

**Chapter-I**  
**Social, General and Economic Sectors**  
**(Non-PSUs)**



## Chapter-I

### Social, General and Economic Sectors (Non-PSUs)

#### 1.1 Introduction

##### 1.1.1 Budget Profile

There are 60 Government departments and 44 autonomous bodies in the State. The position of budget estimates and expenditure by the State Government during 2011-16 is given in **Table-1.1.1** below.

**Table-1.1.1: Budget and Expenditure of the State Government during 2011-16**

(₹ in crore)

Particulars	2011-12		2012-13		2013-14		2014-15		2015-16	
	Budget Estimates	Expenditure								
<b>Revenue Expenditure</b>										
General Services	4,993.94	4,475.11	5,443.94	5,372.23	6,804.28	6,182.04	8,157.61	7402.28	8,910.83	8,409.98
Social Services	6,447.89	6,019.65	6,856.51	6,095.84	7,766.53	7,298.01	10,555.22	9,223.69	11,386.47	9,926.69
Economic Services	2,351.14	2,101.63	2,568.74	1,995.29	2,755.73	2,067.95	4,271.41	3,856.47	4,394.41	3,983.21
Grant-in-aid and contributions	532.72	378.80	847.92	496.86	727.66	668.41	807.79	681.27	1,046.63	766.56
<b>Total (1)</b>	<b>14,325.69</b>	<b>12,975.19</b>	<b>15,717.11</b>	<b>13,960.22</b>	<b>18,054.20</b>	<b>16,216.41</b>	<b>23,792.03</b>	<b>21,163.71</b>	<b>25,738.34</b>	<b>23,086.44</b>
<b>Capital expenditure</b>										
Capital Outlay	3,094.58	2,316.94	3,653.48	3,542.09	4,874.19	3,712.03	4,591.37	4,939.01	4,004.85	4,217.38
Loans and advances disbursed	307.91	246.83	264.05	272.57	248.66	277.99	212.59	150.97	172.67	83.15
Repayment of Public Debt	1,638.73	1,015.78	2,297.13	1,472.21	2,152.79	1,316.81	1,757.79	893.89	2,776.79	1,996.56
Contingency Fund	35.00	69.07	40.00	32.07	40.00	194.48	180.00	194.15	175.00	385.46
Public Accounts disbursements	12,662.52	19,832.00	12,872.30	20,961.24	14,212.33	25,190.33	15,683.06	33,534.94	16,247.59	36,536.73
Closing Cash balance	-	1,085.18	-	1,945.54	-	2,433.41	-	1,772.02	-	1,462.80
<b>Total (2)</b>	<b>17,738.74</b>	<b>24,565.80</b>	<b>19,126.96</b>	<b>28,225.72</b>	<b>21,527.97</b>	<b>33,125.05</b>	<b>22,424.81</b>	<b>41,484.98</b>	<b>23,376.90</b>	<b>44,682.08</b>
<b>Grand Total (1+2)</b>	<b>32,064.43</b>	<b>37,540.99</b>	<b>34,844.07</b>	<b>42,185.94</b>	<b>39,582.17</b>	<b>49,341.46</b>	<b>46,216.84</b>	<b>62,648.69</b>	<b>49,115.24</b>	<b>67,768.52</b>

Source: Annual Financial Statements and Finance Accounts.

##### 1.1.2 Application of resources of the State Government

The total expenditure<sup>1</sup> of the State increased from ₹ 15,539 crore to ₹ 27,386 crore during 2011-12 to 2015-16. The revenue expenditure of the State Government increased by 78 per cent from ₹ 12,975 crore in 2011-12 to ₹ 23,086 crore in 2015-16.

The revenue expenditure constituted 79 to 84 per cent of the total expenditure during the year 2011-12 to 2015-16 whereas capital expenditure in the same period was 15 to 20 per cent. During this period, revenue expenditure increased at an annual average rate of 15 per cent whereas revenue receipts grew at an annual average rate of 13 per cent during 2011-12 to 2015-16.

<sup>1</sup> Total expenditure includes revenue expenditure, capital expenditure, loans and advances.

### **1.1.3 Funds transferred directly to the State implementing agencies**

The Government of India (GoI) has transferred significant funds directly to the State implementing agencies for implementation of various schemes/ programmes in the past years. The system of direct transfers by GoI to implementing agencies has since been dispensed with from 2014-15. However, out of total funds of ₹ 985.83 crore transferred directly by GoI to implementing agencies, including Central implementing agencies, in the State, an amount (funds routed outside State Budget - unaudited figures) of ₹ 72.84 crore (7.39 per cent) was released to the State implementing agencies.

### **1.1.4 Grants-in-Aid from Government of India**

Grants-in-aid (GIA) received by the State from GoI during 2011-12 to 2015-16 are depicted in **Table-1.1.2** below.

**Table-1.1.2: Trends in Grants-in-aid receipt from GoI**

Particulars	(₹ in crore)				
	2011-12	2012-13	2013-14	2014-15	2015-16
Non-Plan grants	762	869	981	944	1,043
Grants for State Plan schemes	2,840	3,040	3,558	4,083	1,173
Grants for Central Plan schemes	10	8	13	99	609
Grants for Centrally Sponsored Plan schemes	462	540	523	1,879	2,479
<b>Total</b>	<b>4,074</b>	<b>4,457</b>	<b>5,075</b>	<b>7,005</b>	<b>5,304</b>
Percentage of increase/decrease over previous year	00	9	14	38	(-) 24
Percentage of Revenue Receipts	30	28	29	35	25

Grants-in-aid from GoI increased over the period 2011-12 to 2014-15. It however decreased by ₹ 1,701 crore (24.28 per cent) during 2015-16 over the previous year due to decrease in grants for the State Plan schemes by ₹ 2,910 crore (71.27 per cent). However, grants for Centrally Sponsored Plan schemes, grants for Central Plan schemes and Non-Plan grants during 2015-16 increased by ₹ 600 crore, ₹ 510 crore and ₹ 99 crore respectively over the previous year.

### **1.1.5 Planning and conduct of Audit**

The audit process starts with a risk assessment of various departments, autonomous bodies, schemes/projects that includes assessing the criticality/complexity of their activities, the level of delegated financial powers, internal controls and concerns of stakeholders and previous audit findings as well as media reports. Based on this risk assessment, the frequency and extent of audit are decided and an Annual Audit Plan is formulated.

After completion of audit, Inspection Reports (IRs) containing audit findings are issued to the heads of the audited entities with a request to furnish reply within one month. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these IRs are processed for inclusion in the Audit Reports which are submitted to the Governor of Uttarakhand under Article 151 of the Constitution of India.

During 2015-16, compliance audit of 371 drawing and disbursing officers of the State and 17 units of autonomous bodies were conducted by the Office of the Accountant General (Audit), Uttarakhand. Besides, two performance audits were also conducted.

### **1.1.6 Significant audit observations and response of Government to Audit**

In the last few years, audit has reported on several significant deficiencies in the implementation of various programmes/ activities as well as on the quality of internal controls in selected departments which have negative impact on the success of programmes and functioning of the departments. The focus was on auditing specific programmes/ schemes and to offer suitable recommendations to the Executive for taking corrective action and improving service delivery to the citizens.

As per the Comptroller and Auditor General of India's Regulations on Audit and Account, 2007, the departments are required to send their responses to draft performance audit reports/ draft paragraphs proposed for inclusion in the Comptroller and Auditor General of India's Audit Reports within six weeks. It was also brought to the attention of the concerned Heads of Department that in view of likely inclusion of such paragraphs in the Report of the Comptroller and Auditor General of India to be placed before the Uttarakhand Legislature, it would be desirable to include their comments in the matter. The draft reports and paragraphs proposed for inclusion in the Report were also forwarded to the Additional Chief Secretaries / Principal Secretaries / Secretaries concerned for seeking their replies. In Chapter-I of present Audit Report, two draft performance audits<sup>2</sup> and 26 draft paragraphs including one Follow-up Audit were forwarded to the concerned administrative Secretaries. However, formal reply of the Government has not been received in any case (December 2016).

### **1.1.7 Recoveries at the instance of Audit**

Audit findings involving recoveries that came to notice in the course of test audit of accounts of the departments of the State Government were referred to various departmental Drawing and Disbursing Officers (DDOs) for confirmation and further necessary action under intimation to audit. No audit findings involving recoveries came to the notice during 2015-16.

### **1.1.8 Responsiveness of Government to Audit**

The Accountant General (Audit), Uttarakhand, conducts periodical inspection of Government departments by test-check of transactions and verifies the maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed by issue of Inspection Reports (IRs). The heads of offices and next higher authorities are required to report their compliance to the Accountant General (Audit) within one month of receipt of the IRs. Serious irregularities are also brought to

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<sup>2</sup> Right of Children to Free and Compulsory Education, Act 2009 (RTE) and Modernisation of State Police Forces (MPF).

the notice of the Heads of the Departments by the Office of the Accountant General (Audit), Uttarakhand through a half yearly report on pending IRs sent to the Principal Secretary/Secretary (Finance) of the State.

Based on the results of the test audit, 8,146 audit observations contained in 2,891 IRs were outstanding as on 31<sup>st</sup> March 2016 details of which are given in **Table-1.1.3** below.

**Table-1.1.3: Outstanding Inspection Reports/Paragraphs**

Sl. No.	Name of Sector	Inspections Reports <sup>3</sup>	Paragraphs	Amount involved (₹ in lakh)
1.	Social Sector	1,682	5,288	7,19,182.98
2.	General Sector	386	797	93,748.00
3.	Economic Sector(Non-PSUs)	823	2,061	6,30,005.85
<b>Total</b>		<b>2,891</b>	<b>8,146</b>	<b>14,42,936.83</b>

During 2015-16, fourteen meetings of *ad hoc* committee were held in which 54 paragraphs were settled. The departmental officers failed to take action on observations contained in IRs within the prescribed time frame resulting in erosion of accountability.

It is recommended that the Government may look into the matter to ensure prompt and proper response to audit observations.

### **1.1.9 Follow-up on Audit Reports**

#### **1.1.9.1 Submission of suo-motu Action Taken Notes (ATNs)**

According to the Rules of Procedure for Committee on Public Accounts, administrative departments were to initiate *suo motu* action on all audit paragraphs including featuring in the Comptroller and Auditor General's Audit Reports regardless of whether these are taken up for examination by the Public Accounts Committee or not. They were also to furnish detailed notes, duly vetted by audit, indicating the remedial action taken or proposed to be taken by them within three months of the presentation of the Audit Reports to the State Legislature.

It was, however, noticed that out of 326 audit paragraphs featuring in the Civil Chapters of Audit Reports from 2000-01 to 2013-14, *suo-motu* ATNs in respect of 95 audit paragraphs involving 44 Departments had not been received (as detailed in **Appendix-1.1.1**) upto 31 March 2016. The Audit Report for the year 2014-15 was placed before the Legislative Assembly on 17<sup>th</sup> November 2016 and the related action taken explanatory notes are not due yet (December 2016).

#### **1.1.9.2 Action taken on recommendations of the PAC**

Action Taken Notes, duly vetted by the Accountant General (Audit), on the observations/recommendations made by the PAC in respect of the audit paragraphs discussed by them

<sup>3</sup> Outstanding Inspection Reports / Paragraphs have been taken from 2006-07.

are to be furnished to these Committees within six months from the date of such observations/ recommendations. Out of 326 Audit paragraphs featuring in the Civil Chapters of Audit Reports for the years from 2000-01 to 2013-14, only 221 audit paragraphs have been discussed by the PAC up to 31 March 2016. Recommendations in respect of 124 Audit paragraphs have been made by the PAC. ATNs on the recommendations of the Committees are pending from the State Government in respect of six paragraphs.

### **1.1.10 Status of placement of Separate Audit Reports of autonomous bodies in the State Assembly**

Several autonomous bodies have been set up by the State Government. A large number of these bodies are audited by the Comptroller and Auditor General of India for verification of their transactions, operational activities and accounts, regulatory compliance audit, review of internal management, financial control and review of systems and procedure. The audit of accounts of one autonomous body (Uttarakhand Jal Sansthan) in the State has been entrusted to the Comptroller and Auditor General of India. Separate Audit Report (SAR) of Uttarakhand Jal Sansthan issued by Audit for the year 2013-14 is yet to be placed before the State Legislature.

### **1.1.11 Year-wise details of reviews and paragraphs appeared in Audit Reports**

The year-wise details of performance audits and paragraphs that appeared in the Audit Report for the last two years along with their money value are given in **Table-1.1.4** below.

**Table-1.1.4: Details regarding reviews and paragraphs appeared in Audit Report during 2013-15**

Year	Performance Audit		Paragraphs		Replies received	
	Number	Money value (₹in crore)	Number	Money value (₹in crore)	Performance Audit	Paragraphs
2013-14	01	28.58	14	65.79	03	02
2014-15	03	371.70	12	135.00	03	10

Two performance audits<sup>4</sup> and 17 audit paragraphs involving money value of ₹ 294.84 crore have been included in this Chapter. Replies, wherever received, have been suitably incorporated at appropriate places.

<sup>4</sup> Right of Children to Free and Compulsory Education, Act 2009 (RTE) and Modernisation of Police Force (MPF).

**PERFORMANCE AUDIT**

**ELEMENTARY EDUCATION DEPARTMENT**

**1.2 Right of Children to Free and Compulsory Education, Act 2009**

The 'Right of Children to Free and Compulsory Education, Act 2009' makes elementary education a fundamental right of all children in the age group of 6-14 years. A performance review of the implementation of the Act brought out weaknesses in planning and identification of beneficiary children including those belonging to weaker sections/disadvantaged groups and delays in both release of funds and reimbursement to schools that impaired their ability to continue education of children admitted under the RTE Act as well as delay in completion of required infrastructure that further undermined achievement of the objectives of the RTE Act. Some of the significant findings were as below:

**Highlights**

➤ *The Uttarakhand Free and Compulsory Education Rules stipulate that local authorities shall ascertain the number and details of children belonging to weaker sections<sup>5</sup>/disadvantaged groups<sup>6</sup> through a house-hold survey. Twenty five per cent of seats of lowest class of the private schools are to be filled by these identified groups of children. While a Bal Ganana (counting of children) was being carried out by the Department, data with regard to children belonging to weaker sections and of other disadvantaged groups was not being collected and consequently, targets to cover the children of such groups under RTE was not fixed.*

*[Paragraph 1.2.6.2]*

➤ *There was delay in reimbursement of expenses to schools that impaired their ability to continue education of children admitted under the RTE Act as well as disbursement of ₹0.45 crore without verification of attendance and of ₹0.19 crore to ineligible educational institutions besides instances of excess reimbursement and remitting funds to schools instead of directly into bank accounts of the beneficiary children. In addition, ₹7.07 crore was lying unutilized for two years.*

*[Paragraph 1.2.7.2]*

➤ *Implementation of the RTE Act in the State was affected by poor retention rate, imbalanced pupil teacher ratio, and below par learning level.*

*[Paragraphs 1.2.8.2, 1.2.8.4 & 1.2.8.5]*

➤ *There was delay in providing for required infrastructure with work of construction of 77 per cent of new schools, 27 per cent of additional class rooms/headmaster*

<sup>5</sup> Children whose parents' annual income is ₹ 55,000 or less.

<sup>6</sup> Children belonging to SC, ST, OBC (excluding creamy layer), orphan, physically handicapped, affected with HIV, children dependent on widow or divorcee mother, whose annual income is less than ₹ 80,000.

rooms and 26 per cent of re-construction of schools remaining either incomplete or were yet to even commence.

[Paragraphs 1.2.8.9(a)]

- *Institutional mechanisms for monitoring or grievance redressal like the State Advisory Council, Grievance Redress Committees and child help lines were yet to be either established or made fully operational.*

[Paragraph 1.2.9]

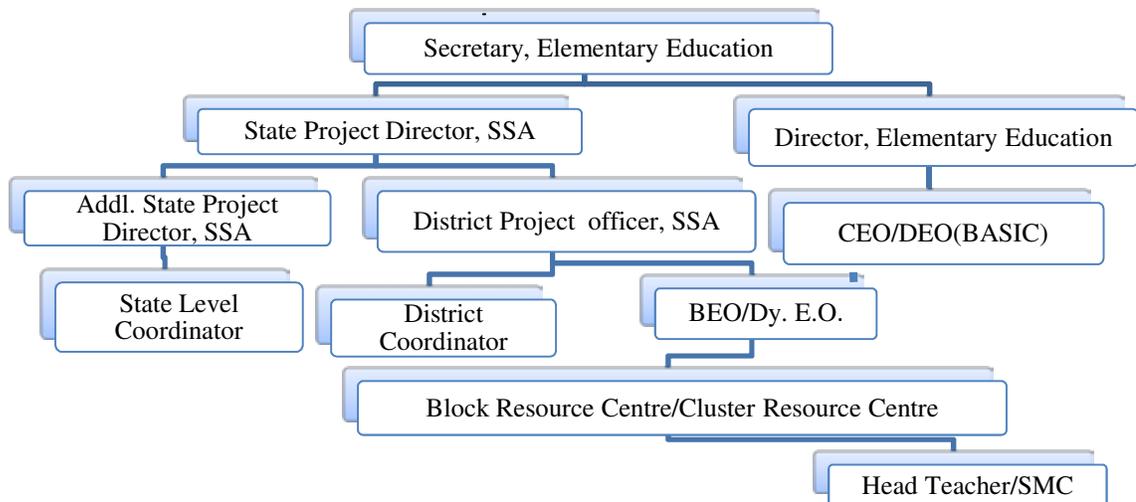
### 1.2.1 Introduction

The ‘Right of Children to Free and Compulsory Education, Act 2009’, popularly known as the Right to Education Act (RTE Act), came into force on 1<sup>st</sup> April 2010 making elementary education a fundamental right of all children in the age group of 6-14 years. Subsequently, the State Government formulated (October 2011) the ‘Uttarakhand Free and Compulsory Education Rules, 2011 (URTE Rules)’ for implementation of the RTE Act in the State. The RTE Act provides that every child of the age of 6 to 14 years shall have a right to free and compulsory education in a neighbourhood school till completion of his/her elementary education. Its provisions are implemented through the *Sarva Shiksha Abhiyan (SSA)* whose framework has been revised to correspond to the provisions of the RTE Act including the norms for opening new schools, the pupil teacher ratio and the required infrastructure.

### 1.2.2 Organisational Set up

The organisational set up of the Elementary Education Department which was the agency implementing the RTE Act in the State is depicted in **Chart-1.2.1** below.

**Chart-1.2.1: Organisational set up for implementation of RTE**



### **1.2.3 Audit Objectives**

The performance audit of implementation of the RTE Act in the State was carried out to assess whether:

- planning for implementation of various components of the programme was being done in an effective manner so as to cover all the eligible children in the targeted age group;
- the funds allocated were being utilized in an economic and efficient manner; and
- the implementation was being monitored in a meaningful and effective manner.

### **1.2.4 Audit Scope and Methodology**

The performance audit of was carried out during April 2016 to July 2016 and covered the period from 2011 to 2016. Out of 13 districts in the State, three<sup>7</sup> districts were selected for audit. Four Blocks and 30 Schools (20 Government and 10 aided schools) in each district were selected for audit.

Before commencing the performance audit, the audit objectives, criteria and scope were discussed (May 2016) with the Secretary, Elementary Education, Uttarakhand in an entry conference. Records were examined at the State Project Office (SPO), three Chief Education Officers (CEOs), three District Project Officers, SSA (DPOs-SSA) /District Education Officers- Basic Education (DEO Basic), 12 Block Education Officers (BEOs)/Deputy Education Officers (Dy. EOs) of selected districts/blocks and 30 selected schools of each selected districts. Related information was also gathered from the District Institutes of Education and Training (DIET) of selected districts.

An exit conference was held with the Additional Chief Secretary, Elementary Education and other concerned officers of the Department on 10<sup>th</sup> November 2016 and the views of the Department have been suitably included at the appropriate places in the report.

### **1.2.5 Audit Criteria**

The audit criteria used for assessing the implementation of scheme were derived from the following sources:

- RTE Act, 2009;
- Rules laid down by the Government of India (GoI) for implementation of the RTE Act, 2009;
- URTE Rules, 2011; and
- Annual Work Plans and Budgets prepared by the State Government.

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<sup>7</sup> Dehradun, Tehri and Udham Singh Nagar.

## **Audit Findings**

### **1.2.6 Planning**

#### **1.2.6.1 Delayed implementation of the RTE Act**

The RTE Act had to be implemented from 01 April 2010. The SSA framework for implementation of the Act provides that all the provisions of the Act except training of untrained teachers were to be implemented within three years *i.e.* up to 31 March 2013. The deadline for training of untrained teachers was five years *i.e.* up to 31 March 2015.

Audit noticed that implementation of the Act got delayed in the State by one year as the Government was unable to formulate RTE related rules in time. Implementation eventually commenced in the State from 1<sup>st</sup> April 2011. Due to delayed implementation of the Act, vital components envisaged under the Act such as all-weather school buildings, separate toilets for girls, drinking water facilities and the prescribed pupil-teacher-ratio could not be fully implemented within the stipulated time frame ending 31<sup>st</sup> March 2013.

#### **1.2.6.2 Non-identification of children of weaker sections/disadvantaged groups**

As per the URTE Rules 2011, the local authority shall ascertain the number and details of children belonging to weaker sections<sup>8</sup>/disadvantaged groups<sup>9</sup> through a house-hold survey. The RTE Act provides that 25 *per cent* seats of lowest class of the private schools should be filled by these identified groups of children.

Test-check of records of the SPO and the three selected districts brought out that a *Bal Ganana* (counting of children) was being carried out every year by the Department. However, data with regard to children belonging to weaker sections and of other disadvantaged groups such as orphans and children dependent upon widows or divorced mothers was not being collected as part of the exercise during the period covered in audit. As a result, targets to cover the children of such groups under RTE could not be fixed thereby defeating the primary objective of the Act to provide free and compulsory education to all the children belonging to these groups.

The Department assured (November 2016) that identification of children pertaining to weaker sections would be carried out through a revised format of *Bal Ganana* from next year.

#### **1.2.6.3 Non-preparation of School Development Plan**

The URTE Rules, 2011, provides that every School Management Committee (SMC) shall prepare a School Development Plan (SDP) taking into account the number of additional

<sup>8</sup> Children whose parents' annual income is ₹ 55,000 or less.

<sup>9</sup> Children belonging to SC, ST, OBC (excluding creamy layer), orphan, physically handicapped, affected with HIV, children dependent on widow or divorcee mother, whose annual income is less than ₹ 80,000.

teachers needed and the requirements of additional infrastructural facilities, equipment and financial resources. The SDPs were to form the basis for preparing district and State level plans that are submitted to the appropriate authority for release of grants.

Scrutiny of records of the selected DPOs and schools revealed that SDPs were not being prepared by the concerned schools till 2014-15. The schools did prepare the SDPs during the year 2015-16 but the same were not taken cognizance of at the district level while formulating district level plans. Thus, the Annual Work Plan and Budget of the districts were prepared without any inputs from the SDPs. As a result, actual requirements of the schools for buildings, additional class-rooms, more teachers and for basic facilities like clean drinking water, separate toilets for girls, playground and library could not find a place in both the district and State level plans. This absence of any bottom up planning led to a mismatch between actual requirements at the ground level and the resource availability based on *ad hoc* planning.

The Department stated (November 2016) that such SDPs were being prepared during the current year and it would be ensured that these plans are taken into cognizance while preparing the Annual Work Plan and Budget at the district level.

#### **1.2.6.4 Lack of plan to ensure implementation of right to complete elementary education**

As per the RTE Act, children admitted to special category/unaided non-minority school shall have the right to complete their elementary education.

Audit observed that there was no prior planning for securing re-admission of children belonging to weaker sections/ disadvantaged groups who had passed class 5 from private primary schools during the year 2015-16 to class 6 in unaided non-minority upper primary schools (UPSs) during the year 2016-17. A meeting had been held (May 2016) in the SPO's office wherein it was decided that such children would be admitted in those nearby unaided schools where seats were vacant under the 25 *per cent* quota. If seats were not available in such schools, such children would be admitted to the nearby Government Schools.

In the three test-checked districts, it was observed that neither any action regarding re-admission of such children was taken by the concerned DPOs nor did they have any information about re-admission of such children as per the decision taken by the SPO in May 2016. As a result, 1,729 children<sup>10</sup> in the selected districts and overall 5,439 children at the State level were deprived of the opportunity to complete elementary education as envisaged in the RTE Act.

The Department stated (November 2016) stated that a child tracking system was going to be established very soon.

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<sup>10</sup> Dehradun-258, Tehri-186 and Udham Singh Nagar-1,285.

## 1.2.7 Financial Management

### 1.2.7.1 Availability and utilization of Funds

SSA is the main vehicle for implementation of the RTE Act. The position of funds released by the Central Government as well as the State Government and expenditure incurred there against during 2011-16 is given in **Table-1.2.1** below.

Table-1.2.1: Status of Budget and Expenditure under SSA at State level

(₹ in crore)

Year	Approved Budget			Opening Balance	Fund released		Interest and other receipts	Total Funds available	Expenditure	Closing Balance
	Central Share	State Share	Total		GoI	State				
2011-12	370.65	199.58	570.23	192.88	208.92	116.67	44.07	562.54	348.62	213.92
2012-13	344.06	185.26	529.32	213.92	179.41	100.91	45.76	540.00	510.32	29.68
2013-14	233.53	125.75	359.28	29.68	220.44	113.81	52.05	415.98	354.44	61.54
2014-15	307.35	165.50	472.85	61.54	228.80	123.40	49.63	463.37	368.19	95.18
2015-16	523.56	58.17	581.73	95.18	225.88	86.69	4.49	412.24	389.57	22.67
<b>Total</b>	<b>1,779.15</b>	<b>734.26</b>	<b>2,513.41</b>		<b>1,063.45</b>	<b>541.48</b>	<b>196.00</b>		<b>1,971.14</b>	

Source: State Project Office, SSA.

