

CHAPTER II

PERFORMANCE AUDIT

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This Chapter contains Performance Audit of Infrastructure facilities for medical education and health care and Follow-up Audit of Modernisation of Police Force.

HEALTH AND FAMILY WELFARE SERVICES DEPARTMENT

2.1 Performance Audit of Infrastructure facilities for medical education and health care

Executive Summary

A Performance Audit was conducted to assess the adequacy of infrastructure facilities for imparting medical education, availability of human resources and health care facilities in Indira Gandhi Medical College and Research Institute and Hospital (IGMCRI) attached thereto, managed by Perunthalaivar Kamaraj Medical College Society (Society). There were inadequacies in creation of infrastructure and in providing health care services in terms of availability of services and quality care as detailed below:

Short release of funds by Union Territory (UT) Government had resulted in non-creation of envisaged infrastructure, as prescribed by Medical Council of India (MCI) and various works were delayed. Against 33 infrastructure works, 23 works were completed while remaining 10 were yet to be completed.

The Society in connivance with the General Hospital (GH) had misrepresented facts on actual bed strength to MCI for obtaining annual renewals. The Society had passed a resolution with concurrence of GH to borrow beds along with personnel from the GH to make good the shortfall in bed strength so as to fulfill MCI criteria for annual renewals.

There was shortfall in bed occupancy, which ranged between 56 and 72 *per cent* only during 2011-16 against the MCI norms of 80 *per cent* due to inadequate infrastructure and health care facilities in IGMCRI, consequent upon which, the patients were referred to the GH for undergoing treatment.

Against the prescribed number of 348 essential drugs for a tertiary care hospital, only 145 drugs were purchased, of which, on an average 100 drugs were found out of stock.

Shortfall was noticed in the posts of professors, tutors, resident doctors and nursing staff, thus impacting the quality of the medical education imparted and health care to the patients.

The Society had engaged 778 unqualified Multi Purpose Workers, without approval of the UT Government and deployed them in core areas of IGMCRI such as operation theatres, wards and laboratories, thereby posing high risk to the lives of the patients.

2.1.1 Introduction

There were eight medical colleges in UT of Puducherry, of which one (Jawaharlal Institute of Post Graduate Medical Education and Research Institute) was functioning under GOI and the remaining seven were run by private managements. There was no medical college run by Union Territory Government of Puducherry. Hence, with the main objective of providing medical education to the local students, Perunthalaivar Kamaraj Medical College Society (Society) was established by UT Government in May 2005. As per the Health Secretariat Notification issued in June 2005, the Society was also to coordinate with the UT Government, GOI, Medical Council of India (MCI), Indian Council of Medical Research, Pondicherry University and other research and development sponsoring agencies in all aspects of research, extension, training and other allied matters relating to medical sciences.

The Indira Gandhi Medical College and Research Institute and Hospital, Puducherry was established in September 2010 under the aegis of the Society for imparting medical education to the local students of the UT of Puducherry. The sanctioned intake of the medical college was 150 admissions annually and first batch of academic activity had commenced during 2010-11. As per clause B.1.9, Minimum Standard Requirements for the Medical College for 150 Admissions Annually Regulations, 1999, the Teaching Hospitals are required to have an attached 750 bedded teaching hospital for providing tertiary care¹ facilities.

2.1.2 Organisational set up

The Chief Minister of Puducherry was the Chairman of the Governing Body of Perunthalaivar Kamaraj Medical College Society and Secretary to Government (Health) was the Vice Chairman. The Director, Health and Family Welfare Services was the Head of the Department and member of the Governing body. The Academic Committee of IGMCRI was headed by the Director and he was assisted by Dean and Medical Superintendent.

¹ Tertiary care is a specialised consultative health care provided for inpatients referred from primary and secondary level hospitals, in an institution that has personnel and facilities for advanced laboratory and imaging investigations

2.1.3 Audit Objectives

The objectives of the performance audit were to assess whether

- adequate infrastructure for medical education was created as stipulated in Medical Council of India regulations;
- health care facilities were sufficiently available in the hospital;
- financial and human resources management was adequate, efficient and effective.

2.1.4 Audit Criteria

The following criteria were adopted to assess the performance of the society.

- Indian Medical Council Act, 1956 notified by Medical Council of India.
- Minimum Standard Requirements for the Medical College Regulations, 1999 for 150 students issued by GOI.
- Indian Public Health Standards, 2012.
- Orders, Instructions, Guidelines etc., of GOI and UT Government of Puducherry.

2.1.5 Audit Scope and Methodology

Audit was conducted from February 2016 to July 2016 covering the period 2011-16. An Entry Conference was held on 21 March 2016 wherein the audit objectives, criteria, scope and methodology were discussed with the Secretary to UT Government (Health). Records were checked at Health Secretariat, the Society, IGMCRI, Directorate of Health and Family Welfare Services and Planning and Research Department. Audit observations were discussed with the Secretary to UT Government (Health) in an Exit Conference held on 26 October 2016. The replies received from UT Government (November 2016) had been incorporated in the Report at appropriate places.

2.1.6 Financial Management

Perunthalaivar Kamaraj Medical College Society, an autonomous society, was fully owned and funded by the UT Government, by release of Grant-in-aid (GIA) for establishment of the IGMCRI. Planning and Research Department of UT Government allocated funds for Medical and Public

Health sector, out of which, funds were allocated and released to the Society.

2.1.6.1 Allotment of funds

The UT Government had given (June 2005) an undertaking to MCI that adequate funds would be provided for creation of facilities in a time bound manner to establish the Medical college and hospital. The year-wise details of proposed outlay and funds allotted for the last five years are given in the following **Table 2.1**.

Table 2.1 – Proposed outlay and release of funds

(` in crore)

Year	Proposed Outlay			GIA sanctioned			GIA released			Expenditure incurred			Saving/ Excess
	Cons- truction	Others*	Total	Cons- truction	Others	Total	Cons- truction	Others	Total	Cons- truction	Others	Total	
2011-12	41.89	38.53	80.42	69.32			69.32			24.58	24.11	48.69	20.63
2012-13	95.87	54.85	150.72	55.00			29.62			37.32	28.77	66.09	-36.47
2013-14	38.53	63.14	101.67	12.45	30.50	42.95	12.45	30.50	42.95	16.20	38.62	54.82	-11.87
2014-15	0.50	62.48	62.98	7.56	42.10	49.66	7.56	42.10	49.66	7.48	44.14	51.62	-1.96
2015-16	0.50	67.04	67.54	30.00	64.80	94.80	11.00	64.80	75.80	10.44	66.47	76.91	-1.11
Total	177.29	286.04	463.33	50.01	261.72	311.73	31.01	236.34	267.35	96.02	202.11	298.13	-30.78

*Others include recurring, non-recurring expenditure and salaries; In respect of the years 2011-13, the bifurcation of GIA sanctioned and released was not available as head of construction was opened only in 2013-14.

Against the total proposed outlay of ` 463.33 crore for the years 2011-16, the UT Government sanctioned ` 311.73 crore (67 per cent) and released only ` 267.35 crore (58 per cent) during 2011-16, against which the expenditure incurred was ` 298.13 crore.

