 2011 after incurring an expenditure of ₹ 4.37 crore.

During test check (March 2012) of records of EE, NH Division-I, Jaipur, it was noticed that CBR value of crust in the above stretch of NH was six *per cent* and design traffic in terms of million standard axle based on commercial vehicle per day was 69. Even if msa was reckoned to be 50 on the lower side, the bituminous surface of the pavement was to be adopted as 165 mm. The department, however, executed the work by taking bituminous surface as 20 mm on which an expenditure of ₹ 1.81 crore was incurred. Due to wrong adoption of the thickness of the bituminous surface, the road could not bear the traffic intensity and wore out within a period of two years. In view of the distressed state of the pavement, the department again sent proposals for improvement of riding quality of this stretch, which were approved (December 2012) by GoI for ₹ 9.92 crore considering bituminous surface of 100 mm. The work was in progress (May 2013). Thus, the original execution of bituminous surface of 20 mm was not technically justified and the expenditure of ₹ 1.81 crore incurred thereon proved injudicious and wasteful.

The State Government stated (July 2013) that provision for bituminous surface of 20 mm was taken as per circular issued (September 2002) by MORT&H. The reply is not acceptable as this circular was applicable where existing crust had not failed while in this case the crust had totally failed completely.

Cooperative Department

3.2.2 Avoidable loss

Lack of proper planning, coordination among different agencies and storage facilities, forced the Department to dispose of garlic at throw away prices under Market Intervention Scheme, resulting in loss of ₹ 6.99 crore

The Government of India (GoI), Ministry of Agriculture, Department of Agriculture and Cooperation approved (June 2012) the proposal of the State Government (SG) for procurement of garlic, under Market Intervention Scheme (MIS) for the crop season 2011-12 to protect the growers from marketing distress sale. The scheme envisaged procurement of fair acceptable quality at a Market intervention price of ₹ 1,700/- per quintal with overhead expenses of ₹ 425 per quintal or actual price whichever is less, from

cooperative societies, farmers' organisations or directly from genuine farmers of State at different centres/areas as decided by the State Government. The procured stock was to be disposed off through sale in open market to processing units (within the State) or local market to ensure maximum realisable price.

For effective implementation of the scheme, SG decided (June 2012) to procure 30,000 MT garlic of fair acceptable quality, through Rajasthan State Co-operative Marketing Federation (RAJFED) in the districts of Kota and Jodhpur and through Tilam Sangh in the districts of Jhalawar, Bundi and Baran.

Test check (May 2013) of records of Deputy Secretary, Cooperative Department, Jaipur, revealed that RAJFED procured 3,711.5 MT garlic (₹ 7.27 crore) and 2,569.9 MT (₹ 4.67 crore) was procured by Tilam Sangh between 6 June and 6 July 2012. The Department decided (7 June 2012) to store the garlic in tent houses in respective *mandis* till the arrangement of its storage was made. RAJFED and Tilam Sangh approached (2 June, 4 June and 6 June 2012) the Director, Horticulture, Manager, Central Warehouse Corporation (CWC), Kota and Executive Director, Rajasthan State Warehousing Corporation (RSWC) for storage in warehouse but all these authorities refused (6 June and 7 June 2012) to provide any storage facility suitable for this perishable commodity. RAJFED entered into an agreement (20 June 2012) with National Agricultural Co operative Marketing Federation (NAFED), for selling garlic at the prevailing market rates in various *mandis*/centres through brokers. Hence RAJFED/NAFED and Tilam Sangh were forced to dispose of garlic (22 June 2012 to 24 July 2012), in *mandis* of Delhi, Neemach, Jaipur, Tonk and Chandigarh at a price ranging between ₹ 5.25 and ₹ 11 per kg. This resulted in net loss of ₹ 6.99 crore, as detailed below:

Name of Institutions	Quantity procured (in qtl.)	Purchase cost including overhead charges	Amount realised from sale	Loss incurred
		(₹ in crore)		
Tilam Sangh	25,699	4.67	1.98	2.69
RAJFED	37,115	7.27	2.97	4.30
Total	**62,814**	**11.94**	**4.95**	**6.99**

It was observed that RAJFED, in its progress report (12 June 2012) of procurement of garlic had shown nil arrival in Mathania (Jodhpur) *mandi* for the reason that purchase price outside Mathania *mandi* was ₹ 25 per kg. This indicated that higher rates were available in other *mandis* where local growers were selling their product. This was further confirmed from the per kg rates available in other *mandis* like Jawara (up to ₹ 47), Mandsor (up to ₹ 18), Ratlam (up to ₹ 18.50), Sailana (up to ₹ 15) and Sumerpur (up to ₹ 25) during 19 July to 23 August 2012.

State Government stated (August 2013) that since RSWC and CWC had expressed their inability to provide storage facility, there was no option but to

dispose of the stock at the prevailing market prices in the respective *mandis*. It was further stated that the higher rates of ₹ 25 per kg in Jodhpur/Mathania region was because of its good quality, but the quality of garlic purchased from Kota region was inferior.

The reply confirms the Department's failure to make necessary arrangements for storage of garlic before submitting the proposal to GoI and commencement of the purchase process. Because of this, RAJFED/NAFED and Tilam Sangh were forced to dispose of the stock at throw away prices (₹ 5.25 to ₹ 11 per kg). Had the Department made necessary arrangements for proper storage, these agencies could have retained the stock for a longer period and reduced the loss by selling it at comparatively higher rates.

Lack of proper planning and storage facilities, led to distress of sales which resulted in a loss of ₹ 6.99 crore.

Animal Husbandry, Dairying and Fisheries Department

3.2.3 Underutilisation of Germ Plasma Station

Establishment of Germ Plasma Station without procuring required numbers of bulls and without ascertaining the clients for supply of frozen semen doses, resulted in under utilisation of the plant costing ₹ 7.28 crore

Rajasthan Cooperative Dairy Federation Limited, Jaipur (RCDF) submitted (January 2008) a proposal to Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture, Government of India (GoI) for establishing a Germ Plasma Station (GPS) at Narwa Khichayan (Jodhpur), with a production capacity of 10 lakh semen dose per annum with 50 bulls, so as to cover around 30 *per cent* (around 31 lakh) of the indigenous cattle population in western Rajasthan. GoI approved the proposal and sanctioned (April 2008) ₹ 6.33 crore under Phase II of the National Project for Cattle and Buffalo Breeding, a centrally sponsored scheme. RCDF was entrusted with execution of the project work and Rajasthan Livestock Development Board (RLDB) was made the coordinating agency. The new semen bank was projected to be commercially viable since its operation. It was to meet the demand of Department of Animal Husbandry (AHD) on priority and of the state-run Artificial Insemination (AI) centres. Additional production was to be supplied to other agencies *viz* private breeders, Agriculture Universities, Central Units, NGOs and nearby states. The project was to be completed within three years from the date of sanction (May 2008 to May 2011).

Test check of records (July 2012) of Managing Director, RCDF, Jaipur and further information collected (November 2012 and January 2013) revealed that the financial sanctions amounting to ₹ 6.80 crore were issued by RLDB (July 2008 to April 2012) against which an expenditure of ₹ 7.28 crore[16] was incurred on civil and mechanical works and procurement of equipment. The

16. By RCDF: ₹ 6.77 crore and Rajasthan State Agriculture Marketing Board: ₹ 0.51 crore.

performance of the Germ Plasma Station (GPS) for the year 2012-13 is shown in the following table:

Table 4: Performance of the Germ Plasma Station

Sl. No.	Activity	Target as per scheme	Achievement	Percentage achievement
1	Completion of project	May 2011	October 2012	Completed with a delay of 17 months
2	No. of bulls reared	50	21[17]	42
3	Commencement of production	June 2011	June 2012	Commenced with a delay of 12 months
4	No. of doses per bull (per month)	1667	692	42
5	No. of production of semen doses (in lakh)	10	1.45	14.5
6	Target for production fixed in Annual Plan (in lakh)	5	1.45	29
7	Target of sales (in lakh)	1.45	0.20	14

Source: Departmental Documents

The above table clearly depicts that the GPS was not able to achieve any of its targets. It procured only 21 bulls (42 *per cent*) in August 2011 and the production of semen could start only in June 2012. There was not only a short production of semen doses (71 *per cent*) but also short production of doses per bull (58 *per cent*). A meagre sale of 20,000 doses during 2012-13 also shows insufficient effort towards disposal of the product. The plant was thus under-utilised for want of required number of bulls, low production of semen doses per bull and low demand.

State Government stated (September 2013) that the civil work was completed in October 2012 but work of bulls shed was completed much earlier. Therefore 21 bulls were transferred (August 2011) to Narwa Khichayan and training was started. However, the production of semen started from June 2012, after purchase of necessary lab equipment. As the RLDB had authorised (up to December 2012) the Frozen Semen Bank, Bassi for supply of frozen semen to Animal Husbandry Department and Cooperative Dairies, demand of semen doses from GPS, Narwa was not possible. RLDB approved the GPS for supply of semen doses in January 2013. However, Central Monitoring Unit evaluated the GPS and graded in May 2013, due to which the supply of doses was less even after January 2013.

The reply was not acceptable as the project was to be completed by May 2011 and production was to start soon after. Delay in production of semen doses, authorisation for supply of semen doses and grading of the Station were indicative of inadequate planning.

Thus, establishment of GPS without procuring required numbers of bulls and without ascertaining the clients for supply of frozen semen doses, resulted in gross under utilisation of the plant costing ₹ 7.28 crore.

17 . 10 bulls procured in March 2013.

3.2.4 Blockage and idling of funds on new bypass protein plant

Blockage and idling of funds on new bypass protein plant established at a cost of ₹ 1.31 crore even after lapse of more than two years

With a view to achieving improvement in milk production and thereby increasing net daily income from milk producing animals in the State, the Rajasthan Co-operative Dairy Federation (RCDF) Limited, Jaipur entered into an agreement (December 2008) with National Dairy Development Board (NDDB), Anand (Gujarat), to establish a 'Bypass Protein Supplement Plant' at Cattle Feed Plant (CFP), Jodhpur. NDDB agreed to provide the know-how to RCDF for manufacture of the product and to grant right of marketing the product subject to certain terms and conditions. As per the project proposal the production capacity of the plant was 50 metric tonne per day and it was suppose to produce 50, 75 and 100 *per cent* of its capacity (15,000 MT per annum) during the first, second and third year of operation. However, no survey was conducted for likely sales or action plan prepared for smooth running of the plant, by CFP, Jodhpur.

The plant was commissioned for production in October 2010 at a total cost of ₹ 1.31 crore (civil and electric works: ₹ 37.78 lakh and machinery: ₹ 93.31 lakh).

Test check (July 2012) of records of RCDF, Jaipur and further information collected (October 2012 and May 2013) revealed that production did not start even after a lapse of more than two years after commissioning of the plant, till the end of December 2012, because RCDF failed to procure some of the crucial ingredients for manufacture of bypass protein. Moreover, the Department could produce only 144 MT (5.76 *per cent* of first year rated capacity) of bypass protein, during the period December 2012 to March 2013 against the targeted quantity of 2,500 MT (proportionate for four months). The plant ran for three days[18] only. This inadequate work plan and improper monitoring of the production process resulted in non-operation of plant for more than two years after commissioning and its near zero utilisation after start of commercial production.

The State Government stated (September 2013) that delay in production of bypass protein was due to non- communication by NDDB about arrangement of 'mineral mixture[19]' and vitamin 'E', and though RCDF initiated the process of procurement of ingredients immediately after commissioning of the project, yet three ingredients of mineral mixture (Di-calcium phosphate, magnesium oxide and calcite powder) proved difficult to arrange due to frequent failures of tenders floated for these items. It was further stated that the production has since been started and it would take time to run the plant to full capacity.

18. 29 December 2012: 63.55 MT; 5 February 2013: 20.00 MT and 18 February 2013: 60.50 MT.
19. Composition formulated with Di calcium Phosphate, Lime stone powder, Magnesium Oxide/ Sulphate, Ferrous Sulphate, Copper Sulphate, Manganese Sulphate, Zinc Oxide, Cobalt Sulphate, Potassium iodide, Sodium thiosulphate.

The reply was not acceptable as it was decided in General Manager's Committee meeting (February 2011) that to start the production, CFP may buy 1-2 trucks of mineral mixture from AMUL, Anand, if required. Apart from this, the project proposal itself mentioned seven bypass protein plants which were running successfully in different States. No efforts were found to have been made by CFP to procure mineral mixture or seek guidance from other states, despite the continued failure of the tendering process. Not making necessary arrangements for availability of raw materials to start production indicated poor planning.

