



SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest

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



**Government of Uttar Pradesh  
Report No. 5 of 2025  
(Performance & Compliance Audit-Civil)**



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

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## TABLE OF CONTENTS

Particulars	Reference to	
	Paragraph	Page
<b>Preface</b>	-	v
<b>Overview</b>	-	vii
<b>Chapter-I</b> <b>Introduction</b>		
Introduction	1.1	1
Audit Coverage	1.2	1
Audit Process and Response of the Government to Audit	1.3	1
Follow up action taken on earlier Audit Reports	1.4	3
<b>Chapter-II</b> <b>Performance Audits</b>		
<b>AGRICULTURAL MARKETING AND AGRICULTURE FOREIGN TRADE DEPARTMENT</b>		
Working of State Agricultural Produce Market Board and Market Committees	2.1	5
<b>SPORTS DEPARTMENT</b>		
Activities of Sports Department	2.2	36
<b>VOCATIONAL EDUCATION AND SKILL DEVELOPMENT DEPARTMENT AND RURAL DEVELOPMENT DEPARTMENT</b>		
Implementation of Deen Dayal Upadhyaya Grameen Kaushalya Yojna in Uttar Pradesh	2.3	68
<b>Chapter-III</b> <b>Compliance Audits</b>		
<b>AGRICULTURE EDUCATION AND RESEARCH DEPARTMENT</b>		
Unfruitful expenditure on incomplete construction of technical college building	3.1	107
<b>HOUSING AND URBAN PLANNING DEPARTMENT</b>		
Unfruitful expenditure of ₹ 42.02 crore	3.2	111
<b>MEDICAL EDUCATION AND TRAINING DEPARTMENT</b>		
Avoidable payment of interest on arrears of house tax	3.3	113

Particulars	Reference to	
	Paragraph	Page
<b>MEDICAL HEALTH AND FAMILY WELFARE DEPARTMENT</b>		
Unfruitful expenditure due to not operationalising plastic surgery and burn unit in Dr. Ram Manohar Lohia Male Hospital, Farrukhabad	3.4	115
<b>PRISON ADMINISTRATION AND REFORM SERVICES DEPARTMENT</b>		
Unfruitful expenditure on the solar energy based power backup system	3.5	118
<b>TECHNICAL EDUCATION DEPARTMENT</b>		
Unfruitful expenditure on construction of women's hostel buildings	3.6	120
Unfruitful expenditure on under construction building in Harcourt Butler Technical University	3.7	123
<b>URBAN DEVELOPMENT DEPARTMENT</b>		
Unfruitful Expenditure on incomplete commercial shops	3.8	124
Unfruitful expenditure on incomplete animal shelter homes	3.9	126
Unfruitful Expenditure on construction of Pandal in a private university	3.10	131
Unfruitful expenditure on incomplete shooting range	3.11	133
<b>VOCATIONAL EDUCATION AND SKILL DEVELOPMENT DEPARTMENT AND MINORITY WELFARE AND WAQF DEPARTMENT</b>		
Unfruitful expenditure of ₹ 10.76 crore	3.12	136

<b>APPENDICES</b>		
Number	Particulars	Page No.
1.1	Details of Departments and respective entities	143
2.1.1	Sampled Market Committees and Field Offices of UP State Agriculture Market Board	145
2.1.2	Status of internal audit for the period from 2017-18 to 2021-22	146
2.1.3	Market Committee wise status of dishonoured cheques	147

APPENDICES		
Number	Particulars	Page No.
2.1.4	Non recovery of premium amount for shops allotted to traders as of December 2023	148
2.1.5	Status of rent not recovered as of December 2023	149
2.1.6	Details of Post-wise manpower availability as of March 2022	150
2.1.7	Details of Unconstructed Market Yard	152
2.1.8	Number of Weighmen, Measurers and Palledars	153
2.1.9	Details of Non-functional AMHs	155
2.1.10	Shops in market yards remained unallotted as of December 2023	156
2.2.1	Availability of sports infrastructure as of March 2022	157
2.2.2	Details of budget demand, allotment and expenditure of DoS during 2016-22	159
2.2.3	Details of works executed during 2016-22	160
2.2.4	Poorly maintained/unutilised sports facilities	166
2.2.5	Position of unutilised dormitories during 2016-22	168
2.2.6	Details of sports wise and year wise sanctioned strength and PIP of part-time coaches during 2016-22	169
2.2.7	Unavailability of coaches in test-checked districts	170
2.2.8	Details of hospital/dispensary infrastructure in Sports College	171
2.2.9	Sanctioned strength vis-a-vis men in position during 2021-22	172
2.2.10	Participation of female sportsperson	174
2.2.11	Details of vacancies in female sports hostels	174
2.2.12	Details of female coaches available during 2016-22	175
2.2.13	Details of camps with higher number of female sports persons during 2016-22	176
2.2.14	Financial assistance to Sports Association/ Federation	179
2.2.15	Details of sportsperson registered in camps for which associations were disputed	179
2.3.1	List of Sampled Projects	180
2.3.2	Irregular time extension in YP projects	181
2.3.3	Excess payment to PIAs	182
2.3.4 A	Delay in execution of MoU and release of 1st instalment	183

<b>APPENDICES</b>		
<b>Number</b>	<b>Particulars</b>	<b>Page No.</b>
2.3.4 B	Delay in commencement of training of first batch	184
2.3.5	Non-renewal of performance bank guarantee	185
2.3.6	Details of bank accounts opened by sampled PIAs (AP 2016-19)	187
2.3.7	Details of trainees placed as teacher/Counsellor/Lab Assistant	188
2.3.8	Verification of placement documents from banks	190
2.3.9	Verification of test checked placements through mobile phone call	192
2.3.10	Shortfall in Inspection by TSA and UPSDM during 2016-17 to 2021-22	199
3.1	Construction of women's hostels in Government Polytechnic	200
3.2	Status of women's hostels in Government Polytechnics as noticed during joint physical inspection during May and June 2023	202
3.3	Progress of Shooting Range	206

## Preface

This Report for the year ended March 2022 has been prepared for submission to the Governor of Uttar Pradesh under Article 151 of the Constitution of India.

The Report contains significant results of the performance and compliance audits of the Departments of the Government of Uttar Pradesh in respect of clusters under jurisdiction of the Principal Accountant General (Audit-I) Uttar Pradesh including Departments of Agriculture Education and Research, Agricultural Marketing and Agriculture Foreign Trade, Housing and Urban Planning, Medical Education and Training, Medical Health and Family Welfare, Minority Welfare and Waqf, Prison Administration and Reform Services, Rural Development, Sports, Technical Education, Urban Development and Vocational Education and Skill Development.

The instances mentioned in this Report are those, which came to notice in the course of test-audit for the period 2021-22 as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports; instances relating to the period subsequent to 2021-22 have also been included, wherever necessary.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.



**Overview**





## Overview

This Report of the Comptroller and Auditor General of India for period ended March 2022 contains following chapters:

Chapter-I: Introduction

Chapter-II: Performance Audits of -

- (i) Working of State Agricultural Produce Market Board and Market Committees
- (ii) Activities of Sports Department
- (iii) Implementation of Deen Dayal Upadhyaya Grameen Kaushalya Yojna in Uttar Pradesh

Chapter-III: Compliance Audit Paragraphs related to various Government Departments.

### Chapter-I: Introduction

The audit of 55 Departments of Government of Uttar Pradesh along with 384 Public Sector Undertakings (PSUs) and 776 other entities (Autonomous Bodies/Authorities, etc.) including Urban Local Bodies, Panchayati Raj Institutions thereunder comes under audit jurisdiction of the Principal Accountant General (Audit-I), Uttar Pradesh. During the year 2021-22, compliance audit of 249 units out of total 6,537 auditable units was conducted. This Report contains results of performance audits of 'Working of State Agricultural Produce Market Board and Market Committees', 'Activities of Sports Department' and 'Implementation of Deen Dayal Upadhyaya Gramin Kaushalya Yojana in Uttar Pradesh' and 12 compliance audit paragraphs pertaining to 12 Departments.

### Chapter-II: Performance Audits

#### 2.1 Working of State Agricultural Produce Market Board and Market Committees

Under *Uttar Pradesh Krishi Utpadan Mandi Adhiniyam*, 1964 (the Act), the State Government notifies any area as a market area for regulation of sale and purchase of agriculture produce. There are 251 regulated market areas (*Viniyamit Mandi*) in the State. For every market area, there is a Committee called Market Committee of that market area. To oversee and manage the functioning of these Market Committees and related affairs, the State

Government constituted the State Agricultural Produce Market Board (the Board).

This Performance Audit assessed the functioning of the State Agricultural Produce Market Board and the Market Committees during the period 2017-18 to 2021-22. Replies of the State Government (September 2023) and further information received from the Board upto August 2024 have been suitably included in the Report. Significant audit findings are detailed below:

The Act provides for functioning of Market Committees through their members nominated by State Government from various stakeholders and Chairman/Vice Chairman elected by nominated members from representatives of producers in the Market Committee. However, the Board could not implement the provision of the Act resulting in the continued governance of the Market Committees by the State Government officers.

Out of the total receipts (₹ 7,654.78 crore) during 2017-18 to 2021-22, the Board incurred an expenditure of ₹ 4,173.17 crore and 251 Market Committees incurred an expenditure of ₹ 3,124.19 crore. The receipts of Board and Market Committees had declining trend after 2019-20, as a result their expenditure exceeded receipts during 2020-22. The Board transferred ₹ 392.28 crore of interest earned under UP State Marketing Development Fund and Central Mandi Fund to the Board's Fund during 2016-2021, which was in violation of the Act under which these funds were established to carry out specific activities. Further, premium of ₹ 81.96 crore on allotment of shops, ₹ 11.78 crore of rent and user charges of ₹ 1.33 crore were outstanding as of March 2022 from shops/godown allotted by Market Committees in the State. Even after a lapse of more than five years, the advance payments of ₹ 5.61 crore to various agencies for the supply of cement and maxphalt were yet to be adjusted by six Deputy Director (Construction) offices (DDC) of the Board as of March 2022.

Market Board received ₹ 138.94 crore from the Government of India during 2017-18 to 2021-22 for implementation of three centrally sponsored schemes, viz., Electronic National Agriculture Market (e-NAM), Rashtriya Krishi Vikas Yojna (RKVY) and Bundelkhand Package (BKP). However, the utilisation of the total funds available for the e-NAM and RKVY schemes from 2017-18 to 2021-22 was only 49.14 *per cent* and 9.62 *per cent* respectively. There was minimal activity in both Inter-State and Intra-State trade on the e-NAM platform as a result intended outcomes of the e-NAM have not been achieved even after six years of its implementation in the State.

Principal Market Yards were not constructed in 12 *per cent* Market Committees in the State. Only 20 *per cent* of 133 Rural Infrastructure Nuclei (RINs) constructed to provide facility of selling the local farmers produce locally in Bundelkhand region were operational as of August 2023. Further, out of 1,643 Agricultural Marketing Hubs (AMHs) constructed during 2011-12 to 2014-15 with the aim of providing farmers with a local market to sell their agricultural produce, 29 *per cent* AMHs remained unoperational as of January 2024. Moreover, 309 shops in the market yards of 21 test checked Market Committees were vacant as of December 2023 of which 223 shops were never allotted since their handing over to the respective Market Committees.

The Board undertook projects without conducting proper feasibility studies resulting in idle infrastructure, viz., expenditure of ₹ 39.60 crore on the flower market in NOIDA remained unoperational even after 15 years of its completion and a potato processing unit in market yard at Thathiya, Kannauj was abandoned (March 2017) midway after incurring expenditure of ₹ 11.71 crore.

### ***Recommendations***

- *State Government should nominate members in Market Committees among producers, traders, commission agents, palledars and take measures for election of their Chairman and Vice Chairman by the members.*
- *Effective mechanism should be devised and closely monitored for better utilization of funds.*
- *To ensure the proper functioning of Market Committees and the Board timely and appropriate recruitment in all categories of employees should be carried out.*
- *Weighing of each consignment brought into the closed premises of market yards should be ensured, and the payable and paid amounts of market fees should be reconciled. The realization of receipts should be ensured through systemic reforms in the functioning of the market yards.*
- *A long-term policy should be made for the development of new infrastructure in the market yard/market area. The requirement for new infrastructure should be generated in a bottom-up approach from the user Market Committee.*

- *For better utilisation of facilities created for purchase and sale of agriculture produce, unutilised infrastructure should be maintained and put to use on priority.*

## **2.2 Activities of Sports Department**

The Department of Sports (DoS), Government of Uttar Pradesh, is responsible for promotion of sports in the State. Performance Audit on ‘Activities of Sports Department’ was conducted covering the period 2016-22. The replies (July 2023 and July 2024) of the State Government and Sports Directorate and further information received from the Sports Directorate upto August 2024 have been suitably included in the Report. Significant audit findings are discussed below:

State Government approved a sports policy in March 2023. In the absence of state specific sports policy during 2016-22, the measures taken for promotion and development of sports in the State were largely *ad hoc*. DoS was providing training in various sports without prioritising sports disciplines for development to achieve excellence in identified sports as envisaged in the national policy. Sports facilities were created without assessing district-wise requirements. Budgetary resources were not allocated rationally leading to huge savings while facilities suffered due to lack of funds.

DoS implemented 56 works for augmentation of sports infrastructure during 2016-22. In violation of State Government’s order (September 2013), these works were awarded to executing agencies on nomination basis without obtaining estimates from at least three executing agencies to ensure reasonableness of rates. MoUs were not executed with construction agencies due to which DoS lacked mandate to impose liquidated damage in case of delays in construction. Further, projects were sanctioned without feasibility reports. Multiple sports facilities in test checked districts created after substantial investments were lying unutilised, with many in need of repairs and maintenance. DoS did not formulate any policy regarding repair and maintenance of sports infrastructure.

There are three sports colleges in the State which are fully funded by DoS and impart education from class six to class 12 (Humanities stream) under Uttar Pradesh Board of Secondary Education. Audit noticed underutilisation of capacity by 26 to 46 *per cent* in these colleges during 2016-22. Faculties for teaching academic subjects were not available as per the sanctioned strength of these colleges. DoS attributed the inadequate faculty in sports colleges to the Education Department’s failure to provide teachers on deputation basis. Further, the post of medical officer was vacant in two sports colleges.

DoS provides coaching to the emerging sportspersons through sports hostels, sports colleges and coaching camps by utilising the services of departmental coaches and part-time coaches. However, the Department could not properly address the shortage of coaches. Vacancies in permanent and part-time coaches was 33 to 38 *per cent* and 13 to 60 *per cent* respectively during 2016-22. Further, a compiled database regarding sportspersons being trained by the Department was not being maintained, thereby not allowing need-based allocation of resources.

DoS did not develop any mechanism to evaluate nutritional level of the sportspersons. The State Government implemented (October 2020) the diet chart without considering the sports specific requirement of calories. Further, DoS did not take any measure for awareness among coaches and sportspersons in respect of doping.

National Sports Policy 2001 stipulates that efforts will be made to promote and encourage female participation in sports. However, there were poor participation of female's sportspersons in training camp, besides shortage of female coaches.

There was inadequate coordination between DoS and Sports Associations. There were disputes in four state sports associations (Uttar Pradesh Power Lifting Federation Lucknow/Kanpur, Uttar Pradesh Netball Federation Ghaziabad, Uttar Pradesh Taekwondo Federation Lucknow, Uttar Pradesh Shooting Ball Federation Meerut). Due to their disputes, they were not organising competitions and sending no teams at national level competition.

### ***Recommendations***

- *The State Government should ensure that sports facilities are created in the State after detailed survey and assessment of need. Responsibility should be fixed where projects are taken up without these leading to unfruitful expenditure.*
- *Maintenance and repair of sports facilities and equipment should be taken up timely and budget provided at beginning of year itself after proper assessment. Action needs to be taken against the concerned and the agencies where these facilities are lying damaged and neglected.*
- *The State Government should ensure that rights and obligations should be clearly laid down in agreement with construction agencies with penalty clauses for default and the works are executed in a transparent, accountable and timely manner.*

- *Vacancies in coaching staff should be filled up. Also, the State Government should employ services of required number of physiotherapists.*
- *The State Government should prepare a database of all the sports trainees for adequate follow-up of their progress.*
- *A responsive complaint redressal mechanism needs to be enforced in all districts to deal with complaints of female sportspersons.*
- *Concrete measures should be taken to increase awareness against doping to promote fair play and a healthy lifestyle among sportspersons /sports trainees.*
- *A better coordination between DoS and Sports Association should be ensured to promote competitive sports in the State.*

### **2.3 Implementation of Deen Dayal Upadhyaya Grameen Kaushalya Yojna in Uttar Pradesh**

Deen Dayal Upadhyaya Grameen Kaushalya Yojna (DDU-GKY), a Centrally Sponsored Scheme, was launched on 25 September 2014 as a placement linked skill development programme for rural youth in the age group of 15 to 35 years. A Performance Audit (PA) on 'Implementation of DDU-GKY in Uttar Pradesh' was conducted covering the period from April 2016 to March 2022 to ascertain whether DDU-GKY was implemented effectively and in accordance with the guidelines. Uttar Pradesh Skill Development Mission (UPSDM) under Vocational Education and Skill Development Department was entrusted with the implementation of the scheme in the State. Replies of the State Government (July 2023) and further information received from UPSDM up to January 2024 have been suitably incorporated in the Report.

Activities for effective planning such as skill gap assessment and study of labour market, preparation of State Perspective Implementation Plan and creation of youth level data base were not carried out during the six year period covered by audit. The scheme was implemented throughout the period without appointment of a dedicated staff for implementation of DDU-GKY both at State and district level, though it had been envisaged under the scheme and administrative cost had also been made available (March 2016) by GoI to the State for the purpose. There was shortfalls in achievement of training and placement targets in the range of 15 *per cent* to 76 *per cent* in the six year covered by Audit.

Audit noticed delays in notifications for invitation of request for proposals (RFPs) from Project Implementing Agencies (PIAs) for training of rural youths and delays in execution of Memorandum of Understandings (MoUs)

with PIAs. Further, there was undue benefit to PIAs by not taking timely action against them in accordance with guidelines for Nil placement in respective projects. Suspicious/doubtful placements and use of suspected doubtful bank statements in support of placement by the PIAs raised concern over the placements claimed by the PIAs under the scheme.

There were shortfall in inspections by UPSDM ranging from 57 *per cent* to 100 *per cent* and by Technical Support Agency ranging from 22 *per cent* to 100 *per cent* in bi-monthly inspections of 19 out of 28 test-checked PIAs for which data were furnished by UPSDM.

### ***Recommendations***

*The State Government should:*

- *ensure preparation of State Perspective Implementation Plan based on skill gap assessment and study of labour market. Further, state level youth data base for comprehensive planning and implementation of the scheme should be prepared.*
- *ensure close co-ordination between UPSDM and Rural Development Department for timely release/utilisation of funds and to avoid creation of interest liability.*
- *assess the performance of PIA and validate the claim of training and placement in previous projects before award of the projects.*
- *take immediate action for speedy recovery of released amount along with penal interest in case of defaulter PIAs.*
- *review the placement documents including bank statements submitted by the PIAs to assure genuineness of claims of the PIAs regarding placements and trainings and fix responsibility of false claims.*
- *ensure deployment of dedicated skill team at state, district and sub-district level for smooth implementation and monitoring of skill development scheme.*



### **Chapter-III: Compliance Audits**

#### **Audit Paragraphs**

##### ***Agriculture Education and Research Department***

Due to laxity in firming up the scope of work, delay in release of fund at department level as well as failure of executing agency to obtain Technical Sanction before commencement of construction resulted in unfruitful expenditure of ₹ 54.80 crore on incomplete construction of College of Agriculture Engineering and Technology due to which intended objective of the project was not achieved.

*(Paragraph 3.1)*

##### ***Housing and Urban Planning Department***

Due to an injudicious decision of Uttar Pradesh Awas and Vikas Parishad to construct 680 flats under the Self-Financed Yojana without demand survey, construction of 488 flats was left incomplete at the stilt level resulting in unfruitful expenditure of ₹ 42.02 crore on abandoned incomplete structure.

*(Paragraph 3.2)*

##### ***Medical Education and Training Department***

Avoidable payment of ₹ 81.30 lakh was made by Baba Raghav Das Medical College, Gorakhpur on account of interest on arrears of house tax.

*(Paragraph 3.3)*

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

State Government could not provide human resources for operationalisation of plastic surgery and burn unit in Dr. Ram Manohar Lohia Male Hospital, Farrukhabad despite construction of its building in December 2016, which resulted in unfruitful expenditure of ₹ 1.96 crore incurred on construction of building and purchase of equipment/furnishings.

*(Paragraph 3.4)*

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

Due to laxity on the part of Department and inaction by executing agency, the solar energy based power back up system remained non-functional even after five years of its installation defeating its objective of providing power backup to mobile phone jammers installed in Central Jail, Bareilly. Thus, expenditure of ₹ 1.95 crore incurred on installation of the equipment was rendered unfruitful.

*(Paragraph 3.5)*



***Technical Education Department***

Seven women's hostels in Government polytechnics could not be made operational even after a lapse of two to four years of handing over of these hostels. Besides, after a lapse of more than seven years of their sanction, three hostels though completed are still not handed over and construction of one hostel is still incomplete due to which an expenditure of ₹ 21.22 crore incurred on their construction remains unfruitful.

(Paragraph 3.6)

Expenditure of ₹ 8.37 crore incurred on construction work of building for the Electronics Engineering Department of the Harcourt Butler Technical University, Kanpur (HBTU) remained unfruitful due to delay in release of adequate fund resulting in stoppage of work since December 2021.

(Paragraph 3.7)

***Urban Development Department***

Nagar Panchayat, Uska Bazar, Siddharthnagar (NP) started construction of commercial shops on the land not duly owned by the NP due to which dispute arose with Zila Panchayat, Siddharthnagar and construction could not be completed even after lapse of more than seven years resulting in unfruitful expenditure of ₹ 1.36 crore on incomplete commercial shops.

(Paragraph 3.8)

In violation of the Financial Rules and the guidelines of the Kanha Animal Shelter scheme, Nagar Palika Parishad, Siswa Bazar, Maharajganj and Nagar Panchayat, Uska Bazar, Siddharthnagar commenced construction of animal shelter homes without ensuring availability of undisputed land due to which construction works were stopped after incurring expenditure of ₹ 96.63 lakh resulting in unfruitful expenditure on these constructions for more than six years.

(Paragraph 3.9)

Expenditure of ₹ 4.91 crore was incurred on incomplete construction of *Bhavya Pandal* in Mohammad Ali Jauhar University which was lying abandoned for more than six years rendering the entire expenditure unfruitful.

(Paragraph 3.10)

Nagar Nigam Lucknow failed to complete construction works of a shooting range commenced in the year 2008, resulting in unfruitful expenditure of ₹ 18.61 crore on the incomplete shooting range.

(Paragraph 3.11)

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

The construction work of ITIs at Katra Shankar Nagar, Tulsipur and Sriduttganj in district Balrampur could not be completed even after a lapse of more than eleven years of its sanction due to delay in providing land and commencement of work without ensuring approval of estimated fund required for the construction. Thus, expenditure of ₹ 10.76 crore incurred on incomplete ITI buildings was rendered unfruitful.

*(Paragraph 3.12)*

## Chapter - I

# Introduction



## CHAPTER-I

### 1.1 Introduction

The audit of 55 Departments of Government of Uttar Pradesh along with 384 Public Sector Undertakings (PSUs) and 776 other entities (Autonomous Bodies/Authorities, *etc.*) including Urban Local Bodies (ULBs)/ Panchayati Raj Institutions (PRIs) thereunder, comes under audit jurisdiction of the Principal Accountant General (Audit-I), Uttar Pradesh. The details of Departments and respective entities are given in **Appendix-1.1**.

### 1.2 Audit Coverage

During the year 2021-22, the office of the Principal Accountant General (Audit-I), Uttar Pradesh conducted the compliance audit of 249 units out of total 870 units planned for audit against 6,537 auditable units under 55 Departments of Government of Uttar Pradesh. This Report contains results of Performance Audits of ‘Working of State Agricultural Produce Market Board and Market Committees’, ‘Activities of Sports Department’ and ‘Implementation of Deen Dayal Upadhyaya Gramin Kaushalya Yojana in Uttar Pradesh’ and 12 Compliance Audit Paragraphs pertaining to 12 Departments<sup>1</sup> and PSUs/Authorities thereunder.

### 1.3 Audit Process and Response of the Government to Audit

Audit affords a four stage opportunity to the audited units/departments to elicit their views on audit observations, *viz.*,

**Audit Memos:** Issued to the head of the audited unit during the field audit to be replied during the audit itself.

**Inspection Reports (IR):** Issued within a month of the completion of audit to be replied by the head of the audited unit within four weeks.

**Draft Performance Audit Report/Draft Paragraphs:** Issued to the heads of the Departments under whom the audited units function for submission of Departmental views within a period of six weeks for consideration prior to these being included in the CAG’s Audit Report.

**Exit Conference:** Opportunity is given to the head of departments and State Government to elicit Government/Departmental views on the performance audit/subject specific compliance audit observations prior to finalisation of the Audit Report.

In all these stages, Audit strives to provide full opportunity to audited units/head of Departments/State Government to provide rebuttals and clarifications and only when the departmental replies are not received or are

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<sup>1</sup> Departments of Agriculture Education and Research, Agricultural Marketing and Agriculture Foreign Trade, Housing and Urban Planning, Medical Education and Training, Medical Health and Family Welfare, Minority Welfare and Waqf, Prison Administration and Reform Services, Rural Development, Sports, Technical Education, Urban Development and Vocational Education and Skill Development.

not convincing, the audit observations are processed for inclusion in the Inspection Report or CAG's Audit Report, as the case may be. However, in most of the cases, the audited entities do not submit timely and satisfactory replies as indicated below:

- **Status of Replies to Inspection Reports**

A detailed review of IRs issued up to March 2022 to 3,572 Drawing and Disbursing Officers (DDOs) pertaining to 55 Departments/PSUs/Autonomous Bodies (ABs) revealed that 53,024 paragraphs contained in 11,926 IRs were outstanding for settlement for want of convincing replies as on 31 March 2023. Of these, the DDOs submitted initial replies against 16,207 paragraphs contained in 4,141 IRs, while in respect of 36,817 paragraphs contained in 7,785 IRs, there was no response from DDOs. The status of outstanding IRs is given in **Table 1.1**.

**Table 1.1: Outstanding IRs and Paragraphs (issued up to 31 March 2022)  
as on 31 March 2023**

Sl. No.	Period	No. of outstanding IRs (per cent)	No. of outstanding Paras (per cent)
1	Upto one year	240 (2)	2478 (5)
2	More than 1 year to 3 years	1690 (14)	10073 (19)
3	More than 3 years to 5 years	2103 (18)	10626 (20)
4	More than 5 years	7893 (66)	29847 (56)
<b>Total</b>		<b>11926</b>	<b>53024</b>

*Source: Information compiled by Audit*

During the period 2021-22, two meetings (Audit Committee Meetings) of Audit with the Departmental officers were held, in which 106 Paras were settled.

- **Status of Replies to Performance Audits and Compliance Audit Paragraphs included in the present Audit Report**

Regulation 138 of the Regulations on Audit and Accounts, 2020 (Regulations, 2020) provides that the Secretary to Government of the concerned Department shall communicate the comments, observations and explanation of the Government on the draft audit report/ draft paragraph within the specified period.

For the present Audit Report 2022, Performance Audits of 'Working of State Agricultural Produce Market Board and Market Committees' 'Activities of Sports Department' and 'Implementation of Deen Dayal Upadhyaya Gramin Kaushalya Yojana in Uttar Pradesh' and 12 Compliance Audit Paragraphs were forwarded to the Additional Chief Secretaries/Principal Secretaries/Secretaries of the concerned administrative Departments to elicit their views on the audit observations.

Replies/responses of the Government in respect of all three Performance Audits and 11 Compliance Audit Paragraphs have been received. The replies of the Government in respect of remaining one audit paragraph was still awaited (December 2024) despite reminders. Not submitting replies to Audit adversely affects accountability and transparency in the Government and is therefore a cause of concern.

#### 1.4 Follow up action taken on earlier Audit Reports

The Report of the Comptroller and Auditor General of India represents the culmination of the process of audit scrutiny. It is, therefore, necessary that it elicits appropriate and timely response from the executive. The Finance Department, Government of Uttar Pradesh issued (June 1987) instructions to all the administrative Departments to submit replies/explanatory notes to paragraphs/performance audits included in the Audit Reports of the CAG of India within a period of two to three months of their presentation to the State Legislature. The position of replies/explanatory notes not received is given in **Table 1.2**.

**Table 1.2: Explanatory notes not received (as on 31 December 2023)**

Year of the Audit Report	Audit Report No. and year	Date of placement of Audit Report in the State Legislature	Total Performance Audit (PAs) and Compliance Audits (CAs) Paragraphs in the Audit Report		Number of PAs/CAs Paragraphs for which explanatory notes were not received	
			PAs	CAs	PAs	CAs
2012-13	05 of 2014	17.11.2014	5	28	0	2
2012-13	03 of 2014	01.07.2014	1	0	0	0
2013-14	03 of 2015	26.03.2015	6	31	2	2
2014-15	01 of 2016	08.03.2016	9	30	4	2
2014-15	03 of 2016	23.08.2016	1	0	1	0
2015-16	02 of 2017	18.05.2017	2	29	0	11
2015-16	03 of 2017	21.07.2017	1	0	0	0
2015-16	04 of 2017	27.07.2017	1	0	0	0
2016-17	03 of 2018	07.02.2019	0	10	0	4
2017-18	02 of 2019	17.12.2019	1	0	1	0
2018-19	02 of 2021	19.08.2021	1	21	1	16
2019-20	06 of 2022	22.02.2023	1	0	1	0
2020-21	01 of 2023	28.02.2023	0	17	0	16
2020-21	02 of 2023	08.08.2023	1	0	1	0
<b>Total</b>			<b>30</b>	<b>166</b>	<b>11</b>	<b>53</b>

*Source: Information compiled by Audit*

- **Discussion of Audit Reports by Public Accounts Committee (PAC)**

During the years 2012-13 to 2020-21, 30 Performance Audits and 166 Compliance Audit Paragraphs related to Departments were reported in these Audit Reports. Of these, PAC had taken up 91 paragraphs (PAs/CAs) for discussion. The status of PAC discussion as on 31 December 2023 is detailed in **Table 1.3**.

**Table 1.3: Status of PAC discussion, Uttar Pradesh, Vidhan Sabha  
(as on 31 December 2023)**

Status	PAs/CAs of Audit Report for the year 2012-13 to 2020-21
Number of total Audit Paras	196 (30 PAs + 166 CAs)
Taken up by PAC for discussion	91 (15 PAs + 86 CAs)
Recommendation made by PAC	Yet to be received
ATN received	Nil

*Source: Information compiled by Audit*



## Chapter - II

# Performance Audits



## Agricultural Marketing and Agriculture Foreign Trade Department

### 2.1 Working of State Agricultural Produce Market Board and Market Committees

#### 2.1.1 Introduction

*Uttar Pradesh Krishi Utpadan Mandi Adhiniyam*, 1964 (the Act) provides for regulation of sale and purchase of agriculture produce<sup>1</sup> and for establishment, superintendence and control of markets thereof in Uttar Pradesh.

Under Section 5 of the Act, the State Government notifies any area as a market area in respect of such agricultural produce and with effect from such date as may be specified in the declaration. There are 251 regulated market areas (*Viniyamit Mandi*) in the State. For every market area, there is a Committee called Market Committee<sup>2</sup> of that market area, which is also known as Agricultural Produce Market Committees (APMCs).

Section 26-A of the Act provides for the establishment of the State Agricultural Produce Market Board. The Board is responsible for superintendence and control over the working of Market Committees and other affairs thereof including programmes undertaken by such committees for construction of new market yards and development of existing markets and market areas. The Market Committees and the Board are body corporates and are deemed to be local authorities.

#### 2.1.2 Organisational setup

The Department of Agricultural Marketing and Agriculture Foreign Trade is the administrative Department of Uttar Pradesh State Agricultural Produce Market Board (the Board) at the Government level. The Board consists of a Chairman and three Vice Chairmen who are non-official members appointed by the State Government, besides other members<sup>3</sup>. The Director of the Mandis (the Director) is *ex-officio* Member Secretary of the Board. Subject to the superintendence of the Board, the general control and direction over all the officers of the Board is vested in the Director.

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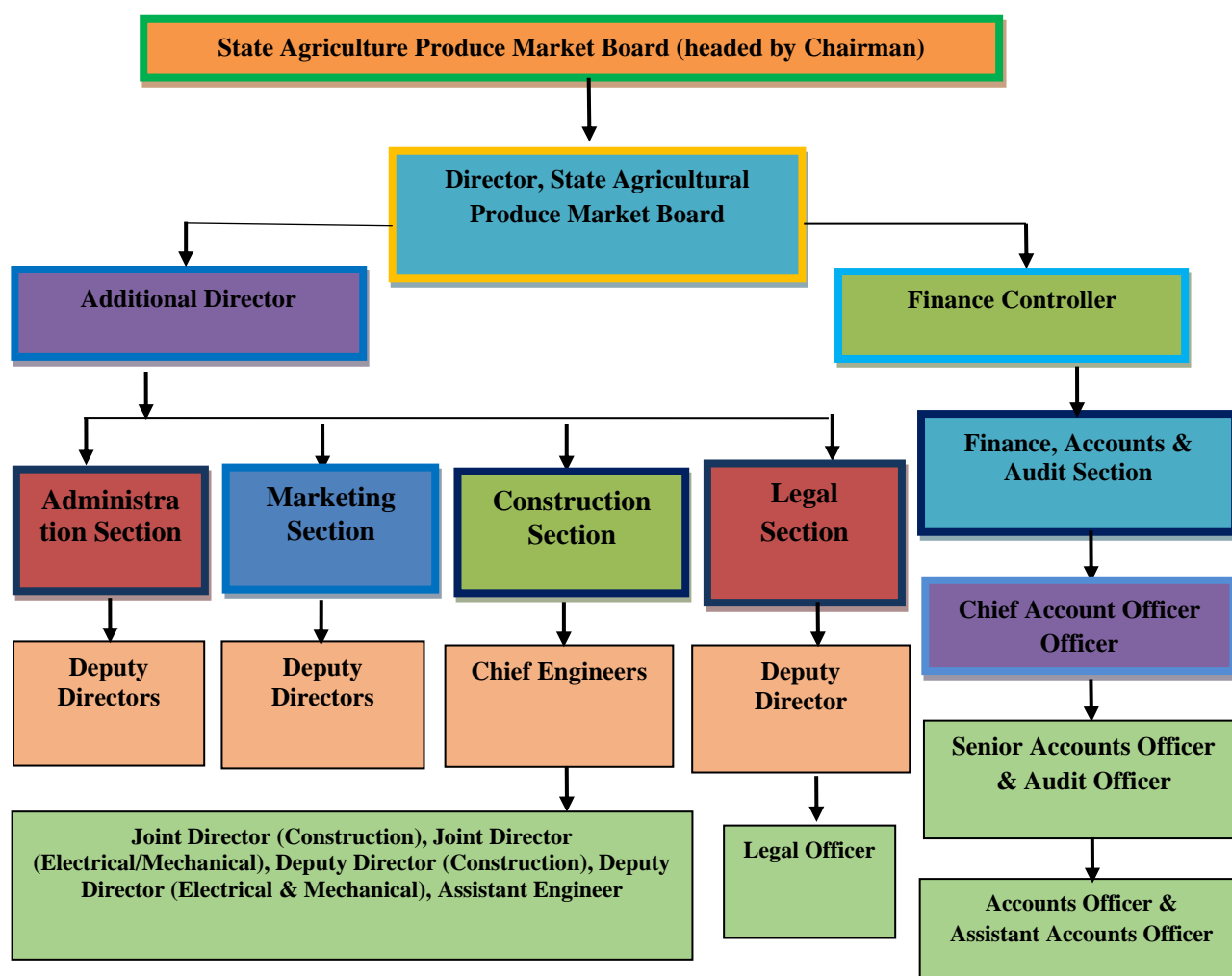
<sup>1</sup> As per Section 2 of the Act, agricultural produce means such items of produce of agriculture, horticulture, viticulture, apiculture, sericulture, pisciculture, animal husbandry or forest as are specified in the schedule of the Act and include admixture of two or more of such items and also include any such items in processed form.

<sup>2</sup> Section 12 of the Act provides for establishment of Market Committee.

<sup>3</sup> The Agriculture Production Commissioner, Uttar Pradesh (or his services not below the rank of Secretary); the Principal Secretary/Secretary (Finance Department); the Principal Secretary/Secretary (Food and Civil Supplies Department); the Principal Secretary/Secretary (Agriculture Department); the Registrar, Cooperative Societies, Uttar Pradesh; the Director of Agriculture, Uttar Pradesh; the Agricultural Marketing Adviser to the Government of India; the Director, Horticulture and Fruit Utilization, Uttar Pradesh; the Director, Agricultural Marketing, Uttar Pradesh; the Vice Chancellor of any of the Universities established under *UP Krishi Evam Prodyogic Vishwavidyalaya Adhiniyam* 1958; six persons appointed by the State Government from out of the producers nominated as members of Market Committees; two persons appointed by the State Government from out of the traders or commission agents nominated as members of Market Committees; and the Director of Mandis.

The Board has 16 divisional offices each headed by Deputy Director (Administration/Marketing). To carry out construction works, the Board has 19 Construction Divisions organised under four zones<sup>4</sup> and five Electrical & Mechanical (E&M) Divisions. Both the Civil and E&M Divisions are headed by a Chief Engineer in the office of the Board. The organisational structure of the Board is depicted in **Chart 1**.

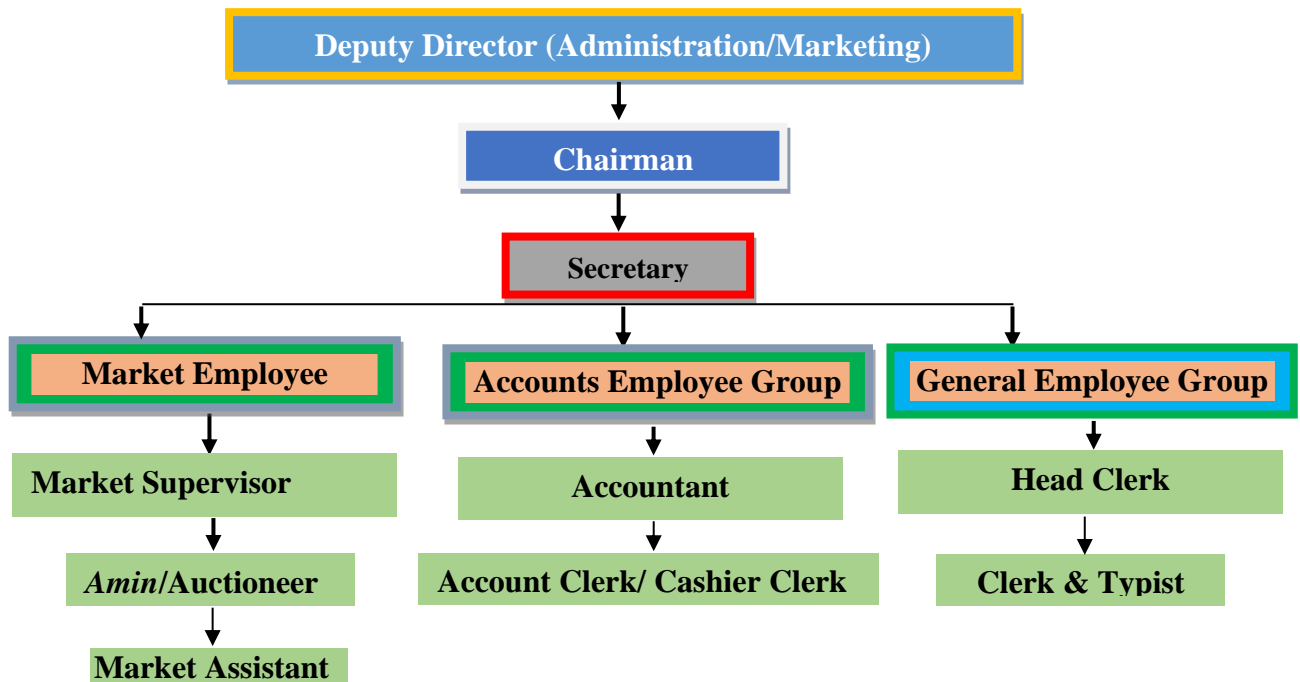
**Chart 1: Organisational structure of Uttar Pradesh State Agricultural Produce Market Board**



(Source: UP State Agricultural Produce Market Board)

As per Section 13 of the Act, Market Committees were to consist of 15 nominated members and a Member Secretary. A Chairman and a Vice Chairman would be elected from these 15 nominated members. However, at present, all powers and responsibilities of Market Committees and Chairmen remained vested in the respective District Collectors. The Secretary is the Chief Executive Officer of the Market Committee. Organisational structure of Market Committees is given in **Chart 2**.

<sup>4</sup> Lucknow, Bareilly, Agra and Gorakhpur

**Chart 2: Organisational Chart of Market Committees**

(Source: UP State Agricultural Produce Market Board)

### 2.1.3 Audit objectives

Audit objectives were to assess whether the:

- Board had an effective and efficient monitoring framework and internal control mechanism;
- financial and manpower management were efficient;
- Market Committees efficiently provided facilities in market area and ensured their utilization by farmers/traders; and
- developmental works were carried out in transparent, economical and efficient manner.

### 2.1.4 Audit criteria

The following were the sources of criteria for analyzing performance of the Board and Market Committees:

- Uttar Pradesh Krishi Utpadan Mandi Adhiniyam, 1964;
- Uttar Pradesh Krishi Utpadan Mandi Niyamavali, 1965;
- Orders and circulars of Uttar Pradesh State Agricultural Produce Market Board;
- UP Krishi Utpadan Mandi Samiti (Alpkalik Vyawastha) Adhiniyam, 1972;
- Procurement Manual and related orders of the State Government;
- UP Public Works Department orders and circulars relating to execution of works;

- UP Public Works Department schedule of rates (SoR); and
- General Financial Rules 2017 (GFR) issued by Ministry of Finance, Government of India.

### **2.1.5 Scope and methodology of audit**

In the Performance Audit, records for the period from 2017-18 to 2021-22 have been examined during July to December 2022 in Uttar Pradesh State Agricultural Produce Market Board, Lucknow, its 15 field offices and 38 Market Committees selected<sup>5</sup> (*Appendix 2.1.1*) using Probability Proportional to Size Without Replacement (PPSWOR) method.

Audit methodology included scrutiny of records maintained in the selected offices, collection of information/data from selected offices, audit enquiries along with physical verification of construction works.

The Performance Audit commenced with an entry conference (8 June 2022) with Additional Chief Secretary, Department of Agricultural Marketing and Agriculture Foreign Trade, Government of Uttar Pradesh. Exit Conference for taking views of the State Government and the Board on audit findings was held on 29 September 2023. The replies of the State Government (September 2023), views expressed during exit conference on the audit observations and further information received from the Board upto August 2024 have been suitably incorporated in the report.

## **Audit findings**

### **2.1.6 Working of the Board under the framework envisaged by the Act**

#### ***2.1.6.1 Functioning of Market Committees without nominated and elected members***

As prescribed under Sections 26 G and 26 L of the Act of 1964, amended from time to time, the Board is mandated to exercise superintendence and control over the functioning of Market Committees and other related affairs.

Section 13 of the Act<sup>6</sup> further provides for the nomination of 15 members and a member secretary in the Market Committee by the State Government from stakeholders (producers, traders, commission agents, palledars and measurers holding licenses under the Act). The nominated members are responsible for electing the Chairman and Vice-Chairman of the Market Committee from representatives of producers in the Market Committee. The term of the Market Committee is three years, unless terminated earlier

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<sup>5</sup> The sampled 15 field offices include three out of 16 Divisional Offices of Deputy Director (Administration/Marketing), 10 out of 19 Construction Divisions and two out of five Electrical & Mechanical Divisions of the Board. Further, 38 out of 251 Market Committees in the State were selected out of all four regions (Bundelkhand, Central, Eastern and Western) in the State.

<sup>6</sup> As amended vide The Uttar Pradesh Krishi Utpadan Mandi (Sansodhan) Adhiniyam, 2018.

by the State Government, and the terms of office for the Chairman, Vice-Chairman and members are co-terminus with the committee.

Earlier, the powers, functions and duties of a Market Committee, its Chairman and Vice Chairman were vested in the District Magistrate vide Section 2 of the Uttar Pradesh Krishi Utpadan Mandi Samiti (Alpkalik Vyawastha) Adhiniyam, 1972. However, this provision was repealed through the Uttar Pradesh Krishi Utpadan Mandi Vidihi (Adhiniyam) 2004 with the direction that the function of the Market Committee would continue to be discharged by the District Magistrate until it is constituted as per Section 13 of the Act.

Audit noticed that the State Government issued a timeline for the constitution of Market Committee in July 2019, which required issuance of orders for commencement of election process in Market Committees in August 2019 and thereafter, the Director of the Board was to forward the names for the nomination of members to the State Government by October 2019. However, the election process was not commenced. As a result, the powers, functions and duties of Market Committee continued to be vested in the District Magistrate due to non-constitution of Market Committees. Thus, Market Committees, which were intended to function through their nominated members and elected Chairman, were instead governed by Government officers.

In reply, the State Government stated (September 2023) that when the process of nomination of members at the Market Committee level was implemented, there were problems in reconciliation of stakeholders' records, viz., voter list, *khatauni*, land records, records of traders, etc. The State Government also stated that unforeseen circumstances prevailed during the COVID-19 pandemic in the State at the beginning of the year 2020. The State Government further stated that three farm laws introduced by the Government of India for agricultural reforms were implemented in the State in June 2020, resulting in the limitation of the market area to only the mandi yard, while other stakeholders were free to trade outside the mandi yard. Given this situation, it was not found appropriate to implement the nomination process based solely on stakeholders participating in the mandi yard. Following the repeal of the farm laws by the Government of India in December 2021, the earlier arrangement of the market area was restored. However, the process of nomination of members could not be implemented thereafter due to assembly election in the State. The State Government further stated that, in the meeting held in March 2023 of the Delegated Legislative Committee of the Uttar Pradesh Legislative Assembly, it was decided that there was a need for practical improvements and amendments to Section 13 of the Act. A decision in this regard would be made after due consideration at the competent level.

The fact remains that the Board could not implement the provision of the Act for the nomination of members to the Market Committees, resulting in the continued governance of the Market Committee by the State Government officers instead of nominated members as envisaged in the Act. As a result, the short-term administrative arrangement of vesting

powers of Market Committees to the District Magistrate, which was implemented in the year 1972, became a permanent arrangement. Besides, as per further information provided (August 2024) by the Board, the matter related to the election of Market Committees was still in process.

### **2.1.6.2 Internal audit**

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve an organisational operation. It should be conducted in a professional manner for all the units planned in an annual audit plan of the internal audit prepared in the light of availability of manpower.

Audit noticed that annual audit plan for the internal audit of various units in the Board (*viz.*, regional offices, Deputy Director (Construction), Deputy Director (Electrical & Mechanical) and various sections in the office of the Board) and Market Committees were not prepared during 2017-22. Audits were scheduled on *ad-hoc* basis with the approval of Finance Controller of the Board.

Status of internal audit of Market Committees conducted during 2017-22 is given in **Table 1**.

**Table 1: Status of internal audit of Market Committees during 2017-22**

Year	Total Unit	Units proposed for audit	No. of units audited against proposed units	Percentage of audited unit to the total unit
2017-18	251	65	65	26
2018-19	251	65	0	0
2019-20	251	8	8	3
2020-21	251	43	43	17
2021-22	251	15	15	6
<b>Total</b>			<b>131</b>	

(Source: UP State Agricultural Produce Market Board)

As evident from Table 1, during 2017-22, 131 units were audited and out of these 27 units were repeated. Thus, 147<sup>7</sup> (58 *per cent*) out of 251 Market Committees were not audited during 2017-22. Further, percentage of internal audits for Market Committees ranged from a maximum of 26 *per cent* (2017-18) to a minimum of zero *per cent* (2018-19). In 38 test checked Market Committees, internal audit in 19 Market Committees (50 *per cent*) was not conducted during 2017-22 (**Appendix 2.1.2**).

In reply, the State Government stated (September 2023) that due to shortage of manpower in Internal Audit Cell, the internal audit was conducted by auditors deployed on deputation. The State Government further stated that internal audit was hampered for two years between September 2018 and November 2019 due to unavailability of auditors, though various departments were requested to provide auditors on deputation. Internal audit was also affected due to COVID-19 pandemic in March 2020 and due to these reasons, the annual audit plan could not be

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<sup>7</sup> 251 total units *minus* 104 (i.e., 131 audited units *minus* 27 repeated units) = 147 units never audited



prepared. However, internal audit was conducted with the available manpower. The State Government also stated that special efforts would be made to prepare annual plan for internal audit of Board and Market Committees in future.

### 2.1.7 Financial Management

Market fee and development cess are the main sources of finances for the functioning of the Board and the Market Committees under it. Under Section 17 (iii-b) of the Act, Market fee is payable on the transactions of sale of specified agricultural produce in the market area at the prescribed rates. The commission agents/traders, as the case may be, are liable to pay the market fee and the development cess to the Market Committee.

As per section 19 (1) of the Act, ‘Market Committee Fund’ had to be established for each Market Committee to which all money received by it would be credited including all loans raised by it and advances and grants made to it. Under Section 19 (5) of the Act, each Market Committee was to render 50 *per cent* of its total receipts<sup>8</sup> in a year to the Board as contribution keeping only 50 *per cent* of the receipts subject to maximum of ₹ 10 crore.

Further, Section 26 of the Act<sup>9</sup> established three earmarked funds at the Board level, viz., Board’s Fund, Uttar Pradesh State Marketing Development Fund and Central Mandi Fund. The purpose and amount to be credited in these funds are as given below:

#### (i) Board’s Fund

All money received by or on behalf of the Board, except for money required to be credited under the Uttar Pradesh State Marketing Development Fund and Central Mandi Fund, are deposited into the Board’s Fund. This fund is utilised for the payment of salaries, pensions, other expenses related to establishment of the Board and for carrying out the purposes of the Act generally. In July 2019, the State Government directed the Board to credit 35 *per cent* of the contributions received from Market Committees into the Board Fund.

#### (ii) Uttar Pradesh State Marketing Development Fund

All contributions received from Market Committees under Section 19(5) of the Act are credited to the Uttar Pradesh State Marketing Development Fund, except for such percentage as the State Government may direct to be credited to the Board’s Fund. In July 2019<sup>10</sup>, the State Government directed the Board to credit 65 *per cent* of the contributions received from Market Committees to the Uttar Pradesh State Marketing Development Fund. The fund is intended for the development of infrastructural facilities

<sup>8</sup> Excluding loans raised by it, moneys realised as development cess and grants made by the State or Central Government.

<sup>9</sup> Sections 26-P, 26-PP and 26-PPP of the Act

<sup>10</sup> Prior to July 2019, the contribution in Uttar Pradesh State Development Fund was 80 *per cent* of the contribution received by the Board from the Market Committees.

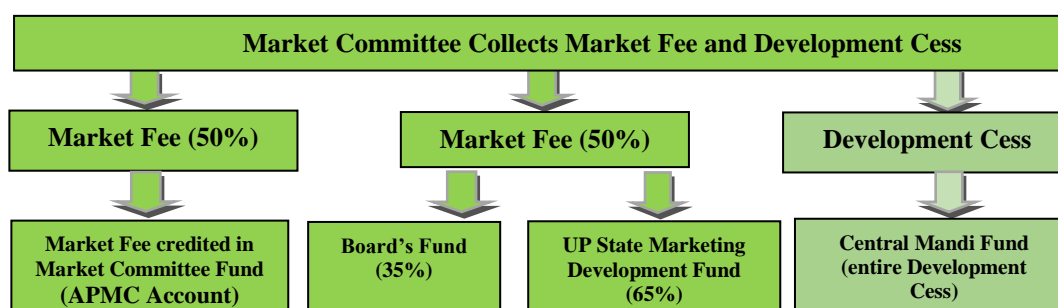
in the market area, conducting market surveys and research, improving the general conditions of buying and selling and providing training for officers and staff of Market Committees among other purposes.

### (iii) Central Mandi Fund

The Market Committee is required to pay to the Board every month all money realised as development cess, which is then credited to the Central Mandi Fund. This fund is utilised to provide assistance to financially weak and underdeveloped Market Committees in the form of loans and grants. It is also used for the construction, maintenance and repair of market yards, link roads, and other development works.

The fund flow of market fee and development cess in the above mentioned three funds are depicted in **Chart 3**.

**Chart 3: Fund flow of Market Fee and Development Cess**



(Source: UP State Agricultural Produce Market Board)

#### 2.1.7.1 Receipts and expenditure of market fees and development cess

The receipts and expenditure of market fees and development cess during 2017-22 is given in **Table 2**.

**Table 2: Receipts and expenditure during the years 2017-18 to 2021-22**

(₹ in crore)

Year	Receipts						Expenditure				
	Market Fee <sup>11</sup>			Develop- ment Cess (Board Level)	Grants from State and Central Government	Total	Market Committees	Market Board			Total
	(Market Committees level)	(Board level)						Board Fund	Develop- ment Fund	Cess Fund	
		Board Fund	Develop- ment Fund								
2017-18	208.7	311.18	856.84	266.84	53.14	1696.70	434.02	267.01	698.82	77.59	1477.44
2018-19	262.84	396.34	976.13	309.85	55.20	2000.36	614.92	315.82	825.42	124.49	1880.65
2019-20	912.04 <sup>12</sup>	378.97	520.3	335.66	5.57	2152.54	655.38	214.48	350.81	143.05	1363.72
2020-21	416.83	250.75	242.56	173.04	12.21	1095.39	617.58	225.23	278.29	139.49	1260.59
2021-22	270.44	167.29	148.43	115.27	8.36	709.79	802.29	129.45	260.73	122.49	1314.96
Total	2070.85	1504.53	2744.26	1200.66	134.48	7654.78	3124.19	1151.99	2414.07	607.11	7297.36

(Source: UP State Agricultural Produce Market Board)

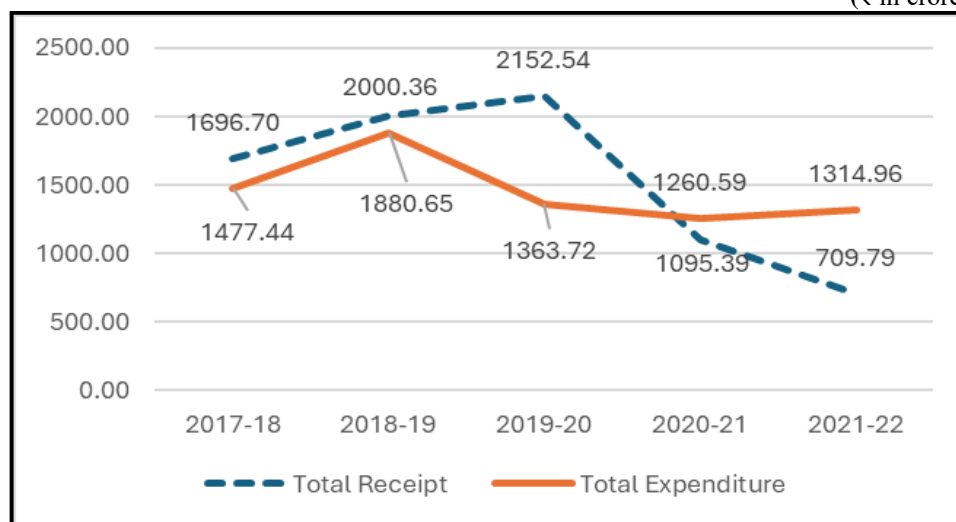
<sup>11</sup> It also includes other income, viz., interest income, license fee, premium and rent of shops, etc.

<sup>12</sup> In 2019-20, the receipt of the Market Committees increased as compared to the previous year's receipts due to increase of the prescribed limit of contribution to the Market Committees from ₹ 25 lakh (till 2018-19) to ₹ 10 crore vide notification dated 29.07.2019.

As evident from **Table 2**, of the total receipts (₹ 7,654.78 crore), the Board incurred an expenditure of ₹ 4,173.17 crore, while 251 Market Committees incurred an expenditure of ₹ 3,124.19 crore. The trends of receipts and expenditure during 2017-18 to 2021-22 are shown in **Graph 1**.

**Graph 1: Receipts and Expenditure of Market Committees and Market Board**

(₹ in crore)



The graph depicting the receipts of Board and Market Committees showed a declining trend in 2020-21 and 2021-22, reaching its lowest point (₹ 709.79 crore) in 2021-22. As a result, there was imbalance in expenditure vis-à-vis receipts of Board and Market Committees and expenditure exceeded their receipts during the years 2020-21 and 2021-22.

In reply, the State Government stated (September 2023) that the income of the Board and Market Committee were adversely affected during 2020-21 and 2021-22 due to the implementation of the Farmer's Act in June 2020. Therefore, receipts and expenditure were not in balance due to payments in respect of previous year's liabilities, salary payments and essential establishment expenditure. The State Government further stated that at present, this imbalance in receipts and expenditure would not occur after the repeal of the Farmers' Act.

#### 2.1.7.2 Utilisation of funds available for Centrally Sponsored Schemes

Market Board received funds from the Central Government during 2017-18 to 2021-22 for implementation of three Centrally Sponsored Schemes (CSS), viz., Electronic National Agriculture Market (e-NAM), Rashtriya Krishi Vikas Yojna (RKVY) and Bundelkhand Package (BKP). The details of the funds received by the Board and their utilisation under the Schemes are as detailed in **Table 3**.

**Table 3: Utilisation of funds available for Centrally Sponsored Schemes**  
(₹ in Crore)

Name of CSS	Opening Balance (2017-18)	Fund received (2017-18 to 2021-22)	Total available Fund	Total Expenditure (2017-18 to 2021-22)	Unspent Balance (2021-22)
e-NAM	7.59	65.30	72.89	35.82	37.07
RKVY	2.65	42.77	45.42	4.37	41.05
BKP	14.49	30.87 <sup>13</sup>	45.36	40.38	4.98
<b>Total</b>	<b>24.73</b>	<b>138.94</b>	<b>163.67</b>	<b>80.57</b>	<b>83.1</b>

(Source: UP State Agricultural Produce Market Board)

As shown in Table 3, out of total available funds, a substantial amount (50.77 per cent) remained unspent. The utilisation of the total funds available for the e-NAM and RKVY schemes from 2017-18 to 2021-22 was merely 49.14 per cent and 9.62 per cent respectively.

Audit further noticed that funds of e-NAM and RKVY schemes were kept in the bank account of the Board's fund due to which the interest accrued on unspent balance under these schemes were not accounted for separately, which was contrary to the provisions of GFR Rule 230(8)<sup>14</sup>.

The Government in its reply stated (September 2023) that efforts were being made to utilise unspent funds under CSS. Entire unspent balance of ₹ 41.05 crore for RKVY had been utilised and UC was also issued. The State Government further stated that efforts were being made to utilise unspent funds of e-NAM scheme.

### 2.1.7.3 Irregular transfer of interest in the Board Fund

The receipts at the Board level are kept separately under Board's Fund, UP State Marketing Development Fund and Central Mandi Fund. These funds are maintained for meeting specific expenses. Therefore, interest earned from the bank accounts of these funds should have been retained in the respective funds' bank accounts.

#### (a) Transfer of interest by the Board

Audit observed that the Board transferred ₹ 392.28 crore of interest earned in UP State Marketing Development Fund (₹ 244.90 crore) and Central Mandi Fund (₹ 147.44 crore) to the Board's Fund during 2016-21. Such transfers of interest were in violation of the Act under which these funds were established to carry out specific activities.

In response, the Government stated (September 2023) that the interest earned in the Uttar Pradesh State Marketing Development Fund and Central Mandi Fund during 2016-21 was transferred to the Board Fund as per the approval of the Director. Furthermore, this amount was transferred

<sup>13</sup> Includes interest amount of ₹ 4.50 crore. In respect of other two schemes, i.e., RKVY and e-NAM, the Board did not provide the figure of interest earned as the scheme fund was kept in the bank account of Board's Fund.

<sup>14</sup> GFR Rule 230(8) provides that all interest or other earnings against grants-in-aid released to any grantee institution should be mandatorily remitted to the Consolidated Fund of India immediately after finalisation of accounts.

by the Board to weaker Market Committees to meet their establishment expenses.

The reply was not tenable, as the Board Fund, Market Development Fund and Central Mandi Fund are established for specific purposes outlined in the *Uttar Pradesh Krishi Utpadan Mandi Adhiniyam*, 1964. Therefore, transferring interest earned from the Market Development Fund and Central Market Fund to the Board's Fund was in violation of the Act. Additionally, Rule 128 C of The *UP Krishi Utpadan Mandi Niyamavali*, 1965 requires that half of the amount of the Central Mandi Fund shall be utilised with the approval of the State Government. However, the Board had unauthorisedly transferred ₹ 83.27 crore (the State Government's share on interest earned) out of ₹ 147.44 crore of total interest from the Central Mandi Fund to the Board Fund without seeking the required approval of the State Government.