Audit observed the following:

- GoI released only ₹ 1,063.45 crore (60 per cent) against the approved budget of ₹ 1,779.15 crore during 2011-16. GoI did not intimate any reasons to the State Government for this curtailment. This was one of the main reasons why 496 civil works costing ₹ 28.34 crore sanctioned during 2011-16 were yet to be started. The delay in the construction works adversely affected availability of basic amenities in several schools as per the norms of the RTE Act.
- As per the SSA Financial Management and Procurement Rules, it is mandatory for the State Government to release the agreed State share within 30 days of receipt of the Central share. However, release of the State share was delayed by 22 days to 156 days during the period covered in audit. It was also observed that though the Central share was being provided to the State Finance Department by GoI from 2014-15 with the direction to provide these funds to the SPO within 15 days, the State Finance Department actually provided these funds to the SPO with delays ranging from nine days to 52 days. The delay in release of funds to the SPO led to various instances of delay in providing uniforms to the school children and late payment of salary to the teachers.
- As per the SSA Framework of Implementation, reimbursement towards expenditure incurred on admissions in 25 per cent seats in private unaided schools under the RTE Act was to be supported by the GoI with effect from 1<sup>st</sup> April 2014. Funds amounting to ₹ 84.45 crore were spent by the State Government towards reimbursement to private unaided schools against 25 per cent admissions during the period 2014-16. However, Central share amounting to ₹ 64.85 crore (65 per cent and 90 per cent of expenditure during 2014-15 and 2015-16 respectively) had not been released by the GoI as yet although the State Government had submitted proposals for the same.

The Department assured (November 2016) that timely release of funds to the SPO would be ensured in future.

### **1.2.7.2 Reimbursement to unaided schools**

Test-check of the reimbursement of expenses to schools and utilization of funds meant for this purpose brought out the following:

- (i) As per the URTE Rules 2011, the State Government will provide assistance<sup>11</sup> to children admitted in private schools under the RTE Act. The State Government issued instructions for reimbursement of fees to unaided schools in two installments *i.e.* in September and February of each academic year. Audit observed that the State Government could not release the funds to the SPO as per the set time schedule. As a result, funds to the districts could not be provided timely which led to delays ranging from four months to 14 months in reimbursement of both fees to the unaided schools as well as other expenses incurred by the children of poor and disadvantaged groups on text books, uniforms. Further scrutiny also revealed that in Rudrapur block of Udham Singh Nagar district, 20 time barred cheques amounting to ₹ 9.46 lakh for reimbursement of fee of 27 schools and children assistance of 115 children pertaining to the year 2012-13 were lying undisbursed. In Dehradun, children assistance pertaining to 354 children admitted under 25 *per cent* quota of the RTE Act during 2012-13 could not be paid whereas fee reimbursement of ₹ 0.19 crore with regard to these children had been made to the concerned schools. Also, 52 time-barred demand drafts amounting to ₹ 0.90 lakh for children assistance (2013-14) of 52 children were also lying undisbursed as on June 2016. Due to delayed/non-reimbursement of fees, schools had expressed their inability to continue the education of children admitted under the RTE. This contributed to the declining trend in the retention of such children as pointed out in **paragraph 1.2.8.2**.
- (ii) As per the Government instructions (April 2012), assistance to children was to be provided after verifying their attendance in the schools. Such verification had to be done at the block level relying upon the attendance registers of the concerned schools. Scrutiny of records of the DPOs of Dehradun and Tehri brought out that all children admitted to unaided schools under RTE in Dehradun had recorded identical attendance. This indicates that such attendance was not got verified from the attendance records of the concerned unaided schools. In the Bhilangana block of Tehri district, it was observed that reimbursement to children had been made on an average rate of 191 days and 227 days during the year 2013-14 and 2014-15 respectively without verifying their actual attendance from the concerned schools. As a result, payment of ₹ 0.13 crore to 731 children in Dehradun and ₹ 0.32 crore to

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<sup>11</sup> Text books: ₹ 150, Uniform: ₹ 400, and mid-day meal: ₹ 5.06 per day of attendance (2011-14) and ₹ 6.74 per day of attendance (2014-16).

1,882 children in Tehri was made without any credible evidence that the children had actually attended the schools for the days of attendance shown.

- (iii) As per the directions issued by the Department (June 2012), assistance to children had to be provided through their respective bank accounts. Scrutiny of records of the selected blocks<sup>12</sup> in Tehri and Udham Singh Nagar districts revealed that reimbursement of ₹ 0.19 crore pertaining to children assistance for the period 2013-14 and ₹ 2.76 lakh for the year 2011-12 in these districts was provided to the concerned schools through account payee cheques in favour of the schools instead of providing the same to the children directly through their respective bank accounts. It was also observed that the concerned officers in the blocks were unaware of the fact whether the children were being actually reimbursed by the schools or not. The concerned DPOs/Dy. EOs stated that due to non-availability of bank account numbers of such children, funds pertaining to reimbursement of children assistance were provided to the concerned schools instead. Audit observed that the Department failed to ensure that funds intended for children were actually received by them. The possibility of such funds being retained by the concerned schools in contravention of the RTE Act cannot be ruled out.
- (iv) The State Government had decided to reimburse actual school fees to the unaided schools subject to a maximum limit of ₹ 1,383 per child per month. Scrutiny of records of the DPOs of Dehradun and Udham Singh Nagar revealed that an excess reimbursement of school fees of ₹ 4.75 lakh was made to 13 unaided schools during the period 2011-16. Further, in Dehradun, there was double payment to schools and children amounting to ₹ 1.19 lakh (₹ 0.66 lakh to 10 schools and ₹ 0.53 lakh to 34 children) during 2012-14.
- (v) As per the RTE Act, *madrasas*, *vedic pathshalas* and educational institutions primarily imparting religious instructions are not covered under the RTE Act. Scrutiny of records of the DPO Udham Singh Nagar revealed that 14 *Madrasas* were reimbursed an amount of ₹ 0.19 crore against the school fees of the children as well as towards children assistance during 2011-14.
- (vi) Funds for reimbursement under the RTE Act are being released by the SPO on the basis of demands raised by the concerned DPOs. Audit scrutiny of records of the DPO, Dehradun revealed that the closing balance of the previous year was intimated short by ₹ 11.09 crore by the DPO while raising the demands for reimbursement for the year 2014-15. Further, while raising the demands for the year 2015-16, closing balance of 2014-15 was again intimated short by ₹ 7.07 crore after adjusting an amount of ₹ 4.02 crore. As a result, funds amounting to ₹ 7.07 crore were lying

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<sup>12</sup> Chamba, Jakhanidhar and Narendra Nagar of Tehri district & Rudrapur of Udham Singh Nagar district.

unutilized since the last two years. This compromised the integrity of the financial status being reported to both the State Government and the Central Government.

Thus, there was delay in reimbursement of expenses to schools that impaired their ability to continue education of children admitted under the RTE Act as well as disbursement of ₹ 0.45 crore without verification of attendance and of ₹ 0.19 crore to ineligible educational institutions besides instances of excess reimbursement and remitting funds to schools instead of directly into bank accounts of the beneficiary children. In addition, ₹ 7.07 crore was lying unutilized for two years.

The Department assured (November 2016) corrective actions and enquiry for fixing accountability.

### **1.2.8 Implementation of the Act**

#### **1.2.8.1 Low coverage of Schools**

As per the RTE Act, special category/unaided non-minority schools shall admit children belonging to weaker sections / disadvantaged groups in Class-1 or below to the extent of at least 25 per cent of the strength of that class. Audit observed that special category<sup>13</sup> schools were not covered under the RTE Act up to 2014-15. Out of 43 special category schools in the State, only eight were covered under the RTE Act during the year 2015-16. In these eight schools, only 30 per cent of the seats available against the quota of RTE Act could be filled.

Details of admissions in unaided non-minority schools under the RTE Act during the last five years are given in **Table-1.2.2** below.

**Table-1.2.2: Details of schools covered under the provisions of Section 12(1) (c)**

Year	Total no. of un-aided non-minority schools	School which implemented the Act			Shortfall in admission	
		No. of schools	Total no. of seats available for admission under 25 per cent of reservation	No. of children actually admitted under 25 per cent reservation	No. of schools (percentage)	No. of seats (percentage)
2011-12	4,061	2,638	22,722	14,087	1,423 (35)	8,635 (38)
2012-13	4,466	3,192	23,913	15,965	1,274 (29)	7,948 (33)
2013-14	4,466	3,465	23,838	18,759	1,001 (22)	5,079 (21)
2014-15	4,476	3,434	25,305	19,229	1,042 (23)	6,076 (24)
2015-16	4,441	3,932	25,583	21,798	509 (11)	3,785 (15)

Source: State Project Office.

It is evident from the above that 11 to 35 per cent of unaided non-minority schools did not implement the Act during the audit period. Further, 15 to 38 per cent seats available in the schools for admission of children belonging to disadvantaged groups/weaker sections under the RTE Act could not be filled during the period 2011-16. In the test-checked districts, it was found that upto 24 per cent schools could not be covered under RTE Act during the period 2011-16 whereas 4 to 67 per cent seats in the schools covered under the RTE Act remained vacant during the same period. The vacancy in seats available under RTE Act can be attributed to non-identification of children of weaker sections/disadvantaged groups by the Department.

<sup>13</sup> Kendriya Vidyalaya and Navodaya Vidyalaya.



unrecognized schools during 2013-16 and payment of ₹ 2.84 lakh was made to them as school reimbursement/children assistance.

The Department stated (November 2016) that the matter would be looked into and necessary action would be ensured against such schools.

#### **1.2.8.4 Pupil-Teacher Ratio**

The RTE Act envisages rational deployment of teachers to ensure Pupil Teacher Ratio (PTR) for each school rather than just as an average for the State or District or Blocks and that there should be no urban-rural imbalance in teachers' posting. There should be at least two teachers for primary school with overall PTR not more than 40:1. Similarly, there should be at least three teachers for each upper primary school with overall PTR of not more than 35:1. In addition, there should be a full time headmaster where the enrolment is more than 150 and 100 in primary schools and upper primary schools respectively.

Audit noticed that the overall PTR in the State was 16:1 and 28:1 in the primary and upper primary levels respectively during the year 2015-16. However, rationalization of teachers' deployment was not as per the norms of the RTE Act in the test-checked districts as depicted in **Table-1.2.3** below.

**Table-1.2.3: Position of PTR in selected districts**

District	Total number of schools		Number of schools where posting of teacher was below the norms (percentage)		Number of schools where posting of teacher was above the norms (percentage)	
	PSs	UPSs	PSs	UPSs	PSs	UPSs
Dehradun	950	270	196 (21)	96 (36)	138 (15)	54 (20)
Tehri	1,476	367	61 (04)	59 (16)	143 (10)	171(47)
Udham Singh Nagar	791	202	159 (20)	62 (31)	316 (40)	93 (46)

*Source: DPOs of selected districts.*

As evident from the above table, the deployment of teachers was uneven. While in four per cent (Tehri) to 21 per cent (Dehradun) of primary schools, the deployment was below the norm; in 10 per cent (Tehri) to 40 per cent (Udham Singh Nagar) of primary schools, the deployment was above norm. Similar situation prevailed in case of upper primary schools. Thus, the deployment of teachers varied widely even within a district and needs rationalization. This fact was further substantiated during inspection of schools where 46 out of 90 schools were found having teachers below the norms while in other 10 of them, teachers were over-deployed.

The Department assured (November 2016) that corrective measures would be taken towards rationalization of the pupil-teacher-ratio.

#### **1.2.8.5 Learning level assessment of children**

As per the State Government instructions (January 2013), evaluation/assessment of learning level of school children of Class I to VIII had to be done in two stages to ensure that each child possesses the required learning level. The data with regard to learning

level was to be uploaded to the web-portal. In the first stage, the evaluation of children was done by teachers themselves while in the second stage, the students were to be re-evaluated by the personnel of BRC/CRC/DIET/SCERT/SPO.

Scrutiny of records of the test-checked districts brought out that evaluation/assessment of the learning level of the school children had not been carried out as required under the Act. However, self-evaluation/assessment of learning level of school children was being done by the teachers themselves under the Quality Monitoring Tool (QMT) programme. Under QMT assessment, 75 *per cent* children were being shown under 'A' or 'B' category *viz.* 'A' graded students secured above 70 *per cent* marks and 'B' graded students secured 30 *per cent* to 69 *per cent* marks. However, such data was never cross-checked and analysed as required under the Government instructions of January 2013.

During physical inspection of the selected schools, learning level of 86 children of Class-V in 16 primary level schools was got assessed by the concerned head teachers by means of Mathematics and English test comprising the curriculum of Class-IV. It was noticed that only 41 *per cent* children could solve two questions out of five questions and the remaining children were not able to solve them. This indicates that the learning level of children was not at par with the required levels.

The Department assured (November 2016) that efforts would be made to raise the learning level of the children by making teachers more accountable for the progress achieved by the students.

#### **1.2.8.6 Functioning of School Management Committees**

As per the RTE Act, every Government School shall constitute a School Management Committee (SMC) consisting of elected representatives of the local authority, parents or guardians of children and teachers. The SMCs were to monitor the working of the school, prepare and recommend SDP, monitor the learning level of the children and organize regular meetings with maximum participation of the members.

During physical inspection of selected schools, Audit observed the following:

- Regular SMC meetings did not take place as only 54 *per cent* meetings against the required number were organized during 2011-16 in the selected schools;
- School Development Plans had not been prepared by SMCs during the period 2011-15; and
- Required support/assistance to the concerned schools was not provided by the SMCs.

The Department assured (November 2016) that corrective measures would be taken in this regard.

#### **1.2.8.7 Coverage of Children with Special Needs (CWSN)**

As per SSA Framework for Implementation based on the RTE Act, every child with special needs, irrespective of the kind, category and degree of disability, will be provided

quality inclusive education. The programme *inter alia* provided for their placement in regular schools and providing aids and appliances to those requiring assistive devices.

Scrutiny of records of the selected districts brought out the following:

- Identification of Children with Special Needs carried out during the audit period varied drastically due to non-availability of expert staff as the number of CWSN decreased 69 *per cent* and 52 *per cent* during the year 2015-16 as compared to the year 2012-13 in Dehradun and Tehri respectively;
- In all the selected districts, an Individualised Educational Plan (IEP) for each CWSN was not prepared during the period 2011-16;
- Audiometry test, vision test and surgery of 180, 270 and 59 CWSN respectively were not carried out during the year 2014-15 despite the availability of funds; and
- Under-utilization of funds with regard to CWSN in Dehradun and Tehri ranged between four to 43 *per cent* and between nine to 57 *per cent* respectively during the period 2011-16.

The Department informed (November 2016) that implementation of this component could not be carried out properly due to lack of resource persons.

#### **1.2.8.8 Delayed distribution of Uniforms**

The SSA Framework of Implementation of RTE provides that two sets of uniforms will be provided to all girls, SC and ST children and BPL children under SSA. Procurement of uniforms would be in decentralized mode at the school level.

Scrutiny of records of the test-checked DPOs and the selected schools revealed that funds pertaining to distribution of school uniforms were not released to the schools in the beginning of the school session during the period 2011-16. As a result, selected schools provided school uniforms to the children with the delays up to seven months.

The Department attributed (November 2016) the delay in providing the school uniforms to delayed release of funds by the GoI.

#### **1.2.8.9 Infrastructure Facilities**

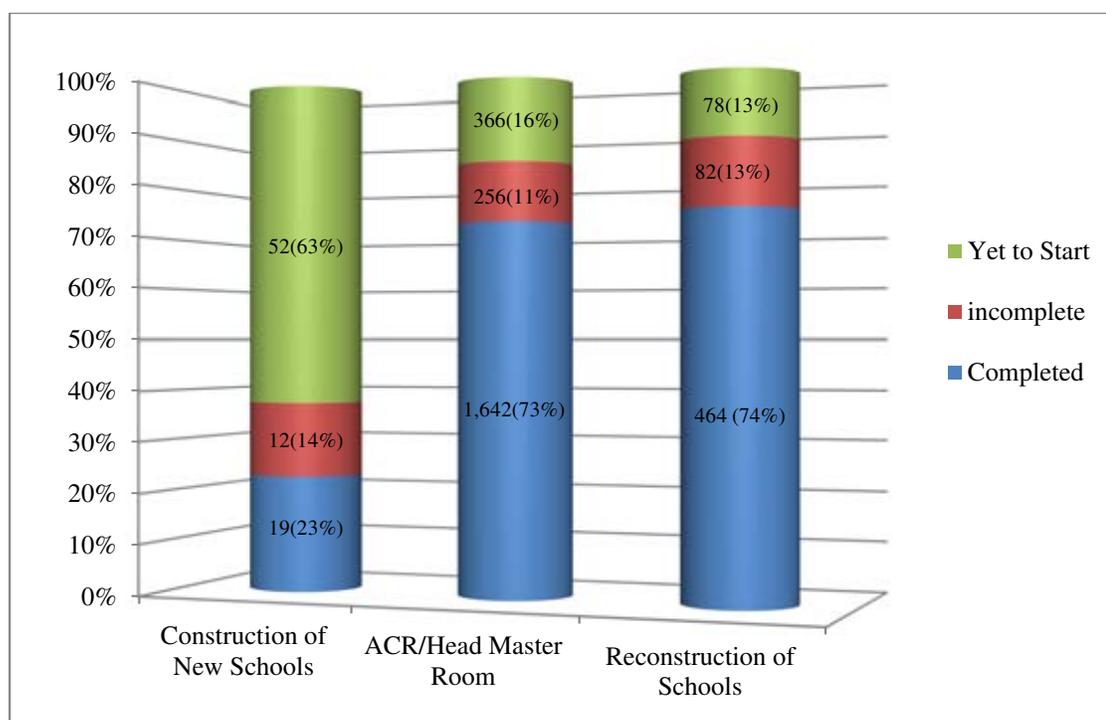
##### **1.2.8.9 (a) Status of construction works**

Construction of school buildings and creation of other miscellaneous infrastructural facilities<sup>14</sup> is an important component for fulfilling obligations mandated in the RTE Act. Test-check of records revealed that 2,971 construction works (new schools 83, additional class room/headmaster room 2,264, re-construction of schools 624) costing ₹ 155.33 crore were sanctioned during 2011-16. The status of these works is depicted in **Chart-1.2.3** below.

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<sup>14</sup> Reconstruction of schools, Additional class rooms, toilets, boundary walls, Headmaster rooms.

Chart-1.2.3: Status of construction works



Thus, work of construction of 77 per cent of new schools, 27 per cent of additional class rooms/headmaster rooms and 26 per cent of re-construction of schools remained either incomplete or were yet to even commence.

The Department stated (November 2016) that some of the sanctioned works remained incomplete due to short release of funds by GoI during the period 2011-16 and involvement of forest land in the other cases.

#### 1.2.8.9 (b) Availability of basic amenities in schools

The RTE Act emphasizes upon the need to develop basic amenities to provide suitable and clean environment. The details of non-availability of basic amenities in schools are given in Table-1.2.4 below.

Table-1.2.4: Details of basic amenities not available in the schools

Basic Amenities	Facilities not available in the State		Facilities not available in the selected districts					
	Out of 12,535 PSs (percentage)	Out of 2,796 UPSs (percentage)	Dehradun		Tehri		Udham Singh Nagar	
			Out of 950 PSs (percentage)	Out of 270 UPSs (percentage)	Out of 1,476 PSs (percentage)	Out of 366 UPSs (percentage)	Out of 791 PSs (percentage)	Out of 202 UPSs (percentage)
Drinking water	479 (04)	154(06)	15(02)	07 (03)	98 (07)	29(08)	13 (02)	01
Separate Toilet for Girls	418 (03)	77(03)	0	0	46 (03)	06(02)	50 (06)	11 (05)
Boundary wall	1,969(16)	443(16)	97 (10)	11 (04)	409(28)	131(36)	78 (10)	14 (07)
Kitchen shed	1,472(12)	453(16)	12 (01)	0	120(08)	15(04)	35 (04)	19 (09)
Play Ground	6,060(48)	1,447(52)	438 (46)	114 (42)	716(49)	183(50)	309 (39)	84 (42)

Source: SPO, Dehradun and DPOs of selected districts.

Thus, basic facilities such as clean drinking water, separate toilet for girls, boundary wall, kitchen shed and playground are lacking in a considerable number of primary and upper primary schools even after more than five years of the implementation of the Act.

The Department assured (November 2016) taking corrective measures.

### **1.2.8.9 (c) Non-evaluation of Construction works**

The SSA Framework for implementation of RTE stipulates that an independent assessment of the technical quality of civil works should be carried out through Third Party Evaluation (TPE) so that quality of civil works could be ensured.

Scrutiny of records revealed that the Department did not engage any agency to evaluate technical quality of civil works during the period 2011-16. Moreover, funds amounting to ₹ 1.21 crore deducted @ 1.5 per cent of the cost of civil works for TPE were kept parked in the bank account of the SPO during the period. As a result, technical quality of 2,125 civil works completed after incurring an expenditure of ₹ 95.64 crore during 2011-16 could not be evaluated by the Department. Non-evaluation impacted the quality of construction works as illustrated by the instance of construction of an additional class room being left incomplete in Government Primary School, PAC Camp, Rudrapur as the work done up to lintel level was too weak to bear any further load.

The Department assured (November 2016) starting of evaluation of the construction works soon.

## **1.2.9 Monitoring**

### **1.2.9.1 Non-constitution of the State Advisory Council**

In pursuance of the RTE Act, the State Government notified (December 2011) the structure of the State Advisory Council. The function of the State Advisory Council was to advise the State Government on effective implementation of the provisions of the RTE Act. However, the State Advisory Council could not be constituted till date. As a result, the implementation of the provisions of the RTE Act could not be reviewed at the apex level and corrective actions, if any, could not be suggested to the State Government. This deprived the State Government of an important feedback mechanism and affected overall implementation of the Act in the State.

The Department stated (November 2016) that the Council would be constituted at the earliest.

### **1.2.9.2 Non-constitution of grievance redress committee**

In pursuance of the RTE Act, the State Government issued (November 2012) instructions for settlement of grievances related with the rights of children under the Act. The instructions required formation of the RTE Grievance Redress Committee at the Block/District/Directorate levels. Out of the three test-checked districts, the Committee was formed in Dehradun and Udham Singh Nagar districts in October 2015 and September 2015 respectively. During the period 2012-16, 146 grievances/complaints were received in the DPO Dehradun out of which only two complaints were settled and the rest remained unsettled.

The Department stated (November 2016) that the Committee would be constituted at the earliest.

### **1.2.9.3 State Commission for the Protection of Child Rights**

As per the RTE Act, the State Government had to constitute the State Commission for the Protection of Child Rights (SCPCR) to examine and review the safeguards for rights provided by or under this Act and recommend measures for their effective implementation, inquire into complaints relating to child's right to free and compulsory education and take necessary steps as provided under the Act.

Audit noticed that SCPCR was constituted in Uttarakhand State in May 2011. During the review period, 176 complaints were received out of which 39 complaints pertaining to the period 2013-16 remained unsettled for more than three years as of April 2016. Further, child helpline that were to be established in each block to enable a child/mother/father/guardian to lodge complaints through SMS, letter, telephone, internet or help desk were yet to be established. Hence, mechanisms designed to receive and redress complaints and grievances were not in place.

The Department stated (November 2016) that directions regarding settling complaints in timely manner and to establish the child help line would be issued.

### **1.2.10 Conclusion**

Thus, plans for implementation of the Act were not under-pinned by data collected through household surveys for identification of beneficiary children including those belonging to weaker sections/disadvantaged groups and the school development plans as well as the Annual Work Plans and Budget did not take into account inputs from the field and district levels resulting in a mismatch between actual requirements and resource allocations. Efficient implementation of the Act was further hindered by delays in release of funds and reimbursement due to schools that impaired their ability to continue education to children admitted under the RTE Act. An amount of ₹ 0.45 crore was disbursed without verification of attendance and ₹ 0.19 crore was disbursed to ineligible educational institutions. In addition, ₹ 7.07 crore was lying unutilized for two years. While there were 11,198 children enrolled in Class-I during 2011-12 in unaided non-minority schools in the State, the retention rate of these students was only 60 per cent at the end of fourth year as against 98 per cent of students other than those belonging to the RTE quota admitted in the same class of the same schools which was indicative of the reluctance or lack of efforts on the part of the schools to retain children admitted under RTE Act thereby undermining one of its primary objectives. Uneven pupil-teacher ratio and lack of due attention to children with special needs coupled with delay in completion of required infrastructure with work of construction of 77 per cent of new schools, 27 per cent of additional class rooms/headmaster rooms and 26 per cent of re-construction of schools remaining either incomplete or yet to even commence and lack

of basic facilities particularly of boundary wall and playgrounds further undermined achievement of the objectives of the RTE Act.

### **1.2.11 Recommendations**

In light of the audit findings, the Government may:

- Strengthen the planning process by ensuring identification of beneficiary children particularly those belonging to weaker sections/disadvantaged groups through household surveys, preparation of school development plans and adopting a bottom-up approach in preparing the Annual Work Plan and Budget on the basis of the school development plans;
- Expedite transmission of funds both Central and State shares to the executing agencies for achievement of targets while ensuring compliance with rules relating to reimbursement of school fees;
- Initiate steps to improve the retention rate of children admitted in unaided non-minority schools;
- Prioritise completion of ongoing and pending construction works keeping in view the availability of resources; and
- Set up of the State Advisory Council, Grievance Redress Committees and child help line.

The matter was referred to the Government in August 2016; its reply was awaited (December 2016).

## HOME DEPARTMENT

### 1.3 Modernisation of the State Police Force

The Government of India (GoI) introduced (1969) the scheme “Modernisation of Police Force” (MPF) to augment the operational efficiency of the State Police forces in order to enable them to effectively face the emerging challenges to internal security. A performance audit of implementation of the scheme in the State of Uttarakhand brought out weaknesses in planning as well as shortages of weapons, vehicles, equipment and manpower which affected the operational activities of the Department. Some of the significant findings are given below:

#### Highlights:

- *Inordinate delays in submission and approval of Strategic and Annual Action Plans resulted in idling of funds and delays in implementation of the Scheme.*  
[Paragraph 1.3.6]
- *Only 35 out of 124 staff quarters and four out of eight non-residential buildings were completed at a cost of ₹4.43 crore and ₹1.38 crore respectively as on March 2016.*  
[Paragraph 1.3.8.1]
- *There was shortage of 366 operational vehicles. Such shortages were further compounded due to non-availability of drivers for 438 (47 per cent) operational vehicles.*  
[Paragraph 1.3.8.2]
- *Training facilities were inadequate; shortage of weapons and communication equipment affected the operational activities of the Department.*  
[Paragraphs 1.3.9, 1.3.12 and 1.3.13]

#### 1.3.1 Introduction

It is the responsibility of the State Governments to modernize and adequately equip their police forces for meeting challenges to law and order and internal security. In order to assist the States in adequately equipping their police forces, the Government of India (GoI) introduced (1969) the scheme for “Modernisation of Police Force” (MPF) to augment the operational efficiency of the State Police forces. The scheme was revised in 2000-01 by GoI. The scheme aims to modernize police forces in terms of mobility including purchase of bullet proof and mine proof vehicles, weaponry, communication systems, training, and establishment of Forensic Science Laboratory/ Finger Printing Bureau, equipment and buildings.