The objective of increasing milk production has not been achieved even after more than three years of commissioning of plant for which an expenditure of ₹ 1.31 crore was incurred.

Agriculture Department

3.2.5 Unfruitful expenditure

Unfruitful expenditure of ₹ 1.50 crore on establishment of tissue culture laboratory

State Government in a Budget declaration (April 2005) proposed establishment of Tissue Culture Laboratory (TCL) at College of Horticulture & Forestry (CH&F), Jhalawar at a cost of ₹ 0.96 crore. In compliance to this, the Dean, CH&F, Jhalawar submitted (May 2005) a proposal and the Director, Horticulture, Government of Rajasthan issued (July 2005) administrative sanction for establishment of TCL for developing disease-free high quality planting material, at an estimated cost of ₹ 0.96 crore. As per the project plan, one lakh plants of Nagpur Mandarin, Mosambi, Bamboo and Safed Musli were to be prepared every year and made available to the farmers of Jhalawar by 2009-10. For implementation of the project a Memorandum of Understanding (MoU) was signed (May 2007) between Maharana Pratap University of Agriculture & Technology (MPUAT), Udaipur and the Government of Rajasthan. Accordingly, the plants were to be made available in five to six years after establishment of TCL and demand was to be raised by the Agriculture Department (foresting species) and Horticulture Department (horticulture species). Funds of ₹ 0.96 crore were released by the State Government to Controller, MPUAT, during August 2005 to February 2009. Additional funds of ₹ 0.65 crore were also sanctioned (March 2008) by MPUAT under Rashtriya Krishi Vikas Yojana for strengthening the lab. Against this, an expenditure of ₹ 1.50 crore[20] was incurred. Initially, the lab was established (2005-06) in the old forest Department building after carrying out necessary renovations and the work of standardisation of protocol was started. Simultaneously, construction work of new lab was started and the building was finally taken over in January 2009. The lab was shifted to the new TCL in 2009-10.

20. ₹ 0.85 crore (civil work, equipments, glassware and chemicals, green house electric connection, furniture and fixtures *etc.*) and ₹ 0.65 crore (equipment, chemicals, glassware and plastic wares, poly carbonated, green house and net house *etc.*)

Test check (February-March 2013) of records of MPUAT, Udaipur, revealed that protocol for mass multiplication of teak and bamboo were established and 1,000 bamboo plants and 800 teak plants were raised in 2010-11. The refinements of protocol of Nagpur Mandarin and Mosambi were also completed in 2011-12. Plants of Safed Musli were not processed in the tissue lab. There has been no further production of plants and in the absence of demand from the Agriculture and Horticulture Departments there was no supply of plants to farmers till date (March 2013).

Against the target of annual production of one lakh plants of Nagpur Mandarin, Mosambi, Bamboo and Safed Musli, only 1,000 bamboo plants and 800 teak plants were produced in eight years (2005-13). The objective of the MoU (May 2007) for setting up the TCL to develop planting material to be made available to farmers was defeated.

The Department stated (July 2013) that TCL was established for developing disease free plants for distribution to Agriculture and Horticulture Departments on their demand. Thus, 1,000 plants of bamboo and 800 plants of Teak were raised in 2010-11 but could not be distributed in the absence of demand of such plants. Therefore, 300 bamboo plants and 200 teak plants were planted in the college campus (MPUAT). The Department further stated that the laboratory is being used by students and scientists for research. The reply is not acceptable because the objective of developing disease-free high quality plants for distribution to Agriculture and Horticulture Departments was not achieved. The investment of ₹ 1.50 crore was thus wasteful.

The matter was referred to State Government in June 2013, its reply is still awaited (December 2013).

3.3 Persistent and pervasive irregularities

Public Works Department

3.3.1 Award of work without acquisition of forest land

Proposing and awarding of road through forest land led to road work remaining incomplete even after incurring an expenditure of ₹ 84.26 lakh

Rule 351 of Public Works Financial and Accounts Rules (PWF&AR) lays down that no work should be commenced on land which has not been duly made over by responsible civil officer. Section 2 of Forest (Conservation) Act, 1980 also prohibits the use of forest land for other purposes without prior approval of Government of India (GOI).

The Deputy Secretary (Roads), Public Works Department (PWD), Rajasthan, Jaipur, conveyed (September 2008) administrative and financial sanction of ₹ 1.42 crore for construction of road (2 km) from Kanwarpura to Bankeshwar Mahadev Mandir under Rural Infrastructure Development Fund (RIDF) for connecting religious places. The Executive Engineer (EE), PWD Division, Lakheri issued work order of ₹ 92.65 lakh to M/s Shiv Raj at 21.23 *per cent* below 'G' schedule on 14 October 2008. The work scheduled to be completed

by 23 April 2009 was lying incomplete after incurring an expenditure of ₹84.26 lakh up to March 2013.

Scrutiny of records (April 2012) of EE, PWD Division, Lakheri disclosed that road work had been completed by the contractor in km 0/000 to 1/500 only. In the remaining stretch (km 1/500 to 2/000) work could not start as this alignment was falling in forest area and the Forest Department had objected to the construction of the road. The Department in February 2009 sent proposals for obtaining permission for conversion of the forest land. The proposal remained under process till April 2012. The CE (Roads) stated (October 2012) that there was no necessity of the road in the stretch km 1/500 to 2/000 as the whole project had been treated as complete and project completion report had been sent to National Bank for Agriculture and Rural Development (NABARD). Hence, proposals sent earlier for conversion of land to Forest Department were withdrawn.

This indicated that proper survey was not conducted by the Department before sanctioning the road and title of the land was not verified before taking up the work.

State Government stated (August 2013) that Department was not aware about forest land before starting the work as no demarcation of forest land was made by Forest Department. It was also stated that constructed portion of the road was being used by the public. The reply was not acceptable as the clear title of land was not ensured prior to commencement of work which resulted in non-achievement of objective of providing connectivity to the *mandir* as 500 metres of road has not been constructed and the pilgrims have to still use the *pagdandi* (foot track) to reach the *mandir*.

3.4 Failure in implementation, monitoring and governance

Agriculture Department

3.4.1 Infructuous investment on experiential learning

Expenditure of ₹ 2.50 crore incurred on creation of assets under experiential learning for Vermiculture, Micro propagation, Bio-agents projects and processing and value addition of agriculture products was infructuous

A scheme on experiential learning (EL) was sponsored by Indian Council of Agriculture Research (ICAR) during the Tenth Five Year Plan. The major intent of the scheme was to involve students in learning in the life size environment of experimental farms, model plants and engineering work shops. The scheme was to induct hands-on training for undergraduate students in agriculture and allied sciences as part of the course curriculum. The course was designed to cultivate capabilities suiting emerging job markets and build entrepreneurship spirit and business management competence among students so that they may be able to create employment for themselves and others. The hands-on training were to be offered during

third year (fifth and sixth semester) of the four year undergraduate (UG) programme.

As per guidelines projected for experiential learning, twenty students were to be recommended for each EL programme of 180 days duration. The students were expected to gain adequate experience in planning and managing an enterprise in totality starting from procurement of raw material to processing, productions, packing, storage of products, sale of products, maintain accounts and analyse profits *etc.* It was envisaged that the EL programme should continue for 180 days without any break. The sales part of all units in the college were to be continuously monitored by CEO and arranged in the most prominent place in the college or in the market to attract the customers. The profit on sales was to be shared by the students (75 *per cent*), Departments (10 *per cent*) and the faculty involved in the programme (15 *per cent*). The general guidelines also laid down that if the unit was found to register loss, remedial measures were to be taken by the monitoring team and if it could not be rectified, the unit was to be closed immediately. It was to be ensured that the units so established were financially viable after they were fully operational and were able to meet their running cost.

- Dean, College of Agriculture (CoA), Rajasthan Agriculture University (RAU), Bikaner, submitted (July 2007) proposals for five projects of ₹ 2.55 crore[21]. Of these, three projects involving ₹ 1.82 crore[22], were approved by ICAR during the period 2007-11 and funds were released in September 2007 (₹ 0.50 crore), January 2009 (₹ 0.80 crore) and December 2010 (₹ 0.52 crore) with the stipulation that the projects be implemented by March 2008, March 2009 and March 2011 respectively. An expenditure of ₹ 1.84 crore[23] was incurred on civil works and procurement of equipment *etc.*, on these three projects by CoA.

Test check (October 2012 to January 2013) of the records of Swami Keshwanand Rajasthan Agriculture University (SKRAU), Bikaner revealed that under EL projects, training was imparted only to 56 students in 'vermi-composting and organic farming and soil management in vermiculture' (2008-09 to 2011-12), to 48 students in 'tissue culture and micro-propagation techniques in micro propagation' (2010-11 to 2011-12) and to 30 students in 'bio-agents and integrated disease management' (2011-12). No sale of the products produced during hands-on training was made, except sale of ₹ 3.77 lakh during 2008-13 under vermi-composting. Plants prepared under tissue culture technique in micro propagation unit were not transferred from the laboratory to green net for hardening[24], and thus no plants could be sold.

21. Protected Cultivation of flowers and vegetables: ₹ 0.50 crore; Seed Production: ₹ 0.40 crore; Bioagents Production: ₹ 0.45 crore; Vermiculture and vermicomposting: 0.40 crore and quality, sanitary and phytosanitary aspects: ₹ 0.80 crore.

22. Vermiculture and vermicomposting: ₹ 0.50 crore; tissue culture lab: ₹ 0.80 crore and bioagents production ₹0. 52 crore.

23. Vermiculture and vermicomposting 2007-08: ₹ 0.51 crore; Micro propagation Tissue culture lab, 2008-09: ₹ 0.80 crore; Mass production of Bio-agents, 2010-11: ₹ 0.53 crore.

24. Tissue cultures are hardened in polythene bags containing soil and Farmyard Manure mixture in green house before planting in fields.

Construction work of laboratory for mass production of bio-agents was not completed. No further progress under any of the three projects was made thereafter.

The State Government, in respect of SKRAU, stated (September 2013) that the difficulties in meeting the objectives of full time involvement of students and product development and further sale in the market existed in many of the experiential learning units (ELUs) across the country. Taking note of this, ICAR recommended that the fourth year study schedule of B.Sc. (Agriculture) should be formulated in such a way that students get opportunity to work in one ELU for the full semester (180 days) and SKRAU had accepted to operate on these recommendations.

- Similarly, the proposal of Maharana Pratap University of Agriculture and Technology (MPUAT), Udaipur, for processing and value addition of agricultural products was approved (December 2008) by ICAR and ₹ 80 lakh was sanctioned to start EL for hands on training centre in the area of food processing by establishment of advanced facilities for thermal processing of food, dehydration and processing and packaging for locally grown products (potato, ginger, onion, garlic *etc.*). MPUAT incurred an expenditure of ₹ 66.47 lakh on this project which was completed in March 2010 and became fully functional in February 2011.

Test check of the records of MPUAT revealed that only two training programmes of duration of two months were imparted to 41 students (2010-11) and 33 students (2011-12), without covering all the essential activities. No sales were made of the product produced during these trainings, though the proposal submitted (May 2008) by MPUAT for the EL project, expected 15-20 *per cent* profit on the sale price of production.

MPUAT stated (September 2013) that materials could not be procured in bulk, the system could not be run on commercial basis in absence of boiler operator and that the unit was run only with a teaching perspective. This indicated that the plant could not run properly, all activities could not be performed during training and the objectives of the ELU were not achieved. The expenditure of ₹ 2.50 crore incurred on these ELUs was thus rendered infructuous.

Reply of the State Government was awaited (September 2013).

3.4.2 Unfruitful expenditure

Failure of the Department in multiplication of bio-agents in bio-control lab established under National Horticulture Mission resulted in unfruitful expenditure of ₹ 80 lakh

In biological control, use of natural enemies through inoculative and inundative release requires live natural enemies in adequate numbers. Multiplication of need-based and location-specific bio-agents is therefore needed to maintain the natural balance and to reduce the pesticide residue in environment.

With the objective of multiplication of egg parasitoids[25], bio-agents[26] and formulation of nucleus polihedrosis virus (NPV)[27], a proposal for establishment of biological control laboratory under National Horticulture Mission 2008-09, at Department of Entomology (DoE), Rajasthan College of Agriculture (RCA), Maharana Pratap University of Agriculture and Technology (MPUAT), Udaipur was sent (July 2008) to Director, Rajasthan Horticulture Development Society (RHDS) through the Director of Research (DoR), MPUAT. The augmentation of bio-agents was stated to be helpful in the management of various insect pests in grown crops (fruits, vegetables, cotton, pulses and others) and thus benefit the farmers.

