

OVERVIEW

This Report contains significant audit findings which arose from the compliance audit of financial transactions of Civil Ministries/ Departments and Autonomous Bodies. It contains XXI chapters. Chapter I gives a brief introduction while Chapters II to XX present detailed audit observations. Chapter XXI presents a summarised position of the Action Taken Notes furnished by the Ministries to the Audit Reports of the earlier years and status of replies received from the Ministries to the paragraphs included in this Report.

Some of the important findings included in this Report are given below :

Ministry of Chemicals and Fertilizers

Department of Pharmaceuticals

Recovery of unutilized funds and interest thereon at the instance of audit – ₹ 5.78 crore

National Institute of Pharmaceutical Education & Research (NIPER) parked funds of ₹ 4.22 crore released (2009-10) by the Department of Pharmaceuticals (DoP), for construction of auditorium, in bank, in violation of specific directions of the latter. Upon being pointed out by Audit, the amount was refunded (March 2014) by NIPER alongwith interest.

(Paragraph 2.1)

Ministry of Consumer Affairs, Food and Public Distribution

Department of Consumer Affairs

Unauthorised expenditure

The Department of Consumer Affairs met its additional requirement of funds by arranging ₹ 1.08 crore through two statutory bodies under its administrative control. The action of the Department had the effect of exceeding the budgetary provisions and circumventing Parliamentary authorisation.

(Paragraph 3.1)

Ministry of Culture

Archaeological Survey of India

Blocking of funds

Archaeological Survey of India (ASI) failed to construct the Institute of Archaeology on the land acquired by it in March 2000 despite two extensions by the Greater Noida Authority. This led to cancellation of allotment of the plot by the Authority in November 2012 and imposition of penalty. Lackadaisical approach of the ASI also led to avoidable payment of ₹ 2.61 crore and blocking of funds of ₹ 3 crore besides non-achievement of project objectives.

(Paragraph 4.1)

Irregular attachment of staff from autonomous bodies

The Ministry of Culture adopted an irregular practice of attaching staff from autonomous bodies under its administrative control. During the period October 2003 to February 2014, 22 autonomous bodies had incurred an expenditure of ₹ 3.66 crore on the pay and allowances of 85 employees/contractual staff attached with the Ministry.

(Paragraph 4.2)

Ministry of External Affairs

Maintenance of bank account outside Government Accounts

Embassy of India, Buenos Aires, Argentina operated bank account and carried out transactions of Argentine Peso 41,17,118 (₹ 5.10 crore) without routing these through books of accounts of the Government.

(Paragraph 5.1)

Violation of rules in procurement of goods

Consulate General of India, Atlanta procured computer hardware/software, office equipment and furniture/fittings worth ₹ 1.61 crore in three separate purchases in violation of Rules and without following fair, transparent and reasonable procedure.

(Paragraph 5.2)

Fictitious payment vouchers/receipt challans in Monthly Accounts

The Consulate General of India, Houston, USA prepared fictitious payment vouchers of US\$ 3,72,632 and receipt challans of US\$ 3,62,172 and accounted these in its monthly accounts submitted to the Ministry. There were withdrawals of US\$ 69,356 and deposits of US\$ 39,266 without routing through the cash book. The accounts of the Consulate suffered from serious inaccuracies which was fraught with the risk of short accounting of receipts and unaccounted withdrawals.

(Paragraph 5.3)

Ministry of Food Processing Industries

Tardy implementation of 'Mega Food Parks scheme'

The Mega Food Parks Scheme was launched in September 2008 with 10 projects for implementation in the first phase. Due to slow pace of implementation projects lagged behind the prescribed schedule and despite an investment of ₹ 250 crore, the scheme objectives remained unfulfilled.

(Paragraph 6.1)

Avoidable payment of 'composition fee'

The Ministry of Food Processing Industries engaged National Buildings Construction Corporation Ltd. (NBCC) for setting up the National Institute of Food Technology, Entrepreneurship and Management in Haryana on a plot of land acquired from Haryana State Industrial & Infrastructure Development Corporation Ltd.(HSIIDC). NBCC was allowed to commence construction on the plot of land before

submission of the building plans to HSIIDC and in the process, the orders of the Town and Country Planning Department, Government of Haryana were contravened. This led to avoidable payment of ₹ 1.36 crore towards composition fee.

(Paragraph 6.3)

Ministry of Home Affairs

Sashastra Seema Bal

Unclaimed deployment charges

The mechanism adopted by Sashastra Seema Bal for prompt levy and collection of deployment cost from the States/UTs was deficient. Its failure to raise bills on various occasions between January 2008 and March 2013 led to short recovery of ₹ 25.32 crore towards deployment charges.

(Paragraph 8.1)

Ministry of Human Resource Development

Department of Higher Education

Avoidable delays in setting up of permanent infrastructure for IITs

The Government of India decided to set up eight new IITs in the Eleventh Five Year Plan. The Cabinet approval for the purpose was accorded in July 2008. However cascading delays in completion of projects led to non fulfillment of the project objectives.

(Paragraph 9.1)

Central Hindi Directorate

Unproductive expenditure on publication of excess books

The Central Hindi Directorate without taking cognizance of the trend of unsold publications continued to print 1000 copies of Dictionaries and conversation booklets which had very few takers. This led to accumulation of large number of these publications valuing ₹ 2.22 crore.

(Paragraph 9.2)

All India Council for Technical Education

Loss of interest

All India Council for Technical Education invested ₹ 217 crore in fixed deposits with the State Bank of Patiala without ascertaining the prevailing rates of interest offered by other banks leading to loss of interest of ₹ 3.25 crore.

(Paragraph 9.3)

Ministry of Personnel, Public Grievances and Pensions

Institute of Secretariat Training and Management

Unauthorised retention of Government Receipts

Institute of Secretariat Training and Management (ISTM), an attached office of the Department of Personnel and Training, Government of India, unauthorisedly retained part of its receipts outside the Government account by maintaining a separate current account. The receipt into and expenditure incurred out of this account bypassed the PAO system. As a result the required checks were compromised. The fact that these funds were kept outside the budgetary process also undermines the Parliamentary authorisation for incurring expenditure.

(Paragraph 12.1)

Planning Commission

Unique Identification Authority of India

Premature release of funds

Unique Identification Authority of India prematurely released funds to Engineers India Limited in violation of codal provisions and without assessing the immediate requirement of funds leading to loss of interest of ₹ 1.20 crore.

(Paragraph 13.2)

Ministry of Tourism

Award of work to non-existent firms

Failure to follow transparent, competitive and fair procurement process by the Government of India Tourism Office London resulted in award of contracts and consequent payments of ₹ 97.44 lakh to non-existent firms.

(Paragraph 18.2)

Ministry of Youth Affairs and Sports

Fraudulent drawal of medical bills

Junior Accounts Officer entrusted with the duty of scrutinising and verifying bills for payment, took advantage of his position and passed fake medical bills amounting to ₹ 11.10 lakh for himself

(Paragraph 20.1)