#### 1.3.2 Organisational Set-up

The State Police Department is headed by the Director General of Police (DGP) who is assisted by Additional Directors General of Police (ADGP), Inspectors General of Police (IG), Deputy Inspectors General of Police (DIG), Director, Forensic Science Laboratory (FSL) and Superintendents of Police in various districts and Commandants in field

formations. The implementation of the scheme is overseen by a State Level Empowered Committee (SLEC) headed by the Principal Secretary, Home Department, along with the DGP and representatives from the Home Department and the Finance Department as members.

### **1.3.3 Audit Objectives**

The objectives of the performance audit were to evaluate whether:

- planning for implementation of various components of the scheme was efficient and major thrust areas of the scheme were adequately covered;
- utilization of funds for implementation of the programme was efficient and effective;
- implementation of major objectives of the schemes were as per norms and targets fixed;
- efforts to upgrade skills of the police force and increase their striking capabilities commensurate with the stated objectives; and
- monitoring mechanism and internal control system were in place and were effective.

### **1.3.4 Audit Scope and Methodology**

The implementation of the scheme relating to the period 2011-12 to 2015-16 was reviewed during April 2016 to July 2016 by test-check of records of the IG (Modernisation), IG (Intelligence), Director (FSL), IG (Home Guards), the Superintendents of Police of five districts<sup>15</sup>, the Principal of the Police Training Centre (Narendra Nagar) and the Commandant of 31<sup>st</sup> Vahini PAC. These were selected on the basis of expenditure incurred by various units under the MPF Scheme budget during 2011-12 to 2015-16.

The audit objectives, criteria and scope of the performance audit were discussed with the Principal Secretary, Home Department, in an entry conference held on 22<sup>nd</sup> April 2016. The audit findings were discussed on 8<sup>th</sup> November 2016 with the Principal Secretary, Home Department, in an exit conference and the views of the Department have been suitably included at the appropriate places in the report.

### **1.3.5 Audit criteria**

The criteria used to benchmark the implementation of the scheme were derived from the following sources:

- Bureau of Police Research and Development (BPR&D) and Ministry of Home Affairs (MHA) - GoI guidelines on the scheme and perspective plan;
- Annual Action Plans (AAPs) of the State approved by the MHA, release orders of GoI/State Government;
- Uttarakhand Procurement Rules, 2008 and other related codal provisions; and
- Various other instructions issued from time to time by the GoI / State Government.

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<sup>15</sup> Haridwar, Udham Singh Nagar, Dehradun, Rudraprayag and Bageshwar.

## Audit Findings

### 1.3.6 Planning

A strategic plan for five years (2011-16) was to be prepared to identify and analyse the gaps in various components under the MPF with reference to BPR&D norms so as to arrive at the requirements of the State for modernisation of its Police force. The State Government was required to frame its Annual Action Plans (AAPs) based on the five-year Strategic Plan.

The Department prepared a Strategic Plan for the period 2011-16 which was however never sent to GoI. It was also observed that this Strategic Plan was not taken into consideration for the preparation of the Annual Action Plans (AAP). Instead, the Department prepared the AAPs by simply aggregating the demands received from various units/districts. Thus AAPs lacked any underlying long term vision. This disconnect between the Strategic Plan and the Annual Action Plans resulted in lack of a long term perspective in modernising the State Police.

Under the revised scheme (2000-01), the State Government was to submit an Annual Action Plan (AAP) to the Ministry of Home Affairs (MHA), GoI, by 31<sup>st</sup> December each year indicating specific projects to be implemented every year on priority basis. Scrutiny of records revealed that there were delays ranging from five to 10 months in submission of the Annual Action Plans to MHA by the State Government. The delay on part of the State Government was further compounded by subsequent delay on the part of the MHA in approving the AAPs. As a result, the State Government was left with insufficient time to spend the allocated funds on modernisation projects within the financial year leading to instances of under-utilisation or non-utilisation of allocated funds within the year of their release.

The Department stated (November 2016) that the Strategic Plan would be taken into consideration while preparing AAPs for ensuing years.

### 1.3.7 Fund Management

Funds earmarked under the MPF scheme were to supplement the resources of the State for the modernization of the State Police. For the purposes of funding, the State of Uttarakhand is categorised as Category 'B' under both 'Non-Plan' and 'Plan' components. The State is eligible for financial assistance on 60:40 basis with the Centre contributing 60 *per cent* of the funds.

The State Police Headquarters (PHQ) received ₹ 46.54 crore under the MPF for the years 2011-16 as against projected requirement of ₹ 2,102.31 crore worked out in the Strategic Plan. Out of the ₹ 46.54 crore received, PHQ utilized ₹ 43.72 crore leaving an unspent (March 2016) balance of ₹ 2.82 crore as detailed **Table-1.3.1** below.

Table-1.3.1: Strategic Plan, Funds Released and Expenditure Incurred

(₹ in crore)

Year	Strategic Plan	Approved Plan	Actual Release	Central Assistance		State Share		
				Released	Spent	Released	Spent	Unspent
2011-12	27.58	14.00	7.62	5.75	5.75	1.87	1.57	0.30
2012-13	521.64	15.58	6.00	3.61	3.61	2.39	2.39	0.00
2013-14	518.62	16.11	16.96	12.89	12.89	4.07	3.75	0.32
2014-15	518.07	13.75	13.41	8.81	8.81	4.60	3.87	0.73
2015-16	516.40	6.24	2.55	0.42	0.42	2.13	0.66	1.47
<b>Total</b>	<b>2,102.31</b>	<b>65.68</b>	<b>46.54</b>	<b>31.48</b>	<b>31.48</b>	<b>15.06</b>	<b>12.24</b>	<b>2.82</b>

Source: Information provided by the Department.

The State Government was required to release the State share as soon as possible after the release of the Central share. Audit analysis revealed delay in release of the State share ranging between six to 48 months. Further, funds released by the GoI under Non-Plan grant were also not being utilised by the Department within the financial year itself and were either surrendered or parked in Public Ledger Accounts (PLAs) as brought out in Table-1.3.2 below.

Table-1.3.2: Funds released by GoI under Non-Plan Grant

(₹ in lakh)

Year	Allotment	Utilised		Year wise expenditure from PLA				Surrender	Balance
		During the year	Kept in PLA	2012-13	2013-14	2014-15	2015-16		
2011-12	357.15	228.94	128.21	-	-	25.20	66.60	6.41	30.00
2012-13	582.66	0.00	582.66	-	514.35	49.42	-	04.10	14.79
2013-14	522.41	519.49	2.92	-	-	-	-	-	2.92
2014-15	449.05	218.84	230.21	-	-	-	158.00	-	72.21
2015-16	200.00	52.60	-	-	-	-	-	147.40	-
<b>Total</b>								<b>157.91</b>	<b>118.21</b>

Source: Information provided by the Department.

### 1.3.8 Operational infrastructure

#### 1.3.8.1 Buildings

Construction of well secured Police stations and residential quarters for police personnel is one of the thrust areas of the scheme. The State Government accorded high priority to this component and allotted ₹ 22.33 crore<sup>16</sup> during 2011-12 to 2015-16 for the purpose which was 48 per cent<sup>17</sup> of the total released funds. The PWD (Public Works Department) was one of the executing agencies for the civil works. The State Government placed requisite funds with the PWD as per the approved AAPs.

There are 155 Police stations and 251 outposts in the State out of which only 130 police stations and 146 outposts were operating from their own buildings whereas 25 police stations and 105 outposts were operating from rented premises or from temporary arrangements. Further, there were only 2,553 staff quarters (10.27 per cent) available for 24,863 police personnel and staff in the State.

<sup>16</sup> For Non-residential buildings: ₹ 5.34 crore and for residential buildings: ₹ 16.99 crore.

<sup>17</sup> ₹ 22.33 crore allotted from 2011-12 to 2015-16 for construction works out of total ₹ 46.54 crore budget.

Audit noticed that the Department was able to take up the construction of only 124 staff quarters and eight non-residential buildings during 2011-16 under the scheme leaving a huge gap in both residential and the non-residential buildings as of March 2016. Out of these 124 staff quarters taken up, only 35 quarters<sup>18</sup> were completed at a cost of ₹ 4.43 crore and four out of eight non-residential buildings<sup>19</sup> were completed at a cost of ₹ 1.38 crore. As of March 2016, construction of 89 staff quarters and four non-residential buildings remained incomplete even after incurring an expenditure of ₹ 16.52 crore. Further, out of these 89 staff quarters, construction of 12 quarters was yet to be commenced/or was stopped due to non-finalisation of site, execution of additional works beyond the approved plan and modifications to designs and drawings of the building. While the above were broadly indicative of weaknesses in planning, execution and design of works as well as of lack of synchronisation with available resources, there were also instances of construction works being taken up without ascertaining a clear title to the land at the proposed sites.

The Department stated (September 2016) that the construction of sufficient numbers of residential quarters could not be carried out due to lack of budget. The reply is not convincing as Annual Action Plans were never submitted for approval of GoI funds received were not fully utilised on construction of residential buildings.

### 1.3.8.2 Deficiency in Mobility

As per BPRD norms, mobility (motor vehicles) deficiency should be 'nil' in a well-equipped police force in order to achieve the prescribed reduction in response time to crime. During 2011-16, 413 vehicles<sup>20</sup> were purchased by the Department at a cost of ₹ 8.72 crore. Only 1,517 vehicles were available against the overall requirement of 2,178 vehicles as brought out in **Table-1.3.3** below.

**Table-1.3.3: The position and shortage of essential vehicles**

Particulars	Heavy	Medium	Light	Motorcycle	Total
Requirement as on 1 April 2011 as per BPRD norm (A)	246	205	590	614	1,655
Additional requirement for new PSs/OPs during 2011-12 to 2015-16 (B)	20	38	70	100	228
Condemned during 2011-12 to 2015-16 (C)	25	10	188	72	295
<b>Gross Requirement as on 31<sup>st</sup> March 2016 (D)=(A+B+C)</b>	<b>291</b>	<b>253</b>	<b>848</b>	<b>786</b>	<b>2,178</b>
Available as on 1 April 2011 (E)	230	93	559	517	1,399
<b>Net requirement as on 31<sup>st</sup> March 2016 (F) = (D)-(E)</b>	<b>61</b>	<b>160</b>	<b>289</b>	<b>269</b>	<b>779</b>
Purchased during 2011-16 (G)	7	108	166	132	413
<b>Net shortage of vehicles as on 31<sup>st</sup> March 2016 (F)-(G)</b>	<b>54</b>	<b>52</b>	<b>123</b>	<b>137</b>	<b>366</b>
Vehicle available as on 31 <sup>st</sup> March 2016	212	191	537	577	1,517

Source: Data provided by the Department.

<sup>18</sup> 13 staff quarters costing ₹ 1.66 crore were completed (March 2016) but were not handed over to the Department due to some deficiencies found (July 2016).

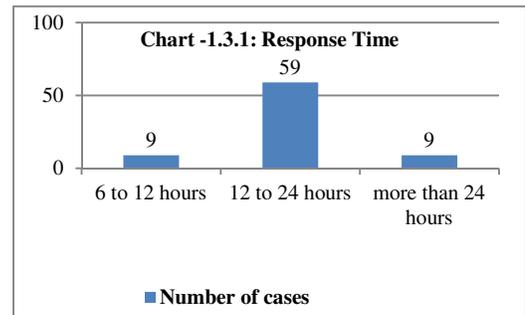
<sup>19</sup> 02 non-residential building costing ₹ 0.11 crore were completed (March 2016) but were not handed over to the Department due to some deficiencies found (July 2016).

<sup>20</sup> Heavy vehicles: 7; Medium: 108; Light: 166; Motor cycles: 132.

It was further observed as follows:

- In test-checked districts, 32 per cent<sup>21</sup> of the available vehicles had completed their stipulated useful life<sup>22</sup>. The Department had not planned for their replacement;
- Only 502 regular drivers (53 per cent) were in position against availability of 940 vehicles (heavy: 212, medium: 191 and light: 537) as on 31 March 2016. The Department stated (July 2016) that a proposal for creation and filling up of 235 posts of drivers was pending for consideration of the State Government since October 2014; and
- The SPs of 12 districts were provided with 38 cranes worth ₹ 5.56 crore. In the test-checked districts, two cranes<sup>23</sup> valued at ₹ 0.41 crore had remained idle for more than two years due to technical issues. Moreover, no driver was posted in six districts<sup>24</sup> to operate 13 cranes and only 16 drivers were available in other six districts to operate 25 cranes available there.

The shortage of vehicles had an adverse impact on the response time of the Police. While the Department had not fixed any norm for response time, such information was recorded in the Crime Index Registers at the concerned Police stations in the test checked Police stations. The response time ranged from six hours to 12 hours in nine cases, 12 hours to 24 hours in 59 cases and more than 24 hours in nine cases as depicted in the **Chart-1.3.1**. Thus, in 25 per cent cases, response time was more than six hours.



### **1.3.9 Weaponry and equipment**

Upgradation and sufficient supply of weaponry to the force was a very important aspect of the MPF scheme. BPRD guidelines provide that the scale of weapons to be procured is to be fixed by the State Government. The importance of adequate weaponry is accentuated in a border State like Uttarakhand. Accordingly, the State Government projected a requirement of ₹ 11.71 crore in the Strategic Plan to reduce the gaps in weaponry.

Scrutiny of records of the PHQ and the Commandant, Central Ordinance Depot, Udham Singh Nagar revealed the following:

- (i) There were only 9,730 weapons available against requirement of 15,289 weapons in the State (63.64 per cent);

<sup>21</sup> 102 vehicles completed their life span out of 318 vehicles.

<sup>22</sup> Norms for light vehicle in hilly areas are 8 years or 1.25 lakh km & for Plain areas 10 years or 1.50 lakh km and in respect of Motor cycles either 48 thousand kms or five years whichever is earlier.

<sup>23</sup> Haridwar (₹ 0.19 crore) and U.S Nagar (₹ 0.22 crore).

<sup>24</sup> Chamoli, Tehri, Uttarkashi, U.S. Nagar, Almora, & Pithoragarh.

- (ii) Against requirement of 2,221 modern weapons, only 867 (39.04 *per cent*) were available during the period 2011-16. Despite the gap, only ₹ 1.12 crore was spent for procurement of weapons during 2011-16 which constituted 2.41 *per cent* of the total budget allotted under MPF scheme during 2011-16
- (iii) Only 347 bullet proof jackets and 298 helmets were available against requirement of 918 bullet proof jackets (37.15 *per cent*) and 724 helmets (41.16 *per cent*).
- (iv) Fifty bullet proof helmets worth ₹ 7.15 lakh, 75 bullet proof jackets worth ₹ 0.29 crore and 120 rain suits worth ₹ 1.80 lakh were purchased in March 2016 but remained undistributed till July 2016 due to minor defects and delay in testing.

### 1.3.10 Strengthening of Forensic Science Laboratories

The scheme envisaged strengthening of the Forensic Science Laboratory (FSL) by inducting modern equipment to reduce the delay in investigation of crime cases in the State. Under the MPF scheme, the Department received ₹ 1.45 crore<sup>25</sup> for purchase of equipment for FSL against which only ₹ 0.59 crore (40.69 *per cent*) could be utilised.

The Department stated (September 2016) that the funds could not be utilised fully as the tendered cost of equipment was higher than the amount available for the purpose. The reply is not convincing as there was delay of three to four years in tendering (February 2014).

GoI also released ₹ 4.08 crore<sup>26</sup> grant-in-aid to the State Government for setting up of a Regional Forensic Science Laboratory (RFSL) and two District Mobile Forensic units (DMFU) at Almora and Srinagar under the scheme. Out of ₹ 4.08 crore, ₹ 3.01 crore had been expended for the above works which included the purchasing of three crime scene vehicles and staff vehicle. However, neither the RFSL nor the two DMFUs could be established as yet as below:

- There was delay of over three and half years in according (September 2014) administrative and financial approval as well as technical sanction of ₹ 1.94 crore for the construction of RFSL at Rudrapur from the month of receiving the grant-in-aid. The construction was completed in December 2016 but the building is yet to be handed over by the executing agency (December 2016).
- In case of DMFU Almora, the DPR had been sent (September 2016) by the executing agency<sup>27</sup> to the Director General (Police) for approval and in case of DMFU Srinagar the process to acquire the land was still on (November 2016) even after lapse of more than five years.

<sup>25</sup> In 2011-12: ₹ 0.54 crore, 2013 -14: ₹ 0.75 crore and 2014-15: ₹ 0.16 crore.

<sup>26</sup> First Installment- ₹ 1.65 crore in March 2011 and balance amount of ₹ 2.43 crore of first installment in April 2011.

<sup>27</sup> Uttarakhand Pey Jal Sansadhan Evam Vikas Nigam.

Thus, the objective of setting-up the RFSL and DMFUs could not be achieved by the Department even after lapse of more than five years due to unplanned approach of the Department.

### **1.3.11 Delay in analysis of samples by the State Forensic Science Laboratory**

In criminal investigations, the reports of FSL constitute an expert opinion and have legal acceptance under Section 293 of the Criminal Procedure Code. Therefore, the quality of crime investigation can be improved by strengthening the dimension of forensic science. Details of pendency of cases are given in the **Table-1.3.4** below.

**Table-1.3.4: Year wise number of samples received and examined**

Year	OB	No. of samples		CB
		Received	Examined	
2011-12	132	799	770	161
2012-13	161	1,202	1,115	248
2013-14	248	1,179	1,142	285
2014-15	285	1,322	1,132	475
2015-16	475	458	445	488

Out of 488 pending cases, 244 cases were pending for periods ranging between 1-3 months, 142 cases for 3-6 months, 64 cases for 6-12 months and 38 cases were pending for a period more than one year as of 31 March 2016.

It was noticed that one of the reasons behind the high pendency of cases was that the FSL Dehradun had only one scientist available for the study of samples and was also running with huge shortages in other technical cadres as well. Details of shortages in various cadres in the FSL are given in the **Table-1.3.5** below.

**Table-1.3.5: Details of shortage of staff in the FSL regarding various cadres**

Post	Sanctioned Strength	Men in position	Vacancy
Director	01	-	01
Joint Director	02	-	02
Deputy Director (Scientist)	05	01	04
Scientific Assistant	16	07	09
Senior Scientific assistant	18	-	18
Lab Assistant	18	08	10

*Source: Information provided by the Department.*

### **1.3.12 Training**

Training assumes utmost importance in improving the striking capabilities and other operational efficiencies of the police force and to prepare them to tackle law and order situations in the State. Training schools are required for imparting both initial training to police personnel as well as subsequent in-service courses. A total of 1,131 men and 130 women were trained in the Police Training College (PTC) Narendra Nagar and 228 women and 97 men in PTC of other States during the period 2011-12 to 2015-16. Out of ₹ 0.86 crore provided by the MHA during 2011-16 for the procurement of training aids and equipment, the Department utilised ₹ 0.76 crore<sup>28</sup>. Scrutiny however revealed

<sup>28</sup> Office equipment like photocopy machine, computer, printer, fax machine, camera and projector.

that the infrastructure at the PTC was still inadequate and training equipment insufficient as below:

- PTC lacked infrastructure like swimming pool, assault/obstacle courses, mountaineering class room / wall, audio-visual facilities and hill driving facilities. The Department, as a result, had to bear an extra burden of ₹ 3.90 crore on training of 228 women and 97 men at PTC Moradabad (Uttar Pradesh) during the period 2011-2016;
- PTC did not have a firing range which is a fundamental part of the training;
- Only 5,000 litres of drinking water per day was being provided against requirement of 36,000 litres of drinking water per day. The remaining requirement was partially met by way of temporary arrangement<sup>29</sup>;
- The training school lacked basic amenities like beds, chairs, hot water, library, pharmacist which hampered imparting training to the apprentices; and
- Auditorium for lectures and Fax/Wi-Fi were not available in the campus.

Thus, the PTC was not fully equipped and geared for imparting requisite training to police personnel which would have a bearing on their ability to deal effectively with law and order situations in the field.

### 1.3.13 Project implementation of CCTNS

Crime and Criminal Tracking Network and Systems (CCTNS) aims at creating a comprehensive and integrated system for enhancing the efficiency and effectiveness of policing at all levels and especially at the Police Station level through adoption of principles of e-Governance and creation of a nationwide networked infrastructure for evolution of IT-enabled state-of-the-art tracking system.

Audit noticed that 125 out of 155 police stations were covered under CCTNS in the State. Although most of the police stations were connected to share the crime and criminal data, the facility of online registration of FIRs and online tracking of cases was still not available to citizens due to lack of a citizens' portal for use by the public. Further, only seven out of 125 connected police stations were registering the FIRs offline due to connectivity issues.

### 1.3.14 Manpower Resources

The sanctioned strength (SS) and person in position (PIP) of various categories of police personnel during 2013-14 to 2015-16 for the State is indicated in **Table-1.3.6** below.

**Table-1.3.6: Year wise details of SS, PP and vacant post against various Groups**

Year	Group A			Group B			Group C			Group D		
	SS	PP	Vacant	SS	PP	Vacant	SS	PP	Vacant	SS	PP	Vacant
2013-14	71	60	11	166	102	64	24,359	22,160	2,199	1,567	1,449	118
2014-15	71	60	11	176	125	51	25,293	22,155	3,138	1,663	1,434	229
2015-16	72	60	12	185	118	67	25,615	23,319	2,296	1,667	1,366	301

Source: Information provided by the Department.

<sup>29</sup> Tankers.

Despite the shortages, Audit observed that specific planning and strategies to mitigate the situation had not been factored in while projecting requirement of funds in the AAPs forwarded to GoI. While an increase in strength of the police force may not reduce the incidence of crimes as such, it would go a long way in creating a greater sense of security and may have an impact on public order.

### **1.3.15 Monitoring mechanism**

The State Level Empowered Committee (SLEC) was required to be convened once in every quarter to monitor the preparation, submission of AAP and implementation of the MPF. As per the minutes of meetings held, the SLEC met only once every year during 2011-16 for the finalisation of the AAP. It was further noticed that the evaluation of implementation of the Scheme was not undertaken at any stage by the State Government to assess its impact on the efficiency of the State police. Thus, there was lack of sufficient monitoring and evaluation both at the Department and the Government levels.

### **1.3.16 Conclusion**

Long term planning to derive optimal benefits from the scheme by identifying gaps in operational effectiveness and state of preparedness of the State police was lacking due to non-implementation of the Strategic Plan. Mobility of police force was adversely affected due to shortage of both vehicles and drivers and pace of investigation could not be quickened as the setting-up of Regional Forensic Science Laboratory and two District Mobile Forensic Units could not be achieved even after lapse of more than five years. Training facilities were inadequate and shortage of weapons and equipment affected the operational activities of the Department.

### **1.3.17 Recommendations**

In light of the audit findings, the Government may:

- Strengthen the planning process to ensure a realistic and time bound action plan for progressive modernization of the State Police Force;
- Expedite construction of police stations and residential quarters for police personnel to improve the satisfaction levels in a time bound manner by due coordination with the executing agencies and effective monitoring of progress of works;
- Take measure to mitigate the deficiencies of weapons and equipment in order to enable the Force to tackle the emerging law and order and internal security threats; and
- Strengthen mechanisms for monitoring of projects under various components of the Scheme.

The matter was referred to the Government in September 2016; its reply was awaited (December 2016).

**COMPLIANCE AUDIT****AYUSH DEPARTMENT****1.4 Follow-up on the Chief Controlling Officer based Performance Audit of the AYUSH Department****1.4.1 Introduction**

A performance audit on “Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homoeopathy (AYUSH)” covering the period 2006-07 to 2010-11 was included in the Audit Report (Civil) for the year ended 31 March 2011. The Report was placed before the State Legislative Assembly in December 2012. The audit findings have not been taken up for discussion by the Public Accounts Committee as of September 2016.

**1.4.2 Objective, scope and methodology of audit**

A follow-up audit was conducted with the objective of assessing the implementation of recommendations made in the earlier Audit Report and other important audit findings. The follow-up audit was conducted from April to May 2016 through test-check of records of the offices of the Director, Ayurvedic and Unani Services, the Director, Homoeopathy, the Principal cum Superintendent, Rishikul Post Graduate Medical College and Hospital, Haridwar, the Superintendent, Government State Pharmacy, Haridwar and two out of four district level offices (Haridwar and Pauri) of Ayurveda and Homoeopathy audited earlier. The period covered in audit was from 2011-12 to 2015-16. The audit was conducted with reference to the four recommendations accepted by the Government in the exit conference (March 2012) against 27 observations included in the Audit Report 2011.

**Audit Findings****1.4.3 Implementation of audit recommendations**

The status of implementation of the four audit recommendations accepted by the Government has been arranged in the following three categories:

**A Insignificant or No progress**

<b>Audit findings made in earlier Report</b>	<b>Recommendation made</b>	<b>Current status as informed by Department</b>	<b>Audit findings/ comment</b>
(i) Medicines were purchased for non-functional allopathic dispensaries of AYUSH wings (66 to 82 per cent) by the Department. (Para 4.1.9.2 of previous audit report).	Procurement of Medicines and Equipment should be need based and that too on the basis of demands sent by the district functionaries.	Medicines purchased amounting to ₹ 0.61 crore (₹ 0.36 crore in the year 2014-15 and issued centralized supply order worth ₹ 0.25 crore in the year 2015-16) for 180 AYUSH wings in the allopathic dispensaries. Out of these thirty-four per cent of the allopathic dispensaries remained non-functional during the period.	The recommendation is still relevant for implementation.
(ii) Medicines were distributed to the districts on the basis of number of Hospitals/ Dispensaries/AYUSH wings in the district and not on the basis of number of patients and requirement of the respective Hospitals/ Dispensaries/ AYUSH		Out of 88 hospitals in the two test-checked districts, 45 hospitals (51 per cent) had less than 6,000 patients per year whereas 43 hospitals (49 per cent) had more than 6,000 patients per year. Irrespective of the number of the patients, the	The recommendation has been overlooked by the Department as can be seen from the equal distribution of medicines in different dispensaries with dissimilar number of patients.

wings. (Para 4.1.9.3 of previous audit report)		Directorate and District Ayurvedic Officers (DAOs) distributed medicines equally to all the hospitals / dispensaries.	
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The Department stated (November 2016) that instructions have been issued to the district functionaries to distribute medicine to the dispensaries/hospitals after assessing number of patients.