Test check of the records (February-March 2013) of DoR, MPUAT, revealed that the RHDS released (March 2009) ₹ 80 lakh to the Head of Department of Entomology (HoDE), RCA, for establishing Bio-control Laboratory. It was found that the Head, DoE, RCA observed (April 2009) that as two bio-control labs were already existing, the newly proposed lab might be a duplicity. Project In-charges of Bio-Control Projects, in their meeting (July 2009) also concluded that as the DoE, RCA already had a functional laboratory and one more laboratory had been sanctioned (July 2008) under Rashtriya Krishi Vikas Yojana for production of microbial pathogens, it would be better to strengthen two existing/under establishment laboratories instead of establishing a new one. Despite the existing recommendations, DoR, MPUAT went ahead with the project, arguing that the existing labs were limited to egg parasitoids while the proposed lab was meant for multiplication of other bio-agents along with production of NPV and spent the funds of ₹ 80 lakh[28] on establishment of the new lab during 2009-10 to 2010-11. The performance of the newly established lab during 2010-11 to 2012-13 is shown below:

S. No	Activities	Targets (per annum) *	Total achievements		
			2010-11	2011-12	2012-13
1	Multiplication of egg parasitoids		1000 cards	1000 cards	Nil
	(a) *Tricnogrammatids*	1,00,000 cards	Nil	Nil	Nil
	(b) *Scelionids*	1,00,000 cards			
2	Multiplication of *Cotesia plutellae* for *Plutellae xylostella.*	50,000 adults	20,000 adults	20,000 adults	Nil
3	Multiplication of predators				
	(a) *Coccinellids*	50,000 adults	Nil	Nil	Nil
	(b) *Anthocorids*	1,00,000 individuals	Nil	Nil	Nil
4	Formulation of NPV				
	(a) *Spodoptera litura*	1,000 litre	Nil	Nil	Nil
	(b) *Helicoverpa armigera*	500 litre	Nil	20 Bottles (one litre per bottle)	Nil

* Fixed in January 2009 by the Director Research, MPUAT, Udaipur in the project proposal
Source: Departmental Documents

25. Tricnogrammatids and Scelionids to reduce the egg population of insect, multiplication of Cotesia flavipes and Cotesia plutellae for the management of Chilo partellus and Plutella xylostella.
26. Coccinellids and anthocorids for the management of sucking insect pests in various crop ecosystems.
27. Spodoptera litura and Helicoverpa armigera.
28. Equipments: ₹ 69.96 lakh; renovation: ₹ 4.39 lakh; furniture *etc.*: ₹ 2.65 lakh and glassware and chemicals: ₹ 3 lakh.

The very negligible production as shown above proved that the Department completely failed in its objective of multiplication of bio-agents thereby rendering the expenditure of ₹ 80 lakh wasteful.

In reply, State Government stated (October 2013) that the works of renovation of lab and purchase of equipment were completed in 2011. Moreover, targets of bio-agents could only be met on farmers demand as the bio-agents could not be kept in store for a long time. This indicated that the required demand did not exist. The establishment of this new laboratory was not necessary as the two existing laboratories could have been strengthened / upgraded based on the recommendation of the meeting of July 2009. This resulted in wasteful expenditure of ₹ 80 lakh.

Public Works Department

3.4.3 Avoidable payment of interest and pro rata charges

Avoidable payment of interest and pro rata charge of ₹ 73 lakh on acquisition of land

According to Section 34 of Land Acquisition Act 1894, if there is delay in payment of compensation beyond one year from the date on which possession is taken, interest at the rate of 15 *per cent* per annum shall be payable from the date of expiry of the said period of one year on the outstanding amount of compensation until the date of payment.

The Land Acquisition Officer (LAO), Public Works Department (PWD) Circle, Sawai Madhopur, after approval communicated by Additional Secretary, PWD, Rajasthan, Jaipur passed final award on 13 October 2008 for acquisition of land for construction of Alwar-Rajgarh-Mahuva-Hindaun-Karauli-Mandrail road (Hindaun By-Pass) for ₹ 3.88 crore (₹ 1.19 crore was paid and ₹ 2.69 crore was to be paid to the LAO as per the final award).

Deputy Secretary (Road), PWD, Rajasthan issued (20 December 2011) administrative sanction of ₹ 3.34 crore (₹ 2.69 crore award amount plus ₹ 0.65 crore interest) and financial releases of ₹ 3 crore and ₹ 33.77 lakh were made in 2011-12 and 2012-13 respectively. The administrative sanction was further revised to ₹ 3.77 crore in January 2013 to include the amount of pro rata charges[29] of 13 *per cent* charged by the PWD.

During scrutiny of records (April 2012 and June 2013) of Executive Engineer (EE), PWD Division, Hindaun City, it was observed that EE submitted the proposal to State Government in January 2009 for issuing the sanction for payment of compensation of land. However, the sanction was issued by the State Government in December 2011. Due to delay in release of funds, the

29. Rule 5(a) to (e) of Appendix V of PWF&AR (part-II) provides for recovery of cost of establishment and tools and plants at percentage rate (pro rata) by the Division operating the capital major head of expenditure and for work done for other departments of the same or the other Government.

department had to bear interest payment of ₹ 64.60 lakh and *pro rata* charges of ₹ 8.40 lakh which were avoidable.

State Government in its reply (August 2013) did not furnish any specific reason for delay in issue of sanction and release of funds.

General

3.4.4 Lack of response to audit observations

Audit is an aid to management in upgrading the quality of governance and promoting accountability. The failure of the Government in taking proper corrective action on audit findings indicated weak governance

According to Rule 327 (1) of General Financial and Accounts Rules, the retention period for various accounting records ranges between one and three years after audit. Owing to the failure of Departmental officers to comply with the observations in Inspections Reports (IRs) within the prescribed retention period, the possibility of their settlement in the future appeared to be bleak due to non-availability of records.

For early settlement of outstanding Inspection Reports (IRs) and paragraphs, the State Government issued instructions (August 1969) to all Departmental officers for sending the first reply of IRs within a month, and replies to further audit observations within a fortnight. These instructions have been reiterated from time to time. The instructions issued in March 2002 envisaged appointing of nodal officers and Departmental Committee in each of the Administrative Departments to ensure compliance to all the matters relating to audit. Latest instructions have been issued in January 2010.

An analysis of outstanding IRs of Public Works Department revealed that 3,854 paragraphs relating to 882 IRs remained outstanding at the end of March 2013. Out of these, 64 IRs containing 102 paragraphs were outstanding for more than 10 years. Category-wise detail of irregularities commented in IRs is given below:

S. No.	Nature of Irregularities	No. of Paras	Amount (₹ in crore)
1.	Fraud/misappropriation/embezzlement/losses	92	20.62
2.	Recoveries made at the instance of audit & over payment	586	59.17
3.	Violation of contractual obligations & undue favour to contractors	1099	203.06
4.	Avoidable/excess expenditure	496	196.10
5.	Wasteful/infructuous expenditure	273	250.10
6.	Regulatory issues	646	525.22
7.	Idle investment/establishment/blocking of funds	100	99.32
8.	Delay in commissioning of equipments	18	7.62
9.	Non-achievement of objectives	53	49.67
10.	Miscellaneous	491	261.06
Total		**3854**	**1,671.94**

Audit Committee comprising of the Principal Secretary/Secretary of the Department and representative of the Finance Department and the Office of the Accountant General was formed for taking speedy action on pending audit matters. The Finance Department issued instructions (November 2004) for conducting four meetings per year, but the instructions of the Finance Department was not adhered to and only one Audit Committee meeting was held by Department during 2012-13. State Government in its reply stated (July 2013) that Department was taking necessary action to settle maximum number of paras and making arrangement for recovery of dues.

Audit is an aid to management in upgrading the quality of governance and promoting accountability in Government spending. The Government should look into the matter and ensure that procedures are put in place to ensure submission of prompt and proper response to the audit observations and that corrective action is taken for recovery of losses/outstanding advances/ overpayments in a time bound manner.

JAIPUR,
The

(S. ALOK)
Accountant General
(Economic & Revenue Sector Audit), Rajasthan

Countersigned

NEW DELHI,
The

(SHASHI KANT SHARMA)
Comptroller and Auditor General of India

Appendices

Appendix 2.1

(Refer paragraph 2.1.6.3; page 16)

Statement of projects abandoned/not started/dropped

(₹ in lakh)

S. No.	Name of project	Project cost	Year of approval	Amount released	Expenditure incurred	Status	Reasons for non implementation
1	Strengthening of Disease Diagnostic Facilities and control system	185.95	2008-09	0.00	0.00	Dropped	Project was not in priorities
2	Strengthening of Infrastructure Out-door facilities. Training facilities and Animal nutrition lab	183.50	2008-09	0.00	0.00	Not started	Project was not in priorities
3	Solar fencing programme for protection from blue bulls	16.86	2011-12	0.00	0.00	Not started	Nodal agency (Horticulture department) had not demanded the fund
4	₹ 25 per bag as incentive for promoting SSP	500.00	2011-12	0.00	0.00	Not started	Not implemented due to sufficient advance stock of D.A.P.
5	ICT based Kisan Call Centre	100.00	2010-11	0.00	0.00	Dropped	Similar activity sanction was later on by SLSC
6	Strengthening of extension system in Rajasthan	3672.00	2009-10	100.00	62.55	Abandoned	Non-availability of Agriculture graduates
7	Marketing Promotion of Fruits, Vegetables and Flowers	1500.00	2011-12	0.00	0.00	Not started	Funds was not demanded by Nodal agency (RSAMB)
8	Mushroom cultivation, Improvement of Buffalo breeds and genetic improvement of Sahiwal cattle	1341.55	2011-12	0.00	0.00	Not started	Proposals of implementation of projects were not submitted by implementing agency (Gangmul foundation, Hanumangarh) through nodal agency (Animal Husbandry department).

S. No.	Name of project	Project cost	Year of approval	Amount released	Expenditure incurred	Status	Reasons for non implementation
9	Testing of Agriculture Implements	180.00	2010-11	0.00	0.00	Not started	Projects were not given priorities
10	Green fodder cultivation	7500.00	2010-11	2500.00	1950.86	Abandoned	Projects were not given priorities
11	Establishment of Soya paneer making units	25.00	2010-11	0.00	0.00	Not started	Projects were not given priorities
12	GPS based GIS mapping of soil	500.00	2010-11	0.00	0.00	Dropped	Projects were not given priorities
13	Strengthening of Poly clinic at Nagaur	10.00	2010-11	0.00	0.00	Dropped	Projects were not given priorities
14	Maintenance Breeding of Pulses	100.00	2010-11	0.00	0.00	Not started	Projects were not given priorities
15	To Study the impact of Emerging Irrigation Technology for organic seed production of legumes and Fruits	98.00	2011-12	0.00	0.00	Not started	Projects were not given priorities
16	Bio technology Techniques for Genetic Purity Verification	150.00	2012-13	0.00	0.00	Not started	Projects were not given priorities
17	Evaluation of chickpea germlasm for various desirable traits transformation of genes through bio technological approach in chickpea hybrid suitable for rain fed condition of Rajasthan	534.00	2010-11	0.40	0.40	Abandoned	Projects were not given priorities
18	Proposed for providing Additional assistance for construction of Water harvesting Structure	116.00	2010-11	0.00	0.00	Not started	Projects were not given priorities
Total		**16712.86**		**2600.40**	**2013.81**		

Appendix 2.2

(Refer paragraph 2.1.8.2; page 22)

Avoidable expenditure on construction of plastic lined diggis

(₹ in lakh)