***(b) Transfer of interest by the offices of Deputy Director (Construction)***

Funds are kept in three separate bank accounts in every Deputy Director (Construction) (DDCs) offices, viz., Establishment Account (for establishment expenses), Construction Account (for construction expenses) and Security Account (for amount received as security from contractors). During 2017-18 to 2021-22, DDCs transferred interest of ₹ 15.29 crore earned on all three types of accounts maintained at DDCs level to the establishment account of the Board maintained at the headquarters.

Audit noticed that funds were made available to DDCs for construction work from Uttar Pradesh State Marketing Development Fund, Central Mandi Fund and Board's Fund. However, interest earned on balance fund remaining with DDCs out of construction works were not transferred to respective funds, viz., UP State Marketing Development Fund, Central Mandi Fund, and Board's Fund due to mixing up of these balances in construction bank accounts at the DDC level.

In reply, the State Government stated (September 2023) that agreement-wise and fund-wise amounts were transferred to all Deputy Directors (Construction/E&M) based on their estimates of works. Since Deputy Directors (Construction/E&M) were operating single bank account for construction activities, interest was transferred to this bank account and therefore, fund wise division of interest was not feasible.

The fact remains that the interest accrued on unspent balances was not transferred to the respective funds (UP State Marketing Development Fund, Central Mandi Fund, and Board's Fund), instead, it was transferred to the bank account related to the Board's Fund.

***2.1.7.4 Non recovery against dishonored cheques***

Audit noticed that an amount of ₹ 36.19 crore out of dishonored cheques of amount aggregating to ₹ 69.92 crore against 5,925 cheques, deposited by traders was not recovered as of 12 December 2022 in Market

Committees in 16 regions in the State. This included 387 dis-honored cheques (**Appendix 2.1.3**) involving receipt of ₹ 7.26 crore, deposited by 200 traders in 19 out of the 38 test checked Market Committees. Further recovery certificates (RCs) were issued against 71 out of 387 dishonored cheques amounting ₹ 88.68 lakh (12 *per cent*).

In reply, the State Government stated (September 2023) that Market Committees were instructed to collect all dues (Market fee, Development cess etc.) in cash or in form of digital payment only and in special circumstances bank draft of nationalised banks may be accepted. State Government further stated that Market Committees have cancelled allotment of shops in cases dishonoured cheque relates to rental dues and RC have also been issued against many firm/traders. The State Government also stated that a team of DDAs and Accounts Officers were formed for the recovery of dues and for submitting details of the enquiries by fixing responsibility of the officers/employees.

#### ***2.1.7.5 Non recovery of premium amount for shops allotted to traders***

The shops in the market yards are allotted through auction. The successful participant in the auction was to deposit 50 *per cent* of the premium fixed for the shop within 15 days of the date of allotment and the remaining 50 *per cent* within three months of allotment.

Scrutiny of records revealed that in all 16 divisions of the Board in the State, premium of ₹ 81.96 crore was outstanding as of March 2022. Further scrutiny of records in the 20 of 38 test-checked Market Committees revealed that premium of ₹ 13.77 crore against 227 allottees remained unpaid by traders as of December 2023. It was also noticed that of these 227 cases, 89 shops were allotted during last two years, 115 shops were allotted between last two to five years and 23 shops were allotted more than 5 years ago (**Appendix 2.1.4**).

The Government stated (September 2023) that the Board had directed the concerned DDAs for fast recovery of unpaid premiums of shops allotted to the traders.

#### ***2.1.7.6 Non recovery of rent of shops from traders***

Scrutiny of records revealed that rent and user charges amounting to ₹ 11.78 crore and ₹ 1.33 crore respectively were outstanding as of March 2022 from shops/godown allotted by Market Committees in the State.

In the test checked Market Committees, rent amounting to 2.15 crore in respect of 1,048 shops were pending as of December 2023 (**Appendix 2.1.5**). The pendency of recovery of rent was for the period of up to one year in cases of 527 shops (₹ 0.39 crore) and more than one year in cases of 521 shops (₹ 1.76 crore).

The Government stated (September 2023) that Mandi Parishad had issued necessary orders to concerned Deputy Director Administration for fast recovery of rent of shops allotted to traders.

#### 2.1.7.7 Unadjusted advance on account of Cement and Maxphalt

Prior to July 2016, cement and maxphalt to be used in the construction works of Market Board were purchased by the Board and provided to contractors. This system was reviewed and stopped by the Board in July 2016.

Audit scrutiny of records of six DDCs revealed that advances up to 2016 given to the agencies<sup>15</sup> for purchase of cement and maxphalt for construction works were not adjusted till March 2022 as shown in **Table 4**.

**Table 4: Unadjusted advances**

(₹ in Lakh)

Name of DDC office	Unadjusted Advance (Cement)	Unadjusted Advance (Maxphalt)	Total Unadjusted Advance (March 2022)
Agra	0.00	04.63	04.63
Kanpur	102.41	26.55	128.96
Lucknow	39.10	18.52	57.62
Moradabad	7.58	3.59	11.17
Prayagraj	305.64	18.35	323.99
Varanasi	15.07	19.99	35.06
<b>Total</b>	<b>469.8</b>	<b>91.63</b>	<b>561.43</b>

(Source: Test checked DDC offices)

As detailed in Table 4, even after a lapse of more than five years, the advance payments of ₹ 5.61 crore made to various agencies for the supply of cement and maxphalt were yet to be adjusted by the concerned DDCs as of March 2022.

The Government stated (September 2023) that necessary instructions had been issued for the adjustment of advances on account of maxphalt and cement.

#### 2.1.7.8 Creation of corpus fund for protecting salary and retirement benefits

Scrutiny of records revealed that after promulgation (5 June 2020) of Farmers Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020 by the GoI, the Board created (June 13, 2020) two corpus funds for protection of salary and retirement benefits of employees of the Board and the Market Committees respectively in view of anticipated less income of Market Committees in the year 2020-21 and thereafter. The money for the Corpus Fund (₹ 300 crore) of employees of the Board was taken from the Board's Fund and for the Corpus Fund (₹ 500 crore) of the employees of Market Committees, the money was taken from the Uttar Pradesh State Marketing Development Fund.

<sup>15</sup> Associated Cement Corporation, UP State Cement Corporation, Indian Oil Corporation, etc.



Audit noticed that both corpus funds were continued (September 2023) even though the said Farmer's Act was repealed on 30 November 2021.

In its reply, the Government stated that the corpus fund was created from the Market Development Fund for the salary and related expenditure of employees of Market Committees. The contribution to the creation of the Corpus Fund was taken from Market Committees whose financial position was strong. This fund was created with the approval of the Governing Body. Further, it was also stated that all the expenditure incurred on service/retirement benefits is met with the resources available with the Board without taking any assistance from State Government.

The fact remains that a decision was not taken to dissolve the Corpus Fund even after the repeal of the Farmer's Act.

### **2.1.8 Manpower management**

Section 23 of the Act prescribes that the Chairman or Secretary of Market Committees, to the extent empowered under the bye-laws or resolutions passed by the Committee, may appoint such officers and servants as may be necessary for carrying out the purposes of this Act. In exercise of the powers under Section 26-X of the Act, the Board had framed the Uttar Pradesh Agricultural Produce Markets Board (Officer and Staff Establishment) Regulations, 1984 and Uttar Pradesh Agricultural Produce Market Committee (Centralised) Service Rules, 1984.

#### ***Shortage of manpower in Board***

The status of men in position against the sanctioned post for the Board during 2018 to 2022 has been given in **Table 5**.

**Table-5: Sanctioned strength, men in position and vacant posts in the Board as on April 2018 and April 2022**

(figures in numbers)

Group of officers	Sanctioned strength		Men in position		Vacant posts ( <i>Per cent</i> )	
	1 April 2018	1 April 2022	1 April 2018	1 April 2022	1 April 2018	1 April 2022
Group A	82	64	50	32	32 (39)	32 (50)
Group B	191	118	61	70	130 (68)	48 (41)
Group C	1000	712	498	327	502 (50)	385 (54)
Group D	214 <sup>16</sup>	193	214	193	0	0
<b>Total</b>	<b>1487</b>	<b>1087</b>	<b>823</b>	<b>622</b>	<b>664 (45)</b>	<b>465 (43)</b>

(Source: UP State Agricultural Produce Market Board)

It is evident from Table 5 that there was a reduction of 201 men-in-position (24 *per cent*) from 823 in April 2018 to 622 in April 2022. The status of availability of personnel as of March 2022 in various cadre is detailed in **Appendix 2.1.6**.

<sup>16</sup> Group D cadre in the Board was declared as a dead cadre. These posts would be abolished with superannuation of the respective officiating personnel.



### Shortage of manpower in Market Committees

The overall vacancy position of human resources in Market Committees in the State is given in **Table 6**.

**Table 6: Sanctioned strength, men in position and vacant posts in Market Committees in the State during 2017-18 to 2021-22**

(figures in numbers)

Posts <sup>17</sup>	Sanctioned strength		Men in position		Vacant posts (Per cent)	
	1 April 2018	1 April 2022	1 April 2018	1 April 2022	1 April 2018	1 April 2022
Secretary	325	325	115	72	210 (64.62)	253 (77.85)
Market employees (Inspector and Amin/Auctioneer)	1107	1107	504	404	603 (54.47)	703 (63.50)
Accounts and General employees	571	571	237	152	334 (58.49)	419 (73.38)
Driver	25	25	21	13	4 (16.00)	12 (48.00)
Group D employees	3408	3408	2061	1506	1347 (39.52)	1902 (55.81)
<b>Total</b>	<b>5436</b>	<b>5436</b>	<b>2938</b>	<b>2147</b>	<b>2498 (46)</b>	<b>3289 (61)</b>

(Source: UP State Agricultural Produce Market Board)

It is evident from Table 6 that during 2017-22, there was a reduction of 791 men-in-position (27 *per cent*) in the Market Committees from 2,938 posts in April 2018 to 2,147 posts in April 2022. Further, the overall percentage of total vacant posts increased from 46 *per cent* in April 2018 to 61 *per cent* in April 2022. The vacancies in the post of Secretaries increased from 65 *per cent* in April 2018 to 78 *per cent* in April 2022, which was the highest in all categories of employees. In 19 out of 38 test-checked market committees, the post of secretary was vacant.

In respect of Group B posts, the State Government stated that the Board had forwarded (January 2018, March 2018 and October 2019) the requisition for recruitment against 64<sup>18</sup> vacant posts of Group B in Mandi Parishad and Market Committees to Uttar Pradesh Public Service Commission (UPPSC), which was revised to 46 posts in July 2020. Against this, appointment of 17 posts were made. Subsequently, after repeal of the Farmer's Act, requisition of 37<sup>19</sup> posts for recruitment was also forwarded (May 2023 and August 2023) to UPPSC against which process of recruitment was underway.

Further in respect of Group C posts, the State Government stated that the requisition for appointment of 898 posts was forwarded (January 2018, March 2018 and October 2019) to Uttar Pradesh Subordinate Service Selection Commission (UPSSSC). The requisitions were subsequently revised to 442 posts in July 2020 and February 2021. Besides, requisition

<sup>17</sup> Secretary (Group A, B & C posts) and Market employees (Inspector & Amin/ Auctioneer), Accounts & General employees, Driver are Group C post.

<sup>18</sup> Assistant Engineer (27 posts), Accounts and Audit Officer (16 posts), Marketing Officer - (2 posts) Programmer - (1 post). Assistant Programmer - (3 posts), Law Officer-(1 post), Secretary Category-2 (14 posts).

<sup>19</sup> 15 posts (Assistant Engineer, Accounts and Audit Officer and Programmer) and 22 posts of Secretary Category-2

of 134 posts of Secretary was also forwarded to UPSSSC in August 2023. The process of appointment against these requisitions of Group C posts was underway. The State Government added that as per UPSSSC, due to investigation of complaint cases received in connection with the recruitment process, the recruitment process was blocked and the selection process is now going on. The State Government also informed that 200 posts in Mandi Parishad Services and 442 posts in Market Committee were filled up through promotion during 2017-18 to till date.

### **2.1.9 Levy and collection of receipts and provision of assistance to farmers**

The Market Committees were to perform and enforce the provision of the Act and the Market Rules, 1965 and bye-laws made thereunder in the Market Area. They were to provide facilities for sale and purchase of specified agricultural produce, ensure fair dealings between the producers and persons engaged in the sale or purchase, prompt payment to sellers and extend facilities for grading and standardization of specified agricultural produce, *etc.*

The Market Committees have the power to issue, renew, suspend or cancel the licenses under the Act and levy and collect market fee and other charges including license fee.

#### **2.1.9.1 Weighing of arrivals**

Under Rule 77 of the Market Rules, 1965, the Market Committees were to maintain a record in which regular and proper account of each consignment of the specified agricultural produce is brought in for sale in the Principal Market Yard or Sub Market Yard. The Board decided (October 2012) that weighbridge measurement slip of arrivals in the *mandi* would be entry slip for the *mandi*. Secretary, Market Committee would be responsible for ensuring measurement of all arrivals on the weighbridge and assess liability of the market fee and development cess, which was to be regularly monitored by Deputy Director (Administration/Marketing). The Board had further instructed (December 2019) to keep weighbridges functional, since non-functional weighbridge may lead to evasion of market fee/cess.

Audit noticed that:

- In four<sup>20</sup> out of 38 test checked Market Committees, weighbridge was not installed in the Market Yard.

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<sup>20</sup> Chaubepur (Kanpur Nagar), Rasra (Balua), Kadaura (Jalaun), Biswa (Sitapur). In case of Chaubepur (Kanpur Nagar), weigh bridge was not installed in sub-market yard at Shivrajpur whereas principal market yard was not constructed in Market Committee, Chaubepur.

- The sale voucher (Form No. VI) generated in the *e-Mandi portal*<sup>21</sup> did not mention entry slip number. Due to this, detail of the entry slips was not mapped with sale vouchers.

In reply, the State Government stated that weighbridges would be installed in other Market Committees on receiving proposals from them. The Government further stated that only estimated weight is taken at the entrance of the market premises and actual weight of the arrival is being entered in form VI after cleaning, sorting and grading. The Government added that as per Mandi Act and Rules neither it is mandatory to issue entry slip nor it is related to actual trading activities. Entry slip is generated to improve documentation and record maintenance. It was further stated that now provision has been made in *e-Mandi portal* to register entry slip number in sale voucher (Form VI).

The reply of the State Government contradicts the Board's decision which *inter alia* envisaged for issuing weighbridge measurement slip of arrivals in the Market Committee in order to reduce possibility of evasion of Market Fee. Further, the Board had added provisions in *e-Mandi portal* to register entry slip number in sale voucher only from second half of 2023.

#### 2.1.9.2 Provision of assistance to farmers under welfare scheme

In order to ensure the welfare of farmers, the Board operated different welfare schemes which were revamped in April 2018. Scheme-wise details are given in **Table 7**.

**Table 7: Details of Chief Minister's Farmer Welfare Schemes 2017-22**

Sl. No.	Name of Scheme	2017-18		2018-19		2019-20		2020-21		2021-22	
		No. of beneficiaries	Amount paid	No. of beneficiaries	Amount paid	No. of beneficiaries	Amount paid	No. of beneficiaries	Amount paid	No. of beneficiaries	Amount paid
1.	CM Farmer's Accident Assistance Scheme	745	797.11	553	771.53	629	1121.16	350	566.31	133	189.07
2.	CM Khet/Khalihan Fire Accident Assistance Scheme	21309	1338.14	10893	1097.75	17073	1667.84	3100	371.75	5096	572.11
3.	CM Farmer Gift Scheme	114	106.51	72	56.25	180	119.27	290	402.00	285	132.84
4.	CM Farmer Scholarship Scheme	769	286.52	875	322.92	955	348.48	737	265.32	985	354.60
5.	CM Market Committee Traders/Aadhatia Accident Assistance Scheme	The scheme was in operation from April 2019				0	0	0	0	0	0
6.	CM Market/Sub Market Yard Fire Accident Assistance Scheme	The scheme was in operation from April 2019				03	4.10	01	2.00	17	31.49
<b>Total</b>		<b>22937</b>	<b>2528.28</b>	<b>12393</b>	<b>2248.45</b>	<b>18840</b>	<b>3260.85</b>	<b>4478</b>	<b>1607.38</b>	<b>6516</b>	<b>1280.11</b>

(Source: UP State Agricultural Produce Market Board)

<sup>21</sup> *e-Mandi* is a web-based platform for different stakeholders which contains various modules, viz., license module for issue of licenses to traders, Form No. VI (Sale vouchers for sellers) module, Form No. IX (Bill of Commission Agent/Wholesale Traders) module, module for digital payment and module for issue of entry slips to the farmers, etc.

Under the *Chief Minister Farmer's Scholarship Scheme*, the scholarship was to be given to the children of farmers and landless labourers studying in Government and Government-aided agriculture universities/institutes/degree colleges in the State for graduate, post graduate and research scholars<sup>22</sup> of Agriculture & Home Science. The prescribed number of scholarships to the meritorious students at the rate of ₹ 3,000 per month was admissible under the scheme.

Scrutiny of records revealed that during 2017-18 to 2021-22, no student benefitted under the scholarships scheme in four<sup>23</sup> out of 16 regions in the State. Further, scholarship benefit to Home Science students was provided by only two regions (Ayodhya and Varanasi).

In reply (February 2024), the Board stated that during 2017-18 to 2021-22, applications were not received for the CM Farmer Scholarship scheme in four divisions of the State and for the Home Science subject, applications for scholarship were received in only two divisions. The Board further added that efforts were being made to receive applications for scholarship by increasing publicity of the scheme.

### 2.1.9.3 Working of Market Committees on e-NAM platform

Government of India launched (July 2015) a central sector scheme for promotion of National Agriculture Market (NAM) which envisages deployment of a common e-market platform (e-NAM) in selected regulated wholesale agriculture markets. One of the main objectives of the e-NAM was to integrate markets first at the level of the States and eventually across the country through common online platform to facilitate pan-India trade in agricultural commodities. The e-NAM scheme was implemented in 125 out of the total 251 Market Committees in the state till financial year 2021-22<sup>24</sup>.

The details of the marketing done during 2017-22 using the e-NAM platform by the Market Committees in the State are given in **Table 8**.

**Table 8: Arrival, traded quantity/value, e-payment, traders, farmers, Inter and Intra State trading on the e-NAM platform**

Sl. No.	Particulars	2017-18	2018-19	2019-20	2020-21	2021-22	Total
1.	Estimated arrived quantity (lakh quintal)	248.06	194.92	159.88	58.23	46.37	<b>707.46</b>
2.	Traded quantity (lakh quintal)	108.62	109.96	118.73	38.35	30.78	<b>406.44</b>
3.	Traded Value (Crore)	1584.74	1819.00	2132.83	637.23	548.90	<b>6722.70</b>
4.	e-Payment (Crore)	10.65	9.95	9.51	1.28	0.54	<b>31.93</b>
5.	Farmers Participated	3516	2370	1523	282	116	<b>7807</b>

<sup>22</sup> In the revamped scheme (September 2018), the scholarship was to be granted to graduate and post graduate students.

<sup>23</sup> Aligarh, Bareilly, Basti, Mirzapur

<sup>24</sup> 66 Market Committees in 2016-17, 34 Market Committees in 2017-18 and 25 Market Committees in 2020-21.

Sl. No.	Particulars	2017-18	2018-19	2019-20	2020-21	2021-22	Total
	in e-payment (No.)						
6.	Traders Participated in e-payment (No.)	912	713	392	148	57	2222
7.	Farmers Registered (No. in lakh)	25.28	5.46	1.81	0.02	0.009	32.58
8.	Trader Registered	17629	1805	708	1318	184	21644
9.	Inter-State trading (Crore)	(Year wise break-up of the data not provided)					0.39
10.	Intra State trading (Crore)	(Year wise break-up of the data not provided)					1.02

(Source: UP State Agricultural Produce Market Board)

As evident from the Table 8, the arrived quantity of agriculture produces on e-NAM platform showed a decreasing trend during 2017-18 to 2021-22. Further, there was minimal activity in both Inter-State and Intra-State trade on the e-NAM platform indicating lack of interest among the stakeholders in respect of use of e-NAM portal. Audit further noticed that the estimated arrived quantity of agriculture produces on e-NAM platform remained in the range of 1.91 *per cent* to 2.53 *per cent* of non-eNAM arrivals during 2017-18 to 2021-22.

Thus, one of the main objectives of the scheme to integrate the markets first at the level of the States and eventually across the country through common online platform to facilitate pan-India trade was yet to be achieved.

In reply, the State Government stated that in the initial phase of e-NAM (April 2016), implementation focused on facilitating trading within market yards and slowly inter-market and inter-state trade was implemented. During 2017-18 to 2018-19, secondary trade arrivals were recorded. In 2020-21 and 2021-22, there had been a decline in e-NAM due to implementation of Farm Act and Covid-19. Under e-NAM the inter-state trade was implemented from December 2018, however, several hurdles (like quality assurance, transportation and post payment issue) were required to be addressed for the smooth functioning of the platform, which was brought to the notice of the concerned Ministry and a new platform was launched in July 2022. So far, commodities worth ₹ 1.02 crore had been traded within the State and commodities worth ₹ 0.39 crore had been traded inter-state on e-NAM. State Government also added that to promote the use of the e-NAM portal many steps were taken like organising 'e-NAM Day' in every month, training to all the stakeholders, rewarding the farmers and traders who make the most purchases and sales in the month, appointing e-NAM Mitra to assist the stakeholders in each e-NAM Mandi, etc. The rules of the licensing process were relaxed to promote inter-state trade by converting all licenses issued by Market Committees of the State into unified licenses to allow traders from other states to buy/sell agricultural products. Special efforts are being made to promote inter-state trade of potato and other specified agricultural produce through e-NAM portal.

The fact remains that the intended outcomes of the e-NAM have not been achieved even after six years of its implementation in the State.

#### **2.1.10 Provision and utilization of amenities/facilities to farmers and traders**

Under Section 16 of the Act, Market Committees were to provide such facilities for the sale and purchase of specified agricultural produce as may be specified in any direction given by the Board to the Committee from time to time or considered necessary by the Committee. Audit findings on utilisation of the amenities/facilities provided are discussed in succeeding paragraphs:

##### ***2.1.10.1 Un-constructed Market Yard***

As per the provision of the Act, Market Committees were to provide suitable amenities to the producers and traders in Principal Market Yard/Sub Market Yard. Scrutiny of records revealed that Principal Market Yards were not constructed in 29 out of the 251 Market Committees in the State. Among these 29 Market Committees, 18 lacked both Principal Market yards and Sub Market Yards (*Appendix 2.1.7*). Therefore, these Market Committees operated without having a designated market yard and essential market facilities viz. shops, platform, weighbridge etc. for sale and purchase of specified agricultural produce. However, due market fee and development cess were being realized for trading activities in these Market Committees.

The Government stated in its reply (September 2023) that proposal of construction of Principal/Sub Market Yard for remaining Market Committees would be taken up as per availability of land.

##### ***2.1.10.2 Provision of accommodation for storing agricultural produce in market area***

Under Rule 47 of Market Rules, 1965, Market Committees may provide facilities for storing specified agricultural produce in the market area and for that purpose hire or construct warehouses in the market area.

Audit noticed that none of the test checked Market Committees provided such facilities to the farmers in their market area either by construction of godowns in the market yards or by hiring the warehouse in the market area. Open platforms and tin-shaded structures were though present in the market yard of all test checked Market Committees for unsold produce, which were exposed to moisture, rain, stray animals, etc.

In reply, the State Government stated (September 2023) that instructions were being issued to DDAs and Secretary of Market Committees to arrange for suitable space for unsold agriculture produce brought by farmers to the market yard so as to secure their produce from rain, moisture and animal.



### **2.1.10.3 Provision of licensed Weighman/Measurer and Palledars**

Under Rule 70, Weighmen, Measurer, Palledars, etc., working in Market/Sub Market Yard are required to apply for license under these provisions of the Market Rules, 1965. The name of such licensees was to be kept by the Market Committee in a register and was to be prominently displayed in the office of Market Committee. Further, under Rule 83, all weighing or measuring of any specified agricultural produce brought in market yard for sale was to be done only by licensed Weighman or Measurer.

Audit noticed that in eight<sup>25</sup> out of 38 test checked Market Committees, no license was issued to Weighmen, Measurers and Palledars during 2017-18 to 2021-22. Further, in remaining 30 test checked Market Committees, the number of license holders of Weighmen, Measurers and Palledars decreased from 1,698 in 2017-18 to 1,062 in 2021-22 (*Appendix 2.1.8*). Thus, the Market Committees did not ensure license holders Weighmen, Measurers and Palledars in sufficient numbers.

In reply (September 2023), the State Government stated that due to Covid 19 pandemic, implementation of Farmer's Act and denotification of 45 specified agricultural produce from the purview of market regulation in May 2020, there was decrease in number of licensees.

### **2.1.10.4 Dispute settlement and Development sub committees not constituted**

Under Rules 56 (1) and 56(2) of the Market Rules, 1965, Market Committee is responsible for appointing Dispute Sub-Committee and Development Sub-Committee. The primary function of the Dispute Sub-Committee is to address grievances that may arise between producers and traders related to the mode of sale, rate, payment, quality or weight of the article, etc. The Development Sub-Committee is responsible for arranging the construction, maintenance and repair of buildings, roads and lanes in the market yards that may be entrusted to the Sub-Committee after the sanction of work by the Committee.

Audit noticed that none of the test checked Market Committees had formed any Dispute Sub-Committee to settle disputes between traders and producers. Further, the Market Committee sent proposals to the respective construction divisions on a regular basis for construction/repair work to develop the market yard. However, none of the test checked Market Committees formed any Development Sub-committee to oversee these activities. Thus, Market Committees were functioning without constitution of these sub-committees, despite the provisions outlined in the Market Rules, 1965.

In reply, the State Government stated (September 2023) that the Board is taking necessary action at an appropriate level for constitution of Dispute

<sup>25</sup> Chaubepur, Dadri, Hapur, Bindki, Bisalpur, Khaga, Mirzapur and Rasra

Sub-Committee and Development Sub- Committee within the Market Committee.

#### ***2.1.10.5 Unoperational Rural Infrastructural Nuclei (RIN)***

With a view to provide facility of selling the local farmers produce locally, as market infrastructure or Mandi are generally very far away from their villages, development of Rural Infrastructure Nuclei<sup>26</sup> (RIN) Market was considered under Bundelkhand package<sup>27</sup>.

Audit noticed that a total of 133 RINs were constructed in seven districts of Bundelkhand region. However, only 26 out of these 133 RINs were operational as of August 2023.

Scrutiny of records of test checked Market Committee Lalitpur revealed that DDC Jhansi constructed 11 RINs at the cost of ₹ 19.31 crore and handed over to the Market Committee in April 2016. Since their constructions, only two RINs (Targuan & Nagvas) were made operational. Secretary, Market Committee Lalitpur stated (November 2022) that there was difficulty in making remaining RINs operational as farmers were getting better price of their produce in the main market yard.

In reply, the State Government stated that the Board had requested the respective District Magistrate for the prompt allocation of shops, warehouses, and other assets constructed in RIN. In cases where traders did not show interest in allotment of shops/godown, action was also being taken for temporary allotment of shops and warehouse to Self Help Group or any interested person for any work related to agricultural activity to ensure extensive infrastructure remain in working condition. The State Government added that 44 shops and four warehouses constructed in 11 RINs of Lalitpur district had already been allotted to traders and Department of Food and Civil Supply. Government further stated that two RINs (Tirguan and Nagvas) were operational as food grain market and wheat purchase centers were organised in the remaining nine RINs of Lalitpur.

The fact remained that 107 Rural Infrastructural Nuclei (RIN) constructed in the Bundelkhand Region have not been made operational. Also utilising the infrastructure of nine RINs in Lalitpur district for purchase centers was a seasonal activity and not the intended purpose for which RIN was constructed.

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<sup>26</sup> Rural Infrastructural Nuclei (RIN) were constructed at sub district level in seven districts (Jhansi, Jalaun, Lalitpur, Banda, Hamirpur, Chitrakoot and Mahoba) to provide facilities (Grain, fruits and vegetables storage centers, platform, parking area, utility block, toilets, internal road, drainage, etc.) for farmers to sale their produce at short distances.

<sup>27</sup> GoI had approved (December 2009) a special package for drought mitigation and a comprehensive package for integrated development of the Bundelkhand region (seven districts of Uttar Pradesh and six districts of Madhya Pradesh).



### **2.1.10.6 Unoperational Agricultural Marketing Hub**

The Board constructed 1,643 Agricultural Marketing Hubs (AMHs) in the State during 2011-12 to 2014-15 with the aim of providing farmers with a local market to sell their agricultural produce in proximity to their production areas. These AMHs comprised 5,852 shops, 1,508 platforms, 92 godowns and 1,237 hand pumps. Out of ₹ 406.44 crore incurred for construction of these AMHs, ₹ 265.50 crore were sourced from Thirteenth Finance Commission grants while the Board contributed ₹ 140.94 crore.

Scrutiny of records revealed that out of 1,643 AMHs, 480 AMHs (29 *per cent*) constructed under 128 Market Committees remained unoperational as of January 2024. Further, out of these 128 Market Committees, 30 Market Committees were those where none of 170 AMHs (construction cost: ₹ 39.11 crore) was operational (*Appendix 2.1.9*).

The State Government in its reply (September 2023) stated that the allocation of shops in AMH was delayed due to dispute between Cooperative Department and Mandi Board. To resolve this dispute, it was decided (December 2021) that 804 vacant shops, which were constructed on land of Cooperative Department, would be allocated by the department itself and the Cooperative Department had been requested to allocate these vacant shops as soon as possible. Allotment of remaining 187 vacant shops was under process at the level of concerned Market Committees.

The fact remains that the intended objective of providing farmers with facilities through AMHs had not been achieved due to unoperational AMHs.

### **2.1.10.7 Shops in market yards remained unallotted to traders**

Audit noticed that 309 shops in the market yards of 21 test checked Market Committees were vacant as of December 2023. Scrutiny of records further revealed that out of 309 unallotted shops, 223 shops costing ₹ 25.87 crore were never allotted since their handing over to the respective Market Committees, as detailed in *Appendix 2.1.10*. The main reasons for non-allotment of shops were due to non-receipt of applications for allotment, non-participation of reserved category traders against reserved shops, higher amount of premium of shops, denotification of 45 specified agricultural produces, not shifting of trades to designated place, etc. Further, out of 223 shops which were never allotted included 83 shops constructed in sub market yard, Barauli Ahir village, Agra (30 shops) and sub market yard Malihabad, Lucknow (53 shops). Details of these two sub market yard remaining unoperational have been discussed in the case study-01 and case study-02.

**Case Study-01: Unoperational new vegetable/flower market in Barauli Ahir village, Agra**

Audit observed that Market Committee, Agra acquired (December 2015) 2.34 hectare land at a cost of ₹ 3.70 crore for development of new vegetable/flower market in Barauli Ahir village, Agra. DDC Agra constructed 43 C-category shops and 30 super market shops at a cost of ₹ 8.65 crore in the new fruit and vegetable market yard at Barauli Ahir, which were subsequently handed over to the Market Committee Agra in January 2019.

Despite conducting three auctions, 30 super market shops could not be allotted due to lack of applications. Market Committee, Agra stated in reply that sub-Market Yard, Basai was functional near the Barauli Ahir Market Yard due to which traders did not show interest in allotment of the shops in Barauli Ahir Market Yard. Thus, investment of ₹ 12.35 crore (₹ 8.65 crore + ₹ 3.70 crore) made in the development of the new vegetable/flower market in Barauli Ahir, Agra remained blocked as it has not been operational.

In reply, the State Government attributed the delay in the allotment process to the Covid-19 pandemic and stated (September 2023) that all 43 shops had been allotted and the allotment of 30 shops in the supermarket was underway.

**Case Study-02: Unoperational sub market yard at Malihabad, Lucknow**

Market Board developed a Sub-Market Yard (mango mandi) in Malihabad in February 2021 (handed over in June 2021) at a cost of ₹ 56.30 crore which included 76 air-conditioned shops, kisan bhawan, one processing unit, canteen, etc. However, only 11 out of 76 shops could be auctioned as of April 2022. Trading activities in the sub-market yard in Malihabad did not commence as of December 2022 and therefore, no market fee or user charges was realised from the newly constructed market yard. In this context, Market Committee, Lucknow stated (December 2022) that there were less shops in the sub-market yard than the number of licensed traders (approximately 500), therefore, the mango trade could not be shifted to the sub-market yard.

In reply, the State Government stated (September 2023) that 23 out of 76 shops were allotted as of February 2023 and the allotment process for the remaining shops was under process. Government further stated that the removal of mangoes from specified agricultural produce had affected trading activities and shop allotments. However, a proposal had been received from Market Committee regarding the utilisation of these shops for trading of other specified produce and the allotment of shops would be made after approval of the change of usage of these shops.

The reply was not acceptable, as the Malihabad sub market yard remained unoperational (January 2024) and no user charges/market fees could be realized even after more than two years of handing over of the sub market yard.

In reply, State Government stated (September 2023) that action was being taken by the Market Committee for allotment of vacant shops.

#### **2.1.10.8 Shops and places in market yards under possession of CRPF and UP Police**

Under Section 16 of the Act, the Market Committees were to provide suitable amenities in the market yards and in particular to construct and maintain market lanes, shops etc., in market yards.

Audit noticed that in Market Committee, Ayodhya, properties (10 no. 'A' grade shops, 10 'B' grade shops, six 'B-1' grade shops, 31 'C' grade shops, two auctioning platform) constructed for trading activities of agriculture produce were under the possession of Central Reserve Police Force (CRPF) since September 1990. Audit also noticed that 54 out of 57 shops had already been allotted to traders before their possession by CRPF. The Market Committee raised bills of ₹ 73.76 lakh for the period September 1990 to March 2022 in March 2022<sup>28</sup> from the CRPF. However, the bills remained unpaid as of October 2022 and the premises also remained occupied by CRPF.

Similarly, in test checked Market Committee Bahjoi, Sambhal, police line occupied (December 2011) six godowns, one type-III residence including nearby open space, canteen and canteen campus. As the property was under the possession of Police Department, Market Committee could not get benefit of the developed infrastructure. Market Committee demanded ₹ 29.49 lakh (September 2018) and ₹ 47.44 lakh (September 2022) for payment of dues, but the rent was not paid by the Police Department.

Thus, due to occupancy, Market Committees Ayodhya and Bahjoi could not extend suitable amenities as per section 16 of the Act to the traders.

The Government stated (September 2023) that letters had been issued to the District Magistrates of Ayodhya and Bahjoi for vacating unauthorized possession of space in the market yard.

#### **2.1.11 Development of infrastructure in market yard/area**

Audit noticed that following infrastructural developmental works carried out in test checked DDCs/Market Committees were either not functional/inoperative or remained undeveloped.

##### **2.1.11.1 Investment in Flower Market at NOIDA remained blocked**

A proposal for the construction of a flower market in NOIDA market yard was obtained in December 2005 and the place was developed in September 2008 with a total investment of ₹ 38.75 crore, including financial assistance from Agricultural and Processed Food Products Export

<sup>28</sup> Market Committee had earlier raised bill of ₹ 70.13 lakh in June 2020 for the period September 1990 to June 2020, which remained unpaid.

Development Authority<sup>29</sup> (APEDA) (₹ 3.50 crore), National Horticulture Mission Delhi (₹ 5.09 crore) and the Board (₹ 30.16 crore). The flower market includes an auction center, an air-conditioned flower hall (for receiving, packing and dispatch), three cold storage units, 114 shops, 18 kiosks and a grower's rest house.

Audit scrutiny revealed that the auction of 74 shops was held in October 2008. However, due to lack of buyers for flowers, operations in the flower market could not take place. During a meeting in July 2014 with the Director Market Board, traders informed that transportation issues, non-production of flowers in the NOIDA area and lack of buyers were the primary reasons for the non-operational flower market. Efforts to convert the flower market into a commodity market also failed, as APEDA did not give consent in July 2022 to the Board's proposal to utilise the flower market for wholesale business in grains and groceries<sup>30</sup>.

Audit noticed that no feasibility and need based assessment was carried out before construction of the flower market<sup>31</sup>. Further, the flower market remained unoperational as of January 2024 since the allotment of shops in October 2008. However, the sanctioned electricity load of 1,093 KW continued till April 2018<sup>32</sup> when the connection was disconnected. The Market Committee also paid ₹ 85 lakh in March 2018 as electricity charges against a total electricity bill of ₹ 1.09 crore up to August 2017.

During joint physical verification (July 2022), Audit observed that the display board and equipment in the Auction Center were nonfunctional, three cold storage rooms were in dilapidated condition, shops/kiosks/generator rooms were closed and the grower's rest house was vacant without any utilisation. Thus, the expenditure of ₹ 39.60 crore<sup>33</sup> on the project remained unfruitful.

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<sup>29</sup> APEDA was established by the Government of India under the Agricultural and Processed Food Products Export Development Authority Act passed by the Parliament in December 1985.

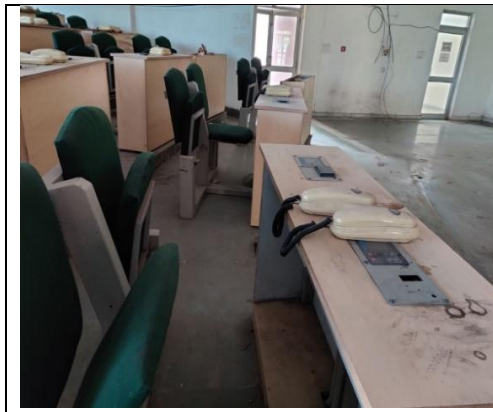
<sup>30</sup> As per letter (July 2022) of APEDA to Market Board, use of the flower auction centre as a wholesale business of grain and grocery along with flower business was contrary to the mandate of the APEDA.

<sup>31</sup> As informed (January 2024) by Market Committee, Noida

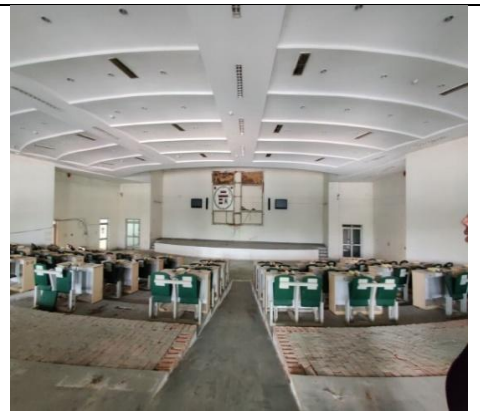
<sup>32</sup> Temporary disconnection was made in July 2017 and permanent disconnection was made in April 2018.

<sup>33</sup> ₹ 38.75 crore on construction of flower market and ₹ 85 lakh on electricity charges.

Photograph 1



Photograph 2



During Joint physical verification (27.07.2022) Auction Hall in NOIDA fruit market damaged by termites

The Government stated (September 2023) that efforts were made to make the flower market operational, but it could not be made functional. As the market was not operational, the shops were in a dilapidated condition from which no financial benefits were being derived. The request to utilise the shops for trading grains/grocery was turned down by APEDA with a suggestion to rework the proposal in accordance with APEDA's mandate. The Government further stated that correspondence was in progress with APEDA for utilizing the shops in the NOIDA flower market for other export produce, such as, basmati rice, maize, etc. along with flowers. Additionally, effort was being made to allot the cold storage, auction hall and collection center on lease or rent basis for the export of other agricultural produce.

The fact remains that the flower market remained unoperational even after 15 years of its completion, as this was constructed without any feasibility and need based assessment.

#### ***2.1.11.2 Unoperational Special Market Yard Amarpur, Lalitpur***

Under the Bundelkhand package, a Special Market Yard in Lalitpur district was proposed to be constructed at the site of Amarpur village, located on the national highway, five kilometers away from existing Market Yard, Lalitpur.

DDC Jhansi constructed the Special Market Yard, incurring an expenditure of ₹ 67.39 crore during December 2013 to October 2016, and handed it over to the Market Committee Lalitpur in October 2016. Audit noticed that 40 out of the 290 shops constructed in the Special Market Yard, were allotted and remaining 250 shops could not be auctioned as of November 2022 due to lack of application despite notice for auction was published ten times between May 2017 and July 2018. In a meeting held (July 2019) by Market Committee with traders, it was pointed out that the size of the shops in Special Market Yard was small and conditions are not conducive for trade in the Market Yard.

In reply (September 2023), the State Government stated that the process of allotment of the remaining shops was under process. The Government

further stated that in case traders do not show interest in allotment of shops in Special Market Yard, necessary action would be taken to allot the vacant shops on a temporary basis to Self Help Group, Farmer Producer Organization, Farmer Producer Company or any other interested party for work related to agricultural activities.

### ***2.1.11.3 Closure of construction of potato processing unit at Kannauj***

The Board accorded (December 2015) administrative and financial sanction of ₹ 97.20 crore for construction of Special Potato Market Yard at Thathiya, Kannauj. Technical sanction on the DPR was accorded (January 2016) by Chief Engineer, Market Board, Lucknow of ₹ 63.12 crore for construction of Canteen, Kisan Bhawan, 60 'A' category shops, toilets, internal roads, external development, entrance gate/toll plaza, water storage tank and land scaping and construction of cold storage and processing unit. The estimated cost of the cold storage and processing unit was ₹ 26.65 crore. An agreement was executed with M/s Glair Infrastructure Limited in April 2016 at the aggregate cost of ₹ 61.82 crore with the stipulated date of completion of work in October 2017.

Audit observed that the construction work of cold storage and processing unit was stopped in March, 2017 on the instruction of Director of the Board. Audit further noticed that DDC, Kanpur terminated the agreement in December, 2019 with imposing a penalty of 10 per cent of the cost of agreement on the grounds that the contractor had not completed the construction work of special potato market yard even after a lapse of more than two years from the stipulated date of completion. By the date of termination of contract, ₹ 11.71 crore was incurred on construction of cold storage and processing unit and ₹ 2.79 crore on construction of 60 'A' category shops.

Subsequently, in October 2020, a committee, led by the Additional Director (Admin), Market Board decided to complete the remaining work of the Special Potato Market Yard. The incomplete construction work (shops, toilets, office building, roads, etc.) of the project was completed and handed over to Market Committee, Kannauj in August 2022 excluding the cold storage and processing unit. The cold storage and processing unit remained incomplete, as a result, expenditure of ₹ 11.71 crore incurred on the construction of the cold storage and processing unit was unfruitful.

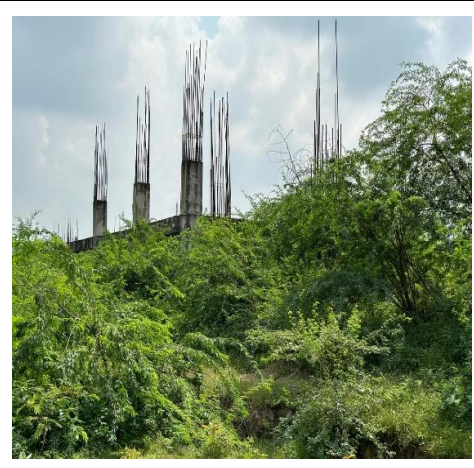
In reply, the State Government stated (September 2023) that in the first phase, construction was initiated for 60 shops and other essential services. However, due to delays in completing the project, the contract was cancelled and the remaining work was completed by another firm. All 60 shops have been allotted and the market is operational. The Government further stated that it had been decided not to undertake any additional work for the construction of the potato processing unit and the process of utilizing the incomplete construction for other purposes, such as an auction platform and godown, was underway by making partial changes in the structure.



Photograph 3



Photograph 4



Joint physical verification (31.08.2024) of incomplete processing unit, Thathiya, Kannauj.

The State Government's reply is not acceptable, as a joint physical inspection conducted in August 2024 revealed that the entire incomplete structure of cold storage and processing unit was in a dilapidated condition. Furthermore, no proposal was initiated by either Market Committee, Kannauj or the Market Board to utilise the structure for any useful purpose.

#### ***2.1.11.4 Unutilised residential quarters of employees***

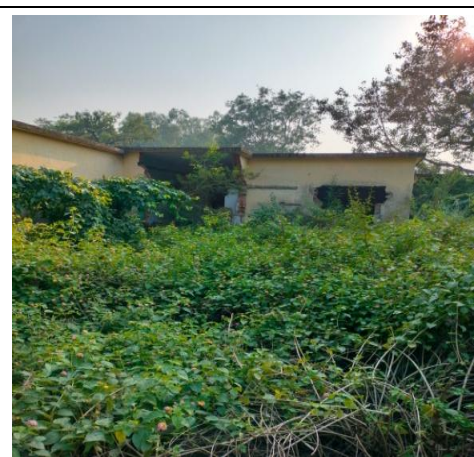
Scrutiny of records of test checked Market Committee Chandpur, Bijnore and DDC Moradabad revealed that residential quarters (Type-1: 8, Type-2: 10, and Type-3: 1) and roads & drains were constructed at a cost of ₹ 18.80 lakh in the market yard and handed over to the Market Committee (May 1991). The Market Committee stated (December 2022) that the residential quarters have never been allotted since their handover.

During joint physical verification (18.10.2022) condition of the residential quarters were found to be in dilapidated state surrounded by shrubs and bushes.

Photograph 5



Photograph 6



(Joint physical verification of residential quarters of Market Committee Chandpur, Bijnor)

Due to non-allotment and lack of proper maintenance, the residential quarters became unusable over time and damaged due to wear and tear.

In reply, the State Government stated (September 2023) that different types of 19 residential quarters were constructed at Market Committee Chandpur, Bijnore, in 2003. The Market Committee has passed a resolution to use these residential quarters as godowns, which is currently under implementation.

The reply is not acceptable, as the residential quarters were constructed in March 1991 and handed over to the Market Committee in May 1991 as depicted in the completion certificate of the work. Thus, even after a lapse of 31 years, the Market Committee had failed to utilise the residential buildings for any constructive purpose.

### **2.1.12 Conclusion**

The Agriculture Produce Market Committees (APMCs) under the Act were to be operated and governed by their members, including producers, traders, commission agents, palledars, and measurers. However, charge of elected Chairmen and Vice-Chairmen were placed under the Government Officers. Since inception, members of Market Committees were not nominated resulting in no elections for Chairman and Vice-Chairman.

The Board received ₹ 138.94 crore during 2017-18 to 2021-22 for Centrally Sponsored Schemes. However, out of the total available funds (₹ 163.67 crore), ₹ 83.10 crore (50.77%) remained unutilised in the account of the Board. A substantial amount of premium (₹ 81.96 crore), rent (₹ 11.78 crore), and user charges (₹ 1.33 crore) from shop owners in market yards remained unrecovered. Advance payments of ₹ 5.61 crore made to supply firms for cement and maxphalt remained unadjusted by the concerned DDCs. There was an acute shortage of manpower in all categories of employees in the Board and Market Committees.

The Market Committees depended on the weight reported by traders in Form 6Rs (Sellers' vouchers for sale). There was no linkage of the entry slip with the respective 6R generated through the e-Mandi platform. The objective of e-NAM, to integrate markets first at the state level and eventually across the country through a common online platform to facilitate pan-India trade, was not achieved even after six years from its start in 2015-16, as the inter-state and intra-state trading through the platform remained negligible. Dispute Sub-Committees and Development Sub-Committees were not constituted in any of the test-checked Market Committees.

In Market Committee Lalitpur, a total investment of ₹ 19.31 crore made on 11 Rural Infrastructure Nuclei (RIN) proved to be unfruitful as it failed to provide intended benefits to the farmers. During 2011-15, 1643 Agriculture Marketing Hubs (AMH) were constructed at a cost of ₹ 406.44 crore. However, 170 AMHs constructed at a cost of ₹ 39.11 crore remained unoperational in 30 Market Committees since their construction. In 21 test checked Market Committees, 223 shops costing ₹ 25.87 crore were not allotted since these were handover. The Board undertook projects without



conducting proper feasibility studies resulting in idle infrastructure such as vegetable/flower market, potato processing unit, market yards, sub market yards, etc.

### **2.1.13 Recommendations**

- *State Government should nominate members in Market Committees among producers, traders, commission agents, palledars and take measures for election of their Chairman and Vice Chairman by the members.*
- *Effective mechanism should be devised and closely monitored for better utilization of funds.*
- *To ensure the proper functioning of Market Committees and the Board timely and appropriate recruitment in all categories of employees should be carried out.*
- *Weighing of each consignment brought into the closed premises of market yards should be ensured, and the payable and paid amounts of market fees should be reconciled. The realization of receipts should be ensured through systemic reforms in the functioning of the market yards.*
- *A long-term policy should be made for the development of new infrastructure in the market yard/market area. The requirement for new infrastructure should be generated in a bottom-up approach from the user Market Committee.*
- *For better utilisation of facilities created for purchase and sale of agriculture produce, unutilised infrastructure should be maintained and put to use on priority.*

## Sports Department

### 2.2 Activities of Sports Department

#### 2.2.1 Introduction

The Department of Sports (DoS), Government of Uttar Pradesh, established in 1974, is responsible for promotion of sports in the State including implementation of sports policies and programmes, managing sports budget and staff, providing sports infrastructure and equipment, imparting training and ensuring availability of adequate opportunities to sportspersons of the State at various competitions. The Department aims to bring about qualitative improvement in the performances of promising sportspersons by improving sports facilities and to encourage them to win glory at national and international levels. DoS works in coordination with Education Department, Youth Welfare Department, autonomous sports associations and other sports organisers for training, competitions and implementation of schemes related to sports.

Despite being the most populous State in the country, the trajectory of the State in respect of performance in national games has not been very encouraging. The performance of the State in the last four National Games had inconsistent trend as the State's position in the medals tally remained ninth in 2007 (77 medals), tenth in 2011 (70 medals), fourteenth in 2015 (68 medals) and eighth in 2022 (56 medals).

#### 2.2.2 Organisational setup

The Additional Chief Secretary/Principal Secretary (Sports) at the State Government level and the Sports Director at the Directorate level are responsible to supervise and manage activities of DoS. Regional Sports Officers (RSO) at regional level and District Sports Officers (DSO) at the district level are carrying out activities of Sports Department. Besides, there are three autonomous sports colleges<sup>1</sup> administered through Uttar Pradesh Sports College Society, Lucknow.

#### 2.2.3 Audit objectives

Performance audit on Activities of Sports Department was carried out to assess whether:

- Comprehensive planning was done to encourage environment for promotion of sports activities in the State and sports activities were well administered;
- Funds were adequate, timely released and utilised economically, efficiently and effectively;

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<sup>1</sup> Guru Gobind Singh Sports College (GGSSC), Lucknow, Bir Bahadur Singh Sports College (BBSSC), Gorakhpur and Major Dhayan Chand Sports College (MDCSC) Saifai, Etawah.

- Sports infrastructure and facilities were adequately created, properly maintained, effectively utilised and sports equipment were available for the sportspersons adequately;
- Emerging sportspersons were provided adequate training, incentives and other support to promote their professional development and excellence in the sports; and
- The monitoring system to watch the implementation of various activities of the DoS was adequate.

#### 2.2.4 Audit criteria

Audit criteria were drawn from the following sources:

- a) National Sports Policy, 2001 and National Sports Development Code of India, 2011 issued by Government of India (GoI);
- b) Guidelines, orders and instructions issued by the GoI and Government of Uttar Pradesh; and
- c) Uttar Pradesh Budget Manual (UPBM) and Financial Handbooks.

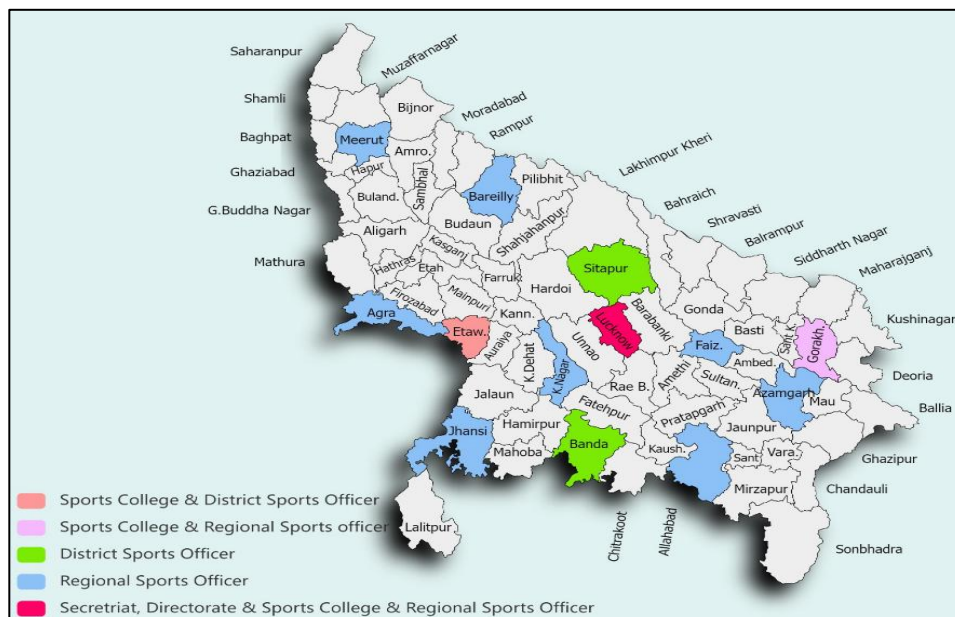
#### 2.2.5 Audit scope and methodology

During the Performance Audit, records relating to sports activities for the period 2016-22 were scrutinised in the offices of the Additional Chief Secretary, Sports and Director Sports. Thirteen out of 75 districts were selected<sup>2</sup> through PPSWOR<sup>3</sup> sampling method. In each selected district, records were seen in the offices of the Regional/District Sports Officers. Audit also scrutinised the records of three autonomous sports colleges, viz., Guru Gobind Singh Sports College (GGSSC), Lucknow, Bir Bahadur Singh Sports College (BBSSC), Gorakhpur and Major Dhayan Chand Sports College (MDCSC) Saifai, Etawah. Besides, evidence was also collected by taking photographs, joint physical inspection of created assets and facilities.

<sup>2</sup> Agra, Ayodhya, Azamgarh, Banda, Bareilly, Etawah, Gorakhpur, Jhansi, Kanpur Nagar, Lucknow, Meerut, Prayagraj, Sitapur.

<sup>3</sup> Probability Proportional to Size without Replacement.

Map 1: Sampled districts and sports offices/colleges in these districts



Audit objectives, criteria, scope, methodology, *etc.*, of the Performance Audit were discussed in the entry conference (July 2022) with the Principal Secretary, DoS. The findings of the report were discussed (July 2023) in the exit conference with the Additional Chief Secretary, DoS. The replies (July 2023) of the State Government, views expressed during exit conference on the audit observations and further information received from the Sports Directorate upto August 2024 have been suitably incorporated in the report.

## Audit findings

### 2.2.6 Planning

The functions of DoS involve creation of infrastructure facilities, conducting of sports activities, selection of coaches and sportspersons for improving excellence in sports.

#### 2.2.6.1 Sports policy

Preparation and adoption of sports policy for the State was the foremost requirement to promote sports culture and opportunities for the youth of the State to achieve excellence in National and International competitions. The sports policy provides guidance for decision making to promote sports in the State. National Sports Policy, 2001 deliberates measures required to be taken for promoting sports in the country.

Audit observed that the State Government approved a sports policy in March 2023. In the absence of State specific sports policy before March 2023, the State Government should have taken concrete steps to implement various measures suggested in National Sports Policy, 2001. However, as discussed in the succeeding paragraphs, the measures taken for promotion and development of sports in the State were largely *ad hoc*

and inconsistent with the aims and objectives of National Sports Policy, 2001.

In reply (July 2023), the State Government stated that Sports Policy had been promulgated in March 2023.

The fact remains that in the absence of State specific sports policy before March 2023, the State Government did not take adequate measures to implement National Sports Policy, 2001 as discussed in the succeeding paragraphs.

#### ***2.2.6.2 Prioritisation of sports disciplines***

The National Sports Policy, 2001 emphasises prioritisation and development of sports disciplines on the basis of proven potential, popularity and international performance to achieve excellence in sports at national and international levels. In planning the development of various disciplines, the genetic and geographical variations were to be taken into account so that in areas of potential, timely steps could be taken to harness the existing and emerging talent.

Audit observed that the DoS was providing training in 31 sports<sup>4</sup>. However, it did not prioritise sports disciplines for development in order to achieve excellence in identified sports as envisaged in the National Sports Policy.

#### ***2.2.6.3 Planning for establishing sports infrastructure***

No comprehensive assessment of availability of sports infrastructures in the State was carried out to determine adequacy and regional imbalance. As a result, the infrastructure creation in the State was not broad based. Analysis of availability of discipline wise sports facilities revealed that out of 75 districts, while sports stadiums and multipurpose halls were available in 70 and 65 districts respectively, other specialised sports facilities<sup>5</sup> were available in only a few districts as detailed in ***Appendix 2.2.1***. In five districts<sup>6</sup> no sports facilities such as sports stadium and multipurpose hall were available. The district wise availability of sports infrastructure is depicted in the following map:

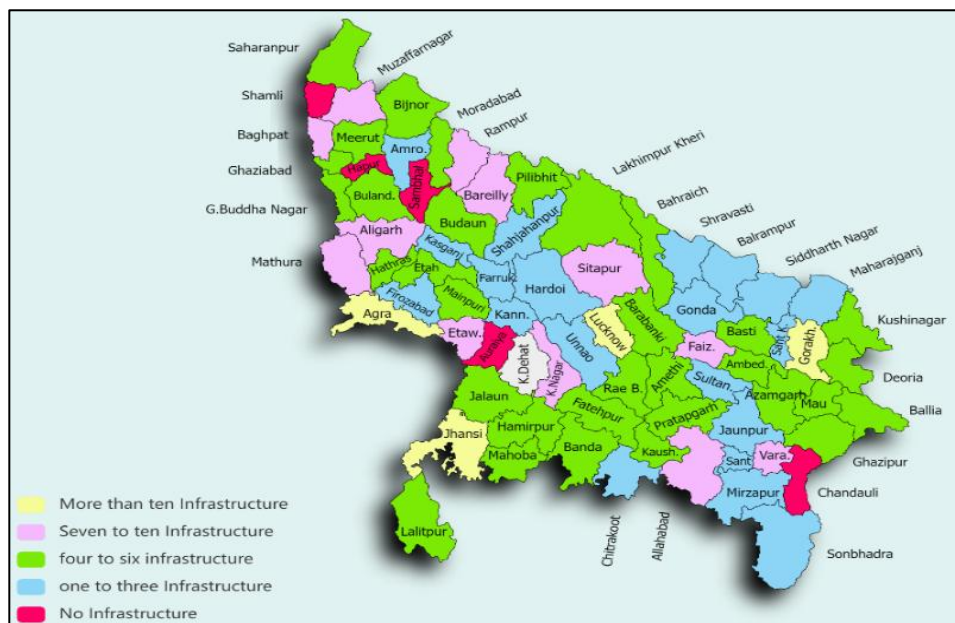
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<sup>4</sup> DoS organised camps in 32 sports in the year 2019-20.

<sup>5</sup> Swimming pool, judo/gymnasium hall, weightlifting hall, astroturf hockey ground, sports complex, indoor volleyball hall, synthetic basketball court, dormitory, sports hostel and sports college.

<sup>6</sup> Auraiya, Chandauli, Hapur, Sambhal and Shamli.

**Map 2: Sports Infrastructure owned by Department of Sports**



As evident from the above map, sports facilities available in the districts for various sports disciplines varied significantly. Audit noticed that sports facilities were created without assessing district-wise requirements.

In reply (July 2023), the State Government stated that issues regarding policy framework, prioritisation of sports disciplines and rationalisation of budgetary resources had been addressed in the new sports policy. During the exit conference (July 2023), the State Government stated that Sports Policy had been implemented in March 2023 and prioritisation of sports discipline would be taken care of. The State Government further stated (July 2023) that the sports infrastructure in districts was created in view of proposal received from districts, directions of the higher authorities and availability of budget. Out of five districts without sports infrastructure, construction of stadium had been sanctioned for Shamli during 2022-23 and land had been made available in other four districts.

The reply of the State Government underscores that creation of sports infrastructure remained demand-driven instead of a comprehensive assessment based on baseline survey of existing infrastructure and their inadequacies in each district.

#### **2.2.6.4 Delay in sanction of sports infrastructure works**

During 2016-22, the Chief Minister (CM) made nine declarations related to construction/upgradation works of sports infrastructures, as detailed in **Table 1**.