**B Partial Implementation**

<b>Audit findings made in earlier Report</b>	<b>Recommendation made</b>	<b>Current status as informed by Department</b>	<b>Audit findings/comment</b>
(i) The unspent balance of central assistance and the interest earned on the unspent funds was neither refunded to GoI nor was adjusted against subsequent allotments. (Para- 4.1.7.2 of previous audit report).	To fully utilize central assistance obtained under operational schemes.	(A) Savings reduced to 11 per cent during 2011-16 as compared to 34 per cent during 2006-11. (B) Interest amounting to ₹ 0.48 crore accrued on funds till March 2016 was lying idle in the bank account of Homeopathic Department. Similarly, the State Health Society (SHS) earned an interest of ₹ 1.22 crore during 2007-08 to 2015-16.	(A) While there were significant improvements on the issue, there remained gaps in planning and execution. (B) The Department needs to refund or adjust the interest earned on GoI funds on regular basis.
(ii) The four dermatology centre buildings were renovated but were non-functional (October 2011) due to lack of furniture, equipment, medicines and staff (Para 4.1.7.4 of previous audit report).		Out of the six targeted dermatology clinics, four had been established. These clinics were made functional by deploying man power and providing medicines, equipment and furniture.	The Department could not ensure sufficient availability of space for establishment of remaining two dermatology clinics.
(iii) The five Reproductive and Child Healthcare (RCH) wing buildings were renovated but were non-functional due to non-availability of man-power, equipment and medicines. (Para 4.1.8.2 (B) of previous audit report).		Out of eight RCH wings, five had been established after incurring an expenditure of ₹ 0.67 crore. These wings were made functional (2013) by deploying man power, and providing medicines, equipment and furniture.	Three RCH wings could not be established due to inability of the Department to ensure availability of required space.
(iv) Integration of AYUSH at the level of Primary Health Centres (PHCs) and Community Health Centres (CHCs) was envisaged by the Department of AYUSH. Out of 116 PHCs and 23 CHCs targeted for renovation, funds for renovation of only six CHCs and 26 PHCs could be released (September 2011) despite availability of funds since December 2007. [Para 4.1.8.2 (A) of previous audit report]	Integration of AYUSH with the allopathic system of medicine and completion of civil works in this regard on priority.	Out of 116 PHCs and 23 CHCs targeted for renovation, only 34 PHCs and six CHCs were renovated (May 2014) to provide AYUSH facilities. The renovation work of rest of the CHCs & PHCs could not be executed as the Department of Health & Family Welfare failed to provide space for the same.	The scheme could not be implemented up to the required level due to Department's failure to arrange for sufficient space.
(v) The Department of Ayurveda had initiated the construction of 57 buildings for hospitals and dispensaries during 2006-11. None of the buildings could be handed over to the Department by the civil work implementing agencies during the period 2006-11. (Para 4.1.8.6 of previous audit report).		Out of incomplete 57 building works (March 2011), 43 building works had been completed, six building works were in progress, six building works under process of handing over, construction of one building work was suspended due to land dispute and one constructed building was damaged due to disaster (April 2016).	The works are, to a large extent, complete. However, there was inordinate delay in the process.

(vi) The construction and renovation of targeted eight hospitals was under progress. Procurement of equipment and furniture were made. All procured equipment were stored in the rooms and lying idle (October 2011) in the hospitals. (Para 4.1.9.1 of previous audit report).	Procurement of Medicines and Equipment should be need based and that too on the basis of demands sent by the district functionaries.	Out of the target of upgrading eight hospitals, construction/renovation works of the six hospitals had been completed and the facilities were functional (2013-2016). Handing over of one work (Baddkot, Uttarkashi) and finishing work of one hospital (Majra, Dehradun) were in progress. Equipment were being used in all the eight Hospitals.	Equipment/furniture procured were being utilized in the hospitals, except in the case of Ayurvedic Hospitals at Baddkot and Majra.
(vii) The attendance of students in Under Graduate courses in the test-checked semesters was far below the norms of Central Council for Indian Medicines (CCIM) (75 per cent of total lectures). (Para 4.1.11.3 of previous audit report).	Effective Internal Control Mechanisms to strengthen existing Acts and Rules.	The attendance of students in test-checked First and Second year Under Graduate courses (Batch 2013) was below the norms (First year: 13-65 per cent, Second year: 03-54 per cent). However, the Campus Director, Rishikul stated that extra classes were being organized for the students. Further, students who attended 75 per cent extra classes were allowed to appear in the examinations.	The college, which was expected to develop high standards of teaching, training and research, failed in matching the prescribed norms.

**C Full Implementation**

<b>Audit findings made in earlier Report</b>	<b>Recommendation made</b>	<b>Current status as informed by Department</b>	<b>Audit findings/ comments</b>
(i) Funds received for strengthening enforcement machinery for AYUSH drugs remained unutilized and were kept in the current account of the Department till the date of audit (October 2011).(Para 4.1.7.3 of previous audit report)	To fully utilize central assistance obtained under operational schemes.	Out of ₹ 0.29 crore, an amount of ₹ 0.15 crore had been utilised by way of procurement of vehicles and computerization of the AYUSH/Drug Controller office. Remaining amount was surrendered to GoI in January 2012.	The Department fully utilized the funds provided by the GoI.
(ii) Contrary to Rule 154 (2) of Drugs & Cosmetic Rules, 1945, the licensing authority (Director, Ayurvedic and Unani Services) issued licenses to 18 pharmacies without the consultation of experts as the panel was not in existence at that time.(Para 4.1.11.1 of previous audit report)	Effective Internal Control Mechanisms to strengthen existing Acts and Rules.	During the period 2011-16, the licensing authority issued licenses to pharmacies in consultation with experts nominated by the State Government.	The Department has implemented the audit recommendation to the fullest.
(iii) In pursuance of the GoI notification (March 2003), the Directorate issued (July 2008) orders to all the DAOs to ensure that firms had obtained Good Manufacturing Practice (GMP) before renewal of their license. 32 licenses were renewed after the notification of GOI without issuance of GMP including 10 licenses issued after the Departmental Order (July 2008). (Para 4.1.11.2 of previous audit report).		No licenses were renewed without GMP Certificate during the period 2011-16. However, renewal of GMP certificate of 12 pharmacies was pending (pendency ranging from 03 to 09 months) for which notices had been issued by the licensing authority.	The Department has done the needful. However, renewal of GMP certificates of 12 pharmacies is required to be completed at the earliest.

#### **1.4.4 Conclusion**

Of the total recommendations and observations made by the audit, the extent of implementation of the accepted audit observations and recommendations by the Government was 25 per cent recommendations fully implemented, 58 per cent partially implemented and 17 per cent not implemented as on June 2016. While significant progress had been made by the State Government in addressing some of the concerns raised in audit, there remained instances of funds remaining unspent, equipment remaining idle, and inability of the State Government in extending AYUSH facilities which merited continuous attention.

The matter was referred to the Government in June 2016; its reply was awaited (December 2016).

#### **Commissioner, Food Safety and Standards, Uttarakhand**

#### **1.5 Enforcement of Food Safety and Standards Act, 2006 in Uttarakhand**

***There was delay in issue of licenses in 42 per cent of the cases in the State as a whole. Further, 94 per cent of the Food Business Operators in the State had not been inspected for quality of food supplied since August 2011.***

#### **1.5.1 Introduction**

The Food Safety and Standards Act was enacted in August 2006 by Parliament for laying down scientific standards for regulating the manufacture, storage, distribution, sale and import of articles of food and to ensure availability of safe and wholesome food for human consumption. Subsequent regulations in the form of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations came into effect from August 2011. The Act required establishment of a single reference point in the form of Food Safety and Standards Authority of India (FSSAI) for all matters relating to food safety and standards.

In Uttarakhand, the Commissioner, Food Safety and Standards, is responsible for overall enforcement of the Act through Designated Officers (DOs) at the district level. The DOs are assisted by Food Safety Officers (FSOs) in discharge of their duties.

#### **1.5.2 Registration and Licensing of Food Business Operators**

The Regulations lays down that all Food Business Operators (FBOs) will be registered or licensed in accordance with the prescribed procedure. Every petty<sup>30</sup> FBO is required to register himself/herself with the registering authority viz. the concerned FSO and also follow the basic hygiene and safety requirements provided in the Regulations. A valid license is required for commencing any food business if the FBO does not fall under the category of petty FBOs.

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<sup>30</sup> Food Business Operators with annual turnover upto ₹ 0.12 crore.

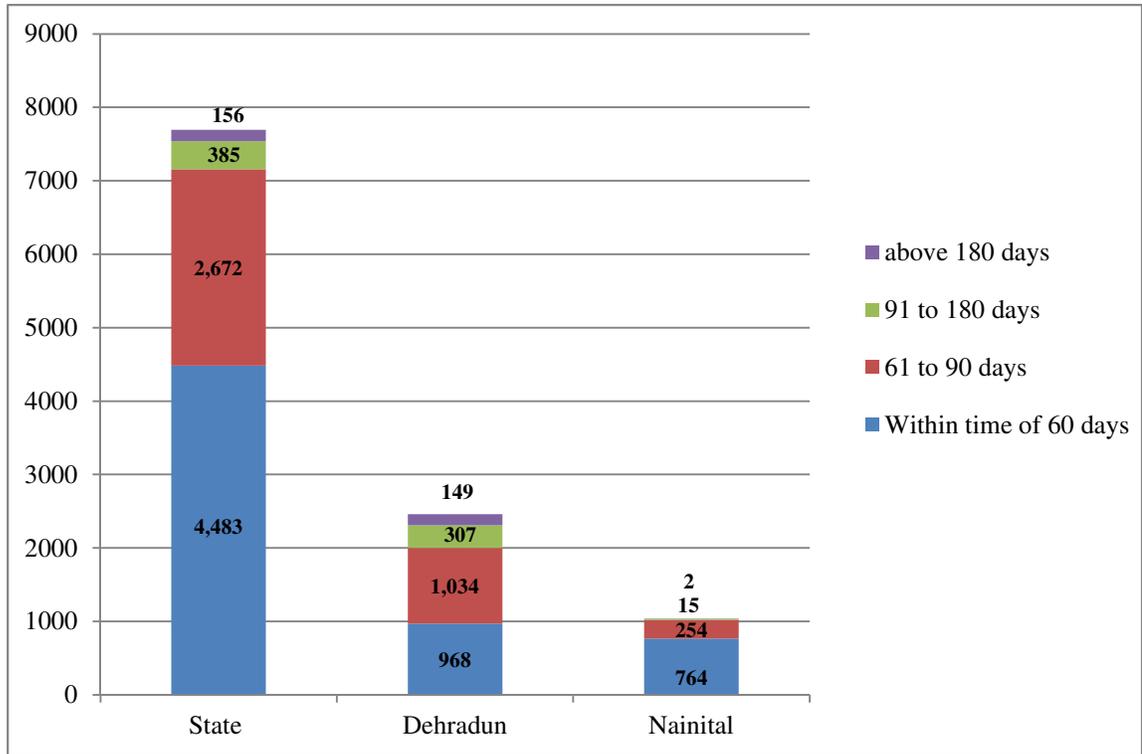
There were 61,228 registered petty FBOs and 7,696 licensed FBOs in the State up to March 2016. In the selected districts of Dehradun and Nainital, the number of registered petty FBOs and licensed FBOs were 18,320 and 3,493 respectively.

### 1.5.3 Delay in issuing of Licenses

According to the Regulations, a license shall be issued by the concerned licensing authority within a period of 60 days from the date of issue of an application ID number which, in turn, is issued on receipt of a complete application including additional information, if asked for.

Test-check of records of the Office of the Commissioner and of the DOs of Dehradun and Nainital brought out delays in issuing of licenses to FBOs in the State as a whole as well as in the two selected districts as depicted in **Chart-1.5.1** below.

**Chart-1.5.1: Delay in issue of licenses to FBOs**



Source: data/information provided by the Commissioner Food Safety Uttarakhand.

As can be seen from the **Chart-1.5.1**, 42 per cent<sup>31</sup> licenses were provided after the prescribed time limit of 60 days in the State. At the same time, 61 per cent and 26 per cent licenses were provided after the prescribed time limit in Dehradun and Nainital districts respectively.

The delay was attributed (July 2016) by the respective DOs to late submission of required documents by FBOs. The reply is not tenable as there was delay averaging 38 days at the level of DOs in issuing the licenses after receiving the applications from the FBOs.

<sup>31</sup>  $[(156+385+2,672)/(156+385+2,672+4,483)]*100$  per cent = 42 per cent.

#### **1.5.4 Sampling of Food Articles**

Sampling of food products is one of the important aspects of enforcement of the Food Safety and Standards Act. Scrutiny of records revealed that no targets were fixed for sampling the food items sold by the operating FBOs. Due to lack of any targets, the number of samples collected since 2011-12 was only six *per cent*, seven *per cent* and six *per cent* of the total number of the FBOs registered/licensed in the State and in Dehradun and Nainital respectively. Thus, 94 *per cent* of FBOs operating in the State have been out of the operating inspection process since the Regulations came into effect. Sampling assumes even more significance in view of the fact that 14 *per cent*, 20 *per cent* and 13 *per cent* of the samples collected in the whole State and in Dehradun and Nainital respectively have failed. This raises serious concerns regarding food safety necessitating greater checks through increased sampling of the FBOs.

#### **1.5.5 Testing of Food Articles**

The Food Safety Act provides for seizure of food items by food safety officers and testing of them by food analysts for compliance of standards of food items with the standards laid down by the Act. Therefore, laboratories and food analysts have a major role to play in enforcement of the Food Safety Act.

Scrutiny of records of the Commissioner, Food Safety revealed that 28 posts<sup>32</sup> had been created in January 2013 by the Government for the State's lone Food and Drug Testing Laboratory at Rudrapur. However, only six junior analysts were working in the laboratory at present. This had resulted in considerable delays in finalising of reports of collected samples as the average time taken in testing and generating reports for samples is currently 125 days (2015-16) compared to 20 days taken in 2011-12.

The matter was reported to the Government (August 2016). Their reply had not been received (December 2016).

### **FOREST DEPARTMENT**

#### **1.6 Avoidable Expenditure due to commencement of works without technical sanction.**

***Award and commencement of work of construction of an office building without technical scrutiny and sanction as per codal provisions resulted in a deficient estimate that led to avoidable expenditure of ₹ 2.95 crore due to cost escalation.***

The Financial Hand Book Volume- VI stipulates that proposals for construction works should be accorded administrative approval and financial sanction before commencement of the works. The technical estimates are also to be examined and technical sanction is to

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<sup>32</sup> Government Analyst-01, Public Analyst-01, Micro-Biologist-01, Senior Analyst-07, Technologist-01, Scientific Officer-02, Junior Analysts-12 and Scientific Assistant-03.

be accorded before the technical designs are approved and implemented to ensure their completeness and technical viability.

The State Government mooted (March 2011) construction of *Van Bhawan* to house all the 18 offices of the Forest Department scattered at various places in Dehradun under one roof. GoI allotted ₹ 15 crore for the construction of the building. The total cost of the project was estimated at ₹ 12.90 crore<sup>33</sup>. The Government of Uttarakhand accorded administrative and financial sanction (March 2011) to the estimates and released the total amount (March 2011 to March 2012) to the Additional Chief Conservator of Forests. The executing agency *i.e.* Uttarakhand Pety Jal Nigam (UPJN) started the construction in March 2012 which was slated to be completed by March 2014. However, no technical sanction was obtained for the works before commencement.

Scrutiny of records of the Divisional Forest Officer (DFO) Dehradun revealed the following:

- (i) The detailed estimate was deficient as it was submitted without structural design and without including many essential works like rain water harvesting, fire alarm system, fire-fighting system, water proofing of basement, expansion joint treatment, networking and communication although these were required for such non-residential category-I building.
- (ii) The State Planning Commission, in a technical examination (April 2013), found many defects in the construction works like drawing/design of the work being erroneous leading to inflation in cost, inferior concrete requiring higher cement consumption being used, rates being exaggerated, low strength mild steel being used which reduced the strength of the work and the contractor being unduly benefitted. The report of the State Planning Commission put the excess cost to be borne on account of these faults at ₹ 1.70 crore.
- (iii) A meeting was held in September 2013 between the Chief Conservator of Forests (CCF) and General Manager of UPJN in which the CCF asked the executing agency to submit a revised estimate including all the works which were required for the building. The revised estimate was ultimately approved (March 2015) by the Department at a total cost of ₹ 19.58 crore which, besides cost of additional items proposed, included ₹ 2.95 crore in the form of escalation in the cost of labour and material and the date of completion was revised to March 2016. Such cost escalation could have easily been avoided had all these necessary items whose exclusion was known to the Executing Agency as well as the Department been included in the first estimate itself.

Thus, due to deficiencies of the estimate, the State Government had to bear cost escalation of ₹ 2.95 crore as well as delay in the completion of the project that could have

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<sup>33</sup> The residual grant of ₹ 2.10 crore was proposed to be utilized by the Department on additional works.

been avoided had the technical estimates been properly scrutinised and approved as envisaged in the codal provisions before commencement of works.

The matter was referred to the Government (June 2016). The reply had not been received (December 2016).

## **1.7 Prevention of forest fires**

***The Department lacked sufficient funds for preventing and controlling forest fires which translated into shortages of essential fire-fighting equipment, vehicles, communications as well as manpower. Shortages of equipment, accessories and vehicles required for fire-fighting in the fire season ranged from 31 to 100 per cent while shortage of manpower ranged from 16 to 55 per cent in cadres of foresters and forest guards. Equipment when purchased was received late in the forest divisions. Maintenance of records of occurrence of forest fires and the response times achieved which are essential for both assessing the efficacy of the systems in place as well as to plan future requirements was inadequate and both long term and short term measures required for fire management were not taken.***

### **1.7.1 Introduction**

The National Forests Policy, 1988, aims at bringing 33 per cent of the country's geographical area under forests or tree cover. The geographical area of Uttarakhand is 53,483 sq kms out of which forest cover comprises 37,999.60 sq kms<sup>34</sup> i.e. 71 per cent of the total area.

Forest fires in Uttarakhand have been a usual feature since long. However, the incidence of forest fires has increased in the slopes of the sub-Himalayan region in the past few years. A compliance audit focusing on activities of the Forest Department for prevention of forest fires in the State was conducted between July 2016 and August 2016. For this purpose, records of four Divisional Forest Offices<sup>35</sup> (DFOs) out of a total of 35 DFOs were scrutinized for the period from 2013-14 to 2015-16. Information was also gathered from the Principal Chief Conservator of Forest (PCCF), Dehradun and the Chief Conservator of Forest (CCF) Vigilance, Haldwani.

### **1.7.2 Incidents of fire**

The number of incidents of forest fire and the area affected due to such incidents reported during the period 2013 to 2016 is depicted in **Table-1.7.1** below:

**Table-1.7.1: Details of incidents, area affected in state and selected divisions**

Year	Uttarakhand State		Selected Divisions	
	Incidents	Area Affected (in hect.)	Incidents	Area Affected (in hect.)
2013	245	384.05	52	114.85
2014	515	930.33	143	263.70
2015	412	701.61	46	95.50
2016	2,074	4,433.75	352	854.45
<b>Total</b>	<b>3,246</b>	<b>6,449.74</b>	<b>593</b>	<b>1,328.50</b>

<sup>34</sup> Source: Uttarakhand Forest Statistics 2014-15, Forest Department, Uttarakhand.

<sup>35</sup> Bageshwar, Almora, Rudraprayag and Uttarkashi.

There has been an increase in the number of incidents of fire reported and the area affected except during the year 2015. The year 2016 witnessed an alarming five-fold increase in the incidents of fire and six-fold increase in the area affected over the previous year in the State. The increase in the test-checked divisions was seven-fold increase in terms of number of fire incidents and eight-fold increase in the area affected over previous year. The incidents of fire and area affected were 77 and 120 *per cent* respectively over the combined incidents of the previous three years in the State and 46 and 80 *per cent* respectively in the test-checked divisions.

### 1.7.3 Management of Forest Fires

Managing forest fires require elaborate planning, sufficient financing, undertaking pre-emptive measures and intensive monitoring by the Department particularly at the grassroots level. Participation of the community is also critical for effective fire management efforts. However, audit found that the departmental efforts were deficient in achieving the intended targets of controlling forest fire as detailed in subsequent paragraphs.

#### 1.7.3.1 Availability of funds

Government of India provides 90 *per cent* funds for proposals approved under the Centrally Sponsored Scheme of "Intensification of Forest Management Scheme" (IFMS). In addition, under the State Sector, Forest Fire Protection Scheme (FFPS) is operated for the purpose. The status of budget demand and allotment in the test-checked divisions under these schemes is provided in **Table-1.7.2** below.

**Table-1.7.2:** Details of budget demand in the test-checked divisions under IFMS and FFPS during the years 2013-16

Year	Budget demand under IFMS	Budget allotted under IFMS	Expenditure incurred	Percentage of reduction against demanded budget	(₹ in lakh)			
					Budget estimates under FFPS	Budget allotted under FFPS	Expenditure incurred	Percentage of reduction against demanded budget
2013-14	80.64	59.27	59.27	26.50	142.99	85.11	85.11	40.48
2014-15	124.66	27.38	27.38	78.04	146.24	97.85	97.85	33.09
2015-16	102.40	38.53	38.53	62.37	178.13	74.60	74.60	58.12

Source: Information collected from the test-checked divisions.

There was a huge gap between the budget demands forecasted and the budget allotments. The reduction against the demanded budget provisions ranged between 26 and 78 *per cent* under the IFMS and between 33 and 58 *per cent* under the FFPS. It is evident that due importance was not being placed combating forest fires despite the increase in the number of such occurrences.

#### 1.7.3.2 Fire Management Plan

The District Fire Management Plan lays down the strategy for fire management, resources available, logistics and establishment of communication systems. Audit observed the following:

- (a) The fire plan of Almora division for the years 2014, 2015 and 2016 specified a proforma for depicting the incidents of fires giving all the details. The forest ranges were however not reporting in the prescribed format; and
- (b) None of the various long term measures proposed in Bageshwar division for prevention and control of fires had been carried out during 2013 to 2016.

These instances revealed that the Divisions had adopted a less than serious approach towards implementation of fire plan. As a result, preparation of fire management plans has become mere formality and not a direction for execution.

### **1.7.3.3 Mock Drills**

To enhance the capabilities of forest staff to deal with forest fires, the Union Ministry of Environment & Forests had directed in October 2005 that each forest division should prepare an action plan and conduct a full scale mock drill each year and forward a report of observed strength and weaknesses of the plan to the District and State Crisis Groups respectively. Audit found that no such mock drills were conducted in the test-checked divisions. Thus, the objectives of knowing the strengths and weaknesses of the action plans remained unattended.

### **1.7.3.4 Purchase and distribution of fire fighting equipment**

It is desirable that before the onset of fire season<sup>36</sup>, fire fighting equipment is made available in each range. Scrutiny of records of purchase and distribution of equipment in three out of four test-checked divisions revealed that equipment was purchased<sup>37</sup> either during or after the expiry of the season. In case of Uttarkashi division, equipment purchased in April 2016 was not distributed to the respective ranges till August 2016. It was also noticed that 32 fire kits were received in the Uttarkashi division in January 2013 but the same were distributed to the ranges in August 2013 *i.e.* with a delay of seven months. During this period there were 26 incidents of fire which affected 42.35 hectares of forest.

Uttarkashi division stated (August 2016) that the purchases were made on the basis of the availability of funds and the directions of the higher authority and distributed to the ranges. However, the necessary entries were not made in the stock registers. The reply is not tenable as no evidence was provided to audit as to when these items were distributed to the respective ranges. Further, appropriate reasons were not furnished for late distribution of fire kits which were received in January 2013 by the division. DFOs of Bageshwar and Rudraprayag divisions stated that purchases were delayed due to late receipt of budget.

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<sup>36</sup> Beginning from 15<sup>th</sup> of February to 15<sup>th</sup> of June.

<sup>37</sup> Equipment purchased by Bageshwar division: 05/2016, Rudraprayag division from 23.04.2016 to 27.06.2016, Uttarkashi division from 27.04.2016 to 03.05.2016.

### 1.7.3.5 Non-providing of modern fire fighting equipment and inadequate availability of equipment and accessories

The State Government had directed (January 2014) the department to use modern light weight fire fighting equipment prepared by the Forest Research Institute Dehradun such as search light, head light (LED), fire proof jacket, dress, tools and other modern equipment.

Records of test-checked divisions revealed that even after a lapse of two and half years, the Department was unable to provide the said fire fighting equipment despite the fact that there was a huge shortage<sup>38</sup> of essential equipment and accessories in the selected divisions. It was also observed that in Almora division, even essential equipment and accessories such as water bottles, torch/ search light, fire kit bag, shoes, helmet, fire uniform and fire apron were not available.

### 1.7.3.6 Shortage of means to provide mobility to crews and equipment

Response time taken to address an emergent situation of fire has a bearing on controlling the fire incident. To enable a short response time, mobility of the response team has to be ensured. Vehicles are required to transport crew from the crew station to the spots of fire or up to the nearest motorable destination along with equipment.

Audit could not arrive at any quantification of delays in response time as the registers maintained at the Master Crew Stations did not show the time at which a report of a fire incident was received. Further, records of the test-checked divisions revealed shortage of vehicles ranging from 33 to 100 *per cent* that would clearly have an adverse impact on controlling of the fires as depicted in **Table-1.7.3** below.