S. No.	Registration No/Date	Name of farmer	Father s / Husband s Name	Chak/ Khasra Number	Capacity of diggis (in lakh litre)	Cost of diggis	Subsidy paid	Date of payment
1	317/7.6.10	Anshi Devi	Prabhu Ram	79 SD	40.09	4.34	2.00	28-03-2011
2	304/7.6.10	Gaja Ram	Moti Ram	41 SLD	37.55	4.22	2.00	28-03-2011
3	312/7.6.10	Govinda/ Goma Ram	Kheta Ram	41 SLD	37.55	4.21	2.00	28-03-2011
4	306/7.6.10	Narayan Ram	Jodha Ram	41 SLD	37.55	4.08	2.00	28-03-2011
5	310/7.6.10	Ramu Ram	Ishar Ram	41 SLD	37.55	4.12	2.00	28-03-2011
6	318/7.6.10	Chokha Ram	Jaira Ram	41 SLD	37.55	4.13	2.00	28-03-2011
7	961/24.6.10	Babulal	Meha Ram	30 PD	43.20	4.66	2.00	28-03-2011
8	777/15.6.10	Bhoma Ram	Lichmana Ram	30 SLM	78.84	8.5	2.00	28-03-2011
9	596/13.6.10	Nand Ram	Hira Ram	4 BNJ	42.96	4.57	2.00	28-03-2011
10	598/13.6.10	Ganesha Ram	Kheraj Ram	3 BNJ	38.87	4.81	2.00	28-03-2011
11	595/13.6.10	Purkha Ram	Satta Ram	4 BNJ	46.87	4.88	2.00	28-03-2011
12	347/7.6.10	Jiyo Devi	Prabhu Ram	60-61 SLD	40.21	4.54	2.00	28-03-2011
13	271/7.6.10	Kamala Devi	Bishna Ram	64 SLD	42.06	4.57	2.00	28-03-2011
14	96/1.6.10	Pampo Devi	Ganpat Singh	47 SLD	46.51	4.58	2.00	28-03-2011
15	361/7.6.10	Purkha Ram	Mangla Ram	62 SLD	53.30	4.78	2.00	28-03-2011
16	285/7.6.10	Ishar Ram	Satta Ram	76 SD	86.97	4.41	2.00	28-03-2011
17	1001/24.6.10	Moti Ram	Chenna Ram	42 SLD	40.21	4.39	2.00	28-03-2011
18	348/7.6.10	Kishore Kumar	Prabhu Ram	60-61 SLD	50.99	4.56	2.00	28-03-2011
19	272/7.6.10	Jai Ram/Jerama Ram	Amba Ram	57 SLD	37.55	4.27	2.00	28-03-2011
20	269/7.6.10	Kheta Ram/ Padma Ram	Natha Ram	57 SLD	38.87	4.36	2.00	28-03-2011
21	95/1.6.10	Simartha Ram	Padma Ram	47 DS	35.00	4.62	2.00	29-03-2011
Total							**42.00**	

Appendix 2.3

(Refer paragraph 2.1.8.7; page 26)

Statement of non-utilisation of the Bulk Milk Coolers in Sikar

S. No.	Place	Capacity of BMC (in litre)	Cost (₹ in lakh)	Date of installation	Reasons for non utilisation
1	Rashidpura	5000	12.16	08-10-2010	Disputes
2	Thakur Singhwali	2000	7.30	23-11-2011	Two BMC allotted one working
3	Bad Singhwali	2000	7.30	19-10-2011	DCS secretary death
4	Bassi	1000	5.75	20-02-2012	Disputes
5	Jeenya Wali Jodi	1000	5.75	Not installed*	Civil work under progress
6	Ahiron Ki Dhani	1000	5.75	Not installed*	Civil work under progress
7	Kundal Pur	1000	5.75	Not installed*	Civil work under progress
Total			**49.76**	-	-

*BMCs supplied in September 2011

Appendix 2.4

(Refer paragraph 2.1.8.8; page 29)

Details of excess payment of subsidy due to higher rate of earth work (Farm pond)

S. No.	Name of Farmer Shree	Chak & Tehsil	Total cost of pond	EW (in cum)	Rate of EW Taken (per cum)	Amount Paid	Amount should be (Cost of pond-Excess rate of EW) (100-36= ₹ 64 per cum)	Excess Payment
1	Omprakesh	11NDR,HMH	1024203	3798.29	100	988550	1024203-243091=781112	207438
2	Bhomaram	4SPD,RWT	1032938	3923.75	100	988550	1032938-251120=781818	206732
3	Hardeep	10AMP,SNG	1164886	5446.37	100	988550	1164886-348568=816318	172232
4	Bhemsen	7MJD,SNG	1149280	4564.83	100	1000000	1149280-292149=857131	142869
5	Mohanlal	22SSW,HMH	1010280	3475.40	100	1000000	1010280-222426=787854	212146
6	Asharam	22PBN,PBN	1142573	4223.35	100	1000000	1142573-270294=872279	127721
7	Maniram	30NDR,RWT	1021450	4077.98	100	988550	1021450-260991=760459	228091
8	Birbalram	45NDR,PBN	1029791	3917.52	100	988550	1029791-250721=779070	209480
9	Jainarayan	19&21JRK,PBN	1110165	4437.58	100	988550	1110165-284005=826160	162390
10	Anil	2LLW,HMH	1100459	4201.44	100	1000000	1100459-268892=831567	168433
11	Kashiram	14JRK,HMH	1060436	4088.31	100	988550	1060436-261652=798784	189766
12	Brijlal	34MOD,PBN	1068015	4245.75	100	1000000	1068015-271728=796287	203713
13	Smt.Savitri	23LLW,HMH	1162427	4865.43	100	988550	1162427-311388=851039	137511
14	Madanlal	23LLW,HMH	1122355	4243.82	100	1000000	1122355-271604=850751	149249
Total								**2517771**

Appendix 2.5

(Refer paragraph 2.2.7.2; page 36)

Statement showing loss of interest

(₹ in crore)

S. N.	Scheme	Date of Deposit	Amount	Balance as on 31.03.2012	Parking Period (in months)	Interest @ 4 *per cent*
1	CB	31.3.2006	1.15	0.59	72	0.14
2	CB	31.3.2008	1.82	0.72	48	0.12
3	CSC	30.3.2007	10.95	10.95	60	2.19
4	SWAN	29.2.2008	4.70	4.70	49	0.77
5	SWAN	31.3.2006	8.31	4.49	72	1.07
6	SSDG	27.7.2011	3.70	3.70	8	0.10
Total			**30.63**	**25.15**		**4.39**

Appendix 2.6

(Refer paragraph 2.2.9.4; page 43)

Calculation of penalty not levied on Implementing Agency

(Amount in ₹)

S.No.	Stage of Deployment service level requirement (SLR) Component	Penalty provisions	Original stipulated date of completion (In weeks) (T=21 January 2011)	Revised date of completion after time extension (In weeks)	Actual date of completion/Status	Period of delay (upto 31.1.2013)	Penalty not levied
1	Submission of service requirement specification (SRS) document	₹ 25,000.00 per week for first two weeks, ₹ 40,000.00 per week for every subsequent week subject to a maximum of ₹ 2,10,000.00	=T+6 weeks (4-3-2011)	=T+27 weeks (29-7-2011)	Submitted on 1-8-2011. Completed at state level to be revised as per STQC recommendations	Nil	Nil
2	Submission of Architectural Design for State Portal	₹ 25,000.00 per week for first two weeks, ₹ 40,000.00 per week for every subsequent week subject to a maximum of ₹ 2,10,000.00	=T+6 weeks (14-3-2011)	=T+59 weeks (15-3-2012)	In Progress	46 Weeks	210000
3	Submission of high level security design document	₹ 25,000.00 per week for first two weeks, ₹ 40,000.00 per week for every subsequent week subject to a maximum of ₹ 2,10,000.00	=T+6 weeks (16-3-2011)	=T+59 weeks (15-3-2012)	In Progress	46 Weeks	210000
4	Delivery and installation and configuration of all supplied hardware, software, etc at State Data Centre	₹ 10,00,000.00 per week for first two weeks, ₹ 20,00,000.00 per week for every subsequent week subject to a maximum of ₹ 40,00,000.00	=T+17 weeks (19-5-2011)	=T+74 weeks (25-6-2012)	SDC Hardware – Delivered, Installation in Progress Gap Infrastructure Not Delivered	31 Weeks	4000000

S.No.	Stage of Deployment service level requirement (SLR) Component	Penalty provisions	Original stipulated date of completion (In weeks) (T=21 January 2011)	Revised date of completion after time extension (In weeks)	Actual date of completion/Status	Period of delay (upto 31.1.2013)	Penalty not levied
5	Delivery and installation and configuration of all supplied hardware(Desktop, Printer, Scanner and UPS), system software, etc. for Departmental users at Districts and Blocks	₹ 1,000.00 per week per destination location for first two weeks, ₹ 2,000.00 per week for every subsequent week subject to a maximum of ₹ 10,000.00	=T+17 (19-5-2011)	=T+74 weeks (25-6-2012)	SDC Hardware – Delivered, Installation in Progress Gap Infrastructure Not Delivered	31 weeks	10000
6	Commissioning of e- Forms, State Portal and SSDG	0.5% per week for first two weeks, 1% per week for every subsequent week. This is subject to a maximum of 5%. Penalty will be computed on Contract value.	=T+18 (27-5-2011)	=T+76 weeks (11-7-2012)	Not Started	29 Weeks	5230000 (5% 0f 10.46 crore)
7	User Training and Workshops	₹ 300.00 per training session for first two weeks, ₹ 500.00 per training session for every subsequent week subject to a maximum of ₹ 1000.00	=T+23 weeks (1-7-2011)	=T+88 weeks (1-10-2012)	Not Started	17 Weeks	1000
8	System Integration, Final User Acceptance Testing and Project Sign-Of	2% per week for first two weeks, 4% per week for every week. This is subject to a maximum of 20%. Penalty will be computed on Contract Value	=T+24 weeks (8-7-2011)	=T+87 weeks (26-9-2012)	Not Started	18 Weeks	20920000 (20% 0f 10.46 crore)
Total							**3,05,81,000**

Note: T refers to the project start date original stipulated completion period was shown in weeks from the project date i.e. T in RFP. Thereafter revised completion period was decided and informed by department in actual dates which has been incorporated.

Appendix 2.7

(Refer paragraph 2.2.10.3; page 46)

District wise details of Liquidated Damages imposable and recoverable from M/s CMS computers Limited for non-operational Common Service Centres

S. No.	Districts	No. of Certified CSC created.		Total number of months against which Revenue support claimed by SCA	Total number of months remained non-operational for which revenue support not claimed by SCA	Penalty* imposable @ ₹ 4000 per month
		Total CSCs created	Total number of months for revenue support			
1	2	3	4	5	6 (4-5)	7
1	Ajmer	124	1873	1075	798	31,92,000
2	Bhilwara	124	1934	976	958	38,32,000
3	Nagaur	172	3225	1062	2163	86,52,000
4	Tonk	112	2188	735	1453	58,12,000
5	Jaipur	173	2526	1293	1233	49,32,000
6	Alwar	142	2254	1263	991	39,64,000
7	Dausa	77	998	447	551	22,04,000
8	Jhunjhunu	98	1695	896	799	31,96,000
9	Sikar	113	1675	779	896	35,84,000
10	Kota	65	916	583	333	13,32,000
11	Bundi	58	964	368	596	23,84,000
12	Jhalawar	42	570	385	185	7,40,000
13	Baran	38	560	229	331	13,24,000
14	Udaipur	148	2159	719	1440	57,60,000
15	Chittorgarh	83	1452	521	931	37,24,000
16	Dungarpur	73	983	544	439	17,56,000
17	Rajasmand	73	1392	509	883	35,32,000
18	Banswara	54	1041	708	333	13,32,000
19	Pratapgarh	26	443	186	257	10,28,000
Total		**1795**	**28848**	**13278**	**15570**	**6,22,80,000**
Say						**₹ 6.23 crore**

Penalty @ of 20 *percent* per CSC per week of monthly revenue support (for operational CSCs ₹ 1000 per month or 50 per cent of tender price whichever is higher) sought or ₹ 1000 per CSC per week whichever is more.