As per the Memorandum of Association of the Society, all moneys credited to the fund shall be deposited in such banks or invested in such manner as the Board may, with the approval of the UT Government, decide. These funds shall be applied towards meeting the expenses of the Society including expenditure incurred in exercise of its power and discharge of its functions. We observed that the Society had incurred expenditure² of ` 30.78 crore (` 298.13 crore – ` 267.35 crore = ` 30.78 crore) which was met out of the amount of fees collected from students and by diversion of security deposits of contractors without the approval of the UT Government.

We further observed that due to short release of funds, all the requisite infrastructure facilities required for the IGMCRI could not be put in place even after a lapse of six years after commencing the college in September 2010. As of March 2016, out of 33 infrastructure works to be completed, 23 were completed and there were 705 beds against the requirement of

² During 2011-15, total College fees available with the Society was ` 21.77 crore and Security Deposit was ` 23.45 crore, out of which, the excess expenditure of ` 30.78 crore was incurred

750 beds as per the norms of the MCI. Moreover, the short-release of funds had a further impact on procurement of health care equipment and essential drugs which have been discussed in this Report.

2.1.6.2 *Other financial issues*

(a) *Inadmissible payment of allowances*

(i) The Memorandum of Association of the Society stipulated that service rules of Central Government including General Financial Rules (GFRs) are applicable to the officers and staff of the society. The GFRs stipulate that all grantee institutions which receive more than 50 per cent of their recurring expenditure in the form of grants-in-aid, shall formulate terms and conditions of service of their employees which are, by and large, not higher than those applicable to similar categories of employees in Central Government and in exceptional cases, relaxation may be made in consultation with the GOI.

We observed that the Society had decided (December 2006) to pay special allowance of ₹ 10,000 per month and sumptuary allowance of ₹ 5,000 per month to the faculties of the IGMCRI on the plea that these were being paid to the faculty of the All India Institute of Medical Sciences (AIIMS). We, however, observed that these allowances were not being paid to the faculty of AIIMS. Thus, the payment of these allowances was not only inadmissible to the faculty of IGMCRI but it was also granted on the basis of a wrong premise and that too without the approval of the GOI.

A mention was made in paragraph 3.1.1 of the Report of the C&AG of India for the year 2007-08 about the grant of special allowance and sumptuary allowance, amounting to ₹ 56.38 lakh to the teaching faculty which were not admissible. We observed that these inadmissible allowances were still being paid to the faculty by the Society without the approval of the GOI. We further observed that the Society had granted one more inadmissible allowance *viz.*, academic research allowance (₹ 2,500 per month) without the approval of GOI, which together with special allowance and sumptuary allowance resulted in inadmissible expenditure of ₹ 9.36³ crore at the end of March 2016.

On being pointed out, the Department stated (July 2016) that allowances were being paid as per the decision of the Society (December 2006). The reply was not correct as the Society had granted allowances which were inadmissible as these were not being paid even by the GOI to similarly placed persons in the AIIMS. Moreover, the Society was not competent to grant such allowances without the approval of the GOI. As GOI's approval was not taken before granting such allowances, the action of the Society was in violation of its own regulations.

³ Special allowance – ₹ 5.35 crore, Sumptuary allowance – ₹ 2.67 crore and Academic Research allowance – ₹ 1.34 crore

We, further noticed that the Department had assured in the PAC meeting held in July 2013 that GOI's approval would be obtained for payment of the said allowances. In spite of this assurance, the Department continued to pay all these allowances without obtaining GOI's approval, which resulted in inadmissible expenditure of ` 9.36 crore during 2011-16. Thus, the action of the Society in granting inadmissible allowances to the faculty of IGMCRI calls for fixing of responsibility of the persons at fault for taking arbitrary decision.

(ii) The GOI had sanctioned (February 2004) Patient Care Allowance (PCA) to eligible Group C and D non-ministerial staff, whose regular duties (nurses and ward boys) involved continuous routine contact with patients infected with communicable diseases or those who handled routinely infected instruments and equipment (lab technicians). A mention was made in paragraph 3.2.5.2 of Report of the C&AG of India for the year 2005-06, regarding payment of ` 9.72 lakh towards PCA to 101 ineligible Group C and D staff, whose regular duties did not involve contact with patients infected with communicable diseases.

We observed that during 2011-16, forty one staff members, who were working as assistant, mechanic, clerk, carpenter and driver were still being paid PCA, though their duties did not involve continuous routine contact with patients infected with communicable diseases. The PAC had recommended (March 2012) to regularise the payment of PCA to eligible employees and had recommended the Department to comply with the observations raised in the Report of the C&AG of India for 2005-06. But, we observed that the Department, instead of complying with PAC's recommendation, was still continuing to pay PCA to the ineligible staff resulting in payment of the said allowance amounting to ` 39.07 lakh during the period from 2011-16. Thus, the matter needs investigation and action against the persons responsible, for payment of this allowance to ineligible employees in violation of the above orders, despite PAC's recommendations.

2.1.7 Adequacy of infrastructure and health care facilities

In order to ensure adequacy of infrastructure with respect to the MCI norms as well as to ascertain that the civil works done by the respective contractors were in accordance with the CPWD norms, an Engineering Division in IGMCRI was established during 2005-06 with Chief Engineer as Project Manager to execute the works and to conduct inspections along with quality check. We observed that the civil works were executed for college and hospital blocks which were supervised by the Engineering Division and all necessary checks as per CPWD norms were exercised. We, further observed that there was short release of funds (83 *per cent*) towards construction purposes by the UT Government owing to which shortfall in civil works was noticed. The Engineering Division had, however, prioritised the works based on annual MCI requirements with available

funds and accordingly executed the works. The shortfall in infrastructure and other health care facilities thus, had an overall impact on the functioning of IGMCRI which are discussed in the succeeding paragraphs.

2.1.7.1 Shortfall in infrastructure and equipment

The MCI norms stipulated that any person or entity submitting application for setting up of a medical college should have the capacity to complete the infrastructure works within a period of four years from the date of granting Letter of Permission (LoP). In the instant case, LoP was granted in August 2010 to the Society to start IGMCRI. As such, the construction works should have been completed by August 2014. It was, however, observed that there was shortfall in creation of infrastructure, as discussed below:

- As per the MCI norms, all infrastructure works were to be completed by the end of fourth year. These infrastructure works included 33 works such as auditorium, lecture halls, laboratories, etc., on completion of which permanent recognition was to be given. As of March 2016, out of the 33 works, 23 works were completed and ten works (auditorium, lecture theatre in hospital, central photography section, central workshop, two research laboratories⁴, interns hostel, nurses hostel, residents quarters and staff quarters) were not completed (**Appendix 2.1**).

Thus, in absence of the infrastructure, which was significant with respect to key functional areas of the medical college, the intended objective in imparting medical education to the aspiring students of the UT of Puducherry, remained partially achieved inspite of a passage of six years time.

On being pointed out, UT Government stated (November 2016) that works would be completed during the next three years.

Thus, we observed that though the Society had failed to complete all infrastructure works till date even after the passage of six years (December 2016), permanent recognition was granted by the MCI to the IGMCRI at the end of fifth year.

- As per clause B.1.9, Minimum Standard Requirements for the Medical College for 150 Admissions Annually Regulations, 1999, the teaching hospitals are required to have an attached 750 bedded teaching hospital for providing tertiary care facilities. MCI norms further stipulated that teaching hospital should have bed strength of 750 at the end of fourth year for the purpose of clinical teaching. The shortfall noticed during the audit period, in respect of bed strength and bed occupancy rate, was as shown in the following **Table 2.2**.