**Table 1: Showing status of works of sports infrastructure covered under CM declarations during 2016-22**

Sl. No.	Details of declaration	Date of declaration	Approved cost (₹ in crore)	Date of sanction	Released amount (₹ in crore)	Date of start	Due date of completion (Revise date of completion)	Physical progress as of March 2023 (in per cent)	Delay in sanction vis-à-vis date of declaration (in Months)
01	Construction of lift in Green Park stadium, Kanpur	23/09/2016	No fund has been released for this work as of October 2023.						
02	Construction of stadium in Jungle Kodiya development block, Gorakhpur	29/01/2018	10.73	September 2019	10.73	September 2019	December 2020 (December 2021)	100	19
03	Upgradation of stadium in Amethi	14/08/2018	4.93	June 2019	4.93	September 2019	March 2021 (December 2021)	100	09
04	Upgradation of stadium in Farrukhabad	14/08/2018	5.70	August 2019	5.70	October 2019	September 2020 (May 2022)	100	11
05	Construction of stadium in Auraiya	14/08/2018	6.51	November 2019	6.51	January 2020	October 2023	90	14
06	Construction of indoor stadium in Nandini Nagar, Gonda	30/11/2018	Cancelled						
07	Construction of shooting range in Varanasi	21/02/2019	5.04	January 2021	5.04	July 2021	August 2023	100	22
08	Modernisation of shooting range in Meerut	21/02/2019	8.65	July 2021	8.65	July 2021	December 2023	88	28
09	Wrestling Academy at Lucknow	19/08/2021	No fund has been sanctioned as of October 2023.						
<b>Total</b>			<b>41.56</b>		<b>41.56</b>				

(Source: Sports Directorate)

As detailed in Table 1, six works were sanctioned during June 2019 to July 2021 with a delay of nine to 28 months of their declaration. Out of these, four works were completed by March 2023. However, funds were yet to be released for two works and one work was cancelled after declaration. The delays in sanctioning projects were indicative of lack of planning on the part of the Department.

In reply (July 2023), the State Government stated that there was no delay by DoS. It further stated that for implementation of the declaration, sanction for works were issued after ensuring availability of budget on receipt of proposal from the executing agency nominated for the work at government level. However, during the exit conference (July 2023), the



State Government accepted the delays in sanction of work and assured that feasibility report would be submitted before any declaration of works.

## 2.2.7 Budget allotment and expenditure

The budget allotment and expenditure on the sports activities in the State during 2016-22 is given in **Table 2**.

**Table 2: Budget provision and expenditure for Department of Sports during 2016-22**

(₹ in crore)

Year	Budget			Expenditure			Savings and its percentage with respect to Budget		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue (per cent)	Capital (per cent)	Total (per cent)
2016-17	100.31	447.21	547.52	97.81	413.43	511.24	2.50 (2)	33.78 (8)	36.28 (7)
2017-18	92.31	132.27	224.58	89.47	82.27	171.74	2.84 (3)	50.00 (38)	52.84 (24)
2018-19	119.51	76.77	196.28	97.88	57.97	155.85	21.63 (18)	18.80 (24)	40.43 (21)
2019-20	126.56	79.25	205.81	91.01	62.88	153.89	35.55 (28)	16.37 (21)	51.92 (25)
2020-21	132.99	83.11	216.10	59.19	61.47	120.66	73.80 (55)	21.64 (26)	95.44 (44)
2021-22	165.45	99.30	264.75	147.60	51.30	198.90	17.85 (11)	48.00 (48)	65.85 (25)
<b>Total</b>	<b>737.13</b>	<b>917.91</b>	<b>1655.04</b>	<b>582.96</b>	<b>729.32</b>	<b>1312.28</b>			

(Source: Appropriation Accounts of respective years)

Audit observed that DoS submitted inflated budget demand by 98 to 315 per cent with reference to expenditure, as detailed in **Appendix 2.2.2**. However, as mentioned in **Table 2** even allotted funds could not be utilised. The expenditure on sports activities decreased significantly from ₹ 511.24 crore to ₹ 120.66 crore during 2016-21, but it increased to ₹ 198.90 crore during 2021-22. Audit observed that higher expenditure during 2016-17 was mainly due to expenditure of ₹ 273.35 crore on the construction of international cricket stadium at Saifai, Etawah.

In reply (July 2023), the State Government stated that DoS did not make irrational budget demands, and these were based on requirement of fund for sanctioned works. However, in the Exit Conference the State Government stated that realistic demands with reference to anticipated expenditure would be made in future.

## 2.2.8 Sports infrastructure

### 2.2.8.1 Development of sports infrastructure

Development of infrastructure for various sports disciplines is one of the responsibilities of DoS. To provide/augment sports infrastructure facilities, DoS implemented 56 works during 2016-22 as detailed in **Appendix 2.2.3**. Out of these 56 works, 44 works were sanctioned during 2016-22 as depicted in **Table 3**.



Table 3: Sports infrastructure sanctioned during 2016-22

(₹ in crore)

Year	No. of work sanctioned	Sanctioned/ Revised Cost	Released Amount	Number of works completed as of March 2023
2016-17	07	71.80	71.78	07
2017-18	05	24.31	24.31	04
2018-19	12	38.00	38.00	12
2019-20	12	57.70	54.93	07
2020-21	06	24.41	14.53	04
2021-22	02	10.15	9.72	Nil
<b>Grand total</b>	<b>44</b>	<b>226.37</b>	<b>213.27</b>	<b>34</b>

(Source: Sports Directorate)

As detailed in Table 3, out of 44 works sanctioned during 2016-22, only 34 works (estimated cost ₹ 169.47 crore) could be completed incurring expenditure of ₹ 168.61 crore up to March 2023. The remaining 10 works (estimated cost ₹ 56.90 crore) were not completed till March 2023, though scheduled date of completion was already over ranging from nine to 45 months in case of nine works whereas in case of one work (sanctioned in 2020-21), scheduled completion target was April 2023 as detailed in **Appendix 2.2.3**. Directorate did not furnish reasons for delay in completion.

DoS also executed 12 other sports infrastructure works during 2016-17 to 2021-22 which were sanctioned prior to 2016-17. Out of these 12 works, four works costing ₹ 440.35 crore remained incomplete with physical progress of 30 to 96 *per cent* after incurring an expenditure of ₹ 244.40 crore. The delays in these works were ranging from three to 13 years from the initial targeted date of completion, as detailed in **Appendix 2.2.3**.

The State Government stated (July 2023) that time overrun was procedural and circumstantial. However, in the exit conference, the State Government accepted the delay in completion of the works and stated that efforts would be made to complete the work at the earliest.

The reply was not tenable, as the time overrun eventually increased the cost of the work. Out of 56 works executed during 2016-22, there was cost overrun of ₹ 308.83 crore in respect of 14 works which had time overrun ranging from nine to 165 months.

Audit noticed following irregularities in the execution of works related to sports infrastructure:

#### **2.2.8.2 Award of works without competitive bidding**

The State Government order (February 2013) provides a list of construction agencies including Public Works Department and other State Government Public Sector Enterprises for allocation of various government works to these executing agencies. It further provided that along with nomination, the option was also available with administrative

department to adopt limited tendering among government agencies for awarding the work. Further, the State Government ordered (September 2013) that for construction works of Sports Department, estimates may be obtained from at least three executing agencies for selection of construction agencies, so as to ascertain which executing agency would execute construction work at a lower cost.

Scrutiny of records revealed that DoS nominated executing agencies<sup>7</sup> without obtaining estimates from at least three executing agencies to ensure reasonable rates in case of 44 works (estimated cost: ₹ 209.72 crore) awarded during 2016-22.

The State Government stated (July 2023) that the executing agencies nominated by DoS were executing allocated work through e-tendering, so there was competition.

The reply was not acceptable, as nomination of executing agency without obtaining estimates from at least three executing agencies was in violation of State Government's order (September 2013).

### ***2.2.8.3 Memorandum of Understandings with construction agencies***

Para 212(vii)(4) of UPBM provides that the Department should execute Agreement/ Memorandum of Understandings (MoUs) with the executing agencies before commencement of work. Signing of MoUs is essential for holding the construction agency accountable for default/non-performance.

Audit noticed that DoS did not follow the above provision and the works were commenced and funds were released without signing MoUs with the construction agencies.

In reply (July 2023), the State Government accepted that MoU with construction agencies was not executed. The State Government further stated that MoU would be executed in future. The Sports Directorate stated (September 2023) that liquidated damage on account of delays in completion of works sanctioned during 2016-22 could not be levied due to lack of MoUs with executing agencies.

Thus, lack of MoU deprived DoS mandate to impose liquidated damage in case of delays in construction of sports infrastructure.

### ***2.2.8.4 Unfruitful expenditure on creation of infrastructure***

UPBM Para 212(i) provides that the project preparation should commence with the preparation of a Feasibility Report by the Administrative Department. Consultation with stakeholders should be held to ensure their involvement in the project concept and design.

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<sup>7</sup> Uttar Pradesh Rajkiya Nirman Nigam Limited (11 works); Uttar Pradesh Project Corporation Limited (six works); Construction and Design Services, Uttar Pradesh Jal Nigam (one work); Uttar Pradesh Construction Cooperative Federation Limited (20 works) and Uttar Pradesh Social Welfare Construction Corporation Limited (six works).

Audit noticed unfruitful expenditure on creation of following sports infrastructure:

**(i) Saifai International Cricket Stadium**

The State Government sanctioned (January 2006) ₹ 74.95 crore for construction of exclusive sports complex at Saifai which included the construction of a cricket stadium costing ₹ 21.05 crore<sup>8</sup>. Besides, the State Government sanctioned (March 2008) ₹ 0.50 crore for preparation of ground grass and pitch. The work was to be completed by February 2007. However, after completion of 75 per cent work of stadium, eight panels of pavilion collapsed (February 2007) due to substandard concrete and steel reinforcement, as revealed in a report (April 2007) by the committee comprising expert from Indian Institute of Technology, Kanpur. The Government directed (May 2014) Uttar Pradesh Rajkiya Nirman Nigam (UPRNN), the executing agency for the work, to demolish the construction work and deposit ₹ 21.55 crore in the relevant head of Sports Department. The UPRNN deposited (June 2014) ₹ 21.55 crore in the State Government account. Thereafter, with a view to provide high-level sophisticated facilities of cricket in Saifai Sports Complex, which could be converted into Sports University in future, the State Government sanctioned (August 2015) the project for construction of international cricket stadium with 40,000 seating capacity at a cost of ₹ 260.30 crore. The DoS released ₹ 163.73 crore to construction agency during August 2015 to April 2016. The project cost was subsequently revised (May 2016) to ₹ 346.57 crore due to change in scope of work and increase in cost of work. However, there was no feasibility report available with the Directorate considering which stadium was constructed.

Saifai international cricket stadium was constructed at a cost of ₹ 347.05 crore and UPRNN completed the construction of the stadium by June 2020<sup>9</sup>. However, no cricket match of any level has been held in the stadium as of September 2022, i.e., even after a lapse of more than two years since the stadium was constructed. Further, no agreement/MoU was executed with Board of Control for Cricket in India (BCCI)/Uttar Pradesh Cricket Association (UPCA) to conduct national and international matches. The ground in the stadium was being utilised by the cricket sportspersons of the college, however, other premium facilities of international standards such as pavilion, media and TV production room, various types of luxurious facilities, lifts, etc., remained unutilised and expenditure thereon became unfruitful.

<sup>8</sup> Civil work ₹ 12.13 crore and Mechanical work ₹ 8.92 crore.

<sup>9</sup> A committee constituted by District Magistrate, Etawah had recommended (June 2020) for handing over of the stadium after finding the work as satisfactory. However, the date of handing over was not provided by the Directorate to Audit.

**Photograph 1: Saifai International Cricket Stadium**



In reply (July 2023), the State Government stated that construction work of international cricket stadium was started in 2016-17 and handed over to the College in 2021-22. Besides, the ground was being utilised by the cricket sportspersons of the college.

The reply was not acceptable, as the use of Saifai international cricket stadium for practice of students of Saifai Sports College only did not justify creation of a 40,000-seating capacity stadium with pavilion, media and TV production room. Further, as accepted by the Directorate (October 2023), a sports college is only required to provide a standard playground, such as practice pitches, etc., to the students. Besides, there was lack of any feasibility study justifying creation of this sports infrastructure at a cost of ₹ 347.05 crore and no effort by the State Government to utilise the stadium for intended purpose.

**(ii) Swimming pool in Major Dhyan Chand Sports College, Saifai**

DoS constructed<sup>10</sup> all-weather swimming pool of international standard at a cost of ₹ 207.96 crore in MDCSC which was handed over in January 2020 by UPRNN, the executing agency for the work. The swimming pool complex consisted of three swimming pools<sup>11</sup>, spectator gallery, reporter gallery, etc.

<sup>10</sup> Administrative approval for the construction of swimming pool was accorded by the State Government in December 2012.

<sup>11</sup> Practice Pool 18.00X25.00 meter (1.50 Meter depth), Main Pool 50.00X25.00 meter (2.00 Meter depth) and Diving Pool 25.00X25.00 meter (5.00 Meter depth).



Audit scrutiny revealed that MDCSC installed 33 KVA connection (January 2019) for electric supply to the swimming pool. During construction of swimming pool, UPRNN utilised electricity but did not pay the electricity bill of ₹ 1.25 crore. As a result, Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL), the power distribution company, disconnected (September 2019) the electricity supply even before handing over of the swimming pool by the construction agency.

**Photograph 2: International swimming pool at Saifai Sports Complex**



Audit noticed that the swimming pool with all the available modern facilities was never functional. Out of three pools, the practice and main pools were used by trainee sportspersons of classes seven to twelve<sup>12</sup> during 2020-22 whereas diving pool was never used. In the absence of electric connection, machinery/equipment installed in the swimming pool was not being used which adversely affected the training of students enrolled in the College. Furthermore, no competitive tournament of any level was held in the international swimming pool even after lapse of more than two years (September 2022).

In reply (July 2023), the State Government stated that electric connection had been provided to one swimming pool for the practice of sports college students. Instructions had been issued (July 2023) to the Principal of the Sports College for assessing the liability of electricity bill and further action would be taken as per availability of budget.

The reply of the State Government is not acceptable, as a joint physical verification (September 2023) of the swimming pool revealed that there was no electric connection to any pool. Water was being filled and drained in practice pool and in main pool by using pump installed outside the pool

<sup>12</sup> 2020-21 (19 trainees) and 2021-22 (17 trainees).

area. Audit further noticed that DVVNL had raised a demand (June 2024) of ₹ 18.00 crore towards pending electricity bill, which was yet to be paid. Besides, the diving pool was not used, machinery installed in the pool were not used due to lack of electric connection and no international, national or state level tournament was held after handing over of the swimming pool. Thus, the swimming pool remained underutilised raising question over construction of this sports infrastructure at a cost of ₹ 207.96 crore.

**(iii) Underconstruction velodrome stadium in Lucknow**

UPBM<sup>13</sup> stipulates that it is essential that baseline surveys be undertaken in case of large, beneficiary-oriented projects. Success criteria for each deliverable/output of the project should also be specified in measurable terms to assess achievement against proximate goals.

The State Government sanctioned (February 2015) a project for construction of Velodrome stadium costing ₹ 167.94 crore<sup>14</sup> in GGSSC, Lucknow and ₹ five crore was released (February 2015) for making it available to executive agency (UPRNN) for the work. The construction of velodrome stadium was proposed (April 2013 and October 2014) for emerging cyclist sportspersons to get the coaching of international standard so that they may participate in national and international competition and bring glory to the State. The velodrome stadium was also proposed in view of decision of the State Government to organise National Games 2015-16. The project was scheduled to be started in June 2015 and completed by March 2020. However, the work commenced in December 2015. Subsequently, the project was modified (July 2021) to ₹ 158.97 crore by changing the scope of work<sup>15</sup> on the recommendation of the expert committee.

Audit further noticed that UPRNN spent ₹ 51.56 crore<sup>16</sup> up to January 2023 against the released ₹ 60.00 crore<sup>17</sup> up to 2021-22. As per report of UPRNN (January 2023) the State Government had stopped the work on the ground that the number of cyclists in the State were very handful and they were taking coaching in Noida and Delhi, in view of this, a revised estimate was requisitioned from UPRNN to utilise the velodrome as indoor synthetic track. The changes made in the scope of velodrome work indicates that the project was undertaken without baseline surveys for assessing the need of velodrome stadium. Further, the expenditure of ₹ 51.56 crore incurred on the work remained unfruitful due to mid-way change in the scope of the work by the State Government.

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<sup>13</sup> Annexure A, Para (xv) of UPBM.

<sup>14</sup> Civil work ₹ 113.09 crore and electrical work ₹ 54.85 crore.

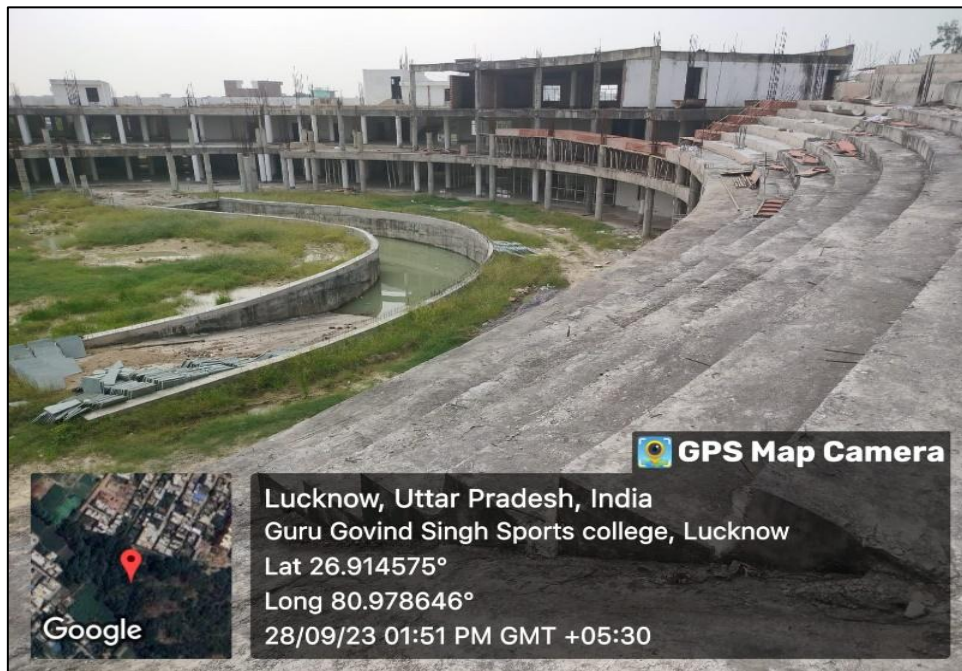
<sup>15</sup> Revision in seating arrangement, Semi-covered velodrome instead of fully covered, Revision in roofing specification, Revision in air-conditioning coverage, Revision in civil work, i.e., pile work, parking, Sewage Treatment Plant (STP), etc.

<sup>16</sup> 2015-16 ₹ 0.52 crore, 2016-17 ₹ 4.11 crore, 2017-18 ₹ 0.0009 crore, 2018-19 ₹ 13.02 crore, 2019-20 ₹ 5.06 crore, 2020-21 ₹ 2.96 crore, 2021-22 ₹ 4.66 crore and 2022-23 ₹ 9.73 crore.

<sup>17</sup> 2014-15 ₹ 5.00 crore, 2017-18 ₹ 15.00 crore, 2018-19 ₹ 10.00 crore, 2019-20 ₹ 10.00 crore, 2020-21 ₹ 10.00 crore and 2021-22 ₹ 10.00 crore.

In reply (July 2023), the State Government stated that construction work of velodrome was sanctioned in February 2015 and stopped in 2016-17. The work was again restarted with the approval of the Government.

**Photograph 3: Status of construction work of velodrome**



The reply was not acceptable as joint physical verification (September 2023) revealed that the velodrome work was stopped and construction agency had submitted a detailed estimate to utilise the structure as indoor synthetic track. Further, the State Government remained silent on frequent change in the scope of work of velodrome stadium.

#### **2.2.8.5 Maintenance and utilisation of infrastructure**

Maintenance and proper utilisation of created infrastructure is an important component for promotion of sports. Audit examined the records related to maintenance and utilisation of overall sports facilities in the State. Significant audit observations have been discussed in succeeding paragraphs:

##### **(i) Policy for repair and maintenance of created infrastructure**

The Expenditure Finance Committee of Uttar Pradesh directed (February 2016) DoS to formulate a State Policy for arranging economic resources for maintenance and upkeep of various types of stadiums and international sports complex being established in the State. It was expected that the State Policy would enable appropriate maintenance/upkeep of national/international level sports infrastructure which would provide long term benefit to the sportspersons in the State.

Audit, however, noticed (June 2023) that DoS did not formulate any policy regarding repair and maintenance of created infrastructure.

In reply (July 2023), the State Government stated that the maintenance of sports infrastructure created in various districts was done in view of proposals of maintenance received from the districts and availability of budget. During the exit conference, the State Government accepted the fact regarding lack of policy for repair and maintenance of created infrastructure and further stated that since funds are in shortage, maintenance remains an issue.

**(ii) Non-maintenance of asset register**

Provisions laid down in Financial Handbook (FHB)<sup>18</sup> stipulates for maintenance of a register of land and departmental buildings in prescribed forms<sup>19</sup>. The local officer is responsible for keeping these records up-to-date and certify once a year that there are no encroachments on the land in his charge.

Audit scrutiny revealed that 10<sup>20</sup> out of 13 test checked regional/district sports officers did not maintain assets register in the prescribed forms and certificate in respect of physical verification of the assets was not available. The details of land and sports infrastructure were recorded in a register in the test checked districts. However, in remaining three districts<sup>21</sup> even the register was also not maintained. Audit further observed the following:

- In Jhansi district, 21 acres of land which was transferred to DoS in March 1991 was first found to be encroached in March 2006. The cost of the encroached land was ₹ 42.49 crore<sup>22</sup> as of September 2022.

Audit further noticed that the District Magistrate (DM) Jhansi informed (August 2010) DoS that two Regional Sport Officers posted in the district during 2002-05 did not take any action against encroachment of the land and, therefore, DM requested the DoS to take action against these officers. Further, applications for lodging First Information Report (FIR) were submitted in December 2007 and September 2017. However, neither the land could be vacated, nor any action had been taken against the encroachers and responsible officers as of October 2022.

- Sub-Divisional Magistrate and Thesildar, *Bakshi Ka Talab*, Lucknow intimated (January 2015) the Principal Guru Govind Singh Sports College, Lucknow that 27,000 square guz college land was encroached by land mafia illegally. The college administration was unaware that the encroached land was of GGSSC. The cost of the encroached land was

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<sup>18</sup> FHB Vol.-V, Part-I-Rules 265 and 266.

<sup>19</sup> Forms 26 to 28 in FHB Vol.-V.

<sup>20</sup> Agra, Ayodhya, Azamgarh, Banda, Bareilly, Jhansi, Lucknow, Meerut, Prayagraj, Sitapur.

<sup>21</sup> Etawah, Gorakhpur and Kanpur.

<sup>22</sup> Calculated on the basis of circle rate (September 2022) of ₹ 5,000 per square meter.



₹ 17.22 crore<sup>23</sup>. The college administration did not make serious efforts to get the encroached land vacated as it did not even lodge an FIR against the encroacher (August 2022).

- In Etawah district, a private wrestling academy was functional in the premises of stadium since July 2022. DSO stated (September 2022) that the academy was functional on the verbal orders of the then sports officer of the district.
- Lucknow Metro Rail Corporation Limited acquired 258.48 sqm land (February 2017) of KD Singh Babu Stadium Lucknow for construction of Metro station and its entry/exit. However, Regional Sport Officer, Lucknow did not make the demand of ₹ 2.40 crore<sup>24</sup> as compensation for 258.48 sqm land provided to Lucknow Metro Rail Corporation Limited.

The State Government stated (July 2023) that consolidated information regarding infrastructure was available with the department. As regards land encroachment in Jhansi, the Sports Director stated during the exit conference (July 2023) that necessary instructions had been issued to the District Magistrate to get the land vacated and in case of encroachment of land in GGSSC, Lucknow, necessary action would be taken after enquiry. The Government further stated that necessary instructions had been issued to remove the unauthorised wrestling academy in Etawah district and demand for land compensation was being made from Lucknow Metro Rail Corporation.

The fact remained that the assets register was not being maintained in prescribed format and physical verification of assets was not done. Further, action against encroachment of land was yet to be taken.

### (iii) *Sports infrastructure not maintained*

Audit noticed several instances of poor maintenance of sports infrastructure as discussed below:

- **Swimming pools:** Nine<sup>25</sup> out of 37 swimming pool under jurisdiction of RSO/DSOs of 37 districts of the State remained non-functional due to various reasons such as renovation work, dilapidated swimming pools and non-deployment of coach/lifeguard as of March 2023. Besides, out of three sports colleges in the State, two sports colleges, viz., GGSSC, Lucknow and MDCSC, Saifai had swimming pools. In GGSSC, Lucknow, the swimming pool was not in use as there was neither any trainee nor coach or life saver in the college during 2016-22 though incurred expenditure of ₹ 5.68 lakh on the maintenance of the swimming pool. Further, swimming pool in MDCSC, Saifai was in partial use as detailed in Paragraph 2.2.8.4(ii).

<sup>23</sup> Rate as per assessment list of December 2015: ₹ 7,700/- square meter. Total encroached land 27,000 square guz, i.e., 22,358.70 square meter. Total cost of encroached land 22358.70 x ₹ 7,700= ₹ 17.22 crore.

<sup>24</sup> Calculated on the basis of circle rate (December 2015) ₹ 93,000/- per square meter.

<sup>25</sup> Amethi, Bagpat, Banda, Bulandshahar, Ghaziabad, Lucknow, Lakhimpur Khiri, Prayagraj, Sultanpur,

- **Indoor volleyball halls:** Out of two indoor volleyball halls in the State, both indoor halls were dilapidated. In district Banda, false ceiling, windows and doors of indoor volleyball hall were damaged. Further, in BBSSC, Gorakhpur, roof had seepage of water and false ceiling collapsed due to heavy storm and rain in September 2018.

- **Other sports infrastructures:** Basketball court and lawn tennis court in district Jhansi, three out of five cemented net practice cricket pitches in district Banda and lawn tennis court in GGSSC, Lucknow were in dilapidated condition.

In reply (July 2023), the State Government stated that above sports infrastructures were not functional due to various reasons such as needs renovation, unavailability of coach and life saver and unavailability of water as detailed in *Appendix 2.2.4*.

#### **(iv) Unutilised sports infrastructures**

Audit noticed several instances of unutilised sports infrastructure as discussed below:

- **Dormitories:** There were 19 dormitories under DoS in 19 districts of the State. In view to ensure optimum utilisation of dormitories constructed in the State, the State Government (January 2016) directed Sports Director to utilise the dormitories in 13 districts<sup>26</sup> which had negligible utilisation, as Sports Hostels.

Audit scrutiny revealed that the occupancy in 12 out of these 13 dormitories during 2016-22 remained in the range of three to 117 days (nine dormitories) whereas three dormitories (Lakhimpur Khiri, Pratapgarh and Sitapur) were not utilised during 2016-22 as detailed in *Appendix 2.2.5*. The Department did not provide information in respect of remaining one dormitory in Basti.

In reply (July 2023), the State Government stated that dormitories were utilised for accommodation of sports teams during competitions from time to time.

Reply is not acceptable, since the Directorate did not take any action to ensure optimum utilisation of dormitories as envisaged in State Government's direction (January 2016) to the Directorate for making policy to utilise these dormitories as Sports Hostel. However, such a policy was not prepared.

- **Hostel Building in Azamgarh:** Audit noticed that sports hostel building in Azamgarh constructed to provide residential facility to sportspersons was never utilised since its construction in February 2008, as the Directorate did not allot any sport with residential facility. It was further noticed that the hostel building was in dilapidated condition.

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<sup>26</sup> Ambedkar Nagar, Barabanki, Basti, Gorakhpur, Hardoi, Kaushambi, Lakhimpur Khiri, Mathura, Mau, Muzaffarnagar, Pratapgarh, Sitapur and Varanasi.

In reply (July 2023), the State Government stated that the sports hostel could not be utilised due to non-allotment of sports.

**Photograph 4: Sports hostel building, Azamgarh**



- **Other sports infrastructure:** Audit further noticed that wrestling hall in Sitapur (Mahmoodabad) and basketball court in Meerut were not utilised during 2016-22 due to lack of coach.

In reply (July 2023), the State Government stated that a basketball coach had been appointed in Meerut during 2023. The Government further stated that wrestling hall in Sitapur (Mahmoodabad) could not be utilised due to non-appointment of coach.

## 2.2.9 Sports colleges

There are three sports colleges<sup>27</sup> in the State which are fully funded by DoS and administered through Uttar Pradesh Sports Colleges Society, Lucknow. The objective of the Society was to select emerging players of the age group from nine to 12 years from rural and urban areas and provide them suitable sports training along with imparting adequate education providing their all-round development so that they could become exceptional players. Admissions in the colleges are given on merit basis which is based on physical test and sports skill/game test.

### 2.2.9.1 Lack of utilisation of seats in sports colleges

The sanctioned strength of students in the sports colleges and actual number of students during 2016-22 is given in **Table 4**.

<sup>27</sup> GGSSC Lucknow, BBSSC Gorakhpur and MDCSC, Saifai Etawah.

**Table 4: Actual strength vis-a-vis sanctioned strength in the sports colleges**

Year	Sanctioned strength			Actual strength			Vacant seats (in per cent)		
	Boys	Girls	Total	Boys	Girls	Total	Boys (%)	Girls (%)	Total (%)
2016-17	968	222	1190	719	122	841	249 (26)	100 (45)	349 (29)
2017-18	968	222	1190	732	148	880	236 (24)	74 (33)	310 (26)
2018-19	1003	222	1225	682	149	831	321 (32)	73 (33)	394 (32)
2019-20	1003	222	1225	692	158	850	311 (31)	64 (29)	375 (31)
2020-21	1003	222	1225	591	126	717	412 (41)	96 (43)	508 (41)
2021-22	1003	222	1225	549	114	663	454 (45)	108 (49)	562 (46)

(Source: Sports colleges)

As evident from **Table 4**, sanctioned strength of sports colleges increased from 1,190 in 2016-17 to 1,225 in 2018-19. However, there remained vacant seats in sports colleges ranging from 26 to 46 *per cent* during 2016-22. During session 2021-22, MDCSC, Saifai Etawah had maximum vacant seats (57 *per cent*) followed by GGSSC Lucknow (37 *per cent*) and BBSSC Gorakhpur (35 *per cent*). Audit further observed the following:

- MDCSC, Saifai, Etawah commenced its operation in session 2014-15 and admission was given only in class six during that year. Thereafter, admission was to be given at the rate of 80 students per year in the college. However, the enrolment in the College remained low due to drop out of students and no admission in the year 2020-21 and 2021-22 was given due to Covid-19 pandemic. Further, due to lack of adequate hostel facility<sup>28</sup>, 20 girls (Badminton-seven and Judo-13) were transferred (April 2022) from MDCSC, Saifai to BBSSC, Gorakhpur. Of these, only 13 sportspersons (Badminton-one and Judo-12) joined BBSSC, Gorakhpur. Pertinently, infrastructure relating to Badminton and Judo game was not available in BBSSC, Gorakhpur, besides coach was also not available for Badminton (August 2022).
- As against sanctioned strength of 30 students in GGSSC, Lucknow for Lawn Tennis, vacant seats were ranging from 90 to 93 *per cent* during 2016-17 to 2018-19, whereas no students were enrolled in this sport during 2019-20 to 2021-22. Further, 35 seats were allotted for Badminton in the college since 2018-19 session, however, only 34 to 40 *per cent* seats were filled during 2018-19 to 2021-22.
- GGSSC, Lucknow exceeded its sanctioned seats of 310 students in the year 2016-17 due to higher number of students in cricket. Audit noticed that there were excess number of students in cricket by 81 students (2016-17) to 29 students (2017-18).

During the exit conference, the State Government stated that underutilisation of capacity was due to Covid-19 and efforts would be made to overcome the shortage.

The fact remains that underutilisation of capacity was also due to drop out/removal of students from sports colleges after initial intake in class six,

<sup>28</sup> Minutes of 102<sup>nd</sup> meeting of UP Sports College Society dated 5 March 2020.

besides no admission during 2020-21 and 2021-22 due to Covid-19 pandemic.

#### **2.2.9.2 Drop out/removal of sportspersons**

As per instructions contained in admission prospectus of the Uttar Pradesh Sports College Society, parents of the students are required to give notice of one month prior to the commencement of the session for removal of his/her child from the college. In case of withdrawal of student, the entire amount of securities can be forfeited and amount spent on the training and education of the sportspersons can be recovered. Further, the Principal can dismiss any student for not achieving the prescribed sports/academic achievement and not maintaining good conduct. In this condition, recovery of complete expenses incurred on the training/education of the student could be made.

Audit scrutiny revealed that during 2016-17 to 2021-22, 45 students dropped out of GGSSC, Lucknow and BBSSC, Gorakhpur whereas admission of 169 students were terminated due to non-performance in sports and academic. MDCSC, Saifai did not provide the details of reasons for 106 students dropped out/terminated during 2016-22. Audit further noticed that amount spent on the training and education of the dropped-out students were not recovered as stipulated in the admission prospectus. On being pointed out in audit, principal of sports colleges stated that no such recovery/forfeiture was made. However, reason for the same was not mentioned.

In reply (July 2023), the State Government stated that students were expelled from sports college due to their failure in sports appraisals/educational examination, indiscipline, non-participation in national level during five years.

#### **2.2.9.3 Quality of education**

In Sports Colleges, all students are imparted education from class six to class 12 (Humanities stream) under Uttar Pradesh Board of Secondary Education. Further, the students were not allowed to take private tuition.

Scrutiny of records revealed that faculties for teaching academic subjects were not available in the sports colleges as per the sanctioned strength, as detailed below:

- In GGSSC, Lucknow, against the sanctioned strength of 14 teaching staff (11 teachers and three assistant teachers), the availability of faculty including contractual teachers during 2016-22 ranged between six (2021-22) and 11 (2018-19 and 2019-20). There were 766 students enrolled in classes six to eight during 2016-22 but there was no teacher for Art and Book craft subject prescribed for classes six to eight. Similarly, there were 859 students in classes nine to twelve having yoga and physical education as a compulsory subject during 2016-22, but there was no

teacher of the subject during that period. Further, there was no teacher available for 865 students (classes six to 12) in Hindi during 2016-18 and 2020-21 and 145 students (classes six to 10) in Sanskrit during 2016-17. In case of classes 11 and 12, there was no subject teacher for 159 students of Economics during 2016-19 and 2021-22, 398 students of Sociology during 2016-19 and 293 students of Civics during 2016-18. Audit further noticed that teachers for History and Geography subjects were posted during 2019-21 but there was no student in Classes 11 and 12 in these subjects.

- In BBSSC, Gorakhpur, 10 faculties including contractual teachers deployed on honorarium basis were available during 2016-22 against the sanctioned strength of 11 teaching staff (four teachers and seven assistant teachers). During 2016-22, 801 students studied in classes six to eight without Art and Book craft teacher. Further, 822 students were studying yoga and physical education as compulsory subject in classes nine to 12 without any teacher during 2016-22. Besides, 191, 266 and 280 students were studying Economics, Geography and Sociology as an optional subject, respectively in classes 11 and 12 without subject specific teacher during 2016-22.

- In MDCSC, Saifai, three to nine contractual teachers were deployed on honorarium basis during 2016-22 against the sanctioned posts of five assistant teachers in the College. There was no regular teacher in this college.

- Analysis of results of class 12 UP Board examination in two sports colleges<sup>29</sup> revealed that out of 505 students appeared in Class 12 Board examination, 190 students (38 *per cent*) obtained I<sup>st</sup> Division during 2016-22 and percentage of students obtaining I<sup>st</sup> Division remained 28 *per cent* (in the year 2017) to 72 *per cent* (in the year 2021). Information regarding result of students registered and passed out class 12 examination in MDCSC, Saifai during 2016-22 was not made available to audit.

In reply (July 2023), the State Government stated that several requests were made for appointment of teachers on deputation basis from Education Department against the vacant post, which was not made available. So, the teaching was being carried out with the available qualified teachers.

The reply was not acceptable as availability of subject specific teacher was not ensured in Sports Colleges which impedes overall development of the students enrolled in these colleges. Further, 71 students<sup>30</sup> were expelled by these colleges due to academic non-performance indicating inadequate quality of education being imparted in the residential sports colleges.

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<sup>29</sup> GGSSC Lucknow, BBSSC Gorakhpur.

<sup>30</sup> GGSSC Lucknow-22, BBSSC Gorakhpur-49



#### 2.2.9.4 Other observations relating to sports colleges

Other significant observations noticed during the audit of sports colleges are as follows:

##### (i) Short holding of meeting

U.P. Sports Colleges Society Rules and Regulations stipulates that Board of Management shall meet quarterly each year or as many more times as may be necessary. Additional Chief Secretary/Principal Secretary, Sports Department, Government of Uttar Pradesh is the ex-officio Chairman of the Board of Management.

Audit scrutiny revealed that as against 24 meeting due during 2016-22, only six meetings (25 per cent) of the Board of Management<sup>31</sup> were held. Besides, four meetings of U.P. Sports Colleges Society<sup>32</sup> were also held during 2016-22, though there was no norm prescribing frequency for holding the Society meeting. The Chairman of Management Board had objected (June 2017) the delay of 17 months in holding the Board meeting and directed to hold the meeting invariably in every three months. However, the frequency of meetings remained low.

In reply (July 2023), the State Government stated that meetings could not be held due to Covid-19.

The reply was not acceptable as the shortage in holding of meeting were noticed even during 2016-20, i.e., period prior to Covid-19 pandemic.

##### (ii) Lack of gymnastic equipment

National Sports Policy, 2001 emphasises that suitable measures were to be initiated to ensure access to sports equipment of high quality.

Audit noticed that the Principal Secretary, DoS during the visit of Beer Bahadur Singh Sports College, Gorakhpur directed (February 2011) to submit the proposal for installation of gymnastic equipment of international standards on the demand of gymnastic sportspersons so that they may perform better in national and international competitions and may bring laurels to the State. The Principal, BBSSC submitted (March 2011) the estimate of French manufactured gymnastic equipment costing ₹1.44 lakh to the Sports Director. Since the installed gymnastic equipment were more than ten-year-old and had become obsolete and were affecting the performance of the sportspersons adversely, the matter was discussed in the Management Board meeting (March 2015) of U.P. Sports Colleges Society. Accordingly, the principal submitted (August 2015) a modified estimate of ₹ 1.05 crore of gymnastic equipment to the Sports

<sup>31</sup> Meeting No.98 dated 19.06.2017, 99 dated 26.10.2017, 100 dated 31.05.2018, 101 dated 29.01.2019, 102 dated 05.03.2020 and 103 dated 16.12.2021.

<sup>32</sup> As per the Uttar Pradesh Sports Colleges Society Rules and Regulations, Sports Minister of Uttar Pradesh is the Chairman Ex-officio of the Society. The meetings of the society were held on 06.08.2019, 31.10.2019, 17.12.2019, and 30.06.2022.

Director and stated that in case of inconvenience in purchase of equipment, sanction may be accorded for only ₹ 35.90 lakh for floor arena as the requirement of the equipment was inevitable. However, the gymnastic equipment could not be purchased due to unavailability of required fund from the Government (August 2022).

Audit scrutiny further revealed that 116 boy and girl sportspersons were enrolled<sup>33</sup> in gymnastic during 2016-22. Due to unavailability of appropriate gymnastic equipment, students practiced with the obsolete equipment.

During the exit conference, the State Government accepted the facts and assured that necessary efforts would be made in this regard.

***(iii) Not conducting inter-house competition***

Admission prospectus of the sports colleges mentions that with a view to encourage vigorous sporting spirit and competitiveness among sportspersons, inter house competitions are to be organised and winners felicitated with certificate and awards.

Audit scrutiny revealed that GGSSC, Lucknow and MDCSC, Saifai did not organise any inter house sports competitions during 2016-21. Thus, the colleges did not provide opportunity to students for participating in inter-house competitions which could have encouraged the sporting spirit and competitiveness among students.

***(iv) High tension lines not shifted from playground***

Two high tension lines<sup>34</sup> were going through the sports grounds of BBSSC, Gorakhpur, which were hindering practice of sportspersons and they were afraid of getting electrocuted. In this context, Urban Electric Distribution Division, Gorakhpur provided the estimate of ₹ 25.60 lakh and ₹ 2.74 crore for shifting of line in December 2005 and August 2018 respectively. Principal requested (October 2018) the UP Sports College Society to provide ₹ 1.19 crore for shifting of high-tension lines from main ground. However, the high-tension line could not be shifted as the required fund for shifting was not provided (August 2022).

In reply (July 2023), the State Government stated that efforts were being made to shift these high-tension lines. However, the fact remains that the State Government did not release required funds.

***(v) Non-refund of caution money***

Admission prospectus of the sports colleges stipulates that parents of the students are compulsorily required to deposit ₹ two thousand as caution money at the time of admission. The caution money is refundable at the

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<sup>33</sup> Including all enrolled students (69) in 2016-17 and new admission (47) students in gymnastic during 2017-20.

<sup>34</sup> 33 kilovolt amperes (KVA).



time the student finally leaves the college after adjustment of any dues against the student.

Audit scrutiny revealed that the sports colleges did not maintain any record relating to deposit of caution money. Further, 826 students<sup>35</sup> took admission in all the three colleges in class VI and as such, deposited ₹ 16.52 lakh<sup>36</sup> as caution money during 2016-22. Besides, 492 students<sup>37</sup> passed class XII during 2016-22 but the colleges did not refund ₹ 9.84 lakh<sup>38</sup> of caution money.

In reply (July 2023), the State Government stated that in cases of BBSSC Gorakhpur and GGSSC Lucknow, no student had requested for refund of caution money since 2016-17 and it would be refunded on demand. It further stated that MDCSC Saifai refunds caution money after completion of academic session.

The reply is not acceptable since sports colleges were required to refund the caution money *suo motu* without awaiting demand from parents. Besides, MDCSC Saifai had accepted (September 2023) that caution money was not refunded. Further, the sports colleges failed to maintain the records for collection, refund and forfeiture of caution money.

### 2.2.10 Training

DoS provides coaching to the emerging sportspersons through sports hostels, sports colleges and coaching camps by utilising the services of departmental coaches and part-time coaches. Audit observed the following:

#### 2.2.10.1 Shortage of coaches

Coaches were responsible for upgrading the skill of sportspersons and organising training camps. The availability of permanent and part-time coaches during 2016-22 is given in **Table 5**.

**Table 5: Position of sanctioned and available coaches for training camps**

Year	Coaches Sanctioned		Coaches available		Shortage of Coaches (in per cent)	
	Permanent <sup>39</sup>	Part time	Permanent	Part time	Permanent	Part time
2016-17	209	450	130	322	79 (38)	128 (28)
2017-18	209	450	131	369	78 (37)	81 (18)
2018-19	209	450	141	390	68 (33)	60 (13)
2019-20	209	450	141	367	68 (33)	83 (18)
2020-21	209	450	134	0 <sup>40</sup>	75 (36)	0
2021-22	209	450	130	179	79 (38)	271 (60)

(Source: Sports Directorate)

<sup>35</sup> GGSSC, Lucknow 273 student, BBSSC, Gorakhpur 236 student and MDCSC, Saifai 317 student.

<sup>36</sup> Calculated @ ₹ two thousand per student as no register was maintained.

<sup>37</sup> GGSSC, Lucknow 287 student, BBSSC, Gorakhpur 205 student. MDCSC Saifai did not make available the position of students passing out of class XII.

<sup>38</sup> Calculated at the rate of ₹ two thousand per student as no register was maintained.

<sup>39</sup> Including sports officers, deputy sports officers and assistant coaches

<sup>40</sup> As per the Sports Directorate, training was not imparted during 2020-21 due to Covid-19 pandemic.

It was evident from Table 5 that the vacancies of permanent and part-time coaches during 2016-2020 and 2021-22 were 33 to 38 *per cent* and 13 to 60 *per cent* respectively. Sports wise analysis of availability of part-time coaches revealed that in nine sports<sup>41</sup> average shortages ranged from 50 to 83 *per cent* (**Appendix 2.2.6**) against sanctioned strength during 2016-22. Since each coach was responsible for organising a training camp, shortage of coaches adversely affected the training schedules of sportspersons and hampered their skill development. In two<sup>42</sup> out of 13 test checked districts, 4,012 sportspersons were registered and practiced without coaches in swimming, boxing, lawn-tennis, shooting and squash (**Appendix 2.2.7**) during 2016-22.

In reply (July 2023), the State Government stated that at present, 115 permanent and 402 part-time coaches were deputed. The State Government further stated that the deployment was not completed due to unavailability of suitable candidates as per the prescribed standards in swimming, boxing, lawn tennis, shooting and squash. The Government also stated that action was being taken to complete the deployment of required number of coaches.

#### **2.2.10.2 Injury management of trainees**

National Sports Policy 2001 stipulates for providing adequate insurance cover and medical treatment in the event of any eventuality/requirement for the sportspersons.

Audit observed that the State government made a provision of ₹ 2,000 per sports person per year for extending medical facilities for the sportspersons residing in the sports hostel. In respect of the sportspersons of the sports college, the State government sanctioned post of medical officer<sup>43</sup> for meeting their medical requirements. Further, the State government also made provisions for establishment of physiotherapy center in each sports stadium during 2016-22. However, no arrangement was made for injury management of the sportspersons attending the training camps organised by RSOs/DSOs as confirmed (July 2024) by the Sports Directorate.

Audit examined the records related to availability of medical facilities in sports colleges, sports hostels and establishment of physiotherapy centers in sports stadium and noticed that:

- Out of three sports colleges in the State the post of medical officer was vacant in two sports colleges, viz., BBSSC, Gorakhpur and MDCSC, Saifai. As a result, the hospital/dispensary buildings (**Appendix 2.2.8**) were also remained underutilised during 2016-22.

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<sup>41</sup> Archary, Badminton, Basketball, Karate, Kayaking & Canoeing, Lawn Tennis, Rowing, Squash, Swimming.

<sup>42</sup> Agra and Jhansi.

<sup>43</sup> One in each sports college during 2016-22.

- Out of 13 test checked RSOs/DSOs, physiotherapist were available in only two<sup>44</sup> districts. Thus, the concept of injury management for sportspersons was poor.

In reply (July 2023), the State Government stated that a provision of ₹ 2,000 per sportspersons was made for meeting the medical expenses of sportspersons residing in the hostels. The State Government further stated that medical benefits to sportspersons under Ayushman Bharat scheme at the district level had also been sanctioned in July 2023. During the exit conference, the State Government assured that necessary action would be taken with reference to first aid injury management.

#### ***2.2.10.3 Diet management system***

An athlete's daily energy intake provides for immediate energy needs for body functions, activity and growth, while influencing body's energy stores. The State Government fixed (December 2021) ₹ 375 per day as diet money every day for every sportsperson in sports colleges and sports hostels for all the sports discipline. Prior to that, rate of ₹ 250 for sports hostels and ₹ 200 for sports colleges was effective.

Scrutiny of records revealed that the Department did not develop any mechanism to evaluate nutritional level of the sportspersons. Further, the State Government implemented (October 2020) the diet chart without considering the game-wise requirement of calories. Thus, diet management of the sportspersons was not based on scientific evaluation of nutritional level of sportspersons and their needs in view of specific sports.

In reply (July 2023), the State Government stated that as per Government order (December 2021), food was provided based on menu at the rate of ₹ 375 per day per sportspersons in residential sports hostels. During the exit conference, the State Government assured that necessary action would be taken in respect of audit observation on diet management.

#### ***2.2.10.4 Poor efforts to increase awareness regarding doping***

National Anti-Doping Agency (NADA), an autonomous body under the Government of India, implements country's Anti-Doping programmes in sports.

Audit observed that DoS did not make available the list of substances/drugs prohibited by NADA, besides coaches were also not trained about NADA rules/prohibited substances for sportspersons during 2016-22. No programme was undertaken for the awareness of sportspersons about the effect of doping. Thus, DoS did not take any measure for awareness among coaches and sportspersons in respect of doping.

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<sup>44</sup> The facility of physiotherapist center was established only in K D Singh Babu Stadium Lucknow. However, physiotherapist was engaged on an honorarium basis in Green Park Stadium Kanpur.

The State Government did not offer any comment regarding doping in its reply (July 2023).

## **2.2.11 Environment for sports**

### **2.2.11.1 Shortage of administrative manpower**

To carry out various functions of the Department, it was essential to fill up the vacant posts of different categories, as shortage of staff especially for long periods eventually affects the performance of the Department.

As of March 2022, overall shortage of manpower ranged between 36 *per cent* and 48 *per cent* in Group B, C and D cadres of DoS (**Appendix 2.2.9**). This includes shortage of Sports Officer (19 *per cent*), Deputy Sports Officer (24 *per cent*) and Assistant Coach (92 *per cent*), who are permanent coaches for various camps being organised by DoS. Audit noticed that vacancy existed due to non-finalisation of service rules, unavailability of suitable candidates for promotion in case the posts were to be filled from feeder cadre and time lag in providing clarifications to the queries of recruitment agency.

In reply (July 2023), the State Government provided various reasons for vacancies, viz., proposals pending at Government level/ Uttar Pradesh Subordinate Service Commission (UPSSC) level, unavailability of suitable candidates in feeder cadre for promotion, pending finalization of service rules, etc., as detailed in **Appendix 2.2.9**.

### **2.2.11.2 Participation of female sportspersons**

National Sports Policy 2001 stipulates that efforts will be made to promote and encourage female participation in sports. DoS envisages to increase awareness of female participation in sports through sports associations, educational institutions and coverage through electronic media.

Audit observed that DoS organised 2,105 camps for 22 to 32 sports in 26 to 71 districts in which participation of female sportspersons remained 18 to 22 *per cent* (**Appendix 2.2.10**) during 2016-22. No separate camp dedicated to female sportspersons was organised, except two camps in Agra and one camp in Raebareli. Further, 12 out of 44 sports hostels for female sportspersons remained unutilised by 18 to 30 *per cent* (**Appendix 2.2.11**) during 2016-20, whereas female sportspersons hostels had vacancy of 77 *per cent* and 71 *per cent* during 2020-21 and 2021-22 respectively mainly due to covid-19 pandemic. Further issues related to female sportspersons are discussed below:

#### **(i) Rights of female sportspersons**

GoI circulated (August 2010) guidelines for prevention of sexual harassment of female sportspersons which provided for setting up a complaint mechanism for redressal of complaints made by the victims.

The Directorate of Sports informed (July 2024) Audit that the Committee On Sexual And Mental Harassment Of Working Women constituted in the Directorate also redresses complaints received from female sportspersons. However, no such complaint has been received from female sportspersons during 2016-22. The Directorate further informed that Uttar Pradesh Olympic Association had constituted (July 2023) a committee for redressal of sexual and mental harassment complaints received from female sportspersons. The Directorate, however, was not aware whether any such committee was constituted by Uttar Pradesh Olympic Association during 2016-22. Audit further observed that:

- Nine out of 13 test checked districts, RSOs/DSOs stated that there was no such committee constituted at district level to deal with complaints by female sportspersons. However, three<sup>45</sup> test checked districts stated that redressal of complaints was done whenever the complaints are received and Regional Sports Officer, Lucknow stated that a mahila help desk was constituted.
- No gender sensitisation camp was organised in any of the 13 test checked districts during 2016-22.

In reply (July 2023), the State Government stated that a complaint cell had been constituted at the Directorate level to redress the sexual harassment complaints of female sportspersons. Further, arrangements are made to send women coach along with female sportsperson while travelling in trains to ensure safety. RSO/DSO takes help of police administration in sexual harassment cases of female sportspersons at District/Division level. Directorate further informed (July 2024) that security was ensured with the assistance from police/local administration at district level during training/competition involving female sportspersons, no separate system was developed during 2016-22.

### ***(ii) Shortage of female coaches***

As against the sanctioned permanent and part-time coaches, the percentage of female coaches available was 11 to 12 *per cent* and eight to 21 *per cent* respectively during 2016-22 (**Appendix 2.2.12**). The Government order stipulates that separate camp for female sports may be organised if the number of female sportspersons is high in the camp. It was, however, observed that in 106 out of total 2,105 camps (**Appendix 2.2.13**) during 2016-22, the percentage of female sportspersons were 50 *per cent* or more of entire sportspersons registered for the camps, but no separate camp was organised for female sportspersons except two camps in Agra and one camp in Raebareli.

In reply (July 2023), the State Government stated that female coaches are provided wherever departmental officers requested in cases of higher participation of female sportspersons. The State Government further stated

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<sup>45</sup> Agra, Banda and Bareilly.

that there was no separate reservation policy for female coaches. During the exit conference (July 2023), the State Government stated that efforts would be made to increase the participation of female sportspersons.

### ***2.2.11.3 Sports Associations/ Federations***

State Sports Associations are responsible for the competitive side of sports and to send teams to participate at national level competitions. DoS provides technical and financial assistance for conducting such events. The financial assistance is provided to those Associations who accept the prescribed guidelines of the Government. DoS provides recognition to the association on fulfilling terms and conditions provided in the guidelines.

Scrutiny of records revealed that 34 Sports Associations had accepted the guidelines of DoS as of March 2022. However, there was inadequate coordination between DoS and Sports Associations. Only 16 out of 34 sports associations provided list of office-bearers to DoS as of March 2022. Further, DoS provided financial assistance of ₹ 20.24 crore (**Appendix 2.2.14**) to only five<sup>46</sup> sports associations during 2016-22 for organising sports activities.

Audit further noticed that there were disputes in four State Sports Associations<sup>47</sup>, consequently they were not organising competitions and sending no teams at national level competitions. However, DoS was organising the training camps for three out of these four sports (**Appendix 2.2.15**) and 5,450 sportspersons were enrolled in these camps during 2016-22. However, these sportspersons could not participate in State/National competitions. Directorate stated (March 2022) that in case of disputes in Sports Association, teams were not selected and not sent for competition.

During the exit conference (July 2023), the State Government stated that efforts would be made to ensure better coordination between associations/federations and DoS.

### ***2.2.11.4 Lack of support to differently abled sportspersons***

DoS provides award and other facilities to differently abled sportspersons alike normal sportspersons. In test checked district, Audit observed the following:

- Separate facilities such as toilet and ramp were available in four districts (Agra, Bareilly, Lucknow and Meerut) for differently abled sportspersons. In Meerut, weightlifting hall and athletic field for differently abled sportspersons were available. However, in other nine test checked districts, no such separate facilities were available for differently abled sportspersons during 2016-22.

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<sup>46</sup> Badminton, Hockey, Judo, Handball and Weightlifting.

<sup>47</sup> Uttar Pradesh Power Lifting Federation Lucknow/Kanpur, Uttar Pradesh Netball Federation Ghaziabad, Uttar Pradesh Taekwondo Federation Lucknow, Uttar Pradesh Shooting Ball Federation Meerut.



- In any of the test checked districts, no sensitisation campaign was organised among the sportspersons to make them aware towards differently abled sportspersons during 2016-22.
- DoS did not take any steps to encourage sports among differently abled sportspersons as it did not organise any tournament/competition exclusively dedicated to differently abled sportspersons in test checked districts, except Bareilly, during 2016-22.

In reply (July 2023), the State Government stated that differently abled sportspersons were conferred Lakshman Award/Rani Laxmibai Award. The State Government further stated that Uttar Pradesh Para Sports Association was recognised in May 2023, consequently differently abled sportspersons would be provided more facilities.

## **2.2.12 Monitoring**

### ***2.2.12.1 Non-maintenance of compiled database of sportspersons***

Audit noticed that DoS had compiled information of international-level and national level players. However, the compiled database with respect to emerging sportspersons who were being trained in the sports facilities created by DoS was not being maintained. Such database could be helpful in better planning for different sports disciplines and need-based allocation of resources.

In reply (July 2023), the State Government stated that information about sportspersons undergoing training/participating in competitions was compiled in District Sports Offices and Regional Sports Offices.

Fact remains that database of sportspersons were not compiled at Directorate level, besides in test checked districts only two<sup>48</sup> district sports offices have informed that database of sportspersons was maintained.

### ***2.2.12.2 Ineffective quality control of construction works***

The State Government directed (November 2015) that for ensuring quality of constructions, the report of district level Quality Control Committee on the construction of sports infrastructures was to be made available to the Directorate by the 5<sup>th</sup> of every month.

Audit observed that monthly reports of the district level quality control committee were not forwarded to the Directorate by all departmental officers during 2016-22. Audit found that district quality committee tested the quality and submitted its reports only at the time of taking over of the possession of newly constructed sports infrastructures, which was in violation of the directions of the State Government. Further, this progress

<sup>48</sup> Prayagraj and Sitapur,

report of construction works was not vetted appropriately due to vacant post of assistant engineer at the Directorate level since the year 2009.

In reply (July 2023), the State Government stated that a committee was constituted at district level to ensure quality control and inspections were ensured by the departmental officer in the district from time to time.

The reply was not acceptable, as quality control reports of all the ongoing construction works were not received in the Directorate every month.

### **2.2.13 Conclusion**

In the absence of a State sports policy during 2016-22, the measures taken for promotion and development of sports in the State were largely ad-hoc. No prioritisation of sports disciplines in order to achieve excellence was done.

Budgetary resources were not allocated rationally leading to huge savings while facilities suffered due to lack of funds. No effective measures were taken to broad base sports infrastructures among the various districts, as in five districts even basic sports facility was not available. Projects were sanctioned without feasibility reports, or without ensuring availability of funds or without indicating the timelines for their completion. Consequently, there were substantial delays in completion of construction works. Multiple sports facilities in test checked districts created after substantial investments were lying unutilised, many for want of repair and maintenance. There was lack of equipment and facilities in other places. There were large scale dropouts/terminations in Sports colleges and many seats vacant.

Similarly, the Department of Sports could not properly address the shortage of coaches. Issues such as not employing the services of physiotherapists, no mechanism to increase awareness regarding doping to promote fair play, poor participation of females, shortage of female coaches and inadequate support to differently abled sportspersons, etc. were noticed during the performance audit.

### **2.2.14 Recommendations**

- *The State Government should ensure that sports facilities are created in the State after detailed survey and assessment of need. Responsibility should be fixed where projects are taken up without these leading to unfruitful expenditure.*
- *Maintenance and repair of sports facilities and equipment should be taken up timely and budget provided at beginning of year itself after proper assessment. Action needs to be taken against the concerned and the agencies where these facilities are lying damaged and neglected.*



- *The State Government should ensure that rights and obligations should be clearly laid down in agreement with construction agencies with penalty clauses for default and the works are executed in a transparent, accountable and timely manner.*
- *Vacancies in coaching staff should be filled up. Also, the State Government should employ services of required number of physiotherapists.*
- *The State Government should prepare a database of all the sports trainees for adequate follow-up of their progress.*
- *A responsive complaint redressal mechanism needs to be enforced in all districts to deal with the complaints of sportspersons.*
- *Concrete measures should be taken to increase awareness against doping to promote fair play and a healthy lifestyle among sportspersons /sports trainees.*
- *A better coordination with DoS and Sports Associations should be ensured to promote competitive sports in the State.*

## **Vocational Education & Skill Development Department And Rural Development Department**

### **2.3 Implementation of Deen Dayal Upadhyaya Grameen Kaushalya Yojana in Uttar Pradesh**

#### **2.3.1 Introduction**

The Ministry of Rural Development (MoRD), Government of India (GoI) announced the *Deen Dayal Upadhyaya Grameen Kaushalya Yojna* (DDU-GKY) on 25 September 2014, which is a Centrally Sponsored Scheme for providing placement-linked skill development training to poor rural youth in the age group of 15 and 35 years. DDU-GKY is a part of National Rural Livelihood Mission<sup>1</sup> (NRLM), tasked with the dual objectives of adding diversity to the incomes of rural poor families and catering to the career aspirations of rural youth. The scheme follows a three-tier implementation model. The DDU-GKY National Unit at MoRD, is the agency responsible for national policymaking, funding, technical support and facilitation. The DDU-GKY State Skill Missions embedded in general within the State Rural Livelihood Missions (SRLMs) are envisioned to play a central role in providing co-funding and implementation support to DDU-GKY in the State. The Project Implementing Agencies (PIAs) implement the programme through skill training and placement projects.

##### **2.3.1.1 Implementation of DDU-GKY in Uttar Pradesh**

Uttar Pradesh has been categorised as Action Plan<sup>2</sup> (AP) State since July 2016 for implementation of DDU-GKY scheme. The scheme is being implemented in the State by Uttar Pradesh Skill Development Mission (UPSDM) which is established as a society<sup>3</sup> under the Societies Registration Act, 1860 and functions under Vocational Education and Skill Development Department (VESD) of Government of Uttar Pradesh (GoUP). The projects under DDU-GKY are funded by Central and State Governments in the ratio of 60:40. The funds released by the GoI is routed through Rural Development Department (RDD) of the State Government which in turn releases the State share along with Central share to UPSDM.