**Table-1.7.3: Details of requirement, availability and shortage of vehicles**

Division	Requirement of Vehicles for Fire Season	Availability of Vehicles	Shortage ( <i>per cent</i> )
Bageshwar	29	-	29(100)
Almora	17	05	12(71)
Rudraprayag	18	01	17(94)
Uttarkashi	09	06	03(33)

### 1.7.3.7 Shortcomings in the communication system

Prompt communication of information about incidents of fire is the key to quick response and control of fires before they spread. There are crew stations and a master crew station at the range level and a master control room at the division level.

It was noticed that these stations in the two test-checked divisions<sup>39</sup> were facing acute shortage ranging from 66 to 70 *per cent* of communication equipment such as walkie talkie and wireless handsets. As a result, the Department did not have a sound

<sup>38</sup> Bageshwar: 59 *per cent*, Almora: 81 *per cent*, Rudraprayag: 43 *per cent* and Uttarkashi: 31 *per cent*.

<sup>39</sup> Bageshwar, Rudraprayag.

communication network. Thus, timely sharing and transmission of information regarding incidents of fires could not be achieved as discussed in the succeeding paragraph.

### **1.7.3.8 Recording/reporting of fire incidents**

Recording of fire incidents is essential for the purpose of maintaining a proper database of fire incidents and for future planning. However, the system of recording/reporting<sup>40</sup> fire incidents was found lacking as can be seen from the **Table-1.7.4** below.

**Table-1.7.4: Details of incidents and area affected received from CCF Office and selected divisions**

Name of divisions	No. of Incidents during 2016		Area affected (In Hectare) during 2016	
	As per information received from CCF office	As per information provided by the divisions	As per information received from CCF office	As per information provided by the division
Bageshwar	59	55	213.35	220.10
Almora	115	116	297.85	299.35
Rudraprayag	72	73	147.20	148.20
Uttarkashi	92	108	157.85	186.80
<b>Total</b>	<b>338</b>	<b>352</b>	<b>816.25</b>	<b>854.45</b>
<b>Difference</b>	<b>14</b>		<b>38.20</b>	

From the above table, it is evident that there was inconsistency in the records of fire incidents between the divisional records and the information received from CCF office. Audit observed the following:

- In 2016, out of 73 incidents of fire which occurred in the ranges of Rudraprayag division, 71 incidents were not found recorded in register maintained at master control room. However, detailed reports of incidents of fire were transmitted to the CCF Haldwani on the basis of detailed reports<sup>41</sup> received from the ranges.
- Records pertaining to Master Control Room of Bageshwar and Almora revealed that incidents of fire of a particular date were recorded on the succeeding date and in some cases after three to four days after the occurrence of the incidents and subsequently transmitted to the concerned office.
- Fourteen out of 15 and 71 incidents of fire for the year 2015 and 2016 respectively were not found recorded in the register maintained at the Master Control Room register of Uttarkashi division.

All the Divisions attributed the delays in recording to the lack of proper communication facilities. Audit observed that the system of recording of fire incidents at the range and divisional levels needs necessary revamp if it is to serve the intended purpose.

### **1.7.4 Availability of manpower**

Manpower management is an essential tool for the functioning and achievement of the laid down objectives of a department. In fire fighting in a forest, the forester is the team

<sup>40</sup> The daily report regarding the fire incidents is to be transmitted by 1:00 p.m. to the respective CF in the prescribed format (Directions regarding the prevention of forest fire).

<sup>41</sup> Area affected and location of the incidents.

leader with forest guards and fire watchers as members of the crew. The availability of manpower mainly engaged in fire fighting is depicted in **Table-1.7.5** below:

**Table-1.7.5: Status of Men-in Position (MIP) against Sanctioned Strength (SS) in selected Division**

Division	Post	SS	MIP	Shortage (in percentage)
Bageshwar	Forester	62	48	14 (23)
	Forest Guard	68	57	11 (16)
Almora	Forester	109	72	37 (34)
	Forest Guard	130	59	71 (55)
Rudraprayag	Forester	20	38	18 (Excess)
	Forest Guard	70	44	26 (37)
Uttarkashi	Forester	83	54	29 (35)
	Forest Guard	147	105	42 (29)

Source: Department of Forest.

There was a shortage ranging from 23 to 35 *per cent* of foresters in the three sampled divisions and from 16 to 55 *per cent* of forest guards in all these divisions whereas 18 foresters were posted in excess of the sanctioned strength in Rudraprayag division. Besides, fire watchers, the temporary daily labourers engaged for keeping watch on the incidents of fire and helping in the efforts of extinguishing fire, were short by 20 *per cent* to 86 *per cent* in the test-checked divisions. No specific training was provided to this staff for preventing and tackling forest fires.

Thus, the fire-fighting capabilities were severely constrained by both shortages of key personnel as well as lack of training to personnel that were available.

### **1.7.5 Measures for managing fires**

#### **1.7.5.1 Creation of fire lines**

Fire lines<sup>42</sup> not only control the fire from spreading beyond a certain area but also provide speedy transportation of manpower to the fire spot to address the emergent problem of fire besides ensuring safety of the fire crew and general public.

Scrutiny of records of sampled divisions revealed that no new fire lines had been created during 2013-14 to 2015-16. Information sought from the PCCF office regarding the provision of budget for the divisions revealed that there was no provision of budget for creation of fire lines during the year 2013-14 to 2015-16 in Uttarakhand. However, existing fire lines were being maintained as part of regular maintenance.

#### **1.7.5.2 Construction of Catchments/water storage structures and maintenance of Natural Water Resources**

Natural water resources are essential for maintaining the balance of soil moisture which prevents drying up of forest which creates conditions conducive to outbreaks of fire. Test-check of records of three<sup>43</sup> out of four selected divisions revealed that no budget had been provided for construction of catchments / water storage structures during the years

<sup>42</sup> Fire lines are gaps in the vegetation of a forest. They break the continuum of the forest floor combustible material and could be of natural origin like rivers, lakes and manmade structures like roads, canals, stone walls in addition to fire lines themselves.

<sup>43</sup> Bageshwar, Almora and Uttarkashi.

2013-14 to 2015-16. Further, these divisions<sup>44</sup> had 223, 275 and 143 natural water sources<sup>45</sup>. However, no maintenance of these sources was carried out by the divisions during the period 2013-14 to 2015-16. Even 12 dried up water sources in Almora division earmarked for treatment in the fire protection plan of 2014 were not rejuvenated. However, in Uttarkashi division, out of 12 dried up water sources, seven had been rejuvenated during 2014-15.

Drying up of natural water resources, not rejuvenating the same and their non-maintenance had an adverse impact on the health of the forest in general and in prevention of fire in particular. This coupled with exceptionally dry summer in 2016 contributed significantly to high incidence of forest fires in the State.

### **1.7.5.3 Controlled burning**

Controlled burning<sup>46</sup> regulates fire in forest areas by removal of litter on the forest floor and also of other combustible material. It was noticed that there was no budgetary support for this activity during 2013-14 to 2015-16. It was this litter, particularly of pine trees, that contributed maximum to incidence of forest fires.

### **Conclusion**

Thus, despite the increasing incidence of forest fires in the State, adequate attention was not placed on measures to prevent their occurrence. Poor budgetary support translated into shortages of essential fire-fighting equipment, vehicles, communications as well as manpower. Maintenance of records of occurrence of forest fires and the response times achieved which are essential for both assessing the efficacy of the systems in place as well as to plan future requirements was inadequate and both long term and short term measures required for fire management were not taken. All these factors compounded the increase in number and intensity of incidents of forest fires.

The audit findings were reported to the Government (July 2016); its reply was awaited (December 2016).

## **Higher Education Department**

### **1.8 Setting up of Private Universities**

***The Department did not exercise due diligence to ensure compliance with extant guidelines while issuing Letters of Intent to sponsoring bodies for establishment of private universities. Full compliance with the guidelines was made by only one out of 11 private universities in the State. Evaluation of proposals was not done in the stipulated format and Government decisions as to reservations in admissions were not incorporated in the relevant statutes and rules of the universities.***

<sup>44</sup> Bageshwar, Almora and Uttarkashi.

<sup>45</sup> These are springs from where water flows out of earth.

<sup>46</sup> Controlled burning is an established forestry management tool that is employed to manage forests.

### **1.8.1 Introduction**

The objective of establishing private universities is to develop and promote higher education in the fields of engineering, medical, management, architecture, communications, environment and other disciplines. The State Government is required to put in place a suitable regulatory mechanism to facilitate the setting up of such universities in the State and their subsequent operation as per the guidelines of the University Grants Commission (UGC). The State Government promulgated its guidelines for the purpose in March 2011. Till date, 11 private universities have been established in the State.

An audit of the functioning of the institutional mechanisms and procedures put in place by the State Government for facilitating setting up of private universities was conducted during June 2016 to July 2016 by test-check of the records of the Higher Education Department pertaining to setting up of seven<sup>47</sup> of the total 11 private universities functioning in the State.

After receiving the proposal for establishment of a private university from the sponsoring body, a three member Committee comprising representatives of Higher Education Department and Finance Department and the Director of Higher Education evaluates the proposals and then submits them before a twelve member High Level Committee (HLC) which functions under chairmanship of the Chief Secretary as a single window platform for approving such proposals. Thereafter, the State Government issues a Letter of Intent (LoI) to the sponsoring body. The LoI contains conditions which are to be fulfilled by the sponsoring bodies for establishing private universities. After receiving the compliance report to the LoI, the HLC further examines the same, and on being satisfied, it sends its report to the State Government. Once the verification of the compliance report is received, a separate Act for incorporating the Private University is passed in the State Legislature

### **1.8.2 Non-evaluation of pre-conditions for issue of Letter of Intent**

Scrutiny of the records of the Department of Higher Education revealed the following with respect to issue of LoI to the sponsoring bodies:

- LoI was issued after full compliance of the guidelines (2011) only in case of one University<sup>48</sup>. In case of remaining 10 private universities, the Department did not evaluate whether the pre-conditions of LoI had been met or not. The result of such a procedural lapse can be seen in the Acts of the University of Petroleum and Energy Studies, the ICFAI University and the Patanjali University which were enacted

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<sup>47</sup> Institute of Chartered Financial Analysts of India (ICFAI) University, University of Petroleum and Energy Studies, Patanjali University, Uttaranchal University, DIT University, Swami Rama Himalayan University and Motherhood University.

<sup>48</sup> The Motherhood University.

without the sponsoring bodies even having requisite land which was an essential pre-condition.

- Minimum required standards were not followed by the ICFAI University in respect of physical infrastructural, administrative and teaching staff.
- In case of Dehradun Institute of Technology (DIT) University, the UGC had observed (February 2015) insufficient number of faculty, inadequate faculty and cadre ratio as well as insufficient land for development of outdoor sports facility and residential accommodation. There was no evidence to indicate whether the university had rectified the lacunae pointed out by the UGC nor of any follow-up of UGC report by the Department.
- Mandatory provisions of the UGC (Establishment of and Maintenance of Standard in Private Universities) Regulations, 2003 relating to fulfillment of minimum criteria in terms of programmes, faculty, infrastructural facilities, financial viability, *etc.*, conforming of the programmes of study leading to a degree and/or a post-graduate degree/diploma to the relevant regulations/norms of the UGC or the concerned statutory body and the admission procedure and fixation of fees were not incorporated in the Act of University of Petroleum and Energy Studies.

### **1.8.3 Non-evaluation of the proposals in prescribed format**

The State Government had developed two proforma for evaluating the proposals. Marks are allotted on the basis of information/data in the relevant proforma. At least 50 *per cent* marks were to be obtained by each university proposal before the HLC could recommend the same for establishment of the university.

Scrutiny revealed that none of the proposals of private universities were examined in accordance with the proforma prescribed in the guidelines. In absence of any documentation, audit could not ascertain whether these private universities had fulfilled the required essentialities for the establishment of a private university or not.

The Department stated (August 2016) that proposals could not be scrutinised in the prescribed formats due to lack of time during Assembly Sessions. It was added that proposals were now being submitted before the High Level Committee on the basis of marks which were provided in the prescribed formats by the Evaluating Committee.

### **1.8.4 Non-approval of statutes and rules**

The Acts establishing private universities provide that the first Statutes and Rules made by the Board of Governors shall be submitted to the State Government for its approval which may, within three months for Statutes and two months for Rules, accord its approval with or without modification(s).

Audit found that in case of four private universities *viz.* Patanjali University, Uttaranchal University, DIT University and Motherhood University, the statutes and rules were yet to be approved by the State Government whereas these universities had submitted the Statutes and Rules on 7<sup>th</sup> November 2011, 3<sup>rd</sup> May 2013, 14<sup>th</sup> October 2013 and

20<sup>th</sup> January 2016 respectively. The records of the Department did not indicate whether the Government had ensured that the private universities had commenced accepting admissions and conducting classes in approved courses only after the concerned statutes and rules were approved.

### **1.8.5 Non-incorporation of Government Decisions in Statutes of the University**

Scrutiny of records of selected private universities revealed that the Department did not ensure incorporation of the directions of the State Cabinet in the Acts of the universities as below:

- The Government decided (June 2003) to provide for 10 *per cent* reservation to permanent residents of the State in each course, scholarships for their students and admission to at least 50 to 60 12<sup>th</sup> passed students from different districts of the State in the University of Petroleum and Energy Studies. These provisions were not incorporated in the Act of the University.
- The Government decided (June 2003) that there should be 25 *per cent* reservation for the permanent residents of the State as well as free training programme for entrance examination in ICFAI University. However, this provision was not incorporated in the concerned Act.
- The notification for establishment of Patanjali University was accorded (April 2006) before establishment (December 2006) of the endowment fund. This was in violation of the guidelines through which the University was established. There was no evidence on record to show that the Department had evaluated the recommendations of the State Cabinet before deciding upon their exclusion from the respective Acts of Establishment.

### **1.8.6 Non-investment of income from endowment fund**

The Acts of Establishment of ICFAI and Patanjali University provide that the university shall establish a permanent endowment fund and 75 *per cent* of income received from the fund shall be used for the purposes of development works of the university and remaining 25 *per cent* shall be reinvested into the permanent endowment fund. ICFAI and Patanjali University had pledged Fixed Deposit Receipts (FDRs) in the name of Government of Uttarakhand amounting to ₹ 1 crore for 10 years and ₹ 3.01 crore for five years respectively.

Scrutiny of records revealed that ₹ 0.53 crore (ICFAI: ₹ 0.19 crore and University of Patanjali: ₹ 0.34 crore) being 25 *per cent* of income received from the permanent endowment funds were not reinvested. Further, the Department had not monitored whether the income generated from the investment of the endowment fund were being utilized for the purpose of development works of the universities.

### **1.8.7 Non-monitoring of follow-up action on undertakings by sponsoring bodies**

The Acts<sup>49</sup> establishing Universities stipulated the following:

- Forty *per cent* seats of all the courses should be reserved for the permanent residents of the State.
- All the students, who are permanent residents of the State, are to be provided a concession of 26 *per cent* in their tuition fees.
- All the posts of Group 'C' and 'D' are to be compulsorily filled up only with the permanent residents of the State.

However, there was no follow-up action by the Department to ensure whether these as well as other conditions related with minimum requirements of infrastructure were fulfilled by the private universities who had made commitment in this regard.

The matter was referred to the Government (August 2016). Their reply had not been received (December 2016).

## **HORTICULTURE DEPARTMENT**

### **1.9 Horticulture Mission for North East and Himalayan States**

***The State Mission Office(SMO) released ₹0.34 crore to a Sansthan without the necessary approval of the State Level Executive Committee while ₹3.32 crore was irregularly disbursed for construction of poly houses and planting material without adhering to the stipulated conditions of title to land and norms for grant of assistance. Similarly, assistance of ₹0.91 crore was paid to beneficiaries for area expansion of fruits and vegetables without adhering to the guidelines. The District Horticulture Offices (DHOs) also provided irregular assistance of ₹0.35 crore for horticulture mechanization and creation of water resources without either ensuring title to land of the beneficiaries or verifying proof of expenditure incurred as required under the guidelines.***

#### **1.9.1 Introduction**

The Horticulture Mission for North East and Himalayan States (HMNEH) is being implemented in the State since 2003-04 as a centrally sponsored scheme for the holistic development of the horticulture sector. In 2014-15, the Government of India approved a Mission for Integrated Development of Horticulture (MIDH) subsuming HMNEH and other horticulture sector schemes.

Audit test-checked records of the schemes implemented under the Mission during April 2013 to March 2016 in five out of 14 implementing units [13 District Horticulture Offices (DHOs) & one Horticulture Specialist] along with the records of the State Mission Office

<sup>49</sup> Motherhood University Act 2014, The DIT University Act 2012, Uttaranchal University Act 2012 and Himalayan University Act 2012.

(SMO) which is the nodal centre for implementation of the HMNEH /MIDH (Mission) in the State.

## 1.9.2 Financial Management

The details of grants received and expenditure incurred are tabulated in **Table-1.9.1** below:

**Table-1.9.1: Details of grants received, expenditure incurred and the unutilized balance**

(₹ in lakh)

Year	Amount as per AAP	OB of Unutilized fund	Funds released	Total fund (3+4)	Exp. incurred against AAP		Total Exp.	CB
					Current year	Previous year		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2013-14	4,481.00	1,440.88	3,000.00	4,440.88	2,139.49	973.94	3,113.43	1,327.45
2014-15	4,600.00	1,327.45	3,272.80	4,600.25	1,749.79	1,064.17	2,813.96	1,786.29
2015-16	2,500.00	1,786.29	2,250.00	4,036.29	1,616.84	1,433.49	3,050.33	985.96

Audit noticed that there was no mechanism in place which allowed the SMO to keep a watch on the actual utilization/expenditure of funds by the DHOs against each approved Annual Action Plan.

Further, out of grants received from GoI under the Mission, an amount of ₹ 0.14 crore was disbursed (September 2011 and March 2012) by the SMO as loan to Indo-Italian Fruit Development Project towards organization of 'Vasantotsav' by the State Government which was neither in accordance with the guidelines of the Mission nor had the specific approval of the GoI. Moreover, another loan of ₹ 1 lakh was disbursed again towards the same activity in March 2016. Both the loans remained unrecovered (June 2016). The SMO stated (April 2016) that the State Government was being requested repeatedly to repay the amount.

## 1.9.3 Implementation of Scheme

### 1.9.3.1 Research & Development (MM-I)

Up to 2013-14, funds for implementation of MM-I (R&D) were being directly released by GoI to an autonomous body *i.e.* the *Vivekananda Parvatiya Krishi Anusandhan Sansthan* (VPKAS) which incurred expenditure of ₹ 0.36 crore in excess of the funds released to them. In response to a request (October 2014) by VPKAS to the Union Ministry of Agriculture for recoupment of the excess expenditure, the latter informed that after April 2014, MIDH was working in project mode and past commitments were to be addressed by the concerned States after approval by their respective State Level Executive Committees (SLEC). However, the SMO without obtaining the approval of the SLEC, released ₹ 0.34 crore to VPKAS against the amount available for the Annual Action Plan 2014-15 which had no specific provision to meet past liabilities.

The SMO stated (April 2016) that the past liability had been met as per the instructions of the GoI. The reply was in fact to the directions of the GoI which had clarified that past commitments were to be addressed by the concerned State after the approval of the SLEC which was not done in the present case.

### **1.9.3.2 Production & Productivity Improvement (MM-II)**

#### **Protected cultivation**

##### **1.9.3.2 (a) Inadmissible payments for fabrication of Poly Houses**

For installation of Green House Structure (Poly house), a tripartite agreement was to be entered into amongst the beneficiary, the firm engaged for construction of poly house and the DHO to ensure that the firm provided (i) warranty for free maintenance for one year from the date of installation and (ii) technical training to the beneficiaries for the operation, maintenance and production of horticultural crops. The assistance on poly houses was to be provided @ 50 per cent of the total cost to persons having title to the land. Audit scrutiny brought out the following:

- (a) No tripartite agreement was entered into in any of the DHOs. In the absence of a tripartite agreement, the DHOs did not ensure compliance with the above mentioned conditions for operation of the poly houses.
- (b) During the years 2013-14 to 2015-16, an amount of ₹ 0.94 crore<sup>50</sup> was disbursed for the construction of poly houses to 15 persons who did not have any farm land in their name.
- (c) During 2013-14 to 2015-16, seven farmers in DHO Dehradun and 20 farmers in DHO Haridwar submitted bills of ₹ 0.33 crore and ₹ 2.68 crore respectively raised by the firms for construction of poly houses without any proof of actual payment made by them to the firms. The DHOs also did not insist on proof of actual payment made against those bills in the form of receipts issued by the firms before disbursing the assistance. As such, the payment of ₹ 1.44 crore (beneficiary share: ₹ 0.16 crore in Dehradun and ₹ 1.28 crore in Haridwar) by beneficiaries could not be verified in audit.
- (d) The SMO registered 14 firms in January 2015 for construction of poly houses as per the technical specifications set by the National Committee on Plasti-culture Applications in Agriculture and Horticulture (NCPAH). The farmers (beneficiaries) were free to choose from any of the registered firms. During 2015-16, subsidies amounting to ₹ 0.37 crore<sup>51</sup> were paid to 13 beneficiaries for the construction of poly houses by firms which were not registered with the SMO. Further, none of the poly houses installed were tested either by the departmental authorities or by the firms involved to ensure compliance with the prescribed quality standards.

Thus, not only was there no tripartite agreement to hold the firms accountable for the poly houses being installed, an amount of ₹ 2.75 crore was irregularly paid to persons without title to any farm land and for firms that were not registered with the SMO. Further, the department also failed to ensure quality of the poly houses constructed.

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<sup>50</sup> DHOs: Dehradun ₹ 0.23 crore, Haridwar- ₹ 0.61 crore, US Nagar ₹ 0.05 crore and Nainital ₹ 0.05 crore.

<sup>51</sup> DHOs- Dehradun: ₹ 0.36 crore and Haridwar: ₹ 0.01 crore.

### **1.9.3.2 (b) Irregular payments for planting material in poly houses**

One-time assistance of 50 per cent towards cost of planting materials and cultivation in poly houses was to be provided to such beneficiaries who constructed poly houses under the scheme. Scrutiny of the records revealed the following:

- i. DHO, Haridwar provided assistance of ₹ 0.30 crore to 11 beneficiaries towards cost of planting material and cultivation in poly houses constructed under schemes other than the HMNEH.
- ii. DHO Dehradun gave assistance at the rate of 100 per cent against bills of ₹ 0.11 crore submitted by three beneficiaries towards purchase of planting material and inputs instead of restricting the same to 50 per cent of the total as per the prescribed norms. Further, bills of ₹ 11.21 lakh submitted by the beneficiaries included bills of ₹ 3.51 lakh not issued in their names and were thus not eligible for assistance under the scheme. This violation of the guidelines resulted in irregular assistance of ₹ 7.36 lakh<sup>52</sup>.
- iii. DHOs Dehradun and Nainital provided excess assistance of ₹ 6.79 lakh towards the cultivation of *Lilium* to six beneficiaries at rate of ₹ 700 per sqm against the prescribed cost norm of ₹ 426 per sqm.
- iv. DHOs, Dehradun and Haridwar provided an assistance of ₹ 0.13 crore to five beneficiaries for the second or the third time towards cost of planting material and cultivation of flowers/vegetables whereas such assistance had to be provided only once.

Thus, non-adherence to the HMNEH guidelines resulted in irregular assistance of ₹ 0.57 crore in the test-checked DHOs to beneficiaries.

### **1.9.3.3 Establishment of new gardens**

#### **1.9.3.3 (a) Area expansion of fruits and vegetables**

Mission guidelines permit assistance only towards the cost of (a) planting material (b) Integrated Nutrient Management (INM) and (c) Integrated Pest Management (IPM) for the establishment of new gardens. Audit found the following:

- i. DHOs, Dehradun and Haridwar provided assistance of ₹ 0.52 crore for Canvas / PVC pipe (for irrigation) to beneficiaries of "fruit" area expansion and assistance of ₹ 0.39 crore for mulching sheet and sprayer to the beneficiaries of "vegetable" area expansion which was not admissible as per norms. DHOs stated (April 2016) that canvas pipe and sprayer had been given on demand received from the beneficiaries. The reply is not acceptable as the assistance provided was not covered by the Mission guidelines.

<sup>52</sup> ₹ 7.36 lakh = ₹ 11.21 lakh – ₹ 3.85lakh, ₹ 3.85lakh = {50% of (₹ 11.21 - ₹ 3.51 lakh)}.

- ii. The above financial assistance was extended by the DHO in the form of direct payment to the firms<sup>53</sup> from whom the beneficiaries had purchased these items. The bills of firms submitted by the beneficiaries included an amount of ₹ 6.04 lakh as VAT though the firms either did not have valid registration {with Commercial Tax Department (CTD)} or the validity of registration had already been cancelled by the CTD. On this being pointed out, the DHOs stated (April 2016) that a notice would be issued to the firms for deposit ₹ 6.04 lakh of VAT. The reply is not tenable because it was incumbent upon the DHOs to verify whether the firms had a valid registration at the time of the transaction.

### **1.9.3.3 (b) Area expansion of flower**

As per norms<sup>54</sup>, a total 4.05 lakh<sup>55</sup> of *gladioli*<sup>56</sup> bulbs valuing ₹ 0.15 crore had to be provided for an area of 15 hectares and an amount of ₹ 3.94 lakh (beneficiary share) had to be recovered from the beneficiaries towards their share of cost.

It was observed that DHO Haridwar provided the Government share *i.e.* ₹ 75,000 \* 15 = ₹ 11.25 lakh (3,00,000 bulbs @ ₹ 3.75 per bulb) but did not ensure or obtain any document as evidence of purchase of 1.05 lakh<sup>57</sup> (beneficiary share) of *gladioli* bulbs valued at ₹ 3.94 lakh by the beneficiaries. Thus, possibility of non-purchase of their share by the beneficiaries and consequently under achievement of the crop productivity cannot be ruled out.