⁴ Forensic Medicine and Pharmacology

Table 2.2 – Availability of beds and bed occupancy rates

Year	Bed strength required as per MCI norms	Bed strength actually available	Bed occupancy rate as per MCI norm (in per cent)	Actual Bed occupancy rate
2011-12	415	146	80	72
2012-13	530	425	80	56
2013-14	645	436	80	57
2014-15	750	540	80	56
2015-16	750	705	80	61

It may be seen from the above that shortfall in bed strength and bed occupancy continued year after year. The reason for shortfall in bed occupancy as is evident from the table above, was attributed to inadequate infrastructure and health care facilities in IGMCRI, which resulted in low occupancy ranging between 56 and 72 per cent only during 2011-16, against the MCI norms of 80 per cent.

In order to ensure that shortfall in bed strength and bed occupancy did not impact the yearly renewal inspection by MCI, the Society had passed a resolution with the approval (December 2009) of its Governing Body to borrow beds along with personnel from GH, Puducherry, to make good the shortfalls in fulfilling the MCI criteria.

We observed that the action of the Society in passing the said resolution for getting beds from the GH amounted to misleading the MCI by misrepresenting the actual facts about availability of the requisite number of beds whereas there was always shortage of beds in the IGMCRI since 2011 as indicated in the above table. Besides, the authorities of GH helped in the fraudulent action of the Society by giving beds to it. Thus, the authorities of Society had connived with GH by misrepresenting the real facts to hoodwink the MCI, which continued granting renewals to the IGMCRI year after year from 2011 to 2016. Thus, the action of the Society to misrepresent the facts to the MCI in a fraudulent manner calls for fixing of the responsibility of the concerned officials of the Society and as also of GH for unlawfully helping the Society in providing beds to the IGMCRI.

- Indian Public Health Standards (IPHS) stipulated availability of disease investigation facilities for District hospitals up to 500 beds. IGMCRI, despite being a tertiary care teaching hospital with 705 beds did not have the required facilities for CT Scan, Stress test (Cardiac Investigation), Mass Miniature Radiography (for screening of Pulmonary Tuberculosis), glycosylated haemoglobin, TSH and

Thyroid T₃, T₄ due to lack of specialist, equipment and reagents. In the absence of CT scan, 23 referrals were made to other hospitals during 2011-16, until it was procured in June 2015. Absence of these infrastructure facilities reflected in the low bed occupancy rate, as it ranged from 56 to 72 *per cent* (**Table 2.2**) during 2011-16 against the MCI norms of 80 *per cent*.

While accepting audit observation, UT Government stated (November 2016) that due to lack of infrastructure facilities, the cases were being referred to GH, Puducherry.

Thus, the required basic disease investigation facilities as per IPHS were not in place in IGMCRI due to which, the patients were being referred to the GH, Puducherry. The very objective of setting up the medical college and hospital, therefore, remained unachieved.

- Out of 21 departments, five departments were test-checked for availability of equipment as per MCI norms, which revealed the following as shown in **Table 2.3**.

Table 2.3 – Shortfall in equipment

Department	Equipment as per MCI norms	Equipment available	Percentage of shortfall
General Medicine	54	30	44
Tuberculosis and Chest Diseases	9	3	66
Psychiatry	8	1	88
Surgery	51	26	49
Paediatric surgery	17	11	35
Total	139	71	49

Equipment like Colonoscope, Bronchoscope, EEG monitor, Gastro Intestinal Endoscope and ICU equipment incubator, etc., were not available at all, as a result of which, patients were referred to other hospitals having these facilities. On being pointed out, the UT Government stated (November 2016) that equipment could not be procured due to paucity of fund and assured that steps would be taken to procure necessary equipment at the earliest.

The reply was not acceptable as the Medical College was established in September 2010 and even after six years of its establishment, the percentage of shortfall in procurement of equipment was to the tune of 49 *per cent*, which was indicative of a serious lapse on the part of IGMCRI in providing necessary medical facilities to patients. Consequently, the patients were being referred to other hospitals for undergoing treatment defeating the very purpose of setting up the medical college.

2.1.7.2 Shortfall in availability of drugs

The list of drugs to be purchased by the IGMCRI for supply to patients was to be finalised by the Pharmaco Vigilance Committee⁵ (PVC). The PVC had suggested (November 2010) to adhere to the Indian National Essential list of Drugs, which stipulated that 348 essential drugs should be made available in a tertiary care hospital. Scrutiny of the records during the period 2011-16 revealed as under:

- Out of 348 essential drugs, 145 drugs on an average were procured based on actual requirement by the hospital during 2011-16. Out of these drugs, 100 drugs on an average (69 *per cent*) were found to be out of stock in the hospital during 2011-16 for periods ranging from 90 to more than 270 days, each year, which was attributed (June 2016) by IGMCRI to non-settlement of suppliers' bills, owing to which they could not be insisted for timely supply of drugs by the Department.
- An analysis of indents received from medical, surgery and obstetrics and gynaecology wards during 2011-16 and stock register of pharmacy revealed that 66 indents for essential drugs like T.Ciprofloxacin, T.Ranitidine, Inj. Thiamine, Inj. Ampicillin and IV DNS, which were indented by these wards were not issued as there was no stock in the pharmacy. As a result, patients had to purchase these essential drugs out of their own pockets and the same were administered, as was evident from the nurses' report book.

While accepting audit observation, the UT Government stated (October 2016) that the lesser quantity of drugs was being purchased as against prescribed quantity on need basis and prevalence of diseases in surrounding area. The reply was not acceptable, as indents for essential drugs placed by the respective wards were not in stock and in absence of such drugs, patients were forced to purchase the drugs on their own from market.

Thus, the adequate quantity of drugs to be given free of cost to the patients was not kept in stock, which defeated the purpose of ensuring treatment of patients in the IGMCRI.

2.1.8 Inadequacy of medical personnel

As against the sanctioned strength of 1,693 posts⁶ in various cadres, there were 624 personnel⁷ in position as of March 2016. A scrutiny of the availability of medical personnel revealed as under:

⁵ A committee constituted by the college in July 2010 for finalising the list of drugs and was constituted as stipulated in MCI norms

⁶ Group A (417), Group B (524), Group C (752 inclusive of 399 Multi Purpose Workers)

⁷ Group A (249), Group B (224), Group C (151 inclusive of 34 MPWs)

2.1.8.1 Shortfall in faculty

There were 21 Departments⁸ in IGMCRI and as per MCI norms, there should be 152 faculty members of different categories (Professors, Associate Professors, Assistant Professors and Tutors) and 115 Senior and Junior Residents. IGMCRI, having been given (November 2015) permanent recognition for annual intake of 150 students with teaching hospital of 705 bed strength, was supposed to have full strength of faculty as per MCI norms. A comparative position of faculty, as of March 2016, against the MCI norms is given in the **Table 2.4** below:

Table 2.4 – Shortfall in faculty

Sl. No	Faculty	MCI norms for 150 students	Available	Shortfall	Percentage of shortfall
1	Professor	21	15	6	29
2	Associate Professor	39	38	1	3
3	Assistant Professor	60	65	Nil	Nil
4	Tutor	32	25	7	22
	Total	152	143	14	9

It may be seen from the above table that the shortfall against the post of Professor (Head of Department) was 29 *per cent*. Six departments, *viz.*, Tuberculosis and Chest diseases, Psychiatry, Ophthalmology, Radio-diagnosis, Dentistry and Forensic Medicine were functioning without Heads of Department. MCI norms further stipulated that there should be 115 Senior and Junior Residents in the Hospital against which there were 103 Senior and Junior Residents, as of March 2016.

