

Executive Summary

This Report of the Comptroller and Auditor General of India relates to matters arising from compliance audit of Government Departments, Autonomous Bodies and Public Sector Undertakings of the Government of Rajasthan. Compliance Audit refers to examination of the expenditure and revenue of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by the authorities are being complied with.

This Report is in two parts. **Part-I** discusses the audit findings related to the State Government Departments and **Part-II** discusses the audit findings related to State Public Sector Undertakings and Autonomous Bodies. This Report contains eight Paragraphs involving ₹ 53.25 crore. Some of the significant audit findings are mentioned below:

Part-I: Compliance Audit Observations relating to State Government Departments

This Part contains four paragraphs involving ₹ 8.74 crore which includes one Subject Specific Compliance Audit (SSCA), *i.e.* '**Implementation of Safety, Health and Welfare provisions for the Factory Workers**', and other compliance audit paragraphs of Transport Department and Mining Department.

A synopsis of key findings contained in this Report is presented below:

Factories and Boilers Inspection Department

Implementation of Safety, Health and Welfare provisions for the Factory Workers

The 'Factories and Boilers Inspection Department' is responsible for enforcement of the various provisions regarding safety, health and welfare as enacted in the Factories Act, 1948 and Rules made thereunder. A Subject Specific Compliance Audit on 'Implementation of Safety, Health and Welfare provisions for the Factory Workers' was conducted for the period April, 2017 to March, 2022. Besides review of records of selected offices, Joint Inspections were also conducted of selected 60 factories along with the representative of the Department. Audit revealed non-compliance of safety, health and welfare standards such as non-fencing of machine with moving parts, non-providing of personal protective equipment to workers, non-availability of firefighting facilities, non-arrangement of exhaust for dust and fumes, non-check-up/medical examination of workers, non-availability of crèches, toilets and first-aid facilities at factories in violation of provisions of the Act and Rules. The Department did not take any action to enforce compliance with the Act and also failed to file prosecution cases against factories for violation of safety, health and welfare standards.

The Department did not have effective mechanism in place to ensure compliance with safety, health and welfare standards by the factory owners.

Inspections allotted by the online system 'Central Inspection System' were not conducted as it is evident that there was overall shortfall of 32 *per cent* in inspections conducted. The Department did not have monitoring mechanism over compliance of instructions issued during the inspections and also actions were not taken against the violators. The annual returns were not being submitted by the factories and accident registers were also not being maintained by them. The Department could not address the training needs of the workers. Essential equipment were not available with officials to check the level of light intensity and sound pressure during the inspections. It was also observed that neither were the meetings of various crisis groups formed for managing crisis situations in case of chemical accidents conducted as per the prescribed time frame nor did the Department make effective efforts to conduct the meetings.

The Factories and Boilers Inspection Department acknowledged the audit findings.

Audit recommended that the Government/Department may consider:

- *to make a provision in the annual return to show the number of factory workers who have been imparted safety training. Further, it may issue necessary directions to the factory owners to impart adequate training to workers.*
- *to introduce a module in the Central Inspection System to red flag the inspections which could not be conducted by the inspecting officials and taking action against the official concerned.*
- *to issue directions to the competent authorities for conducting meetings of State Crisis Group, District Crisis Group and Local Crisis Group as per prescribed time frame.*

Transport Department

Audit of 16 units of Transport Department was conducted during the year. The major irregularities noticed are as follows.

- In violation of Section 4-C of the Rajasthan Motor Vehicle Taxation Act, 1951, Department did not recover lump-sum tax in respect of 183 vehicles. This resulted in non/short realisation of lump-sum tax and surcharge amounting to ₹1.42 crore.
- Motor Vehicle Tax amounting to ₹ 6.49 crore in respect of 781 vehicles were not paid by vehicle owners. The Department, however, did not initiate action to realise the dues.

Mining Department

Audit of 10 units of Mining Department was also conducted during the year. The audit findings noticed are as follows.

- The Department did not raise the demand against quantity of mineral excavated and dispatched beyond the permitted quantity mentioned in the Mining Plan of the Lease which resulted in non-realisation of ₹ 83 lakh.

Part-II: Compliance Audit relating to State Public Sector Undertakings and Autonomous Bodies

This part of the Report contains four paragraphs involving ₹ 44.51 crore, including an SSCA on the “**Working of Rajasthan State Seeds Corporation Limited**” highlighting important audit findings emerging from test-check of transactions of the State Public Sector Undertakings.

Rajasthan State Seeds Corporation Limited

Working of Rajasthan State Seeds Corporation Limited

Rajasthan State Seeds Corporation Limited (Company) was incorporated in March 1978 with the main objective of production of certified seed and marketing it at reasonable price to the farmers. For this, it organises seed production programs through seed growers for more than 25 crops of cereals, oilseeds, pulses, cash crops *etc.*

The performance of the Company as regards distribution of breeder seeds and foundation seeds was not satisfactory as it could not distribute the entire quantity of the available seeds for multiplication during 2017-22. Further, production of certified seed, as envisaged in Seed Rolling Plan and own targets, was not ensured in any season.

The Company did not evolve any system to monitor the delivery of expected yield by the seed growers. Besides, the Company did not ensure sowing as per seed production program.

The Company did not ensure proper utilisation of its processing plants as the utilisation ranged between 28.74 *per cent* and 46.09 *per cent* during 2017-22. Further, the Company could not ensure scientific and safe storage of the seeds which led to damage of seeds within nine months of initial certification.

The targets for sale of seeds determined by the Company were not rational as the annual targets fixed remained in excess of the actual availability of seeds for the concerned year. Resultantly, the Company could not ensure achievement of its own targets for sale of seeds during 2017-22.

The Company could not distribute the entire targeted quantity of foundation/certified seeds under Seed Village Program which not only defeated the very purpose of the Scheme but also deprived the farmers of the Scheme’s benefits.

Audit recommended that the Company may consider to:

- ***Prepare of action plan for distribution of available seeds.***
- ***Strengthen monitoring mechanism for production of certified seeds and obtaining the entire yield from seed growers.***

- ***Ensure optimum utilisation of processing plants and scientific as well as safe storage of seeds to control failure of seeds during revalidation.***
- ***Take effective steps to ensure recovery of outstanding dues towards supply of seeds.***

Jaipur Vidyut Vitran Nigam Limited, Ajmer Vidyut Vitran Nigam Limited and Jodhpur Vidyut Vitran Nigam Limited

Lapses in assessment of electricity charges/civil liability led to non-assessment/under-assessment of fuel surcharge.

Audit recommended that the DISCOMs, to avoid the inaccuracies and to exercise necessary controls; may adopt automated assessment procedure for vigilance cases and integrate it with their billing system

Jaipur Vidyut Vitran Nigam Limited

The Company did not adhere to the Saubhagya Guidelines and thus had to bear the entire cost of ₹ 12 crore on installation of 100Wp capacity SPV.

Rajasthan State Road Development and Construction Corporation Limited

Absence of robust internal control mechanism led to acceptance of fake Bank Guarantees worth ₹ 6.86 crore. Resultantly, the Company could not ensure recovery of its toll dues of ₹ 6.72 crore.