Appendix 2.8

(Refer paragraph 2.2.10.3; page 47)

Statement showing the details of Liquidated Damages to be imposed and recovered from M/s Zoom Developers Pvt. Ltd. for non-creation of Common Service Centres

Total CSCs to be created		2572	Date of execution of agreement		2/3/2009		
Schedule of creation							
Number of CSCs to be created			Stipulated date of creation				
643 (25%)			1/8/2009 (5 months)				
1286 (50%)			1/10/2009 (7 months)				
1929 (75%)			1/12/2009 (9 months)				
2572 (100%)			1/3/2010				
S. No.	**From**	**To**	**No. of CSCs created**	**CSCs not created**	**Rate per day**	**Days**	**Amount of LD to be levied**
1	02/08/2009	13/12/2009	0	643	200	134	17232400
2	02/10/2009	13/12/2009	0	643	200	72	9259200
3	02/12/2009	13/12/2009	0	643	200	12	1543200
4	14/12/2009	14/12/2009	3	1926	200	1	385200
5	15/12/2009	16/12/2009	2	1924	200	2	769600
6	17/12/2009	17/12/2009	1	1923	200	1	384600
7	18/12/2009	04/01/2010	1	1922	200	18	6919200
8	05/01/2010	05/01/2010	1	1921	200	1	384200
9	06/01/2010	08/01/2010	1	1920	200	3	1152000
10	09/01/2010	09/01/2010	4	1916	200	1	383200
11	10/01/2010	10/01/2010	4	1912	200	1	382400
12	11/01/2010	14/01/2010	2	1910	200	4	1528000
13	15/01/2010	22/01/2010	1	1909	200	8	3054400
14	23/01/2010	24/01/2010	1	1908	200	2	763200
15	25/01/2010	26/01/2010	1	1907	200	2	762800
16	27/01/2010	03/02/2010	2	1905	200	8	3048000
17	04/02/2010	05/02/2010	4	1901	200	2	760400
18	06/02/2010	07/02/2010	1	1900	200	2	760000

19	08/02/2010	08/02/2010	21	1879	200	1	375800
20	09/02/2010	09/02/2010	3	1876	200	1	375200
21	10/02/2010	10/02/2010	5	1871	200	1	374200
22	11/02/2010	11/02/2010	1	1870	200	1	374000
23	12/02/2010	15/02/2010	1	1869	200	4	1495200
24	16/02/2010	16/02/2010	2	1867	200	1	373400
25	17/02/2010	17/02/2010	4	1863	200	1	372600
26	18/02/2010	19/02/2010	5	1858	200	2	743200
27	20/02/2010	21/02/2010	2	1856	200	2	742400
28	22/02/2010	24/02/2010	2	1854	200	2	741600
29	25/02/2010	25/02/2010	2	1852	200	1	370400
30	26/02/2010	01/03/2010	1	1851	200	4	1480800
31	02/03/2010	07/03/2010	1	2493	200	6	2991600
32	08/03/2010	08/03/2010	1	2492	200	1	498400
33	09/03/2010	10/03/2010	2	2490	200	2	996000
34	11/03/2010	14/03/2010	1	2489	200	4	1991200
35	15/03/2010	15/03/2010	5	2484	200	1	496800
36	16/03/2010	17/03/2010	1	2483	200	2	993200
37	18/03/2010	18/03/2010	5	2478	200	1	495600
38	19/03/2010	19/03/2010	1	2477	200	1	495400
39	20/03/2010	21/03/2010	2	2475	200	2	990000
40	22/03/2010	22/03/2010	1	2474	200	1	494800
41	23/03/2010	24/03/2010	1	2473	200	2	989200
42	25/03/2010	25/03/2010	1	2472	200	1	494400
43	26/03/2010	26/03/2010	3	2469	200	1	493800
44	27/03/2010	27/03/2010	2	2467	200	1	493400
45	28/03/2010	28/03/2010	1	2466	200	1	493200
46	29/03/2010	29/03/2010	2	2464	200	1	492800
47	30/03/2010	30/03/2010	1	2463	200	1	492600
48	31/03/2010	31/03/2010	7	2456	200	1	491200
49	01/04/2010	02/04/2010	1	2455	200	2	982000
50	03/04/2010	04/04/2010	4	2451	200	2	980400
51	05/04/2010	05/04/2010	3	2448	200	1	489600
52	06/04/2010	07/04/2010	2	2446	200	2	978400
53	08/04/2010	09/04/2010	1	2445	200	2	978000

54	10/04/2010	11/04/2010	1	2444	200	1	488800
55	12/04/2010	15/04/2010	1	2443	200	4	1954400
56	16/04/2010	16/04/2010	1	2442	200	1	488400
57	17/04/2010	18/04/2010	2	2440	200	2	976000
58	19/04/2010	19/04/2010	1	2439	200	1	487800
59	20/04/2010	20/04/2010	1	2438	200	1	487600
60	21/04/2010	23/04/2010	2	2436	200	3	1461600
61	24/04/2010	26/04/2010	1	2435	200	3	1461000
62	27/04/2010	27/04/2010	1	2434	200	1	486800
63	28/04/2010	28/04/2010	1	2433	200	1	486600
64	29/04/2010	29/04/2010	2	2431	200	1	486200
65	30/04/2010	02/05/2010	1	2430	200	3	1458000
66	03/05/2010	03/05/2010	3	2427	200	1	485400
67	04/05/2010	04/05/2010	2	2425	200	1	485000
68	05/05/2010	09/05/2010	1	2424	200	5	2424000
69	10/05/2010	12/05/2010	2	2422	200	3	1453200
70	13/05/2010	17/05/2010	3	2419	200	5	2419000
71	18/05/2010	18/05/2010	2	2417	200	1	483400
72	19/05/2010	19/05/2010	1	2416	200	1	483200
73	20/05/2010	20/05/2010	1	2415	200	1	483000
74	21/05/2010	21/05/2010	1	2414	200	1	482800
75	22/05/2010	23/05/2010	2	2412	200	2	964800
76	24/05/2010	24/05/2010	1	2411	200	1	482200
77	25/05/2010	25/05/2010	2	2409	200	1	481800
78	26/05/2010	26/05/2010	1	2406	200	1	481200
79	27/05/2010	02/06/2010	1	2405	200	7	3367000
80	03/06/2010	03/06/2010	8	2397	200	1	479400
81	04/06/2010	04/06/2010	3	2394	200	1	478800
82	05/06/2010	05/06/2010	1	2393	200	1	478600
83	06/06/2010	06/06/2010	1	2392	200	1	478400
84	07/06/2010	07/06/2010	1	2391	200	1	478200
85	08/06/2010	08/06/2010	1	2390	200	1	478000
86	09/06/2010	09/06/2010	4	2386	200	1	477200
87	10/06/2010	14/06/2010	4	2382	200	5	2382000
88	15/06/2010	20/06/2010	1	2381	200	6	2857200

89	21/06/2010	23/06/2010	1	2380	200	3	1428000
90	24/06/2010	24/06/2010	1	2379	200	1	475800
91	25/06/2010	27/06/2010	2	2377	200	3	1426200
92	28/06/2010	29/06/2010	2	2375	200	2	950000
93	30/06/2010	02/07/2010	1	2374	200	3	1424400
94	03/07/2010	04/07/2010	1	2373	200	2	949200
95	05/07/2010	08/07/2010	5	2368	200	4	1894400
96	09/07/2010	09/07/2010	2	2366	200	1	473200
97	10/07/2010	12/07/2010	12	2354	200	3	1412400
98	13/07/2010	17/07/2010	1	2353	200	5	2353000
99	18/07/2010	18/07/2010	2	2352	200	1	470400
100	19/07/2010	19/07/2010	6	2350	200	1	470000
101	20/07/2010	22/07/2010	2	2344	200	1	468800
102	23/07/2010	26/07/2010	3	2342	200	2	936800
103	23/07/2010	26/07/2010	3	2339	200	4	1871200
104	27/07/2010	27/07/2001	2	2336	200	1	467200
105	28/07/2010	28/07/2010	3	2334	200	1	466800
106	29/07/2010	29/07/2010	1	2333	200	1	466600
107	30/07/2010	30/07/2010	4	2329	200	1	465800
108	31/07/2010	03/08/2010	3	2326	200	4	1860800
109	04/08/2010	04/08/2010	2	2324	200	1	464800
110	05/08/2010	05/08/2010	4	2320	200	1	464000
111	06/08/2010	09/08/2010	6	2314	200	4	1851200
112	10/08/2010	11/08/2010	5	2309	200	2	923600
113	12/08/2010	12/08/2010	1	2308	200	1	461600
114	13/08/2010	15/08/2010	6	2302	200	3	1381200
115	16/08/2010	16/08/2010	3	2299	200	1	459800
116	17/08/2010	20/08/2010	1	2298	200	4	1838400
117	21/08/2010	22/08/2010	1	2297	200	2	918800
118	23/08/2010	23/08/2010	1	2296	200	1	459200
119	24/08/2010	24/08/2010	3	2293	200	1	458600
120	25/08/2010	25/08/2010	11	2282	200	1	456400
121	26/08/2010	26/08/2010	1	2281	200	1	456200
122	27/08/2010	27/08/2010	3	2278	200	1	455600
123	28/08/2010	29/08/2010	2	2276	200	2	910400

124	30/08/2010	30/08/2010	4	2272	200	1	454400
125	31/08/2010	01/09/2010	1	2271	200	2	908400
126	02/09/2010	02/09/2010	2	2269	200	1	453800
127	03/09/2010	03/09/2010	11	2258	200	1	451600
128	04/09/2010	04/09/2010	1	2257	200	1	451400
129	05/09/2010	05/09/2010	2	2255	200	1	451000
130	06/09/2010	09/09/2010	1	2254	200	4	1803200
131	10/09/2010	11/09/2010	1	2253	200	2	901200
132	12/09/2010	12/09/2010	1	2252	200	1	450400
133	13/09/2010	14/09/2010	1	2251	200	2	900400
134	15/09/2010	15/09/2010	3	2248	200	1	449600
135	16/09/2010	16/09/2010	6	2242	200	1	448400
136	17/09/2010	17/09/2010	5	2237	200	1	447400
137	18/09/2010	19/09/2010	2	2235	200	2	894000
138	20/09/2010	20/09/2010	5	2230	200	1	446000
139	21/09/2010	21/09/2010	2	2228	200	1	445600
140	22/09/2010	22/09/2010	4	2224	200	1	444800
141	23/09/2010	23/09/2010	6	2218	200	1	443600
142	24/09/2010	27/09/2010	2	2216	200	4	1772800
143	28/09/2010	28/09/2010	2	2214	200	1	442800
144	29/09/2010	29/09/2010	1	2213	200	1	442600
145	30/09/2010	04/10/2010	1	2212	200	5	2212000
146	05/10/2010	05/10/2010	2	2210	200	1	442000
147	06/10/2010	07/10/2010	13	2197	200	2	878800
148	08/10/2010	08/10/2010	1	2196	200	1	439200
149	09/10/2010	09/10/2010	13	2183	200	1	436600
150	10/10/2010	11/10/2010	3	2180	200	2	872000
151	12/10/2010	12/10/2010	1	2179	200	1	435800
152	13/10/2010	13/10/2010	7	2172	200	1	434400
153	14/10/2010	14/10/2010	2	2170	200	1	434000
154	15/10/2010	15/10/2010	1	2169	200	1	433800
155	16/10/2010	17/10/2010	1	2168	200	2	867200
156	18/10/2010	18/10/2010	1	2167	200	1	433400
157	19/10/2010	20/10/2010	1	2166	200	2	866400
158	21/10/2010	21/10/2010	1	2165	200	1	433000

159	22/10/2010	22/10/2010	1	2164	200	1	432800
160	23/10/2010	24/10/2010	2	2162	200	2	864800
161	25/10/2010	26/10/2010	3	2159	200	2	863600
162	27/10/2010	02/11/2010	4	2155	200	7	3017000
163	03/11/2010	04/11/2010	5	2150	200	2	860000
164	05/11/2010	05/11/2010	2	2148	200	2	859200
165	06/11/2010	07/11/2010	18	2130	200	2	852000
166	08/11/2010	09/11/2010	2	2128	200	2	851200
167	10/11/2010	10/11/2010	6	2122	200	1	424400
168	11/11/2010	12/11/2010	2	2120	200	2	848000
169	13/11/2010	14/11/2010	3	2117	200	2	846800
170	15/11/2010	15/11/2010	1	2116	200	1	423200
171	16/11/2010	17/11/2010	1	2115	200	2	846000
172	18/11/2010	21/11/2010	1	2114	200	4	1691200
173	22/11/2010	22/11/2010	2	2112	200	1	422400
174	23/11/2010	03/12/2010	2	2110	200	11	4642000
175	04/12/2010	04/12/2010	2	2108	200	1	421600
176	05/12/2010	09/12/2010	2	2106	200	5	2106000
177	10/12/2010	10/12/2010	6	2100	200	1	420000
178	11/12/2010	17/12/2010	1	2099	200	7	2938600
179	18/12/2010	18/12/2010	2	2097	200	1	419400
180	19/12/2010	19/12/2010	1	2096	200	1	419200
181	20/12/2010	24/12/2010	1	2095	200	5	2095000
182	25/12/2010	28/12/2010	2	2093	200	4	1674400
183	29/12/2010	30/12/2010	1	2092	200	2	836800
184	31/12/2010	04/01/2011	2	2090	200	5	2090000
185	05/01/2011	16/01/2011	1	2089	200	12	5013600
186	17/01/2011	20/01/2011	1	2088	200	4	1670400
187	21/01/2011	23/01/2011	1	2087	200	4	1669600
188	24/01/2011	24/01/2011	1	2086	200	1	417200
189	25/01/2011	06/02/2011	1	2085	200	13	5421000
190	07/02/2011	22/02/2011	1	2084	200	16	6668800
Total			**488**	**Total Liquidated Damage to be levied**			**22,01,08,800**