On being pointed out, the UT Government stated (November 2016) that sufficient faculty was available as per MCI norms. The reply was not acceptable, as the persons-in-position did not support the UT Government's contention.

2.1.8.2 Shortfall in nursing staff

As per the MCI norms, 372 nursing staff was required in a 750 bedded hospital in the nurse-patient ratio of 1:2. As of March 2016, there were 190 nursing staff members against the MCI norms of 372, leaving a shortfall of 49 *per cent*, which was as under in **Table 2.5**.

⁸ Anatomy, Physiology, Bio-chemistry, Pathology, Micro-biology, Pharmacology, Forensic Science, Community Medicine, General Medicine, TB and Respiratory Medicine, Venereology and Leprosy, Psychiatry, Paediatrics, General Surgery, Orthopaedics, ENT, Ophthalmology, Obstetrics and Gynaecology, Radio diagnosis, Anaesthesiology and Dentistry

Table 2.5 – Shortfall in nursing staff

Sl. No	Designation	MCI Norms	Persons-in-position	Shortfall of staff	Percentage of shortfall
1	Nursing Superintendent	5	0	5	100
2	Deputy Nursing Superintendent	1	2	Nil	Nil
3	Assistant Nursing Superintendent	12	1	11	92
4	Nursing Staff (Head Nurse / Staff Nurses / Nursing Sister / Auxiliary Nurse Midwives)	354	187	167	47
	Total	372	190	183	49

It was noticed that as of March 2016, there were 430 patients against which 190 nursing staff members were in position, which indicated that the nurse-patient ratio of 1:2 had not been maintained. The number of patients in the hospital is not a static figure and is subject to rise at any point of time. In such a situation, the shortfall in nursing staff would affect medical services to the patients.

While accepting audit observation, the UT Government stated (November 2016) that the staff nurses were being recruited on contract basis to meet the shortfall and nursing staff were also drafted from Mother Theresa Post Graduate Institute of Health Sciences on deputation basis. The reply was not acceptable, as only 28 nursing staff were employed on deputation and contract basis as compared with the shortfall of 167 nursing staff members.

2.1.8.3 Irregular engagement of Multipurpose Workers

The UT Government had issued instructions (September 2014) for grantee institutions to seek their approval for engaging persons on consolidated wages for carrying out various activities.

The Society had outsourced the services of Multi Purpose Workers (MPWs) in respect of housekeeping, security and canteen of the IGMRCI to a private firm in August 2011 on a monthly payment of ` 62.12 lakh. It was further observed that the Society had absorbed all the 778 MPWs deployed by the private firm, on consolidated wages, with effect from January 2016, on the grounds that they were not paid wages properly, by obtaining approval of Governing Body (February 2016). The MPWs were paid an amount of ` 1.28 crore during January-March 2016 as consolidated wages by the Society.

In this regard, we observed as under:

- The Society had failed to adhere to the UT Government's instructions issued (September 2014) for grantee institutions to seek their approval before engaging persons on consolidated wages.

- Against the provision of 399 MPWs posts, the Society had engaged (January 2016) 778 MPWs, without approval of UT Government.
- The qualification prescribed for MPWs was 10th standard, but the MPWs below the prescribed benchmark were also absorbed by the Society.
- As of March 2016, 771 MPWs had been deployed in administrative offices and various core areas such as clinical and non-clinical departments of the institute, wards, operation theatres, laboratories, etc., thereby posing high risk to the lives of the patients. The deployment of MPWs is detailed in **Table 2.6**.

Table 2.6 – Deployment of MPWs

Sl.No	Place of deployment	Number of MPWs deployed
1	Administration	40
2	Clinical and non-clinical departments and laboratories	202
3	Blood bank	2
4	Canteen, hostel and security	171
5	Library	14
6	Casualty and wards	118
7	Operation Theatres	24
8	Intensive Care Unit	10
9	Pharmacy and stores	11
10	Central Sterilisation and Supply Department	6
11	Others (Drivers, lift operators, maramath etc.)	173
Total		771

On being pointed out, the UT Government stated (October 2016) that the Society had full powers to create posts on its own. The reply was not acceptable, as UT Government had itself issued (September 2014) specific orders that grantee institutions should not engage persons on consolidated wages, without their approval. Thus, deployment of MPWs in such core areas like operation theatres, intensive care unit, casualty, laboratories was not in order and fraught with risk.

Thus, the action of the Society to absorb the MPWs was not only against the UT Governments' specific directives but the deployment of majority of them against technical / medical / administrative posts was also inappropriate as they were not qualified to handle the assigned jobs which entailed high risks for the lives of patients and such other mistakes. Besides, the Society had employed 372 MPWs over and above the sanctioned posts of 399, though all 771 had been employed unauthorisedly on consolidated wages. This calls for investigation and fixing of responsibility on those being responsible for this.

2.1.8.4 Violations in engagement of consultants

The UT Government had issued (September 2014) directions not to employ consultants who had crossed the age of 65. We, however, noticed that 25 out of 31 consultants employed by the Society, had crossed the age limit of 65 years. Out of these 25, two consultants were vested with bill passing powers.

On being pointed out, the UT Government stated (November 2016) that seven consultants were relieved of their duties and the cheque drawing powers would be restored to regular Government employees in due course by posting regular employees on deputation. The UT Government further stated that the consultants would be relieved as soon as vacancies were filled up.

The reply was not acceptable, as 18 consultants who were more than the age of 65 were still continuing in violation of UT Government's order. Thus, the engagement of consultants by the Society was clearly in violation of the UT Government orders, which calls for fixing of responsibility in the matter.

2.1.9 Non-monitoring of Hospital acquired infection rate

As a measure of controlling hospital acquired infection, the hospital manual stipulated constitution of Hospital Infection Control Committee (HICC) to formulate the policies for control of infection by Infection Control team, which consists of Infection Control Officer (ICO) and Infection Control Nurse (ICN). The ICN was responsible for analysis and dissemination of antibiotic resistance data, emerging pathogens and unusual laboratory findings. They were further responsible for surveillance, detection and investigation of outbreaks of infection and training and education of staff infection control procedures.

We observed that though HICC was formed in November 2010 and Infection control manual containing basic protocols for infection control was brought out in 2012, the ICO and ICN were not nominated. As such, the hospital acquired infection rate was never determined and consequently, it was not being monitored.

On being pointed out, the UT Government stated that (November 2016) determination of hospital infection rates necessitated data collection by respective Heads of Department and Clinical heads.

The reply was not acceptable as necessary steps should have been taken to monitor the infection rates by nominating a trained ICO and ICN, as lack of monitoring infection rates can endanger safety of patients.

