

## Overview

This Report of the Comptroller and Auditor General of India for the year ending 31 March 2021 contains following chapters:

Chapter-I: Introduction

Chapter-II: (i) Audit of Housing and Construction Activities of Prayagraj Development Authority;

(ii) Audit Paragraphs related to various Government Departments.

### Chapter-I: Introduction

The audit of 58 Departments of Government of Uttar Pradesh along with 392 Public Sector Undertakings (PSUs) and 806 other entities (Urban Local Bodies/Panchayati Raj Institutions/Autonomous Bodies/Authorities, etc.) comes under audit jurisdiction of the Principal Accountant General (Audit-I), Uttar Pradesh. During the year 2019-21, compliance audit of 1,305 units out of total 6,192 auditable units was conducted. This Report contains subject specific compliance audit on 'Housing and Construction Activities of Prayagraj Development Authority' and 16 audit paragraphs pertaining to 13 Departments.

#### *Recovery at Instance of Audit*

Audit noticed (April 2021) that Rapti Canal Construction Division-2, Tulsipur, Balrampur paid ₹ 4.86 crore on account of labour cess from Government Account instead of recovering it from the bills of a contractor. On being pointed out in Audit, the entire amount ₹ 4.86 crore of labour cess had been recovered (March 2022) from the contractor.

### Chapter-II: Compliance Audit Observations

#### **Audit of Housing and construction activities of Prayagraj Development Authority**

Government of Uttar Pradesh established (1974) Prayagraj Development Authority (PDA) under Uttar Pradesh Urban Planning and Development Act, 1973. The objective of PDA is *inter alia* to promote and secure the development of Prayagraj city according to the plan and for that purpose, PDA has power to acquire, hold, manage and dispose of land and other property. To fulfil these objectives, PDA implements various housing schemes to provide affordable houses to the urban population and executes various construction activities mainly relating to civil and electrical works. The compliance audit of Housing and Construction Activities of PDA covers the period 2016-17 to 2020-21. Significant audit findings are as follows:

- PDA failed to prepare zonal plans for 11 out of 12 zones of Prayagraj as required under Uttar Pradesh Urban Planning and Development Act, 1973. As such, developmental activities in 11 zones of Prayagraj were being carried out without availability of requisite zonal plan.

(Paragraph 2.1.2)

- During the period 2016-17 to 2020-21, the expenditure of PDA on housing schemes declined (83 *per cent*) from ₹ 104.73 crore to ₹ 17.56 crore, whereas the expenditure on other development works increased (11 *per cent*) from ₹ 63.27 crore to ₹ 70.23 crore indicating PDA's higher focus on execution of other than housing works, *viz.*, road works, *Kumbh Mela* work, smart city work, *etc.*

*(Paragraph 2.1.3)*

- PDA launched Yamuna Vihar Awas Yojana for construction of 1,200 multi-storey flats without any demand survey. Subsequently, the construction work of the project was abandoned after construction of two towers (192 flats) due to lack of demand. As a result, ₹ 38.85 crore incurred on construction of basement, stilts, floor boundary wall, *etc.*, of incomplete towers rendered infructuous. Further, 160 out of 192 flats remained unsold. Similarly, there were 357 unsold flats costing ₹ 152.92 crore which were constructed in April 2018 (Mausam Vihar) and November 2019 (Jagrati Vihar).

*(Paragraphs 2.1.5.1 and 2.1.5.4)*

- Due to slow progress in work, PDA did not provide possession to the allottees of Alaknanda Apartments under Govindpur Awas Yojana even after a lapse of more than five years from the due date of possession.

*(Paragraph 2.1.5.2)*

- PDA constructed only 312 dwelling units, besides 697 dwelling units was being developed through private developers, against the target for construction of 32,500 dwelling units under Pradhan Mantri Awas Yojana to provide housing at an affordable price to weaker sections of the society, lower income group people and urban poor.

*(Paragraph 2.1.5.3)*

- PDA incurred irregular expenditure of ₹ 4.38 crore on construction of peripheral roads of a proposed township without requisite approval for the township and without immediate requirement. In another road work, irregular payment of ₹ 1.87 crore was made to a contractor for bituminous work without obtaining requisite Consignee Receipt Certificate issued by oil companies.

*(Paragraphs 2.1.6.1 and 2.1.6.4)*

## **Audit Paragraphs**

### ***Basic Education Department***

- Construction of two Kasturba Gandhi Balika Vidyalaya buildings in Azamgarh district remained incomplete even after a lapse of ten years due to lackadaisical attitude of Basic Education Department and the executing agency (Uttar Pradesh Rajkiya Niraman Nigam), rendering an expenditure of ₹ 1.17 crore unfruitful. Besides, this delay forced the residential schools to run from transit campus in Block Resource Centre building, Azamgarh due to which girls were facing difficulties.