#### **2.3.2 Organizational setup**

At the State Government level, the VESD is headed by Principal Secretary (PS)/Additional Chief Secretary (ACS), who is also the head of State Executive Committee of UPSDM. State Project Management Unit of

<sup>1</sup> Deendayal Antyodaya Yojana-National Rural Livelihood Mission (DAY-NRLM) is a flagship poverty alleviation program of Government of India, which aims to reduce poverty by enabling the poor household to access gainful self-employment and skilled wage employment opportunities resulting in sustainable and diversified livelihood options for the poor.

<sup>2</sup> Under the DDU-GKY Programme Guidelines, the States are categorised into Action Plan (AP) and Yearly Plan (YP) States. AP States are delegated power to sanction projects according to action plan approved by MoRD. In case of YP States, MoRD sanctions projects under the scheme.

<sup>3</sup> Uttar Pradesh Skill Development Society

UPSDM is headed by Mission Director (MD), who is assisted by Deputy Directors, Assistant Directors and State Project Manager to oversee the work of DDU-GKY scheme. At district level, UPSDM has District Programme Management Units (DPMUs) for reaching out to the execution level.

### 2.3.3 Audit Scope and methodology

Audit scrutinised<sup>4</sup> the records of DDU-GKY scheme for the period 2016-22 in the office of the Mission Director, UPSDM. Information was also collected from Principal Secretary, VESD and Mission Director, UP State Rural Livelihood Mission (UPSRLM). The performance audit on ‘Implementation of DDU-GKY in UP’ focused on implementation of projects sanctioned<sup>5</sup> under DDU-GKY. Twenty-five *per cent* of the projects sanctioned in Yearly Plan (YP) and Action Plan 2016-19 (AP) were selected on sample basis<sup>6</sup> for test checking. Thus, five YP projects and 23 projects of AP 2016-19 were selected (*Appendix 2.3.1*) for test check of records in the performance audit. In respect of AP 2019-22, GoI extended the timeline up to March 2023. Since the AP 2019-22 projects were still in progress during the period of the PA, only the issues relating to selection and approval of projects under AP 2019-22 were examined in the PA.

An entry conference for the PA was held (24 May 2022) with the State Government to discuss the audit objectives, criteria, scope and methodology of the Performance Audit. Draft report was forwarded to the State Government in February 2023. The State Government furnished reply to the draft report in July 2023. Further, the draft report was discussed during exit conference (16 August 2023) with the State Government. The replies of the State Government have been suitably included in the report and the observations updated till January 2024.

### 2.3.4 Audit Objective

The objectives of the performance audit were to assess whether:

- the planning was adequate with reference to implementation of DDU-GKY scheme;
- the funds were released as per the conditions and norms laid under the scheme guidelines and were properly utilized; and
- the scheme was effectively implemented and monitored in accordance with the scheme guidelines.

<sup>4</sup> During February-April 2022, June-July 2022 and January 2023

<sup>5</sup> Yearly Plan: 22 projects and Action Plan 2016-19: 88 projects.

<sup>6</sup> Probability Proportional to Size Without Replacement (PPSWOR) method

### **2.3.5 Audit Criteria**

- DDU-GKY Programme Guidelines, July 2016 issued by MoRD;
- DDU-GKY Standard Operating Procedures (SOP) Part-I and Part-II issued by MoRD;
- Guidelines/orders/notifications issued by GoI/GoUP/UPSDM from time to time for DDU-GKY scheme.

### **2.3.6 Audit Findings**

#### **2.3.6.1 Planning**

MoRD approved (September 2014) transition of Uttar Pradesh to Annual Action Plan (AAP) State from Yearly Plan (YP) State under erstwhile Aajeevika Skills<sup>7</sup> (now DDU-GKY) Scheme and UPSDM was entrusted with the implementation of the scheme. Under AAP 2014-15, UPSDM proposed to cover two lakh candidates under Aajeevika Skills programme, which was approved (September 2014) by the Empowered Committee of National Rural Livelihood Mission (NRLM) under MoRD. However, due to poor performance in implementation of AAP 2014-15, MoRD did not approve the Action Plan for the year 2015-16 and directed (October 2015) UPSDM that a new action plan would be taken up after significant progress was achieved under the existing action plan.

MoRD confirmed (July 2016) the status of Uttar Pradesh as Action Plan State and approved the Action Plan (AP) 2016-19 under DDU-GKY scheme under which 1.84 lakh candidates were proposed to be covered. UPSDM sanctioned 88 projects covering 97,139 candidates for training under AP 2016-19. Besides, MoRD transferred (September 2016) 27 projects to UPSDM for implementation as a part of transition from YP to AP State. The significant audit findings with reference to deficiencies in planning for implementation of DDU-GKY by UPSDM are discussed in succeeding paragraphs.

#### **(i) Skill Gap Assessment (SGA) and study of labour market**

Paragraph 3.2.1.1 of DDU-GKY guidelines provides that SRLMs would need to undertake detailed Gram Panchayat (GP) wise skill gap assessments (SGA), either directly or through professional agencies to identify GP wise demand for skills and placement. Proper Study of Labour Markets (SLM) to assess skill requirement for jobs within the State and in the regions outside was also needed to be carried out from time to time. Such an exercise was envisaged so that the SRLM<sup>8</sup> could fix district, block and GP wise targets for mobilisation, job fairs, Information, Education and Communication (IEC), etc., and also to meaningfully assess proposals submitted by PIAs.

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<sup>7</sup> Under Aajeevika Skills Guidelines (September 2013), the States were categorised into two – AAP States and Non AAP (YP) States.

<sup>8</sup> DDU-GKY scheme envisaged that SRLM would generally implement the scheme at the State level. However, in Uttar Pradesh, the scheme was being implemented by UPSDM.

Audit noticed that UPSDM did not perform activities of SGA and SLM for AP 2016-19 of DDU-GKY. UPSDM did not publish the district-wise and skill sector-wise targets of training in request of proposals invited from PIAs. Besides, the project proposals submitted by the PIAs could not be meaningfully assessed by UPSDM based on actual requirement.

The State Government stated (July 2023) that presently District Skill Development Plan (DSDP) is presented by the Skill Development Committee constituted at the district level by the UP-Skill Development Mission. This committee provides information for the allocation of targets based on courses, considering the demand of the district and employment opportunities in industrial areas located within the district. However, UPSDM further informed (January 2024) that the preparation of DSDP commenced in October 2020 under the Sankalp Scheme for which the Skill Gap Assessment (SGA) was not conducted and the number of poor rural youth in the age group of 15-35 were also not assessed in DSDP.

Thus, the important activities of SGA and SLM were not performed by UPSDM for implementation of the DDU-GKY and project targets under AP 2016-19 were fixed arbitrarily.

#### **(ii) State Perspective Implementation Plan not prepared**

Paragraph 4.6 of DDU-GKY guidelines provide that after getting the status of AP State, the State had to submit State Perspective Implementation Plan (SPIP) in the following year. The SPIP was to project skilling needs in the medium term (seven years) covering the number of youths to be trained and placed, the trades and sectors within which the trainings were required and the areas for innovations and special projects.

The status of Uttar Pradesh as an AP State was confirmed in July 2016. Thus, it was expected that UPSDM would submit SPIP by the year 2017. However, UPSDM did not prepare SPIP even after the lapse of more than six years of getting AP status.

During exit conference, the State Government stated (August 2023) that preparation of the SPIP would be ensured in future.

#### **(iii) State level youth data base not created**

Paragraph 3.2.1.1 of DDU-GKY guidelines provide that SRLMs may also build a Statewide youth data base with details of those willing and able to benefit from DDU-GKY in each GP.

It was noticed that during the period from 2016-17 to 2021-22, Statewide youth database was not built up or available with UPSDM. In absence of this data base UPSDM was not in a position to know the details of those rural youth who were willing or were to be benefitted from DDU-GKY in each Gram Panchayat (GP) and plan training targets according to the requirements of each region.

The State Government stated (July 2023) that Skill Mitra portal was being developed by UPSDM for State Level Youth Database. UPSDM further informed (January 2024) that the first phase of Skill Mitra portal was in operation since December 2023.

Thus, it was evident from the reply of the State Government and UPSDM that State Level Youth Database was not available for implementation of DDU-GKY during 2016-22.

### **2.3.7 Financial management**

The DDU-GKY is a GoI scheme with funding pattern of 60:40 ratio (60 *per cent* Central share and 40 *per cent* State share). In UP, the State share along with Central share is released and transferred by RDD to the dedicated bank account of UPSDM for the DDU-GKY scheme. The details of funds<sup>9</sup> received and expenditure incurred on DDU-GKY are shown in **Table 1**.

**Table 1: Details of funds received and expenditure under DDU-GKY during 2016-22**  
(₹ in Crore)

Year	Opening balance	Central share	State share	Bank interest	Funds available	Expenditure	Closing balance
2016-17	214.95	Not released	10.75	10.02	245.78 <sup>10</sup>	46.47	199.31
2017-18	199.31	Not released	Not released	8.20	207.51	140.90	66.61
2018-19	66.61	27.78	18.52	3.70	116.61	109.46	7.15
2019-20	7.15	51.03	34.02	1.38	93.58	51.19	42.39
2020-21	42.39	238.08	158.72	3.16	442.35	424.30	18.05
2021-22	18.05	162.63	108.42	9.98	299.08	191.41 <sup>11</sup>	107.67

(Source: UPSDM)

Audit observations on financial status of projects sanctioned, delays in release of funds and unutilised fund are discussed in following paragraphs:

#### **2.3.7.1 Financial Status of Projects Sanctioned**

As per the scheme guidelines, the fund was to be released in four instalments to PIAs to complete the projects. The financial status of projects sanctioned under DDU-GKY Yearly Plan (YP) and Action Plan (AP) 2016-19 are detailed in **Table 2**.

<sup>9</sup> It includes release and expenditure in respect of projects sanctioned under AAP 2014-15, Yearly Plan (approved before 2016), Action Plan 2016-19 and Action Plan 2019-22.

<sup>10</sup> Including ₹10.06 crore balance fund of YP projects transferred by NABCONS.

<sup>11</sup> Including ₹ 150.00 crore transferred to UPSRLM.

Table 2: Financial status of sanctioned projects

Plan	No. of projects sanctioned	Total project cost (₹ in Crore)	Amount released (03/2022)	Installments released in no. of projects (03/2022)			
			₹ in Crore (per cent)	Ist	IInd	IIIrd	IVth
Yearly Plan	20 <sup>12</sup>	195.63	131.36 (67)	20	17	01	--
AP 2016-19	88	800.41	382.99 (48)	88	54	--	--
<b>Total</b>	<b>108</b>	<b>996.04</b>	<b>514.35</b>	<b>108</b>	<b>71</b>	<b>01</b>	<b>--</b>

(Source: UPSDM)

As evident from Table 2, against the sanctioned project costs, only 67 *per cent* fund were released in respect of YP projects and only 48 *per cent* fund were released in AP 2016-19 projects till March 2022. Further, out of 108 projects implemented by UPSDM, 71 projects (66 *per cent*) received the second instalment and only one project received the third instalment. Thus, in none of the YP and AP projects, all the four instalments were released as of March 2022 indicating that aforesaid projects were not completed.

The State Government replied (July 2023) that the first, second, third and fourth instalments were paid to PIAs only after fulfilling the conditions mentioned in the DDUKGY guidelines/notifications. State Government further stated that the closure of all YP projects was under process and the PIAs with less progress in AP 2016-19 projects had been directed for closure.

### 2.3.7.2 Delayed release of funds by the State Government

(i) The Government of India released (October 2014) the first instalment of the Central share (₹165.90 crore<sup>13</sup>) for the implementation of the Annual Action Plan in Uttar Pradesh for placement-linked Skill Development Project for two lakh candidates under Aajeevika Skills during 2014-15. The GoI had directed that the State Government should transfer the funds released, along with the State share, to the Mission Director, UPSDM, within three days from the date of receipt of the said funds. Besides, the State Government would be liable to pay interest at the rate of 12 *per cent* per annum for the period of delay in case of transfer beyond the specified period.

Scrutiny of records revealed that the released Central share of ₹ 165.90 crore was credited in State Government account in December 2014. However, the State Government transferred<sup>14</sup> the Central share with a delay of four months contrary to the directions of GoI. As a result of this delay, State Government accrued liability for payment of ₹ 6.64 crore<sup>15</sup> as interest on central share in accordance with directions of GoI.

<sup>12</sup> This excludes two projects closed by MoRD.

<sup>13</sup> ₹ 82.95 crore, ₹ 48.11 crore (under Special Component Plan for SCs) and ₹ 34.84 crore (under Tribal Area Sub Plan).

<sup>14</sup> 01 May 2015.

<sup>15</sup> Interest on ₹165.90 crore at the rate of 12 *per cent* per annum for four months.



(ii) GoI released (May 2018) the instalment of Central share (₹ 5.83 crore) sanctioned for implementation of Action Plan 2016-19. It was directed in the sanction orders that the State Government shall transfer the funds released along with the state share to UPSDM positively within 15 days from the date of receipt of the said funds. Besides, the State Government would be liable to pay interest at the rate of 12 *per cent* per annum for the period of delay in case of transfer beyond the specified period.

Audit noticed that the central share of ₹ 5.83 crore was credited in State Government account in August 2018. However, the State Government transferred (November 2018) the Central share with a delay of two months contrary to the directions of GoI. As a result, the State Government accrued liability for payment of interest of ₹ 11.66 lakh<sup>16</sup> for delayed release of funds.

In the reply, State Government (Vocational Education and Skill Development Department) stated (July 2023) that a letter would be sent to the Rural Development Department regarding the delayed release of funds.

### ***2.3.7.3 Non-utilisation of administrative and support cost***

#### ***(i) Administrative cost***

As envisioned in Paragraph 3.2.1.9 of DDU-GKY guidelines, administrative expenses of the State Rural Livelihood Mission (SRLM) related to skills, including staff costs and office expenditures at the state and district levels, shall be allowed at the rate of six *per cent* of the total funds earmarked for DDU-GKY in the budget for the year. It was anticipated that these funds would be utilized to establish a dedicated full-time team for DDU-GKY in both the state and district. This team includes a Chief Operating Officer (COO) and eight State Programme Managers to assist the COO in various tasks under the scheme. Additionally, support staff at the state and district levels were also expected to be deployed.

Audit scrutiny revealed that the Ministry of Rural Development (MoRD) released an amount of ₹2.22 crore as administrative cost for DDU-GKY in March 2016 and directed to release the fund, along with the matching state share in the sharing ratio of 60:40, within three days of the date of receipt of the funds to the bank account of UPSDM. This fund was released with the condition that the State would appoint a dedicated COO for Skills as per section 4.1.1 of DDU-GKY guidelines within one month of issuance of the sanction order. Further, the State was also required to appoint eight State Project Managers within four months of issuance of the sanction order to address the key functions of the scheme like concurrent monitoring, standards and quality assurance, partnership engagement, training and development, mobilisation and IEC, post placement tracking, project appraisal and fund releases.

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<sup>16</sup> Calculated at the rate of 12 *per cent* per annum on ₹ 5.83 crore for two months.



UPSDM requested (September 2017) the Rural Development Department for release of administrative cost to UPSDM. However, the aforesaid administrative cost along with matching share<sup>17</sup> was released by State Government to UPSDM in June 2021, *i.e.*, after a lapse of more than five years of the receipt of grants in March 2016 from the GoI. The available funds remained unutilised during 2016-17 to 2021-22 and UPSDM could also not appoint dedicated staff for DDU-GKY at State and District level. Thus, an important aspect of the scheme could not be implemented due to delay by the State Government even after the availability of Central share. Pertinently, appointment of dedicated skill teams at State and districts levels was one of the conditions for a State to be designated as Action Plan State of DDU-GKY, however, this condition was yet to be fulfilled even though Uttar Pradesh was granted the AP status in July 2016.

Audit further noticed that as per laid down conditions of the grants-in-aid in the sanction issued (March 2016) by MoRD for administrative cost under DDU-GKY, the State Government was liable to pay interest at the rate of 12 *per cent* for the period of delay beyond the specified period of three days from date of receipts of the fund. Thus, delay in release of Central share of ₹ 2.22 crore to UPSDM also created liability of ₹ 1.38 crore<sup>18</sup> as penal interest on the State Government.

The State Government stated in July 2023 that the appointment of a skill team for the DDU-GKY scheme was in process and would be completed as soon as possible. The State Government further mentioned that, at present, the monitoring of the scheme was being carried out by the MIS manager at the district level and the assistant manager at the headquarters, along with the Technical Support Assistant (TSA) for the scheme at both district and headquarters levels, respectively.

The fact remains that dedicated skill team was not available for implementation of DDU-GKY scheme in UP which was one of the pre-conditions for awarding the AP status.

## (ii) *Support cost*

As per the information made available by UPSDM, expenditure in respect of AP 2016-19 on various support activities under DDU-GKY vis-à-vis related cost norms as per the guidelines were as follows:

**Table 3: Cost norms and expenditure on various activities under DDU-GKY**

Sl. No.	Name of head	Cost norm as per DDU-GKY guidelines <sup>19</sup>	Expenditure incurred during 2016-22
1	Skill Gap Assessment	Up to 1 <i>per cent</i> of total project cost paid to PIAs	NIL
2	Information, Education and Communication (IEC)	Up to 1.5 <i>per cent</i> of the programme cost paid to PIAs	NIL

<sup>17</sup> ₹ 2.22 crore (Central share) + ₹ 1.48 crore (State share) = ₹ 3.70 crore.

<sup>18</sup> Calculated @12per cent per annum for a period of 62 months (from April 2016 to May 2021).

<sup>19</sup> Paragraphs 3.2.1.1, 3.2.1.3, 3.2.1.5, 3.2.1.6, 3.2.1.8 and 3.2.1.4 of DDU-GKY Guidelines

Sl. No.	Name of head	Cost norm as per DDU-GKY guidelines <sup>19</sup>	Expenditure incurred during 2016-22
3	Alumni Support	Up to 1.5 per cent of the total project cost paid to PIAs	NIL
4	Capacity building	Up to 3 per cent of the total project cost paid to PIAs	NIL
5	Staff Block Level & below	Up to ₹ 3.5 lakh per year per block	NIL
6	Migration Support Centre	Up to ₹ 10 lakh per centre per year	NIL

(Source: UPSDM)

As shown in Table 3 above, no expenditure was incurred during the period from 2016-17 to 2021-22 on account of support costs for the activities mentioned at Sl. No. 1 to 6. This indicates that these activities designated for implementation under DDU-GKY were not taken up, affecting the progress of the scheme.

The State Government replied (July 2023) that at present an amount of ₹10.67 crore has been spent on IEC, capacity building, and monitoring under support costs.

The reply was not tenable as it does not answer why no expenditure was incurred on the activities mentioned in the table above from 2016-17 to 2021-22. Further information provided (January 2024) by UPSDM revealed that out of ₹ 10.67 crore, expenditure of ₹ 1.50 crore on IEC and ₹ 0.35 crore on capacity building were incurred during April 2022 to June 2023 whereas remaining expenditure of ₹ 8.82 crore pertained to monitoring & evaluation during March 2021 to June 2023 and job fair during April 2022 to June 2023.

## Implementation of scheme

### 2.3.8 Implementation of Yearly Plan projects

#### 2.3.8.1 Shortfalls in achievement of target of the approved projects

GoI transferred (September 2016) 27 YP projects<sup>20</sup> to UPSDM as a part of transition from Year Plan to Action Plan state. Out of which, UPSDM implemented 22 projects<sup>21</sup> with target to impart training to 49,525 candidates. The shortfall noticed in execution of these 22 projects was as detailed in **Table 4** and **Chart 1**.

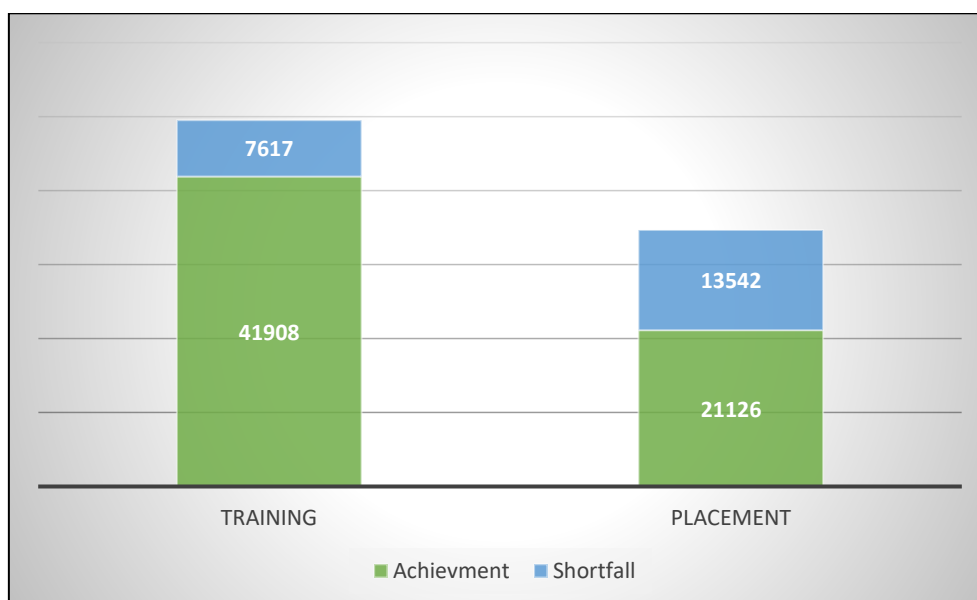
<sup>20</sup> Sanctioned by MoRD during December 2013 to May 2014

<sup>21</sup> Out of 27 projects handed over (February 2017) to UPSDM, status of three projects were mentioned as cancelled in the handing over letter and MoUs for two other projects were not entered into at the time of handing over.

**Table 4: Shortfalls in achievement of target of the YP projects**

No. of projects sanctioned	Total target		Achievement (March 2022)		Shortfall (in per cent)	
	Training	Placement <sup>22</sup>	Training	Placement	Training	Placement
22 <sup>23</sup>	49525	34668	41908	21126	7617 (15)	13542(39)

(Source: UPSDM)

**Chart 1: Physical Progress of Sanctioned YP Projects as of March 2022**

(Source: UPSDM)

Audit further noticed that training centres of all 22 YP projects were inactive, as no active centre were available in respect of these YP projects as of March 2022. Thus, YP projects did not achieve targets of training and placement.

The State Government replied (July 2023) that the closure of all the projects of YP was under process. However, no reply was provided for shortfall in achievement of training and placement targets.

### 2.3.8.2 Irregular Time Extension in favour of PIAs

MoRD reviewed (July 2017) the progress of 20 ongoing<sup>24</sup> YP projects and it was noticed that majority of these projects had not achieved their training/placement targets despite lapse of two to three years. Therefore, it was directed in the review meeting of MoRD that a maximum extension of one year may be granted to 18 projects<sup>25</sup> as per the requirements of PIAs.

Audit observed that out of 18 projects, UPSDM granted extension of one year in case of 17 projects (**Appendix 2.3.2**). UPSDM granted additional extension of one year in 15 projects and six months in two projects after

<sup>22</sup> 70 per cent of total trained

<sup>23</sup> Including two closed (October 2016 and November 2016) projects of Sitapur Shikshan Sansthan

<sup>24</sup> Out of 22 YP projects implemented by UPSDM, two projects were closed in October 2016 and November.

<sup>25</sup> In the review meeting, it was decided to cancel two projects as training and placement were not as per the standard.

sanctioning the first extension of one year, which was in violation of decision taken in the MoRD review meeting (July 2017) to provide maximum extension of one year. It was further noticed that despite overall release of ₹ 117.07 crore to these 17 PIAs, training targets in case of six projects and placement targets in 12 projects could not be achieved even after the grant of undue extension.

The State Government replied (July 2023) that the closure of all the projects of YP was under process and recovery letters had been issued to all the PIAs whose progress was less. However, no reply was provided on irregular time extension granted to PIAs.

### ***2.3.8.3 Payment not recovered from defaulter PIAs***

In the review meeting (July 2017) of MoRD, it was directed that in view of not conducting of training and placement relative to the sanctioned projects, the projects of two PIAs, viz., Sriram New Horizon and Sahaj E-Village, shall be closed and amount paid to these projects shall be recovered along with interest. It was also directed that TSA shall calculate the amount to be recovered and initiate the process of recovery.

Audit scrutiny revealed that UPSDM acted on the aforesaid directions after lapse of more than two years and issued termination notices (September 2019) to both these PIAs with the instructions to refund the entire amount of ₹ 3.73 crore<sup>26</sup> and ₹ 0.80 crore paid to M/s Sahaj E-Village and M/s Sriram New horizon respectively. However, contrary to the directions of MoRD in review meeting (July 2017), the amount of penal interest due to be recovered was not mentioned in the termination notice though the termination notice mentioned that penal clause of the MoU was being invoked.

Audit further noticed that both the projects were closed by UPSDM in May 2020. However, no action was initiated for recovery of released amount and penal interest thereon. Although UPSDM could have proceeded as per clause 13.1 of MoU against the PIA for recovering of amount by taking recourse of the provisions of the Revenue Recovery Act, 1890 or other applicable laws and statutes. After the issue was raised by the audit (July 2022), UPSDM issued (October 2022) letters to both PIAs for recovery of ₹ 4.48 crore paid to PIAs and ₹ 4.83 crore<sup>27</sup> as penal interest. Thus, UPSDM did not act promptly and effective action for recovery of DDU-GKY funds was not initiated as per the directions of MoRD.

The State Government replied (July 2023) that a letter had been issued (October 2022) to both the above mentioned PIAs from UPSDM for recovery of ₹ 9.31 crore along with interest due till 6 October 2022.

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<sup>26</sup> In the recovery letter (October 2022) total amount released was mentioned as ₹ 3.68 crore.

<sup>27</sup> Sahaj-E-village – ₹ 4.02 crore & Sriram New Horizon- ₹ 0.81 crore as calculated by UPSDM up to 06 October 2022.

#### 2.3.8.4 Payment not recovered from PIAs against placement targets not achieved

Paragraph 3.2.2.3 read with paragraph 3.2.2.20 of guidelines provides that if placement is less than 50 *per cent* of total trained candidates, project will be terminated immediately and pro-rata payments for candidates placed will be allowed.

As per physical progress report of the YP projects as of March 2021, the progress of placement in 10 YP projects was less than 50 *per cent* of trained candidates. The extended time of these projects ended between October 2019 and May 2020. Thus, as per provisions these projects were required to be terminated and only pro-rata payments for the number of placed candidates was to be allowed. However, UPSDM did not recover (up to March 2022) ₹ 42.91 crore of excess payment<sup>28</sup> despite placement targets were not achieved by these 10 PIAs, as detailed in **Appendix 2.3.3**.

The State Government stated (July 2023) that presently all the projects of YP were in the state of closure, out of which two projects (ICA and Orion Edutech) had been closed and closure of all the remaining projects was under process. State Government further stated that recovery and payment would be done according to the conditions mentioned in the guidelines.

### 2.3.9 Implementation of Action Plan 2016-19 Projects

#### 2.3.9.1 Failure in achievement of target of AP 2016-19

MoRD had approved (July 2016) training target of 1,84,520 candidates for AP 2016-19. The achievement against these targets is detailed in **Table 5**.

**Table 5: Shortfall in targets for Training and Placement as of March 2022**

Target as per approved Action Plan (A)		Target as per projects sanctioned (B)		Shortfall (in <i>per cent</i> ) (A)-(B)=(C)	
Training	Placement <sup>29</sup>	Training	Placement	Training	Placement
184520	129164	97139	67997	87381(47)	61167(47)

(Source: UPSDM)

It is evident from **Table 5** that against the training target of 1,84,520 candidates for AP 2016-19, UPSDM had sanctioned projects with a training target of 97,139 (53 *per cent*). This had resulted in shortfall of 47 *per cent* in training targets approved for Action Plan as discussed in paragraph 2.3.9.2 ahead.

Further, shortfalls in target and achievement of the projects sanctioned in AP 2016-19 are shown in **Table 6** and **Chart 2**.

<sup>28</sup> Worked out by Audit on pro-rata basis as per provisions of the guidelines

<sup>29</sup> 70 *per cent* of total trained

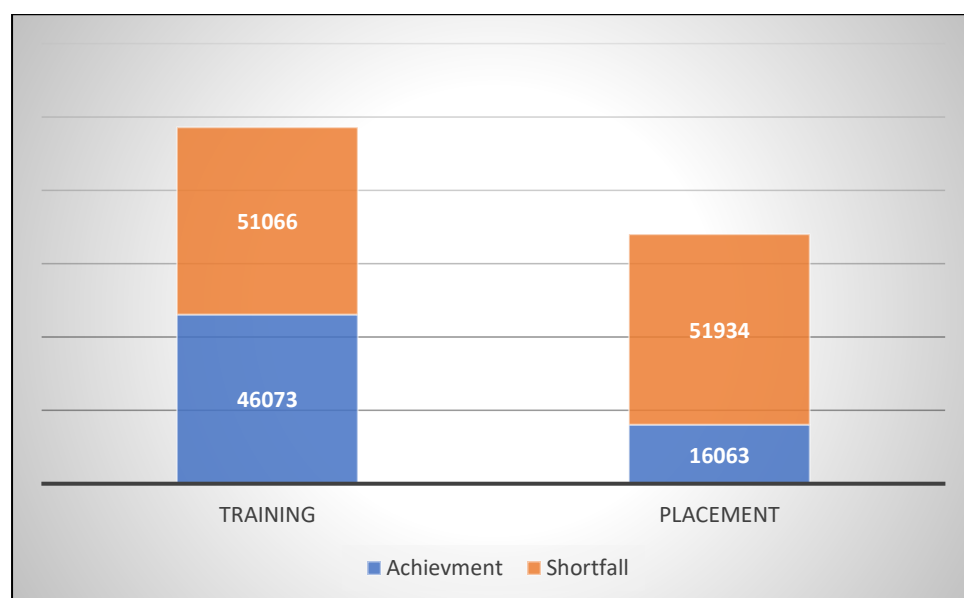
**Table 6: Shortfall in achievement of targets under AP 2016-19 projects**

No. of projects sanctioned	Total target		Achievement as of March 2022		Shortfall (in per cent)	
	Training	Placement <sup>30</sup>	Training	Placement	Training	Placement
88	97139 <sup>31</sup>	67997	46073	16063	51066 (53)	51934 (76)

(Source: UPSDM)

It could be seen from **Table 6** that there was a considerable shortfall of 53 per cent and 76 per cent in achievement of training and placement targets respectively of sanctioned projects. However, it was further noticed that training centres of 44 out of 88 projects (50 per cent) of AP 2016-19 were inactive as of March 2022 without achievement of targets of training and placement.

**Chart 2: Showing Physical Progress of sanctioned AP Projects as of March 2022**



(Source: UPSDM)

The State Government replied (July 2023) that PIAs with less progress in AP 2016-19 have been directed for closure.

### 2.3.9.2 Delayed Request for Proposals and inaction on directions of MoRD

A target of training of 1,84,520 rural poor youth under DDU-GKY for UP was approved (July 2016) in the Action Plan 2016-19<sup>32</sup> by the MoRD. As per the information made available (January 2024) by UPSDM, three notifications of Request for Proposals (RFPs) were issued by UPSDM during the period from May 2017 to December 2018 as shown in **Table 7**.

<sup>30</sup> 70 per cent of total trained

<sup>31</sup> As per AP (2016-19) approved by MoRD, total target of training and placement was 184520 and 129164 respectively.

<sup>32</sup> Year wise bifurcation of target was not mentioned in the approved Action Plan.

**Table 7: Details of RFPs for AP 2016-19**

Sl. No.	Notification for RFP	Last date of submission	Training Target
1	No.236 dated 4 May 2017	31-07-17	70000
2	No.2945 dated 4 December 2017	31-12-17	25000
3	No.2633 dated 14 December 2018	12-01-19	Not mentioned

(Source: UPSDM)

It could be seen from Table 7 that three notifications for invitation of RFPs were issued for the Action Plan 2016-19 with mentioned training targets in first two only. The first RFP for AP 2016-19 was invited in May 2017, i.e., after a lapse of 11 months of approval of AP. Further, there was no details of district-wise, skill sector/trade-wise requirement in the RFP notices<sup>33</sup>.

Audit further observed that MoRD reviewed (November 2017) the implementation of DDU-GKY programme and in view of physical progress of only seven *per cent* of training target and two *per cent* of placement target till August 2017, MoRD directed the State Government to take urgent steps to achieve the targets for providing trainings and placements during 2017-18 and enhance ability to achieve action plan targets by March 2019. However, as detailed in **Table 7**, the RFP for AP 2016-19 was invited even upto January 2019 due to which project end of AP 2016-19 projects was going beyond March 2019 (even up to September 2021 in sampled projects). Besides, there remained slow pace in sanctioning training projects. The year wise details of projects sanctioned under AP 2016-19 was as shown in **Table 8**.

**Table 8: Year wise projects sanctioned under AP 2016-19**

Year	Number of projects sanctioned	Training targets under the sanctioned project
2016-17	03	7550
2017-18	42	57758
2018-19	43	31831

(Source: UPSDM)

This indicated that UPSDM did not act upon the directions of MoRD issued in the review meeting (November 2017) to enhance ability to achieve action plan targets by March 2019.

The State Government replied (July 2023) that the Action Plan 2016-19 was approved in July 2016 by Ministry of Rural Development, Government of India. Thereafter, completing the other proceedings, the RFP was issued by the UPSDM and due to non-allocation of the full target in the said RFP, the RFP was again issued due to which the said process got delayed. However, no reply was provided on non-compliance of MoRD directions to achieve action plan targets by March 2019.

<sup>33</sup> UPSDM did not provide to Audit any other notification of RFP and documents related to invitation, documents related to number of proposals received and rejected, despite repeated requisitions and reminders.



### **2.3.9.3 Selection of Projects without due consideration of identified risk**

Audit noticed that out of 23 test-checked AP 2016-19 projects, two projects were sanctioned without due consideration of risks identified in the appraisal note of the Project Appraisal Agency as detailed below:

<b>Name of PIA</b>	<b>Observations raised in appraisal notes of Project Appraisal agency (NABCONS<sup>34</sup>)</b>	<b>Recommendation of PAA</b>	<b>Audit Observation</b>
Tara Corporate Services Ltd.	PAA examined the financial capacity of PIA vis-à-vis other project run by it under DDUGKY. As per the PAA, PIA had limited financial eligibility (₹ 1.06 lakh) after its previous project sanctioned in the State of Rajasthan.	May be recommended for approval by PAC after considering the limited financial eligibility of applicant.	Scrutiny of appraisal report of the project revealed that the appraisal agency had assessed the limit left for subsequent proposal for the PIA which was ₹ 1.06 lakh only. However, the PIA applied (13 December 2017) for a project of ₹ 3.37 crore. The UPSDM sanctioned (June 2018) the project ignoring the recommendation of appraisal report. Thus, the PIA which was eligible for a project of only ₹ 1.06 lakh was sanctioned with the project worth ₹ 3.37 crore. Further, against the training target of 475, achievement was only 274 (57 per cent) and against placement target of 70 per cent, achievement was 111 (58 per cent) as of March 2022.
Pipal Tree Ventures Private Limited	Project Appraisal agency (NABCONS) mentioned in the appraisal report that the PIA provided placement data of DDU-GKY projects undertaken in Bihar, Orissa and West Bengal. Out of a sample of 30 candidates claimed to be placed by the PIA in earlier DDU-GKY projects, NABCONS found that no one got job after training. Thus, the performance of PIA on placement was very poor.	May be recommended for approval by Project Approval Committee UPSDM. However, NABCONS also provided reference to risks identified.	UPSDM sanctioned (September 2017) the project to the PIA for training of 2,600 candidates as against PIA's proposal for training of 3,500 candidates overlooking the risk area of placement, where the performance of PIA on account of placement was reported as very poor. Audit further noticed that there was poor placement of trainees in this project as only 201 candidates (27 per cent) have been placed against the target of 734 candidates (i.e., 70 per cent of 1,048 candidates trained) as of March 2022. Further, the PIA had used suspected fake bank statements in support of placement as discussed in para 2.3.11.4 (iii).

The State Government stated (July 2023) that the appraisal of the proposals submitted for empanelment under the DDU-GKY scheme was done by the designated appraisal agency (erstwhile agency NABCONS) and necessary action would be taken by sending letters to NABCONS.

The reply was not tenable as the PAA had indicated the risks identified in the appraisal reports, but UPSDM did not take a note of these risks before approval of the projects.

### **2.3.9.4 Schedule timeline not adhered**

As per provisions under Paragraph 4.5 of DDU-GKY guidelines, MoU was to be executed with the PIA within 48 hours of issue of minutes of meetings of Project Approval Committee. Further, as per SOP 3.2 of

<sup>34</sup> NABCONS (NABARD Consultancy Services) was appointed as Project Appraisal Agency by UPSDM for initial screening and qualitative appraisal of DDU-GKY projects of AP 2016-19.

DDU-GKY, release of first instalment was to be ensured within 10 days from execution of MoU and training of first batch was to be commenced within 30 days of release of first instalment.

It was noticed that there was considerable delay in execution of MoUs with PIAs, release of first instalment and commencement of training of first batch in case of 23 AP 2016-19 projects selected for audit scrutiny. The delays in execution of MoU were noticed from 16 to 155 days in 19 projects, in release of first instalment from two to 226 days in 18 PIAs (*Appendix 2.3.4 A*) and in commencement of first batch from 14 to 112 days in 21 PIAs (*Appendix 2.3.4 B*). Thus, UPSDM and PIAs did not adhere to the timeline as scheduled in the guidelines.

The State Government stated (July 2023) that after the PAC, the PIA is directed to get the MOU done and the MoU has been made only after receiving the desired records from the PIA. Further, the first instalment is released to the PIA only after checking the records submitted by them such as verification of the bank guarantee. During exit conference, the State Government stated (August 2023) that adherence to timeline would be ensured in future.

#### ***2.3.9.5 Performance bank guarantee not renewed***

MoRD directed (September 2017) that a PIA shall have to provide a performance bank guarantee from bank for a minimum value of 6.25 *per cent* of the total approved cost for a fresh project under DDU-GKY. Further, it was to be ensured that the performance guarantee from bank shall be valid for a period starting on/before the date of MoU signing till 180 days after the end of approved duration of the project. MoRD introduced performance guarantee for DDU-GKY projects with an objective to ensure an assurance to the Government in the event of inadequate or delayed performance or violation of Guidelines or protocols by PIA in a DDU-GKY project.

Audit noticed that out of 23 sampled AP 2016-19 projects, a valid performance bank guarantee was required to be submitted by the PIAs in 16 projects whose MoUs were signed after the date of notification. However, it was observed that performance bank guarantee in these 16 projects was expired (as of March 2022) and was not renewed for the extended period of projects (*Appendix 2.3.5*). Thus, the compliance of MoRD direction (September 2017) in respect of performance bank guarantee was not complied in above mentioned 16 projects. In view of poor progress of AP 2016-19 projects, the validity of Performance Bank Guarantee till finalisation of the project was important.

State Government stated (July 2023) that bank guarantee was not mandatory on all PIAs prior to the fourth PACs for PIAs bound under DDU-GKY Scheme. State Government further stated that letter has been issued from mission office for renewal of expired bank guarantees.

The reply was not tenable, as valid performance bank guarantees in aforementioned 16 projects were required to be obtained, as these projects were approved after fourth PAC meetings as detailed in **Appendix 2.3.5**.

### **2.3.9.6 Project funds kept irregularly in current account**

As per the MoRD notification (January 2015), all PIAs, except of those registered as a non-section 25 Company under Companies Act, 2013, were required to maintain a saving bank account of DDU-GKY projects funds.

Audit noticed that out of 23 sampled PIAs, 21 PIAs had opened Current Account for DDU-GKY projects awarded to them (**Appendix 2.3.6**). However, five out of these 21 PIAs were found to be registered as trust or society, but these PIAs were operating current account for DDU-GKY project. Audit further noticed that UPSDM had released an amount of ₹ 29.37 crore to these five PIAs as of March 2022 as detailed in **Table 9**.

**Table 9: PIAs registered as trust and society but opened current account**

Sl. No.	Name of PIA	Nature of PIA	Total Project Cost (₹ in Crore)	Fund released up to March 2022 (₹ in Crore)
1	Indira Gandhi Computer Saksharta Mission	Trust	14.94	11.21
2	Niranjan Madhyamik Shiksha Samiti	Society	3.67	2.74
3	Late Mahabir Prasad Memorial Shikshan Sansthan	Society	4.50	3.38
4	Social Action for Welfare & Cultural Advancement	Society	14.99	7.36
5	Mass Infotech Society (P2)	Society	9.45	4.68
	<b>Total</b>		<b>47.55</b>	<b>29.37</b>

(Source: UPSDM)

Thus, UPSDM had not ensured compliance to MoRD notification regarding operation of savings bank account for DDU-GKY project.

The State Government stated (July 2023) that presently, as per the guidelines of the Ministry of Rural Development, Government of India, Single Nodal Account (SNA) is being operated for all PIAs and the amount to be paid to the eligible PIAs is also being paid in the SNA account of PIAs.

The fact remained that UPSDM had irregularly released project funds of ₹ 29.37 crore to the PIA's current account during 2016-22.

### **2.3.9.7 Unauthorised payment/non-payment of penalty**

(i) Scrutiny of records revealed that as per Technical Support Agency<sup>35</sup> (TSA) report (September 2019), JITM Skills Pvt. Ltd. (PIA) irregularly utilised the project funds of ₹ 2.00 crore for fixed deposits and ₹ 19.93 lakh for purchase of assets in contravention of Clause 8.3 (Project Fund Management) and 8.7.1 (Assets permitted to be purchased under the

<sup>35</sup> NABCONS

project) of SOP respectively. On recommendation of TSA, the UPSDM imposed (February 2020) a penalty of ₹ 0.50 lakh on the PIA and ordered to deposit the penalty and interest accrued at the rate of 10 *per cent* on the diverted fund (₹ 19.93 lakh) for the applicable days by 20 February 2020.

Audit noticed that the PIA deposited (February 2020) penal amount of ₹ 0.50 lakh from the project account of DDU-GKY and not from PIA's own fund. Further, the PIA did not deposit the interest accrued till date (July 2022). However, UPSDM did not take any action against the PIA for unauthorised utilisation of project fund for depositing penalty and not depositing the accrued interest on diverted fund.

The State Government stated (July 2023) that the fine imposed on the PIA was paid to UPSDM and accrued interest on diverted fund would be adjusted from upcoming release of fund to PIA.

The reply was not tenable, as PIA had used project fund to deposit penalty to UPSDM instead of paying from its own fund, which was violation of Paragraph 8.3 of DDU-GKY SoP prescribing that PIA should use the money exclusively for the project purposes. During the exit conference (August 2023), the State Government replied that necessary action would be taken after examining the matter.

(ii) Similarly, Focus Edu Care Pvt. Ltd. (PIA) was penalised for creating (September 2018) fixed deposit of ₹ 1 crore from the project funds released to the PIA and a penalty of ₹ 0.50 lakh was imposed by the UPSDM in February 2020. However, PIA had neither deposited the amount of penalty, nor any action was taken against the PIA by the UPSDM till March 2022.

The State Government stated (July 2023) that due to irresponsible attitude of PIA, recovery notice had been issued (September 2022) by UP Skill Development Mission and closure process was also initiated.

(iii) Another PIA, Khator Fibers and Fabrics Ltd. created (April 2018) fixed deposits of ₹ 3.25 crore from the first instalment of ₹ 3.73 crore released to the PIA. On recommendation (September 2019) of TSA, the UPSDM imposed (February 2020) a penalty of ₹ 0.50 lakh on the PIA and directed to return the diverted fund (₹ 3.25 crore) along with the interest @ 10 *per cent* on applicable days within 15 days. Audit observed that neither the amount of ₹ 3.25 crore along with interest ₹ 1.30 crore<sup>36</sup> nor penalty of ₹ 0.50 lakh was recovered from the PIA.

The State Government replied (July 2023) that the show cause notice/recovery letter has been issued to the PIA for the recovery of the released amount. However, UPSDM further informed (January 2024) that a letter had been issued to concerned District Magistrate for recovery which was pending.

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<sup>36</sup> @10 per cent on Rs. 3.25 crore for 4 years (April 2018 to March 2022)

### 2.3.9.8 Undue benefit to PIAs

Paragraph 3.2.2.20 of DDU-GKY guidelines provides actions for poor performance by a PIA in a project. If the outcome achievement over the period of one year for fresh entrants is unsatisfactory, i.e., 49 *per cent* and below placement of those who have been trained within three months of completion of training, it is prescribed that a PIA shall be asked to discontinue the training in a project. In such cases, the PIA will be paid only on a pro-rata basis for placements.

Scrutiny of records revealed that a project of ₹ 14.93 crore was sanctioned (February 2018) to Khator Fibers and Fabrics Ltd. (PIA) in AP 2016-19 under DDU-GKY scheme with a training target of 1,900 candidates and the first instalment of ₹ 3.73 crore was released to the PIA in March 2018. Further, as per DDU-GKY scheme guidelines, PIA was required to ensure minimum placement of 1,330 candidates, i.e., 70 *per cent* of trained candidates. However, progress of the project in terms of placement was nil against 736 candidates trained as of March 2022.

Similarly, in case of another sampled PIA, Doric Multimedia Pvt. Ltd., it was noticed that against the placement target of 504 candidates, no placement was made till March 2022 despite release of an amount of ₹ 1.25 crore to the PIA in March 2018. In addition to this, seven more PIAs of AP 2016-19 could provide nil placement as of March 2022 despite release of ₹ 13.28 crore to them under DDU-GKY. The details of achievement (up to March 2022) in terms of training and placement for all these nine PIAs are shown in **Table 10**.

**Table 10: Details of Achievement in terms of Training and Placement**

Sl. No.	Name of PIA	Date of payment of first instalment	Amount paid (₹ in crore)	Date of commencement of project	Training as on March 2022		Placement as on March 2022	
					Target	Achievement	Target	Achievement
1	Khator Fibers and Fabrics Ltd.	26-03-2018	3.73	03-05-2018	1900	736	1330	0
2	Doric Multimedia Pvt. Ltd.	27-03-2018	1.25	03-05-2018	720	202	504	0
3	Tops Security Ltd.	25-04-2018	4.99	25-05-2018	2050	206	1435	0
4	ACME India Microsys Pvt. Ltd.	04-09-2018	1.25	04-10-2018	510	119	375	0
5	Vidarbha Bahuuddeshiya Shikshan Sansthan	03-10-2018	0.99	03-11-2018	432	97	302	0
6	Chankya Foundation	27-12-2018	1.24	21-01-2019	485	98	340	0
7	Aress Software and Education	27-12-2018	1.85	21-01-2019	550	70	385	0
8	Shakti Infotech Pvt. Ltd.	06-11-2018	1.16	06-12-2018	600	30	420	0
9	Earthcon Constructions Pvt. Ltd.	15-05-2019	1.80	09-06-2019	900	0	630	0
<b>Total</b>			<b>18.26</b>		<b>8147</b>	<b>1551</b>	<b>5721</b>	<b>Nil</b>

(Source: UPSDM)

As detailed in **Table 10**, one PIA (M/s Earthcon Constructions Private Limited), had not imparted any training to candidates. Further, the placement of trained candidates from eight other PIAs was nil as of March 2022, even after a lapse of more than three years since commencement. Therefore, these PIAs were liable for action as per clause 3.2.2.20 of DDU-GKY guidelines and projects were required to be discontinued and amount paid to these PIAs should have been recovered. However, UPSDM granted extensions<sup>37</sup> (September 2021 and March 2022) to eight<sup>38</sup> of these projects. This action of UPSDM not only provided undue benefit to these poor performing PIAs but it was also in violation of scheme guidelines, besides the amount of ₹ 18.28 crore paid to these nine PIAs along with penal interest remained unrecovered till date.

The State Government stated in July 2023 that, following the instructions contained in Paragraph 3.2.2.20 of the guidelines, office orders had been issued to initiate closure procedures for all PIAs whose placement percentage was less than 50 *per cent* up to the Action Plan 2016-19. Additionally, recovery letters had also been issued to poor performing PIAs.

The fact remained that delayed action of UPSDM gave undue benefit to PIAs and objective of the scheme to provide guaranteed employment to trained candidates was defeated.

### ***2.3.9.9 Irregular engagement of Technical Support Agency and release of funds***

Paragraph 6.3 of guidelines provides that State Governments can procure services of competent TSA to monitor their DDU-GKY project. If the work of concurrent monitoring is being outsourced, specific MoU needs to be entered.

Scrutiny of records revealed that MoRD permitted (March 2016) for engagement of NABCONS as TSA for UPSDM for DDU GKY projects which was engaged as Central TSA by MoRD while referring to paragraph 6.3 of DDU-GKY guidelines. The UPSDM engaged (May 2016) the NABCONS as TSA for monitoring of DDU-GKY projects. It was further noticed that TSA was engaged without adopting procedures of procurement<sup>39</sup> of services and MoU for this purpose between UPSDM and NABCONS was signed after four years of engagement on 24 June 2019. Thus, terms and conditions of MoU for NABCONS came into effect from 24 June 2019. However, payments were made to NABCONS on account of monitoring cost for projects approved under AP 2016-19 before signing of the MoU. An amount of ₹ 3.99 crore<sup>40</sup> was irregularly paid (March and October 2018) to NABCONS without signing of MoU. Further, it was

<sup>37</sup> Sl. No.1 up to September 2022, Sl. No. 2,4,5,6,7 up to March 2023, Sl. No. 3 up to November 2022, Sl. No. 8 up to June 23 (Table 11).

<sup>38</sup> The duration of completion of project in case of Earthcon was up to June 2022.

<sup>39</sup> UPSDM informed (January 2024) that DDU-GKY being a Centrally Sponsored Scheme, UPSDM follows Manual of procurement for consultancy and other services, 2017 issued by GoI for procurement of consultancy and other services.

<sup>40</sup> ₹ 2.31 crore (March 2018) + ₹ 1.68 crore (October 2018).



observed that TSA did not perform rigorous monitoring of the projects. The Principal Secretary observed (29 January 2020) that a rigorous review of the quality of TSA's work was required. Subsequently, a letter issued by the MD, UPSDM to NABCONS mentioned that 105 ongoing projects of AP 2016-19 might have been completed had rigorous quality monitoring been conducted at regular intervals. Thus, the engagement of NABCONS as TSA and payment towards monitoring costs without signing an MoU by UPSDM was irregular.

The State Government in its reply (July 2023) provided copy of a letter issued (May 2016) to Vice President, NABCONS for providing services as technical support agency to UPSDM for DDU-GKY. However, the reply was silent on irregular engagement of TSA without following competitive tendering and payment towards monitoring cost without entering in a MoU.

#### ***2.3.9.10 Non-compliance of contract by TSA***

A contract between UPSDM and TSA (Grant Thornton Bharat LLP) was signed on 25 September 2020 for 36 months for monitoring and implementation of DDU-GKY scheme as per guidelines. Audit observed that the laxity in performing its work by TSA was in notice of UPSDM since October 2020. TSA did not comply clause 3.2.2 requiring it to develop a comprehensive framework for effective monitoring and efficient implementation of the scheme at district and block level. TSA did not develop framework for real time monitoring of the scheme due to which actual attendance of trainee could not be ascertained affecting the quality under the scheme.

Furthermore, clause 17 (Manpower deployment) of agreement was also not complied by the TSA. It appointed only 21 staff against the required 41 professionals (for about 425 projects) as provided in the agreement. These important clauses were not complied by the TSA for more than 18 months of the signing of the agreement. Non-compliance of agreement clause by the TSA invited invocation of penalty clause 21 of the agreement. The issues mentioned above were pointed out by UPSDM itself and a notice was served to TSA in March 2022. However, UPSDM did not take any further action to impose penalty as per provision of the agreement. Instead, payment of ₹ 2.88 crore was made to the TSA till March 2022. Lack of deployment of sufficient manpower and not developing desired framework for real time monitoring system depicted non-compliance of contract by the TSA and weak monitoring of the scheme.

The State Government stated (July 2023) that, as per the MoU, the ratio of resources required to maintain is with respect to the active project centres. STSA is maintaining the ratio as per the MoU. Furthermore, the STSA fee paid is an advance against the first instalment released to PIAs, which is also as per the MoU. However, during October 2020, the state was hit by the widely spread coronavirus, and none of the training centres were functioning. STSA deployed 30 resource persons and maintained the ratio during the STSA period.



The reply was not tenable, as in terms of clause 17 of the MoU, TSA was required to deploy 40 professionals<sup>41</sup> in view of 409 active projects<sup>42</sup> as of March 2022. Thus, deployment of only 30 resource person was in violation of the MoU which stipulated maintaining the project-to-resources ratio. Further, no reply was provided on not developing of comprehensive framework by TSA for effective monitoring and implementation of the scheme.

During exit conference (August 2023), State Government stated that explanation would be called from TSA and necessary action would be taken.

### **2.3.10 Selection and approval of Action Plan 2019-22 Projects**

#### **2.3.10.1 Shortfall in sanction of target of AP 2019-22**

The Empowered Committee of MoRD, GoI approved (February 2019) Action Plan 2019-22 of DDU-GKY for Uttar Pradesh with a training target of 2,25,000 candidates. The training target comprised of 1,41,616 fresh candidates and 83,384 candidates estimated to be trained from existing AP 2016-19. It was directed to sanction all AP 2019-22 target by September 2019 and to publish Expression of Interest (EoI) at the earliest for sanction of all targets. However, UPSDM invited Request for Proposals in December 2019 which was extended up to January 2020. It was observed that the UPSDM issued sanction orders (during July 2020 to May 2021) to 301 projects out of 307 projects<sup>43</sup> under AP 2019-22 with a training target of 1,50,765 candidates against the fresh target of 1,41,616 candidates. Thus, the sanctioned projects of AP 2019-22 covered the shortfall of only 9,149<sup>44</sup> candidates pertaining to previous AP 2016-19. However, no further projects were sanctioned to cover the remaining shortfall.

The State Government stated (July 2023) that according to the minutes dated 28 February 2019 issued by MoRD, only 1,41,616 candidates were to be allocated against the total target of 2,25,000 for the Action Plan 2019-22. The remaining target of 83,384 were attributed to the Action Plan 2016-19. During Exit Conference, the State Government stated (August 2023) that reply provided would again be analysed and informed at the earliest. The UPSDM further confirmed (January 2024) that targets were achieved by sanctioning 88 and 307 projects under AP 2016-19 and AP 2019-22 respectively.

The reply was not acceptable as 88 sanctioned projects of AP 2016-19 and 307 sanctioned projects of AP 2019-22 covered training targets of 247904<sup>45</sup> candidates as against approved training target of 326136<sup>46</sup> candidates in AP 2016-19 and AP 2019-22, thereby leaving a shortfall of 78232 candidates to be trained under AP 2016-19 and AP 2019-22.

<sup>41</sup> Calculated in proportion of 41 professionals for 425 projects as mentioned in the agreement.

<sup>42</sup> 20 YP projects, 88 AP 2016-19 projects and 301 AP 2019-22 projects.

<sup>43</sup> Sanction orders were not issued in case of 06 projects as of March 2022.

<sup>44</sup>  $1,50,765 - 1,41,616 = 9,149$ .

<sup>45</sup>  $97,139(\text{Target of 88 projects}) + 1,50,765(\text{Target of 307 projects}) = 2,47,904$ .

<sup>46</sup>  $1,84,520(\text{Target of AP 2016-19}) + 1,41,616(\text{Target for fresh projects of AP 2019-22}) = 3,26,136$ .

### **2.3.10.2 Faulty Selection process of PIAs in AP 2019-22**

UPSDM invited proposals (RFP) for imparting training under AP-2019-22 of DDU-GKY on 17 December 2019. The period for submission of project proposal was from 19 December 2019 to 30 December 2019, which was later extended up to 10 January 2020. As per information provided by the UPSDM, a total of 955 proposals were reported to be received for AP 2019-22. Scrutiny of list of proposals revealed as follows:

- 118 proposals were received after the last date<sup>47</sup> of RFP for AP 2016-19 and before the publication date<sup>48</sup> of RFP for AP 2019-22. Out of these, 29 proposals were approved by the Project Approval Committee (PAC).
- 380 proposals were received during the period of RFP for AP 2019-22 and out of these, 134 were approved by the PAC.
- 218 proposals were submitted after the last date of RFP<sup>49</sup> (received up to 1 May 2020) and out of these, 92 were approved by the PAC.

Thus, accepting and considering proposals received both before and after the publication of the RFP was irregular defeating the purpose of the invitation for RFP and raising questions about the selection process.

The State Government replied (July 2023) that in this regard a reply was expected from 'Kudumbashree'<sup>50</sup> (the project appraisal agency) for which correspondence was being done. UPSDM further informed (January 2024) that the reply of 'Kudumbashree' was awaited.

### **2.3.10.3 Selection of poor performing PIAs in AP 2019-22**

UPSDM awarded 13 projects of AP 2019-22 to 11 such PIAs who were earlier allotted projects in YP and AP 2016-19. Audit scrutiny revealed that four number of poor performing PIAs were again awarded projects in AP 2019-22, as discussed in succeeding paragraphs:

(i) Audit noticed that the Project Approval Committee (PAC) in its meeting (May 2020) rejected the project proposals of three PIAs<sup>51</sup> on the grounds of their unsatisfactory performance in projects allotted to them earlier under DDU-GKY. However, these three PIAs were already approved for three other projects in previous meeting (January 2020) of the PAC for which sanction were issued by UPSDM during July to December 2020, i.e., subsequent to the PAC's decision to reject these PIAs. Thus, UPSDM went ahead with three projects worth ₹ 20.81 crore of three PIAs and released (March to May 2021) an amount of ₹ 5.21 crore to such PIAs, though these PIAs were rejected by the PAC for poor performance.

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<sup>47</sup> 05 January 2019.

<sup>48</sup> 17 December 2019.

<sup>49</sup> 10 January 2020.

<sup>50</sup> It is the Poverty Eradication Mission of Government of Kerala.

<sup>51</sup> Centre of Technology and Entrepreneurship Development, E-Ashram Infotech and Dakshya Academy.

The State Government stated (July 2023) that the 9<sup>th</sup> PAC was convened on 31 January 2020 and the 10<sup>th</sup> PAC was convened on 5 May 2020 with project proposals being approved accordingly. In view of the training and employment already being carried out in the State by the projects presented in the 10<sup>th</sup> PAC, target allocations were made only to the PIAs that registered 50 *per cent* employment and 60 *per cent* against the allocated target.

The reply was not tenable, as the MoUs with aforementioned three PIAs were executed as well as sanction for their projects were accorded after their rejection of these PIAs in the 10<sup>th</sup> PAC due to their unsatisfactory performance.

During the exit conference, the State Government stated (August 2023) that measures would be taken to ensure that such issues would not recur in the future.

(ii) It was further observed that one PIA<sup>52</sup> of YP was again awarded (January 2021) a project of ₹ 4.73 crore in AP 2019-22. However, PIA was rejected by the PAC (May 2020) for its poor performance, but UPSDM again proposed the project for approval (September 2020) citing that as per MPR portal, the PIA had placed 1,001 candidates as of March 2020, which was 51.50 *per cent* of the target. It was further mentioned that the aforesaid data was not uploaded on MRIGS portal by PIA due to which TSA report mentioned the placement by PIA as 20.20 *per cent* and therefore, the PIA was rejected earlier. The project of this PIA was submitted for approval of the ACS, VSED, who was also the chairman of PAC. However, the project was sanctioned (January 2021) in favour of the PIA without obtaining approval of the PAC.

Audit scrutiny of the progress reports of March 2021 and March 2022 of DDU-GKY projects implemented by UPSDM revealed that the aforesaid PIA could provide placement of 632 and 720 candidates respectively. Thus, the progress submitted by the UPSDM in September 2020, which indicated placement of 1,001 candidates was not correct and the project was approved on incorrect placement data. Thus, PIA once rejected by the PAC was irregularly awarded without formal approval of PAC and amount of ₹ 1.18 crore had been released (March 2022) to the PIA.

The State Government replied (July 2023) that necessary penalty and other action was being taken against the PIA as per the DDU-GKY guidelines after investigation in the matter.

#### ***2.3.10.4 Improper engagement of Project Appraisal Agency for AP 2019-22***

Manual for Procurement of Consultancy and Other Services 2017 provides that ‘equal opportunity to all qualified service providers/consultants to

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<sup>52</sup> Orient Craft Fashion Institute of Technology Pvt. Ltd.

compete should be ensured' and there should be transparency and integrity in the selection process.