2.1.10 Conclusion

Short release of funds by the UT Government had resulted in non-creation of envisaged infrastructure, as prescribed by MCI and works were delayed. Against 33 infrastructure works to be completed, 23 works were completed while remaining ten works were yet to be completed. Against the requirement of 750 teaching beds, 705 beds were only available. The bed occupancy rate ranged between 56 and 72 *per cent* against the envisaged norms of 80 *per cent*. In order to get annual renewal from MCI, the Society had made a resolution with concurrence of GH to make good the shortfall in respect of beds, and thus, by misrepresenting the actual facts to MCI, the IGMCRI continued to get its annual renewal. Against the prescribed number of 348 essential drugs for a tertiary care hospital, only 145 drugs were purchased, of which, on an average 100 drugs were found out of stock. Shortfall was noticed in nursing staff, thus impacting the quality of health care extended to patients. The society had engaged 778 unqualified MPWs, without required approval of UT Government, who were deployed in core areas of IGMCRI such as operation theatres, wards and laboratories, thereby posing high risk to the lives of the patients. The UT Government needs to examine these critical areas to achieve the intended objectives of creation of Medical Institute and Hospital.

2.1.11 Recommendations

In the light of our audit observations, we recommend the UT Government to take action as under:

- To ensure release of adequate funds for creation of necessary infrastructure for medical college and hospital to meet the MCI norms, within a definite time frame.
- To take necessary steps to increase the bed strength as envisaged in MCI norms, by making available necessary infrastructure and health care facilities.
- To ensure availability of basic medical equipment and essential drugs for taking care of treatment of patients.
- To engage teaching faculty, as per the norms, to ensure quality of the medical education imparted and nursing staff to ensure adequate care to the patients.
- To avoid engagement of persons etc. without proper approvals as prescribed under various orders and directives etc.

HOME DEPARTMENT

2.2 Follow-up Audit on Modernisation of Police Force

Executive Summary

Government of India introduced Modernisation of Police Force (MPF) in Union Territory of Puducherry during 2006-07, to improve the operational efficiency and infrastructural facilities of police force by providing funds under Housing, Communication, Equipment, Vehicles, Buildings, Forensic Laboratory and Weaponry. The scheme period of 2006-11 was later extended for two years, upto March 2013. A Performance Audit of the scheme was conducted in 2009 and the audit observations were included in the Comptroller and Auditor General of India's Report on the UT of Puducherry for the year ended 31 March 2009. The PAC had discussed the Report (July 2013) and made its recommendations. A Follow-up audit was conducted during March to July 2016 covering the implementation of MPF scheme during 2009-16, to assess whether the accepted audit recommendations were implemented and action was taken on PAC recommendations. The results of follow-up audit were as under:

All the four recommendations made in the earlier Audit Report were accepted by the Department and all the recommendations were partially implemented.

Though the scheme period was extended upto March 2013, beyond 2006-07 to 2010-11, the funds released were not utilised and hence, UT Government could not avail the entire allocation made by GOI. Thus, the recommendation was, therefore, partially implemented.

There was some progress, both under residential and non-residential buildings under construction works. However, some of the works were not taken up due to paucity of funds and non-availability of land. Thus, the recommendation was partially implemented.

Though the police personnel were given training in weapons, shortfall in annual training practice continued to persist. Thus, the recommendation was partially implemented.

Monitoring Committee did not meet regularly as envisaged and no meetings were conducted after December 2015. The recommendation was, therefore, partially implemented.

Live views were not available from all the 103 cameras installed and Vehicle Tracking System was not installed in 70 of the 85 vehicles, as envisaged, resulting in non-achievement of objective of monitoring sensitive areas and vehicle movement.

2.2.1 Introduction

Government of India had introduced a scheme of Modernisation of Police Force in UT of Puducherry during 2006-07, to improve the operational efficiency and infrastructural facilities of police force. Under the scheme, the Union Territory Government was to prepare an Annual Action Plan, which had to be approved by the Ministry of Home Affairs (MHA). After approval, UT Government was to take up the works of MPF. The scheme, initially sanctioned for a five year period 2006-11, was later extended upto March 2013.

2.2.2 Organisational Setup

The Police department functions under the Home Department of the UT of Puducherry, headed by Chief Secretary, who was responsible for implementation and monitoring of the scheme. At Department level, the Director General of Police (DGP) heads the police force. The DGP was assisted by Inspector General of Police and Senior Superintendents of Police (SSP). The UT was divided into two police districts, consisting of eight police regions, viz., Puducherry North, East, West, South, Mahe and Yanam in Puducherry police district and Karaikal North and South in Karaikal police district.

2.2.3 Audit Objectives

The implementation of scheme in UT was last reviewed during 2008-09 and audit observations were included in the Audit Report for the year ended 31 March 2009 along with four recommendations. The recommendations made in the Audit Report were discussed by the PAC, and made recommendations in July 2013. The Follow-up audit had been conducted with the objective of verifying the compliance by the Department to the recommendations made in Audit Report 2008-09. Action taken on the recommendations of the PAC was also examined and included suitably, wherever found necessary. New issues noticed during the course of follow-up audit have also been examined and incorporated in the Report.

2.2.4 Audit Criteria

Audit observations were benchmarked against the following criteria:

- Recommendations made in the Audit Report 2008-09 and replies furnished by the UT Government
- Recommendations made by the PAC in respect of the audit of the scheme included in the above Report
- Guidelines for the MPF scheme

- Central Public Works Department Manual
- Orders and instructions issued by GOI and UT Government.

2.2.5 Audit Scope and Methodology

The Follow-up Audit on the Performance Audit on Modernisation of Police Force was conducted from March 2016 to July 2016. The current audit covered the scheme for the period 2009-16 and records maintained in the Office of Superintendent of Police (Headquarters), SSP (Law and Order), SSP (Crime and Investigation), SSP (Headquarters and Traffic) and SSP (Karaikal) were test checked. An Entry conference was held on 18 March 2016 with the Secretary to UT Government and the audit objectives of Follow-up audit, scope of audit and methodology were discussed. An Exit conference was held with the Secretary to UT Government on 25 November 2016. The audit observations are discussed in the subsequent paragraphs.

2.2.6 Recommendations made in the previous Audit Report

The following recommendations were made in the Audit Report 2008-09 in the Performance Audit on Modernisation of Police Force.

- The funds provided for each component of the scheme should be spent efficiently and utilisation certificates should be furnished only for actual expenditure.
- The Department should adopt definite time-frames for implementing the various activities of the scheme and ensure that the targets under various components of the approved plans are achieved.
- Periodical training in handling weapons should be given to all upper and lower subordinates.
- The Monitoring Committee constituted for the purpose should meet regularly and closely monitor the implementation of the projects under the scheme.

2.2.7 Results of Follow-up audit

2.2.7.1 *Efficient utilisation of funds and utilisation certificates to be furnished for actual expenditure only – Recommendation 1*

(a) *Utilisation of scheme funds*

It was commented in the Audit Report 2008-09 that the Department had not worked out the cost of construction while submitting proposals to MHA,

which had resulted in poor utilisation of funds allotted under construction activities. In the reply to PAC (July 2013), the Department had accepted that poor utilisation of fund was due to non-assessment of components of work and non-calculation of cost of construction at the time of submission of proposals to MHA. The Department had further stated that in order to ensure speedy completion, the works were entrusted to various agencies to execute them on priority basis and it would be ensured that works would be completed within the financial year 2013-14. Based on the reply of the Department, PAC had treated the audit observation as closed. We have, however, observed that the inefficient management of funds was still continuing which resulted in non-completion of works as discussed in paragraph 2.2.7.2.