*(Paragraph 2.2)*

***Higher Education Department***

- Due to slackness in execution of work and delays in release of funds, construction of sports stadium in Deen Dayal Upadhyaya Gorakhpur University remained incomplete even after a lapse of seven years. As a result, expenditure of ₹ 4.61 crore on its construction remained unfruitful, besides objective of providing sports infrastructure to students of the University could not be achieved.

*(Paragraph 2.3)****Home Department***

- Delay in commencement of work, ineffective monitoring and delay in sanction of revised estimate led to not completing of Baffle Firing Range, besides expenditure of ₹ 5.81 crore on its construction remained unfruitful and the cost of work also increased from ₹ 2.41 crore to ₹ 6.39 crore.

*(Paragraph 2.4)****Irrigation and Water Resources Department***

- Irrigation and Water Resources Department, Sharda Canal Division, Lucknow made irregular payment of Centage amounting to ₹ 91.09 lakh to Uttar Pradesh Project Corporation Limited for the supply of five amphibious hydraulic excavators.

*(Paragraph 2.5)*

- In violation of the conditions of the contract, Irrigation and Water Resources Department, Flood Division, Bareilly made an excess payment of ₹ 33.66 crore to a contractor for dewatering charges in the works of Ramganga Barrage.

*(Paragraph 2.6)*

- In contravention of the provisions of the agreement, Rapti Canal Construction Division-2 paid interest free machinery advance of ₹ 20 crore to a contractor, which also led to loss of interest of ₹ 5.14 crore to the State Government.

*(Paragraph 2.7)*

- Failure to install Musical fountain imported on the basis of incomplete cost estimate for Gomati Riverfront Development Project resulted in unfruitful expenditure of ₹49.59 crore.

*(Paragraph 2.8)*

- Irrigation and Water Resources Department incurred unfruitful expenditure of ₹ 2.70 crore on restoration of syphon at Kichha-Paha feeder canal due to formulation of the project without survey.

*(Paragraph 2.9)****Medical Education Department***

- Operation of current accounts instead of saving bank accounts by Baba Raghav Das Medical College, Gorakhpur, against the government order, resulted in loss of interest of ₹ 1.62 crore.

*(Paragraph 2.10)*

***Medical Health and Family Welfare Department***

- Avoidable payment of ₹ 3.25 crore was made on account of interest, damages and employees contribution imposed by Employees' Provident Fund Organisation due to belated remittance of Employees' Provident Fund contributions by the District Health Societies.

(Paragraph 2.11)

- Chief Medical Officers/Chief Medical Superintendents of 21 districts erroneously fixed higher pay of 175 Medical Officers consequent upon implementation of Seventh Pay Commission, resulting in excess payment of ₹ 2.59 crore. On being pointed out in Audit, four CMOs recovered ₹ 20.64 lakh from 12 Medical Officers.

(Paragraph 2.12)

***Prisons Administration and Reform Services Department***

- Due to lackadaisical approach at the project formulation and appraisal stage and failure of department to ensure timely completion of work, the construction of boundary wall of District Jail Mirzapur remained incomplete even after 11 years of its sanction and the expenditure of ₹ 1.42 crore on its construction was rendered unfruitful.

(Paragraph 2.13)

***Social Welfare Department***

- Excess payment of ₹ two crore was made to executing agency by Social Welfare department in violation of Government orders for admissibility of centage charges.

(Paragraph 2.14)

***Technical Education Department***

- Laxity of Madan Mohan Malviya University of Technology Gorakhpur in payment of house tax to Nagar Nigam Gorakhpur resulted in avoidable payment of ₹ 3.08 crore on account of interest on arrears of house tax.

(Paragraph 2.15)

***Urban Development Department***

- Failure of Nagar Palika Parishad to comply statutory responsibilities under Employees' Provident Funds and Miscellaneous Provisions Act, 1952 regarding deductions of Employees' Provident Funds contributions and timely payment to the Fund resulted in avoidable payment of ₹ 1.49 crore towards employees' contribution, interest and damages.

(Paragraph 2.16)

***Vocational Education and Skill Development Department and Minority Welfare and Waqf Department***

- Expenditure of ₹ five crore incurred on construction of ITI Kithore, Meerut remained unfruitful due to lackadaisical approach in preparing the detailed estimates and delay of more than seven years in sanctioning of revised estimates by the State Government.

(Paragraph 2.17)