Audit observed that UPSDM appointed 'Kudumbashree' as Project Appraisal Agency (PAA) for AP 2019-22 and an MoU was signed on 9 October 2019 for the purpose. It was observed that the selection of PAA was based on nominations by quoting a letter from MoRD dated 9 September 2019, in which it was stated that, apart from agencies mentioned in the letter dated August 16, 2016, 'Kudumbashree' was also enrolled as an appraisal agency, and States had the option to engage it as a PAA after due approvals. In an earlier letter (August 2016), MoRD suggested that, in addition to the five appraisal agencies selected by the National Skill Development Corporation (NSDC), states may consider Quality Council of India, National Productivity Council and NIRD for engagement as PAA. Thus, these agencies were also qualified to be appointed as PAA, and according to the provisions of the Manual of Procurement, these agencies should have been given the opportunity to compete by inviting EoI/RFP.

However, UPSDM did not follow the tendering procedure and directly appointed the PAA on nomination basis in non-transparent manner. It was further observed that the MoU executed with the PAA was valid up to one year (8 October 2020). However, 'Kudumbashree' continued to appraise<sup>53</sup> project proposals beyond the validity of MoU.

The State Government replied (July 2023) that 'Kudumbashree' was selected as the Project Appraisal Agency by the Ministry of Rural Development, Government of India based on nomination, and the appraisal fees were found to be less than those of other appraisal agencies.

The reply was not tenable as neither any comparative chart for comparison of appraisal fees of other PAAs was made available to audit nor any such reason was recorded in the note for selection of PAA.

### **2.3.11 Placements**

DDU-GKY guidelines provide guaranteed placement for at least 70 *per cent* trained candidates with jobs having regular monthly wages at or above minimum wages. Placement is defined as continuous work for three months with regular wages. Observations noticed in placements provided by the PIAs in YP projects and AP 2016-19 projects under DDU-GKY are discussed in succeeding paragraphs:

#### **2.3.11.1 Placement not ensured**

MoRD approved (September 2014) Annual Action Plan (AAP) 2014-15 with a target of providing training to two lakh rural youths along with placement of 1.5 lakh candidates (75 *per cent* of total trained) under erstwhile Aajeevika Skills scheme (now DDU-GKY). The Mission

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<sup>53</sup> Kudumbashree appraised 12 DDU-GKY projects after 08-10-2020.

Director, UPSDM while addressing MoRD (December 2014) regarding implementation of AAP, reiterated that compliance of condition of minimum 75 *per cent* placements shall be ensured.

Scrutiny of records revealed that UPSDM issued (December 2014) directions to Training Partners (TPs) for conduct of training and mandatory placement of minimum 75 *per cent* of trained candidates as approved in the AAP 2014-15. It was further noticed that against the target of AAP, UPSDM approved (during December 2014 to March 2015) to 1,771 batches for training of 47,439 candidates. In this reference, the physical/financial progress report (December 2015) of AAP disclosed that 92 TPs have completed the training of 47,439 candidates without any verified placements and an expenditure of ₹ 6.99 crore was incurred. Meanwhile, after reviewing (January 2016) the physical/financial progress of AAP 2014-15, the Principal Secretary RDD expressed his displeasure on the negligible progress of training and placement under AAP and directed UPSDM to provide an action plan/milestones for culmination of approved AAP. However, UPSDM neither carried out the training of remaining 1,52,561<sup>54</sup> candidates nor ensured placement of 75 *per cent* of the trained candidates under AAP. Besides an expenditure of ₹ 46.66 crore was further incurred against the training of 47,439 candidates during January 2016 to March 2021. Thus, a total expenditure of ₹ 53.65 crore was incurred from DDU-GKY funds released for implementation of AAP without ensuring the desired placement of trained candidates under the scheme.

The State Government replied (August 2023) that instead of DDU-GKY norms, all payment had been made as per norms of UPSDM. The UPSDM further clarified (January 2024) that as per UPSDM norms, payment of 80 *per cent* of the training cost was made and due to late submission of claims by the TPs, the payment was made after December 2015.

The reply was not acceptable as in compliance of terms and conditions of MoRD, UPSDM had directed to TPs for ensuring placement of 75 *per cent* of trained candidates. However, even after having acknowledged (December 2015) the fact of not placing of any of the trained candidates by TPs, UPSDM further released the training cost to the TPs.

### **2.3.11.2 Commitment of captive placement not fulfilled**

Scrutiny of records revealed that ICA Edu Skills Pvt. Ltd. was sanctioned (June 2017) a project of ₹ 24.52 crore in AP 2016-19 based on project proposal as a captive<sup>55</sup> employer. The PIA in its project proposal had committed to provide captive employment to 1,500 candidates out of total placement target of 2,450 candidates. Audit scrutiny, however, revealed that out of 712 candidates placed against 1,930 trained candidates till March 2022, only five captive placements were made. Thus, after lapse of more than four years of its sanction the PIA was able to place only

<sup>54</sup> 2,00,000 minus 47,439 = 1,52,561.

<sup>55</sup> PIAs, having their own requirement, train and absorb the trained persons in their own organisations.

53 *per cent* of the placement target<sup>56</sup> out of which captive placement was negligible (less than one *per cent* of total placed). Thus, the PIA had not fulfilled its commitment of captive placement. However, no action was initiated against the PIA.

The State Government stated (July 2023) that action would be taken on the PIA as per the provisions mentioned in the guidelines.

### ***2.3.11.3 Suspicious/Doubtful placements***

Scrutiny of placement records<sup>57</sup> of a PIA<sup>58</sup> revealed that 29 trainees were shown to be placed in educational institutions as Teacher/Lab Assistant/Counsellor, whereas they were trained in trades of Business Correspondent, Food and Beverage Service and Domestic IT helpdesk assistant (*Appendix 2.3.7*). On verification<sup>59</sup> of placement of these trainees, it was noticed that 24 out of these 29 trainees were not appointed by the respective school/college and in case of one trainee, the Inter-college mentioned in the appointment letter submitted by the PIA<sup>60</sup> in support of placement did not exist at the address. Thus, placement documents submitted to UPSDM by the PIA in support of placement of trainees were not genuine and their placements suspicious. However, UPSDM had not taken any action against the PIA for the use of suspected forged documents in support of these placements. The PIA had received (March 2022) an amount of ₹11.12 crore towards training and placement charges and as per records of UPSDM, it had achieved the placement target of 2,396 trained candidates until March 2022.

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<sup>56</sup> Out of 1,930 trained candidates, at least 70 per cent, i.e., 1,351 candidates were to be placed. Therefore, the placement percentage was 53 *per cent*, i.e.,  $712 \div 1,351 \times 100$ .

<sup>57</sup> The list of placed candidates provided by UPSDM was analysed and candidates found to be placed in school/college as 'teacher/Lab assistant' who were trained in the various trades were sorted. Thereafter, the audit team verified through UPSDM the placement status for 29 such placed candidates with their employer.

<sup>58</sup> Avon Facility Management Pvt. Ltd.

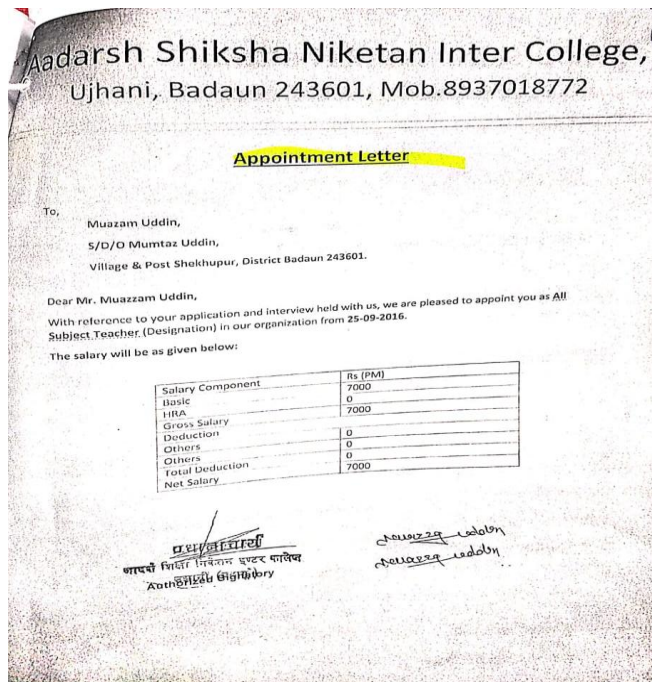
<sup>59</sup> On request of audit, UPSDM got verified these placements through the District Programme Management Units of the respective districts.

<sup>60</sup> The copy of appointment letter was provided by UPSDM to Audit.



**Case Study**

The trainees trained in Business Correspondent and Food & Beverage Service-Steward trades were shown to be appointed as ‘teacher of all subjects’ in educational institutes. As shown in the picture in adjacent box the Appointment Letter of a trainee showed him to be placed as ‘All Subject Teacher’ in Adarsh Shiksha Niketan Inter College, Badaun. However, on verification of his placement by the District Coordinator of UPSDM, Badaun, the College stated that the said appointment letter was not issued by the college.



(Source: UPSDM)

The State Government stated (July 2023) that the closure of the said PIA was under process. State Government further stated that the penalty would be imposed on the PIA.

#### 2.3.11.4 Doubtful bank statements submitted in support of placement

(i) Scrutiny revealed that two beneficiaries (Mr. Praveen Kumar and Ms. Ashrfi Devi) under the scheme were shown by the PIA<sup>61</sup> to be placed in NISA Industrial Services Private Limited at Lucknow as ‘Security Guard’. The salary of these beneficiaries was shown to be transferred in bank account opened in the Corporation Bank (now Union Bank of India after merger) Branch at Junabganj, Banthara in Lucknow. As per Bank Account Statement submitted by the PIA to UPSDM, the salary for the month of February, March and April 2018 was shown to be transferred into aforesaid bank account on 5<sup>th</sup> day of March, April and May 2018.

On request of verification of these bank account and bank statements by Audit, the Corporation Bank stated (July 2022) that the Account Statement<sup>62</sup> did not tally with the bank records and actual account

<sup>61</sup> New Industrial Security Agencies Pvt. Ltd.


<sup>62</sup> Union Bank of India stated (July 2022) that old account number 162100101006419 of Mr. Pravin Kumar and 162100101003594 of Ms. Asharfi had been converted in new account numbers 520101259349301 and 520101259328347 respectively after merger of Corporation Bank into Union Bank of India.



statements for the period 1 March 2018 to 31 May 2018 for both beneficiaries were provided by the Bank to Audit. On scrutiny of actual bank statement, it was found that there was no transaction for credit of salary in both these accounts as shown in the bank statements submitted by the PIA.

The pictures of suspected forged bank statements and actual bank statements provided by the Bank are shown below:

**Suspected fake Bank Statement submitted by PIA  
in respect of beneficiary (Mr. Praveen Kumar)**

  
**कार्पोरेशन बैंक Corporation Bank**  
A Premier Public Sector Bank

Statement for A/c 162100101006419 Between 01-Mar-2018 and 31-May-2018

Client Code : 2015006419  
Name : PRAVIN KUMAR  
Address : VILLAGE-HINDUKHERA, POST-AIN,  
LUCKNOW-226401  
UTTAR PRADESH  
Phone : 9559858983

Branch Code : 1621  
IFSC Code : CORP0001621  
Branch Name : JUNAB GANJ  
Address : JUNABGANJ CHOWK,LUCKNOW-  
KANPUR ROAD,JUNABGANJ, BANTHRA,  
LUCKNOW-226008  
MICR Code : 226017021

Date	Particulars	Instrument No	Withdrawals	Deposits	Balance
			Opening Balance		964.59
05-MAR-2018	BY SALARY/NISA IND/FEB-18			10,240.00	11,204.59
08-MAR-2018	ATM WDR 080318 AT LUCKNOW		1,500.00		9,704.59
12-MAR-2018	ATM WDR 120318 AT LUCKNOW		3,000.00		6,704.59
14-MAR-2018	ATM WDR 140318 AT LUCKNOW		2,000.00		4,704.59
05-APR-2018	BY SALARY/NISA IND/MAR-18			10,240.00	14,944.59
08-APR-2018	ATM WDR 080418 AT LUCKNOW		1,500.00		13,444.59
12-APR-2018	ATM WDR 120418 AT LUCKNOW		2,500.00		10,944.59
05-MAY-2018	BY SALARY/NISA IND/APR-18			10,240.00	21,184.59
08-MAY-2018	ATM WDR 080518 AT LUCKNOW		3,000.00		18,184.59
12-MAY-2018	ATM WDR 120518 AT LUCKNOW		1,000.00		17,184.59
14-MAY-2018	ATM WDR 140518 AT LUCKNOW		1,500.00		15,684.59
			Closing Balance		15,684.59

Page 1 of 1

### Actual Bank Statement provided by Union Bank of India in respect of Mr. Praveen Kumar

Page 1

06-07-2022 15:56:05  
REP27

UNION BANK OF INDIA, JUNAB GANJ  
PRAVIN KUMAR SO RAKESH RAMATREGISTER

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Report To : BM  
Service Outlet : 16212 JUNAB GANJ  
Account Number : 520101259349301/INR  
Report for the Period : 01-03-2018 TO 31-05-2018

Page 2

06-07-2022 15:56:05  
REP27

UNION BANK OF INDIA, JUNAB GANJ  
PRAVIN KUMAR SO RAKESH RAMAT

Report for the Period : 01-03-2018 TO 31-05-2018

Date	Tran	Ref Num	Particulars	Debit Amt.	Credit Amt.	Balance Amt.	Contra
ID						Date	
			Account Opening balance :	1588.00CR		1,588.00CR	
			Brought Forward :		14.00	1,602.00CR	
06-05-2018	XSI202375		BY INT FOR THE PERIOD 01-				
			Total(Curr. INR) :		1,602.00	1,602.00CR	

Manager/Chief Manager  
Date : 06-07-2022

\*\*\* 2 pages printed. End of report \*\*\*

### Suspected fake Bank Statement submitted by PIA in respect of beneficiary Ms. Ashrfi Devi

**कापोंरेशन बैंक Corporation Bank**  
A Premier Public Sector Bank

Statement for A/c 162100101003594 Between 01-Mar-2018 and 31-May-2018

Client Code : 2015003594	Branch Code : 1621
Name : ASHRFI DEVI	IFSC Code : CORP0001621
Address : VILLAGE-HINDUKHERA, POST-AURAWAN, LUCKNOW-227101	Branch Name : JUNAB GANJ
UTTAR PRADESH	Address : JUNABGANJ CHOWK, LUCKNOW-KANPUR ROAD, JUNABGANJ, BANTHRA, LUCKNOW-226008
Phone : 8896801663	MICR Code : 226017021

Date	Particulars	Instrument No	Withdrawals	Deposits	Balance
			Opening Balance		1,086.70
05-MAR-2018	BY SALARY/NISA IND/FEB-18			10,240.00	11,326.70
09-MAR-2018	ATM WDR 090318 AT LUCKNOW		1,000.00		10,326.70
13-MAR-2018	ATM WDR 130318 AT LUCKNOW		2,000.00		8,326.70
16-MAR-2018	ATM WDR 160318 AT LUCKNOW		1,000.00		7,326.70
05-APR-2018	BY SALARY/NISA IND/MAR-18			10,240.00	17,566.70
09-APR-2018	ATM WDR 090418 AT LUCKNOW		3,000.00		14,566.70
13-APR-2018	ATM WDR 130418 AT LUCKNOW		1,500.00		13,066.70
05-MAY-2018	BY SALARY/NISA IND/APR-18			10,240.00	23,306.70
09-MAY-2018	ATM WDR 090518 AT LUCKNOW		2,000.00		21,306.70
13-MAY-2018	ATM WDR 130518 AT LUCKNOW		2,500.00		18,806.70
16-MAY-2018	ATM WDR 160518 AT LUCKNOW		1,000.00		17,806.70
			Closing Balance		17,806.70

Page 1 of 1

**Actual Bank Statement provided by Union Bank of India  
in respect of Ms. Ashrfi Devi**

06-07-2022 15:54:55  
REP27

UNION BANK OF INDIA, JUNAB GANJ  
ASHARFI WO BAIJNATH

Page 1

Report To : BM  
Service Outlet : 16212 JUNAB GANJ  
Account Number : 520101299328347/INR ASHARFI WO BAIJNATH  
Report for the Period : 01-03-2018 TO 31-05-2018


06-07-2022 15:54:55  
REP27

UNION BANK OF INDIA, JUNAB GANJ  
ASHARFI WO BAIJNATH

Page 2

Report for the Period : 01-03-2018 TO 31-05-2018

Date	Tran	Ref Num	Particulars	Debit Amt.	Credit Amt.	Balance Amt.	Contra
						Date	
Account Opening balance :				30957.24CR			
Brought Forward :					30,957.24	30,957.24CR	
05-03-2018	XM273025		SELF	20,000.00		19,957.24CR	
26-03-2018	XM171284		SELF	10,000.00		957.24CR	
16-04-2018	XS8760617		ABB FR CB0633/TSL-020439/		14,000.00	11,957.24CR	
26-04-2018	XM239774		SELF	10,000.00		4,957.24CR	
06-05-2018	XS1204958		BY INT FOR THE PERIOD 01-		68.00	5,025.24CR	
15-05-2018	XS4032205		PMJBY PREMIUM RENEWAL- 1	330.00		4,695.24CR	
25-05-2018	XS4039334		PMSBY PREMIUM RENEWAL- 16	12.00		4,683.24CR	
Total (Curr. INR) :				40,342.00	45,025.24	4,683.24CR	



Manager/Chief Manager  
Date : 06-07-2022

\*\*\* 2 pages printed. End of report \*\*\*

In 11 other placements of the PIA, banks<sup>63</sup> have informed that bank statement submitted by the PIA in support of credit of salary in the bank account of the trainee did not match with the actual bank statements and in one case, ICICI Bank informed that the bank account did not belong to the placed candidate (**Appendix 2.3.8**). Thus, the PIA had used suspected fraudulent bank statements in support of placements. An amount of ₹ 3.39 crore has been paid (as of March 2022) to the PIA out of the total project cost of ₹ 4.50 crore against which PIA had imparted training of 1,389 candidates (103 per cent of target) and placed 606 candidates (62 per cent of target).

The State Government stated (July 2023) that the closure of the said PIA was under process. With reference to audit observation on use of suspected fraudulent bank statements in support of placement by PIA, State Government further stated that penalty would be imposed on the PIA and payment would be made to PIA by adjusting the said amount to be paid after closure. However, the reply was not specific about the action proposed to be taken against PIA for use of fabricated bank statements.

(ii) Similarly, bank statements submitted by another PIA<sup>64</sup> in support of placement of four trainees were not found genuine on verification from the Punjab & Sindh Bank (**Appendix 2.3.8**). The bank informed that the

<sup>63</sup> Bank of Baroda, Indian Overseas Bank and ICICI Bank.

<sup>64</sup> Centre of Technology and Entrepreneurship Development.

account numbers of beneficiaries were found to be correct, but the transactions mentioned for all the four accounts seem to be false. Thus, the PIA had used suspected forged bank statements in support of placements of these candidates. The PIA had been paid (as of March 2022) an amount of ₹ 3.75 crore to the PIA against the project cost of ₹ 4.99 crore for training and placement.

The State Government stated (July 2023) that penalty and other (Recovery) action would be taken on the PIA as per the provisions mentioned in the guidelines.

(iii) Scrutiny revealed that a PIA<sup>65</sup> had submitted bank statements of ICICI Bank Ltd. of 10 beneficiaries in support of placement and payment of salary into bank accounts. It was noticed that there was difference in number of digits of saving bank account numbers of the same bank. Out of 10 beneficiaries', bank account of seven beneficiaries were of 16 digits while three bank accounts were of nine digits. It was also noticed that name of the bank branch, its address and IFSC code was not mentioned in the bank statement. On verification of these account numbers and bank statement, ICICI Bank informed (April 2022) that these saving bank accounts did not pertain to ICICI bank Ltd. Further, it was also stated that all savings account of ICICI bank contains 12-digit account number as on date. The picture of two such suspected fake bank statements used by the PIA is shown as follows:

**ICICI Bank** | khayaal aapka

**MR. AMIT KUMAR**  
LOHANIKHERA MAWAI GALIBPUR HILAUJI MAURAWAN  
UTTAR PRADESH-INDIA-209821

Visit [www.icicibank.com](http://www.icicibank.com)  
Dial your Bank **33667777**

NEVER SHARE your Card number, CVV, PIN, OTP, Internet Banking User ID, Password or URN with anyone, even if the caller claims to be a bank employee. Sharing these details can lead to unauthorised access to your account.

STATEMENT SUMMARY for Customer ID: 013395867 as on December 31, 2018

**ACCOUNT DETAILS - INR**


ACCOUNT TYPE	A/C. BALANCE (I)	FIXED DEPOSITS (LINKED) BAL (II)	TOTAL BALANCE (I+II)	NOMINATION
Savings A/c: 4629525303518947	471.00	0.00	471.00	Not Registered
<b>TOTAL</b>	<b>471.00</b>	<b>0.00</b>	<b>471.00</b>	

Statement of Transactions in Saving Account Number: 4629525303518947 in INR for the period December 01, 2018 - December 31, 2018

DATE	MODE	PARTICULARS	DEPOSITS	WITHDRAWALS	BALANCE
01-12-2018		B/F			284.00
04-12-2018	ICICI ATM	ATM/CASH WDL/4-12-2018/0		100.00	184.00
10-12-2018	ICICI BANK	NEFT-ICICI/953790973-PIPAL TREE ENTERPRISES	7787.00		7971.00
11-12-2018	ICICI ATM	ATM/CASH WDL/11-12-2018/0		700.00	7271.00
14-12-2018	ICICI ATM	ATM/CASH WDL/14-12-2018/0		1200.00	6071.00
18-12-2018	OTHER ATM	NFS/CASH/WDL/18-12-2018		900.00	5171.00
21-12-2018	OTHER ATM	NFS/CASH/WDL/21-12-2018		800.00	4371.00
23-12-2018	OTHER ATM	NFS/CASH/WDL/23-12-2018		1000.00	3371.00
25-12-2018	ICICI ATM	ATM/CASH WDL/25-12-2018/0		500.00	2871.00
27-12-2018	ICICI ATM	ATM/CASH WDL/27-12-2018/0		1000.00	1871.00
28-12-2018	ICICI ATM	ATM/CASH WDL/28-12-2018/0		200.00	1671.00
31-12-2018	ICICI ATM	ATM/CASH WDL/31-12-2018/0		1200.00	471.00
		<b>Total:</b>	<b>7787.00</b>	<b>7600.00</b>	<b>471.00</b>

**Suspected fraudulent bank statement with 16 digits saving bank account number**

<sup>65</sup> Pipal Tree Ventures Pvt.Ltd.



**MR.AWADHESH KUMAR**  
VILL-DHANNUPUR PACH-DHANNUPUR BLK-SHIKHAR  
POS-KACHHWA DIST-MIRZAPUR, 206001  
UTTAR PRADESH-INDIA-231501

Visit [www.icicibank.com](http://www.icicibank.com)

Dial your Bank **33667777**

NEVER SHARE your Card number , CVV, PIN, OTP, Internet Banking User ID,Password or URN with anyone,even if the caller claims to be a bank employee. Sharing these details can lead to unauthorised access to your account.

**STATEMENT SUMMARY for Customer ID: 010154088 as on December 31, 2018**

ACCOUNT TYPE	A/C. BALANCE (I)	FIXED DEPOSITS (LINKED)BAL(II)	TOTAL BALANCE (I+II)	NOMINATION
Savings A/c: 127579654	748.00	0.00	748.00	Not Registered
<b>TOTAL</b>	<b>748.00</b>	<b>0.00</b>	<b>748.00</b>	

**Statement of Transactions in Saving Account Number: 127579654 in INR for the period December 01, 2018 - December 31, 2018**

DATE	MODE	PARTICULARS	DEPOSITS	WITHDRAWALS	BALANCE
01-12-2018		B/F			561.00
08-12-2018	ICICI ATM	ATM/CASH WDL/8-12-2018/0		500.00	61.00
10-12-2018	ICICI BANK	NEFT-ICICI/945994464-PIPAL TREE ENTERPRISES	7787.00		7848.00
11-12-2018	OTHER ATM	NFS/CASH/WDL/11-12-2018		1300.00	6548.00
15-12-2018	ICICI ATM	ATM/CASH WDL/15-12-2018/0		1200.00	5348.00
18-12-2018	OTHER ATM	NFS/CASH/WDL/18-12-2018		500.00	4848.00
19-12-2018	ICICI ATM	ATM/CASH WDL/19-12-2018/0		900.00	3948.00
22-12-2018	ICICI ATM	ATM/CASH WDL/22-12-2018/0		1400.00	2548.00
25-12-2018	ICICI ATM	ATM/CASH WDL/25-12-2018/0		800.00	1748.00
29-12-2018	OTHER ATM	NFS/CASH/WDL/29-12-2018		1000.00	748.00
<b>Total:</b>			<b>7787.00</b>	<b>7600.00</b>	<b>748.00</b>

**Suspected fraudulent Bank statement with nine digits saving bank account number**

Thus, the PIA had submitted suspected fake bank statements in support of its claim of providing placement to trained candidates (*Appendix 2.3.8*). An amount of ₹ 4.53 crore was paid to the PIA till March 2022.

The use of suspected fraudulent bank account documents/statements as discussed above by the PIAs amounts to breach of clause 11 of tripartite MoU<sup>66</sup> and action should have been initiated for the penal offence in accordance with law against the PIAs for adopting unethical practices.

The State Government stated (July 2023) that penalty and other (recovery) action would be taken on the PIA as per the provisions mentioned in the guidelines.

### 2.3.11.5 Unavailable bank statements in support of transfer of salary

Paragraph 3.2.2.3 of the guidelines provides that placement under DDU-GKY is defined as continuous employment for a minimum period of three months, proof of which can either be in the form of a salary slip or a certificate indicating salary paid signed by the employer and salary received by the person placed along with a bank statement.

The test check of placement documents of 55 beneficiaries out of 1,104 placed candidates submitted by the PIA<sup>67</sup> to UPSDM revealed that bank statements in support of payment of salary to them were available for only three beneficiaries. For the remaining 52 beneficiaries, salary slips were available but bank statements in support of payment of salaries to these

<sup>66</sup> Unethical Act by PIA and consequences thereon

<sup>67</sup> CL Educate Ltd.

beneficiaries were not available. Further, on verification<sup>68</sup> by audit of these 55 beneficiaries through their mobile phones, 16<sup>69</sup> out of 17 who responded had told that no placement was provided to them (*Appendix 2.3.9 A*) and were unaware of the documents submitted by the PIA in support of the placement. Thus, placement of these beneficiaries could not be assured and possibility of fraudulent claim by the PIA could not be ruled out. The PIA had received (as of March 2022) ₹ 10.96 crore against total project cost of ₹ 14.98 crore for providing training and placement under the scheme.

The State Government stated (July 2023) that penalty and other (Recovery) action would be taken on the PIA as per the provisions mentioned in the guidelines.

### 2.3.11.6 Mobile verification of placements<sup>70</sup>

Verification of 554 placed candidates of 26 test checked PIAs<sup>71</sup> was carried out through call on their mobile phone numbers available in records. Out of 554 candidates, 180 replied to the calls and in 374 cases calls could not be completed<sup>72</sup>. Out of 180 candidates who replied-

- 49 trainees belonging to 12 PIAs<sup>73</sup> told that they have not been placed after the completion of training although PIAs have submitted the placement documents to UPSDM in support of their placement (*Appendix 2.3.9 A*).
- Placement details as told by six<sup>74</sup> trainees of three PIAs did not match with the documents for placement (name of employer) submitted by the PIAs (*Appendix 2.3.9 B*).
- In case of 12 trainees of six PIAs<sup>75</sup>, placement provided did not match with the concerned trade in which training was imparted to the candidates (*Appendix 2.3.9 C*).
- In five cases, trainees complained that the amount shown as payment of salary in the bank account statement did not correspond to the actual payment of salary. In three<sup>76</sup> cases the amount was

<sup>68</sup> 55 beneficiaries (five *per cent* of total placed) were selected on random sample basis for verification through mobile call in presence of representatives of UPSDM and TSA. Out of these, 38 beneficiaries did not respond to the phone call due to wrong number, incoming facility not available, etc.

<sup>69</sup> Three candidates were offered job but did not work and other two left after a few days.

<sup>70</sup> As per guidelines (Paragraph 1.3.1), placement is defined as continuous work for three months with regular wages.

<sup>71</sup> Five *per cent* of total placed candidates were selected on random sample basis for verification through mobile phone call in presence of representatives of UPSDM, TSA and concerned PIA.

<sup>72</sup> Due to wrong number, incoming facility not available etc.

<sup>73</sup> Ideal Impressions Pvt. Ltd.-03, Peepal Tree Ventures Pvt. Ltd.-05, Dream Weavers Edutrack Pvt. Ltd.-01, Centre of Technology and Entrepreneurship Development-03, Indira Gandhi Computer Saksharta Mission-04, Rozgar Vikas Education Private Limited-01, Social Action for Welfare & Cultural Advancement-04, ICA Edu Skills Ltd (P2)-02, Mass Infotech Society-02, Aryans Edutech Private Limited-02, CL Educate Ltd.-16, New Industrial Security Agencies Pvt. Ltd.-06.

<sup>74</sup> Dream Weavers Edutrack Pvt. Ltd - 04, Aryans Edutech Private Limited-1 and Orient Craft Fashion Inst. of Tech Pvt Ltd-1.

<sup>75</sup> ID Tech Solutions Pvt. Ltd.-03, JITM Skills Pvt Ltd -02, Teamlease Services Ltd.-1, Aryans Edutech Private Limited -1, Orient Craft Fashion Inst. of Tech Pvt Ltd -1, Avon-04.

<sup>76</sup> Indira Gandhi Computer Saksharta Mission -1, Aryans Edutech Private Limited -02.



deposited and taken back by the PIA and in two<sup>77</sup> cases the amount was deposited by the candidates themselves (**Appendix 2.3.9 D**).

The State Government stated (July 2023) that necessary penalty and action is being taken against all the above PIAs as per the DDU-GKY guidelines.

#### **2.3.11.7 Failure to track placed candidates**

Paragraph 1.3.1 (ii) and Paragraph 4.5 of DDU-GKY guidelines provides for post placement tracking of trained candidates by PIA for a period of one year.

Audit noticed that in test checked PIAs, tracking of placed candidates have not been carried out in accordance with provisions of guidelines. PIAs had records of tracking for only three months, during which placements were claimed. However, there was no tracking record available beyond three months of placement. UPSDM also confirmed that tracking of candidates beyond three months was not carried out by the PIAs. The tracking of the candidates was important for watch of job retention and career progression of the beneficiaries which was treated as goal under the scheme. Failure to track placed candidates for specified period of one year defeated that goal.

The State Government stated (July 2023) that according to DDU-GKY guidelines, there is a provision to track the employed candidates by PIA for 12 months. The State Government further stated that, after the PIA uploads the offer letter, salary slip, and bank statement for up to 3 months, the said candidate is considered employed, and payment is made in respect of the same. Career progression and retention support is payable after 12 months of tracking the employed candidates by PIA. If the tracking of the PIA is not done by the PIA after employment, then the said payment is not made to the PIA.

The reply was not tenable because as per the guidelines, PIA had to ensure that trainees are tracked for at least a year after placement. UPSDM further stated (January 2024) that instructions were being issued to PIAs and TSA for ensuring tracking of candidates at least for one year after training. Thus, the objectives of the DDU-GKY to track trained candidates for their carrier progression remained unfulfilled.

#### **2.3.11.8 Non-production of placement documents**

UPSDM failed to provide training/placement documents for two sampled PIAs, namely Focus Edu Care Pvt. Ltd. and Think Skills Consulting Pvt. Ltd., even though they claimed to have provided training to 540 and 356 candidates, as well as placement to 125 and 132 candidates, respectively. Despite this, both PIAs have been paid an amount of ₹5.47 crore<sup>78</sup> as of March 2022 towards project costs. In absence of documents, veracity of their claims of training and placements could not be verified in Audit.

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<sup>77</sup> Aryans Edutech Private Limited -02.

<sup>78</sup> Focus Edu Care Pvt. Ltd.- ₹ 2.48 crore and Think Skills Consulting Pvt. Ltd.- ₹ 2.99 crore.



The State Government replied (July 2023) that necessary penalty and action would be taken against all the above PIAs as per the DDU-GKY guidelines.

### 2.3.12 Monitoring

#### 2.3.12.1 Poor monitoring by UPSDM /TSA

As per paragraph 3.2.1.7(iii) of guidelines of DDU-GKY (July 2016), concurrent evaluation was required to be done in DDU-GKY through bi-monthly inspection of each training center by the UPSDM or its TSA.

UPSDM did not provide consolidated information regarding inspections of the DDU-GKY projects during the period 2016-17 to 2021-22 performed by UPSDM/TSA, despite repeated requests<sup>79</sup>. However, UPSDM provided the status of inspection for 19 out of 28 test-checked PIAs. Audit noticed that there was shortfall in inspections by UPSDM ranging from 57 per cent to 100 per cent and by TSA ranging from 22 per cent to 100 per cent in bi-monthly inspections of these 19 PIAs as detailed in (*Appendix 2.3.10*). This indicated a lack of monitoring of the projects as envisaged in the guidelines.

The State Government replied (July 2023) that at present verification/inspection of training centers and employed trainees of PIA is being done from TSA/CTSA/Skill Development Mission Level. The reply is not tenable as the inspection scheduled for TSA/UPSDM in guidelines was not carried out during 2016-22.

During exit conference, State Government stated (August 2023) that explanation from TSA would be called for shortfall in inspection and necessary action would be taken.

#### 2.3.12.2 Weak internal control mechanism

As discussed in Paragraph 2.3.7.3 (i), during the period from 2016-17 to 2021-22, dedicated staff at the state and district levels were not deployed for the implementation of the scheme and to monitor the progress of the projects and placements made by the PIAs, as per the provisions of the guidelines. The MIS managers<sup>80</sup> of DPMU also confirmed that they did not monitor the projects of YP and AP 2016-19 under DDU-GKY and did not carry out the activities as envisaged in the guidelines<sup>81</sup> for mobilisation, placement, and tracking. This indicates a lack of monitoring at the district level and a weak internal control mechanism, which adversely affected the monitoring of the progress of projects and attributed to the non-completion of projects in a timely manner.

<sup>79</sup> 06-07-2022, 22-07-2022, 29-11-2022, 11-01-2023, 18-01-2023 and 20-01-2023.

<sup>80</sup> 14 MIS managers pertaining to the districts of sampled projects informed that they have not monitored the projects of DDU-GKY and 03 of them informed that only placement list was provided.

<sup>81</sup> Paragraph 1.7 of SOP-1 of DDU-GKY describes 03 the functions of DPMU for DDU-GKY projects in the district i.e. mobilisation of candidates, placement & tracking and capacity building for sub-district functionaries.

The State Government replied (July 2023) that at present, the appointment of DDU-GKY employees is under process and the scheme is being monitored by district level officers, District Magistrate/Chief Development Officer/District Coordinator/MIS Manager.

The fact remained that dedicated staff for implementation of the scheme was still not available.

#### ***2.3.12.3 Meetings of Project Approval Committee not held as scheduled in guidelines***

As per paragraph 4.2 table 2 Sl. No. 11 of guidelines it is the responsibility of the UPSDM to hold Project Approval Committee (PAC) meetings on the 1st Tuesday of each month to consider all projects received by the 2nd Tuesday of the previous month. In addition to approval of projects, proposals for partial changes in the approved projects such as change in districts, trades etc. were also submitted to PAC.

As per provisions of the guidelines, during the period 2016-17 to 2021-22, a total of 72 meetings of PAC were due to be held. But as per information provided by the UPSDM only 10 meetings of PAC were held during the period. Thus, there was a shortfall of 86 *per cent* in conducting PAC meeting. This also resulted in delay in approval of projects in AP 2016-19 as only eight meetings of the PAC were held during December 2016 to July 2018.

During the exit conference, State Government stated (August 2023) that meetings of PAC would be organised as envisaged in the guidelines.

#### ***2.3.12.4 Performance of PIAs not graded***

As per Chapter-9 of SOP of DDU-GKY, all projects will be graded<sup>82</sup> continuously by capturing data from the data reporting mechanism as specified in SOP and/or ASDMS<sup>83</sup>. Results will be reported every month, giving the grade for the month and cumulative up to the end of the month. The grades arrived at the end of the financial year (end of March), both for the year and cumulatively from project start to the end of the year, will be reported as yearly grading. The objective of grading was to establish a firm foundation to encourage good PIAs and motivate others to improve. It was mentioned that SRLMs should nominate a State Level coordinator to consult on grading in their state. However, it was noticed that UPSDM did not appoint State Level coordinator as required for the grading of PIAs during the period. Thus, the performance of PIAs engaged in DDU-GKY projects could not be graded on the provided parameters, which is an important aspect of monitoring.

The State Government stated (July 2023) that presently all PIAs working under DDU-GKY have been graded. The said categorization has been

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<sup>82</sup> To be graded on four parameters: i) Physical infrastructure quality ii) Batch training quality, iii) Placement quality and vi) Project execution quality.

<sup>83</sup> Name of ERP system to be developed for DDU-GKY.

done based on trainees trained and placed by PIA. It is to be informed that while conducting a review meeting with the lower grade PIAs, necessary suggestions and instructions have been given to them to improve their progress. Further, UPSDM informed (January 2024) that the grading of project was started in September 2022.

The fact remained that an important aspect of monitoring was ignored during 2016-22.

### **2.3.13 Conclusion**

The PA revealed various shortcomings in implementation of DDU-GKY scheme in Uttar Pradesh during the period of 2016-22. Neither the Skill Gap Assessment nor Study of Labour Market for effective planning was carried out. An expenditure of ₹ 514.35 crore was incurred on 22 YP and 88 AP projects under the scheme but considerable shortfall of 39 per cent and 76 per cent was noticed respectively in achievement of placement targets which was the essence of the scheme. Both YP and AP projects could not be completed as per schedule and targets of training and placement could not be achieved. Further, UPSDM failed to take timely action against the Project Implementing Agencies for poor performance and defaults and instead provided undue benefit to them by giving irregular time extensions. The inaction of UPSDM led to non-recovery of released amount along with penal interest from the defaulter PIAs.

The test check of placement documents by the audit revealed instances of non-fulfilling the commitment of captive placement, use of fake appointment letters, fake bank accounts, and use of doubtful bank statements by the PIAs in support of their claims for providing training and placement to candidates under the scheme. The multiple instances of the use of false and fabricated documents by the PIAs put a serious question mark on the claims of training and placement made by them. Any assurance in this regard could not be drawn. This indicates that required internal checks and monitoring, especially those related to the verification of placements, were lacking and not effective.

Issues such as delay in the release of funds, non-deployment of dedicated staff despite of availability of administrative fund, awarding projects without due consideration of identified risk factors, irregularities in the selection process of the Technical Support Agency and Project Appraisal Agency, selection of poor performing PIAs, short approval of training targets in the Action Plan 2019-22, and shortfall in monitoring were also noticed during the audit. Thus, there is a need to improve the implementation of the scheme based on the shortcomings identified in the Audit.

#### **2.3.14 Recommendations**

*The State Government should:*

- *ensure preparation of State Perspective Implementation Plan based on skill gap assessment and study of labour market. Further, state level youth data base for comprehensive planning and implementation of the scheme should be prepared.*
- *ensure close co-ordination between UPSDM and Rural Development Department for timely release/utilisation of funds and to avoid creation of interest liability.*
- *assess the performance of PIA and validate the claim of training and placement in previous projects before award of the projects.*
- *take immediate action for speedy recovery of released amount along with penal interest in case of defaulter PIAs.*
- *review the placement documents including bank statements submitted by the PIAs to assure genuineness of claims of the PIAs regarding placements and trainings and fix responsibility of false claims.*
- *ensure deployment of dedicated skill team at state, district and sub-district level for smooth implementation and monitoring of skill development scheme.*

*The State Government concurred with and accepted (August 2023) all the recommendations.*

## Chapter - III

# Compliance Audits



## AUDIT PARAGRAPHS

### Agriculture Education and Research Department

#### 3.1 Unfruitful expenditure on incomplete construction of technical college building

**Due to laxity in firming up the scope of work, delay in release of fund at department level as well as failure of executing agency to obtain Technical Sanction before commencement of construction resulted in unfruitful expenditure of ₹ 54.80 crore on incomplete construction of College of Agriculture Engineering and Technology due to which intended objective of the project was not achieved.**

Paragraph 318 of Financial Hand Book, Vol. VI envisages that for every work proposed to be carried out, a properly detailed estimates must be prepared for technical sanction (TS) and it must be obtained before a work is commenced.

Scrutiny of the records (December 2021) of the Banda University of Agriculture and Technology, Banda (BUAT) revealed that out of various colleges<sup>1</sup> envisaged under the University Master Plan, BUAT submitted (August 2010) a detailed project report (DPR) proposing estimates of ₹ 95.53 crore for construction of building for College of Agriculture Engineering and Technology (CAET). The proposed DPR envisaged construction of two floors consisting of ground floor (23,793 sqm) and first floor (20,789 sqm) for seven departments<sup>2</sup> under the college. In view of recommendation of the Expenditure Finance Committee on the detailed estimates, the State Government accorded (January 2011) administrative approval of ₹ 89.24 crore for the project and also accorded financial sanction of ₹ 63.28 crore which was subsequently revised (February 2011) to ₹ 53.28 crore.

The construction work of the CAET building was stopped in February 2012 after achieving 45 *per cent* progress in the work, which included slab works of the ground floor and some columns of the first floor. The

<sup>1</sup> The university master plan envisaged to have eleven colleges. Out of these four colleges were functional, viz., Agriculture College, Horticulture College, College of Forestry and College of Community Science. As on March 2024, the construction of building of Veterinary Medical College was complete, which was proposed to be functional from next academic session. The building of College of Engineering and Technology was incomplete as on March 2024. Remaining five colleges, viz., College of Agriculture Management, College of Dairy Technology, College of Fundamental Science and Humanities, College of Food Technology and College of Fisheries, were not sanctioned as of March 2024.

<sup>2</sup> Ground floor: Department of Architecture, Department of Civil Engineering, Department of Electrical Engineering and Department of Mechanical Engineering; First floor: Department of Agriculture Engineering, Department of Computer Science and Department of Mining.



construction remained incomplete as on March 2024, as depicted in the following photographs:



***Technical Sanction not obtained before commencing construction work***

While granting administrative approval, the State Government directed that the work should be commenced only after obtaining TS from the competent authority. However, Executing Agency (EA) started the construction work in January 2011 with stipulated date of completion in December 2014<sup>3</sup> without obtaining TS for the work. Audit noticed that BUAT released ₹ 53.28 crore to the EA in three instalments<sup>4</sup> during January to March 2011. Subsequently, TS of ₹ 89.24 crore for the project was accorded (August 2013) by the Director, Construction & Design Services (C&DS) of UP Jal Nigam, against detailed estimates of

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<sup>3</sup> As per Government order dated January 2011 relating to Administrative Sanction, the work was to be completed by June 2011.

<sup>4</sup> First instalment of ₹ 12.66 crore (January 2011), the second instalment of ₹ 19.31 crore (March 2011) and the third instalment of ₹ 21.31 crore (March 2011).

₹ 105.94 crore submitted (April 2012) by the Project Manager, C&DS. Since the proposed detailed estimates (₹ 105.94 crore) was ₹ 16.70 crore more than the estimates approved in the administrative sanction (₹ 89.24 crore), the Director, C&DS directed the Project Manager to complete the project upto the approved estimates and the remaining work was to be taken up after receiving approval of the revised estimates. Thus, TS was sanctioned in August 2013 after more than two years of commencement of the work and despite TS sanctioning authority being aware that the amount for which TS was being accorded was much less than the detailed estimates. The work was stopped in February 2012 citing lack of funds.

### ***Indecisive approach in determining scope of work***

The construction works of BUAT was reviewed in a meeting (April 2011) of an Expert Committee<sup>5</sup> constituted for examination and recommendation of proposals to open new colleges and departments under agricultural universities. During the meeting, the Principal Secretary, Agriculture, Agricultural Education and Research directed for construction of only ground floor of the CAET building and the decision on remaining construction was to be taken after finalising the departments to be run in the college. At this stage, expenditure of ₹ 12 crore (approximately) had been incurred on the piling work of the CAET building. Thereafter, the EA informed (September 2011) the State Government that 50 *per cent* work of the ground floor was completed after incurring expenditure of ₹ 25.31 crore and the EA also requested for permission for construction of the first floor. However, the Government directed (October 2011) the Vice-Chancellor (VC), BUAT to provide a report including its views in the matter. In its report (February 2012), the VC recommended for the construction of the first floor to run six disciplines/ branches of engineering in the college<sup>6</sup>.

Later, the Government decided (February 2014) to conduct four courses<sup>7</sup> in CAET and constituted a committee with the direction to submit a proposal on the basis of minimum requirement after site inspection so that the technical college could be completed to commence teaching. The report of the committee was sent by the VC to the Government (August 2014), which recommended that the ground floor of the building had enough space to run four undergraduate programs<sup>8</sup> and pillars already

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<sup>5</sup> Under the Chairmanship of Director General, Uttar Pradesh Council of Agricultural Research/Principal Secretary, Agriculture, Agricultural Education and Research

<sup>6</sup> It was recommended to open Agricultural Engineering, Civil Engineering, Electronics and Communication Engineering, Mechanical Engineering, Computer Science and Engineering, Mining Engineering under CAET.

<sup>7</sup> Mechanical, Civil, Agricultural Engineering and one more.

<sup>8</sup> Agricultural Engineering, Mechanical Engineering, Civil Engineering and Electrical & Electronics Engineering.

constructed on the first floor could be used to make a dome-shaped Auditorium. The proposal thereafter remained under correspondence between the EA, BUAT and the State Government without any decision on the scope of work and the revised estimates.

Audit further noticed that BUAT sent (February 2021) a revised estimate of ₹ 95.54 crore to the State Government limiting the building work of CAET to the ground floor. However, the Government directed (October 2021) the VC, BUAT that there was no justification to revise the estimates as the entire approved estimates of the ground floor was already released in lump sum and therefore, responsibility should be fixed for incurring entire expenditure without completing the work. The Government further directed the University to complete the construction of the ground floor within the original sanctioned cost. However, the VC, BUAT informed (November 2021) the Government that enquiry committee may be constituted at the Government level as there was no technical post in the University. Subsequently, the Government constituted (January 2022) an enquiry committee which visited (May 2022) the under construction building of the college and did not find any irregularity in construction work. The Committee also recommended for the speedy completion of under construction building.

In reply (July 2023), State Government stated that the financial sanction was revised and reduced to ₹ 53.28 crore, but no reduction of work was shown in the revised sanction order, therefore, the work was carried out as per previous drawing and design of ground and first floors. State Government further stated that the university and the EA had made continuous correspondence with the Government to complete the construction of the college. Thus, there was no laxity at the level of University and EA and meaningful efforts were made to complete the work. State Government also stated that the proposed construction work was stopped due to lack of fund since February 2012 and at present, the revised estimates of ₹ 95.41 crore was approved (March 2023) and ₹ two crore was further released for the project.

The fact remains that due to delay in taking decisions regarding the departments to be operated in CAET, start of work before obtaining technical sanction, release of instalments without ensuring progress of the work, non-compliance of the decision taken in the meeting of Expert Committee to restrict construction to ground floor only, the construction work has been stopped since February 2012. The expenditure of ₹ 51.90 crore incurred on the project, thus, remained unfruitful. As

informed (April 2024) by the EA, out of ₹ 57.28 crore released<sup>9</sup> by the State Government, ₹ 54.80 crore was spent with physical progress of only 58 per cent against the revised scheduled date of completion in March 2025. The construction work of CAET still remained incomplete even after time overrun of more than nine years and expenditure of ₹ 54.80 crore due to which intended objective of the project remained unachieved.

### Housing and Urban Planning Department

#### 3.2 Unfruitful expenditure of ₹ 42.02 crore

**Due to an injudicious decision to construct 680 flats under the Self-Financed Yojana without demand survey, construction of 488 flats was left incomplete at the stilt level resulting in unfruitful expenditure of ₹ 42.02 crore on abandoned incomplete structure.**

Uttar Pradesh Awas and Vikas Parishad (UPAVP) Board approved<sup>10</sup> (March 2015) a project for construction of multi-storeyed flats including 2,344<sup>11</sup> flats under Samajwadi Awas Yojana (SAY)<sup>12</sup> and 480<sup>13</sup> flats under Self-Financed Yojana-2015 (SFY) in Sector-7D of Awadh Vihar Yojana situated at Sultanpur Road, Lucknow. For construction of these flats, administrative approval and financial sanction of ₹ 482.62 crore was accorded (April 2015) by Superintending Engineer (Project), UPAVP.

Scrutiny of records (July 2022) of Executive Engineer, Construction Division-08, UPAVP, Lucknow and information collected (March 2023) therefrom revealed that the project was modified (November 2015) for construction of 1,960 flats under SAY and 680 flats under SFY keeping in view feasible blocks at the site of work. An agreement for ₹ 525.29 crore was executed (January 2016) with a contractor for construction of these multi-storeyed residential flats and work was commenced in January 2016 with completion date in July 2018. The modified project was approved by UPAVP Board in September 2016 and technical sanction of ₹ 587.82 crore for the modified project was accorded by the Chief Engineer, UPAVP in November 2016.

Further scrutiny revealed that UPAVP Board<sup>14</sup> decided (July 2017) to stop construction of flats under SFY schemes in which registration of buyers

<sup>9</sup> State Government had sanctioned ₹ 53.28 crore in February 2011, ₹ two crore in March 2023 and ₹ two crore in November 2023.

<sup>10</sup> In Board's 232<sup>nd</sup> meeting held on 26 March 2015.

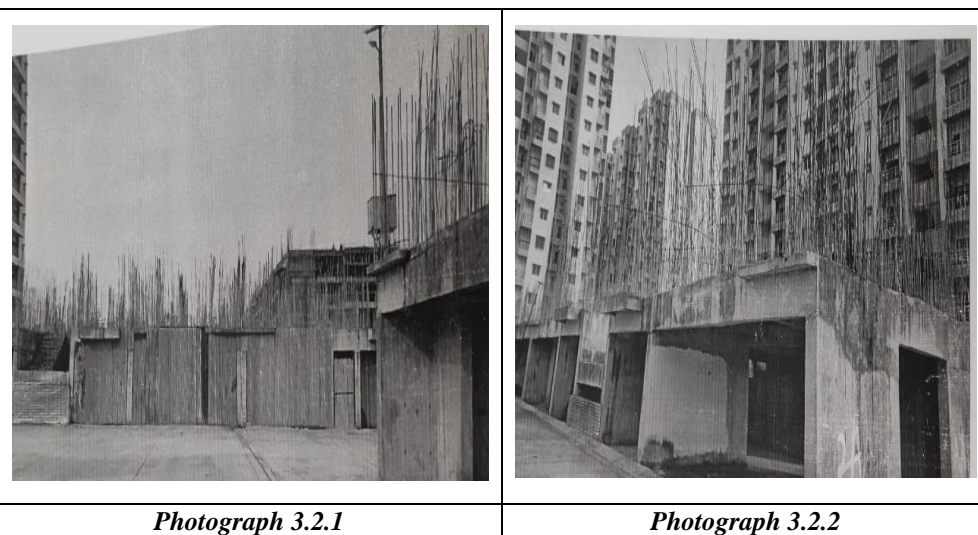
<sup>11</sup> 1 BHK (EWS)-880; 1 BHK (LIG Type A) - 528; 2 BHK (LIG Type B) - 936.

<sup>12</sup> Government of Uttar Pradesh commenced (December 2014) Samajwadi Awas Yojana under the affordable housing policy which was to be implemented by private developers as well as Development Authorities, UPAVP and other institutions of the State Government.

<sup>13</sup> 2 BHK (MIG) - 336; 3 BHK (HIG) - 144.

<sup>14</sup> In Board's 242<sup>nd</sup> meeting held on 6 July 2017.

was negligible and construction had not been commenced or where construction was up to the plinth plus stilt level. Accordingly, UPAVP stopped (July 2017) construction works of 488 SFY flat constructed upto plinth/stilt level in Awadh Vihar Yojana on which expenditure of ₹ 42.02 crore was already incurred. A joint physical inspection carried out in July 2022 revealed that the iron bars of under construction flats were exposed to atmosphere and getting rusty (*Photographs-3.2.1 and 3.2.2*).



UPAVP further informed (February 2024) that there was no record available in respect of survey carried out at local level before determining the number of flats under SFY and SAY schemes. Thus, due to injudicious decision to construct flats under the SFY, construction of 488 flats was left incomplete in view of lack of demand and the expenditure of ₹ 42.02 crore on this incomplete construction rendered unfruitful which could not be ruled out to be infructuous in future.

Audit further noticed that out of 1,960 flats under SAY and 192 flats under SFY constructed by UPAVP under Awadh Vihar Yojana in Lucknow, 607 SAY flats and 170 SFY flats remained vacant/unsold as of February 2024. Future of these 777 vacant/unsold flats constructed at the cost of ₹ 260.47 crore<sup>15</sup> also remained uncertain due to lack of demand. However, 96 flats of SFY were rented<sup>16</sup> out to Dr. Ram Manohar Lohia Institute of Medical Sciences, Lucknow.

In reply (June 2023 and September 2023), State Government forwarded the earlier reply/information provided (January 2023) by UPAVP that the construction work of 488 incomplete flats under SFY was not started and 96 unsold flats under SFY were rented out.

<sup>15</sup> 408 flats @ ₹ 19.23 lakh, 63 flats @ ₹ 25.20 lakh, 136 flats @ ₹ 36.50 lakh, 74 flats @ ₹ 54.74 lakh, 96 flats @ ₹ 79.15 lakh.

<sup>16</sup> Forty flats were rented out in January 2021 and 56 flats were rented out in February 2022 at the rate of ₹ 13,000 per month.



The fact remains that construction of multi-storeyed flats in Awadh Vihar Yojana of UPAVP without demand survey led to less registration of buyers under the scheme leading to the construction of 488 flats being stopped at stilt level and rendering expenditure of ₹ 42.02 crore on this incomplete construction unfruitful.

### Medical Education and Training Department

#### 3.3 Avoidable payment of interest on arrears of house tax

**Avoidable payment of ₹ 81.30 lakh was made on account of interest on arrears of house tax.**

Sections 172 and 173 of the Uttar Pradesh Municipal Corporation Act, 1959 empower Municipal Corporations to impose property tax on buildings and land in the city. Section 221-A further empowers Municipal Corporation to levy interest on arrears of the property tax.

Scrutiny of the records (January 2020) of Baba Raghav Das Medical College (BRDMC), Gorakhpur and further information collected (December 2022, January 2024 and May 2024) therefrom revealed that the Nagar Nigam (NN), Gorakhpur requested (November 2013) the Principal, BRDMC to provide information regarding land/building construction cost, so that the assessment of tax could be done under Uttar Pradesh Municipal Corporation Act, 1959. However, the Principal, BRDMC contended (December 2013) the levy of taxes on the buildings of the medical college stating that it was a government institution having its own campus and no work was being carried out in the campus by the NN. BRDMC further contended that the college was running since 1972, but tax was never assessed by the NN till date. However, the NN clarified (January 2014) to the BRDMC that the assessment of tax on all type of buildings in the limit of the NN was mandated under the Uttar Pradesh Municipal Corporation Act, 1959 and as per rule, NN does not provide facility inside the campus of any institution.

Scrutiny further revealed that NN raised (April 2015) a demand of house tax amounting to ₹ 141.66 lakh for the first time which included house tax of ₹ 63.52 lakh for the year 2015-16, arrear of ₹ 63.52 lakh up to March 2015 and interest thereon. NN subsequently issued (March 2016) a reminder to BRDMC for payment of the house tax. However, Principal, BRDMC replied (March 2016) that the contention of the college was informed to the NN in December 2013 and it also requested the NN to provide basis for demand of house tax as well as copy of receipts of payments made by another government institutions/department having

own campus. NN further raised demand for house tax of ₹ 2.25 crore for the year 2016-17 (including previous arrears) and ₹ 3.15 crore for the year 2017-18 (including previous arrears) in April 2016 and April 2017 respectively. In view of these demands of house tax, Principal, BRDMC requested (April 2017, October 2017 and July 2018) Director General, Medical Education and Training (DGMET) for sanction and release of funds for payment of house tax.

Audit further noticed that BRDMC made the first part payment of house tax amounting to ₹ 1.21 crore in March 2018 and thereafter, payments of ₹ 1.97 crore<sup>17</sup> were made between September 2018 and February 2019. Finally, BRDMC made full payment<sup>18</sup> of house tax and interest dues up to the year 2019-20 amounting to ₹ 1.45 crore in September 2019 and thereafter house tax of the years 2020-21 and 2021-22 were paid in due course.

Thus, failure of BRDMC in timely payment of house tax levied by the NN, Gorakhpur resulted in avoidable payment of interest on the house tax arrears. BRDMC was aware in November 2013 about the house tax liability to be imposed by NN, but efforts for allocation of funds were made belatedly in April 2017. Besides, DGMET did not allocate enough funds to BRDMC to clear the house tax dues. As a result, BRDMC had to incur avoidable expenditure on payment of interest of ₹ 81.30 lakh<sup>19</sup> for delays in payment of house tax dues. Moreover, BRDMC had not yet provided details of property to the NN thus, annual value of the property based on which house tax was levied by the NN remained ad hoc.

The matter was referred to the State Government (February 2023); reply is awaited (December 2024).

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<sup>17</sup> 5 September 2018 (₹ 5.50 lakh), 28 September 2018 (₹ 5.00 lakh) and 7 February 2019 (₹ 186.02 lakh). This included interest amount of ₹ 73,01,350 paid on 7 February 2019.

<sup>18</sup> Total payment of ₹ 144.83 lakh in September 2019 which included interest of ₹ 8,28,723.

<sup>19</sup> Interest of ₹ 73,01,350 up to the year 2017-18 paid in February 2019 and interest of ₹ 8,28,723 for the year 2018-19 and 2019-20 paid in September 2019.



### Medical Health and Family Welfare Department

#### **3.4 Unfruitful expenditure due to not operationalising plastic surgery and burn unit in Dr. Ram Manohar Lohia Male Hospital, Farrukhabad**

**State Government could not provide human resources for operationalisation of plastic surgery and burn unit in Dr. Ram Manohar Lohia Male Hospital, Farrukhabad despite construction of its building in December 2016, which resulted in unfruitful expenditure of ₹ 1.96 crore incurred on construction of building and purchase of equipment/ furnishings.**

Government of Uttar Pradesh nominated (November 2012) *U.P. Rajya Nirman Sahkari Sangh Limited*<sup>20</sup> as executing agency for construction of Plastic Surgery and Burn Unit building in the premise of Dr. Ram Manohar Lohia Male Hospital, Farrukhabad. After completion of the construction of plastic surgery and burn unit building by executive agency at a cost of ₹ 153.26 lakh, it was handed over (December 2016) to Chief Medical Superintendent of the hospital. Meanwhile, the State Government issued (March 2016) a norm of human resources/posts for setting up the newly established plastic surgery and burn unit which provides for requirement of plastic surgeon (one post), general surgeon (two posts), casualty medical officer (three posts) and other paramedical staff (16 posts). The March 2016 Government Order further provided that the determination of these standards should not be construed as creations of posts for which approval of competent authority was required to be obtained.

Scrutiny of records (September 2022) of office of the Chief Medical Superintendent, Dr. Ram Manohar Lohia Male Hospital, Farrukhabad (CMS) revealed that CMS informed (June 2018) the Director General, Medical and Health Services (DGMHS) that plastic surgery and burn unit had been established in the hospital, but it could not be operationalised due to lack of human resource and furniture/equipment. Subsequently, Administrative and Financial approval of ₹ 70.90 lakh was accorded (December 2020) for equipment and furnishings of newly constructed Plastic Surgery and Burn Unit in the hospital. It was directed in the administrative approval that prior to installation of equipment, it should be ensured that skilled human resources are available for its operation.

Out of the sanctioned fund of ₹ 70.90 lakh, DGMHS provided (January 2021) ₹ 42.90 lakh to CMS for purchase of equipment/furniture.

<sup>20</sup> It is also known as PACCFED.

Besides, Uttar Pradesh Medical Supply Corporation Limited (UPMSCL) was authorized for supply of equipment for the plastic surgery and burn unit out of remaining sanctioned fund of ₹ 28 lakh. Audit noticed that CMS incurred (March 2021) an expenditure of ₹ 39.32 lakh on equipment and furnishing of Plastic Surgery and Burn Unit and equipment of ₹ 3.46 lakh was supplied (July 2021) by UPMSCL to the hospital. However, it was found in a joint inspection (5 September 2022) conducted by audit with the chief pharmacist of the hospital that plastic surgery and burn unit was locked and non-functional, its walls were covered with cobwebs indicating that it was not opened for many days, equipment and furniture procured for the unit were not even unpacked for installation, as depicted in following photographs.