### **1.9.3.4 Horticulture Mechanization**

As per the departmental instructions, a beneficiary must own at least one hectare area under a horticulture crop to avail assistance for the purchase of tractor and such subsidy is to be disbursed to the beneficiaries on the production of original purchase invoices, physical verification by the mobile teams and submission of photographs of the equipment along with beneficiary. Test-check of records revealed the following:

- i. Assistance of ₹ 0.14 crore for the purchase of tractors was disbursed by the DHOs Dehradun and Haridwar to 15 beneficiaries who either did not have any land or possessed less than one hectare agriculture land. Similar instances of grant of assistance for power sprayers aggregating ₹ 1.01 lakh to landless farmers in DHOs Dehradun and Tehri were also observed.

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<sup>53</sup> Sai Enterprises (TIN-05000960640) and Konark Enterprises (TIN-05000902998).

<sup>54</sup> 27,000 gladiolus bulb of ₹ 1.01 lakh (@ ₹ 3.75 per bulb) had to be provided per hectare. Out of ₹ 1.01 lakh, ₹ 0.75 lakh would be the Government share and ₹ 0.26250 lakh had to be recovered from the beneficiaries.

<sup>55</sup> 27,000 \* 15 (hectare) = 4,05,000.

<sup>56</sup> A flower plant.

<sup>57</sup> ₹ 0.26250 lakh \* 15 = ₹ 3,93,750, ₹ 3,93,750/₹ 3.75 (cost of 1 bulb) = 1,05,000 (No. of bulb).

- ii. Against the prescribed norms<sup>58</sup>, an excess subsidy to the extent of ₹ 5.58 lakh was disbursed by the DHO, Dehradun and Udham Singh Nagar to 28 beneficiaries for the procurement of tractor/power tiller. On being pointed out, DHO Udham Singh Nagar recovered (June 2016) the assistance of ₹ 2.87 lakh paid in excess of norms.
- iii. Assistance of ₹ 7.05 lakh was provided to 18 beneficiaries for the purchase of tractor/power tiller/equipment without compliance with departmental instructions relating to submission of relevant documentation as proof of purchase and assistance being granted on more than one occasion.

### 1.9.3.5 Creation of water resources

Mission guidelines provide for assistance of ₹ 1.03 lakh (up to 2013-14) / ₹ 0.75 lakh (2014-15 onwards) for construction of tube wells. As per departmental instructions, the beneficiary must have ownership of one hectare agricultural land to avail this assistance.

Scrutiny of records of the DHOs Dehradun and Haridwar revealed that an assistance of ₹ 8.15 lakh was extended to nine beneficiaries for the construction of tube wells who had no land, furnished manipulated *Khatauni* of land or were possessing less than one hectare land. In respect of above cases, all DHOs stated that the cases would be examined.

### 1.9.4 Monitoring and Evaluation

A Technical Support Group (TSG<sup>59</sup>) was to be formed in the SMO as well as in every district for monitoring the activities of the Mission. Audit observed that a computer operator and a coordinator were the only members of TSG at the SMO level whereas at the district level, computer operators were appointed as TSGs instead of the prescribed composition. The TSGs thus remained ineffective.

In the absence of a well-drawn up inspection schedule, the SMO and DHOs were not able to closely monitor the implementation of HMNEH Schemes through field inspections. No data was available about the increase in the production or productivity attributable to the Mission activities. The projects/schemes remained largely uninspected and the scheme impact remained un-assessed.

The audit findings were referred to the Government (July 2016). The reply had not been received (December 2016).

<sup>58</sup> **For Tractor-** Assistance of ₹ one lakh (maximum limit) had been paid against the admissible amount of 35 per cent of cost or ₹ one lakh whichever is less. **For Power tiller** – Against the norm of ₹ 50,000 for power tiller below 8 BHP, assistance amounting to ₹ 60,000 to ₹ 75,000 were paid to the beneficiaries for purchase of tiller below 8 BHP.

<sup>59</sup> As per guidelines, TSG was required for project formulation, appraisal and concurrent monitoring and comprised of State Horticulture Consultant, Horticulture Assistant, Programmer, Field Consultant and Data Entry Operator at SMO Level and District Horticulture Consultant and Field Consultant at district level.

**LAND REVENUE DEPARTMENT**

**1.10 Recovery of Loans and Government Dues by District Collectors**

***The District Collectors' offices failed to maintain any database of recoveries of outstanding loans and other government dues. Lack of a coordinated database at both district and tehsil levels undermined recovery efforts with the pace of recovery averaging only 24 per cent during the period 2013-14 to 2015-16. An amount of ₹1,095.44 crore which was 76 per cent of the recoveries requested by departments/banks during the years 2013-14 to 2015-16 remained unrecovered.***

**1.10.1 Introduction**

The Uttar Pradesh Public Moneys (Recovery of Dues) Act, 1972, as applicable in the State of Uttarakhand, provides measures for speedy recovery of certain classes of dues like unpaid bank loans and government dues. The Act empowers the authorized competent authority in different departments to seek intervention of the concerned District Collector in effecting recoveries of outstanding dues and loans by mentioning the relevant details in the form of a Revenue Recovery Certificate (RRC). The District Collector can then recover such dues under the provisions of the U.P. Collection Manual and Land Revenue Act as if these were arrears of Land Revenue.

An audit of recovery of loans and Government dues by the District Collectors during the period 2013-14 to 2015-16 was conducted during April 2016 to May 2016 by test-check of records of the District Collectors of Haridwar and Udham Singh Nagar.

**1.10.2 Lack of Database of RRCs**

The Uttar Pradesh Collection Manual requires the District Collector to maintain information/database of Revenue Recovery Certificates (RRCs) including that which is presented periodically to higher authorities. Scrutiny of records of the test-checked District Collectors revealed the following-

- No database of RRCs and action taken / required was maintained in the selected districts;
- No summarized data of recovery cases like year-wise, total pendency and recoveries made, details of RRCs received from various departments and returned and service charges deducted was available;
- Copies of RRCs received were not kept at either the Collector or the *Tehsil* levels; and Records of recovery cases were not updated to reflect the periodical changes.

Absence of such databases prevented the District Collectors from exercising proper controls over and monitoring of recovery of outstanding loans and Government dues. Existence of properly maintained databases at the Collectorates would have increased the effectiveness of the recovery process.

In the absence of databases, audit attempted to assess performance of the selected offices by compiling data of four major categories<sup>60</sup> of outstanding dues from the Revenue Recovery Register. Audit findings based on this compilation are discussed in the succeeding paragraphs.

### 1.10.3 Settlement of Cases

Proper and timely recovery of the outstanding dues from defaulters directly affects the finances of any Government. However, audit found that there was a huge pendency of cases in the test-checked districts. Slow pace of settlement of cases has been depicted in **Table-1.10.1** below.

**Table-1.10.1: Settlement of RRCs against total cases forwarded during the years 2013-14 to 2015-16**

Sl. No.	Department to which outstanding dues are related	2013-14		2014-15		2015-16	
		No. of cases	Settled cases	No. of cases	Settled cases	No. of cases	Settled cases
1.	Jal Sansthan	1,849	483	1,658	463	288	27
2.	Electricity Distribution Division	1,482	263	1,882	192	989	106
3.	Commercial Tax	3,375	1,434	5,467	2,775	5,469	1,415
4.	Banks	1,561	373	1,226	208	2,785	175
<b>Total</b>		<b>8,267</b>	<b>2,553 (31%)</b>	<b>10,233</b>	<b>3,638 (36%)</b>	<b>9,531</b>	<b>1,723 (18%)</b>

Source: Data collected and compiled from the records of the selected Collectors.

As brought out above, out of 8,267, 10,233 and 9,531 cases forwarded for recovery to the selected Collectors' offices during 2013-14 to 2015-16, only 2,553, 3,638 and 1,723 cases respectively were settled. Thus, the rate of settlement of cases during the audit period remained at only 31, 36 and 18 per cent respectively. In rest of the cases, no recovery could be effected.

### 1.10.4 Rate of Recovery

Data compiled by audit from the records of the test-checked District Collectors revealed that recovery of bank loans and other dues of Government was very poor. The result of analysis is depicted in **Table-1.10.2** below.

**Table-1.10.2: Recovery of bank loans and other dues of Government during the years 2013-16**

(₹ in lakh)

Year	Department to which recoveries are related	Amount to be recovered	Recovered (in per cent)	Balance (in per cent)
2013-14	Jal Sansthan	354.44	67.17 (19)	287.27 (81)
	Electricity Distribution Division	1,498.97	168.28 (11)	1,330.69 (89)
	Commercial Tax	14,525.64	4,231.19 (29)	10,294.45 (71)
	Banks	3,044.39	558.78 (18)	2,485.61 (82)
2014-15	Jal Sansthan	248.80	53.17 (21)	195.63 (79)
	Electricity Distribution Division	2,461.99	143.96 (6)	2,318.03 (94)
	Commercial Tax	32,180.92	12,239.47 (38)	19,941.45 (62)
	Banks	2,735.74	319.22 (12)	2,416.52 (88)
2015-16	Jal Sansthan	45.49	2.54 (6)	42.95 (94)
	Electricity Distribution Division	813.66	90.60 (11)	723.06 (89)
	Commercial Tax	82,069.27	16,659.70 (20)	65,409.57 (80)
	Banks	4,536.95	438.40 (10)	4,098.55 (90)
<b>Total</b>		<b>1,44,516.26</b>	<b>34,972.48 (24)</b>	<b>1,09,543.78 (76)</b>

Source: Data collected and compiled from the records of the selected Collectors.

<sup>60</sup> Recoveries of Commercial Tax Department, Banks, Electricity Distribution Divisions and Jal Sansthan.

Thus, the rate of recovery of pertaining to four major categories of recoverable dues in the two test-checked districts of Haridwar and Udham Singh Nagar ranged from 11 to 29 per cent, six to 38 per cent and six to 20 per cent during 2013-14, 2014-15 and 2015-16 respectively. On an average, the Department was able to recover only 24 per cent of the total outstanding dues during the audit period.

Out of the total amount of ₹ 1,445.16 crore involved in default cases forwarded to the District Collectors for recovery, the recovered amount was ₹ 349.72 crore. The District Collector, Haridwar attributed non-recovery to factors like disbursement of loans to ineligible persons, lack of guarantors, and lack of sufficient assets with the debtors.

### **1.10.5 Mismatch of Datasets at District and Tehsil levels**

As per the procedure laid down in the Uttar Pradesh Land Revenue Act as applicable in Uttarakhand, the RRC received from competent authority is first entered in the Revenue Recovery Register maintained in the Collector's office. Thereafter, the RRC is forwarded to the concerned *Tehsil* office. The *Tehsildar* is required to enter immediately, the RRC in his Revenue Recovery Register and thereafter issue and serve the demand notice upon the defaulter.

Audit attempted to reconcile the data available with the Collectors' offices with that available with two *Tehsils*<sup>61</sup> in each of the two test-checked districts and found that these datasets did not match with each other. The mismatch has been worked out in **Table-1.10.3** below.

**Table-1.10.3: Number of recovery cases in two *tehsils* and amount due during the years 2013-16**

(All amounts in lakh ₹)

Year	Data as per Collectors' office records		Data as per <i>Tehsils</i> ' office records		Mismatch of Data	
	Cases	Amount	Cases	Amount	Cases	Amount
2013-14	4,322	16,301	6,936	14,635	2,614	1,666
2014-15	7,417	25,879	6,913	22,813	504	3,066
2015-16	6,707	70,033	5,687	37,297	1,020	32,736

Source: Data compiled by audit from registers of the Collectors' and *Tehsildars*' office.

The wide discrepancies between the data sets available at the district level and at the *Tehsil* level highlighted indifferent approach of the district and the *Tehsil* administrations towards recovering outstanding government dues and bank loans. This also underscores the need for preparing a centralised database which is shareable between the Collectorate and the *Tehsil* with provisions for regular updating and reconciliation.

The audit findings were referred to the Government (July 2016). The reply had not been received (December 2016).

<sup>61</sup> Haridwar and Roorkee *Tehsils* in Haridwar district and Rudrapur and Kashipur *Tehsils* in Udham Singh Nagar district.

**MEDICAL, HEALTH & FAMILY WELFARE DEPARTMENT**

**1.11 Excess expenditure in procurement of medicines**

**Violation of departmental instructions in procurement of medicines resulted in excess expenditure of ₹1.06 crore.**

Instructions issued (June 2002) by the Department of Medical, Health and Family Welfare stipulated that Chief Medical Officers (CMOs), Chief Medical Superintendents (CMSs) and Medical Superintendents (MSs) were authorized to make local procurements of medicines at the rate of printed retail price minus 23 per cent<sup>62</sup> (16 per cent from 2013-14). These instructions were based on provisions of para 19 of Drugs (Prices Control) Order, 1995.

Audit scrutiny of the records of Doon Hospital and CMO Dehradun revealed that medicines worth ₹ 7.80 crore (₹ 7.47 crore by the CMS and ₹ 0.33 crore by the CMO) were procured locally during 2012-13 to 2014-15. Out of this amount, medicines worth ₹ 7.155 crore, ₹ 0.42 lakh and ₹ 0.26 crore were procured at the rate of printed retail price minus five per cent, 20 per cent and zero per cent respectively. This resulted in an excess expenditure of ₹ 1.06 crore.

The matter was reported to the Government (March 2016). The reply had not been received (December 2016).

**1.12 108 Emergency Response Service**

**An amount of ₹18.85 crore was lying unspent with the private operator at the end of March 2016 due to excess release of funds by the Department. The Department also did not recover operation cost of ₹ 6.34 crore from the operator. Black outs in service, providing services after prescribed response time and shortage of medical consumables and equipment in ambulances detracted from the quality of emergency health care being provided by the service.**

**1.12.1 Introduction**

The 108 Emergency Response Service (ERS) providing integrated medical, police and fire emergency services was launched in Uttarakhand in May 2008. The service is being provided in the Public Private Partnership (PPP) mode. The Department of Medical, Health and Family Welfare (MH&FW) is the public authority and GVK Emergency Management and Research Institute (EMRI) is the private operator.

As per the agreement (March 2008), EMRI was to operate equipped ambulances<sup>63</sup> with trained para-medical staff to provide 24x7 emergency response services free of cost. Any

<sup>62</sup> Retailers margin: 16 per cent; and Excise Duty: seven per cent.

<sup>63</sup> Needle and Syringe Destroyer, Portable Air Ways Care System, Nebulization Apparatus, Defibrillator, Cardiac Monitor, Manual B.P. Operator.

person in distress can avail this service by contacting the service operator on a toll free telephone number '108'. At present, 140 ambulances<sup>64</sup> are being operated by EMRI in the State.

An audit of the operation of the service covering the period from 2013-14 to 2015-16 was conducted during April 2016 to June 2016 by test-check of records of the Director General, MH&FW and information obtained from the private operator.

### **1.12.2 Selection of EMRI**

The General Financial Rules stipulate that where the estimated cost of the work/service is above ₹ 0.25 crore, an 'Expression of Interest' should be published in at least one national newspaper and on the website of the department for identification of likely sources. An Expenditure Finance Committee (EFC) of the State Government was to decide upon projects with recurring cost of ₹ 0.50 crore per annum or total project cost of ₹ 5 crore and above.

Audit observed that the Government selected the operator without providing an opportunity to the EFC to examine the project on the parameters of merit. MH & FW stated (April 2016) that the agency was selected on the basis of terms and conditions of agreements executed by other States with the selected service provider. The reply is not tenable as extant provisions were overlooked and the State was deprived from securing favourable terms that could have accrued if competitive, merit based bidding had been adopted.

### **1.12.3 Non-inclusion of penal provisions in MoU to enforce due delivery of service**

EMRI is also providing ERSs in the State of Uttar Pradesh (UP). Hence, audit compared the terms of service as mentioned in the Memoranda of Understanding (MoU) signed by both the Governments with the EMRI. It was observed that vital conditions were missing from the MoU signed by the Government of Uttarakhand as depicted in the **Table-1.12.1** below.

**Table-1.12.1: Inclusion of conditions in the MoUs**

Conditions	Included in MoU in UP	Included in MoU in Uttarakhand
Staffing Norms	√	X
Performance Standards	√	X
Reporting	√	X
Monitoring	√	X
Bank Guarantees	√	X
Penalties	√	X

Non-inclusion of the above conditions and components of service in the MoU undermined the ability of the Department to enforce the conditions of service and levy

<sup>64</sup> 123 Basic Life Support, 16 Advance Life Support and one Boat Ambulance.

penalty or any other punitive measures for delayed response time and blackouts in service during various phases of the audit period. Further, the Department did not ensure the security and availability of assets worth ₹ 16.84 crore handed over to the EMRI as neither the clause for safeguards of Government assets was kept in the MoU nor was any physical verification of the assets done by the Department since inception of the service.

#### **1.12.4 Financial Management**

##### **1.12.4.1 Excess release of funds**

As per the MoU, the Department was to provide funds as grants-in-aid for capital and operational expenditure. Funds towards operational expenditure were to be released in advance before commencement of the quarter and reimbursements towards expenses were to be done at actual cost.

Audit found that ₹ 172.86 crore were made available by the State Government to EMRI during 2008-09 to 2015-16 against which an amount of ₹ 154.01 crore was spent by it. The funds were released to the operator despite availability of sufficient funds with the EMRI in the form of unspent balances carried forward from the previous year. As a result, amounts ranging from 120 *per cent* to 384 *per cent* in excess of the required average quarterly expenditure of previous year were available with EMRI in the first quarter of the respective years. Further, an amount of ₹ 18.85 crore was lying unspent with the operator at the end of March 2016. Such parking of funds with the private operator did not conform to the standards of prudent expenditure of public money.

MH&FW stated (June 2016) that the balance amount would be adjusted in the financial year 2016-17.

##### **1.12.4.2 Non-Recovery of Operational Cost**

As per the MoU, the operator was to bear five *per cent* of annual operational expenses of the ERSs. Scrutiny of records revealed that the operational expenses of the EMRI during the period 2008-09 to 2015-16 was ₹ 136.60 crore against which EMRI was to bear ₹ 6.83 crore being five *per cent* of annual operational cost. Audit found that the operator had borne only ₹ 0.49 crore (2008-09) of the operational expenses thereby leaving an amount of ₹ 6.34 crore unadjusted till June 2016.

MH&FW stated (June 2016) that decision to bear the hundred *per cent* operational costs was taken by the Government (July 2009) and the MoU would be modified accordingly. Audit noted that though the decision to modify the MoU was taken in 2009, the amendment is yet to be carried out even after a lapse of seven years. This creates doubt as to the rationale for the proposed change as it only results in benefitting the agency at the cost of public exchequer.

##### **1.12.4.3 Procurement of Medical Consumables on higher rates**

The Department decided (July 2009) that procurement of medical consumables would be made by EMRI as per the Uttarakhand Procurement Rules, 2008. A comparative study of

rates of seven medical consumables<sup>65</sup> procured by both the Department and the EMRI revealed that these medical consumables were procured (2015-16) by EMRI at higher rates ranging from 21.86 *per cent* to 133.86 *per cent* compared to that paid by the Department which resulted in financial loss of ₹ 0.45 lakh to the Government.

MH&FW replied (June 2016) that EMRI is being instructed to procure the medical consumables at departmental rates.

### **1.12.5 Operation of Emergency Response Service**

#### **1.12.5.1 Delayed response time**

As per the MoU, EMRI was to respond to emergency calls and reach the required spot within 35 minutes in rural areas and within 25 minutes in urban areas. Audit observed that a total of 12,83,821 emergency calls were received since inception of the service out of which 2,76,789<sup>66</sup> (21.56 *per cent*) calls were attended beyond the prescribed response time. Failure to respond within stipulated time posed risks to the distressed persons and was a cause of concern.

#### **1.12.5.2 Non-functioning of Ambulances**

As per the MoU, EMRI was to ensure Emergency Response Service 24x7. However, audit found that on an average, 87 ambulances for seven days (2011-12), five ambulances for five days (2013-14), seven ambulances for five days (2014-15) and 14 ambulances for 51 days (2015-16) remained non-functional. As a result, 1,181 emergency calls could not be attended to during 2013-14 to 2015-16.

#### **1.12.5.3 Physical verification of Ambulances**

As per the list of medical consumables provided by the Department, a total of 119 medical consumables were required to be kept in the ambulances. As per the National Ambulance Code, 45 types of medical equipment were to be kept in the ambulances.

Physical verification of eight ambulances<sup>67</sup> by audit revealed that there was a shortfall of 6.72 *per cent* to 41.17 *per cent* in medical consumables and 25.55 *per cent* to 44.44 *per cent* in medical equipment available in the ambulances. Such shortfall impairs the ability of the service to render emergency life-saving care to the distressed persons availing the service.

MH&FW stated (June 2016) that the EMRI would be instructed to ensure availability of prescribed medical consumables and equipment. Audit did not come across any records related to periodic verifications of ambulances by the medical authorities, or any

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<sup>65</sup> Cord Clamp, Aspirin Tablets, Micropore tape, Normal Saline 500 ML, Ringers Lactate 500 ML, Sterilized Gloves and Suction Catheter.

<sup>66</sup> 1,55,339 (Urban) and 1,21,450 (Rural).

<sup>67</sup> Dehradun (02 Ambulances), Pauri (03 Ambulances) and Chamoli (03 Ambulances).

follow-up reports of such verifications that could highlight department's efforts in ensuring that the ambulances met minimum standards of preparedness.

#### **1.12.5.4 Non-construction of Ambulance Stations/Shelters**

As per the MoU, the Department was to provide ambulance shelters to protect the ambulances from vagaries of nature and to accommodate the driver and Emergency Medical Technician (EMT) so that the ambulance could move immediately on receiving emergency calls. Audit observed that only 28 shelters were constructed against 139 vehicles. As a result, 111 ambulances were parked in open and the drivers and EMTs were not residing on the site where the ambulances were being parked. This could be a major factor behind delayed response time.

The audit findings were referred to the Government (July 2016). The reply had not been received (December 2016).

### **PUBLIC WORKS DEPARTMENT**

#### **1.13 Extra expenditure in work of road improvement**

**Calculation of cement concrete pavement work on square meter basis instead of cubic metre as per extant guidelines resulted in extra expenditure of ₹2.02 crore.**

The Standard Data Book of the Ministry of Road Transport and Highways (MORTH) for Road and bridge works published by the Indian Road Congress (IRC) and followed by the Public Works Department of Uttarakhand provides that the unit of Cement Concrete Pavement work should be measured in cubic metre (cum).

Government accorded (February 2009) administrative approval and financial sanction of ₹ 41.24 crore for work of improvement / strengthening of three roads<sup>68</sup> under Package No-14. Technical sanction of the work was granted (February 2009) by the Project Director, ADB, PWD, Dehradun for ₹ 41.24 crore. As per the Detail Project Report (DPR), the work of Cement Concrete (CC) Pavement was provisioned in cubic metre @ ₹ 4,810 per cum. Test-check of records of the Executive Engineer (EE), Construction Division (CD), Asian Development Bank (ADB), PWD, Dehradun, revealed that the tender rate for the item of CC work was invited in square metre (sqm) (@ ₹ 2,000 per sqm) which was against the provisions of IRC/MORTH. As a result, the division had to pay an extra amount of ₹ 2.02 crore<sup>69</sup> for the executed quantity of 15,785.45 sqm *i.e.* equivalent to 2,367.82 cum<sup>70</sup>. Had the division got executed this item of work in cum as per norms of MORTH/IRC, an extra expenditure of ₹ 2.02 crore could have been avoided.

<sup>68</sup> 1-Ruhalki - Sahadevpur M R 2-Pirankaliyar-Mujahidpur-Sattiwala M R 3-Raysi-Shahpur M R.

<sup>69</sup> ₹ 2.02 crore = [(15,785.45 sqm\*₹ 2,000 = ₹ 3,15,70,900) – (2,367.82 cum\* ₹ 4,810=₹ 1,13,89,214)= ₹ 2,01,81,686].

<sup>70</sup> Equivalent Quantity in cum =15,785.45 sqm x 0.15 metre (thickness of CC Pavement) = 2,367.82 cum.

The EE stated (August 2105) that due to this item being tendered and awarded in the unit of sqm, the payment to the contractor for the work executed was made only after ensuring that thickness of the pavement was 15 cm as per the approved drawing. The reply is not acceptable as the payments to the measurement of three dimensional works should be done in cubic metre as laid down in the Standard Data Book of the MORTH.

The matter was referred to the Government (April 2016). The reply had not been received (December 2016).

#### **1.14 Extra expenditure due to excess use of bitumen**

##### **Extra expenditure of ₹0.79 crore due to excessive use of Bituminous Macadam.**

Government accorded (February 2009) administrative approval and financial sanction of ₹ 50.19 crore for widening and strengthening of two parts *i.e.* km 15 to km 61.020 and km 61.022 to km 98.812 of New Tehri-Ghansali-Tilwara Motor road under funding from the Asian Development Bank (ADB). The scope of work consisted of widening of road by 0.70 metre and strengthening of existing part of road by Bituminous Macadam (BM) and Semi-Dense Bituminous Concrete (SDBC). The technical sanction for the work was granted (March 2009) by the Project Director (PMU) Dehradun for the same amount<sup>71</sup>. The Department entered into an agreement (March 2010) with a firm for an amount of ₹ 25.49 crore to execute the works related to the first part of the road (km 15 to km 61.020). This part of the work was completed in December 2013 after incurring an expenditure of ₹ 26.57 crore.

Audit scrutiny of the records of the Executive Engineer (EE), Construction Division (ADB) Public Works Department, New Tehri, revealed that the DPR envisaged that bituminous works, primer coat<sup>72</sup>, BM (50 mm) and SDBC (25 mm) were to be executed in 3.85 metre width over the entire road length. An additional quantity (20 per cent) of BM had also been provisioned for Profile Corrective Course (PCC) as per requirement. Audit found that executed quantity of BM was in excess of requirement in comparison to the area covered by tack coat in the constructed length of road as detailed in **Table-1.14.1** given below.

**Table-1.14.1: Details of excess laying of Bituminous Macadam**

Sl. No.	Particulars	Calculation	Quantity
1.	Quantity of BM executed as per final bill		10,101.376 cum
2.	Quantity of BM as per area covered by tack coat	1,50,553.389 Sqm x 0.050 m = 7,527.67 cum	9,033.20 cum
3.	Add 20 per cent for PCC	7,527.67 x 20% = 1,505.53 cum	
4.	Excess Quantity of BM	10,101.376 cum – 9,033.20 cum	1,068.17 cum
5.	<b>Excess expenditure</b>	<b>1,06,8.17 cum x @ ₹ 7,387.50 per cum</b>	<b>₹ 78,91,105.87</b>

<sup>71</sup> ₹ 29.85 crore for first part of the road (km 15 to km 61.020) and ₹ 20.34 crore for the second part (km 61.022 to km 98.812).