Appendix 2.9

(Refer paragraph 2.3.6.2; page 57)

Statement showing the details of supplementary grant released but remained unutilised during 2008-09 to 2012-13

(₹ in lakh)

Sl. No.	Category CSS/Plan	Grant No.	Major Head	Minor Head	Sub Head	Year	Original Budget	Supplementary Grant	Total available funds (Total 8 & 9)	Actual Expenditure	Total Unutilised Amount (10-11)	Percentage of unutilised amount to supplementary grant
1.	CSS	42	2851	103	11	2008-09	0.00	19.80	19.80	0.00	(-) 19.80	100
2.	Plan	42	2851	104	10	2008-09	0.00	12.00	12.00	9.59	(-) 2.41	20
3.	Plan	42	2852	102	23	2008-09	0.00	2.00	2.00	0.00	(-) 2.00	100
4.	CSS	42	2851	102	01	2010-11	54.02	8.48	62.50	45.47	(-) 17.03	201
5.	CSS	42	2851	103	09	2010-11	111.21	51.52	162.73	66.89	(-) 95.84	186
6.	Plan	42	2851	102	06	2010-11	64.00	256.03	320.03	229.31	(-) 90.72	35
7	CSS	42	2851	102	01	2011-12	74.01	47.52	121.53	78.13	(-) 43.40	91.33
8	CSS	42	2851	103	09	2011-12	105.00	95.00	200.00	160.00	(-) 40.00	42.11
9	Plan	42	2851	102	13	2011-12	0.01	441.00	441.01	121.57	(-) 319.44	72.43
10	Plan	42	2852	003	09	2011-12	50.00	10.00	60.00	53.17	(-) 6.83	68.30
11	Plan	42	4885	800	15	2011-12	45.00	15.69	60.69	29.58	(-) 31.11	198.28
12	CSS	42	2851	102	11	2012-13	0.01	19.35	19.36	7.69	(-)11.67	60.31
13	CSS	35	3475	106	20	2012-13	0.01	5.89	5.90	1.00	(-)4.90	83.19
Total							**503.27**	**984.28**	**1487.55**	**802.40**	**685.15**	**69.61**

Appendix 2.10

(Refer paragraph 2.3.6.3; page 57)

Statement showing the details of cases regarding surrender

(₹ in lakh)

S.No.	Category CSS/Plan	Demand No.	Major Head	Minor Head	Sub Head	Year	Original grant	Revised budget	Actual expenditure	Amount Surrendered	Percentage of amount surrendered to original grant
1.	Plan	42	2851	104	10	2012-13	82.04	20.00	20.00	62.04	75.62
2.	CSS	42	2851	102	09	2012-13	105.00	35.00	9.87	95.13	90.60
3.	Plan	30	2851	796	04	2012-13	30.00	9.00	6.03	23.97	79.90
4.	Plan	42	2852	80	29	2012-13	137.14	48.17	41.86	95.28	69.48
5.	Plan	42	2852	102	07	2012-13	108.00	63.00	49.09	58.91	54.55
6.	Plan	51	2852	789	14	2012-13	34.50	14.68	9.51	24.99	72.43
Total							**496.68**	**189.85**	**136.36**	**360.32**	**72.55**

Appendix 2.11

(Refer paragraph 2.3.6.5; page 59)

Details of non verification of remittances from Treasury Officer during 2009-10 to 2012-13

S.No.	Name of Office	2009-10		2010-11		2011-12		2012-13	
		No. of Challan	Total amount	No. of Challan	Total amount	No. of Challan	Total amount	No. of Challan	Total amount
1.	DIC Dungarpur	42	8,63,000	53	8,24,977	49	10,81,150	57	12,16,877
2.	DIC Jaipur (C)	R	R	62	86,90,046	160	1,50,03,159	140	2,20,38,148
3.	DIC Jaipur (R)	N.A.	N.A.	4	N.A.	37	N.A.	25	N.A.
4.	DIC Jaisalmer	R	R	R	R	R	R	10	2,22,033
Total		**42**	**8,63,000**	**119**	**95,15,023**	**246**	**1,60,84,309**	**232**	**2,34,77,058**

Appendix 2.12

(Refer paragraph 2.3.8.2; page 62)

Details of longer stay of staff at one station

S.No.	Name of Office	Total strength		No. of persons stayed at one station for more than			
		Sanction	Working	5 to 10 years	More than 10 to 20 years	Above 20 years	Total (col. 5 to 7)
1.	DIC Ajmer	44	35	10	10	01	21
2.	DIC Alwar	37	24	05	03	01	09
3.	DIC Banswara	24	14	04	02	00	06
4.	DIC Dungarpur	19	10	00	03	06	09
5.	DIC Jaipur (city)	53	36	07	09	03	19
6.	DIC Jaipur (Rural)	38	30	08	08	00	16
7.	DIC Jaisalmer	20	07	03	01	01	05
8.	DIC Jodhpur	54	35	09	06	12	27
9.	DIC Kota	40	26	10	06	01	17
10.	DIC Udaipur	40	22	02	05	03	10
Total		**369**	**239**	**58**	**53**	**28**	**139**
Commissionerate		**288**	**215**	**24**	**56**	**67**	**147**
Grand Total		**657**	**454**	**82**	**109**	**95**	**286**

Appendix 2.13

(Refer paragraph 2.3.10.1; page 64)

Statement showing the details of clusters (up to March 2013)

(₹ in lakh)

Sl. No.	Name of Cluster	Approved Project Cost			Total Expenditure			Percentage of revenue	Month & year of completion
	A-Cluster Completed	**Revenue**	**Capital**	**Total**	**Revenue**	**Capital**	**Total**		
1.	Kota Doria Cluster, Kaithoon, Kota*	146.21	172.00	318.21	69.83	65.45	135.28	47.76	March 2010
2.	Leather Dye and Leather Product, Bansoor, Alwar	37.20	55.30	92.50	17.64	12.00	29.64	47.42	March 2010
3.	Tye-Dye Cluster, Akola, Chittorgarh	67.86	26.35	94.21	10.08	50.34	60.42	14.85	March 2010
4.	Handloom Cluster, Dariba, Churu	93.69	45.00	138.69	19.20	50.25	69.45	20.49	March 2010
5.	Stone Sculpture Cluster, Talwara, Banswara*	70.71	45.17	115.88	18.16	50.11	68.27	25.68	March 2010
6.	Leather Footwear Cluster, Bhinmal, Jalore	34.62	00.00	34.62	11.05	00.00	11.05	31.92	March 2010
7.	Gota Loom Cluster, Ajmer*	56.47	00.00	56.47	42.86	50.00	92.86	75.90	March 2010
8.	Aari Tari Cluster, Nyla, Jaipur*	84.36	00.00	84.36	44.12	00.00	44.12	52.30	March 2010
9.	Murtikala (Sculpture) Cluster, Gola Ka Bas, Alwar*	32.46	49.08	81.54	12.69	126.17	138.86	39.09	March 2010
10.	Honey Cluster, Bharatpur	39.81	00.00	39.81	10.60	00.00	10.60	26.63	March 2010
11.	Pottery and Terracotta Cluster, Ramgarh, Alwar*	51.00	00.00	51.00	16.11	00.00	16.11	31.59	March 2010
12.	Lac Cluster, Jaipur*	21.17	00.00	21.17	2.50	00.00	2.50	11.81	March 2010
13.	Terracotta Cluster, Molela, Rajsamand	2.50	00.00	2.50	00.00	00.00	0	0.00	March 2010
14.	Glass Embroidery Cluster, Dhanau, Barmer	50.00	00.00	50.00	34.59	00.00	34.59	69.18	March 2010
15.	Forest Product Cluster, Tal Chhapar, Churu	45.00	00.00	45.00	13.99	00.00	13.99	31.09	March 2011
16.	Carpet Cluster Thanagazi, Alwar	317.46	00.00	317.46	35.35	00.00	35.35	11.14	March 2011
17.	Forest Products Cluster, Baran	56.36	00.00	56.36	51.97	00.00	51.97	92.21	March 2011
18.	Embroidery Cluster, Pugal Aduri, Bikaner	72.22	00.00	72.22	55.84	00.00	55.84	77.32	March 2011
19.	Wood Craft Cluster, Bassi, Chittorgarh	62.53	00.00	62.53	48.97	00.00	48.97	78.31	March 2011
20.	Stone Artware Cluster, Dungarpur*	82.31	55.25	137.56	40.47	20.00	60.47	49.78	March 2011
21.	Leather Product Cluster, Jodhpur*	57.97	00.00	57.97	39.81	00.00	39.81	68.67	March 2011
22.	Terracotta Cluster, Siyawa, Sirohi	36.21	00.00	36.21	6.55	00.00	6.55	3.53	March 2011
23.	Stone Cluster, Pindwara, Sirohi	68.97	00.00	68.97	9.00	00.00	9.00	13.05	March 2011

Sl.No	Name of Cluster	Approved Project Cost			Total Expenditure			Percentage of revenue	Month & year of completion
	A-Cluster Completed	**Revenue**	**Capital**	**Total**	**Revenue**	**Capital**	**Total**		
24.	Embroidery Cluster,Shiv, Barmer	N.A.	N.A.	N.A.	1.05	00.00	1.05	0.00	March 2011
25.	Auto Component Cluster,Alwar	97.29	N.A.	97.29	11.53	00.00	11.53	11.85	March 2011
26.	Marble Article Cluster.Chitauli,Jaipur*	144.38	N.A.	144.38	98.94	00.00	98.94	68.53	March 2012
27.	Carving Cluster,Balahedi,Dausa	65.74	N.A.	65.74	47.18	00.00	47.18	71.77	March 2012
28.	Pottery and Terracotta Cluster. Gogunda,Udaipur	40.00	N.A.	40.00	10.00	10.00	20.00	50.00	March 2012
29.	Hand Block Printing Cluster,Bagru,Jaipur	37.01	N.A.	37.01	32.26	00.00	32.26	87.16	March 2012
30	Handloom Cluster,Rajpura,Patalwas,Jaipur	70.84	N.A.	70.84	59.92	00.00	59.92	84.58	September 2012
	Total	**2,042.35**	**448.15**	**2,490.50**	**872.26**	**434.32**	**1,306.58**	**42.70**	
B-Statement of Clusters which were cancelled									
1.	Jaisalmer Stone Cluster, Jaisalmer	27.36	00.00	27.36	00.00	00.00	00.00	0	
2.	Tye-Dye Cluster, Jodhpur	46.72	00.00	46.72	14.65	00.00	14.65	31.36	
3.	Sandstone Carving Cluster,Pichupada,Dausa	69.91.	N.A.	69.91	10.25	00.00	10.25	14.66	
	Total	**143.99**	**00.00**	**143.99**	**24.90**	**00.00**	**24.90**	**17.29**	
C-Statement of Clusters which are in progress									
1	Leather cluster, Kishangarh, Rainwal, Jaipur	26.13	00.00	26.13	23.73	00.00	23.73	90.81	
2	Embroidery and Handicraft cluster, Chauhatan, Barmer	31.71	00.00	31.71	21.64	00.00	21.64	68.24	
3	Embroidery and Handicraft cluster, Shiv Barmer	42.35	00.00	42.35	29.25	00.00	29.25	69.06	
4	Bamboo cluster Malikheda, Banswara	56.88	00.00	56.88	5.65	00.00	5.65	9.93	
5	Terracotta cluster, Sagwara, Dungarpur	61.03	00.00	61.03	1.70	00.00	1.70	2.78	
6	Leather cluster, Sawarda, Dudu, Jaipur	124.28	00.00	124.28	35.98	00.00	35.98	28.95	
Total		**342.38**	**0.00**	**342.38**	**117.95**	**00.00**	**117.95**	**34.45**	
Grand Total (A+B+C)		**2,528.72**	**448.15**	**2,976.87**	**1,015.11**	**434.32**	**1,449.43**		

Note: NA = Details not provided to Audit. * Selected for detailed study.