**Photograph 3.4.1 - Plastic Surgery and Burn Unit**

**Photograph 3.4.2- Equipment and furniture**

**Photograph 3.4.3 - Equipment and Furniture**

**Photograph 3.4.4 Central Oxygen Pipeline and Suction System**

Audit further noticed that DGMHS had requested (April 2023) the State Government for creation of posts for the newly established Plastic Surgery and Burn Unit in Dr. Ram Manohar Lohia Male Hospital, Farrukhabad. The posts were sanctioned by the Government in September 2023, however manpower was not deployed against the sanctioned posts. As a result, the Plastic Surgery and Burn Unit in the hospital remained non-functional despite handing over of the building in December 2016.

In reply, the State Government stated (May 2023) that the building of plastic surgery and burn unit in Dr. Ram Manohar Lohia Male Hospital, Farrukhabad was being used as an isolation ward due to unavailability of equipment and furnishings. The equipment had been purchased for the plastic surgery and burn unit of the hospital. At present, it was functional since November 2021 through local arrangement and 34 patients had been treated. However, due to lack of manpower, plastic surgery and burn unit could not be made fully functional. Treatment of burn patients was being done by the general surgeon deployed in the hospital.

The reply was not acceptable, as the joint inspection of audit in September 2022 revealed that the plastic surgery and burn unit was not functional and equipment were kept packed. Another joint inspection by audit (September 2023) of the hospital revealed that manpower was not deployed in the plastic surgery and burn unit, equipment and furnishing procured were not installed, wash basin and toilet seats in bathroom had no connection, ground floor of the burn unit was being used as isolation ward and the first floor was being used for general patients. CMS further confirmed (September 2023 and June 2024) that the burn unit was not operational, and wards of the Unit were being used for general patients due to crowd in respective wards as the required manpower was not deployed and equipment procured were not installed. CMS further stated (June 2024) that after superannuation (June 2023) of general surgeon posted in the hospital, two other surgeons were deployed through walk-in-interview and treatment of minor burn cases was being done in burn unit by them while serious patients were referred to higher medical institutes. Thus, expenditure of ₹ 1.96 crore incurred on construction of building and procurement of equipment and furnishing for Plastic Surgery and Burn Unit in Dr. Ram Manohar Lohia Male Hospital, Farrukhabad remained unfruitful due to failure of the Department to provide human resources for its operationalisation.

**Prisons Administration and Reform Services Department**

**3.5 Unfruitful expenditure on the solar energy based power backup system**

**Due to laxity on the part of Department and inaction by executing agency, the solar energy based power back up system remained non-functional even after five years of its installation defeating its objective of providing power backup to mobile phone jammers installed in Central Jail, Bareilly. Thus, expenditure of ₹ 1.95 crore incurred on installation of the equipment was rendered unfruitful.**

State Government sanctioned (June 2017) ₹ 1.95 crore for installation of solar energy-based power backup system in Central Jail, Bareilly for uninterrupted operation of mobile phone jammers installed in the Jail. State Government nominated PEC Limited<sup>21</sup> as executing agency (EA) for the work. An agreement was executed (July 2017) for the work between the EA and Prison Administration and Reform Services (JH) which stipulated that (i) the validity of warranty period of equipment of solar energy based power backup would be five years from the date of satisfactory commissioning of equipment, (ii) PEC Limited would be responsible to rectify any defect in the power backup system within 24 hours of complaint for which no payment would be made and (iii) performance bank guarantee equal to 10 *per cent* of the cost of equipment and valid for warranty period of 60 months would be provided by EA in favour of Inspector General Jail.

The work order issued (June 2017) by the JH provided that the EA would supply the power backup system as soon as possible, which would not be more than 90 days in any case. Subsequently in view of delays in the work, JH directed the EA to complete the work of installation till March 2018. JH transferred the sanctioned amount of ₹ 1.95 crore to the EA in two instalments<sup>22</sup>.

Scrutiny of records (February 2022) of Senior Superintendent, Central Jail, Bareilly (SSJ) and further information collected (December 2022, January/March 2023 and April 2024) therefrom revealed that the EA supplied the equipment to the Jail in March 2018 but it was made functional in May 2019 after completing the installation work of solar power backup system, *i.e.*, 13 months after the target date of installation (March 2018). However, the solar power backup system stopped (July 2019) functioning properly after two months from completion of installation process and the duration of power backup was very short (only

<sup>21</sup> A Government of India Enterprises (formerly The Project and Equipment Corporation Limited).

<sup>22</sup> In October 2017 and March 2018.

15 to 20 minutes). As a result, the jammers remained non-operational during the power cuts.

SSJ requested (July 2019) EA about the poor functioning of the solar power backup system. After several requests<sup>23</sup> of SSJ to make the solar power backup system fully functional, a representative of EA visited (June 2020) the jail premises after one year from the date of installation but could not resolve the issue and intimated that most of batteries of solar power backup system were defective and required to be changed to make the solar power backup system functional. After further requests of SSJ (June and July 2020), a representative of EA again inspected (July 2020) the solar power backup system and found that seven batteries were completely defective and most of the batteries were having low voltage problem. The representative of EA sent batteries of one battery bank to manufacture for replacement and batteries of remaining two battery banks were kept for boost charging without load for 15 days. In August 2020, solar power backup system was restored with two battery banks which was delivering power backup of four hours. However, in May 2021, it was found that mobile phone jammers were not functioning on solar system during power cuts and the EA was informed (May 2021) by the SSJ about the defect. In August 2021, a representative of the EA again inspected and found that batteries were not functioning but not resolved the issue. Audit further noticed that the power backup system remained non-functional as of March 2023 despite subsequent requests to the EA<sup>24</sup>.

In reply, the State Government forwarded (September 2023) the reply (March 2023) of JH stating that PEC had been requested to repair solar energy based power back up system in Central Jail, Bareilly. JH further stated that performance bank guarantee was not obtained from EA as the EA intimated about the exemptions allowed to Government Public Undertakings from giving bank guarantee. However, JH subsequently stated (February 2024) that PEC has stopped commercial activities since September 2019 due to financial loss and therefore, the matter was not taken up with the administrative ministry of the EA, Ministry of Commerce and Industry, Government of India. SSJ, Bareilly further informed (April 2024) that solar energy based power back up system was not functioning properly due to which mobile phone jammers stops working after a few minutes during power cuts.

Thus, due to laxity on the part of department to take appropriate action against EA, not seeking performance bank guarantee for warranty period<sup>25</sup>

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<sup>23</sup> August, September, November and December 2019, January, February, March and June 2020.

<sup>24</sup> 28 August 2021 and 22 January 2022.

<sup>25</sup> Indemnity Bond provided (July 2017) by PEC in lieu of Bank Guarantee remained in force till the supply, installation and commissioning of solar power plant.

and inaction on the part of EA to remove defects within 24 hours of complaint as envisaged in the agreement, the solar power backup system could not be made operational to provide power backup to mobile jammers during power cuts even after five years of its installation. Resultantly, the objective of installation of solar power backup system could not be achieved and warranty period of the system ended without proper functioning of solar system. Besides, the expenditure of ₹ 1.95 crore incurred on installation of solar system was rendered unfruitful.

### **Technical Education Department**

#### **3.6 Unfruitful expenditure on construction of women's hostel buildings**

**Seven women's hostels in Government polytechnics could not be made operational even after a lapse of two to four years of handing over of these hostels. Besides, after a lapse of more than seven years of their sanction, three hostels though completed are still not handed over and construction of one hostel is still incomplete due to which an expenditure of ₹ 21.22 crore incurred on their construction remains unfruitful.**

To provide hostel facilities to the girl students in the Government Polytechnics (GPs) located away from the city and in places with less availability of rented buildings, the State Government sanctioned (August 2016) ₹ 21.21 crore for the construction of 15 women's hostels with a capacity of 60 students in each hostel at the standardised cost of ₹141.41 lakh of each hostel for 15 GPs<sup>26</sup> without women's hostel. The Government also nominated (August 2016) Uttar Pradesh Rajya Nirman Sahkari Sangh (UPRNSS)<sup>27</sup> and Uttar Pradesh Project Corporation Limited (UPPCL) as executing agencies for construction of eight<sup>28</sup> hostel buildings and seven<sup>29</sup> hostel buildings respectively. Further, ₹ 20.50 crore was released in three instalments between August 2016 and February 2018 to the Director, Technical Education for construction of 14 hostels, except in the case of hostel at Government Leather Institute (GLI), Kanpur Nagar<sup>30</sup>. Revised estimates for the cost of construction of these 15 women's hostels were later sanctioned by the Government for

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<sup>26</sup> GPs at Azamgarh, Ballia, Banda, Basti, Gonda, Hamirpur, Kanpur Dehat, Kushinagar, Mainpuri, Orai Jalaun, Siddharthnagar, Sonbhadra, Tundla Firozabad, Varanasi and Government Leather Institute (GLI), Kanpur Nagar.

<sup>27</sup> Previously named as PACCFED.

<sup>28</sup> Women's hostels in GP Azamgarh, Banda, Ballia, Basti, Gonda, Kushinagar, Siddharthnagar and Varanasi.

<sup>29</sup> Women's hostels in GP Firozabad, Hamirpur, Orai Jalaun, Kanpur Dehat, Mainpuri, Sonbhadra and GLI, Kanpur Nagar.

<sup>30</sup> First instalment (August 2016) of ₹ 8.48 crore at the rate of ₹ 56.56 lakh for each of the 15 hostels (V-2/169), second instalment (September 2016) of ₹ 2.12 crore at the rate of ₹ 14.14 lakh for each of the 15 hostels (V/191) and third instalment of ₹ 9.90 crore at the rate of ₹ 70.71 lakh each for 14 hostels between August 2017 to February 2018. The third instalment of ₹ 1.06 crore for the remaining one hostel at GLI Kanpur was released in March 2022.



₹ 28.95 crore between March 2018 and March 2021. Remaining funds of ₹ 8.45 crore were released between June 2018 and March 2022 (*Appendix 3.1*).

Scrutiny of records (November 2019) of GP Orai, Jalaun and further information collected (December 2021, September 2022 and December 2022) from Director, Technical Education revealed that no agreement/Memorandum of Understanding (MoU) was executed between the construction agencies and the department to ensure timelines and qualitative execution of work. The scheduled period of completion was neither decided by the Government in the administrative and financial approval nor fixed by the Department.

Audit noticed that ₹ 28.92 crore was incurred on construction of 15 women's hostel buildings by the EAs. A joint physical inspection of all 15 women's hostel was conducted by Audit during May and June 2023 and further information regarding operation of these hostels were collected from respective GPs (*Appendix 3.2*). Audit further noticed that the construction of 14 out of 15 women's hostel buildings was completed and 11 out of 14 completed hostel buildings were handed over to the concerned GPs between August 2018 and June 2022. However, out of 11 handed over women's hostels, only three<sup>31</sup> were made operational and allotted to girl students and one more women's hostel<sup>32</sup> was though made operational but used as a boys' hostel. Thus, 11 women's hostel remained non-operational/incomplete even after a lapse of more than seven years of their sanction due to the following reasons:

- Three<sup>33</sup> women's hostel buildings were completed but not handed over as the construction of other buildings in GP was incomplete and under investigation by Special Investigation Team (SIT).
- One women's hostel at Government Leather Institute, Kanpur Nagar was still incomplete due to delay in demolition of existing dilapidated building at the selected construction site which further delayed the construction of hostel.
- Seven<sup>34</sup> women's hostels though handed over by the EAs to the respective GPs were not made operational due to unwillingness of girls to reside in the hostels due to various reasons, viz., non-availability of furniture, security reasons and lack of other basic facilities as detailed in *Appendix 3.2*.

<sup>31</sup> Women's hostels were operational in GP Gonda (handed over in August 2019), Kushinagar (handed over in October 2019) and Mainpuri (handed over in June 2019).

<sup>32</sup> Women's hostel of GP Firozabad (handed over in August 2018).

<sup>33</sup> Women's hostel in GP Azamgarh, Ballia and Varanasi.

<sup>34</sup> Women's hostel in GP Banda, Basti, Hamirpur, Kanpur Dehat, Orai Jalaun, Siddharthnagar and Sonbhadra.



Thus, intended purpose of the construction of women's hostel was not yet achieved. As a result, an expenditure of ₹ 21.22 crore<sup>35</sup> incurred on the construction of 11 women's hostels<sup>36</sup> which were not made operational remained unfruitful.

The Director, Technical Education stated (September 2022) that the schedule period of completion of hostels was not decided by the department/Government and instructions for entering into MoU with the executing agency were not in existence at the time of sanction. Further, in reply (February 2024), the State Government stated that construction of hostels was a priority in these 15 polytechnics, which had no women's hostel, were far from cities and had less availability of accommodation on a rent basis. Out of 11 hostels handed over by the EAs, furniture was provided in 10 hostels and sanction of fund for furniture in remaining one hostel at GP Banda had been issued in the current financial year. There was less admission of girl students in GPs in the previous and current academic session, however, girls would be benefited from hostels after an increase in admission in the future. The State Government further stated that out of 15 hostels, 11 hostels had been handed over and made operational.

The reply was not acceptable, as the further information received (May 2024) from the Technical Education Directorate revealed that out of 11 handed over hostels, only four were operational, and even in this, one hostel was used as a boy's hostel. Further, girls were also not interested in residing in these hostels due to security reasons and lack of amenities, which necessitated adequate remedial measures by the Government for their operationalisation. Besides, due to absence of any timeline for the construction of these hostels, one women's hostel was yet to be completed, and three completed hostels were not handed over.

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<sup>35</sup> GP Azamgarh: ₹ 204.75 lakh; GP Banda: ₹ 243.11 lakh; GP Ballia: ₹ 224.48 lakh; GP Basti: ₹ 182.32 lakh; GP Hamirpur: ₹ 178.46 lakh; GP Orai Jalaun: ₹ 185.66 lakh; GP Kanpur Dehat: ₹ 187.26 lakh; GP Siddharthnagar: ₹ 181.66 lakh; GP Sonbhadra: ₹ 179.45 lakh; GP Varanasi: ₹ 178.36 lakh; GLI Kanpur Nagar: ₹ 176.87 lakh.

<sup>36</sup> Hostels handed over to respective GPs - seven, hostels not yet handed over by EAs- three, one hostel incomplete.

### 3.7 Unfruitful expenditure on under construction building in Harcourt Butler Technical University

**Expenditure of ₹ 8.37 crore incurred on construction work of building for the Electronics Engineering Department of the Harcourt Butler Technical University, Kanpur (HBTU) remained unfruitful due to delay in release of adequate fund resulting in stoppage of work since December 2021.**

*Rashtriya Uchchatar Shiksha Abhiyan (RUSA)*, a centrally sponsored scheme for strategic funding to eligible State higher educational institutions aims to improve access, equity and quality in higher education through planned development of higher education at the State level. Project Approval Board (PAB) of RUSA approved (September 2015) ₹ 55 crore for up-gradation of Harcourt Butler Technical Institute, Kanpur (HBTI<sup>37</sup>) into Harcourt Butler Technology University (HBTU) on the proposal of State Government (GoUP). The approved fund (₹ 55 crore) included fund for the construction of separate Electronics Engineering Department (EED) building in an area of 4,000 square meter at a cost of ₹ 12.65 crore, which was facing acute shortage of sitting space for faculty, research fellows and students.

Scrutiny of records (December 2021) of HBTU revealed that State Government nominated (September 2016) Uttar Pradesh Awas evam Vikas Parishad (UPAVP) as the executing agency for construction works of EED building. UPAVP submitted (October 2016) an estimate of ₹ 20.76 crore for EED building. However, State Government accorded (January 2017) administrative and financial sanction of ₹ 16.25 crore for EED building and released the first instalment of ₹ 6.50 crore. Further, an agreement was executed (March 2017) between HBTU and UPAVP for construction of EED building and fund of ₹ 6.50 crore released (March 2017) to UPAVP. According to the agreement, the work was to be completed within 22 months from the date of the start of work. However, the agency did not start the work upto August 2017 and therefore, State Government (September 2017) directed UPAVP to not incur expenditure out of released fund of ₹ 6.50 crore and construction may be stopped till further order. Subsequently after six months, State Government permitted (April 2018) UPAVP to commence the construction work. As such, construction of EED building was commenced in May 2018, i.e., after a delay of 16 months from the date of sanction of work and 14 months after the release of fund (March 2017) to the UPAVP.

<sup>37</sup> Harcourt Butler Technical Institute, Kanpur (HBTI) is a multi-disciplinary college having courses in engineering, technology, science and humanities.

Audit further noticed that UPAVP incurred an expenditure of ₹ 4.89 crore upto January 2019 and submitted the utilisation certificate to HBTU with request to provide the remaining fund of ₹ 6.15 crore<sup>38</sup> against the revised estimates of ₹ 12.65 crore for EED building<sup>39</sup>. Further funds of ₹ one crore and ₹ 86.75 lakh were released by the Government to the UPAVP in March 2019 and March 2021 respectively. As per the utilisation certificate submitted (October 2021) by UPAVP, the entire released amount of ₹ 8.37 crore was utilised and overall 70 *per cent* of work could be completed. UPAVP also requested (October 2021) HBTU to release the balance amount of ₹ 4.28 crore for completion of the work and the construction work remained stopped since December 2021 due to non-release of fund. Audit further noticed that HBTU had complained (December 2018, May 2019, June 2019, January 2020 and March 2020) to the UPAVP about the slow progress of work.

In reply, State Government stated (September 2023/February 2024) that the process of releasing balance amount of ₹ 4.28 crore for EED building of HBTU was underway. However, HBTU further confirmed (July 2024) that balance amount was not released by the Government.

The fact remains that the objective to provide proper sitting and lab space to students and research fellows of the Electronics Engineering Department remained unachieved even after more than seven years of its sanction due to delay in construction of EED building. As a result, expenditure of ₹ 8.37 crore incurred on incomplete construction of EED building in HBTU remained unfruitful.

### **Urban Development Department**

#### **3.8 Unfruitful Expenditure on incomplete commercial shops**

**Nagar Panchayat, Uska Bazar, Siddharthnagar (NP) started construction of commercial shops on the land not duly owned by the NP due to which dispute arose with Zila Panchayat, Siddharthnagar and construction could not be completed even after lapse of more than seven years resulting in unfruitful expenditure of ₹ 1.36 crore on incomplete commercial shops.**

Paragraph 378 of Financial Handbook Volume VI of Uttar Pradesh (FHB) stipulates that work should not be started on such land which has not been duly transferred by the responsible civil officer.

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<sup>38</sup> Revised estimates of ₹ 12.65 crore minus earlier released fund of ₹ 6.50 crore.

<sup>39</sup> The Building Construction Committee of HBTU approved (December 2018) an amended drawings and revised estimate of ₹12.65 crore for construction of EED building. HBTU forwarded (December 2018) the revised drawings to UPAVP for execution. HBTU had earlier requested (July 2018) the State Government for revision in the administrative approval of ₹ 16.25 crore as accorded in January 2017 so as to keep the work within the estimates (₹ 12.65 crore) sanctioned by RUSA for the EED building.

Scrutiny of the records (September 2018) of office of the Nagar Panchayat, Uska Bazar, Siddharthnagar (NP) and further information collected (March 2019, September 2019, October 2022 and May 2023) revealed that the NP decided (June 2014) to construct commercial shops<sup>40</sup> and accordingly, estimates of ₹ 2.93 crore for construction of 63 shops was approved by the Chairman, NP. Tender for the construction of commercial shops was invited in August 2015 and work order was issued to the lowest bidder in May 2016 at a cost of ₹ 2.93 crore. Construction work was started in June 2016 which was stipulated to be completed within six months.

Audit observed that construction work of these commercial shops was stopped in February 2017 after incurring an expenditure of ₹ 1.36 crore. As a result, the work of plaster, stairs and roof of the proposed commercial shops remained incomplete.

Audit further observed that Zila Panchayat, Siddharthnagar (ZP) directed (July 2016) the NP to stop the work as the said land on which construction work was being carried out belonged to the ZP. The ZP also filed a writ petition<sup>41</sup> in the Hon'ble High Court, Allahabad in this matter and the Hon'ble High Court directed (December 2016) the petitioner to raise this grievance before the District Magistrate (DM), Siddharthnagar. Accordingly, after hearing both parties, i.e., ZP Siddharthnagar and NP Uska Bazar, DM Siddharthnagar decided (August 2017) that based on available records, the ZP was the owner of the said land. The DM further recorded in its order that the NP could not provide any evidence to establish its ownership of the said land and directed Executive Officer of the NP to stop the construction work immediately. NP Uska Bazar subsequently requested (September 2018) the DM to allow the NP to complete the roof work of commercial shops in public interest. However, the dispute remained unresolved as no decision on the issue could be arrived at in the meeting (February 2024) held between ZP Siddharthnagar and NP Uska Bazar.

Thus, failure of NP Uska Bazar to commence construction of commercial shops without ascertaining the ownership of land resulted in unfruitful expenditure of ₹ 1.36 crore on incomplete construction works of 63 commercial shops. The construction works remained stopped for more than seven years as depicted in following photograph<sup>42</sup>:

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<sup>40</sup> From Block Resource Center (BRC) to the front of Block Development Office building in ward no. 08 of the NP.

<sup>41</sup> Petition no. 60900/2016.

<sup>42</sup> As provided (April 2024) by NP Uskabazar.



In reply (February 2024), DM, Siddharthnagar stated that the then Executive Officers of the NP Uska Bazar were responsible for commencement of process for construction of commercial shops without ascertaining ownership of the said land. The State Government further stated (July 2024) that the status on the issue had been sought from the DM concerned and on receipt of the comments the same would be informed accordingly.

### 3.9 Unfruitful expenditure on incomplete animal shelter homes

**In violation of the Financial Rules and the guidelines of the Kanha Animal Shelter scheme, Nagar Palika Parishad, Siswa Bazar, Maharajganj and Nagar Panchayat, Uska Bazar, Siddharthnagar commenced construction of animal shelter homes without ensuring availability of undisputed land due to which construction works were stopped after incurring expenditure of ₹ 96.63 lakh resulting in unfruitful expenditure on these constructions for more than six years.**

Government of Uttar Pradesh (GoUP) started 'Kanha Animal Shelter Scheme' for establishment of Animal Shelter Homes/*Kanji Houses* in urban local bodies (ULBs) of the State from the financial year 2016-17. Scheme guidelines provided that the ULB must have undisputed land for construction of Animal Shelter Homes. If the land is not available with the ULB, the District Magistrate of the concerned district would arrange the land free of cost. Further, Paragraph 378 of Financial Handbook Volume



VI also provides that no work should be commenced in land which has not been duly made over by the responsible civil officer.

***Nagar Palika Parishad, Siswa Bazar, Maharajganj***

Scrutiny of records (April 2022) of Nagar Palika Parishad (NPP), Siswa Bazar, Maharajganj and further information collected (May 2023 and November 2023) revealed that a Detailed Project Report (DPR) of ₹ 1.93 crore for construction of animal shelter home in office premise of the NPP<sup>43</sup> was sent (28 June 2016) to the Urban Development Department (UDD), GoUP for sanction. However, due to insufficient land in the office campus, the NPP decided (14 August 2016) to shift the proposed construction site to another land situated in another local body, Gram Sabha, Kothibhar which was adjacent to boundary of the NPP. Meanwhile, Government accorded (16 August 2016) administrative and financial sanction for construction of animal shelter home at the cost of ₹ 1.93 crore and released ₹ 96 lakh as the first instalment. Subsequently, NPP requested (20 August 2016) the UDD for change of the approved site of construction of Animal Shelter Home to Kothibhar.

Audit further noticed that the NPP requested (15 August 2016) Gram Panchayat, Kothibhar to provide vacant plot available in Kothibhar adjacent to Ward No. 7 of the NPP for establishment of animal shelter home. Subsequently, the *Bhumi Prabandhan Samiti* of Gram Panchayat Kothibhar passed (December 2016) the proposal for the construction of animal shelter home on the said vacant land. UDD also approved (March 2017) the construction of Animal Shelter Home on this land parcel.

Further scrutiny revealed that the NPP awarded the construction work of animal shelter home to a contractor by inviting tender (September 2016) and work order was issued (December 2016) to complete the work within three months. After commencement of work, the construction was stopped (April 2017) by the Sub District Magistrate, Nichlaul (SDM) on the complaint of villagers regarding illegal construction on the *Khalihan* land of Gram Sabha, Kothibhar. Later, the NPP filed a writ<sup>44</sup> petition in the Hon'ble High Court, Allahabad in which the Hon'ble High Court ordered (July 2017) the District Magistrate (DM) to consider and decide the grievances of the petitioner (NPP Siswa Bazar) in four weeks. Accordingly, the DM considered the grievance and upheld (September 2017) the order of the SDM. In its order, the DM concluded that *Bhumi Prabandhan Samiti* of Gram Panchayat Kothibhar and Gram

<sup>43</sup> Nagar Panchayat Siswa Bazar was constituted as Nagar Palika Parishad vide Gazette notification dated 31 December 2019.

<sup>44</sup> Writ number 27194/2017.

Pradhan went beyond its power in allowing construction of animal shelter home on the *Khalihan* land and the Executive Officer of the NPP was responsible for commencing construction on the Gram Sabha land without obtaining

‘No Objection Certificate’ from the DM.

It is pertinent to mention that before sending the DPR of the animal shelter home for sanction, NPP informed (18 June 2016) the Government that undisputed land was not available with the NPP and thereafter forwarded (28 June 2016) the proposal/DPR to construct animal shelter home in the NPP office premise. This parcel of land was again within a period of two months considered insufficient (August 2016) and therefore, Gram Sabha, Kothibhar was requested for an alternate site. Thus, the NPP proposed for construction of animal shelter home without availability of suitable site and also no effort was made to obtain undisputed land from the DM as envisaged in the scheme guidelines.

Audit noticed that physical progress of work was 60 *per cent* after incurring expenditure of ₹ 48.81 lakh when the work was stopped in April 2017. Further, the balance amount of ₹ 109.14 lakh<sup>45</sup> was lying unutilised in the bank account of NPP (May 2023).

In reply (February 2024), the Directorate, Urban Local Bodies forwarded the reply of Executive Officer, NPP Siswa Bazar stating that the construction was stopped since April 2017 due to stay order of the SDM. It was further stated that after extension of the NPP area, the said land of Gram Sabha Kothibhar was now part of the NPP Siswa Bazar and the SDM had been requested (January 2024) to change the land use of the said land from *Khalihan* to *Parti* land so as to complete the construction of animal shelter home.

Thus, failure of Executive Officer, NPP to formulate proposal for animal shelter home on undisputed land resulted in stopping of the work on the site since April 2017 and the expenditure of ₹ 48.81 lakh incurred on the incomplete animal shelter home remained unfruitful. Further, the NPP failed to complete the construction even after the said land of Gram Sabha was included in the NPP after extension of its area in December 2019, as depicted in the following photograph.

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<sup>45</sup> Including interest and unutilised amount of first installment and partial receipt of second instalment of ₹ 49.70 lakh (received in March 2023).



*Nagar Panchayat, Uska Bazar, Siddharthnagar*

Scrutiny of the records (September 2018) of Nagar Panchayat (NP), Uska Bazar, Siddharthnagar and information collected (October 2022 and May 2023) therefrom revealed that Nagar Panchayat Board decided in its meeting (May 2016) to construct Animal Shelter Home in Ward No. 7 (Subhash Nagar). A Detailed Project Report of ₹ 1.68 crore for the construction of Animal Shelter Home was sent (June 2016) to the Government for sanction mentioning that there was no dispute on the said land and the proposed land was recorded as *Kanji House (Mawesikhana)* in khatauni. Government accorded (August 2016) administrative and financial sanction for the cost of ₹ 1.68 crore and released ₹ 84 lakh as the first instalment. The work was awarded by the NP to a contractor by inviting tender (September 2016) and work order (October 2016) was issued to complete the work within one year.

Audit observed that contractor commenced construction of the animal shelter home in November 2016. However, dispute arose regarding ownership of the land as Zila Panchayat (ZP) Siddharthnagar claimed (April 2017) ownership on this parcel of land. Subsequently, the matter was heard (August 2017) before DM, Siddharthnagar where the NP could not produce any evidence to prove its ownership over the said parcel of land and the DM decided the land title in favour of the ZP and directed the NP to stop the construction work immediately.

Audit noticed that only 35 *per cent* work of animal shelter home was completed after incurring expenditure ₹ 47.82 lakh when the work was stopped in February 2017. The roof work and plaster were incomplete.

Further, the balance amount of ₹ 54.09 lakh (including interest earned) was lying unutilised (May 2023) in the bank account of the NP.

In reply (February 2024), the Directorate, Urban Local Bodies forwarded the reply of DM, Siddharthnagar stating that a case on the disputed land was pending before Civil Judge court for which next date of hearing is in May 2024. The DM further stated that the then Executive Officers of the NP were responsible for commencing construction work without ascertaining the ownership of the land and without obtaining 'No Objection Certificate'.

The fact remains that NP Uska Bazar could not provide undisputed land as per terms and conditions of the scheme. The ownership of the land was not indicated in the khatauni, however, the work was started on the land without ascertaining ownership of the NP over the parcel of land due to which dispute arose and work was stopped. As a result, the said construction was still incomplete (April 2024) as depicted in the following photograph and the expenditure of ₹ 47.82 lakh incurred on the incomplete Animal Shelter Home remained unfruitful.



Thus, due to violation of the Financial Rules and the guidelines of the scheme, the construction of both animal shelter homes remained incomplete since more than six years which resulted in unfruitful expenditure of ₹ 96.63 lakh on incomplete construction of animal shelter homes.

In reply, the State Government stated (July 2024) that the matter regarding construction of animal shelter home in Nagar Panchayat, Uska Bazar, Siddharthnagar is pending in Hon'ble Court which would be disposed of through pleading in the Hon'ble Court effectively. State Government further stated that the status had been sought from the DM concerned and

on receipt of the comments the same would be intimated accordingly. However, the State Government did not reply on the construction of animal shelter home in Siswa Bazar, Maharajganj.

### **3.10 Unfruitful Expenditure on construction of Pandal in a private university**

#### **Construction and Design Services (C&DS), UP Jal Nigam**

**Expenditure of ₹ 4.91 crore was incurred on incomplete construction of *Bhavya Pandal* in Mohammad Ali Jauhar University which was lying abandoned for more than six years rendering the entire expenditure unfruitful. Out of total expenditure of ₹ 4.91 crore, C&DS incurred expenditure of ₹ 2.91 crore without release of fund from the State Government for the work.**

Pursuant to the announcement (October 2013) of the Hon'ble Chief Minister, the State Government (Culture Department) accorded (February 2015) administrative approval of ₹ 12.17 crore and also accorded first phase financial sanction of ₹ 2 crore for construction of *Bhavya Pandal (Pandal)* in Mohammad Ali Jauhar University<sup>46</sup> Campus at Rampur (University). According to the conditions laid down for the administrative approval, the ownership of the *Pandal* would be of the Department of Culture, Uttar Pradesh which would not be transferred or exchanged or sold to any person, institution, department or agency by any means. The construction work was to be carried out by the Construction and Design Services, UP Jal Nigam (C&DS). Technical sanction (₹ 11.49 crore) to the work was accorded by the Director, C&DS, Lucknow in December 2016. The work commenced in December 2016 and was to be completed by June 2017. Meanwhile, the Culture Department changed (October 2016) the terms and conditions laid in the administrative approval and the revised terms and conditions provided that the ownership of the Pandal would of the University.<sup>47</sup>

Scrutiny of records (December 2019) of office of the Project Manager, C&DS, Unit 54, Rampur (construction unit) (now merged with C&DS, Unit 18, Moradabad) and information further collected (January 2023 and April 2024) from the Director, Culture Department and C&DS revealed that a sum of ₹ 2 crore was made available (January 2017) to C&DS Rampur for construction of *Pandal* against the financial sanction accorded in February 2015. Further scrutiny revealed that financial sanction of ₹ 3 crore was accorded (January 2017) by the Culture Department with the

<sup>46</sup> It is a private university.

<sup>47</sup> Director, Culture Department stated (April 2024) that the decision to transfer ownership of the pandal from the State Government to the University was taken at the State Government level.

condition that withdrawal of fund would be made after the executing agency provides utilisation certificate of previous released amount along with the physical progress report. The C&DS submitted utilisation certificate in respect of the first instalment of ₹ 2 crore released to it, which was countersigned by the District Magistrate, Rampur (DM) and sent (March 2017) to the Director, Culture Department. Meanwhile, to maintain the progress and continuity of the work, C&DS headquarter released (February 2017) another instalment of ₹ 2 crore to the construction unit as mobilisation advance in anticipation to release of fund by the Culture Department.

Audit observed that the construction unit utilised entire released fund of ₹ 4 crore on the work as of March 2017, besides creation of liability of ₹ 90.74 lakh which could not be paid to the contractor due to unavailability of funds. The work was stopped in September 2017 after completion of structural work due to lack of fund. Despite several requests (March 2017, May 2020 and July 2020) of C&DS, no further instalment was released by the Culture Department.

In reply, the State Government (Urban Development Department) forwarded (December 2023) the reply of C&DS stating that adjustment of mobilisation advance of ₹ 2 crore and liability of ₹ 90.74 lakh had not been done till now due to non-release of the second instalment of ₹ 3 crore by Culture Department. C&DS further stated that the work of pandal was carried out as per directions of Culture Department.

The reply is not acceptable, as C&DS carried out work of ₹ 2.91 crore<sup>48</sup> despite fund not released by the Department of Culture for the work. Further, with reference to non-release of balance fund for the pandal work, Director, Culture Department stated (April 2024) that due to the instructions given by the then Hon'ble Culture Minister in case of works having unsatisfactory progress, the balance fund were not released for the pandal work as the progress of the work did not appear to be satisfactory and also due to departmental investigation on the complaint related to misuse of government money on construction of pandal received on Integrated Grievance Redressal System (IGRS) portal.

Thus, the work of *Bhavya Pandal* remained incomplete even after incurring expenditure of ₹ 4.91 crore and it was lying abandoned for more than six years as noticed during joint physical verification (May 2024) which revealed that RCC roof had been laid only on one third of the stage area. Entire work except the stage area was constructed using

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<sup>48</sup> Total expenditure (₹ 4.91 crore) minus fund released by Department of Culture (₹ 2.00 crore).



pillars/beams of iron and the iron bars and other iron material were getting rusted as these were lying in the open sky.

### 3.11 Unfruitful expenditure on incomplete shooting range

**Nagar Nigam Lucknow failed to complete construction works of a shooting range commenced in the year 2008 and stopped since the year 2012, resulting in unfruitful expenditure of ₹ 18.61 crore on the incomplete shooting range.**

State Government notified (July 1998) constitution of Infrastructure Development Fund (*Awasthapana Vikas Nidhi*) in each Urban Local Body (ULB) for integrated development and providing required level of infrastructure facilities/services. For undertaking works from the Fund, priority was to be given, as far as possible, to works which would create permanent assets providing regular income to the ULB. The works to be funded under the Fund was to be approved by a committee constituted at the level of Commissioner/District Magistrate.

Scrutiny of the records (August 2019 and August 2022) of Nagar Nigam Lucknow (NN) revealed that with the aim of encouraging the unique talents of shooting in the State and getting recognition at the national and international level, the NN approved (September 2008) a proposal of the Municipal Commissioner for establishment of a shooting range in Lucknow. The proposal of Municipal Commissioner did not specify total cost of the project and it merely stated that at present, the establishment of shooting range would require ₹ 50 lakh. However, Audit noticed from the records<sup>49</sup> of the NN that the total estimated project cost for setting up of shooting range stadium and training center was ₹ 52.95 crore.

Against the project cost of ₹ 52.95 crore, an amount of ₹ 37.14 crore was sanctioned by a committee headed by the Commissioner, Lucknow Division from the *Awasthapana Vikas Nidhi* between December 2008 and September 2011. However, only ₹ 18.88 crore was released for the shooting range against the sanctioned amount of ₹ 37.14 crore and expenditure of ₹ 18.61 crore was incurred (upto year 2012). The construction work of this shooting range, which was commenced in the year 2008, was stopped in the year 2012 due to lack of funds. The physical progress of the work was as detailed in **Appendix 3.3**, which indicates that shooting range had been developed only partially and no work related to internal and external road development, drainage and procurement of equipment were taken up. The NN attributed (September 2023) the deficient funding for the project to non-release of fund by the State

<sup>49</sup> Letter no. 33/C/Nagar Ayukt dated 05.06.2012 from Municipal Commissioner to the State Government.

Government in the *Awasthapana Vikas Nidhi*. Pertinently, the estimated cost of the entire project (₹ 52.95 crore) and source of funding for the project were never approved<sup>50</sup>.

Audit further noticed that the Municipal Commissioner sent (December 2016) a proposal to the State Government for maintenance and operation of shooting range on Public Private Partnership (PPP) basis for 30 years lease period. The proposal was approved (January 2017) by the State Government<sup>51</sup> with instructions to take further action after obtaining approval of the Council/Executive Committee of the NN as necessary. However, the proposal for maintenance and operation of shooting range on PPP basis was not submitted to the Council/Executive Committee of the NN. The NN informed (September 2023) Audit that the proposal was not submitted to the Council as efforts were being made during 2017-19 to hand over the shooting range constructed upto that time to Sports Department, Uttar Pradesh for operation and maintenance.

Further, the State Government (Urban Development Department) directed (June 2019) to transfer the shooting range to the Sports Department on lease, but the shooting range was yet to be transferred to the Sports Department. In this context, NN informed (September 2023) Audit that the shooting range would be transferred after receiving consent of the Sports Department. Meanwhile, the NN had also forwarded (July 2023) a revised estimate of ₹ 127.24 crore<sup>52</sup> for developing this shooting range and the approval of this estimate was awaited (15 April 2024).

Thus, due to incomplete construction works, intended international level shooting range could not be operationalised even after incurring ₹ 18.61 crore.

In reply, the State Government stated (May 2023) that the shooting range could not be made fully operational due to lack of fund since the year 2012. Government further stated that a committee had been constituted under Principal Secretary, Urban Development Department to examine issues for developing the shooting range. In view of decisions taken in the meeting (April 2023) of the committee, an action plan<sup>53</sup> was being prepared to complete the required minimum remaining works of the shooting range and providing shooting equipment. State Government further contended that the expenditure on the project was not unfruitful, as at present, the shooting range was being utilized for training related to licence renewal by DM Office and training to personnel of anti-terrorist

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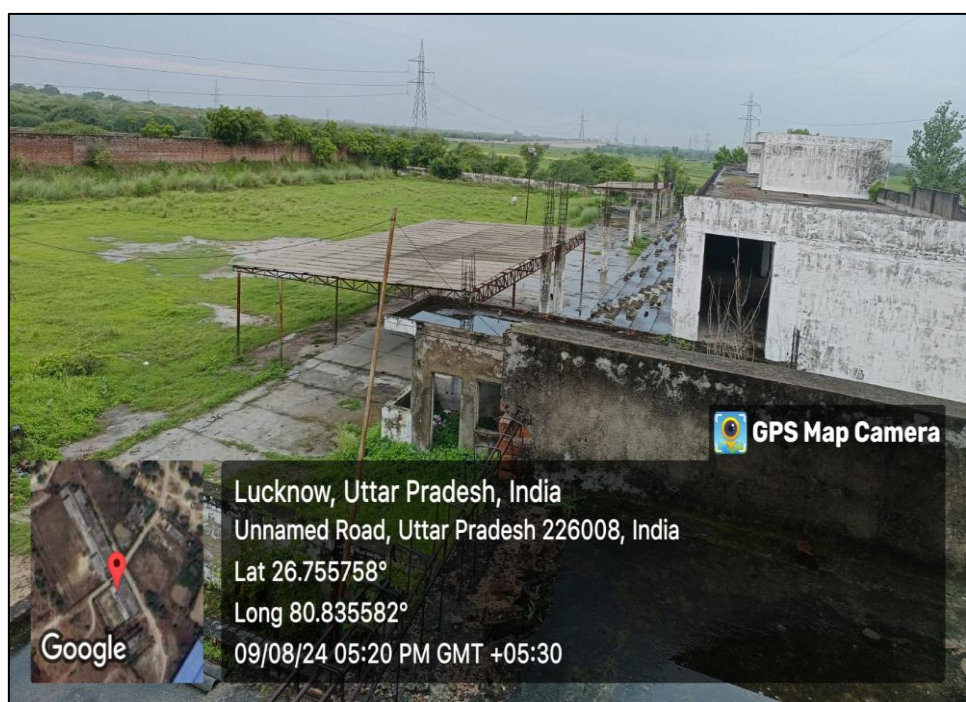
<sup>50</sup> As informed by the Executive Engineer, NN Lucknow vide letter no. 3141/PM/J/24-25 dated 15.04.2024.

<sup>51</sup> Letter no. 8354/9-7-16-334 (Lucknow)/2016 dated 03.01.2017 of Urban Development Anubhag-7.

<sup>52</sup> Including the remaining previous work and some new works.

<sup>53</sup> Action plan of ₹ 166.80 crore, which included previous proposed cost of ₹ 127.24 crore, had been forwarded to the Government in December 2023.

squad and shooting competition held during Lucknow Mahotsava. Besides, action was being taken to develop the shooting range and its operation and maintenance on PPP model.



The reply is not acceptable, as the shooting range remained incomplete since 2012 due to lack of fund as depicted in above photographs. Further, there was undue delay by the NN in transferring the shooting range to Sports Department despite the State Government's direction (June 2019) and also efforts were not made for its operation on PPP basis which shows



laxity at NN level. Besides, limited use of the shooting range for training of anti-terrorist squad, license renewal by DM Office and Lucknow Mahotsava does not justify the expenditure on the project and it was not the purpose for developing this shooting range. Moreover, the approval of the Government was awaited (April 2024) on the action plan of ₹ 166.80 crore for completing the remaining work of the shooting range, which was sent to the State Government in December 2023.

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

**3.12 Unfruitful expenditure of ₹ 10.76 crore**

**The construction work of ITIs at Katra Shankar Nagar, Tulsipur and Sriduttganj in district Balrampur could not be completed even after a lapse of more than eleven years of its sanction due to delay in providing land and commencement of work without ensuring approval of estimated fund required for the construction. Thus, expenditure of ₹ 10.76 crore incurred on incomplete ITI buildings was rendered unfruitful.**

Ministry of Minority Affairs, Government of India (MoMA) approved (March 2012 and November 2012) projects<sup>54</sup> for establishing Government Industrial Training Institutes (ITI) at Katra Shankar Nagar at a cost of ₹ 3.65 crore<sup>55</sup> and at Shriduttganj and Tulsipur at a cost of ₹ 4.05 crore<sup>56</sup> for each ITI in district Balrampur under Multi-sectoral Development Programme<sup>57</sup> (MsDP). As per MsDP guidelines, any proposal for escalation in the cost of sanctioned projects would not be considered and shortfall in all such cases would be borne by the State Government. MoMA released the first instalment of ₹ 1.825 crore for the construction of the ITI Katra Shankar Nagar in March 2012 and ₹ 2.025 crore each for Shriduttganj and Tulsipur in December 2012 to the State Government.

Scrutiny of records (March 2022) of Principal, ITI Vishunpur Vishram, Panchperwa, Balrampur and information collected (January 2023, November 2023 and December 2023) from the Director, Minority Welfare (DMW) and Director, Training & Employment revealed that the State Government nominated (August 2012) Construction and Design Services, Uttar Pradesh Jal Nigam (C&DS) as Executing Agency (EA) for construction of ITI, Katra Shankar Nagar and released the first instalment

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<sup>54</sup> The fund fully borne by the Government of India (GoI).

<sup>55</sup> ₹ 2.65 crore for construction work and ₹ 1.00 crore for procurement of tools.

<sup>56</sup> ₹ 2.86 crore for civil works and ₹ 1.19 crore for procurement of tools.

<sup>57</sup> Multi-sectoral Development Programme (MsDP) was a special area development scheme designed to address the 'development deficits' seen in Minority Concentration Districts. The Programme has been restructured (May 2018) as Pradhan Mantri Jan Vikas Karyakram (PMJVK).

of ₹ 1.825 crore to DMW. A Memorandum of Understanding (MoU) was executed (19 September 2012) between DMW and C&DS for construction of ITI Katra Shankar Nagar and first instalment of ₹ 1.825 crore was released (24 September 2012) to C&DS. As per the MoU, the building after completion in 12 months shall be handed over to the Directorate.

Further, the State Government nominated (March 2013) Uttar Pradesh Waqf Vikas Nigam Limited as the EA for construction of ITIs at Tulsipur and Sriduttganj and released the first instalment of ₹ 2.025 crore for each ITI to DMW. MoU for construction of ITIs at Tulsipur and Sriduttganj was executed (March 2013) between DMW and the EA and the first instalment of ₹ 2.025 crore for each ITI was released (March 2013) to the EA. However, the period of completion of ITI buildings was not specified in the MoU.

Audit scrutiny revealed that the construction of buildings for above three ITIs in district Balrampur could not be completed even after a lapse of more than eleven years of its sanction, as detailed below:

***Construction of building for ITI Katra Shankar Nagar by C&DS***

Scrutiny of records revealed that land was provided to the EA in January 2014 for construction of ITI Katra Shankar Nagar, *i.e.*, after a lapse of more than nine months from the execution of MoU and release of funds to the EA. After receipt of the land parcel, the EA conducted site survey and a detailed estimate of ₹ 5.97 crore for the work was submitted (January 2014) by the Project Manager/EA to the Director, C&DS UP Jal Nigam (the EA). The cost of project was revised as the construction site was low lying and located in a flood prone area which required additional pile foundation and higher plinth height, besides there was increase in cost of construction due to time overrun of 23 months between commencement of work (February 2014) and sanction of the project (March 2012).

Audit further noticed that EA accorded (February 2014) technical sanction of only ₹ 3.65 crore against the detailed estimates of ₹ 5.97 crore for ITI Katra Shankar Nagar. It was instructed in technical sanction to the Project Manager/EA that till the receipt of additional fund, the project should be completed by withholding work of ₹ 2.32 crore with the consent of client and a revised estimate should be prepared and approval should be obtained from the client department to get the remaining amount (₹ 2.32 crore) so as to complete the balance work. EA started the construction work in February 2014 without ensuring additional fund required for the work as envisaged in the detailed estimates, despite being aware of the fact that the

approved technical sanction was insufficient to complete the proposed work<sup>58</sup>.

Audit also noticed that as per MsDP guidelines the subsequent instalment was to be released upon utilisation of 60 *per cent* of the first instalment and the request to release of funds was to be sent along with Utilisation Certificate (UC) and quarterly progress report. However, UC of the entire first instalment released for ITI Katra Shankar Nagar was submitted by the State Government to GoI in February 2017, *i.e.*, after more than four years from the release of funds by MoMA. Accordingly, MoMA released the second instalments of ₹ 1.825 crore for ITI Katra Shankar Nagar (February 2017) which was further released to the EA in September 2017 after execution of another MoU (May 2017) between District Minority Welfare Officer, Balrampur and the EA. However, the MoU did not delineate the timeline for completion of the project. As per the monthly progress report sent (July 2018) by the EA to Principal, ITI, Katra Shankar Nagar, Balrampur, only 90 *per cent* work of the main building was completed after incurring an expenditure of ₹ 2.66 crore<sup>59</sup> and the remaining work was shown as work in progress, whereas the construction work of workshop building was not started as of July 2018. Subsequently, Minority Welfare Directorate forwarded (November 2019) a further revised estimate of ₹ 7.07 crore<sup>60</sup> for ITI Katra Shankar Nagar to the State Government for approval by DMW, which was still pending (November 2023) at Government level. Principal, ITI requested (September 2020) to EA to complete the construction work immediately and hand over the same.

On being pointed out, DMW stated (November 2023) that the physical progress of ITI Katra Shankar Nagar was 63 *per cent* and ITI building was yet to be handed over.

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<sup>58</sup> Minority Welfare Directorate informed (November 2023) Audit that the EA did not inform requirement of additional fund to the State Government timely and the administrative department had not consented for making additional fund available. Directorate further informed that SIT investigation of the projects executed by the C&DS revealed that there was no justification for increase in the cost of the projects and the EA had proposed for increase in cost of projects which was against the provisions of MoU and Government order.

<sup>59</sup> Out of ₹ 3.65 crore released to the EA, it returned (November 2020) remaining ₹ 99 lakh relating to purchase of tools to Director, Training and Employment, Lucknow.

<sup>60</sup> The EA cited reasons for increase in cost as: the increase in cost due to pile foundation in view of soil condition, increase in plinth height due to low lying land and increase in plinth area due to standardisation of ITI buildings.

***Construction of buildings for ITI Shriduttganj and ITI Tulsipur by Uttar Pradesh Waqf Vikas Nigam Limited***

Scrutiny of records revealed that the land was provided to the EA in January 2014 for construction of ITI Shriduttganj and in December 2013 for ITI Tulsipur, i.e., after a lapse of more than nine months from the execution of MoU and release of funds to the EA. EA prepared (February 2014) detailed estimates of ₹ 6.12 crore for ITI Shriduttganj and ₹ 6.17 crore for ITI Tulsipur and submitted (January 2015) to DMW through District Minority Welfare Officer (DMWO) which was not sanctioned. The cost of projects was revised as the preliminary estimate was prepared on plinth area rate of November 2011 whereas works was actually started in year 2014, besides GoUP had standardised (March 2013) the norms for establishment of ITIs which escalated cost of construction of the proposed ITI buildings.

Audit further noticed that EA accorded (February 2014) technical sanction of only ₹ 4.05 crore each against the detailed estimates of ₹ 6.12 crore for ITI Shriduttganj and ₹ 6.17 crore for ITI Tulsipur respectively. The EA started construction work of both ITIs in February 2014 without ensuring approval for additional fund required for the work as envisaged in the detailed estimates, despite being aware of the fact that the approved technical sanction was insufficient to complete the proposed work.

Audit also noticed that UCs of the entire first instalment released for ITI Shriduttganj and ITI Tulsipur was submitted by EA in June 2015 and October 2015 respectively, i.e., after more than two years from the release of funds by MoMA. Accordingly, MoMA released the second instalments of ₹ 2.025 crore each for ITI Shriduttganj (November 2015) and ITI Tulsipur (January 2016) respectively, which was further released to the EA in June 2016 and March 2016 respectively, after execution of MoUs<sup>61</sup> between District Minority Welfare Officer, Balrampur and the EA. However, the MoUs did not delineate the timeline for completion of the project. Subsequently, the EA sent (November 2017) the second revised estimate of ₹ 8.16 crore and ₹ 8.14 crore for ITI Shriduttganj and ITI Tulsipur respectively to DMWO which was not forwarded to DMW/Government for sanction. Finally, against the released amount of ₹ 4.05 crore for each of the ITIs Shriduttganj and Tulsipur, EA completed the work in July 2018 and handed over the buildings in July 2019 and April 2019 respectively whereas the works were incomplete<sup>62</sup>. It was also noticed that ₹ 1.19 crore for procurement of tools was included in the

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<sup>61</sup> Second MoU was executed in June 2016 for ITI Shriduttganj and in March 2016 for ITI Tulsipur.

<sup>62</sup> Four workshops, over-head tank, pump room, road work and site development work in ITI, Tulsipur and four workshops, one residential quarter of type-3, two residential quarters of type-1, canteen, overhead tank, pump room, road work and site development in ITI, Shriduttganj.

sanctioned cost of ₹ 4.05 crore for each ITI, but the construction work was incomplete despite incurring the total fund of ₹ 4.05 crore (including cost of tools) on the civil work.

On being pointed out, DMW stated (November 2023) that buildings of ITI Shriduttganj and Tulsipur had been handed over after completing the work as per the available funds and revised estimates were sent in respect of incomplete works, but works could not be completed due to non-receipt of revised sanction.

### ***Reply of the State Government and status of construction***

The State Government directed (August 2023) the Director, Training and Employment to submit proposal for completion of under construction ITI buildings funded under Pradhan Mantri Jan Vikas Karyakram<sup>63</sup> for which revised cost estimates were not being released by the GoI. In this context, Director, Training and Employment stated (December 2023) that a four-member committee had been constituted by the Minority Welfare Department to verify the work done/work to be done, however, the revised proposal was yet to be received in the Directorate. Directorate further stated that the budget had been demanded in the financial year 2024-25 for completion of construction of 55 incomplete/under construction buildings including these three ITI buildings.

A joint physical verification (December 2023) of the under-construction ITI building Katra Shankar Nagar, Balrampur revealed that main (academic) building was completed up to ceiling level, but no other construction had taken place. ITI Katra Shankar Nagar was temporarily operational from ITI Vishunpur Vishram, Pachpedwa, Balrampur, which is situated 62 km away from ITI Katra Shankar Nagar, Balrampur. Further, joint physical verification (February 2024) of ITIs Shriduttganj and Tulsipur revealed that 70 per cent work of both ITIs was completed. In ITI Tulsipur, construction of workshop had not been started and toilets, doors and windows required maintenance. In ITI Shriduttganj, only foundation work of workshop had been done and construction of type-1 and type-3 residences had not been started. Classes of ITI Shriduttganj and Tulsipur were not operational.

In reply (September 2024), the State Government stated that sufficient funds had been provided in the budget for the financial year 2024-25 to complete all the incomplete institutions under PMJVK including above mentioned ITIs. Construction agencies had been directed to immediately submit estimates on the basis of work done/work to be done. State

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<sup>63</sup> MsDP was restructured and implemented by GoI with effect from May 2018 as Pradhan Mantri Jan Vikas Karyakram (PMJVK).

Government further stated that as soon as the estimates are received from the EA, the remaining work would be completed after releasing the funds.

The fact remains that the construction of all three ITI buildings remained incomplete even after lapse of more than six years from the date of release of entire sanctioned fund to the EA due to delay in providing land for construction, release of fund before availability of land, delay in submission of utilization certificate, commencing work without ensuring availability of fund for estimated expenditure on the projects and non-approval of revised estimates for the project. As a result, expenditure of ₹ 10.76 crore on the three incomplete ITI buildings remained unfruitful.



**(RAM HIT)**

Principal Accountant General (Audit-I)  
Uttar Pradesh

PRAYAGRAJ  
THE 25 APR 2025

**COUNTERSIGNED**



**(K. SANJAY MURTHY)**

Comptroller and Auditor General of India

NEW DELHI  
THE 30 APR 2025





## **Appendices**



## Appendix .1.1

### Details of Departments and respective entities

(Reference: Paragraph 1.1)

Sl. No.	Name of the Departments(s)	Number of Units			
		Civil Units	Public Sector Undertakings (PSUs)	Other Entities (Autonomous Bodies/Authorities, etc.)	Total
1	Administrative Reforms	1	0	0	1
2	Agriculture	211	3	0	214
3	Agriculture Marketing & Agricultural Foreign Trade	269	0	0	269
4	Agriculture Research & Education	6	0	0	6
5	Animal Husbandry	88	1	0	89
5	AYUSH	155	2	0	157
7	Backward Class Welfare	76	1	0	77
8	Basic Education	227	0	0	227
9	Child Development and Nutrition	77	1	0	78
10	Co-operatives	78	15	0	93
11	Dairy Development	52	0	0	52
12	Election	142	0	0	142
13	Empowerment of persons with disabilities	78	0	0	78
14	Estate	7	0	0	7
15	Fisheries	57	4	0	61
16	Food and civil supply & Consumer Forum	161	21	0	182
17	Higher Education	184	0	0	184
18	Home (Jail Administration)	72	0	0	72
19	Home Guard	75	0	0	75
20	Home with prosecution	312	1	0	313
21	Horticulture & Food processing	106	1	0	107
22	Housing and Urban Planning	51	58	0	109
23	Information and Public Relation	75	0	0	75
24	Irrigation & Water Resources	560	27	0	587
25	Judiciary	96	0	0	96
26	Labour	71	0	1	72
27	Language	2	0	0	2
28	Madya Nishedh	8	0	0	8
29	Medical Education and Training	30	0	0	30
30	Medical Health and Family Welfare	290	2	0	292
31	Minor Irrigation & Ground Water	67	0	0	67
32	Minorities Welfare	76	2	0	78
33	Panchayati Raj	77	0	75	152
34	Personnel (Training and other Expenses) & Employment	74	0	0	74

Sl. No.	Name of the Departments(s)	Number of Units			
		Civil Units	Public Sector Undertakings (PSUs)	Other Entities (Autonomous Bodies/Authorities, etc.)	Total
35	Personnel (Public Service Commission)	1	0	0	1
36	Revenue	146	0	0	146
37	Rural Development	203	0	0	203
38	Rural Engineering	131	0	0	131
39	Secondary Education	212	0	0	212
40	Secretariat Administration	13	0	0	13
41	Sericulture Development	17	0	0	17
42	Social Welfare	77	7	0	84
43	Soldier Welfare	77	0	0	77
44	Sports and Youth Welfare	146	0	0	146
45	Sugar & Cane Development	62	12	0	74
46	Technical Education	82	0	0	82
47	Urban Development	3	225	0	228
48	Urban Employment and Poverty Alleviation	77	0	0	77
49	Urban Local Bodies	0	0	700	700
50	Urban Planning and Land Ceiling	56	0	0	56
51	Vigilance	11	0	0	11
55	Vocational Education	74	0	0	74
53	Women Welfare	76	1	0	77
54	Uttar Pradesh State Human Rights Commission	1	0	0	1
55	Uttar Pradesh State Legal Services Authority	1	0	0	1
	<b>Total</b>	<b>5377</b>	<b>384</b>	<b>776</b>	<b>6537</b>
In addition to the above, 5,73,071 implementing units as a part of their respective audit units were also under audit jurisdiction of the Principal Accountant General (Audit-I) Uttar Pradesh.					