<sup>72</sup> In widened portion only.

The quantities of BM work executed (10,101.376 cum) are not in consonance with the area covered by tack coat. Considering the area covered by the tack coats, the quantities for BM should have been 9,033.20 cum including 20 *per cent* additional provision for PCC. Apart from 20 *per cent* additional provision and execution of BM for PCC, the Department had also incurred an expenditure of ₹ 1.21 crore over routine maintenance<sup>73</sup> work during the course of construction.

The EE stated (August 2015) that the variation in the quantity was due to filling of pot holes, depressions, undulations and existence of curves and hair pin bends. The reply was not acceptable as the excess quantity pointed out by audit is after allowing 20 *per cent* additional provision for PCC and is based on the area covered by the tack coat which includes curves also. Thus use of 1,068.17 cum excess quantity of BM costing ₹ 0.79 crore was unjustified.

The matter was reported to the Government (July 2016). The reply had not been received (December 2016).

### ***1.15 Disregard of Government instructions for conduct of survey before preparation of estimates***

***Disregard of Government instructions to undertake a survey before preparation of estimates relating to improvement of roads to enable plying of Volvo buses resulted in non-completion of the project despite an expenditure of ₹14.57 crore.***

With a view to exploiting opportunities of tourism by plying Volvo buses on Dehradun-Mussoorie road, the State Government accorded (February 2013) administrative and financial approval for upgrading the road by widening of turns and identified chainages at a cost of ₹ 10.81 crore. The Chief Engineer (CE) accorded (April 2013) technical sanction of the same amount subject to the condition that the Superintending Engineer inspect the geometries of the road before commencing the work. The division entered into an agreement (May 2013) for an amount of ₹ 10.32 crore with a contractor for executing the work.

Scrutiny of records (June 2016) of the Executive Engineer (EE), Provincial Division, Public Works Department, Dehradun, revealed that a survey was to be conducted by the Department by carrying out a joint physical verification of road with the Officers of the Uttarakhand Transport Corporation (UTC) and the Regional Transport Office before preparation of estimates. However, no such survey was conducted and the Department submitted an estimate proposing widening of nine hair pin bends and some blind turns.

<sup>73</sup> Routine maintenance work includes filling of pot holes, depression, undulation and patch repair on existing black top.

Audit further noticed that only eight<sup>74</sup> of the 17 contracted items of the work could be executed by the contractor as the Department asked the contractor to enhance the width of the proposed turns and bends upto four metres. However, since execution of the quantities increased and the sanctioned cost not being sufficient, the contract was finalized (February 2015) by paying ₹ 10.78 crore to the contractor.

Meanwhile, a new estimate for ₹ 37.90 crore was submitted (September 2014) to the Government for the same work. This estimate was kept in abeyance and the Government sanctioned (March 2015) an abridged estimate for ₹ 4.85 crore to finish the incomplete works. The division started (April 2015) the remaining unfinished works by allotting them to four contractors which were completed in October 2015. In the interregnum, a trial run (August 2015) of Volvo bus in the presence of the officers of the Division and the Uttarakhand Transport Corporation was conducted and it was observed that the road was still not safe for plying of the buses and it required widening on 34 more chainages for safe operation. Hence, disregard of instructions of the Government to conduct joint inspection before preparation of estimates resulted in non-achievement of intended objective even after incurring the expenditure of ₹ 14.57 crore.

The EE stated (June 2016) that quantities taken in the first estimate were less than required and that the revised estimate of ₹ 37.90 crore fulfilled all the requirements of plying Volvo buses on the road. It was added that the estimate would be further revised to ₹ 44.72 crore to accommodate changes in the schedule of rates. The reply is not tenable as the first estimate was not prepared by taking into consideration instructions of the Government as well as the CE. Had the instructions been complied with at the time of preparation of estimate, the objective would have been achieved in stipulated time and cost escalation avoided.

The matter was reported to the Government (August 2016).The reply had not been received (December 2016).

## **SOCIAL WELFARE DEPARTMENT**

### **1.16 Post Matric Scholarship to the students belonging to SC and OBC**

***The Department was not able to ensure compliance with provisions of the guidelines laid down for providing scholarships to the Scheduled Caste and Other Backward Class students leading to instances of inadmissible payments and excess payments totaling ₹3.18 crore. In addition, ₹5.21 crore was parked in bank accounts instead of disbursing to eligible beneficiaries or being refunded to the treasury.***

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<sup>74</sup> Hill side cutting, Excavation in Foundation, Cement plum masonry, Random rubble stone masonry, Random rubble masonry dry, H P stone filling, HYSD bar reinforcement, RCC in superstructure.

### 1.16.1 Introduction

Government of India (GoI) started the scheme of Post Matric Scholarship (PMS) for the students belonging to Scheduled Castes (SC) in 1977-78 and for the students belonging to Other Backward Classes (OBC) in 1998-99. The objective of the schemes is to provide financial assistance to eligible students of SC/OBC categories studying in post matriculate or post secondary stage to enable them to complete their education. These 100 per cent centrally sponsored schemes are being implemented in the State through the Social Welfare Department.

An audit of the implementation of the above schemes during the period 2013-14 to 2015-16 was conducted during April 2016 to June 2016 by test-check of the records of the Director, Social Welfare Department and the District Social Welfare Officers (DSWOs) of Dehradun, Haridwar and Udham Singh Nagar.

### 1.16.2 Providing Scholarships

Scholarships are awarded to eligible<sup>75</sup> students in accordance with the procedures laid down by the State Government. Applications are submitted to the heads of the institutions by the candidates. After verifying all the details viz. caste, income, class, enrolled through paid or free seat and pass certificate of previous year, the heads of the institutions forward the applications to the DSWO of the concerned district who is the competent authority to sanction the scholarships. The scholarship which mainly includes reimbursement of tuition fees as well as all other non-refundable compulsory fees charged by educational institutions and maintenance allowance is to be paid into the bank accounts of the beneficiaries after the details of beneficiaries have been verified by the concerned Assistant Social Welfare Officer (ASWOs).

Audit observed the following:

- (a) Government issued guidelines in October 2013 and July 2011 which do not provide reimbursement of examination fee as part of post-matric scholarships for SCs and OBCs respectively. Test-check of records of the DSWO, Haridwar and Udham Singh Nagar revealed that an amount of ₹ 0.53 crore was paid (DSWO Haridwar: ₹ 52.58 lakh during 2014-15 and DSWO Udham Singh Nagar: ₹ 0.29 lakh during 2013-14) into the bank accounts of two institutions to reimburse the examination fees of 1,033 students.
- (b) GoI guidelines on post-matric scholarships for SC students stipulates that compulsory non-refundable fees can be fully reimbursed as per the fee structure approved by the Fee Structure Committee constituted by the State Government. Test-check of records of DSWO Dehradun and Udham Singh Nagar revealed that ₹ 1.38 crore was paid as scholarship to 154 students of Post Graduate Diploma in Management (PGDM) course (DSWO Dehradun: ₹ 0.59 crore for 74 students during 2013-2015 and DSWO

<sup>75</sup> SC and OBC students whose parents'/guardians' income does not exceed ₹ 2.50 lakh and ₹ one lakh per year respectively are eligible for scholarship benefits.

Udham Singh Nagar: ₹ 0.79 crore for 80 students during 2014-15) of five institutes despite the fact that fee structure for these institutes had not been approved by the competent authority.

- (c) Fee Structure Committee of the State Government decided (July 2010) that institutions may charge additional tuition fee of ₹ 12,000/- per student if they implement 6<sup>th</sup> Pay Commission's recommendations in respect of their employees. For charging the enhanced tuition fee, the institutions had to provide a list of the benefitted employees to the Technical University/Government of Uttarakhand, along with their pay slips countersigned by a Chartered Accountant. Audit scrutiny of records of all the sampled DSWOs revealed that ₹ 0.92 crore<sup>76</sup> was paid in the form of enhanced fee of ₹ 12,000/- in respect of 764 students admitted to three institutions for different courses. The enhanced fee claimed by the institutions was reimbursed by the Department without confirming whether the recommendations of the 6<sup>th</sup> Pay Commission had been implemented by them.
- (d) Scholarship includes payment of maintenance allowance for hostellers and day scholars. The rates of maintenance allowance have been fixed by the GoI. Test-check of records of DSWO Haridwar and Dehradun revealed that maintenance allowance of ₹ 0.32 crore was paid to the students through scholarships at rates higher than permissible during 2013-14 and 2014-15.
- (e) Test-check of records of DSWO, Udham Singh Nagar revealed that an amount of ₹ 29.99 lakh was paid (November 2014) to an institute in respect of 74 students whereas it had claimed only ₹ 27.60 lakh. This resulted in excess payment of ₹ 2.39 lakh. Audit further found that an amount of ₹ 2.30 lakh was paid during 2014-15 to the 298 students as maintenance allowance which too was more than the demands made by the concerned institutes.
- (f) As per GoI guidelines, only those SC and OBC students whose parents/guardians income does not exceed ₹ 2.50 lakh and ₹ 1 lakh per year respectively are eligible for scholarship benefits. Scrutiny of records of DSWO, Haridwar revealed that four OBC students of B.Tech. Course whose parents' annual incomes were ₹ 1.20 lakh each were paid (2013-14) scholarship amounting to ₹ 2.62 lakh (₹ 65,500 for each student). Also, scholarship of ₹ 0.54 lakh was paid by DSWO Udham Singh Nagar to three students (two OBC and one SC) whose parents' annual incomes were ₹ 1.50 lakh, ₹ 1.92 lakh and ₹ 2.64 lakh respectively.

Thus, funds totaling ₹ 3.18 crore was disbursed in contravention of the stipulated rules and guidelines.

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<sup>76</sup> DSWO Haridwar: ₹ 0.84 crore during 2013-14, DSWO Dehradun: ₹ 0.06 crore during 2013-14, and DSWO Udham Singh Nagar: ₹ 0.02 crore during 2014-15.

### 1.16.3 Parking of funds

As per the Financial Hand Book Vol. V, no money should be withdrawn from Treasury unless it is required for immediate disbursement.

Audit scrutiny of records of the selected DSWOs revealed that an amount of ₹ 5.21 crore<sup>77</sup> related to post matric scholarships meant for SC and OBC students for the years 2013-14 to 2015-16 was currently kept in bank account of the DSWOs. It was also observed that 53,385<sup>78</sup> students remained deprived of the due scholarship despite such availability and parking of funds.

On this being pointed, the concerned DSWOs stated that the amount had accumulated by way of receipt of the undisbursed amount of scholarships from different institutions. The reply is not tenable as the amount should have been utilized for benefitting other eligible students and any balance surrendered at the end of the financial year.

### 1.16.4 Inadequacies in Information Technology Application

The State Government implemented (July 2014) an online scholarship system for registration, verification, selection, sanction and disbursement of scholarships to beneficiaries through an IT application. For this purpose, the software was developed by the National Informatics Centre (NIC) Uttarakhand.

An audit of the software system deployed by the Department revealed the following discrepancies:

- (a) System of bar coding was not installed during 2014-15 in the online software to filter out fake applications. This made the system susceptible to registration of multiple applications by beneficiaries in the system. The department stated that the bar coding has been installed in the system from 2015-16. However, audit found double payment of ₹ 0.13 crore to 43 beneficiaries during the year in Haridwar. The incident illustrates that the bar coding was not proving to be adequate in filtering out fake applications.
- (b) Online mapping of recognised courses and fee structure was not done by the recognised institutions. This resulted in payment of scholarship to the beneficiaries without approval of the fee structure as pointed out in *paragraph 1.16.2 (b)*.
- (c) Online application numbers of the beneficiaries were found in variable length ranging from eight to 11 digits whereas the field of application registration number in the online database of all the beneficiaries should be uniform.
- (d) No documentation of IT system at all the stages was kept to track the changes that took place in the system.
- (e) No monthly reviews were conducted by the Directorate as well as by the IT Cell.

<sup>77</sup> Haridwar ₹ 1.58 crore, Dehradun ₹ 1.84 crore and ₹ 1.79 crore in US Nagar.

<sup>78</sup> Haridwar: 17,376, Dehradun: 15, 837 and US Nagar: 20,172.

The matter was reported to Government (July 2016). The reply had not been received (December 2016).

### **Tourism Department**

#### **1.17 Infrastructure Development for Tourist Destinations and Circuits**

***Uttarakhand Tourism Development Board made an excess payment of centage charges of ₹0.41 crore to executing agencies and also diverted funds amounting to ₹3.20 crore without obtaining permission of the Government of India and incurred a wasteful expenditure of ₹0.60 crore on construction of tourist cottages. In addition, assets created at a cost of ₹5.45 crore remained unutilized due to poor planning or inadequate management.***

##### **1.17.1 Introduction**

Tourism is a priority sector in the State on account of its significant contribution to the State's economy. Direct or indirect participation by multiple stakeholders in tourism generates economic activity and benefits the local community. There are 301 tourist spots spread across 13 districts of the State. A total of 7.30 crore tourists including 3.25 lakh foreigners visited the State during 2013-15.

The State Government established the Uttarakhand Tourism Development Board (UTDB) in November 2001 by passing an Act<sup>79</sup> to popularise the State as a premium tourist destination and preferred choice of travellers by providing suitable tourist infrastructure. An audit of the UTDB was carried out during April 2016 to June 2016 covering the period from 2013-14 to 2015-16 to ascertain whether appropriate strategies were developed to realize the objectives of developing the State as a preferred tourist destination and whether tourism development projects were effectively implemented and managed during the period.

##### **1.17.2 Planning**

Planning is an essential process to develop strategies and schedule tasks to accomplish the objectives of the policy which requires framing well thought out action plans with proper linkages to each objective.

###### **1.17.2.1 Non-preparation of plan**

As per the UDTB Act, one of the functions of the UTDB is formulation of strategies for development of tourism and preparation of plans for development of tourism related infrastructure. Audit scrutiny revealed that Annual Action Plans were not prepared by the UTDB since 2014-15. Further, in the absence of any overall strategic plan identifying and prioritizing actions to be undertaken to promote tourism in the State, no benchmarks could be established to measure whether the activities undertaken by the UTDB for the years 2010-16 effectively met the requirements of the stated objectives of the policy.

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<sup>79</sup> UTDB Act 2001, hereinafter referred to as the Act.

### 1.17.3 Financial Management

During 2011-16, the UTDB received ₹ 143.04 crore from the Government of India (GoI) for execution of projects against which ₹ 133.58 crore were spent on the activities related to development of infrastructure and for providing basic amenities. It was noticed that an interest of ₹ 3.58 crore<sup>80</sup> (31<sup>st</sup> March 2016) was earned on the unutilized central funds. However, contrary to the terms of the financial sanction<sup>81</sup>, this interest was neither surrendered nor was approval of GoI sought for its adjustment / transfer.

Further, as per the Act, UTDB was required to prepare every year an annual statement of accounts after closure of the accounts. However, the accounts had not been prepared since inception of the Board in 2001 which is a serious breach of financial discipline and poses a control risk as discrepancies/errors and irregularities, if any, may go unnoticed.

UTDB stated (June 2016) that annual accounts would be prepared in future.

#### 1.17.3.1 Excess payment of centage charges<sup>82</sup>

Government Order of May 2008 states that the rate of centage charges (CC) for payment to the executing agency will be reduced by two *per cent* if the executing agency is not involved in the preparation of the Detailed Project Report (DPR) of the project and the DPR is instead got prepared by the department through a third party.

Test-check of records of five projects<sup>83</sup> revealed that the UTDB engaged a third Party in March 2011 for preparing DPRs for these projects but paid CC to the executing agencies<sup>84</sup> at the normal rate without reducing the same by two *per cent*. As a result, the UTDB made an excess payment of ₹ 0.41 crore to the executing agencies in violation of the Government Order.

UTDB stated (June 2016) that the excess payment made would be recovered from the executing agencies.

### 1.17.4 Implementation and execution of projects

#### 1.17.4.1 Delay in development of tourist destinations and circuits

Various tourism projects were approved by GoI and funds released through Central Financial Assistance (CFA). The CFA stipulations require commencement of work within six months of the receipt of the grant and completion of work within 24 months

<sup>80</sup> As per Bank Statement.

<sup>81</sup> As per financial sanctions of GoI, funds received under CFA should not be kept unutilized for more than six months otherwise the same are to be surrendered with interest or a formal approval should be taken to transfer / adjust the amount against other CFA projects.

<sup>82</sup> These are funds to cover fees for the preparation of plans and estimate for works as well as to cover per centage charges for establishment and tools and plants as fixed at quinquennial intervals.

<sup>83</sup> Development of Eco-tourism at Chilla, Kodyala, Lansdowne, Panchprayag and Abott Mount at Lohaghat under 13<sup>th</sup> Finance Commission and CSS.

<sup>84</sup> Garhwal Mandal Vikas Nigam and Uttarakhand Peyjal Nigam.

failing which the State has to refund the unspent balance unless otherwise permitted by GoI for extension/diversion of funds to other CFA projects.

Out of 41 projects approved by GoI, work in five projects could not be started due to non-availability of land and only nine projects were completed. The remaining projects, which were already more than 24 months old, were at different stages of completion with physical progress ranging between 20 to 85 per cent.

Against the approved 41 projects, the records of 20 projects (11 circuit development projects and nine destination development projects) sanctioned at a cost of ₹ 169.69 crore were test-checked in audit. An amount of ₹ 92.15 crore were utilised against the released amount of ₹ 108.54 crore on these projects during the period 2011 and 2016. Audit observed the following:

(a) GoI accorded (September 2013) financial sanction of ₹ 32.26 crore for five projects<sup>85</sup>. Of this, ₹ 6.45 crore was released (September 2013) as the first installment subject to the condition that the State Government would not keep the amount unutilized for more than six months. The proposals submitted to GoI by UTDB for obtaining sanction under these projects indicated that land required for execution of these projects was available. Audit observed that the work on these five projects/destinations could not be started due to the failure of the UTDB to ensure availability of land. It was further noticed that the UTDB, without obtaining permission of GoI, *suo motu* decided (July 2015) to divert funds amounting to ₹ 3.20 crore received in respect of two projects viz. (i) Ramnagar-Kosi Tourism circuit and (ii) Day safari Adventure and Eco-tourism circuit to the Kausani-Someshwar Tea Estate Eco-tourism circuit on which an amount of ₹ 1.76 crore had so far been spent (June 2016). Out of the balance funds (₹ 3.25 crore) released for remaining three projects, an amount of ₹ 8 lakh was spent on preparation of DPR for Development of Duggada-Sendikhal-Vatanvasa Eco-tourism Circuit which became wasteful as GoI had discontinued the scheme. It was then decided to send (April 2016) a fresh proposal to GoI for diverting the funds to other schemes. The decision of GoI was pending.

(b) GoI accorded (July 2011) a financial sanction of ₹ 6.90 crore for Haripura-Nanaksagar-Lohaghat-Naukuchiatal-Mayawati-Kathgodam Tourist circuit. Out of this amount, ₹ 5.52 crore were released (July 2011) as the first installment. The scheduled date for completion of the circuit was 24 months from the date of sanction. The project was completed at cost of ₹ 5.91 crore. Audit observed that one of the components under this circuit related to construction of six Swiss cottages in the premises of Tourist Rest House (Parichay) at Naukuchiatal at a cost of ₹ 0.60 crore. The work was completed

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<sup>85</sup> Development of River Rafting centre and Eco-tourism, Uttarkashi (₹ 4.99 crore), 2. Ramnagar-Kosi Tourism Circuit (₹ 7.99 crore), 3. Development of Heliport, Multi-purpose Hall and wayside amenities (₹ 3.29 crore), 4. Development of Duggada-Sendikhal-Vatanvasa Eco-tourism Circuit (₹ 8 crore) and 5. Development of Day Safari Adventure and tourism Circuit, Ramnagar (₹ 7.99 crore).

(April 2013) within the sanctioned cost and the payment was also released to the executing agency. However, the executing agency did not hand over the completed cottages to the UTDB till date for reasons not available on records. The cottages, which were primarily tented accommodations, subsequently got damaged with the passage of time. On the directions (May 2015) of the Secretary (Tourism), the Managing Director Kumaun Mandal Vikas Nigam (KMVN) investigated the matter and found that quality of constructed cottages was not satisfactory and that they were unfit for tourists. During the joint<sup>86</sup> site visit, it was confirmed that all the cottages had been damaged and had lost their utility. The fact was also endorsed (May 2016) by the Deputy Director/ Tourism (Nainital). Thus, expenditure of ₹ 0.60 crore incurred on the construction of the cottages was rendered wasteful.

Thus, ₹ 6.45 crore released by GoI for projects could not be completed due to non-availability of land though the State Government had explicitly stated in their proposal sent to GoI that the required land was available. A portion of the funds were also subsequently diverted for other projects without approval of GoI. In addition, expenditure of ₹ 0.60 crore on construction of tourist cottages turned out to be wasteful.

#### 1.17.4.2 Asset Management

Examination of records revealed that assets created under two projects at a cost of ₹ 5.45 crore as detailed in **Table-1.17.1** below either remained unutilised due to lack of planning and adequate management or the expected revenue from their utilization was yet to be realized.

**Table-1.17.1: Details of assets created under two projects**

Details of facility created	Reasons for non-utilization and present position
<b>A. Bhowali-Mukteshwar-Bhimtal-Harishtal-Haldwani Wellness circuit project</b>	
<b>Creation of Kumaun Visitor, Cultural and Craft village at Bhowali by constructing five Eco-huts along with Amphitheatre, Car parking and Modern Toilet</b>	
Sanctioned / actual cost of construction	₹ 1.15 crore
Date of commissioning	December 2013
GoI sanctioned (March 2011) Bhowali-Mukteshwar-Bhimtal-Harishtal-Haldwani Wellness circuit project for ₹ 8 crore. In this circuit, a destination with the nomenclature of Kumaun Visitor, Cultural and Craft village at Bhowali was proposed (February 2011) to be developed at a cost of ₹ 1.15 crore by constructing five Eco-huts along with Amphitheatre, Car parking and Modern Toilet. The executing agency developed the destination within the sanctioned cost and the same was commissioned on 31 <sup>st</sup> December 2013.  A joint inspection of site (May 2016) by the Audit team along with the officers of Tourism / KMVN found that Eco-huts were lying unutilized since their commissioning due to non-availability of an approach road.	KMVN stated (May 2016) that the motor road was in existence till completion of the project but the same had been acquired by the High Court for use in its UJJALA, residential premises. However, it was observed that the Temporary Division, Public Works Department, Bhowali (Nainital), which was executing the construction work of UJJALA residential premises had started the work of wire fencing in May 2009 which was completed by it in June 2011. Despite knowing the fact of fencing work of UJJALA premises, UTDB, initiated (February 2012) the construction work of eco-huts at a cost of ₹ 1.15 crore without ensuring availability of motor road  Thus, due to non-availability of approach road, the project remained unutilized for the last three years since its commissioning (December 2013).

<sup>86</sup> The team comprised of officials of Tourism Department/KMVN and members of field audit team.

Details of facility created	Reasons for non-utilization and present position
<b>B Development of Floating Marina with Budget Accommodation at Ghansali in district Tehri</b>	
<b>Non-utilisation of Floating Marina at Ghansali, Tehri</b>	
Sanctioned / actual cost of construction	₹ 5.00 crore / ₹ 4.30 crore
Date of completion	May 2015
The executing agency Uttar Pradesh Rajkiya Nirman Nigam Ltd, Dehradun after completion of the Floating Marina approached (May 2015) the UTDB for handing over the same but the latter did not make any efforts to take over the same till date (June 2016).	UTDB stated (June 2016) that efforts were being made to run the project through Public Private Partnership mode.

#### **1.17.4.3 Non-realization of revenue from Eco huts put to use**

UTDB decided (December 2013) to hand over eco huts<sup>87</sup> created under Eco-Tourism project at Lansdowne at a cost of ₹ 4.96 crore to the Garhwal Mandal Vikas Nigam (GMVN), the implementing agency, on the condition that the latter would pay 30 per cent of the revenue generated through operation of assets to the UTDB. It was also decided to enter into a formal agreement with the GMVN to this effect.

Audit scrutiny revealed that the UTDB neither finalized a formal agreement with the GMVN nor demanded its share of ₹ 0.33 crore (30 per cent) in the revenue of ₹ 1.10 crore generated by the GMVN from the operation of assets during December 2013 to May 2016.

UTDB stated (June 2016) that the reminder was being sent to the GMVN for entering into agreement and remitting their share of revenue.

The audit findings were referred to the Government (July 2016). The reply had not been received (December 2016).

### **URBAN DEVELOPMENT DEPARTMENT**

#### **1.18 Setting up of Sewage Treatment Plants under Jawaharlal Nehru National Urban Renewal Mission**

***Out of 21 STP projects undertaken under Jawaharlal Nehru National Urban Renewal Mission (JnNURM), only six were completed in the selected cities/town of the State depriving the beneficiaries of the intended benefits of the scheme. In the absence of sewer connections to households, laying of sewer lines could not serve the purpose of treating sewage and expenditure of ₹85.17 crore on laying of sewer lines remained idle.***

##### **1.18.1 Introduction**

The Jawaharlal Nehru National Urban Renewal Mission (JnNURM) was launched in December 2005 by the Government of India (GoI) for providing universal access to civic amenities to the urban population, creation of new sewerage system and renewal of existing ones. In Uttarakhand, Dehradun and Nainital were selected as Mission cities and

<sup>87</sup> Eco-huts with one bed room (05 Nos.) and Eco-huts with two bed rooms (04 Nos.).

one small / medium town, Mussoorie, were covered<sup>88</sup> under JnNURM for setting up of Sewage Treatment Plants (STPs). Uttarakhand Pey Jal Nigam (UPJN) is the agency responsible for implementing STP component of JnNURM.

## 1.18.2 Financial Management

### 1.18.2.1 Overall financial position

Under the Mission, 80 per cent funds were to be provided by GoI as Central assistance. The remaining 20 per cent of the funds were to be shared in equal ratio by the State and the concerned Urban Local Bodies (ULBs) / Parastatal Agencies (PA). Audit observed that the State Government, in addition to its own share, had also borne the share of ULBs / PA.