Appendix 2.14

(Refer paragraph 2.3.10.12; page 76)

Statement showing taximeters verified by weights & measures section

S.No	Year	District wise Taximeter permits in State		Taximeters verified	Percentage of taximeters verified
		District/State	Numbers		
1.	2008-09	1. Jaipur	10,103	4,195	41.52
		2. Jodhpur	6,847	1,752	25.58
		Total	**16,950**	**5,947**	**35.08**
2.	2009-10	1. Jaipur	11,991	9,291	77.48
		2. Jodhpur	5,975	1,760	29.45
		Total	**17,966**	**11,051**	**61.51**
3.	2010-11	1. Jaipur	11,306	5,673	50.17
		2. Jodhpur	5,966	1,785	29.91
		Total	**17,272**	**7,458**	**43.18**
4.	2011-12	1. Jaipur	11,909	9,964	83.66
		2. Jodhpur	6,317	450	7.12
		Total	**18,226**	**10,414**	**57.14**
5.	2012-13	1. Jaipur	11,862	6,257	52.75
		2. Jodhpur	7,162	67	0.94
		Total	**19,024**	**6,324**	**33.24**

Appendix 3.1

(Refer paragraph 3.1.1.4; page 83)

Statement showing utilisation of computer hardware at other than allocated place

Delivery point	Allotment location	Utilisation place	Reason
AD, Begu, Chittorgarh	AAO, Bhaisrodgarh	AD, Begu	Poor condition of building
AD, Kapasan, Chittorgarh	AAO, Bhopal Sagar	Resident of AS	Due to absence of light connection
Deputy Director, Agriculture (Ext.), Bhilwara	AAO, Suwana	AD,Bhilwara	No reason mentioned
	AAO, Raipur	AD,Bhilwara	Due to absence of light connection
	AAO, Mandal	AD,Bhilwara	Due to absence of light connection
	AAO, Sahara	AD,Bhilwara	Due to absence of light connection
Assistant Director, Kotri	AAO, Jahazpur	Installed at residence of Acting AAO	Due to lacking of adequate safety
	AAO, Mandalgarh	Installed at residence of Acting AAO	Due to lacking of adequate safety
Deputy Director, Agriculture (Ext.), Bikaner	AAO, Bikaner	AD, Bikaner	Due to absence of electric connection, non availability of place and absence computer savvy and trained person.
	AAO, Dungargarh	DD, Bikaner	
	AAO, Khajuwala	AD, Chattargarh	
	AAO, Kolayat	CEO, Bikaner	
	AAO, Lunkarnsar	AD, Bikaner	
	AAO, Nokha	AD, Bikaner	
Deputy Director, Agriculture (Ext.), Dausa	AAO, Sikrai	AD, Dausa	No reason mentioned
Deputy Director, Agriculture (Ext.), Jhalawar	AAO, Jhalrapatan	Installed at residence of Acting AAO	Due to vacant post and absence of electric connection
	AAO, Khanpur	AD, Jhalawar	Due to vacant post and absence of electric connection
Assistant Director, Bhawanimandi, Kota	AAO, Pirwa	Installed at residence of Acting AAO	Due to vacant post and absence of electric connection
	AAO, Dag	Installed at residence of Acting AAO	Due to vacant post and absence of electric connection
	AAO, Bakani	Installed at residence of Acting AAO	Due to vacant post and absence of electric connection
Deputy Director, Agriculture (Ext.), Karauli	Soil Lab	DD, Karauli	No reason mention

Delivery point	Allotment location	Utilisation place	Reason
	AAO, Todabhim	laying idle at AAO Residence	Due to Non existence of office. Electric connection and telephone connection was also not available at the residence of AAO so that equipments could not be connected with internet. No proposal as regards electrical and internet connection at rented premises were submitted.
Joint Director Agriculture (Ext.), Kota	AAO, Sangod	AD, Sangod	Due to vacant post and absence of Separate Building
Deputy Director, Agriculture (Ext.), Kota	AAO, Itawa	DD, Kota	Due to non sanction of post, Non-existence of office
	AAO, Khairbad	DD, Kota	Due to vacant post and absence of electric connection
Deputy Director, Agriculture (Ext.), Rajsamand	AAO, Railmagra	AD, Nathdwara	Due to lack of adequate safety
	AAO, Khamnor	AD, Nathdwara	Due to lack of adequate safety
	AAO, Deogarh	AD, Deogarh	Due to non-existence of separate office
Assistant. Director Srimadhopur	AAO, Khandela	Installed at residence of AAO Rengus	AAO Rengus intimated that he was neither computer savvy nor computer savvy person was engaged. Only printer was being used for photocopy purpose. Kisan Seva Kendra was constructed far from the habitation where electric connection is not available.
	AAO, Neem ka Thana	Neither available at office of the AAO nor residence of the AAO but lying other than the said places, printer was not available.	Neither AAO was computer savvy nor arrangement of efficient employee was made and absence of electric connection. Kisan Seva Kendra was handling from the premises on rent. It was intimated by the acting AAO that printer was taken over by predecessor AAO for its repair.

Appendix 3.2

(Refer paragraph 3.1.4; page 87)

Details of roads constructed with excess width under Pradhan Mantri Gram Sadak Yojana

S. No.	Name of the road	Motor vehicles per day	Projected CVPD	Population as of 2001	Admn. sanction No., date & Amount	TS No., date & amount	W.O. No. and date	Vr No. and date of completion	Payment for this road made (₹ in lakh)
1	Kaniwara Harji road km-5 to Rajawari	18	13	317	D-2762/14.2.08 ₹ 34.90 lakh	EE, Jalore, TS 125/18.2.08 ₹ 33.41 lakh	EE, Jalore 748/12.5.08	Vr. No. 17/30.3.10 20.12.08	31.23
2	SH-16 to Ratanpura	28	13	490	D-2089/21.7.07 ₹ 55.00 lakh	SE, Jalore, TS no. 57/24.7.07 ₹ 55.00 lakh	N.A.	Vr. No. 12/17.7.08 25.5.08	47.11
3	Bhadwal to Kailashnagar	16	13	480	D-2089/21.7.07 ₹ 63.17 lakh	SE, Jalore, TS no. 53/24.7.07 ₹ 63.17 lakh	EE, Sanchore 552/18.10.07	Vr. No. 8/15.9.10 27.5.08	51.26
4	Panchala to Vandeo	16	13	481	D-2089/21.7.07 ₹ 67.52 lakh	SE, Jalore, TS no. 52/24.7.07 ₹ 67.52 lakh	EE, Sanchore 552/18.10.07	Vr. No. 8/15.9.10 27.5.08	59.52
5	Sarwana Road to Raghunathpura	16	13	454	D-2089/21.7.07 ₹ 23.32 lakh	EE, Bhinmal, TS no.108/16.7.07 ₹ 23.32 lakh	EE, Binmal 552/18.10.07	Vr. No. 8/15.9.10 27.5.08	20.43
6	Galifa to Tambi	16	13	404	D-2089/21.7.07 ₹ 91.91 lakh	SE, Jalore, TS no. 54/24.7.07 ₹ 91.91 lakh	EE, Sanchore 930/28.11.07	Vr. No. 23/28.2.09 6.5.08	98.08
7	Sunthana to Jaisala	16	13	465	D-2089/21.7.07 ₹ 48.90 lakh	EE, Bhinmal, TS no. 106/16.7.07 ₹ 48.90 lakh	EE, Sanchore 930/28.11.07	Vr. No. 23/28.2.09 6.5.08	51.69

S. No.	Name of the road	Motor vehicles per day	Projected CVPD	Population as of 2001	Admn. sanction No., date & Amount	TS No., date & amount	W.O. No. and date	Vr No. and date of completion	Payment for this road made (₹ in lakh)
8	Bankli to Tormi	28	13	401	D-2089/21.7.07 ₹ 41.20 lakh	EE, Jalore, TS no. 46/17.7.07 ₹ 41.20 lakh	EE, Jalore 6218/26.10.07	Vr. No. 40/31.12.08 4.6.08	43.75
9	Revra Kalan to Ratanada	28	13	314	D-2762/14.2.08 ₹ 53.01 lakh	SE, Jalore, TS no. 77/18.2.08 ₹ 50.75 lakh	EE, Jalore 711/12.5.08	Vr. No. 2/5.5.09 21.10.08	51.00
10	Sanderao Mokalsar to Keral	20	9	255	D-2762/14.2.08 ₹ 12.90 lakh	EE, Jalore, TS no. 124/18.2.08 ₹ 12.35 lakh	EE, Jalore 711/12.5.08	Vr. No. 2/5.5.10 21.10.08	11.72
11	Kanwla to Chawarda	29	13	287	D-2762/14.2.08 ₹ 41.76 lakh	EE, Jalore, TS no. 123/18.2.08. ₹ 39.98 lakh	EE, Jalore 711/12.5.08	Vr. No. 2/5.5.10 21.10.08	39.67
12	Duthwa to Badsal-ki-beri	-	11	325-499	D-2089/21.7.07 ₹ 139.09 lakh	SE, Jalore , TS no. 49/24.7.07 ₹ 139.09 lakh	SE, Sanchore 925/28.11.07	24/28.2.09 W.I.P.	146.38
13	Sanchore Bakhasar road to Godaron ki Dhani	16	13	296	D-2762/14.2.08 ₹ 125.36 lakh	SE, Jalore , TS no. 73/16.2.08 ₹ 102.02 lakh	EE, Sanchore 916/11.6.08	01/6.7.09 W.I.P.	95.32
14	Akoli to Siyago and Rado ki Dhani	40	15	624	D-2762/14.2.08 ₹ 70.40 lakh	SE, Jalore , TS no. 74/16.2.08 ₹ 67.40 lakh	EE, Sanchore 916/11.6.08	01/6.7.09 W.I.P.	66.64
15	Ukharda to Mandia	28	13	363	D-2089/21.7.07 ₹ 27.80 lakh	EE, Jalore, TS no. 49/17.7.07 ₹ 27.83 lakh	Ag no. 78/0708	40/31.12.08 4.6.08	29.52
16	Chandrai to Pratapgarh	26	11	469	D-2089/21.7.07 ₹ 27.60 lakh	EE, Jalore, TS no. 48/17.7.07 ₹ 27.83 lakh	-do-	-do-	28.06
	Total				**₹ 923.84 lakh**	**₹ 891.68 lakh**			**871.38**

Appendix 3.3

(Refer paragraph 3.1.4; page 87)

Statement showing details of avoidable expenditure on excess quantity executed

S. No.	Name of work	Name of item	Quantity executed	Rate of item	Amount
1	RJ-18-41 Kaniwara Harji Rd km 5 to Rajawari km 0/0 to 2/525 km	GSB	168.67 cum	172.60	29113
		WBM G-II	118.07 cum	495.95	58558
		WBM G-III	118.07 cum	754.40	89072
		Prime Coat	1686.75 sqm	24.50	41325
		Tack Coat	1686.75 sqm	8.90	15012
		PMC	1686.75 sqm	85.80	144723
		Seal Coat	1686.75 sqm	31.70	53470
				Total	**431273**
				Add TP @ 2.97%	12808
				Total	**444081**
2.	RJ-18-38 (B) SH 16 to Ratanpura km 0/0 to 4/500	GSB	284.45 cum	147.00	41815
		WBM G-II	213.33 cum	430.00	91736
		WBM G-III	213.33 cum	653.80	139475
		Prime Coat	2844.52 sqm	18.50	52681
		Tack Coat	2844.52 sqm	6.50	18489
		PMC	2844.52 sqm	70.80	201392
		Seal Coat	2844.52 sqm	25.60	72820
				Total	**618408**
				Add TP @ 6.87%	42485
				Total	**660893**
3.	RJ-18-35 (1) Bhadwal to Kailashnagar 0/0 to 4/025	GSB	249.22 cum	355.80	88674
		WBM G-II	186.92 cum	613.60	114694
		WBM G-III	186.92 cum	808.60	151144
		Prime Coat	2492.25 sqm	18.50	46107
		Tack Coat	2492.25 sqm	6.50	16200
		PMC	2492.25 sqm	70.80	176451
		Seal Coat	2492.25 sqm	25.60	63802
				Total	**657072**
				Add TP @ 2.49%	16361
				Total	**663433**
4.	RJ-18-35 (2) Panchala to Vandeo km 0/0 to 4/430	GSB	309.00 cum	269.40	83245
		WBM G-II	231.75 cum	527.20	122179
		WBM G-III	231.75 cum	722.00	167370
		Prime Coat	3090 sqm	18.50	57165
		Tack Coat	3090 sqm	6.50	20085
		PMC	3090 sqm	70.80	218772
		Seal Coat	3090 sqm	25.60	79104
				Total	**747920**
				Add TP @ 2.49%	18623
				Total	**766543**