## Appendix 2.1.1

### Sampled Market Committees and Field Offices of UP State Agriculture Market Board (Reference: Paragraph 2.1.5)

Sl. No.	Market Committee (District)	Divisional offices of UP State Agriculture Market Board		
		Deputy Director (Administration)	Deputy Director (Construction)	Deputy Director (E&M)
1.	Agra (Agra)	1. Aligarh	1. Agra	1. Ghaziabad
2.	Aligarh (Aligarh)	2. Gorakhpur	2. Aligarh	2. Lucknow
3.	Anupshahar (Bulandshahar)	3. Prayagraj	3. Azamgarh	
4.	Auraiya (Auraiya)		4. Gorakhpur	
5.	Ayodhya (Ayodhya)		5. Jhansi	
6.	Bahjoi (Sambhal)		6. Kanpur	
7.	Bareilly (Bareilly)		7. Lucknow	
8.	Bindki (Fatehpur)		8. Moradabad	
9.	Bisalpur (Pilibhit)		9. Prayagraj	
10.	Biswan (Sitapur)		10. Varanasi	
11.	Bulandshahar (Bulandshahar)			
12.	Chandpur (Bijnore)			
13.	Chaubepur (Kanpur)			
14.	Chirgaon (Jhansi)			
15.	Dadri (Gautam Buddha Nagar)			
16.	Deoband (Saharanpur)			
17.	Fatehabad (Agra)			
18.	Gangoh (Saharanpur)			
19.	Hapur (Hapur)			
20.	Jahangirabad (Bulandshahar)			
21.	Jalaun (Jalaun)			
22.	Kadavra (Jalaun)			
23.	Kannauj (Kannauj)			
24.	Kanpur (Kanpur)			
25.	Khaga (Fatehpur)			
26.	Khair (Aligarh)			
27.	Khalilabad (Sant Kabir Nagar)			
28.	Lalitpur (Lalitpur)			
29.	Lucknow (Lucknow)			
30.	Madhoganj (Hardoi)			
31.	Mainpuri (Mainpuri)			
32.	Mirzapur (Mirzapur)			
33.	Moth (Jhansi)			
34.	Noida (Gautam Buddha Nagar)			
35.	Pilibhit (Pilibhit)			
36.	Pratapgarh (Pratapgarh)			
37.	Rasra (Ballia)			
38.	Sandila (Hardoi)			

## **Appendix 2.1.2**

### **Status of internal audit for the period from 2017-18 to 2021-22**

*(Reference: Paragraph 2.1.6.2)*

<b>Sl. No.</b>	<b>Name of Market Committee</b>	<b>Status of internal audit for 2017-18 to 2021-22</b>
1.	Anupshahar, Bulandshahar	Not conducted
2.	Auraiya	Not conducted
3.	Bulandshahar	Not conducted
4.	Chandpur, Bijnore	Not conducted
5.	Chiragaon, Jhansi	Not conducted
6.	Deobandh, Saharanpur	Not conducted
7.	Fatehabad, Agra	Not conducted
8.	Gangoh, Saharanpur	Not conducted
9.	Jalaun	Not conducted
10.	Kadaura, Jalaun	Not conducted
11.	Kannauj	Not conducted
12.	Khaga, Fatehpur	Not conducted
13.	Khair, Aligarh	Not conducted
14.	Khalilabad, Sant Kabir Nagar	Not conducted
15.	Lalitpur	Not conducted
16.	Mirzapur	Not conducted
17.	Pratapgarh	Not conducted
18.	Rasara, Ballia	Not conducted
19.	Sandila, Hardoi	Not conducted

*(Source: Test Checked Market Committees)*



### Appendix 2.1.3

#### Market Committee wise status of dishonoured cheques

(Reference: Paragraph 2.1.7.4)

(₹ in Lakh)

Sl. No.	Name of Market Committee	No. of traders	No. of cheques/ drafts	Duration/Month of cheques	Amount (in lakh)	RC Issued against cheques	Amount of RC issued
1.	Aligarh	10	37	12/2017 to 04/2020	31.61	15	22.27
2.	Anupshahar, Bulandshahar	6	11	02/2018 to 04/2018	10.19	0	0
3.	Auraiya	25	27	03/2016 to 03/2022	31.40	0	0
4.	Bahjoi, Sambhal	1	1	01/2020	1.73	0	0
5.	Bareilly	21	34	07/1996 to 01/2011	15.01	33	14.83
6.	Bindki, Fatehpur	15	48	12/2019 to 09/2021	56.94	0	0
7.	Biswan, Sitapur	34	57	10/2013 to 02/2022	149.25	0	0
8.	Bulandshahar	3	3	04/2018 to 08/2019	12.68	3	12.68
9.	Chaubepur, Kanpur	5	12	10/2017 to 08/2020	27.94	0	0
10.	Dadri, G.B.Nagar	3	27	04/2012 to 02/2019	60.79	17	36.90
11.	Jalaun	1	1	05/18	1.97	0	0
12.	Kannauj	24	57	04/2018 to 03/2022	52.47	0	0
13.	Khair, Aligarh	4	6	11/2014 to 11/2019	6.00	3	2.00
14.	Madhoganj, Hardoi	1	1	10/2016	0.40	0	0
15.	Mainpuri	12	12	01/2017 to 10/2018	13.38	0	0
16.	Mirzapur	23	28	06/2017 to 12/2021	74.12	0	0
17.	Pilibhit	4	10	10/2019 to 12/2021	25.76	0	0
18.	Pratapgarh	2	3	11/2017 to 02/2020	2.52	0	0
19.	Rasra, Ballia	6	12	01/2016 to 06/2020	152.31	0	0
<b>Total</b>		<b>200</b>	<b>387</b>		<b>726.47</b>	<b>71</b>	<b>88.68</b>

(Source: Test Checked Market Committee)

## Appendix 2.1.4

### Non-recovery of premium amount for shops allotted to traders as of December 2023

(Reference: Paragraph 2.1.7.5)

(₹ in Lakh)

Sl. No.	Market Committee	No. of Shops	Premium not recovered	2021-22	2020-21	2019-20	2018-19	2017-18	More than five years
1	Agra	64	349.08	27	14	13	10	0	0
2	Aligarh	29	153.79	0	0	29	0	0	0
3	Bareilly	11	7.59	0	0	0	3	3	5
4	Bindki, Fatehpur	8	14.92	0	0	4	0	4	0
5	Bisalpur, Pilibhit	3	0.32	0	0	0	3	0	0
6	Bulandshahar	11	61.21	11	0	0	0	0	0
7	Chandpur, Bijnore	1	0.56	0	0	0	0	0	1
8	Chirgaon, Jhansi	12	12.35	0	0	0	1	9	2
9	Kanpur	5	18.77	0	0	2	1	2	0
10	Dadri, G.B.Nagar	1	3.05	0	0	0	0	0	1
11	Jahangirabad, Bulandshahar	4	13.46	1	0	0	2	0	1
13	Khair, Aligarh	1	4.0	0	0	0	0	0	1
14	Lalitpur	17	82.99	16	0	0	0	0	1
15	Lucknow	30	251.15	0	1	20	4	1	4
16	Madhoganj, Hardoi	4	4.17	0	0	0	4	0	0
17	Mainpuri	6	17.42	1	0	0	0	0	5
18	Noida, G.B Nagar	14	344.18	14	0	0	0	0	0
19	Pilibhit	4	37.14	4	0	0	0	0	0
20	Rasra, Ballia	2	0.61	0	0	0	0	0	2
		227	1376.76	74	15	68	28	19	23
	<b>Total</b>			<b>89</b>		<b>115</b>			<b>23</b>
				<b>1 to 2 years</b>		<b>2 to 5 years</b>			<b>More than 5 years</b>

(Source: Test checked Market Committee)

## Appendix 2.1.5

### Status of rent not recovered as of December 2023

(Reference: Paragraph 2.1.7.6)

(₹ in Lakh)

Sl. No.	Name of Market Committee	Total No. of Shops	Rent not recovered			
			Upto one Year		More than one Year	
			Shops	Amount	Shops	Amount
1	Agra	297	172	8.98	125	29.75
2	Aligarh	21	0	0	21	6.38
3	Anoopshahar (Bulandshahar)	27	26	1.42	1	0.17
4	Bareilly	21	0	0	21	4.25
5	Bindki, Fatehpur	57	25	1.88	32	12.30
6	Bulandshahar	7	5	0.09	2	0.10
7	Dadri, G.B.Nagar	35	24	1.01	11	5.80
8	Deoband (Saharanpur)	3	0	0	3	0.15
9	Jhangirabad, Bulandshahar	11	0	0	11	1.81
10	Hapur	33	5	1.00	28	12.80
11	Kanpur	198	86	15.43	112	79.74
12	Khair (Aligarh)	13	0	0	13	1.45
13	Lalitpur	1	0	0	1	0.56
14	Lucknow	240	144	7.66	96	15.29
15	Mainpuri	43	17	0.20	26	2.42
16	Mirzapur	3	0	0.00	3	0.80
17	Pilibhit	15	6	0.43	9	1.46
18	Pratapgarh	4	0	0	4	0.45
19	Rasra, Ballia	19	17	0.60	2	0.65
<b>Total</b>		<b>1048</b>	<b>527</b>	<b>38.70</b>	<b>521</b>	<b>176.33</b>

(Source: Test checked Market Committee.)

## Appendix 2.1.6

### Details of post-wise manpower availability as of March 2022

(Reference: Paragraph 2.1.8)

#### **Group-A**

(in numbers)

Sl No.	Post	Sanction Strength	Men in Position	Vacancy
1	Commissioner and Director	1	1	0
2	Additional Director	1	1	0
3	Finance Controller	1	1	0
4	Chief Engineer Gr.1	1	0	1
5	Chief Engineer Gr.2	1	0	1
6	Joint Director Administration/ Marketing	1	0	1
7	Joint Director Construction	4	1	3
8	Joint Director Electrical/ Mechanical	1	0	1
9	Chief Account and Audit Officer	1	0	1
10	Dy. Director (Administration/Marketing)	20	10	10
11	Dy. Director (Construction)	21	12	9
12	Dy. Director (E&M)	6	5	1
13	Dy. Director (Law)	1	0	1
14	Dy. Director (Market Survey)	0	0	0
15	Senior Account and Audit Officer	2	0	2
16	System Analyst	1	1	0
17	Personal Secretary Grade-1	1	0	1
<b>Total</b>		<b>64</b>	<b>32</b>	<b>32</b>

Note: Post mentioned at Sl. No. 10 is to be filled by deputation (07 posts) and promotion (13 posts - 10 from Secretary cadre, 02 from marketing officer and one from Publicity Officer)

#### **Group-B**

(in numbers)

Sl No.	Post	Sanction Strength	Men in Position	Vacancy
1	Marketing Officer	7	5	2
2	Statistic Officer	0	0	0
3	Publicity Officer	0	0	0
4	Account and Audit Officer	26	14	12
5	Law Officer	2	1	1
6	Special Executive Officer (Law)	0	0	0
7	Monitoring Officer	0	0	0
8	Assistant Engineer (Civil)	59	36	23
9	Assistant Engineer (E&M)	16	8	8
10	Assistant Architect/Assistant Town Planner	1	1	0
11	Programmer	2	0	2
12	Personal Secretary Grade-2	5	5	0
<b>Total</b>		<b>118</b>	<b>70</b>	<b>48</b>

**Group-C****(in numbers)**

Sl No.	Post	Sanction Strength	Men in Position	Vacancy
1	Assistant Account and Audit Officer	23	13	10
2	Section Officer	31	27	4
3	Assistant Programmer	3	0	3
4	Personal Assistant Grade-1	10	0	10
5	Assistant Law Officer	2	0	2
6	Additional Statistical Officer/Additional Monitoring Officer	7	7	0
7	Personal Assistant Grade-2	4	4	0
8	Compiler	10	10	0
9	Statistical Compiler/ Legislative work Assistant	3	3	0
10	Architect Assistant	1	1	0
11	Sr. Assistant	64	53	11
12	Legal Assistant	8	0	8
13	Accountant/Auditor	28	5	23
14	Junior Engineer (Civil)	190	46	144
15	Junior Engineer (E&M)	50	16	34
16	Stenographer	40	15	25
17	Computer Operator	0	0	0
18	Junior Assistant	112	58	54
19	Account Clerk	42	3	39
20	Cartographer ( <i>Naksha Navis</i> )	16	1	15
21	Telephone Operator	1	1	0
22	Driver	55	55	0
23	Urdu Translator cum Junior Clerk	11	9	2
24	Road Roller Driver	1	0	1
<b>Total</b>		<b>712</b>	<b>327</b>	<b>385</b>

**Group-D****(in numbers)**

Sl. No.	Post	Sanction Strength	Men in Position	Vacancy
1	Electrical	1	1	0
2	Daftari	4	4	0
3	Machine Man	0	0	0
4	Blue Printer	0	0	0
5	Peon/Chaukidar	158	158	0
6	Faras	1	1	0
7	Mali	0	0	0
8	Sweeper	29	29	0
<b>Total</b>		<b>193</b>	<b>193</b>	<b>0</b>

*(Source: UP State Agricultural Produce Market Board)*

## Appendix 2.1.7

### Details of Unconstructed Market Yard

(Reference: Paragraph 2.1.10.1)

Sl. No.	Name of Market Committee (District)	Whether Principal Market Yard Constructed	Whether any Sub Market Yard Constructed
1.	Aliganj (Etah)	No	Yes
2.	Bachrawan (Lucknow)	No	Yes
3.	Bansi (Siddhartnagar)	No	No
4.	Banthra (Lucknow)	No	Yes
5.	Bijnor (Bijnor)	No	Yes
6.	Chaubepur (Kanpur Nagar)	No	Yes
7.	Copaganj (Mau)	No	Yes
8.	Dhampur (Bijnor)	No	No
9.	Dohrighat (Mau)	No	Yes
10.	Gunjdundvara (Kasganj)	No	No
11.	Hargaon (Sitapur)	No	Yes
12.	Islamnagar (Badauin)	No	No
13.	Jamania (Ghazipur)	No	Yes
14.	Jarar (Agra)	No	No
15.	Jewar (Gautam Budh Nagar)	No	No
16.	Kushinagar (Kushinagar)	No	No
17.	Maholi (Sitapur)	No	No
18.	Mau (Chitrakoot Dham)	No	No
19.	Miranpur Katra (Shahjahanpur)	No	No
20.	Nanauta (Sharanpur)	No	No
21.	Nukur (Saharanpur)	No	No
22.	Panwari (Mahoba)	No	No
23.	Rupidiah (Bahraich)	No	No
24.	Saidpur (Ghazipur)	No	Yes
25.	Shamshabad (Agra)	No	No
26.	Shohratgarh (Siddhartnagar)	No	No
27.	Sidhauli (Sitapur)	No	No
28.	Tanda (Ambedkar Nagar)	No	Yes
29.	Utraula (Balrampur)	No	No

(Source: UP State Agricultural Produce Market Board)

## Appendix 2.1.8

### Number of Weighmen, Measurers and Palledars

(Reference: Paragraph 2.1.10.3)

(in numbers)

Sl. No.	Name of Market Committee	License holders	Number of License holders				
			2017-18	2018-19	2019-20	2020-21	2021-22
1.	Agra	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	40	78	87	0	0
2.	Aligarh	Weighman	1	1	1	1	3
		Measurer	0	0	0	0	0
		Palledars	9	11	14	23	44
3.	Anupshahar, Bulandshahar	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	0	0	1	0	0
4.	Bulandshahar	Weighman	0	0	3	0	0
		Measurer	0	0	0	0	0
		Palledars	0	0	7	0	0
5.	Chirgaon, Jhansi	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	0	0	6	0	0
6.	Fatehabad, Agra	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	0	0	47	43	4
7.	Jahangirabad, Bulandshahar	Weighman	2	2	7	20	2
		Measurer	0	0	0	0	0
		Palledars	93	68	107	250	128
8.	Kanpur	Weighman	0	0	0	0	1
		Measurer	0	0	0	0	0
		Palledars	901	1	7	0	7
9.	Khair, Aligarh	Weighman	0	0	3	2	3
		Measurer	0	0	0	0	0
		Palledars	0	0	2	10	0
10.	Lalitpur	Weighman	0	0	165	10	10
		Measurer	0	0	0	0	0
		Palledars	0	26	3	310	310
11.	Lucknow	Weighman	0	0	4	0	0
		Measurer	0	0	0	0	0
		Palledars	12	12	154	0	0
12.	Moth, Jhansi	Weighman	4	4	4	10	10
		Measurer	0	0	0	0	0
		Palledars	12	12	12	10	14
13.	Noida, G.B. Nagar	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	0	0	0	0	2
14.	Auraiya	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	250	255	08	0	0
15.	Bareilly	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	0	0	8	55	55
16.	Biswan, Sitapur	Weighman	5	5	5	0	0
		Measurer	0	0	0	0	0
		Palledars	0	0	0	0	10



Sl. No.	Name of Market Committee	License holders	Number of License holders				
			2017-18	2018-19	2019-20	2020-21	2021-22
17.	Jalaun	Weighman	55	92	27	0	0
		Measurer	0	0	0	0	0
		Palledars	119	126	77	0	0
18.	Kadavra, Jalaun	Weighman	0	0	14	0	0
		Measurer	0	0	0	0	0
		Palledars	40	41	20	0	0
19.	Kannauj	Weighman	5	0	0	15	15
		Measurer	0	0	0	0	0
		Palledars	64	40	9	45	48
20.	Mainpuri	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	0	0	0	0	8
21.	Pilibhit	Weighman	10	10	277	183	121
		Measurer	0	0	0	0	0
		Palledars	27	49	331	191	71
22.	Pratapgarh	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	0	3	0	0	0
23.	Ayodhya	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	13	0	12	0	0
24.	Bahajoi, Sambhal	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	23	14	10	0	0
25.	Chandpur, Bijnore	Weighman	0	0	0	0	0
		Measurer	0	0	0	0	0
		Palledars	0	0	01	0	0
26.	Deobandh, Saharanpur	Weighman	0	0	0	0	01
		Measurer	0	0	0	0	0
		Palledars	04	02	04	04	04
27.	Gangoh, Saharanpur	Weighman	0	01	0	02	0
		Measurer	0	0	0	0	0
		Palledars	0	01	0	12	0
28.	Khalilabad, Sant Kabir Nagar	Weighman	0	0	0	02	02
		Measurer	0	0	0	0	0
		Palledars	0	0	28	188	188
29.	Madhoganj, Hardoi	Weighman	0	0	0	0	0
		Measurer	0	0	01	01	01
		Palledars	09	01	01	25	0
30.	Sandila, Hardoi	Weighman	0	0	04	0	0
		Measurer	0	0	0	0	0
		Palledars	0	06	0	0	0
Total			1698	861	1471	1412	1062

*(Source: Test Checked Market Committees.)*

## Appendix 2.1.9

### Details of Non-functional AMHs (Reference: Paragraph 2.1.10.6)

(₹ in Lakh)

Sl. No.	Name of Market Committee	Total Number of AMH	Number of Non-functional AMH	Total cost incurred on Construction
1.	Achalda	10	10	203.33
2.	Atarra	1	1	23.1
3.	Atrauli	17	17	462.33
4.	Azamgarh	27	27	526.38
5.	Bachrawa	4	4	97.63
6.	Banda	6	6	172.09
7.	Chaubepur	3	3	67.69
8.	Dibai	7	7	151.55
9.	Eta	4	4	81.52
10.	Fatehpur	7	7	122.49
11.	Gursarai	6	6	131.19
12.	Jahangirabad	5	5	100.93
13.	Jangipur	15	15	426.8
14.	Jhijnhak	3	3	58.81
15.	Kalpi	1	1	28.97
16.	Karvi	2	2	46.63
17.	Koch	5	5	124.13
18.	Manjhanpur	4	4	100.68
19.	Mau	1	1	12.26
20.	Muskara	1	1	22.25
21.	Noida	1	1	19.01
22.	Parikshitgarh	3	3	68.75
23.	Payagpur	2	2	37.77
24.	Rath	3	3	65.78
25.	Shahganj	2	2	37.04
26.	Saidpur	1	1	40.32
27.	Sardhana	3	3	112.96
28.	Shikohabad	2	2	32.1
29.	Varanasi	23	23	511.97
30.	Zamania	1	1	24.09
<b>Total</b>		<b>170</b>	<b>170</b>	<b>3910.55</b>
				<b>Say ₹39.11 crore</b>

(Source: UP State Agricultural Produce Market Board)

## Appendix 2.1.10

### Shops in market yards remained unallotted as of December 2023

(Reference: Paragraph 2.1.10.7)

(₹ in Lakh)

Sl. No.	Name of Market Committee	No. of shops remained vacant	No. of shops not allotted since its construction	costruction costs of shops never allotted	Month/Year of handover of shops which were never allotted
1.	Agra	35	30	813.60	2020
2.	Aligarh	29	29	312.62	06/2021 (24 shops) 01/2019 (5 shops)
3.	Anupshahar, Bulandshahar	01	01	4.03	06/2016
4.	Ayodhya	04	04	16.68	10/2018
5.	Bareilly	11	07	69.12	06/2016
6.	Bindki	10	10	38.00	09/2016
7.	Bulandshahar	15	15	54.79	08/2021
8.	Chaubepur, Kanpur	04	04	16.24	12/2016
9.	Chiragaon, Jhansi	01	01	2.37	08/2017
10.	Dadri, G.B. Nagar	05	05	18.65	05/2014
11.	Hapur	10	0	0.00	Not Applicable
12.	Jahangirabad, Bulandshahar	13	08	30.48	2014 (7 shops) 2017 (1 shop)
13.	Jalaun	02	02	8.60	2020
14.	Kadaura, Jalaun	01	01	1.20	05/1985
15.	Kanpur	49	11	128.30	2020 (5 shops) 03/2022 (6 shops)
16.	Khair, Aligarh	12	12	71.76	2022
17.	Lucknow	89	68	888.65	2018 (2 shops) 2021 (53 shops) 2019-20 (13 shops)
18.	Madhoganj, Hardoi	10	10	52.73	2017-18
19.	Mainpuri	01	01	25.40	06/2011
20.	Mirzapur	04	01	6.93	08/2016
21.	Moth, Jhansi	03	03	26.45	07/2021
<b>Total</b>		<b>309</b>	<b>223</b>	<b>2586.60</b>	
				<b>Say ₹ 25.87 crore</b>	

(Source: Test Checked Market Committees)

## Appendix 2.2.1

### Availability of sports infrastructure as of March 2022 (Reference: Paragraph 2.2.6.3)

Sl. No	Name Of Sports Facility	Number of facilities available	Number of districts in which facility available	Audit analysis
1	Sports Stadium	82	70	1. Five districts, viz., Auraiya, Chandauli, Hapur, Sambhal and Shamli have no stadium. 2. Sixty-one districts have one Stadium. In seven districts, viz., Bulandshahar, Etah, Gorakhpur, Prayagraj, Rampur, Sitapur and Varanasi have two stadiums. Bagpat district has three stadiums and Lucknow district has four stadiums.
2	Multipurpose Hall	68	65	1. Ten districts, viz., Auraiya, Chandauli, Chitrakoot, Hapur, JP Nagar (Amroha), Kannauj, Kashiram Nagar (Kasganj), Sambhal, Shamli and Sonbhadra have no multipurpose hall. 2. Sixty-two districts have one multipurpose hall. Three districts, viz., Lucknow, Etawah and Sitapur have two multipurpose halls.
3	Swimming pool	38	37	There was no swimming pool in following 38 (50 per cent) districts: 1. Aligarh, 2. Auraiya, 3. Azamgarh, 4. Badaun, 5. Ballia, 6. Balrampur, 7. Basti, 8. Bhadohi, 9. Chandauli, 10. Chitrakoot, 11. Etah, 12. Farrukhabad, 13. Firozabad, 14. Gautam Budh Nagar, 15. Ghazipur, 16. Gonda, 17. Hapur, 18. Hardoi, 19. Hathras, 20. JP Nagar (Amroha), 21. Jaunpur, 22. Kannauj, 23. Kanpur Nagar, 24. Kashiram Nagar (Kasganj), 25. Kaushambi, 26. Lalitpur, 27. Mahoba, 28. Mahraiganj, 29. Mau, 30. Mirzapur, 31. Moradabad, 32. Pratapgarh, 33. Sambhal, 34. Sant Kabir Nagar, 35. Shahjahanpur, 36. Shamli, 37. Shrawasti, 38. Sonbhadra
4	Gym/Gymnasium hall	17	17	Only in 17 (23 per cent) districts have Gym Hall, viz., Aligarh, Azamgarh, Ballia, Banda, Bareilly, Bulandshahar, Deoria, Etah, Etawah, Fatehpur, Gorakhpur, Hamirpur, Jalaun, Mahoba, Meerut, Saharanpur and Sitapur.
5	Astroturf hockey field	12	10	Eight districts, viz., Agra, Ayodhya, Ghazipur, Gorakhpur, Jhansi, Kanpur Nagar, Raebareli and Varanasi have one astroturf. In Etawah and Rampur, there were two turfs.
6	Floodlight astroturf hockey	2	1	District Lucknow has two floodlight Astroturf Hockey ground.
7	Judo hall	5	5	Five districts, viz., Ambedkar Nagar, Ayodhya, Jhansi, Muzaffarnagar and Saharanpur have judo hall.
8	Weightlifting hall	15	15	Fifteen districts have weightlifting hall, i.e., 1 Agra, 2 Ambedkar Nagar, 3 Bareilly, 4. Badaun 5. Gautambudh Nagar 6. Gorakhpur, 7 Hardoi, 8 Jhansi, 9 Kanpur Dehat,

Sl. No	Name Of Sports Facility	Number of facilities available	Number of districts in which facility available	Audit analysis
				10. Kanpur Nagar 11. Lucknow, 12. Mathura, 13. Muzaffarnagar, 14. Pilibhit 15. Sitapur
9	Sports complex	3	3	Sports complexes were available in three districts, i.e., Prayagraj, Rampur and Varanasi.
10	Mini stadium	2	1	Lucknow has two mini stadiums.
11	Volleyball hall	10	10	Volleyball hall is available in Banda, Gorakhpur, Kanpur Dehat, Kushinagar, Lalitpur, Mahoba, Mainpuri, Pilibhit, Pratapgarh and Prayagraj
12	Sports college	3	3	Three sports colleges are in Gorakhpur, Lucknow and Etawah (Saifai).
13	Basketball court	38	36	Ten Synthetic Basketball Court: Eight districts, viz., Aligarh, Bareilly, Basti, Deoria, Kanpur Nagar, Lucknow, Meerut, Sonbhadra have one and Varanasi district has two Synthetic Basketball Court.
				Ten Cemented Basketball Court: Ten districts, viz., Badaun, Ballia, Bijnor, Etah, Jalaun, Jhansi, Kanpur Dehat, Lalitpur, Mau, Mahoba have one Cemented Basketball Court.
				Eighteen Basketball Court: Seventeen districts, viz., Agra, Baharaich, Bulandsahar, Ghaziabad, Ghazipur, Hamirpur, Hardoi, Hathras, Moradabad, Muzaffarnagar, Prayagraj, Rampur, Sidharthnagar, Shrawasti, Sant Kabir nagar, Sant Ravidas Nagar have one and Lucknow has two Basketball Courts.
14	Synthetic tennis court	16	14	Thirteen districts, viz., Agra, Aligarh, Badaun, Bareilly, Bijnor, Etah, Jalaun, Jhansi, Hathras, Mahoba, Prayagraj, Rampur and Saharanpur have one Synthetic tennis court. Lucknow has three Synthetic tennis court.
15	Synthetic running track	2	2	Etawah and Lucknow Sports Colleges have synthetic running tracks.
16	Wrestling Hall	14	14	Fourteen districts, viz., Aligarh, Amethi, Ayodhya, Bagpat, Basti, G.B. Nagar, Lakhimpur Khiri, Mainpuri, Gorakhpur, Mathura, Meerut, Moradabad, Muzaffarnagar, and Sitapur have one Wrestling Hall each.
17	Table tennis hall	2	2	Two districts, viz., Agra and Varanasi have table tennis hall.
18	Shooting range	6	6	Six districts, viz., Agra, Aligarh, Bagpat, Ballia, Bijnor and Kanpur Nagar have shooting range.
19	Hostel building	18	18	Eighteen districts, i.e., Agra, Azamgarh, Banda, Barabanki, Bareilly, CSM Nagar (Amethi), Etawah, Faizabad (Ayodhya), Fatehpur, Gorakhpur, Jhansi, Kanpur Nagar, Lucknow, Mainpuri, Meerut, Prayagraj, Rampur and Varanasi have hostel building.
20	Dormitory	19	19	Dormitories are available in 19 districts, viz., Agra, Ambedkarnagar, Ballia, Basti, Deoria, Gorakhpur, Hardoi, Jhansi, Kaushambi, Lakhimpur Kheri, Lucknow, Mathura, Mau, Muzaffarnagar, Pratapgarh, Saharanpur, Sitapur, Sonbhadra and Varanasi.

(Source: Sports Directorate, Sports Colleges, RSOs, DSOs and Performance Budget 2022-23 of Sports Department, GoUP)

## Appendix 2.2.2

### Details of budget demand, allotment and expenditure of DoS during 2016-22 (Reference: Paragraph 2.2.7)

(₹ In crores)

Year	Demand	Allotment (budget provision)	Expenditure	Percentage of excess demand with respect to expenditure	Percentage shortage of expenditure with respect to allotment
2016-17	555.37	547.52	511.24	9	7
2017-18	340.74	224.58	171.74	98	24
2018-19	525.42	196.28	155.85	237	21
2019-20	466.92	205.81	153.89	203	25
2020-21	500.52	216.10	120.66	315	44
2021-22	509.76	264.75	198.90	156	25
<b>Total</b>	<b>2898.73</b>	<b>1655.04</b>	<b>1312.28</b>		

(Source: Sports Directorate, GoUP and Appropriation Accounts of respective years)

## Appendix 2.2.3

### Details of works executed during 2016-22

(Reference: Paragraph 2.2.8.1)

(₹ In crores)										
Sl. No.	Sanction year	Name of work	Sanctioned	Revised cost	Released Amount	Expenditure	Due date of completion	Revised date of completion	Delay with respect to initial targeted date of completion as of March 2023	Cost overruns as of March 2023
Details of completed work executed during 2016-22 but sanctioned prior to 2016-17										
1.	2009-10	Construction of sports stadium in district Mirzapur	2.12	3.97	3.97	3.97	Sept. 2016	Dec.2019 Mar.2020 Jun.2022 Jul.2022 Dec.2022	75 Months	1.85
2.	2010-11	Construction of sports college in District Fatehpur	81.15	89.61	33.64	33.64	Jul.2018	Apr.2019 Jul. 2019 Aug.2019 Nov.2019 Jan.2020 Mar.2020 Oct.2020 Oct.2021	39 Months	0.00
3.	2012-13	Construction of international level swimming pool in Saifai district Etawah	103.22	207.96	207.96	207.96	Mar.2016	Dec.2018	33 Months	104.74
4.	2013-14	Construction of stadium in Malhana Malhani village under Tehsil Bhatpar Rani in Deoria	4.76	6.77	6.76	6.76	Dec.2016	Jun.2020 Mar.2021 Dec.2021	60 Months	2.00
5.	2014-15	Construction of learning pool at sports stadium of Mahmudabad, district Sitapur	0.63	0.63	0.63	0.63	Sep.2015		NIL	0.00
6.	2015-16	Construction of sports stadium in Tehsil Aliganj of District Etah	8.16	10.78	10.78	10.78	Dec.2016	Jun.2021 Oct.2021 Dec.2021	60 Months	2.62
7.	2015-16	Re-establishment of athletics track in Saifai District Sports College, Saifai Etawah	5.63	5.63	5.63	4.60	Nov.2016	Jun.2018 Jul.2019 Jan.2020 Mar.2020 Sep.2020	46 Months	0.00



Sl. No.	Sanction year	Name of work	Sanctioned	Revised cost	Released Amount	Expenditure	Due date of completion	Revised date of completion	Delay with respect to initial targeted date of completion as of March 2023	Cost overruns as of March 2023	
8.		Construction of International Cricket Stadium in Saifai District Etawah	260.30	347.05	347.05	347.05	Jul.2018	Feb.2019 Nov.2019 Jan.2020 Mar.2020	20 Months	86.75	
Total			465.97	672.40	616.42	615.39	Details of incomplete work executed during 2016-22 but sanctioned prior to 2016-17				197.96
9.	2006-07	Construction of International Sports Complex in Ayodhya	80.00	133.86	133.86	132.34	Jun.2009	Mar.2015 Aug.2017 Dec.2018 Mar.2019 Aug.2019 Oct.2019 Mar.2020 Dec.2021	165 Months	53.86	
10.	2010-11	Construction of sports college in District Saharanpur	86.94	120.79	48.00	34.87	Mar.2020	Dec.2022 Dec.2023	36 Months	33.85	
11.	2011-12	Construction of wrestling, weightlifting hall, kabaddi, volleyball basketball and boxing hall in Gautam Budh Nagar	14.25	26.73	25.63	25.63	Dec.2014	Oct.2020 Feb.2022	86 Months	12.48	
12.	2014-15	Construction of Velodrome stadium in Guru Govind Singh Sports College, Lucknow	167.94	158.97	60.00	51.56	Mar.2020	Mar.2021 Dec.2021 Mar.2023	36 Months	0.00	
Total			349.13	440.35	267.49	244.40	Details of completed work sanctioned and executed during 2016-22				100.19
13.	2016-17	Repair/strengthening work in Dhyanchand Hockey Stadium built in Guru Gobind Singh Sports College, Lucknow	2.02	2.02	2.00	2.00	May 2018		NIL	0.00	
14.		Repair/strengthening work in Dhyanchand Hockey Stadium built in Guru Gobind Singh Sports College, Lucknow	8.49	8.49	8.49	8.49	May 2018		NIL	0.00	
15.		Construction of Astrotrurf Hockey Ground in Mini Stadium Vijayant Khand Gomtinagar Lucknow	23.46	28.40	28.40	28.40	Sep.2018		NIL	4.94	

Sl. No.	Sanction year	Name of work	Sanctioned	Revised cost	Released Amount	Expenditure	Due date of completion	Revised date of completion	Delay with respect to initial targeted date of completion as of March 2023	Cost overruns as of March 2023
16.		Repair of hockey hostel building, and earth filling work built in the campus of Dr. Bhimrao Ambedkar Sports Complex, Lalpur, Varanasi	1.00	1.00	1.00	1.00	Mar.2018		NIL	0.00
17.		Construction of Boxing Hall at Chowk Stadium Lucknow	11.95	11.95	11.95	11.95	Mar.2019	Dec.2019	09 Months	0.00
18.		Construction of stadium in district Kasganj	9.09	10.21	10.21	10.21	Mar.2019	Oct.2019 Feb.2020 Mar.2020 Sept.2021	30 Months	1.12
19.		Construction of sports college in district Ballia	7.46	9.73	9.73	9.73	Mar.2019	Mar.2020 Jun.2020 Sep.2020 Dec.2020 Mar.2021 Jun.2021 Jul.2021 Sep.2021	30 Months	2.27
20.	2017-18	Development and strengthening work of sports infrastructure built in sports stadium of district Gorakhpur	4.30	4.30	4.30	4.30	Mar.2019	Jan.2020	10 Months	0.00
21.		Air conditioning work of gym hall and multipurpose sports hall located at K.D.Singh "Babu" Stadium, Lucknow	2.47	2.47	2.47	2.47	Mar.2019		NIL	0.00
22.		Repair of hostel constructed in sports stadium and Mayohall of district Prayagraj	1.06	1.06	1.06	1.06	Jan.2019		NIL	0.00
23.		Construction of sports stadium in district Amroha	7.35	11.78	11.78	11.78	Oct.2019	Mar.2020 Dec.2020 Feb.2021 Apr.2021 Aug.2021 Sep.2021	23 Months	4.43
24.	2018-19	Special repair of boys hostel built in Dr. Bhim Rao Ambedkar Sports Stadium of Amethi district	1.09	1.09	1.09	1.09	Jun.2019		NIL	0.00

Sl. No.	Sanction year	Name of work	Sanctioned	Revised cost	Released Amount	Expenditure	Due date of completion	Revised date of completion	Delay with respect to initial targeted date of completion as of March 2023	Cost overruns as of March 2023
25.		Construction of boundary wall at Chowk Stadium Lucknow	2.41	2.41	2.41	2.41	Aug.2019		NIL	0.00
26.		Construction of tin shed and toilet at Chowk Stadium Lucknow	0.58	0.58	0.58	0.58	Oct.2019		NIL	0.00
27.		Repair work of hostel building in Veer Bahadur Singh Sports College, Gorakhpur	6.40	6.40	6.40	6.40	Oct.2019	Nov.2019	01 Months	0.00
28.		Construction of hostel building in Veer Bahadur Singh Sports College Gorakhpur	7.89	7.89	7.89	7.89	Dec.2019	Jan.2020 Mar.2020	03 Months	0.00
29.		Earth filling works in Veer Bahadur Singh Sports College, Gorakhpur	1.68	1.68	1.68	1.68	Oct.2019	Nov.2019	01 Months	0.00
30.		Construction of multigym building at Veer Bahadur Singh Sports College, Gorakhpur	0.57	0.57	0.57	0.57	Aug.2019	Oct.2019	02 Months	0.00
31.		Construction of Mess and Dining Hall in Veer Bahadur Singh Sports College, Gorakhpur	1.55	1.55	1.55	1.55	Jul.2019	Sep.2019	02 Months	0.00
32.		Restoration work of Dr. Bhimrao Ambedkar Sports Complex Lalpur Varanasi	0.73	0.73	0.73	0.73	Nov.2019		NIL	0.00
33.		Repair/strengthening of sports infrastructure in sports stadium and construction of changing room for players along with parking for residential complex players located in district Varanasi.	7.55	8.76	8.76	8.76	Dec.2019	Jun.2020 Sep.2020	09 Months	1.21
34.		R.C.C road work in Veer Bahadur Singh Sports College, Gorakhpur	0.95	0.95	0.95	0.95	Jun.2019		NIL	0.00
35.		Renovation of main building of Amitabh Bachchan Sports Complex, Mayo hall, Prayagraj	4.91	5.39	5.39	5.39	Nov.2019		NIL	0.48
36.	2019-20	Special repair of hostel built in district Rampur	1.01	1.01	1.01	0.87	Dec.2020	Jul.2021 Aug.2021	08 Months	0.00

Sl. No.	Sanction year	Name of work	Sanctioned	Revised cost	Released Amount	Expenditure	Due date of completion	Revised date of completion	Delay with respect to initial targeted date of completion as of March 2023	Cost overruns as of March 2023
37.		Construction of weightlifting hall, gym hall, volleyball court and boundary wall in sports stadium of district Farrukhabad (Announcement of Honourable Chief Minister)	5.15	5.70	5.70	5.09	Sep.2020	Mar.2021 Sep.2021 Oct.2021 Dec.2021 Mar.2022 May 2022	20 Months	0.00
38.		Sprinkler system in the main ground of K.D.Singh Babu Stadium, Lucknow and installation of railing for barricading in place of VRC mesh around the ground	3.82	3.82	3.82	3.82	Jul.2021		NIL	0.00
39.		Construction of gymnastics hall in district Jhansi	3.57	3.57	3.57	3.57	Jun.2020	Sep.2020	03 Months	0.00
40.		Construction of stadium/multipurpose sports hall in Jangal Kaudia, Gorakhpur	10.73	10.73	10.73	10.73	Dec.2020	Mar.2021 Oct.2021 Dec.2021	12 Months	0.00
41.		Construction of sports infrastructure in Dr. Bhimrao Ambedkar Sports Complex Lalpur, Varanasi	1.27	1.27	1.27	1.27	Jun.2021	Oct.2021	04 Months	0.00
42.		Upgradation of Dr. Bhimrao Ambedkar Sports Stadium, Amethi	4.93	4.93	4.93	4.93	Mar.2021	Jul.2021 Dec.2021 Oct.2021 Dec.2021	09 Months	0.00
43.	2020-21	Repair of hostel built in sports stadium of district Gorakhpur	0.93	0.93	0.93	0.93	Jun.2022	Jul.2022 Aug.2022 Dec.2022	06 Months	0.00
44.		Construction of auditorium on the roof of the dormitory in the sports stadium of Kaushambi district	2.29	2.29	2.29	2.29	Mar.2022	Jul.2022	04 Months	0.00
45.		Repair/Strengthening of the premises of Directorate of Sports, Lucknow	0.77	0.77	0.77	0.68	Jul.2022		NIL	0.00

Sl. No.	Sanction year	Name of work	Sanctioned	Revised cost	Released Amount	Expenditure	Due date of completion	Revised date of completion	Delay with respect to initial targeted date of completion as of March 2023	Cost overruns as of March 2023	
46.		Shooting range in Varanasi	5.04	5.04	5.04	5.04	July 2021	Aug.2023	20 Months	0.00	
Total			154.47	169.47	169.45	168.61					14.45
Details of incomplete work sanctioned and executed during 2016-22											
47.	2017-18	Construction of new sports stadium in District Gazipur	4.70	4.70	4.70	4.66	Dec.2019	Dec.2020 Dec.2021	39 Months	0.00	
48.	2019-20	Construction of Pavilion on Astroturf, Veer Bahadur Singh Sports College, Gorakhpur (Phase-A)	8.01	8.98	8.98	7.15	Feb.2021	Aug.2021 Nov.2021	25 Months	0.97	
49.		Construction of sports stadium in Gram Sabha Badhin under Vidhuna, Auraiya	6.51	6.51	6.51	5.22	Jan.2020	Oct.2023	45 Months	0.00	
50.		Filtration plant and other works built in the sports stadium, Bareilly	2.13	2.81	2.81	2.61	Nov.2020	Dec 2021 May 2022 Aug 2022 Nov.2022	28 Months	0.68	
51.		Development of stadium and sports facilities in Sultanpur	5.00	5.00	3.60	3.60	Mar.2022		12 Months	0.00	
52.	2020-21	Renovation of swimming pool built in Prayag Raj	3.37	3.37	2.00	1.65	Jun.2020	Mar.2021	09 Months	0.00	
53.		Covering and renovation of swimming pool in K.D.Singh Babu Stadium, Lucknow	10.22	10.22	3.00	2.85	Jun.2022		09 Months	0.00	
54.		Renewal and renovation of sports stadium, Ballia	5.16	5.16	2.50	1.98	Apr.2023		NIL	0.00	
55.	2021-22	Construction of Shooting range in Meerut	8.65	8.65	8.65	6.50	July 2021	Dec.2023	20 Months	0.00	
56		Repair of hostel in sports stadium, Agra (69.31 lakh for boys hostel and 81.03 lakh for girls)	1.50	1.50	1.07	0.75	May 2022	Jul.2022 Sep.2022	10 Months	0.00	
Total			55.25	56.90	43.82	36.97					1.65

(Source: Sports Directorate)

## Appendix 2.2.4

### Poorly maintained/unutilised sports facilities

(Reference: Paragraph 2.2.8.5(iii))

District/officers	Sports Infrastructure	Deficiencies noticed in Audit
<b>Sports College, Lucknow</b>	Swimming pool	<i>Audit observation:</i> Swimming pool was not in use during 2016-22. <i>Reply of the State Government (July 2023):</i> State Government stated that swimming pool was operational at present. Reply is not acceptable as joint physical verification (September 2023) revealed that swimming pool was not in use. There was neither any trainee nor any coach or life saver in the college during 2016-23. However, a state level competition was held during 03.08.2023 to 06.08.2023 and thereafter, the swimming pool was not being used.
	Lawn Tennis Court	<i>Audit observation:</i> Lawn tennis court was not being used for training in the absence of coach and became dilapidated. State Government did not give any reply regarding not using Lawn tennis court.
<b>Sports College, Saifai</b>	Swimming pool	As detailed in Paragraph 2.2.8.4 (ii).
<b>Regional Sports officer, Prayagraj</b>	Swimming Pool	<i>Audit observation:</i> Swimming pool was not in use due to renovation since January 2020, which was to be completed by June 2020. <i>Reply of the State Government (July 2023):</i> State Government stated that physical progress of renovation works was 65 per cent.
<b>Regional Sports Officer, Lucknow</b>	Swimming Pool	<i>Audit observation:</i> Swimming pool was not in use due to renovation for which administrative sanction was accorded in March 2021. <i>Reply of the State Government (July 2023):</i> State Government stated that renovation of swimming pool was in progress.
<b>Sports Officer, Amethi</b>	Swimming pool	<i>Audit observation:</i> Swimming pool was not in use due renovation. <i>Reply of the State Government (July 2023):</i> State Government stated that renovation of swimming pool was in progress.
<b>Sports Officer, Baghpat</b>	Swimming pool	<i>Audit observation:</i> Swimming pool was not in use. State Government did not give any reply regarding swimming pool.
<b>Sports Officer, Bulandshahr</b>	Swimming pool	<i>Audit observation:</i> Swimming pool was not in use due to unavailability of coach and life saver. <i>Reply of the State Government (July 2023):</i> State Government stated that due to unavailability of coach/life saver swimming pool was not operational.
<b>Sports Officer, Lakhimpur Kheri</b>	Swimming pool	<i>Audit observation:</i> Swimming pool was not in use due to unavailability of coach/life saver. <i>Reply of the State Government (July 2023):</i> State Government stated that due to lack of lifeguard/coach, it was not possible to operate the swimming pool.

District/officers	Sports Infrastructure	Deficiencies noticed in Audit
<b>Sports Officer, Banda</b>	Swimming pool	<i>Audit observation:</i> Swimming pool was not in use due to unavailability of water. <i>Reply of the State Government (July 2023):</i> State Government stated that the swimming pool was constructed in 1995 but due to unavailability of water, the swimming pool was not operating smoothly.
<b>Sport Officer, Ghaziabad</b>	Swimming pool	<i>Audit observation:</i> Only small pool was operational. <i>Reply of the Director, Sports (July 2024):</i> Director, Sports stated that all the three swimming pools were in dilapidated condition and need to be renovated.
<b>Sport Officer, Sultanpur</b>	Swimming pool	<i>Audit observation:</i> Swimming pool was not operated due to renovation. <i>Reply of the Director, Sports (July 2024):</i> Director, Sports stated that renovation work of the swimming pool was being done.
<b>Sports College Gorakhpur</b>	Volleyball Indoor Hall	<i>Audit observation:</i> Not in use due to dilapidated condition, as a result training was being imparted in open court. <i>Reply of the State Government (July 2023):</i> State Government stated that the volleyball indoor hall was not in use since September 2018 due to damage occurred during storm/rain. It further stated that necessary action for its repair was being undertaken.
<b>Sports Officer, Banda</b>	Volleyball Indoor Hall	<i>Audit observation:</i> False ceiling, window and door were damaged. <i>Reply of the State Government (July 2023):</i> State Government stated that inspection report (June 2023) on status of volleyball indoor hall had been submitted to the Directorate.
<b>Regional Sports Officer, Jhansi</b>	Basketball Court	<i>Audit observation:</i> Basketball court was not in use. <i>Reply of the State Government (July 2023):</i> State Government stated that the estimates for renovation was under process.
<b>Regional Sports Officer, Jhansi</b>	Lawn Tennis Court	<i>Audit observation:</i> Lawn Tennis Court was not in use. <i>Reply of the State Government (July 2023):</i> State Government stated that the Lawn Tennis Court was not in use since 20 years.
<b>Sports Officer, Banda</b>	Net practice cemented cricket pitch	<i>Audit observation:</i> Out of five pitches, three pitches were in dilapidated condition. <i>Reply of the State Government (July 2023):</i> State Government stated that estimates for renovation of cricket pitches were called for.

(Source: Sports Directorate, RSOs/DSOs and Sports Colleges)



## Appendix 2.2.5

### Position of unutilised dormitories during 2016-22

(Reference: Paragraph 2.2.8.5(iv))

Sl. No.	District	Date of Creation (as informed by Sports Directorate)	Period of utilisation during 2016-22 (in days)
1	Sitapur	Prior 2008-09	Nil
2	Hardoi	2008-09	75
3	Varanasi	Prior 2008-09	64
4	Gorakhpur	Prior 2008-09	40
5	Pratapgarh	Prior 2008-09	Nil
6	Lakhimpur Khiri	Prior 2008-09	Nil
7	Basti	Prior 2008-09	Not made Available
8	Muzaffarnagar	Prior 2008-09	13
9	Barabanki	Prior 2008-09	117
10	Mathura	2008-09	3
11	Kaushambi	2008-09	3
12	Mau	2007-08	3
13	Ambedkar Nagar	2007-08	10

(Source: Sports Directorate)

## Appendix 2.2.6

**Details of sports wise and year wise sanctioned strength and PIP of part-time coaches during 2016-22**  
(Reference: Paragraph 2.2.10.1)

Sl. No.	Games	2016-17		2017-18		2018-19		2019-20		2021-22		Average Shortfall during 2016-22 (percentage)
		Sanctioned	PIP	Sanctioned	PIP	Sanctioned	PIP	Sanctioned	PIP	Sanctioned	PIP	
1	Archery	6	3	6	3	6	5	6	3	6	1	50%
2	Athletics	41	33	41	41	41	39	41	39	41	23	15%
3	Badminton	30	16	28	17	28	17	28	14	28	3	53%
4	Basketball	18	9	16	8	16	8	16	7	16	2	59%
5	Boxing	21	17	21	13	21	21	21	21	21	4	28%
6	Cricket	31	24	35	28	35	34	31	29	31	10	23%
7	Football	35	23	35	27	35	30	35	25	35	25	26%
8	Gymnastics	13	10	13	11	13	12	13	12	13	3	26%
9	Handball	19	16	19	19	19	19	19	19	19	13	9%
10	Hockey	41	32	41	38	41	38	41	41	41	30	13%
11	Judo	16	10	16	14	16	13	16	13	16	11	24%
12	Kho-Kho	11	6	9	9	9	9	9	9	9	3	23%
13	Kabaddi	25	18	25	21	25	25	24	20	24	6	27%
14	Swimming	16	1	12	5	12	2	9	1	9	1	83%
15	Squash	2	1	2	1	2	1	2	2	2	0	50%
16	Table-Tennis	7	4	7	4	7	7	7	3	7	0	49%
17	Lawn-Tennis	5	2	4	4	4	1	4	1	4	2	52%
18	Volleyball	26	23	26	23	26	24	26	23	26	10	21%
19	Weightlifting	19	16	19	15	19	16	19	17	19	9	23%
20	Wrestling	28	25	28	26	28	27	28	27	28	8	19%
21	Taekwondo	15	13	13	12	13	13	13	13	13	4	18%
22	Shooting	1	1	4	3	4	3	7	3	7	3	43%
23	Wushu	6	5	6	6	6	6	6	6	6	0	23%
24	Powerlifting	7	6	5	5	5	5	4	4	4	1	16%
25	Fencing	7	6	5	5	5	5	4	4	4	1	16%
26	Netball	4	3	4	4	4	2	4	2	4	2	35%
27	Soft Tennis	0	0	2	2	2	2	2	2	2	2	0%
28	Cycling	0	0	2	2	2	2	2	2	2	0	25%

Sl. No.	Games	2016-17		2017-18		2018-19		2019-20		2021-22		Average Shortfall during 2016-22 (percentage)
		Sanctioned	PIP	Sanctioned	PIP	Sanctioned	PIP	Sanctioned	PIP	Sanctioned	PIP	
29	Rowing	0	0	2	0	2	1	4	1	4	0	83%
30	Kayaking & Canoeing	0	0	2	1	2	1	4	1	4	2	58%
31	Karate	0	0	0	0	0	0	2	0	2	1	75%
Total		450	322	450	369	450	390	450	367	450	179	28%

(Source: Sports Directorate, GoUP);

Note: Due to covid-19 pandemic, no training was conducted during 2020-21.

## Appendix 2.2.7

### Unavailability of coaches in test-checked districts

(Reference: Paragraph 2.2.10.1)

Sports Infrastructure	District Name	2016-17		2017-18		2018-19		2019-20		2020-21		2021-22		Total players
		Coach	Players	Coach	Players	Coach	Players	Coach	Players	Coach	Players	Coach	Players	
Boxing	Jhansi	Coach was available	00	48	00	00	00	00	00	00	00	00	00	48
Shooting	Agra	00	00	00	00	00	554	00	432	00	137	00	80	1203
Squash	Agra	00	21	00	11	00	07	00	07	00	14	00	04	64
Swimming	Agra	00	775	00	608	00	644	00	451	00	00	00	00	2478
Lawn Tennis	Agra	00	68	00	57	00	60	00	14	00	00	00	20	219
Total		00	864	00	724	00	1265	00	904	00	151	00	104	4012

(Source: RSOs and SOs)

## Appendix 2.2.8

### Details of hospital/dispensary infrastructure in Sports College

*{Reference: Paragraph 2.2.10.2}*

Name of Sports College	Details of Infrastructure available	Status of utilisation
MDCSC Saifai	<ol style="list-style-type: none"> <li>1. General Ward- 10 Bed</li> <li>2. Ultrasound Room-01</li> <li>3. X-ray Room-01</li> <li>4. Doctors Room-03</li> <li>5. Vaccine Room-01</li> <li>6. Pathology-01</li> <li>7. Minor O T-01</li> <li>8. Storeroom-01</li> <li>9. Dressing Room-01</li> </ol>	Partially utilised by physiotherapist; equipment for x-ray, ultrasound and pathology were not available
BBSSC Gorakhpur	<ol style="list-style-type: none"> <li>1. Doctors Room-01</li> <li>2. Ward -02 (two beds in each ward)</li> <li>3. Medicine distribution room-01</li> <li>4. Storeroom-01</li> <li>5. Operation Room-01</li> <li>6. Toilet-02</li> <li>7. Bathroom-01</li> </ol>	<p>Partially utilised by physiotherapist:</p> <p>Medicine distribution room and operation room were not in use.</p>

*(Source: Sports Colleges)*

## Appendix 2.2.9

### Sanctioned strength vis-a-vis men-in-position during 2021-22

(Reference: Paragraph 2.2.11.1)

Sl. No.	Name of post	Sanction	Filled	Vacant	Vacancy in percentage
1.	Group 'A'	06	06	00	00
2.	Group 'B'	21	11	10	48
3.	Group 'C'	465	298	167	36
4.	Group 'D'*	269	166	103	38
<b>Total</b>		<b>761</b>	<b>481</b>	<b>280</b>	<b>In reply (July 2023), State Government stated that the recruitment against Group D post had been stopped vide order dated 8 September 2010</b>

(Source: Sports Directorate, GoUP)

*The above shortages were in respect of followings posts:*

Sl. No.	Name of post	Sanctioned strength	Filled	Vacant	Vacancy in percent	Status of recruitment as per State Government's reply (July 2023) and Directorate's reply (November 2023)
1.	Regional Sports Officer	18	09	09	50	The recruitment against the posts of Regional Sports Officer, which were to be filled through direct recruitment, was pending at Government level.
2.	Assistant Engineer	01	00	01	100	Directorate submitted proposal to fill the post of Assistant Engineer on deputation/service transfer basis, which was pending at Government level.
3.	Sports Officer	59	48	11	19	The recruitment against the posts of Sports Officer was pending due to non-finalization of corresponding revised service rule.
4.	Deputy Sports Officer	102	78	24	24	Request for direct recruitment had been forwarded to Uttar Pradesh Subordinate Service Commission. Besides, posts to be filled by promotion were vacant due to unavailability of suitable candidate in the feeder cadre.
5.	Assistant Coach	48	04	44	92	Request for direct recruitment was pending at Uttar Pradesh Subordinate service commission level.
6.	Lifeguard	39	25	14	36	Request for direct recruitment was pending at Uttar Pradesh Subordinate Service Commission level.
7.	Physiotherapist	01	00	01	100	The recruitment against the posts of Physiotherapist was pending due to non-finalization of service rule.

Sl. No.	Name of post	Sanctioned strength	Filled	Vacant	Vacancy in percent	Status of recruitment as per State Government's reply (July 2023) and Directorate's reply (November 2023)
8.	Sr. Assistant	08	06	02	25	Directorate stated (November 2023) that this post was vacant due to retirement/refusal against promotion.
9.	Jr. Assistant	125	83	42	34	Request for direct recruitment was pending at Uttar Pradesh Subordinate Service commission level.
10.	Personal Assistant Grade-2	01	00	01	100	Vacancy was exiting due to unavailability of suitable candidate in the feeder cadre.
11.	Stenographer	02	01	01	50	Request for direct recruitment was pending at Uttar Pradesh Subordinate service commission level.
12.	Assistant Accountant	27	13	14	52	State Government did not provide any reply for vacant posts. However, it stated that deployment of assistant accountant was done by Internal Audit Department Uttar Pradesh.
13.	Electrician	20	12	08	40	Request for direct recruitment was pending at Uttar Pradesh Subordinate service commission level.
14.	Driver Grade-3	03	01	02	67	Vacancy was exiting due to unavailability of suitable candidate in the feeder cadre.
15.	Grounds Man	03	0	03	100	Request for direct recruitment was pending at Uttar Pradesh Subordinate service commission level.
<b>Total</b>				<b>177</b>		

(Source: Sports Directorate, GoUP)

## Appendix 2.2.10

### Participation of female sportsperson (Reference: Paragraph 2.2.11.2)

Year	Boys	Girls	Total	Percentage of girls
2016-17	15073	4134	19207	22
2017-18	16713	4408	21121	21
2018-19	21507	5609	27116	21
2019-20	17314	4687	22001	21
2020-21	2853	630	3483	18
2021-22	8239	1878	10117	19
<b>Total</b>	<b>81699</b>	<b>21346</b>	<b>103045</b>	<b>21</b>

(Source: Sports Directorate, GoUP)

## Appendix 2.2.11

### Details of vacancies in female sports hostels (Reference: Paragraph 2.2.11.2)

District	Sports name	Sanctioned Strength	Number of sportspersons resided in the hostel					
			2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Agra	Gymnastics	10	10	9	10	8	0	0
	Kabaddi	15	10	12	9	15	0	0
	Basketball	20	9	12	17	14	0	0
Ayodhya	Handball	20	19	17	17	17	17	20
	Wrestling	20	20	13	19	18	18	20
	Badminton	15	7	7	15	11	11	12
	Table-Tennis	15	5	5	9	5	5	12
Lucknow	Hockey	30	29	30	30	30	0	0
	Swimming	20	3	9	17	20	0	0
	Volleyball	15	15	10	15	15	0	0
	Athletics	20	18	19	18	20	0	0
Sonebhadra	Archery	20	8	10	5	6	0	0
<b>Total</b>		<b>220</b>	<b>153</b>	<b>153</b>	<b>181</b>	<b>179</b>	<b>51</b>	<b>64</b>
<b>Shortfall (in per cent)</b>			<b>30</b>	<b>30</b>	<b>18</b>	<b>19</b>	<b>77</b>	<b>71</b>

(Source: Sports Directorate and RSOs, GoUP)



## Appendix 2.2.12

### Details of female coaches available during 2016-22 (Reference: Paragraph 2.2.11.2(ii))

Year	Coaches Sanctioned		Coaches Available		Female Coaches available		Percentage of female coaches with sanction strength	
	Permanent	Part time	Permanent	Part time	Permanent	Part time	Permanent	Part time
2016-17	209	450	130	322	23	72	11	16
2017-18	209	450	131	369	22	84	11	19
2018-19	209	450	141	390	24	93	11	21
2019-20	209	450	141	367	24	77	11	17
2020-21	209	450	134	0*	24	0*	11	0*
2021-22	209	450	130	179	23	35	11	8

\*As per the Sports Directorate, training was not imparted during 2020-21 due to Covid-19 pandemic.