(b) Non-utilisation of GOI grant in full

GOI had approved (April 2006) ₹ 66 crore for five years (2006-11) for various components⁹ under the scheme, with an annual allocation of ₹ 13.20 crore. The scheme period was later (April 2010) extended up to 2012-13, so that funds available under the scheme may not lapse. GOI had further instructed (April 2010) that any unutilised balance from the previous years should be utilised only on receipt of revalidation orders from MHA. During the scheme period (2006-13), against the allocation of ₹ 66 crore, GOI released ₹ 63.22 crore. Scrutiny of the records revealed the following.

- The Department had an unspent balance of ₹ 16.42 crore at the end of March 2013 out of ₹ 63.22 crore received despite directions from GOI to utilise the fund within scheme period (2006-13).
- Contrary to GOI's directions, the Department utilised ₹ 10.78 crore during 2013-16 beyond the scheme period without obtaining revalidation orders from GOI. On being pointed out, the Department (June 2016) replied that expenditure was incurred based on the approval of UT Government. The reply was not acceptable, as the requisite approval of GOI had not been obtained.
- GOI allocated ₹ 66 crore for MPF scheme, out of which ₹ 63.22 crore was released to the Department for implementation of the scheme. As of March 2016, the Department had an unspent balance of ₹ 5.64 crore, due to which, the balance allocation of ₹ 2.78 crore (₹ 66.00 crore - ₹ 63.22 crore) from GOI could not be availed by the Department.

On this being pointed out, the Department replied (May 2016) that the balance allocation of ₹ 2.78 crore could not be availed due to non-receipt of *proforma* invoice from MHA for purchase of

⁹ Housing, Communication, Equipment, Vehicles, Buildings, Forensic Laboratory and Weaponry

weapons. The reply was not acceptable as ` 1.42 crore for purchase of weapons had already been received from GOI, which was a part of ` 5.64 crore unspent balance available with the Department, and *proforma* invoice from GOI was awaited only for this amount (discussed in paragraph 2.2.8.1).

(c) Utilisation Certificates for actual expenditure

It was commented in the Audit Report 2008-09, that incorrect Utilisation Certificate (UC) was furnished by the Department, as the UC for the year 2008-09 included ` 7.89 crore (Puducherry Housing Board (PHB) - ` 1.11 crore and Puducherry Agro Service and Industries Corporation Limited (PASIC) - ` 6.78 crore), which was lying unutilised with the construction agencies. Based on the reply of the Department, that action would be taken to complete the work on priority basis within the financial year 2012-13, PAC had treated this item as closed.

During the Follow-up Audit, utilisation of ` 7.89 crore was examined and it was observed that while PHB had utilised the funds received, PASIC still had a balance of ` 2.54 crore (discussed in paragraph 2.2.7.2 (c)).

We observed that the Department did not efficiently utilise the funds within the scheme period as recommended due to slow progress of works, as discussed in succeeding paragraphs. Thus, the recommendation was partially implemented.

2.2.7.2 Timely achievement of various targets and scheme components – Recommendation 2

Housing and office buildings

(a) Housing satisfaction level not improved

It was commented in the Audit Report 2008-09, that against 96 Type II and Type III staff quarters and five quarters for officers planned for construction during 2006-09, construction of only nine Type II staff quarters was nearing completion and housing satisfaction level increased marginally from 33 to 35 *per cent*. The Department had replied (July 2013) to PAC that 67 Type-II quarters, eight Type-III quarters and five Officers quarters had been completed and construction of quarters¹⁰ for Coastal Police Station, Karaikal had commenced. PAC had desired to know the latest position, which was awaited from the Department.

As a result of follow up audit, we observed (July 2016) as under:

- Of the remaining 21¹¹ Type II and III quarters, construction of two

¹⁰ Three Type-III and 12 Type-II quarters

¹¹ Excluding 80 completed out of 101 planned

quarters¹² was not included in the revised Annual Action plan for the year 2008-09 proposed by UT Government and approved by GOI (November 2008).

- Construction of 19 quarters¹³ was not taken up, though land had been identified. The Department attributed (September 2016) non-construction of these quarters to paucity of funds. The reply was not acceptable, as the estimated cost approved for the work was ` 1.76 crore and the Department could have availed the balance unreleased GOI grant of ` 2.78 crore, had it utilised the entire grant of ` 63.22 crore released by GOI within the scheme period 2006-13, as commented in paragraph 2.2.7.1 (b).
- Out of total 857 staff quarters of various types constructed for the police personnel, only 558 quarters were occupied. Of the balance 299 quarters, 273 quarters (32 *per cent*) were found to be unfit for occupation due to damages and lack of facilities such as water and electricity. The quarters remained unoccupied for periods ranging from one to 13 years. Though the poor condition of the quarters had been brought to the notice of the Department by Sub-Inspectors (August 2014) and Public Works Department (PWD) was requested by Department (October 2014) to inspect the damaged houses, no further action was taken to repair the quarters.

On being pointed out, UT Government replied (November 2016) that immediate action could not be taken to repair the quarters due to non-availability of funds. Further, it was stated that several quarters were in dilapidated condition and hence, could not be repaired and had to be completely demolished and new quarters had to be constructed.

Thus, despite construction of 80 new quarters at a cost of ` 9.19 crore under the scheme, failure of the Department to take necessary follow-up action to repair the existing quarters resulted in many of the quarters remaining unoccupied due to their bad condition. The housing satisfaction level, which was expected to reach 49.37 *per cent* on completion of all the housing works proposed under the scheme, was only 36 *per cent* as of January 2016 as assessed by the Department.

(b) Construction of non-residential buildings

It was commented in the Audit Report 2008-09 that out of 24 Office, Police station and training school buildings proposed to be constructed under the scheme, only one work was completed (July 2008) and remaining 23 works were not taken up and the Department had to incur an avoidable expenditure of ` 15.02 lakh towards payment of rent during 2007-09 due to

¹² Two Type-II quarters, Palloor

¹³ 19 quarters at Sedarapet, Puducherry

lack of own accommodation. The Department had replied (July 2013) to the PAC that works were entrusted to PWD, PASIC and PHB for speedy completion and seven works were nearing completion. PAC had desired to know the reasons for the delay and the latest position, which was awaited from the department.

The Follow-up audit revealed as under:

- Out of 23 incomplete works, 12 works were completed (between July 2008 and March 2014), of which, there was time overrun ranging from nine to 27 months and cost overrun of ` 1.17 crore in respect of five works, for reasons such as delay in obtaining structural design and drawings, modification in floor plan and non-availability of construction material (**Appendix 2.2**).
- In respect of two works entrusted to PWD (office building and indoor physical training centre, Gorimedu, Puducherry), the office building was completed (August 2014) but provision of electrical and water connection was still pending (November 2016) for more than two years. In respect of indoor physical training centre, though the civil work was completed (June 2014), gym equipment were yet to be put in place (November 2016).
- Seven works were not taken up due to reasons such as, non-availability of land, encroachment, non-shifting of HT lines and paucity of funds (**Appendix 2.3**). We observed lack of follow-up action with PWD, Electricity Department and Revenue Department for last four–five years in three works. As a result, four offices and police stations¹⁴ continued to operate in rented buildings, incurring an additional avoidable expenditure of ` 44.52 lakh from 2009-16.
- In respect of two works entrusted to PASIC (Training Guest house, Gorimedu and Construction of Staff quarters for Coastal Police Station, Karaikal), the Training Guest house, Gorimedu remained incomplete after incurring ` 2.89 crore, while the work of construction of Staff quarters for Coastal Police Station was foreclosed after incurring an expenditure of ` 0.16 crore, as discussed in detail in succeeding paragraph.

