

PRESS RELEASE

On

**The Report of the Comptroller and Auditor General of India
for the period ended March 2022**

Government of Union Territory of Jammu and Kashmir

Report No. 06 of 2025

(Composite Audit Report - Civil)

This Report has been prepared in accordance with the provisions of Section 72 of the Jammu and Kashmir Reorganisation Act, 2019. The Report was forwarded to the Government of Jammu and Kashmir on 17 November 2025. The Report has been laid on the table of the Jammu and Kashmir legislature on 30.03.2026.

This Report comprises of three chapters and covers matters arising out of the Performance Audit and Compliance Audit of the Departments of Government of Union Territory (UT) of Jammu and Kashmir (J&K).

Key findings:

(i) Performance Audit on “Direct Benefit Transfer (DBT) in Integrated Social Security Scheme (ISSS)”.

It was observed that during 2018-19 to 2021-22, ₹ 10,849.32 crore (Cash and Kind) was paid via DBT mode to 3,77,30,264 beneficiaries. Of the cash transfers of ₹ 10,649.32 crore, an amount of ₹ 4,362.33 crore (41 *per cent*) was transferred by the Social Welfare Department (SWD) to beneficiaries through 28 schemes.

Under Integrated Social Security Scheme (ISSS), ₹ 1,000 is provided as Old Age Pension (OAP) to men above 60 years and women above 55 years of age, Women in Distress (WID) i.e. Widow and Divorcee women above 40 years, Physically Challenged Persons (PCP) and Transgender Community (TG). During 2018-2022, Social Welfare Department (SWD) transferred ₹ 1,974.01 crore (45 *per cent* of ₹ 4,362.33 crore) to the beneficiaries through DBT under ISSS.

Social Welfare Department had not followed the Standard Operating Procedure outlined for DBT and was not able to eliminate the intermediaries for transfer of pension assistance to beneficiaries. The Department did not transfer the benefits directly to the bank accounts of beneficiaries as the Treasury Officer, to whom the bills were submitted by Director, Social Welfare Department (DSWD) transferred the amount into the DDO bank account of DSWD.

The Protocol Document prescribed by the GoI for DBT in States provides for Aadhaar seeding of beneficiary database so that benefit could be transferred directly into bank

accounts, preferably Aadhaar linked bank accounts of beneficiaries. Despite instructions of Finance Department (June 2020) to ensure authentication of beneficiaries by linking bank accounts with their Aadhaar number, it was noticed that as of October 2022, only 6,29,684 (70 *per cent*) out of 9,02,151 beneficiaries bank accounts of ISSS beneficiaries were Aadhaar linked. In six test-checked Districts, shortfall in Aadhaar linking of bank accounts of beneficiaries ranged between 02 *per cent* (Budgam) and 40 *per cent* (Rajouri).

No review to check the completeness, authenticity and correctness of the legacy data was conducted after uploading the beneficiaries' data in Application software. The data had been uploaded on the portal after delay ranging between 02 months and 38 months, resulting in delayed payment of benefits.

The main purposes of integrating the Centrally Sponsored Schemes/ UT Specific Schemes with PFMS were real-time monitoring and tracking of fund flow from the Government to the end beneficiary, reducing leakages by facilitation of direct transfer of benefits to beneficiaries' bank accounts and maintaining a comprehensive audit trail of every financial transaction. Finance Department, GoJ&K instructed (June 2020) all Administrative Secretaries to create user agencies on the PFMS portal for all the Centrally Sponsored/ UT Specific Schemes implemented by the respective Departments by the end of June 2020. Despite Finance Department instructions, due to non-integration, Department of Social Welfare could not get the advantage of better monitoring & tracking and reducing leakage of DBT beneficiaries' accounts.

The SWD was required to maintain records showing initial date of sanction of pension in favour of beneficiaries. Audit noticed in six test-checked Districts that in violation of the Rules, no such records had been maintained by the Department.

As per Rule 6 (5) of ISSS Guidelines, pension was to be disbursed monthly to the beneficiaries. Audit noticed that there was delay of 04 months to 134 months in sanction of 26,135 cases out of test-checked 27,195 cases in five out of six test-checked District offices (no details had been maintained in District Rajouri).

Audit noticed cases of duplicate records of beneficiaries, non-exclusion and payment to ineligible beneficiaries and payment of financial assistance to same beneficiaries under more than one scheme.

Mechanism for identification of deceased beneficiaries to ensure discontinuance of financial assistance after demise was absent in the Social Welfare Department.

Audit noticed in four out of six test-checked Districts, ₹ 1.41 crore was recovered (December 2018 to March 2022) from the bank accounts of deceased beneficiaries and credited into the bank accounts of the respective DSWOs. This fact was not communicated to the higher authorities in contravention to Rule 2.59 of J&K Financial Code Vol-I. The amount was held in the DDO bank accounts and was not credited into proper head of Government account.