S. No.	Name of work	Name of item	Quantity executed	Rate of item	Amount
5.	RJ-18-35 (3) Sanchore, Sarwana Road-19 to Raghunathpura km 0/0 to 1/150	GSB	77.625 cum	337.80	26222
		WBM G-II	58.218 cum	595.60	34675
		WBM G-III	58.218 cum	790.60	46027
		Prime Coat	776.25 sqm	18.50	14360
		Tack Coat	776.25 sqm	6.50	5046
		PMC	776.25 sqm	70.80	54959
		Seal Coat	776.25 sqm	25.60	19872
				Total	**201161**
				Add TP @ 2.49%	5009
				Total	**206170**
6.	RJ-18-36 (1) Galifa to Tambi km 0/0 to 6/00	GSB	447.75 cum	402.60	180264
		WBM G-II	335.81 cum	660.40	221770
		WBM G-III	335.81 cum	855.40	287252
		Prime Coat	4477.5 sqm	18.50	82833
		Tack Coat	4477.5 sqm	6.50	29104
		PMC	4477.5 sqm	70.80	317007
		Seal Coat	4477.5 sqm	25.60	114624
				Total	**1232854**
				Add TP @ 8.89%	109601
				Total	**1342455**
7.	RJ-18-36 (2) Sunthana to Jaisala km 0/0 to 2/925	GSB	215.25 cum	373.80	80460
		WBM G-II	161.43 cum	631.60	101964
		WBM G-III	161.43 cum	826.60	13438
		Prime Coat	2152.5 sqm	18.50	39821
		Tack Coat	2152.5 sqm	6.50	13991
		PMC	2152.5 sqm	70.80	152397
		Seal Coat	2152.5 sqm	25.60	55104
				Total	**577175**
				Add TP @ 8.89%	51310
				Total	**628485**
8.	RJ-18-39 Bankli to Torni km 0/0 to 4/100	GSB	310.37 cum	154.20	47860
		WBM G-II	232.78 cum	401.20	93392
		WBM G-III	232.78 cum	689.80	160571
		Prime Coat	3103.75 sqm	18.50	57419
		Tack Coat	3103.75 sqm	6.50	20174
		PMC	3103.75 sqm	70.80	219745
		Seal Coat	3103.75 sqm	25.60	79456
				Total	**678617**
				Add TP @ 6.99%	47435
				Total	**726052**
9.	RJ-18-43 Revrakalan to Ratanara km 0/0 to 3/80	GSB	283.92 cum	172.60	49004
		WBM G-II	212.94 cum	420.90	89626
		WBM G-III	212.94 cum	786.00	167370
		Prime Coat	2839.2 sqm	24.50	69560
		Tack Coat	2839.2 sqm	8.90	25269
		PMC	2839.2 sqm	85.80	243603
		Seal Coat	2839.2 sqm	31.70	90002
				Total	**734434**
				Add TP @ 2.99%	21960
				Total	**756394**

S. No.	Name of work	Name of item	Quantity executed	Rate of item	Amount
10.	RJ-18-43 Sanderao-Mokalsar ODR-7 km 24 to Keral (km 0/0 to 1/0) 1 km	GSB	75 cum	160.75	12056
		WBM G-II	56.25 cum	468.30	26342
		WBM G-III	56.25 cum	746.30	41980
		Prime Coat	750 sqm	24.50	18375
		Tack Coat	750 sqm	8.90	6675
		PMC	750 sqm	85.80	64350
		Seal Coat	750 sqm	31.70	23775
				Total	**193553**
				Add TP @ 2.99%	5787
				Total	**199340**
11.	RJ-18-43 Kanwla to Chawarda km 0/0 to 3/0	GSB	224.1 cum	172.60	38680
		WBM G-II	168 cum	503.85	84647
		WBM G-III	168 cum	758.35	12740
		Prime Coat	2241 sqm	24.50	54905
		Tack Coat	2241 sqm	8.90	19945
		PMC	2241 sqm	85.50	192278
		Seal Coat	2241 sqm	31.70	71040
				Total	**474235**
				Add TP @ 2.99%	14180
				Total	488415
12.	RJ-18-34 Duthwa to Badsal-Ki-Beri 0/0 to 9/750 km	GSB	728.40 cum	435	316854
		WBM G-II	546.30 cum	692.80	378477
		WBM G-III	546.30 cum	887.80	485005
		Prime Coat	7284 sqm	18.50	134754
		Tack Coat	7284 sqm	6.50	47346
		PMC	7284 sqm	70.50	515707
		Seal Coat	7284 sqm	25.60	186470
				Total	**2064613**
				Add TP @ 8.39%	173221
				Total	**2237834**
13.	RJ-18-42 Sanchore-Bakhasar road km 20 to Godaron ki Dhani 0/0 to 7/900 km	GSB	482.25 cum	428.71	206745
		WBM G-II	361.69 cum	851.60	308013
		WBM G-III	361.69 cum	896.60	324291
		Prime Coat	4822.5 sqm	24.50	118152
		Tack Coat	4822.5 sqm	8.90	42720
		PMC	4822.5 sqm	85.80	413770
		Seal Coat	4822.5 sqm	28.00	135030
				Total	**1548921**
				Add TP @ 3.97%	6492
				Total	**1600413**
14.	RJ-18-42 Akoli to Siyago & Rado ki Dhani km 0/0 to 5/0	GSB	348.22 cum	393.20	136922
		WBM G-II	216.17 cum	816.05	213126
		WBM G-III	216.17 cum	861.05	224880
		Prime Coat	3482.25 sqm	24.50	85315
		Tack Coat	3482.25 sqm	8.90	30992
		PMC	3482.25 sqm	85.80	298777
		Seal Coat	3482.25 sqm	31.50	109690
				Total	**1099704**
				Add TP @ 3.97%	43658
				Total	**1143362**

S. No.	Name of work	Name of item	Quantity executed	Rate of item	Amount
15	Ukharda to Mandala	GSB	199.72 cum	168.60	33673
		WBM G-II	149.79 cum	430.00	64410
		WBM G-III	149.79 cum	646.60	96854
		Prime Coat	1997sqm	18.50	36945
		Tack Coat	1997sqm	6.50	12980
		PMC	1997sqm	70.80	141388
		Seal Coat	1997sqm	25.60	51123
				Total	**437373**
				Add TP @ 6.99%	30572
				Total	**467945**
16.	Chandari to Pratapgarh	GSB	189.45 cum	193.60	36715
		WBM G-II	142.08 cum	397.6	56491
		WBM G-III	142.08 cum	628.6	89311
		Prime Coat	189.40sqm	18.50	35039
		Tack Coat	189.40sqm	6.50	12311
		PMC	189.40sqm	70.80	134095
		Seal Coat	189.40sqm	25.60	48486
				Total	412448
				Add TP @ 6.99%	28830
				Total	441278
				Grand Total	**12773093**

Glossary of Abbreviations

Abbreviation	Expanded form
A	
AAO	Assistant Agriculture Officer
ACA	Additional Central Assistance
ACB	Anti Corruption Bureau
AGRISNET	Agriculture Resource Information System Network
AHD	Department of Animal Husbandry
AI	Artificial Insemination
AMC	Approval Monitoring Committee
B	
BE	Budget Estimate
BMC	Bulk Milk Cooler
BoM	Bill of Material
BSNL	Bharat Sanchar Nigam Limited
C	
CARISMA	Computerisation Automation Refinement of Integrated System of Management and Accounts
CB	Capacity Building
CBR	California Bearing Ratio
CE	Chief Engineer
CETP	Common Effluent Treatment Plant
CFC	Common Facility Centre
CFP	Cattle Feed Plant
C-SAP	Comprehensive State Agriculture Plan
CSC	Common Service Centre
CSS	Centrally Sponsored Scheme
CVO	Chief Vigilance Officer
CVPD	Commercial Vehicle per Day
CWC	Central Warehousing Corporation
D	
DAP	District Agriculture Plan
DeGS	District e-Governance Society
DEITY	Department of Electronics and Information Technology
DIC	District Industry Centre
DOA	Department of Agriculture
DOIT&C	Department of Information Technology and Communication
DPR	Detailed Project Report
DS cum DPR	Diagnostic Study cum Detailed Project Report

E	
EC	Eligibility Certificate
EE	Executive Engineer
EL	Experiential Learning
E&RSA	Economic & Revenue Sector Audit
F	
FRS	Functional Requirement Specification
G	
GAD	General Administration Department
GF&AR	General Financial and Accounts Rules
GM	General Manager
GOI	Government of India
GSDP	Gross State Domestic Product
GSS	Gram Seva Sahakari Samiti
H	
HC	Health Card
HIS	Health Insurance Scheme
I	
IA	Internal Audit, Implementing Agency
ICAR	Indian Council of Agricultural Research
IGNP	Indira Gandhi Nahar Pariyojana
IHDS	Integrated Handloom Development Scheme
IHITC	International Horticulture Innovation Training Centre
IRC	Indian Road Congress
K	
KSSK	Kisan Suchana Sampreshan Kendra
L	
LIC	Life Insurance Corporation
LR	Land Revenue
M	
MGBBY	Mahatma Gandhi Bunkar Bima Yojana
MORT&H	Ministry of Road Transport & Highways
MMP	Mission Mode Project
MPR	Monthly Progress Report
MPUAT	Maharana Pratap University of Agriculture & Technology
MVPD	Motorised Vehicle Per Day
N	
NABARD	National Bank for Agriculture and Rural Development
NAFED	National Agriculture Corporation Marketing Federation
NDDB	National Dairy Development Board
NeGP	National e-Governance Plan
NFSM	National Food Security Mission
NGO	Non-Government Organisation
NH	National Highway

NHM	National Horticulture Mission
NIC	National Informatics Centre
NMAY	Namak Mazdoor Awaas Yojana
NOC	No-Objection Certification
NRRDA	National Rural Road Development Agency
NSD	National Service Directory
P	
PD	Personal Deposit
PDR	Public Demand Recovery
PeMT	Project e-Governance Mission Team
PMGSY	Pradhan Mantri Gram Sadak Yojana
PWC	PricewaterhouseCoopers
PWD	Public Work Department
R	
R&D	Research & Development
RAJFED	Rajasthan State Cooperative Marketing Federation
RBM	Rajasthan Budget Manual
RCA	Rajasthan College of Agriculture
RCDF	Rajasthan Cooperative Dairy Federation
RDBMS	Relational Database Management System
RE	Revised Estimate
RFP	Request for Proposal
RHDS	Rajasthan Horticulture Development Society
RLDB	Rajasthan Livestock Development Board
RIDF	Rural Infrastructure Development Fund
RISL	RajCOMP Info Service Limited
RKVY	Rashtriya Krishi Vikas Yojana
ROCL	Rajasthan Olive Cultivators Limited
RMSMEDAS	Rajasthan Micro, Small and Medium Enterprises Development Agriculture Scheme
RRM	Rural Road Manual
RSPCB	Rajasthan State Pollution Control Board
RSRDC	Rajasthan State Road Development Corporation
RSWC	Rajasthan State Warehousing Corporation
S	
SDA	State Designated Agency
SDC	State Data Centre
SE	Superintending Engineer
SGSY	Swarnjayanti Gram Swarozgar Yojana
SIAM	State Institute of Agriculture Management
SKRAU	Swami Keshwanand Rajasthan Agriculture University
SLEC	State Level Empowered Committee
SLSC	State Level Sanctioning Committee
SPC	State Project Committee
SPV	Special Purpose Vehicle

SSDG	State Service Delivery Gateway
SSI	Small Scale Industry
STA	State Technical Agency
STQC	Standardisation, Testing and Quality Certificate
SWAN	State Wide Area Network
SWOT	Strength, Weakness, Opportunities and Threats
T	
TSL	Tissue Culture Laboratory
U	
UCs	Utilisation Certificate
V	
VDF	Vehicle Damage Factor
VLE	Village Level Entrepreneur
W	
W&M	Weights & Measures

© COMPTROLLER AND
AUDITOR GENERAL OF INDIA
www.cag.gov.in

http://agraj.cag.gov.in