Thus, due to non-availability of land, encroachments issues, lack of basic infrastructure works on completed civil works like electricity and water connection etc., the non-residential buildings could not be completed resulting in non-achievement of the stated objectives of the scheme.

¹⁴ (i) SSP office-cum-residence, Karaikal, (ii) Police Station at Reddiyarpalayam, (iii) Police station with Circle Inspector Office at Lawspet and (iv) Korkadu/ Karikalampakkam OP station and staff quarters

On being pointed out, UT Government accepted the audit observations and replied (November 2016) that action was being taken to complete the remaining works.

(c) *Poor execution by Puducherry Agro Service and Industries Corporation Limited resulting in buildings remaining incomplete*

It was commented in the Audit Report 2008-09 that ₹ 6.78 crore was lying unutilised with PASIC as of March 2009. In the Follow-up Audit, the utilisation of funds by PASIC for construction of buildings was examined. It was observed that, an amount of ₹ 0.31 crore was further released in February 2011 to PASIC, totalling an amount of ₹ 7.09 crore towards construction of Training Guest house, Gorimedu and construction of Coastal Police Station, Karaikal (CPS) and related staff quarters (March 2009).

PASIC, though, had completed (July 2013) the construction of Coastal Police Station (CPS) at a cost of ₹ 1.50 crore, could not complete the work of construction of Training guest house (to be completed in August 2010) and construction of staff quarters for CPS (to be completed in August 2011). It was noticed that PASIC had incurred ₹ 2.89 crore on construction of Training guest house and works of laying tiles and fixing handrails, panel boards, electrical fittings were yet to be completed. In respect of construction of staff quarters for CPS, the work was foreclosed (May 2013) by PASIC, after incurring an expenditure of ₹ 0.16 crore.

Due to prolonged delay in completion of Training guest house, the Department had requested (August 2014 and March 2016) UT Government to direct PASIC for refund of unspent amount of ₹ 2.54 crore. However, no further action was taken and in the absence of proper follow-up, the works remained incomplete for more than five years and expenditure of ₹ 3.05 crore incurred on the two works remained unfruitful. On being asked about the status of incomplete works (May 2016), PASIC replied (June 2016) that the work of construction of staff quarters for CPS was foreclosed due to administrative reasons and paucity of funds.

The reply was not acceptable, as PASIC still had a balance of ₹ 2.54 crore out of the scheme funds released to it by the Department. On being pointed out, the UT Government replied (November 2016) that inspite of several reminders, PASIC had neither completed the work nor refunded the amount and efforts were being made continuously to get back the funds from PASIC. However, the reply was silent about completing the works which were still pending. As such, the UT Government needs to institute an investigation as to why works were foreclosed by PASIC despite availability of funds and for furnishing wrong reply, being a Government body.

Thus, we observed that only 67 *per cent* of the proposed residential and non-residential works were completed (20 out of 30 works) at a slow pace indicating poor planning in execution of the scheme. As there was only a marginal increase in housing satisfaction level, the recommendation was also partially implemented.

2.2.7.3 Shortfall in periodical training – Recommendation 3

It was commented in the Audit Report 2008-09 that only 20 *per cent* of the police personnel were trained in modern weapons. The Department had replied (July 2013) to PAC that due to non-availability of firing range in Puducherry, training would be given to all the Police personnel in a phased manner and on a priority basis utilising the firing range in neighbouring State. PAC had further desired to know whether training was given in modern weapons.

We noticed during follow-up audit that a separate firing range in Puducherry was still not existing. Though the Department had incurred an amount of ` 3.16 crore for procurement of 9 mm Pistols, Self Loading Rifles (SLRs), Glock Pistols, AK series Rifles, MP 5 Series, etc., the Police personnel were being taken to neighbouring State of Tamil Nadu for practice, for handling 9 mm pistol, Revolver .380 and SLRs. We further observed that the Department had given reply only on the year-wise number of police personnel trained, which indicated shortfall in training, ranging between 35 and 85 *per cent* during the years 2009-16 (**Appendix 2.4**).

It was further observed that the Department had purchased a firing simulator for training the police personnel in SLRs at a cost of ` 14.65 lakh from Army Based Workshop, Bangalore (ABW) and the same was installed in Puducherry during October 2012. The simulator, however, malfunctioned twice (March 2013 and March 2015) during 2012-16. Though the simulator was repaired in February 2016, it was yet to be put to use as the Department was waiting for technical persons from ABW for reinstallation.

We further noticed that the warranty period of the simulator had expired in October 2013 and the Department was yet to sign an Annual Maintenance Contract with ABW to reinstall and operate the simulator. As such, the simulator was used sparingly during 2012-16 and out of the 2,763 police personnel in position (as of March 2016), only 600 were trained using simulator during the period.

On being pointed out, UT Government replied (November 2016) that audit observation had been noted for guidance and training to all upper and lower subordinates was being imparted from time to time. The reply on training to police personnel was not tenable, as there were shortfall in trainings, which ranged between 35 and 85 *per cent* during 2009-16.

In view of the persisting shortfall in training, we observed that the recommendation was partially implemented.

2.2.7.4 Monitoring and supervision – Recommendation-4

A Monitoring Committee was constituted (June 2008) to monitor the implementation of the scheme and as such, monthly meetings were to be held to review the progress in implementation of the scheme. It was commented in the Audit Report 2008-09 that against 10 monthly meetings, only three meetings were conducted. The Department had replied (July 2013) to PAC that regular meetings were being conducted within the Department and monitoring of the scheme was being done on fortnightly basis with PERT chart. Based on reply, the PAC treated the issue as closed.

In Follow-up audit, when the details of meetings conducted by Monitoring Committee during the audit period were called for, the Department replied (September 2016) that 23 meetings were held between July 2008 and December 2011. Thereafter, bi-monthly/quarterly meetings were held from January 2012 instead of every month and the last meeting was held only in December 2015 and no meeting was held since then. It was noticed that the Department had not prepared any minutes for the meetings held after December 2011 and in absence of minutes, we could not assess the impact of monitoring by the Committee. The Government accepted the audit observations and stated (November 2016) that further due action would be taken in the matter.

In view of shortfall in conduct of meetings and in absence of documentation of these meetings, we observed that the recommendation was only partially implemented.

2.2.8 Further audit observations

2.2.8.1 Delay in purchase of weapons

MHA had sanctioned ₹ 1.42 crore for purchase of additional weapons¹⁵. The weaponry could be procured only after receipt of *proforma* invoice from the MHA as instructed by GOI. It was, however, noticed that *proforma* invoice was yet to be received and weaponry items were not procured. On being pointed out, the Department replied (July 2016) that though several reminders (July 2013, December 2013 and December 2015) were sent to Home Department, UT of Puducherry, the required *proforma* invoice had not been obtained. When Audit called for reasons for the delay, the Home Department replied (July 2016) that proposal requesting for issue of *proforma* invoice was forwarded to MHA in July 2013 and thereafter, in July 2016 (after being pointed out by Audit). No follow-up action was taken by Home Department to obtain *proforma* invoice from MHA during 2013-16, resulting in delay of more than three years in

¹⁵ Sniper rifles (10), Glock pistol (50), AK-47 rifles (60) and 5.56 mm rifle (200)

procurement of weapons and thus, ₹ 1.42 crore remained unutilised. This being a serious issue, the UT Government needs to investigate the cause for the delay and to take necessary action.