Some key recommendations made based on audit are:

- Department needs to complete the process of Aadhaar Card details of beneficiaries with their bank accounts on priority;

- There is a need to carry out comprehensive review of data of beneficiaries including the legacy data already ported in application to ensure its completeness, authenticity and correctness; and
- Beneficiaries' data need to be integrated with the death data available with the Registrar General of India to ensure discontinuance of financial assistance in respect of deceased beneficiaries.

(ii) Compliance Audit on “Solid Waste Management in Urban Local Bodies (ULBs)”:

The Subject Specific Compliance Audit on Solid Waste Management (SWM) in ULBs covered the period 2017-18 to 2021-22. It entailed examination (October 2022 to March 2023) of the records relating to SWM in the Administrative Department i.e. Housing & Urban Development Department (H&UDD), Mission Director, Swachh Bharat Mission (SBM), Directors of Urban Local Bodies (ULBs), Jammu/ Kashmir and 15 ULBs out of 76 ULBs selected on the basis of Probability proportional to size without Replacement method.

It was observed that, GoJ&K had not prepared any policy/ action plan/ strategy for implementation of Reduce, Reuse and Recycle (3 Rs) in respect of solid waste.

During 2017-22, only 31 *per cent* to 39 *per cent* of collected waste was treated leaving a major portion of solid waste dumped at landfill/ dumping sites, carrying the risk of harmful impact on the environment.

Solid waste Processing facilities such as Waste to Energy Plant, Leachate Treatment Plant, City Compost Plant, Waste Disposer Machine and Bailing machine remained non-functional in various ULBs of the State/ UT.

In 17 ULBs, segregation of waste at source/ house was not being carried out during 2017-22. In 11 ULBs, coverage of door-to-door collection of solid waste from households and commercial establishments was partial. Three ULBs had not carried out door-to-door collection of waste.

In 17 sampled ULBs, there was shortfall in collection of user charges. Besides, two ULBs (MC Hiranagar and MC Rajouri) were dumping solid waste unauthorisedly and unscientifically.

No processing/ treatment facilities were in place at the waste dumping sites of 15 ULBs, as such the waste was being dumped without modifying its physical, chemical or biological characteristics resulting in potential danger to the environment.

In 17 sampled ULBs, shortage of Manpower ranged between 9.25 *per cent* (Bijbehara) and 75 *per cent* (Langate).

Jammu & Kashmir Pollution Control Committee (J&KPCC) had not conducted any air quality assessment in respect of landfills/ dumpsites and had not assessed the risk of contamination of ground water near landfill/ dumping sites.

Some key recommendations made based on audit are:

- *ULBs may ensure that waste is actually segregated at source. ULBs should ensure 100 per cent collection of solid waste from households/ commercial establishments etc.*
- *ULBs may put in place facilities for processing/ treatment of solid waste at dumping sites to modify its physical, chemical or biological characteristics so that no harm is caused to the environment.*
- *J&KPCC may conduct air quality assessment in respect of landfills/ dumpsites and assess risk of contamination of ground water, rivers and streams near landfill/ dumping sites.*

(iii) Compliance Audit on Central Road Infrastructure Fund (CRIF)

It was observed in audit that, out of 292 projects sanctioned under CRIF during 2000-01 and 2018-19 only 117 projects (40 per cent) were completed as of March 2022. Further, out of CRIF 208 projects sanctioned during 2000-2001 to 2016-2017 and scheduled to be completed during 2003-04 and 2019-20 only 115 (55 per cent) projects were completed.

Projects were not prioritised by the Department which resulted in not completing ongoing as well as new projects as of March 2022.

Bids of 75 projects were seriously unbalanced i.e. they were below the advertised cost of works in the range of 15 to 42 per cent. Of these, 24 projects amounting to ₹ 214.83 crore were allotted whose bids were liable to be cancelled. Performance security and additional performance security of only ₹ 81.38 crore were obtained against actual of ₹ 121.98 crore in respect of 104 contracts executed during March 2012 to April 2022.

Out of 76 sanctioned projects (2005-06 to 2018-19), 66 projects were sanctioned before completion of land acquisition and shifting of utility services and 24 projects were sanctioned without forest clearance. Execution of 72 projects was taken up without grant of Technical Sanction. Quantities of WBM-II, WBM-III/ WMM¹ laid were in excess of quantities required to be laid in respect of widened portions of roads resulting in extra avoidable expenditure of ₹ 3.67 crore in respect of 11 CRIF road projects.

Provisions of Indian Road Congress (IRC) relating to width of road formation and carriageway were not adhered to in 17 projects which led to additional financial burden of ₹ 60.80 crore on Government exchequer.

Scope of four projects were changed during execution without obtaining approval of the competent authorities of GoI/ GoJ&K.

Some key recommendations made based on audit are:

- *Ensuring that only projects with encumbrance-free sites are proposed for sanction under CRIF and Technical Sanction must be assured before execution of projects; and*
- *Carrying out proper site surveys before preparation of DPRs to ensure that quantities in the DPR are based on actual site conditions and setting rates of items of works as per the current schedule of rates.*

¹ WBM: Water Bound Macadam, WMM: Wet Mix Macadam.