The financial position of the projects up to March 2016 in selected cities/ town is detailed in **Table-1.18.1** below.

**Table-1.18.1: Financial position of the projects in selected cities/town**

(₹ in crore)

Name of Cities	Sanctioned Amount			Released Amount			Expenditure (in percentage)
	Central Assistance (80 per cent)	State /ULB/PA share (20 per cent)	Total	Central Assistance	State Share	Total	
Dehradun <sup>89</sup>	90.00	27.48	117.48	79.07	32.00	111.07	113.45 (102)
Nainital	15.70	3.90	19.60	14.12	3.92	18.04	17.98 (99.67)
Mussoorie	49.39	12.34	61.73	49.39	12.34	61.73	56.05 (90.80)
<b>Grand Total</b>	<b>155.09</b>	<b>43.72</b>	<b>198.81</b>	<b>142.58</b>	<b>48.26</b>	<b>190.84</b>	<b>187.48 (98.23)</b>

Audit observed the following:

(a) The amount sanctioned for sewerage project was released to CD Mussoorie in full. However, in violation of the sanction order, an amount of ₹ 5.10 crore<sup>90</sup> sanctioned for project in Mussoorie was diverted (August and November 2013) for use in Dehradun and Haridwar and not reimbursed to CD Mussoorie despite projects in the town remaining incomplete due to paucity of funds.

(b) As per JnNURM guidelines, the State Government was required to implement some reforms like transfer of subjects of urban planning, regulation of land use, water supply and fire services to ULBs and execute a Memorandum of Agreement (MoA) with the GoI in this regard. Despite making commitment about the same in the MoA, the reforms were not adopted leading to short release of Central assistance of ₹ 12.51 crore<sup>91</sup> in respect of Dehradun and Nainital for sewerage projects. The projects were still lying incomplete (June 2016).

<sup>88</sup> Dehradun: One project in 2008-09 and one project in 2009-10, Nainital: One project in 2008-09, and Mussoorie: One project in 2008-09.

<sup>89</sup> The sanctioned outlay as central assistance for Dehradun by GoI was ₹ 90 crore and additional cost incurred in the execution of the projects was borne by the State Government.

<sup>90</sup> Project Manager, Construction and Maintenance Unit (Ganga), UPJN, Haridwar ₹ five crore and Executive Engineer, Construction Division, UPJN, Purodi, Dehradun ₹ 10 lakh.

<sup>91</sup> Sanctioned Central Assistance for Dehradun and Nainital minus released Central Assistance for Dehradun and Nainital.

### 1.18.2.2 Utilization and blockade of GoI Receipts

As per instructions issued (March 2013) by GoI, interest earned on central assistance under JnNURM should be credited to the relevant head (0049 Interest receipt - 01 Interest from State Government - 800 Miscellaneous Interest Receipts) of the Consolidated Fund of India. Audit observed that interest amounting to ₹ 3.43 crore<sup>92</sup> accrued on the funds made available to executing agencies up to March 2016. Out of this amount, ₹ 6.14 lakh were credited to the Treasury of the State Government and ₹ 3.19 crore had been utilized on the projects in violation of the instructions of GoI. The balance amount of ₹ 0.18 crore of interest was lying with the Department.

### 1.18.3 Execution of works of STPs

#### 1.18.3.1 Delay in completion of STPs

Twenty one STPs were approved for the construction by GoI for cities of Dehradun, Mussoorie and Nainital during the year 2008-10. These were to be completed latest by August 2012. The details of STPs approved as well as the work undertaken in respect of the approved works in each of the three cities/towns are provided in **Table-1.18.2** below.

**Table-1.18.2: Details of STPs in selected cities/ town**

(₹ in crore)

City/ Town	STP	Approved cost	Tendered cost (excess against approved cost in %)	Financial Progress	Status
Dehradun	Indira nagar	5.20	7.50 (44)	4.37	Under construction
	Jakhan	1.46	3.54 (142)	2.94	
	Vijay Colony	0.94	2.98 (217)	2.59	Completed and functional
	Salawala	1.25	3.29 (163)	2.89	Completed and functional
	Mothorowala	18.00	21.60 (20)	21.16	Completed and functional
Nainital	Hari Nagar-1	0.40	1.54 (285)	1.50	Completed and functional
	Krishnapur	0.80	2.40 (200)	2.15	
	Hari nagar -2	0.40	Call of tender withheld due to paucity of funds caused by excess in cost of two STPs.		Removed from the scope of work due to site falling in catchment area of Naini lake.
	Narayan Nagar	0.66			
	ATI	0.80			
Ramsey	0.80				
Mussoorie	STP wise cost was not sanctioned by GoI. Instead, 10 STPs were approved at a cost of ₹ 14.45 crore. Four STPs (Bhatta Fall, Landhour North, Landhour South, and Kulri) were undertaken for construction (total cost ₹ 8.33 crore) out of which only one had been <b>completed</b> (Bhatta Fall) but it remained <b>non-functional</b> due to opposition by local people.				

Thus, out of 21 approved STPs, only six were completed and just five of them were functional as on date. Five STPs were under construction while remaining STPs were either removed from the scope of work or their construction was yet to commence due to delays caused by involvement of forest land, escalation in approved cost and change in the design and scope of work. Further, the functional STPs could not be put to optimum use as these were connected to the old sewer lines. The newly constructed sewer lines were not connected with the households as yet as the same had not been handed over by

<sup>92</sup> Dehradun: ₹ 0.55 crore, Nainital: ₹ 0.17 crore, Mussoorie: ₹ 1.78 crore and Managing Director of UPJN: ₹ 0.93 crore.

the UPJN to the Uttarakhand Jal Sansthan which was the agency responsible for operating and maintaining them.

### 1.18.3.2 Acceptance of tenders beyond sanctioned cost

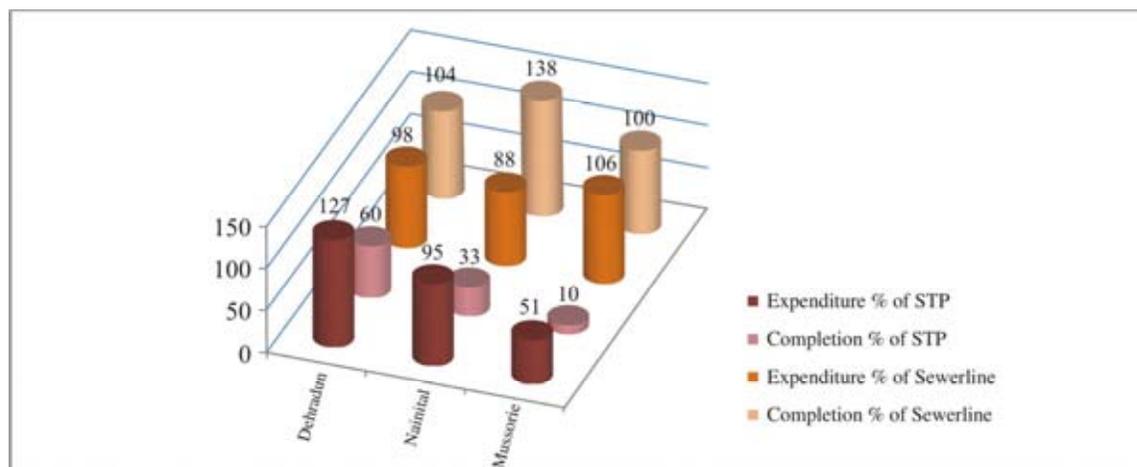
As per the recommendations of the Central Public Health and Environmental Engineering Organisation (CPHEEO), no cost escalation in approved projects was admissible. In case, there was any cost escalation due to any reason, the same was to be met by the State Government.

Audit observed that the tenders were accepted at rates which were higher to the extent of 20 to 285 per cent in Dehradun and Nainital in comparison to their approved costs. The escalation in cost was borne by diverting savings from other components<sup>93</sup> of the project. However, such diversions were not sufficient for completing the projects. This ultimately led to stoppage of work in case of several STPs in Nainital and Mussoorie.

### 1.18.4 Lack of synchronization in laying of sewer lines and construction of STPs

A comparison of completion rate of STPs and laying of approved length of sewer lines revealed that completion rate of STPs did not match with the laying of sewer lines. Besides, the physical progress of STPs was lagging far behind the financial progress of STPs as depicted in **Chart-1.18.1** below.

**Chart-1.18.1: Physical progress of projects against expenditure incurred**



Out of the 21 sanctioned STPs, six were completed and only five STPs<sup>94</sup> of them are functional as on date. On the other hand, 177.67 km of sewer lines have been laid against the target of laying 168.58 km. Most of the sewer lines that had been laid as well as expenditure incurred on them have remained idle as they have not been connected to a functional STP. Majority of the STPs were either incomplete or yet to start functioning

<sup>93</sup> Land acquisition: Dehradun ₹ 5.34 crore, Mussoorie ₹0.20 crore; Contingency: Dehradun ₹ 2.24 crore, Nainital ₹0.12 crore, Mussoorie ₹ 8.18 lakh; Unspent amount of unconstructed STPs and other appurtenant works: Nainital ₹ 2.66 crore, Mussoorie ₹ 0.71crore.

<sup>94</sup> Dehradun: STP Mothrowala, STP Salawala and STP Vijay Colony; Nainital: STP Hari Nagar-I, and STP Krishnapur.

due to reasons such as involvement of forest land, financial constraints, and change in the scope and design of work by the divisions. The objective of treating sewage can be fully achieved only when the proposed STPs are constructed, become operational and user connections are granted to the households of the area where sewer lines have been laid.

Audit observed the following:

(a) The twin activities of laying of sewer lines and setting up and operationalising the STPs were not synchronized in the test-checked divisions. Thus, on one hand, sewer lines already laid are lying idle and prone to damage while on the other, 16 out of 21 STPs have not become operational due to financial, functional or design issues. This disjointed approach towards project management has resulted in blocking of funds totalling ₹ 85.17<sup>95</sup> crore in the form of expenditure incurred on laying of sewer lines not connected with the STPs. This deprived targeted population of intended benefits and also added to environmental concerns on account of untreated waste being allowed to flow into streams and rivers.

(b) Scrutiny of records of Executive Engineer (EE), Construction Division, Mussoorie revealed that the Department was not in a position to utilize the only completed STP of the town at Bhatta Fall due to a dispute with local public on discharge of the treated effluent in *Galogi Gadera* which is a source of drinking water supply. A separate estimate amounting to ₹ 4.57 crore has been prepared (2014-15) in order to divert the effluent to another location. The STP was currently idle. Audit observed that the work was executed without conducting any feasibility study on discharge of effluents. If such a study had been undertaken and alternate location of discharge of treated effluent identified, extra burden of ₹ 4.57 crore on State Government could have been minimized or altogether avoided.

The EE, Construction Division, Mussoorie, stated (June 2016) that advanced technology was adopted in the said STP keeping in view that the treated water was to be discharged in the said *gadera*. The reply of the EE is not tenable as Central Public Health and Environmental Engineering Organisation's (CPHEEO's) Sewage Manual stipulates that the treated water can be used for only non-potable<sup>96</sup> application. Thus, such an eventuality should have been foreseen at the planning stage itself.

#### **1.18.5 Payment of Interest free Mobilization advance**

According to the Uttarakhand Procurement Rules 2008, advances to contractors are prohibited and payment should be made only against the work actually done. However, mobilization advances may be permitted only with the sanction of the Government and this shall be subject to payment of interest till the amount is deducted or adjusted.

Audit observed that an amount ₹ 8.09 crore (Dehradun: ₹ 7.09 crore, Mussoorie: ₹ 1.00 crore) had been paid (2010-12) to contractors as interest free mobilization advance

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<sup>95</sup> Dehradun: ₹ 35.80 crore; Mussoorie: ₹ 46.23 crore and Nainital: ₹ 3.14 crore.

<sup>96</sup> Other than drinkable application.

against four agreements executed. Out of these amounts, ₹ 6.17 crore and ₹ 0.72 crore had been recovered by the end of March 2016 in Dehradun and Mussoorie respectively. However, providing mobilization advances without interest resulted in loss to the tune of ₹ 0.77 crore<sup>97</sup> at five *per cent* rate of interest.

EEs of Dehradun and Mussoorie stated (June 2016) that interest was not charged on the said advances because the Uttarakhand Procurement Rules, 2008 were duly adopted by the UPJN in October 2010 and the agreements were signed before that date. The reply is not acceptable as Uttarakhand Procurement Rules 2008 makes it clear that the Rules had come into force on 01 May 2008 and were equally applicable on UPJN being an entity lying under the administrative control of the State Government.

### **1.18.6 Improper Disposal of Sludge and Use of treated effluent**

STP Mothorowala in Dehradun was completed (February 2016) after incurring an expenditure of ₹ 21.16 crore. Audit scrutiny revealed that user connections were not provided to households from the newly laid sewer lines in 40.57 kms length. However, the STP was connected to old sewer lines which provided only five mld sewage compared to 20 mld capacity of the STP. Thus, the STP was working below its installed capacity.

Audit also observed that the final extract of sludge was being dumped in an open area and the treated effluent was flowing in to a Nala (ultimately merging with Rispana River) where it was again getting polluted. This treated water could have been fruitfully used for secondary purposes like providing irrigation facilities, as required under recommendations of CPHEEO.



Picture No 1: Sludge dumped in open area at Mothorowala



Picture No 2: Disposal of treated effluent in Nalla at Mothorowala

The audit findings were referred to the Government (July 2016). The reply had not been received (December 2016).

## **WOMEN EMPOWERMENT AND CHILD DEVELOPMENT DEPARTMENT**

### **1.19 Implementation of the Nirbhaya Scheme**

***The State Government utilized only ₹ 0.23 crore out of total allocated fund of ₹ 1.02 crore in 2014-15 and 2015-16 resulting in poor operationalization of scheme. Required infrastructure could not be put in place even after a lapse of more than two years since the launch of the scheme.***

<sup>97</sup> Mussoorie: ₹ 0.16 crore and Dehradun: ₹ 0.61 crore.

### **1.19.1 Introduction**

Government of India (GoI) set up the *Nirbhaya* Fund (February 2013) for providing support to projects being executed for women's safety and security. The scheme was launched in Uttarakhand in October 2013. The scheme is aimed at checking gender offence / violence like rape, sexual harassment, sexual assaults at work place and domestic violence against women and provides quick and effective measures to be undertaken by various departments like Police and district administration. The State Government is required to select projects for funding under the *Nirbhaya* scheme. Sixty *per cent* of the cost of such projects is met by GoI while the rest is borne by the State Government.

No allocations under the *Nirbhaya* Fund were however made to the State Government by GoI. The State Government made allocations of ₹ 0.24 crore and ₹ 0.78 crore in 2014-15 and 2015-16 respectively for establishment of *Nirbhaya* Cells in each district. To implement the scheme, the women cells were to be constituted in each districts of the State.

The State Government covered four<sup>98</sup> districts (January 2014) in the first phase of the implementation of the Scheme and issued further orders (October 2015) to implement the scheme in rest of the nine districts<sup>99</sup> due to increase in the number of cases of violence/ offence against women in the State. However, out of these remaining nine districts, the women cells were yet to be constituted in two districts<sup>100</sup>. In one district,<sup>101</sup> although the cell was constituted, no personnel were deployed for the cell. The implementation of the scheme in Uttarakhand was limited to only providing legal assistance and counselling to the women victims and no specific proposals for women security and safety with regard to specific sectors like road transport, police, power were submitted to GoI for approval.

To assess the implementation of the scheme during the period 2013-14 to 2015-16, an audit was conducted from May 2016 to June 2016 by test-check of records of the Director, Integrated Child Development Scheme (ICDS) and the District Programme Officers (DPOs) of Pithoragarh and Champawat districts.

### **1.19.2 Establishment of State level Criminal Accident, Assistance and Rehabilitation Board**

For the effective implementation of the Scheme, a State Level Criminal Accident, Assistance and Rehabilitation Board was to be established under the chairmanship of the Principal Secretary, Women Empowerment and Child Development. The Board was required to review the functioning of the District Boards established under the scheme,

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<sup>98</sup> Pauri, Tehri, Udham Singh Nagar and Nainital.

<sup>99</sup> Pithoragarh, Champawat, Dehradun, Haridwar, Almora, Bageshwar, Uttarkashi, Rudraprayag and Chamoli.

<sup>100</sup> Chamoli and Haridwar.

<sup>101</sup> Rudraprayag.

review the assistance provided to the victims and ensure restorative justice to rape victims.

Audit found that though the said Board had been constituted (October 2013) in the State, it was not functioning as per its mandate and had met only two times (December 2014 and May 2016). The main role of the Board was to supervise the working of the sub-ordinate boards at the district level. However, no documentary proof of any such monitoring undertaken by the Board was provided to audit by the department.

### **1.19.3 Establishment of the Nirbhaya Cell**

Under the Scheme, a cell was to be set up at each DPO office in the districts for helping the victims by ensuring rapid and effective action against the violence meted out to them. The cell was to comprise a women advocate having expertise in criminal cases, a counsellor for assisting and counselling the victim, and supporting clerical staff. All the personnel were to be hired on payment of fixed honorarium.

Scrutiny of records of the Director ICDS revealed that Nirbhaya cells were properly functioning in the districts of Nainital, Pauri and Udham Singh Nagar where these cells had registered and provided legal and counselling related assistance in 99 cases till date. However in Uttarkashi, the cell was functioning without the services of a woman advocate while in Tehri and Champawat districts, the cells were functioning with only a computer operator and an *anusevak*. The experience of Nainital, Pauri and Udham Singh Nagar shows that the women victims of violence could be assisted to a great extent if the cell was formed and manned with proper man power.

The Director, ICDS stated that the process of appointment of personnel for setting up and operationalizing *Nirbhaya Cell* was in process.

### **1.19.4 Poor utilization of Scheme funds**

Audit scrutiny of the records of Director ICDS revealed that out of ₹ 0.24 crore and ₹ 0.78 crore allocated in 2014-15 and 2015-16, only ₹ 6.46 lakh (27 *per cent*) and ₹ 16.42 lakh (21 *per cent*) had been utilized during 2014-15 and 2015-16 respectively. The under-utilization can be attributed to the poor operationalization of the scheme as pointed out in *paragraph 1.19.3*.

The audit findings were referred to the Government (July 2016). The reply had not been received (December 2016).

## **1.20 Implementation of Beti Bachao Beti Padhao Scheme**

***Only ₹0.20 crore was released to selected districts for implementation of the scheme out of received central assistance of ₹0.77 crore, of which, only ₹8.90 lakh (12 per cent) were utilized which defeated the objective of checking the decline in the child sex ratio through mass campaign, focused intervention and multi-sectoral action in the State.***

### 1.20.1 Introduction

The Government of India (GoI) launched (January 2015) the Beti Bachao Beti Padhao (BBBP) Scheme to address the issue of girl education in 100 gender critical districts in India. In Uttarakhand, the scheme was initially implemented in the districts of Champawat and Pithoragarh. The scheme was further extended (February 2016) to cover Dehradun, Haridwar and Chamoli districts of the State. The ‘State Resource Centre for Women’ in the Department of Women Empowerment and Child Development has been designated as the nodal agency in the State for implementation of the scheme.

An audit for assessing the implementation of the scheme in the state during the period from 2014-15 to 2015-16 was conducted during May 2016 to June 2016 by test-check of the records of the Director Integrated Child Development Scheme (ICDS) and the District Programme Officers (DPOs) of Pithoragarh and Champawat.

### 1.20.2 Status of Child Sex Ratio

The scheme is focussed at checking the decline in Child Sex Ratio (CSR) through improving the Sex Ratio at Birth (SRB). In order to achieve the targeted goals in respect of CSR / SRB, necessary steps in the shape of modalities and implementation activities, as depicted in the boxes, were required to be initiated at both the District and Panchayat level.

#### Activities at District Level

- Promote early registration of pregnancy at Health Centers.
- Train Anganwadi Workers/Accredited Social Health Activists to generate awareness on the CSR issue.
- Sensitization of women and young married couple on the issue of declining CSR and value of girl child.
- Community mobilization through celebration of birth of girl child.

#### Activities at Panchayat Level

- Convening of special gram sabha meetings to discuss the impact of imbalance in sex ratio.
- Constitution of Mahila Sabha for spreading awareness among women.
- Monitoring of Anganwaadi centres.
- Reporting of cases of sex determination and female foeticide to the police.

Targets for improving SRB are fixed for each targeted district by GoI bi-annually. The position of the SRB in the test-checked districts is shown in the **Table-1.20.1** below.

**Table-1.20.1: Status of Sex Ratio at Birth**

CSR as per 2011 census		CSR National Average as per 2011 Census	CSR State Average as per 2011 Census	Target/achievement of SRB			
				2014-15		2015-16	
			Target	Ach.	Target	Ach.	
Champawat	873	918	890	895	887	905	958
Pithoragarh	816			908	880	918	901

*Source: Scheme Guidelines of BBBP/Information provided by Director General, Medical, Health and Family Welfare.*

Details of the targets of SRB *vis-à-vis* the achievement of the selected districts during 2014-15 and 2015-16 revealed that while Champawat had performed well in achieving

the set target, performance of Pithoragarh was lacking. Audit observed that many activities like promotion of early registration of pregnancy at health centers, generating awareness on the CSR issue, sensitization of women and young married couple on the issue of declining CSR and value of girl child, community mobilization through celebration of birth of girl child could not be undertaken in the test checked districts. In Champawat, audit could not verify the claims of the Department of over achieving the target rate in absence of data from any third party sources<sup>102</sup>.

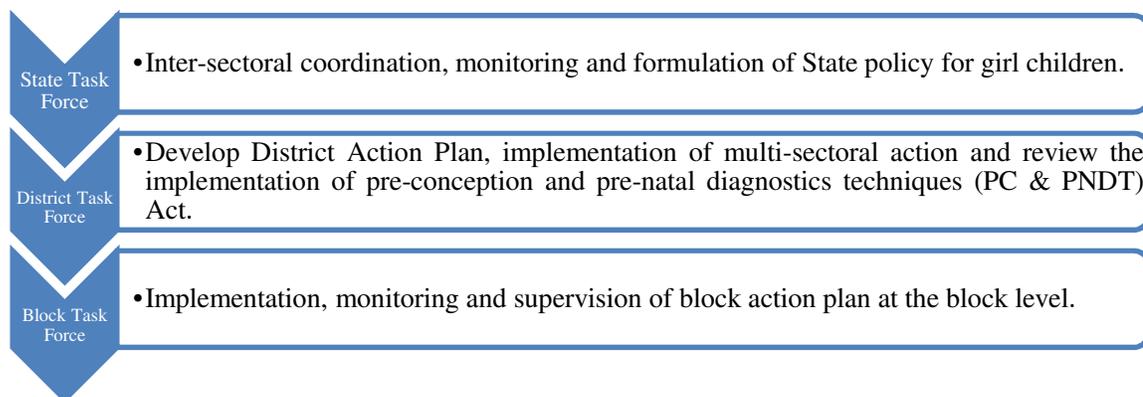
### 1.20.3 Financial Position

The scheme is 100 per cent centrally sponsored by the Government of India. GoI released ₹ 0.21 crore (February 2015) and ₹ 0.56 crore (August 2015) to the State Government for implementation of the scheme in Pithoragarh and Champawat. Further, amount of ₹ 0.16 crore was released in March 2015 for setting up of ‘Village Convergence and Facilitation Services’ (VCFS) centres in both the districts for linking women with various schemes of both the Central and State Governments including *Beti Bachao Beti Padhao*.

Scrutiny of records of the Director ICDS revealed that the Department released an amount of ₹ 10.10 lakh to Champawat and Pithoragarh each (October 2015 and March 2016) out of the above mentioned amount. Audit found that only ₹ 8.90 lakh had been spent till date under the scheme (DPO Pithoragarh: ₹ 3.90 lakh, DPO Champawat: ₹ 0.30 lakh and Director: ₹ 4.70 lakh) in minor activities of publicity, training and capacity building, and awareness campaigns. This expenditure constituted only 12 per cent of the Central assistance under the scheme. Moreover, no funds were spent on setting up the VCFS centres which could help link women with the scheme.

### 1.20.4 Setting up of structures responsible for implementation of the scheme

The scheme guidelines stipulate putting in place a formal structure in the form of a State Task Force (STF), a District Task Force (DTF) and a Block Task Force (BTF) to oversee implementation of the scheme. Main functions of these task forces can be seen in the following diagram:



<sup>102</sup> Annual Survey Report of GoI.

Scrutiny of records of the Director ICDS revealed that STF had not been set up till date. Hence, the activities such as inter-sectoral coordination, monitoring, and formulation of the State policy for girl child could not be undertaken.

Audit also observed that though DTFs had come into existence in both the districts of Pithoragarh (February 2015) and Champawat (August 2015), they could not meet regularly as required. Against the requirement of meeting 17 and 11 times respectively (once a month), the DTFs of these districts could meet only four and three times respectively till June 2016. Agenda of these meetings was to review proper implementation of PC & PNDT Act in the districts. In spite of these meetings, ground level performance in form of activities of publicity and awareness generation, review of implementation of PC & PNDT Act, counseling of newly married couples and pregnant and lactating mothers and facilitating positive environment for education of girl children was negligible. In district Champawat, BTFs were established in three blocks but in the absence of regular monitoring, their objectives were not achieved. BTFs could not be established in Pithoragarh.

#### **1.20.5 Engagement with other stake holders**

The scheme guidelines provide for convergence of activities with other line departments and engagement with various other stake holders for effective implementation of the scheme. These departments and stake holders included Medical Department, Education Department and local Non-Government Organizations (NGOs).

Audit found that such convergence and engagement activities could not be undertaken by the Department. Further, Village Health, Sanitation and Nutrition Committee - a sub-committee of the Gram Panchayat, which was to be engaged for ground level implementation and monitoring of the scheme, had been entrusted with no role in Pithoragarh. The committee was not even in existence in Champawat.

Thus, implementation of the scheme in the State was deficient with little financial support to identified districts, lack of co-ordination and monitoring at the State level, and inadequate implementation activities at the ground level.

The audit findings were referred to the Government (July 2016). The reply had not been received (December 2016).