2.2.8.2 Non-functioning of CCTVs installed at public places

During 2009-10, MHA had approved ₹ 1.21 crore towards modernisation of police control room, which included setting up a Central Control Room (CCR), installation of Closed Circuit Television (CCTV) in sensitive Government buildings and important junctions of Puducherry town and implementing Vehicle Tracking System (VTS). An agreement was entered into (November 2010) with the selected firm for implementing the project at a cost of ₹ 1.07 crore¹⁶.

As per the agreement, the firm had to install 103 cameras at 34 locations and to install GPS system in 85 police vehicles under VTS. The Department had to provide necessary infrastructure like space for setting up CCR, installation of poles at the selected locations for fixing cameras and extending power supply for operation of cameras. The work was proposed to be completed in six months time (May 2011) from the date of agreement (November 2010).

Scrutiny of the records revealed that the Department had entrusted the works of setting up of CCR, erection of poles and extension of power supply to PWD only in June 2012. There was delay in identifying the locations, erection of poles and extension of power supply and PWD completed these works only in December 2013. The firm completed installation of cameras in the selected locations during November 2010-March 2016.

Test check of the details for two months (April 2016 and May 2016) in the register maintained in the control room to monitor the functioning of cameras revealed that the camera view mode was available only in respect of 20 to 68 cameras as against the 103 cameras installed.

We further noticed that since the power issues had not been resolved in respect of 18 cameras installed at nine locations, the same were not functioning and in respect of all 103 cameras, the live view was interrupted due to local power disruptions.

In respect of VTS, it was noticed that as against the target of 85 vehicles, Global Positioning System (GPS) was provided only for 15 vehicles.

The UT Government accepted (November 2016) the audit observations on GPS which were fitted only in 15 vehicles. The reply was silent regarding reason for non-provision of GPS in balance 70 vehicles. Further, in respect of vehicles provided with GPS, we observed that five vehicles were off

¹⁶ Dial-100 for ₹ 0.06 crore, VTS for ₹ 0.01 crore and CCTV for ₹ one crore

road and VTS was working only in respect of 10 vehicles as of October 2016.

Thus, even after five years, the CCTVs and VTS were not yet fully functional as expected, defeating the objective of the project. UT Government agreed that (November 2016), due to power and other technical issues, only 50 to 60 cameras were operational out of 103 cameras installed.

The UT Government replied that the firm had been instructed to complete the project without further delay.

2.2.8.3 Failure to install Very High Frequency tower to improve wireless coverage

MHA accorded (March 2010) administrative approval for fabrication and erection of 80 meters self supporting tower in UT of Puducherry at a cost of ` 60 lakh. Though an amount of ` 60 lakh was sanctioned, estimate was not prepared and hence, the total cost of the work could not be ascertained. The tower was proposed to be erected at the police station site of Mangalam in order to improve the existing coverage area of Very High Frequency communication in Puducherry Police District¹⁷ and to facilitate future introduction of Digital Radio Trunking system for fixing of Ultra High Frequency antennas, microwave antenna, etc.

The Department obtained (June 2011) necessary permission from Ministry of Communication and Information Technology, Department of Telecommunications, Wireless Planning and Co-ordination Wing (Standing Advisory Committee on Radio Frequency Allocation (SACFA)) for installing the communication tower. The permit was valid for one year, which had expired in June 2012. Though the Department knew that the permit was valid only for a year, no action was taken to erect the tower, despite availability of ` 1.20 crore under communication component.

On this being pointed out, the Department replied (September 2016) that work could not be executed as available funds had to be utilised for settling the pending bills for installation of CCTV cameras. The reply was not acceptable, as ` 60 lakh had been specifically sanctioned for erection of tower. As such, the Department should have taken action to erect the tower within the validity period of the permit issued by SACFA, which had lapsed in June 2012. Thus, the objective of improving wireless coverage was not achieved, which calls for fixing of responsibility for failure to execute the work despite availability of funds.

¹⁷ South and Rural police regions of Puducherry Police District

2.2.8.4 Failure to purchase equipment due to administrative delay

UT Government had issued (September 2013) expenditure sanction for purchase of three explosive detectors at a cost of ` 39.16 lakh. The explosive detector was eligible for customs duty exemption, for which a certificate from MHA had to be obtained. It was noticed that the Department requested UT Government periodically¹⁸ to issue an addendum for drawal of ` 39.16 lakh to open a Letter of Credit (LoC) for applying for customs duty exemption certificate from MHA. However, the addendum was yet to be issued and amount was not drawn for opening LoC. On being pointed out, UT Government replied (November 2016) that the matter was being pursued regularly. The fact, however, remains that explosive detectors were not purchased even after three years due to administrative delay on the part of UT Government.

2.2.8.5 Non-utilisation of driving simulators

Three driving simulators were purchased (February 2013) at a cost of ` 33.73 lakh to train Police and Home Guard drivers to augment their driving ability. Though the simulators were ready for installation in September 2013 itself, they were installed only in March 2015 (Puducherry-two simulators) and in September 2015 (Karaikal-one simulator), after expiry of the warranty period. It was noticed that the Department addressed PWD only in October 2013 for locating a proper room for installation of driving simulators, which should have been identified before simulators were ready for installation. Further, no follow-up action was taken by the Department and after much delay, the simulators were installed (March 2015) in a damaged room. The repair works for the damaged room were carried out and completed in July 2015. However, even after completion of the civil works, the simulators were not put to use.

While accepting audit observation, the UT Government replied (November 2016) that the simulators would be inaugurated shortly. The reply was not acceptable as the simulators had been lying idle without their intended use for more than three years since their purchase, reflecting ill planning on the part of the Department.

2.2.9 Conclusion

All the four recommendations made in the earlier Audit Report were accepted by the Department and follow-up audit revealed that all the four recommendations were only partially implemented. Though the scheme period was extended upto March 2013, the funds released were not utilised and hence, UT Government could not avail the entire allocation made by

¹⁸ June 2014, October 2014, August 2015, September 2015, December 2015 and February 2016

GOI. In respect of the construction works not being taken up and completed within definite time-frames, progress had been noticed both under housing and non-residential buildings. However, since some of the works were not taken up due to paucity of funds and non-availability of land, this recommendation was also partially implemented.

Though the police personnel were given training in weapons, shortfall in annual training practice continued to persist, in view of which Audit is of the opinion that this recommendation was partially implemented. Though meetings of Monitoring Committee were held during the follow-up audit period, the Monitoring Committee did not meet regularly as envisaged and no meetings were conducted after December 2015. Thus, this recommendation was only partially implemented.

The camera view modes were not available from all the cameras installed and Vehicle Tracking System was not installed in 70 of the 85 vehicles, as envisaged, resulting in non-achievement of objective of monitoring sensitive areas and vehicle movement. The gaps in full implementation of Audit recommendations impacted the achievement of objective of the scheme to achieve operational efficiency and infrastructural facilities.

2.2.10 Recommendations

The Department needs to fully implement the four recommendations made in the earlier Audit Report. Additionally, the Department may consider,

- Making the CCTV system functional throughout the year without interruptions.
- Installing GPS in all vehicles to track their movement.