(Source: Sports Directorate, GoUP)

## Appendix 2.2.13

### Details of camps with higher number of female sportspersons during 2016-22

(Reference: Paragraph 2.2.11.2(ii))

Year	No. of Districts	No. of Camps	Boys	Girls
2016-17	19	26	501	707
2017-18	12	14	291	426
2018-19	13	18	329	442
2019-20	17	24	411	553
2020-21	3	4	48	70
2021-22	16	20	263	326
		<b>106</b>	<b>1843</b>	<b>2524</b>

(Source: Sports Directorate, RSOs and DSOs)

Camp wise details of camp with higher number of female sportspersons during 2016-22:

Sr.No.	District	Sports Name	Boys	Girls	Total	percentage of girls
<b>2016-17</b>						
1	Agra	Fencing	13	17	30	57
2	Amroha	Volleyball	13	27	40	68
3	Ayodhya	Hockey	22	34	56	61
4	Barabanki	Handball	7	18	25	72
5	Barabanki	Volleyball	19	22	41	54
6	Bareilly	Badminton	16	16	32	50
7	Basti	Handball	43	43	86	50
8	Fatehpur	Athletics	19	26	45	58
9	Ghaziabad	Hockey	22	34	56	61
10	Ghaziabad	Volleyball	26	33	59	56
11	Gonda	Athletics	18	22	40	55
12	Hamirpur	Kho-Kho	12	19	31	61
13	Jalaun	Handball	24	32	56	57
14	Jhansi	Hockey	19	31	50	62
15	Kanpur	Hockey	20	20	40	50
16	Lucknow	Badminton	48	81	129	63
17	Lucknow	Handball	15	19	34	56
18	Lucknow	Hockey	18	22	40	55
19	Lucknow	Volleyball	19	21	40	53
20	Mayohall Prayagraj	Badminton	2	45	47	96
21	Muradabad	Kho-Kho	12	18	30	60
22	Prayagraj	Hockey	20	27	47	57
23	Siddharthnagar	Handball	12	13	25	52
24	Varanasi	Athletics	16	18	34	53
25	Varanasi	Hockey	34	34	68	50
26	Varanasi	Kho-Kho	12	15	27	56
<b>Total</b>	<b>19</b>	<b>26</b>	<b>501</b>	<b>707</b>	<b>1208</b>	<b>59</b>
<b>2017-18</b>						
1	Agra	Wrestling	5	6	11	55
2	Ayodhya	Swimming	23	23	46	50
3	Bareilly	Hockey	21	24	45	53

Sr.No.	District	Sports Name	Boys	Girls	Total	percentage of girls
4	Fatehpur	Hockey	13	49	62	79
5	Firozabad	Fencing	15	45	60	75
6	Hamirpur	Kho-Kho	12	12	24	50
7	Jhansi	Badminton	60	70	130	54
8	Kanpur	Handball	11	27	38	71
9	Lucknow	Gymnastics	13	22	35	63
10	Lucknow	Volleyball	23	40	63	63
11	Moradabad	Kho-Kho	17	19	36	53
12	Prayagraj	Hockey	32	40	72	56
13	Varanasi	Hockey	28	31	59	53
14	Varanasi	Table-tennis	18	18	36	50
<b>Total</b>	<b>12</b>	<b>14</b>	<b>291</b>	<b>426</b>	<b>717</b>	<b>59</b>
<b>2018-19</b>						
1	Aligarh	Boxing	14	16	30	53
2	Bareilly	Hockey	21	32	53	60
3	Basti	Handball	11	15	26	58
4	Basti	Wrestling	5	6	11	55
5	Deoria	Kho-Kho	15	23	38	61
6	Firozabad	Fencing	5	29	34	85
7	Firozabad	Gymnastics	10	12	22	55
8	Ghaziabad	Netball	9	26	35	74
9	Gonda	Handball	14	15	29	52
10	Kanpur	Badminton	118	130	248	52
11	Kanpur	Handball	19	26	45	58
12	Lucknow	Cycling	15	15	30	50
13	Lucknow	Gymnastics	17	23	40	58
14	Lucknow	Table-tennis	15	15	30	50
15	Muzaffarnagar	Kho-Kho	9	16	25	64
16	Prayagraj	Kho-Kho	13	15	28	54
17	Sahjahanpur	Judo	2	11	13	85
18	Varanasi	Table-tennis	17	17	34	50
<b>Total</b>	<b>13</b>	<b>18</b>	<b>329</b>	<b>442</b>	<b>771</b>	<b>57</b>
<b>2019-20</b>						
1	Ballia	Handball	15	18	33	55
2	Ballia	Kho-Kho	13	15	28	54
3	Bareilly	Athletics	18	23	41	56
4	Basti	Handball	22	22	44	50
5	Basti	Volleyball	12	40	52	77
6	Etah	Weightlifting	25	26	51	51
7	Etawah	Boxing	17	28	45	62
8	Etawah	Gymnastics	22	28	50	56
9	Firozabad	Fencing	13	17	30	57
10	Gautambudhnagar	Wrestling	15	15	30	50
11	Gazipur	Boxing	20	40	60	67
12	Gorakhpur	Gymnastics	13	17	30	57
13	Gorakhpur	Handball	15	20	35	57
14	Jalaun	Handball	21	24	45	53
15	Jhansi	Hockey	16	24	40	60

Sr.No.	District	Sports Name	Boys	Girls	Total	percentage of girls
16	Jhansi	Judo	7	9	16	56
17	Lucknow	Gymnastics	23	24	47	51
18	Lucknow	Table-tennis	15	15	30	50
19	Muzaffarnagar	Kho-Kho	13	24	37	65
20	Prayagraj	Kho-Kho	11	15	26	58
21	Prayagraj	Sailing	11	14	25	56
22	Saharanpur	Judo	16	20	36	56
23	Unnao	Taekwondo	42	59	101	58
24	Varanasi	Basketball	16	16	32	50
<b>Total</b>	<b>17</b>	<b>24</b>	<b>411</b>	<b>553</b>	<b>964</b>	<b>57</b>
<b>2020-21</b>						
1	Lucknow	Athletics	19	24	43	56
2	Lucknow	Weightlifting	12	19	31	61
3	Raibareilly	Hockey	9	15	24	63
4	Firozabad	Gymnastics	8	12	20	60
<b>Total</b>	<b>3</b>	<b>4</b>	<b>48</b>	<b>70</b>	<b>118</b>	<b>59</b>
<b>2021-22</b>						
1	Mirzapur	Football	10	10	20	50
2	Etawah	Boxing	9	18	27	67
3	Etawah	Karate	22	28	50	56
4	Saharanpur	Table-tennis	16	16	32	50
5	Shamli	Kabaddi	13	14	27	52
6	Muzaffarnagar	Judo	10	15	25	60
7	Prayagraj	Handball	11	14	25	56
8	Prayagraj	Judo	19	21	40	53
9	Meerut	Hockey	16	24	40	60
10	Meerut	Netball	15	15	30	50
11	Gautambudhnagar	Netball	14	15	29	52
12	Varanasi	Hockey	19	21	40	53
13	Varanasi	Judo	12	13	25	52
14	Gorakhpur	Hockey	7	10	17	59
15	Shrawasti	Kho-Kho	9	9	18	50
16	Moradabad	Table-tennis	6	8	14	57
17	Lucknow	Soft-Tennis	11	15	26	58
18	Sitapur	Taekwondo	16	19	35	54
19	Unnao	Taekwondo	20	29	49	59
20	Firozabad	Gymnastics	8	12	20	60
<b>Total</b>	<b>16</b>	<b>20</b>	<b>263</b>	<b>326</b>	<b>589</b>	<b>55</b>
<b>Grand Total</b>		<b>106</b>	<b>1843</b>	<b>2524</b>	<b>4367</b>	<b>58</b>

(Source: Sport Directorate, GoUP)

### Appendix 2.2.14

#### Financial assistance to Sports Association/Federation

(Reference: Paragraph 2.2.11.3)

(₹ in lakh)

Year	Name of Association/Federation	Allotment	Expenditure
2016-17	1. UP Badminton Federation	100.00	100.00
	2. UP Hockey Federation	1905.00	1905.00
2017-18	1. UP Judo Federation	0.75	0.75
	2. UP Judo Federation	0.50	0.50
2018-19	1. UP Handball Federation	5.00	5.00
2019-20	1. UP Judo Federation	0.75	0.75
	2. UP Judo Federation	0.15	0.15
	3. UP Handball Federation	0.50	0.50
2020-21	1. UP Handball Federation	0.50	0.50
	2. UP Handball Federation	0.50	0.50
	2. UP Weightlifting Federation	0.15	0.15
2021-22	1. UP Hockey Federation	10.00	10.00
	2. UP Weightlifting Federation	0.15	0.15
<b>Total</b>		2023.80	2023.80
		<b>₹ 20.24 crore</b>	<b>₹ 20.24 crore</b>

(Source: Sports Directorate, GoUP)

### Appendix 2.2.15

#### Details of sportsperson registered in camps for which associations were disputed

(Reference: Paragraph 2.2.11.3)

Name of Games	Number of Registered Sports Persons						Grand Total
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	
Netball	61	66	75	35	00	59	296
Powerlifting	176	136	131	94	00	25	562
Taekwondo	1005	927	1287	873	119	381	4592
<b>Grand Total</b>	<b>1242</b>	<b>1129</b>	<b>1493</b>	<b>1002</b>	<b>119</b>	<b>465</b>	<b>5450</b>

(Source: Sports Directorate, GoUP)

### Appendix 2.3.1

#### **List of Sampled Projects** (Reference: paragraph no. 2.3.3)

Sl.No.	Name of PIA/Project	YP/AP
1	M/s Aryans Edutech Private Limited	YP
2	M/s Avon Facility Management Services Ltd.	YP
3	M/s CL Educate Ltd.	YP
4	M/s New Industrial Security Agencies Pvt. Ltd.	YP
5	M/s Orient Craft Fashion Inst. of Tech Pvt. Ltd.	YP
6	M/s Centre of Technology and Entrepreneurship Development	AP
7	M/s Doric Multimedia Pvt. Ltd.	AP
8	M/s Dream Weavers Edutrack Pvt. Ltd.	AP
9	M/s Focus Edu Care Pvt. Ltd.	AP
10	M/s ICA Edu Skills Ltd. (P2)	AP
11	M/s ID Tech Solutions Pvt. Ltd.	AP
12	M/s Ideal Impressions Pvt. Ltd.	AP
13	M/s Indira Gandhi Computer Saksharta Mission	AP
14	M/s Indira Gopal Institute of Medical Services	AP
15	M/s Khator Fibers and Fabrics Limited	AP
16	M/s Late Mahabir Prasad Memorial Shikshan Sansthan	AP
17	M/s Manav Vikas Evam Sewa Sansthan (P2)	AP
18	M/s JITM Skills Pvt. Ltd.	AP
19	M/s Mass Infotech Society (P2)	AP
20	M/s Niranjana Madhyamik Shiksha Samiti	AP
21	M/s Pipal Tree Ventures Ltd.	AP
22	M/s Rooman Technologies Pvt. Ltd.	AP
23	M/s Rozgar Vikas Education Private Limited	AP
24	M/s Social Action for Welfare & Cultural Advancement	AP
25	M/s Tara Corporate Services Ltd.	AP
26	M/s Teamlease Services Ltd.	AP
27	M/s Thinkskills Consulting Pvt. Ltd.	AP
28	M/s ADS Skills Pvt. Ltd.	AP

(Source: UPSDM)

## Appendix 2.3.2

### Irregular time extension in YP projects (Reference: paragraph no. 2.3.8.2.)

Sl. No	Name of PIA	Date of Sanction	Project Start Date	Project End Date	Target		Achievement (as of March 2022)		Project End Date (After 1 <sup>st</sup> Extension)	Project End Date (After 2 <sup>nd</sup> Extension)	Released Amount till March 2022 (in ₹)
					Training	Placement	Training	Placement			
1.	M/s All Services Global Pvt. Ltd.	27-12-2013	25-Jan-15	24-Jan-18	2980	2086	2276	1530	24-Jan-19	24-Jan-20	106551475
2.	M/s Aryans Edutech Private Limited	20-05-2014	18-Jun-15	17-Jun-18	1011	708	1051	708	17-Jun-19	17-Dec-19	37624532
3.	M/s Avon Facility Management Services Ltd.	24-03-2014	14-Dec-14	13-Dec-17	3463	2424	4133	2396	13-Dec-18	13-Dec-19	111208816
4.	M/s BVG India Limited	20-01-2014	25-Jan-15	24-Jan-18	2810	1967	1690	1140	24-Jan-19	24-Jan-20	102850808
5.	M/s Centre of Technology and Entrepreneurship Development	24-03-2014	30-Oct-14	29-Oct-17	1296	907	1375	1193	29-Oct-18	29-Oct-19	37466730
6.	M/s CL Educate Limited	27-12-2013	25-Jan-15	24-Jan-18	3679	2575	3362	1085	24-Jan-19	24-Jan-20	109596981
7.	M/s Eagle Hunter Solutions Pvt. Ltd.	24-03-2014	12-Feb-15	11-Feb-18	2650	1855	2067	694	11-Feb-19	11-Feb-20	36461675
8.	M/S Focus Edu Care Pvt. Ltd.	24-03-2014	13-Dec-14	12-Dec-17	956	669	859	391	12-Dec-18	12-Dec-19	25675127
9.	M/s ICA Edu Skills Pvt. Ltd.	20-01-2014	25-Jan-15	24-Jan-18	4058	2841	4069	2735	24-Jan-19	24-Jan-20	110519977
10.	M/s Krystal Integrated Services Pvt. Ltd.	23-05-2014	02-Jul-15	01-Jul-18	791	554	689	282	01-Jul-19	31-Dec-19	27736267
11.	M/s Manav Vikas Evam Sewa Sansthan	15-01-2014	25-Jan-15	24-Jan-18	1193	835	1201	800	24-Jan-19	24-Jan-20	37284575
12.	M/s Mass Infotech Society	15-01-2014	02-Jun-15	01-Jun-18	177	124	196	128	01-Jun-19	31-May-20	8280337
13.	M/s New Industrial Security Agencies Private Limited	24-03-2014	30-Oct-14	29-Oct-17	1349	944	1389	606	29-Oct-18	29-Oct-19	33950623
14.	M/s Orient Craft Fashion Inst. of Tech. Pvt. Ltd.	15-01-2014	02-Jun-15	01-Jun-18	2660	1862	2664	720	01-Jun-19	31-May-20	113044713
15.	M/s Orion Edutech Pvt. Ltd.	20-01-2014	25-Jan-15	24-Jan-18	3867	2707	3867	2710	24-Jan-19	24-Jan-20	112363694
16.	M/s Qness Corp Ltd.	24-01-2014	25-Jan-15	24-Jan-18	3337	2336	3998	2299	24-Jan-19	24-Jan-20	131497970
17.	M/s Scientific Security Management Services Pvt. Ltd.	24-03-2014	08-Mar-15	07-Mar-18	853	597	854	603	07-Mar-19	06-Mar-20	28617675
				<b>Total</b>	<b>37130</b>	<b>25991</b>	<b>35740</b>	<b>20020</b>			<b>1170731975</b>

(Source: UPSDM)



### Appendix 2.3.3

#### Excess payment to PIAs

(Reference: paragraph no.2.3.8.4)

Sl No.	Name of PIA	Total Project Cost (TPC) (₹ in Lakh)	Training Target (number of candidates)	Time Extension till date	Average Training cost per candidate (₹ in Lakh)	Total Fund Released (₹ in Lakh) (up to March 2022)	Number of candidates trained (up to March 2021)	Number of candidates placed (up to March 2021)	Percentage of placement as against Trained	Total proportionate payment admissible (₹ Lakh)	Amount to be recovered (₹ Lakh)
(1)	(2)	(3)	(4)	(5)	(6)=(3)÷(4)	(7)	(8)	(9)	(10) = (9)÷(8)x100	(11)=(6)x(9)	(12)=(7)-(11)
1	M/s All Services Global Pvt. Ltd.	1429.54	2980	24-01-2020	0.48	1065.51	2276	825	36.25	395.76	669.75
2	M/s Aroh Foundation	1272.78	1632	24-01-2020	0.78	973.98	1514	704	46.50	549.04	424.94
3	M/s BVG India Limited	1364.26	2810	24-01-2020	0.49	1028.51	1690	295	17.46	143.22	885.29
4	M/s CL Educate Ltd	1498.33	3679	24-01-2020	0.41	1095.97	3362	1077	32.03	438.63	657.34
5	M/s Focus Edu Care Pvt. Ltd.	335.37	956	12-12-2019	0.35	256.75	859	326	37.95	114.36	142.39
6	M/s Krystal Integrated Services Pvt Ltd	362.43	791	31-12-2019	0.46	277.36	689	282	40.93	129.21	148.15
7	M/s Manav Vikas evam Sewa Sansthan	499.96	1193	24-01-2020	0.42	372.85	1201	405	33.72	169.73	203.12
8	M/s New Industrial Security Agencies Pvt. Ltd	450.36	1349	29-10-2019	0.33	339.51	1389	606	43.63	202.31	137.20
9	M/s Orient Craft Fashion Inst. Of Tech. Pvt. Ltd	1469.28	2660	31-05-2020	0.55	1130.45	2680	632	23.58	349.09	781.36
10	M/s Scientific Security Management Services Pvt. Ltd	375.85	853	06-03-2020	0.44	286.18	854	101	11.83	44.50	241.68
	<b>Total</b>	<b>9058.16</b>				<b>6827.07</b>				<b>2535.86</b>	<b>4291.22</b>

(Source: UPSDM)

### Appendix 2.3.4 A

#### Delay in execution of MoU and release of 1st instalment

(Reference: paragraph no. 2.3.9.4)

SL No	Name of PIA	Date of issue of minutes of PAC meeting	Date of Execution of MoU	Release of first instalment	Delay in execution of MOU (In Days)	Delay in release of first instalment (In Days)
1	M/s Centre of Technology and Entrepreneurship Development	24-05-2017	22-06-2017	31-01-2018	27	213
2	M/s Doric Multimedia Pvt Ltd	22-02-2018	12-03-2018	27-03-2018	16	5
3	M/s Dream Weavers Edutrack Pvt. Ltd.	16-04-2018	20-09-2018	14-05-2019	155	226
4	M/s Focus Edu Care Pvt. Ltd.	16-04-2018	26-06-2018	07-09-2018	69	63
5	M/s ICA Edu Skills Ltd (P2)	24-05-2017	04-07-2017	21-07-2017	39	7
6	M/s ID Tech Solutions Pvt. Ltd.	16-04-2018	22-06-2018	27-08-2018	65	56
7	M/s Ideal Impressions Pvt. Ltd.	16-04-2018	03-08-2018	07-08-2018	107	No Delay
8	M/s Indira Gandhi Computer Saksharta Mission	24-05-2017	04-07-2017	16-08-2017	39	33
9	M/s Indira Gopal Institute of Medical Services	24-07-2018	28-09-2018	22-10-2018	64	14
10	M/s Khator Fibers and Fabrics Limited	22-02-2018	12-03-2018	26-03-2018	16	4
11	M/s Late Mahabir Prasad Memorial Shikshan Sansthan	24-05-2017	22-06-2017	04-07-2017	27	2
12	M/s JITM Skills Pvt Ltd	22-02-2018	12-03-2018	03-04-2018	16	12
13	M/s Manav Vikas Evam Sewa Sansthan (P2)	04-07-2017	01-09-2017	08-12-2017	57	88
14	M/s Niranjan Madhyamik Shiksha Samiti	22-02-2018	12-03-2018	11-05-2018	16	50
15	M/s Rozgar Vikas Education Private Limited	04-07-2017	01-09-2017	08-12-2017	57	88
16	M/s Tara Corporate Services Ltd.	16-04-2018	01-08-2018	10-09-2018	105	30
17	M/s Teamlease Services Ltd.	12-12-2017	27-02-2018	31-03-2018	75	22
18	M/s Thinkskills Consulting Pvt. Ltd.	12-12-2017	27-02-2018	23-03-2018	75	14
19	M/s ADS Skills Pvt Ltd	24-07-2018	28-09-2018	01-01-2019	64	85

(Source: UPSDM)

## Appendix 2.3.4 B

### Delay in commencement of training of first batch

(Reference: paragraph no.2.3.9.4)

Sl. No.	Name of PIA	Release of first instalment	Commencement of training of first batch	Delay (in Days)
1	M/s Centre of Technology and Entrepreneurship Development	31-01-2018	24-05-2018	83
2	M/s ICA Edu Skills Ltd (P2)	21-07-2017	29-09-2017	40
3	M/s ID Tech Solutions Pvt. Ltd.	27-08-2018	30-10-2018	34
4	M/s JITM Skills Pvt Ltd	03-04-2018	06-06-2018	34
5	M/s Manav Vikas Evam Sewa Sansthan (P2)	08-12-2017	16-03-2018	68
6	M/s Niranjana Madhyamik Shiksha Samiti	11-05-2018	06-08-2018	57
7	M/s Rozgar Vikas Education Private Limited	08-12-2017	08-02-2018	32
8	M/s Tara Corporate Services Ltd.	10-09-2018	04-01-2019	86
9	M/s Teamlease Services Ltd.	31-03-2018	14-05-2018	14
10	M/s Rooman Technologies Pvt Ltd	07-08-2018	30-11-2018	85
11	M/s Doric Multimedia Pvt Ltd	27-03-2018	04-07-2018	69
12	M/s Focus Edu Care Pvt. Ltd.	07-09-2018	26-12-2018	80
13	M/s Ideal Impressions Pvt. Ltd.	07-08-2018	04-12-2018	89
14	M/s Indira Gopal Institute of Medical Services	22-10-2018	03-02-2019	74
15	M/s Indira Gandhi Computer Saksharta Mission	16-08-2017	05-01-2018	112
16	M/s Late Mahabir Prasad Memorial Shikshan Sansthan	04-07-2017	06-11-2017	95
17	M/s Thinkskills Consulting Pvt. Ltd.	23-03-2018	16-05-2018	24
18	M/s Mass Infotech Society	16-08-2017	07-11-2017	53
19	M/s Social Action for Welfare Cultural Advancement.	05-05-2018	30-06-2018	26
20	M/s Pipal Tree Ventures Ltd	26-03-2018	06-06-2018	42

(Source: UPSDM)

## Appendix 2.3.5

### Non-renewal of performance bank guarantee (Reference: paragraph no. 2.3.9.5)

SL No	Name of PIA	Total Project Cost (₹ in Crore)	Amount of Performance Bank Guarantee submitted by PIA (₹ In Lakh)	Performance Bank Guarantee valid up to	Date of Execution of MoU	Date of Project Approval/ Sanction	PAC meeting number/Date of meeting	Project Duration	Present Status of the project (as of March 2022)	Extension of Project till
1	M/s Doric Multimedia Pvt Ltd	4.98	31.15	10.10.2021	12.03.2018	28-02-2018	6 <sup>th</sup> /06.02.2018	36 Months	Ongoing	05-03-2023
2	M/s Dream Weavers Edutrack Pvt. Ltd.	9.98	62.35	26.02.2022	20.09.2018	07-07-2018	7 <sup>th</sup> /20.03.2018	36 Months	Ongoing	31-03-2023
3	M/s Focus Edu Care Pvt. Ltd.	9.93	62.08	30.11.2021	26.06.2018	04-06-2018	7 <sup>th</sup> /20.03.2018	36 Months	Ongoing	31-03-2023
4	M/s ID Tech Solutions Pvt. Ltd.	3.98	24.86	12.12.2021	22.06.2018	31-05-2018	7 <sup>th</sup> /20.03.2018	36 Months	Ongoing	31-03-2023
5	M/s Ideal Impressions Pvt. Ltd.	3.67	22.92	31.12.2021	03.08.2018	28-05-2018	7 <sup>th</sup> /20.03.2018	36 Months	Ongoing	06-03-2023
6	M/s Indira Gopal Institute of Medical Services	4.81	30.03	15.04.2022	28.09.2018	23-08-2018	8 <sup>th</sup> /09.07.2018	36 Months	Ongoing	31-03-2023
7	M/s Khator Fibers and Fabrics Limited	14.93	93.28	07.09.2021	12.03.2018	28-02-2018	6 <sup>th</sup> /06.02.2018	36 Months	Ongoing	05-09-2022
8	M/s JITM Skills Pvt Ltd	11.13	69.55	11.09.2021	12.03.2018	28-02-2018	6 <sup>th</sup> /06.02.2018	36 Months	Ongoing	05-03-2023

SL No	Name of PIA	Total Project Cost (₹ in Crore)	Amount of Performance Bank Guarantee submitted by PIA (₹ In Lakh)	Performance Bank Guarantee valid up to	Date of Execution of MoU	Date of Project Approval/ Sanction	PAC meeting number/Date of meeting	Project Duration	Present Status of the project (as of March 2022)	Extension of Project till
9	M/s Niranjana Madhyamik Shiksha Samiti	3.67	23.00	06.10.2021	12.03.2018	28-02-2018	6 <sup>th</sup> /06.02.2018	36 Months	Ongoing	31-03-2023
10	M/s Tara Corporate Services Ltd.	3.37	21.04	05.01.2022	01.08.2018	19-06-2018	7 <sup>th</sup> /20.03.2018	36 Months	Ongoing	31-03-2023
11	M/s Teamlease Services Ltd.	19.98	124.89	31.08.2021	27.02.2018	17-02-2018	5 <sup>th</sup> /27.11.2017	36 Months	Ongoing	31-03-2023
12	M/s Thinkskills Consulting Pvt. Ltd.	3.99	24.96	26.08.2021	27.02.2018	17-02-2018	5 <sup>th</sup> /27.11.2017	36 Months	Ongoing	21-10-2022
13	M/s ADS Skills Pvt Ltd	8.30	51.87	24.04.2022	28.09.2018	20-09-2018	8 <sup>th</sup> /09.07.2018	36 Months	Ongoing	31-03-2023
14	M/s Rooman Technologies Pvt Ltd	4.99	31.2	28.11.2021	22.06.2018	02-06-2018	7 <sup>th</sup> /20.03.2018	36 Months	Ongoing	06-03-2023
15	M/s Social Action For Welfare & Cultural Advancement	14.99	94.00	30.09.2021	12.03.2018	28-02-2018	6 <sup>th</sup> /06.02.2018	36 Months	Ongoing	31-03-2023
16	M/s Pipal Tree Ventures Ltd	18.11	113.16	31.07.2021	22.11.2017	01-09-2017	3 <sup>rd</sup> /04.07.2017	36 Months	Ongoing	31-03-2023
	Total	140.81	880.34							

(Source: UPSDM)

<sup>1</sup> MoU executed after the issue of notification of MoRD.

### Appendix 2.3.6

#### Details of bank accounts opened by sampled PIAs (AP 2016-19)

(Reference: paragraph no. 2.3.9.6)

Sl. No.	Name of PIA	Nature of PIA (company/non-company)	Nature of Account (Saving/Current)	Whether Exclusive for DDU-GKY (Yes/No)	Whether fund transferred in Dedicated account.
1	M/s Centre of Technology and Entrepreneurship Development	Society	Saving	Yes	Yes
2	M/s Doric Multimedia Pvt Ltd	Pvt Ltd Company	Current	Yes	Yes
3	M/s Dream Weavers Edutrack Pvt. Ltd.	Company	Current	Yes	Yes
4	M/s Focus Edu Care Pvt. Ltd.	Company	Current	Yes	Yes
5	M/s ICA Edu Skills Ltd (P2)	Company	Current	Yes	Yes
6	M/s ID Tech Solutions Pvt. Ltd.	Company	Current	Yes	Yes
7	M/s Ideal Impressions Pvt. Ltd.	Company	Current	Yes	Yes
8	M/s Indira Gandhi Computer Saksharta Mission	Registered Trust	Current	Yes	Yes
9	M/s Indira Gopal Institute of Medical Services	Company	Current	Yes	Yes
10	M/s Khator Fibers and Fabrics Limited	Company	Current	Yes	Yes
11	M/s Late Mahabir Prasad Memorial Shikshan Sansthan	Society	Current	No	Yes
12	M/s JITM Skills Pvt Ltd	Company	Current	Yes	Yes
13	M/s Manav Vikas Evam Sewa Sansthan (P2)	Society	Saving	Yes	Yes
14	M/s Niranjan Madhyamik Shiksha Samiti	Society	Current	No	Yes
15	M/s Rozgar Vikas Education Private Limited	Company	Current	Yes	Yes
16	M/s Tara Corporate Services Ltd.	Company	Current	Yes	Yes
17	M/s Teamlease Services Ltd.	Company	Current	Yes	Yes
18	M/s Thinkskills Consulting Pvt. Ltd.	Company	Current	Yes	Yes
19	M/s ADS Skills Pvt Ltd	Company	Current	Yes	Yes
20	M/s Rooman Tecnologies Pvt Ltd	Company	Current	Yes	Yes
21	M/s Social Action for Welfare & Cultural Advancement	Society	Current	Yes	Yes
22	M/s Pipal Tree Ventures Ltd	Company	Current	Yes	Yes
23	M/s Mass Infotech Society (P2)	Society	Current	Yes	Yes

(Source: UPSDM)

## Appendix 2.3.7

### Details of trainees placed as teacher/Counsellor/Lab Assistant (Reference: paragraph no. 2.3.11.3)

Sl. No.	Name of trainee	Fathers name	Trade of training	Placement	Appointment	Result of verification
1	Pooja Pal	Pritam Singh	Food & Beverage Service-Steward	Shanti Devi Inter College	Teacher	Never appointed in the school
2	Sonakshee	Ram Kishor	Domestic IT helpdesk Attendant	Shanti Devi Inter College	Teacher	Never appointed in the school
3	Sulendra Kumar	Atar Singh	Business Correspondent	Shanti Devi Inter College	Not mentioned	Never appointed in the school
4	Minakshee	Ram Kishor	Food & Beverage Service-Steward	Shanti Devi Inter College	Teacher	Never appointed in the school
5	Km Madhu	Veer Singh	Food & Beverage Service-Steward	Baaljeet Singh Inter College	Teacher	Verified
6	Danish	Wazid Ali	Food & Beverage Service-Steward	R.S Inter College	Teacher	Never appointed in the school
7	Ankit Sharma	Krishan Kumar Sharma	Business Correspondent	R.P.S Memorial Inter College	Counsellor	Never appointed in the school
8	Santosh Kumar	Bengali Babu	Domestic IT helpdesk Attendant	Shri Mahaveer Adarsh Inter College	Teacher	Never appointed in the school
9	Km Rangoli Yadav	Ram Singh Yadav	Food & Beverage Service-Steward	Baljeet Inter College	Teacher	Verified
10	Raju Singh	Chhote Lal	Food & Beverage Service-Steward	Inharul Haq Inter College	Not mentioned	Never appointed in the school
11	Manju	Balveer Singh	Food & Beverage Service-Steward	Khoob Chandra Bal Vidya Mandir Inter College	Teacher	Never appointed in the school
12	Km Usha Rani	Ramesh Kumar	Business Correspondent	Bhoop Singh Inter College	Teacher	Never appointed in the school
13	Nikita	Rajeev Singh Yadav	Domestic IT helpdesk Attendant	Vikas Shiksha Sansthan Inter College, Moradabd	Teacher	Verified
14	Km Neeraj Rani	Rajpal	Domestic IT helpdesk Attendant	Rajendra Singh Inter College	Teacher	Never appointed in the school
15	Reena Pal	Prem Singh	Food & Beverage Service-Steward	Bhoop Singh Inter College	Teacher	Never appointed in the school
16	Km Meenu	Rajpal Singh	Business Correspondent	Rajendra Singh Inter College	Teacher	Never appointed in the school
17	Danish Ali	Akhtar Ali	Food & Beverage Service-Steward	Shiv Raj Singh Memorial Inter College	Teacher	Never appointed in the school



Sl. No.	Name of trainee	Fathers name	Trade of training	Placement	Appointment	Result of verification
18	Kuldeep Kumar	Vipin Bihari	Food & Beverage Service-Steward	Raja Ram Inter College	Teacher	College does not exist in the tehsil
19	Mukesh Pathak	Om Prakash Pathak	Domestic IT helpdesk Attendant	Anand Kanchan Ketuki Devi Inter College	Not mentioned	Never appointed in the college
20	Chand Miya	Moh Navi	Business Correspondent	Madarsha Jariful Hasan Islamiya College Banei.	Teacher (All Subjects)	Verified
21	Muazzam Uddin	Mumtaz Uddin	Food & Beverage Service-Steward	Aadarsh Shiksha Niketan Inter College	Teacher (All Subjects)	Fake appointment letter
22	Anita	Premveer	Food & Beverage Service-Steward	Baudh Vidya Mandir	Teacher	Never appointed in the school
23	Monika	Sundar Lal	Domestic IT helpdesk Attendant	Baudh Vidya Mandir	Teacher	Never appointed in the school
24	Radha		Food & Beverage Service-Steward	Baudh Vidya Mandir	Teacher	Never appointed in the school
25	Kuldeep Bharti	Kishan Lal	Domestic IT helpdesk Attendant	Baudh Vidya Mandir	Lab. Assistant	Never appointed in the school
26	Ankit Kumar	Suresh Chand	Domestic IT helpdesk Attendant	Baudh Vidya Mandir	Lab. Assistant	Never appointed in the school
27	Bhavna	Oodal Singh	Food & Beverage Service-Steward	K.S. Public Junior High School	Teacher	Never appointed in the school
28	Sainki Pal	Mevaram	Food & Beverage Service-Steward	Bhoop Singh Inter College	Teacher	Never appointed in the school
29	Shaili Singh	Prempal Singh	Domestic IT helpdesk Attendant	Choudhary Basant Singh Inter College	Teacher	Never appointed in the school

(Source: UPSDM)

## Appendix 2.3.8

### Verification of placement documents from banks [Reference: paragraph no. 2.3.11.4(i), (ii) and (iii)]

Sl. No.	Name of Candidate	Father's Name	Name of Employer	Name of Bank in which salary was mentioned as being credited	Month in which Salary credited to Bank Account	Result of Bank Verification
<b>New Industrial Securities Agencies Pvt. Ltd. (Yearly Plan)</b>						
1	Arti	Bheekha Lal	NISA Industrial Services Pvt. Ltd.	ICICI Bank Ltd.	April, May & June 2018	Transaction related to credit of salary shown in the bank statements (submitted by PIAs) did not match with actual bank records.
2	Ranjeet Kumar Yadav	Munna Lal	NISA Industrial Services Pvt. Ltd.	ICICI Bank Ltd.	March, April & May 2018	
3	Lal Bahadur	Shiv Prasad	NISA Industrial Services Pvt. Ltd.	ICICI Bank Ltd.	October <sup>2</sup> , November & December 2015	
4	Bhola Nath	Uma Shankar	NISA Industrial Services Pvt. Ltd.	ICICI Bank Ltd.	February, March & April 2018	
5	Vinod Kumar	Prem Shankar	NISA Industrial Services Pvt. Ltd.	ICICI Bank Ltd.	February, March & April 2018	
6	Dharmendra Kumar	Mallu	NISA Industrial Services Pvt. Ltd.	ICICI Bank Ltd.	March, April & May 2018	
7	Satyaprakash Singh	Atar Singh	NISA Industrial Services Pvt. Ltd.	ICICI Bank Ltd.	January, February & March 2018	
8	Jyoti Kashyap	Raj Kumar	b4s Solutions Pvt. Ltd.	ICICI Bank Ltd.	April, May & June 2016	
9	Manish Kumar	Munni Lal	NISA Industrial Services Pvt. Ltd.	Bank of Baroda	August, September & October 2016	
10	Pravin Kumar	Rakesh	NISA Industrial Services Pvt. Ltd.	Corporation Bank (Now UBI)	March, April & May 2018	
11	Ashrifi Devi	Shri Ram Pal	NISA Industrial Services Pvt. Ltd.	Corporation Bank (Now UBI)	March, April & May 2018	
12	Naresh Pal Singh	Nihal Singh	NISA Industrial Services Pvt. Ltd.	Indian Overseas Bank	March, April & May 2018	
13	Rakesh Kumar	Vissiram	NISA Industrial Services Pvt. Ltd.	Indian Overseas Bank	March, April & May 2018	

<sup>2</sup> Bank has offered no comment on the salary credited in October 2015, however in case of credit of salaries for the months of November 2015 and December 2015, bank informed that there are no such transactions made as per bank record.

Sl. No.	Name of Candidate	Father's Name	Name of Employer	Name of Bank in which salary was mentioned as being credited	Month in which Salary credited to Bank Account	Result of Bank Verification
14	Ajit Kumar	Ray Chandra	NISA Industrial Services Pvt. Ltd	ICICI Bank Ltd.	March, April & May 2018	ICICI Bank informed that the account (shown by the PIA in name of Ajit Kumar) is in the name of Urmila Gupta. Further, transaction related to credit of salary shown in the bank statements (submitted by PIAs) did not match with actual bank records.
Centre of Technology and Entrepreneurship Development (Action Plan 2016-19)						
15	Mr. Shiv Poojan Sahu	Prahlad Sahu	CTED Amethi	Punjab and Sindh bank	November, December 2018 & January 2019	Bank informed that as per account statements the transactions mentioned in the passbook printout are not matching with the original record. Hence the transactions mentioned for all the four accounts are seem to be false.
16	Ms Seema	Ram Sukh	CTED Amethi	Punjab and Sindh bank	November, December 2018 & January 2019	
17	Ms. Priya Verma	Rajendra Prasad	CTED Amethi	Punjab and Sindh bank	October, November & December 2018	
18	Ms Zeenat	Athar Ali	Amrat Amla Food Products, Gonde Pratapgarh	Punjab and Sindh bank	October, November & December 2018	
Pipal Tree Ventures Pvt. Ltd. (Action Plan 2016-19)						
19	Anil Yadav	Sugreev Yadav	Pipal Tree Enterprises	ICICI Bank Ltd.	July, August & September 2019	Bank stated that the given accounts (the bank account of which bank statement were submitted by the PIA) do not pertain to ICICI Bank Ltd.
20	Awadhesh Kumar	Bhaggan Prasad Gond	Pipal Tree Enterprises	ICICI Bank Ltd.	November, December 2018 & January 2019	
21	Deepak Kumar	Kailash Prasad	Pipal Tree Enterprises	ICICI Bank Ltd.	July, August & September 2019	
22	Shubham Bharti	Ajay Kumar	Pipal Tree Enterprises	ICICI Bank Ltd.	June, July & August 2019	
23	Sandeep Kumar	Mohan Lal	Pipal Tree Enterprises	ICICI Bank Ltd.	October, November & December 2018	
24	Deep Chandra	Niranjan Lal	Pipal Tree Enterprises	ICICI Bank Ltd.	February, March & April 2019	
25	Amit Kumar	Ram Prakash	Pipal Tree Enterprises	ICICI Bank Ltd.	November, December 2018 & January 2019	
26	Ashish Kumar	Suresh Kumar	Pipal Tree Enterprises	ICICI Bank Ltd.	November, December 2018 & January 2019	
27	Shashikant	Dalau Prasad	Pipal Tree Enterprises	ICICI Bank Ltd.	July, August & September 2019	
28	Monu Kumar	Ram Sajivan	Pipal Tree Enterprises	ICICI Bank Ltd.	May, June & July 2019	

(Source: Information provided by UPSDM and respective banks)

## Appendix 2.3.9

### Verification of test checked placements through mobile phone call (Reference: paragraph no. 2.3.11.5 & 2.3.11.6)

#### A- Candidates who told that placement was not provided

Sl. No.	Name of Candidate	Father's Name	Name of PIA	Name of employer as per records submitted by PIAs with UPSDM	Details along with reply of Beneficiary
1.	Vinod Kumar	Rishi Pal	M/s Aryan Edutech Pvt. Ltd.	Hira Gram Udyog Sansthan, Saharanpur	Placement not provided.
2.	Keshav Kumar	Dharmendra Kumar	-do-	Shri Balaji Automobiles, Bulandshahr	Placement not provided in the company "Sri Balaji Automobiles" as per document claimed by PIA.
3.	Shailendra Pushkar	Sankal Lal	M/s CL Educate Pvt. Ltd.	Amiable Technologies, Lucknow	Placement not provided by PIA.
4.	Ranjeet Kumar	Chandra Bhal	-do-	Amiable Technologies, Lucknow	Placement not provided by PIA.
5.	Vimlesh Kumar	Gokran	-do-	Deva Pesticides Ltd., Hardoi	Placement not provided by PIA.
6.	Dharmendra Kumar	Tulsi Ram	-do-	Amogs Enterprises, Lucknow	Placement not provided by PIA.
7.	Suresh	Ganga Ram	-do-	Neha Associates, Bawal, Haryana	Placement not provided by PIA.
8.	Kasim Khan	Rahuf Khan	-do-	Vasudev Adiga's, Bangalore	Candidate stated that he worked only for 04-05 days in Bangalore but he left the job because work related to kitchen was being made to done from him.
9.	Mohd. Gufran	Fakeer Ali	-do-	Amogh Enterprises, Lucknow	Placement not provided by PIA.
10.	Hansraj	Phool Chandra	-do-	Amogh Enterprises, Lucknow	Placement not provided by PIA.
11.	Suraj	Nankau	-do-	Platinum Finstocks, Lucknow	Placement not provided by PIA.
12.	Arjun Kumar	Ram Kishun	-do-	Neha Associates, Bawal, Haryana	Placement not provided by PIA.
13.	Abu Talib	Laik Ahmed	-do-	Amogh Enterprises, Lucknow	Placement not provided by PIA.

Sl. No.	Name of Candidate	Father's Name	Name of PIA	Name of employer as per records submitted by PIAs with UPSDM	Details along with reply of Beneficiary
14.	Asif Khan	Kadeer Khan	-do-	1-India Family Mart, Lucknow	Placement not provided by PIA.
15.	Shivam	Raj Kumar	-do-	Neha Associates, Haryana	Placement not provided by PIA.
16.	Amrita Singh	Jagdeo Singh	-do-	Core Integra Consulting Services Pvt. Ltd., Mumbai	Candidate stated that placement was being provided by PIA but she did not worked. Candidate stated that she did not work in the company "Core Integra Consulting Services Pvt. Ltd." as claimed by PIA
17.	Neha Devi	Ram Lal	-do-	Core Integra Consulting Services Pvt. Ltd., Mumbai	Placement not provided by PIA.
18.	Parikshit Kumar	Abhimanyu	-do-	Minda Furukawa Electric Pvt. Ltd., Rewari	Candidate stated that he left the job after 01 week because he was being made to work 12 hours a day instead of 8 hours.
19.	Dashrath	Ramnidhi	M/s New Industrial Security Agencies Pvt. Ltd.	Nisa Industrial Services Pvt. Ltd., Lucknow	Placement not provided by PIA.
20.	Jay Kishor	Preem Singh	-do-	Nisa Industrial Services Pvt. Ltd., Lucknow	Placement not provided by PIA.
21.	Subhash Chandra	Ram Bharosi Lal	-do-	Nisa Industrial Services Pvt. Ltd., Lucknow	Placement not provided by PIA.
22.	Ranjeet Kumar Yadav	Munna Lal	-do-	Nisa Industrial Services Pvt. Ltd., Lucknow	Placement not provided by PIA.
23.	Vishwveer Baghel	Ram Khiladi Baghel	-do-	Nisa Industrial Services Pvt. Ltd., Lucknow	Placement not provided by PIA.
24.	Vinod Kumar	Prem Shankar	-do-	Nisa Industrial Services Pvt. Ltd., Lucknow	Candidate stated that he worked for 01 month as Security Guard in Gujrat and never worked in Lucknow as per the placement document claimed by PIA.
25.	Saurav Kumar	Babloo	M/s Ideal Impressions Pvt. Ltd.	Gradutech Services Pvt. Ltd., New Delhi	Placement not provided by PIA. Candidate did not work in the company "Gradutech Services Pvt. Ltd." as claimed by PIA
26.	Bharti	Om Veer Singh	M/s Ideal Impressions Pvt. Ltd.	Ideal Impression Pvt. Ltd., Delhi	Placement not provided by PIA. Candidate did not work in the company "Ideal Impression Pvt. Ltd." as claimed by PIA
27.	Arun Kumar	Vali Ram	M/s Ideal Impressions Pvt. Ltd.	Anglaise Infomatics Pvt. Ltd.	Placement not provided by PIA. Candidate did not

Sl. No.	Name of Candidate	Father's Name	Name of PIA	Name of employer as per records submitted by PIAs with UPSDM	Details along with reply of Beneficiary
			Ltd.	Ltd., Delhi	work in the company "Anglaise Infomatics Pvt. Ltd." as claimed by PIA
28.	Awadhesh Kumar	Bhaggan Prasad	M/s Pipal Tree Ventures Ltd.	Pipal Tree Enterprises, Hyderabad	Candidate stated that he was given job in a Rim manufacturing company at Pune, but he returned after 01 week because he did not like the job.
29.	Deepak Kumar	Kailash Prasad	M/s Pipal Tree Ventures Ltd.	Pipal Tree Enterprises, Hyderabad	Candidate stated that he left the Job after 10-15 days because he did not like the job.
30.	Shubham Bharti	Ajay Kumar	M/s Pipal Tree Ventures Ltd.	Pipal Tree Enterprises, Hyderabad	Placement not provided by PIA.
31.	Shashikant	Dalau Prasad	M/s Pipal Tree Ventures Ltd.	Pipal Tree Enterprises, Hyderabad	Candidate stated that he was not aware about the bank account in ICICI Bank, but the PIA claimed him as placed and salary being credited in ICICI Bank account.
32.	Monu Kumar	Ram Sajivan	M/s Pipal Tree Ventures Ltd.	Pipal Tree Enterprises, Hyderabad	Candidate stated that he is not aware about the bank account in ICICI Bank, but the PIA claimed him as placed and salary being credited in ICICI Bank account.
33.	Mohit Kumar	Gopi Chandra	M/s Dream Weavers Edutrack Pvt. Ltd.	Agricon Enterprises, Lucknow	According to candidate's call statement, he had worked for only one month in Myntra However, PIA had submitted documents of different employer (Agricon Enterprises) and three months (August – October 2021) salary slip.
34.	Devesh Kumar	Shobhnath	M/s Centre of Technology and Entrepreneurship Development	Amrit Amla Food Products, Pratapgarh	Candidate stated that he was placed as Data Entry Operator, but he left the job because work of folding wires is being taken by him instead of DEO and he did not work for 03 months.
35.	Km. Poonam Sonkar	Ram Bhawan Sonkar	M/s Centre of Technology and Entrepreneurship Development	Amrat Amla Food Products, Sultanpur	Placement not provided by PIA.
36.	Ajay Kumar	Lalta Prasad	M/s Centre of Technology and Entrepreneurship Development	Amrat Amla Food Products, Pratapgarh	Placement was being provided by PIA in Rajasthan, but candidate did not join there. Candidate stated that he did not work in Amrat Amla Food Product.
37.	Prity	Chaman	M/s Indira Gandhi Computer Saksharata Mission	B R Enterprises, Muzaffarnagar	Father of candidate told that Placement was not provided after training by PIA.

Sl. No.	Name of Candidate	Father's Name	Name of PIA	Name of employer as per records submitted by PIAs with UPSDM	Details along with reply of Beneficiary
38.	Manish	Rajvir	M/s Indira Gandhi Computer Saksharata Mission	Om Laxmi Sarees Textiles & Mills, Mathura	Placement not provided by PIA.
39.	Mohd. Parvez	Ikaramudeen	Indira Gandhi Computer Saksharata Mission	All India Council for Professional Excellence, Muzaffarnagar	Placement not provided by PIA.
40.	Ankit Kumar	Pramod Kumar	M/s Indira Gandhi Computer Saksharata Mission	BTL Promotions & Advertising Pvt. Ltd, Meerut	Placement not provided by PIA, candidate told that he got the job by his own effort and PIA demanded his offer letter, Bank Passbook and salary slip later.
41.	Seema Devi	Hori Lal	M/s Rozgar Vikash Education Private Ltd.	Microtek Academy of Computer Learning, Kannauj	Father of candidate told that Placement was not provided after training by PIA.
42.	Ankita Devi	Kamlesh Kumar	M/s Social Action for Welfare & Cultural Advancement	RSHR Consultancy LLP	Brother of candidate told that Placement was not provided by PIA.
43.	Vijay Kumar	Vishnu Kumar	M/s Social Action for Welfare & Cultural Advancement	Pinnacle Renewable Energy Pvt Ltd.	Placement not provided by PIA.
44.	Pushpendra Kumar	Jagdish Prasad	M/s Social Action for Welfare & Cultural Advancement	Pinnacle Renewable Energy Pvt Ltd.	Placement not provided by PIA.
45.	Kamlesh Kumar	Ram Manohar	M/s Social Action for Welfare & Cultural Advancement	Pinnacle Renewable Energy Pvt Ltd.	Placement not provided by PIA.
46.	Ayesha	Liyaqat	M/s ICA Eduskills Pvt.Ltd.(P2)	Dr ITM Limited, Mohali, Chandigarh	Placement not provided by PIA. Candidate worked in the company "Competent" in Mohali for 03 months and she did not work in the company "Dr ITM Limited" as claimed by PIA.
47.	Km. Naina Saini	Pardeep Kumar Saini	M/s ICA Eduskills Pvt.Ltd.(P2)	Ajmeri Cloth House, Saharanpur	Placement not provided by PIA.
48.	Anuj Goel	Subhash Goel	M/s Mass Infotech Society (P2)	Indian Acrylics Ltd., Sangrur, Punjab	Placement not provided by PIA.
49.	Raja	Tirath Pal	M/s Mass Infotech Society (P2)	Indian Acrylics Ltd., Sangrur, Punjab	Placement not provided by PIA.



**B- Candidates whose documents of placement mismatched**

Sl. No.	Name	Fathers Name	Name of PIA	Name of employer as per records submitted by PIAs with UPSDM	Reply of Beneficiary
1	Mohd. Saddam Hussain	Mohd. Yameen Ahmed	M/s Aryan Edutech Pvt. Ltd.	NAVA BHARATH Fertilizers Ltd., Meerut	Candidate stated that he worked in a call centre in Noida for three months, but the PIA claimed the candidate to be placed in NAVA BHARAT Fertilizer Ltd as Referral Sales Assistant.
2	Jyoti	Nandlal	M/s Orient Craft Fashion Institute of Technology Pvt. Ltd.	Venkateshwara Clothing Company, Bangalore	Candidate stated that she worked in wiper manufactory Company, but the PIA claimed the candidate to be placed in Venkateshwara Clothing Company as tailor.
3	Lav Kush Kumar	Rameshwar	M/s Dream Weavers Edutrack Pvt. Ltd.	Agricon Enterprises, Lucknow	Candidate stated that he worked in Flipkart, but the PIA claimed the candidate to be placed in Agricon Enterprises, but the candidate denied this fact.
4	Vishnu Kumar Gautam	Gaya Prasad	M/s Dream Weavers Edutrack Pvt. Ltd.	Siyaram Enterprises, Binola, Gurgaon	Candidate stated that he worked in Mitra & latar in Flipkart, but the PIA claimed the candidate to be placed in Siyaram Enterprises.
5	Pradeep Kumar	Maiku Lal	M/s Dream Weavers Edutrack Pvt. Ltd.	Om Enterprises, Farrukhnagar, Haryana	Candidate stated that he worked in Flipkart, but the PIA claimed the candidate to be placed in Om Enterprises.
6	Neeraj	Ram Dutt	M/s Dream Weavers Edutrack Pvt. Ltd.	Kanchan Compu-Net Solution,	Candidate stated that he worked in Mitra for three months, but the PIA claimed the candidate to be placed in Kanchan Compunet Solution.

**C- Placement not matched with sector of skill training**

Sl. No.	Name	Fathers name	Name of PIA	Skill training	Name of employer as per records submitted by PIAs with UPSDM	Reply of Beneficiary
1	Asjad Ali	Mohd. Asif	M/s Aryan Edutech Private Limited	Tours & Travels	Shashank Electricals, Delhi	According to candidate's call statement, he had done billing work in Shashank Electricals.
2.	Jyoti	Nandlal	M/s Orient Craft Fashion	Sewing Machine	Venkateshwara	Candidate stated that she worked

Sl. No.	Name	Fathers name	Name of PIA	Skill training	Name of employer as per records submitted by PIAs with UPSDM	Reply of Beneficiary
			Institute of Technology Pvt. Ltd.	Operator	Clothing Company, Bangalore	in wiper manufactory Company.
3	Neetu Devi	Munna Lal	M/s ID Tech Solutions Pvt. Ltd.	BPO	Shree Krishna Industrial Recruitment (P) Ltd., Bhiwadi, Rajasthan	Candidate stated that she was placed as Production Helper and not placed in the relevant trade in which got skill training.
4	Kalpana Devi	Bagwan Deen	M/s ID Tech Solutions Pvt. Ltd.	Hospitality	Burger King, Noida	Candidate stated that she was placed as Team member in Burger King.
5	Neha Devi	Bala Deen	M/s ID Tech Solutions Pvt. Ltd.	BPO	Shree Krishna Industrial Recruitment (P) Ltd., Bhiwadi, Rajasthan	Candidate stated that she was placed as Production Helper and not placed in the relevant trade in which got skill training.
6	Monika	Ganga Ram	M/s JITM Skill Pvt. Ltd.	Retail Salesperson	Tindram Company	Candidate stated that she worked as Data entry Operator in Tindram Company which was not relevant to the trade in which she got trained.
7	Gaurav Kumar	Kishan Pal	M/s JITM Skill Pvt. Ltd.	Accounts Assistant Tally	Asocom	Candidate stated that work as Mobiliser was being taken from him which was not relevant to the trade in which he got trained.
8	Amit Kumar	Ram Khelawan	M/s Teamlease Services Ltd.	Retail Sales Associate	Teamlease, Bangalore	Candidate stated that Loading Unloading work was being taken from him.
9	Mobeena	Ameer Hasan	M/s Avon Facility management Pvt. Ltd.	Hospitality	Madarsa Kamal Sahabul Uloom, Moradabad	According to candidate's call statement she got training in hospitality trade but she was teaching in madrasa.
10	Devendra Kumar	Ramnivas Verma	M/s Avon Facility management Pvt. Ltd.	Hospitality	Hitachi Metals India Pvt. Ltd., Manesar	According to candidate's call statement, he got placed as technician trainee which was different from the domain in which he was trained.
11	Mohd. Israr	Kallan	M/s Avon Facility management	Hospitality	Naushad Electricals,	According to candidate's call

Sl. No.	Name	Fathers name	Name of PIA	Skill training	Name of employer as per records submitted by PIAs with UPSDM	Reply of Beneficiary
			Pvt. Ltd.		Chandpur, Moradabad	statement, he got placed in an electrical shop which was in different domain to the trade in which he was trained.
12	Sabina	Niyazuddin	M/s Avon Facility management Pvt. Ltd.	Hospitality	Niyaz Sound & DJ System, Budaun	According to candidate's call statement, she was placed as accountant in Niyaz Sound & DJ System which was in different domain to the trade in which he was trained.

#### D- Candidates who complained about payment of salary

Sl. No.	Name	Fathers name	Name of PIA	Name of employer as per records submitted by PIAs with UPSDM	Details including reply of Beneficiary
1	Km Shalu Kumari	Rajveer Singh	M/s Aryan Edutech Pvt. Ltd.	Siyram Enterprises, Farrukhnagar, Gurgaon	As per salary slip, the trainee received ₹ 5000 per month during March to May 2021. As per bank statement, the amount was credited in the bank account in June 2021. During mobile verification (June 2022), Km Shalu Kumari stated that the salary amount credited in the bank account was taken back by training centre's person.
2	Km Renu Dhariwal	Mahabeer Singh	-do-	Sai Aashish Automation Solution, Delhi	According to candidate's call statement, Amount was deposited in bank a/c for 3-4 months but taken back by training centre's person.
3	Vinod Kumar	Rishi Pal	-do-	Hira Gram Udyog Sansthan, Saharanpur	According to candidate's call statement, candidate Self-deposited Rs. 7000 in his bank account for three months.
4	Moshin Khan	Jamaluddin	-do-	Jai Ambey Tractors, Shamli	According to candidate's call statement, candidate Self-deposited Rs. 6000 in his bank account for three months on the direction of training centre.
5	Chanchal	Ramavtar	M/s Indira Gandhi Computer Saksharata Mission	VRPN Infobuild, G. B. Nagar	According to candidate's call statement, he never got any placement after training and amount deposited by the PIA in his account which was taken back.

(Source: UPSDM and replies of beneficiaries during mobile verification)

### Appendix 2.3.10

#### Shortfall in Inspection by TSA and UPSDM during 2016-17 to 2021-22

(Reference: paragraph no.2.3.12.1)

Sl. No.	PIA	Date of Sanction of project	TSA			UPSDM		
			Inspection due	Inspection performed	Shortfall (Percent)	Inspection due	Inspection performed	Shortfall (Percent)
1	M/s JITM Skills Pvt Ltd	28.02.2018	24	0	24 (100)	24	0	24 (100)
2	M/s Indira Gandhi Computer Saksharta Mission	29.06.2017	28	14	14 (50)	28	2	26 (93)
3	M/s ID Tech Solutions Pvt. Ltd.	31.05.2018	23	4	19 (83)	23	5	18 (78)
4	M/s ICA Edu Skills Ltd (P2)	30.06.2017	28	5	23 (82)	28	0	28 (100)
5	M/s Niranjan Madhyamik Shiksha Samiti	28.02.2018	24	0	24 (100)	24	0	24 (100)
6	M/s Rozgar Vikas Education Private Limited	22.08.2017	27	0	27 (100)	27	0	27 (100)
7	M/s Tara Corporate Services Ltd.	19.06.2018	22	10	12 (55)	22	0	22 (100)
8	M/s Rooman Technologies Pvt Ltd	02.06.2018	22	3	19 (86)	22	0	22 (100)
9	M/s Teamlease Services Ltd.	17.02.2018	24	7	17 (71)	24	0	24 (100)
10	M/s Manav Vikas Evam Sewa Sansthan (P2)	22.08.2017	27	0	27 (100)	27	0	27 (100)
11	M/s Aryans Edutech Pvt Ltd.	20.05.2013	36	28	8 (22)	36	0	36 (100)
12	M/s Orient Craft Fashion Institute of Technology Pvt Ltd	15.01.2014	36	19	17 (47)	36	0	36 (100)
13	M/s ADS Skills Pvt Ltd	20.09.2018	21	0	21 (100)	21	0	21 (100)
14	M/s Centre of Technology & Entrepreneurship Development	07.06.2017	28	18	10 (36)	28	12	16 (57)
15	M/s Ideal Impressions Pvt Ltd	28.05.2018	23	6	17 (74)	23	0	23 (100)
16	M/s Indira Gopal Institute of Medical Services	23.08.2018	21	7	14 (67)	21	0	21 (100)
17	M/s Late Mahbir Prasad Memorial Shikshan Sansthan	02.08.2017	27	3	24 (89)	27	0	27 (100)
18	M/s New Industrial Security Agencies Pvt Ltd	24.03.2014	36	0	36 (100)	36	0	36 (100)
19	M/s Pipal Tree Ventures Pvt Ltd	01.09.2017	27	17	10 (37)	27	1	26 (96)

(Source: UPSDM and PIAs)

### Appendix 3.1

#### Construction of women's hostels in Government Polytechnic

(Reference Para 3.6)

Sl. No.	Name of Government Polytechnic / Leather Institute	Name of Executing Agency (EA)	Original Sanctioned cost	Revised Sanctioned cost	Date of Revised Sanction	Amount released by the State Government	Date between which fund Released by the Government to Director, Technical Education	Amount released to EA	Date between which fund Released to EA	(Amount ₹ in lakh)	
										Expenditure Incurred	
1	Bhilihili, Azamgarh	UPRNNS	141.41	204.75	19-03-21	204.75	16/08/16 to 19/03/21	204.75	16/09/16 to 26/03/21	204.75	
2	Banda	UPRNNS	141.41	243.11	16-09-20	243.11	16/08/16 to 16/12/21	243.11	16/09/16 to 27/12/21	243.11	
3	Jigarsand, Ballia	UPRNNS	141.41	227.68	19-03-21	227.68	16/08/16 to 19/03/21	227.68	16/09/16 to 26/03/21	224.48	
4	Chabilhakhori, Basti	UPRNNS	141.41	182.32	29-03-19	182.32	16/08/16 to 29/03/19	182.32	23/09/16 to 30/03/19	182.32	
5	Tundla, Firozabad	UPPCL	141.41	157.02	16-05-18	157.02	16/08/16 to 22/06/18	157.02	16/09/16 to 05/07/18	157.02	
6	Tarabganj, Gonda	UPRNNS	141.41	179.53	20-06-18	179.53	16/08/16 to 11/07/18	179.53	16/09/16 to 22/07/18	179.53	
7	Raath, Hamirpur	UPPCL	141.41	178.46	01-10-18	178.46	16/08/16 to 01/10/18	178.46	16/09/16 to 16/10/18	178.46	
8	Orai, Jalaun	UPPCL	141.41	185.66	06-03-19	185.66	16/08/16 to 06/03/19	185.66	16/09/16 to 15/03/19	185.66	

Sl. No.	Name of Government Polytechnic / Leather Institute	Name of Executing Agency (EA)	Original Sanctioned cost	Revised Sanctioned cost	Date of Revised Sanction	Amount released by the State Government	Date between which fund Released by the Government to Director, Technical Education	Amount released to EA	Date between which fund Released to EA	Expenditure Incurred
9	Sikandara, Kanpur Dehat	UPPCL	141.41	187.26	14-11-18	187.26	16/08/16 to 14/11/18	187.26	16/09/16 to 30/11/18	187.26
10	Leather Institute, Kanpur Nagar	UPPCL	141.41	176.87	08-03-18	176.87	16/08/16 to 16/03/22	176.87	16/09/16 to 24/03/22	176.87
11	Kushinagar	UPRNNS	141.41	246.89	18-09-18	246.89	16/08/16 to 18/09/18	246.89	16/09/16 to 27/09/18	246.89
12	Mainpuri	UPPCL	141.41	185.92	04-10-18	185.92	16/08/16 to 04/10/18	185.92	16/09/16 to 26/10/18	185.92
13	Tathagat, Siddharthnagar	UPRNNS	141.41	181.66	15-11-18	181.66	16/08/16 to 15/11/18	181.66	16/09/16 to 30/11/18	181.66
14	Sonbhadra	UPPCL	141.41	179.45	27-11-18	179.45	16/08/16 to 27/11/18	179.45	16/09/16 to 05/12/18	179.45
15	Kurupindara, Varanasi	UPRNNS	141.41	178.36	15-11-18	178.36	16/08/16 to 15/11/18	178.36	16/09/16 to 03/12/18	178.36
<b>Total</b>			<b>2121.15</b>	<b>2894.94</b>		<b>2894.94</b>	<b>16/08/2016 to 16/03/2022</b>	<b>2894.94</b>		<b>2891.74</b>

## Appendix 3.2

### Status of women's hostels in Government Polytechnics as noticed during joint physical inspection during May and June 2023 (Reference Para 3.6)

S.N.	Name of Government Polytechnic (GP) /Institute	Date of joint physical inspection	Number of girl students enrolled at the time joint physical inspection	Status of construction of women's hostel during joint physical inspection	Date of Handing over of the Hostel building by EAs	Operational/Not operational	Year, if operational	No. of Girls residing in the hostel if not reasons thereof
1.	GP Firozabad	22.05.2023	25	Completed	27.08.2018	Operational as boys hostel		It was noticed during joint physical inspection that the hostel was allotted to boys. In this context, the GP stated that girls and their parents refused to reside in the hostel due to remoteness from the market and security reasons. There was lack of basic facilities for girl students in hostel. No girl student had applied for hostel accommodation. Directorate further stated (May 2024) that the hostel was not allotted due to lack of application from girl students.
2.	GP Gonda	17.06.2023	33	Completed	14.08.2019	Operational	2019-20	23 girls were residing in the hostel at the time of joint physical inspection.
3.	GP Kushinagar	06.06.2023	69	Completed	31.10.2019	Operational	2021-22	19 girls were residing in the hostel at the time of joint physical inspection.
4.	GP Mainpuri	31.05.2023	36	Completed	11.06.2019	Operational	2022-23	Three girls were residing in the hostel at the time of joint physical inspection.
5.	GP Azamgarh	30.05.2023	36	Under construction (as noticed during joint physical verification) <sup>3</sup>				It was informed by the GP during joint physical inspection that hostel was under construction. However, the State Government replied (February

<sup>3</sup> As per the State Government reply (February 2024), the construction of hostel was completed.



S.N.	Name of Government Polytechnic (GP) /Institute	Date of joint physical inspection	Number of girl students enrolled at the time joint physical inspection	Status of construction of women's hostel during joint physical inspection	Date of Handing over of the Hostel building by EAs	Operational/Not operational	Year, if operational	No. of Girls residing in the hostel if not reasons thereof
								2024) that the construction of hostel has though completed by the EA (UPRNSS) but not handed over due to SIT investigation of other works executed by another EA (UPRNN).
6.	GP Ballia	29.05.2023	64	Completed	Not handed over			The State Government replied (February 2024) that construction of hostel was though completed by the EA (UPRNSS) but not handed over due to SIT investigation of other works executed by another EA (UPRNN).
7.	GP Varanasi	25.05.2023 <sup>4</sup>	22	Completed	Not handed over			The State Government replied (February 2024) that construction of hostel was though completed by the EA (UPRNSS) but not handed over due to SIT investigation of other works executed by another EA (UPRNN).
8.	Leather Institute, Kanpur Nagar	18.05.2023	39	Under construction				Due to delay in demolition of existing dilapidated building at the selected construction site, the construction was commenced in October 2021.The physical progress of the work was 95 per cent (May 2023).
9.	GP Banda	10.06.2023	106	Completed	30.03.2022	Not operational		As per information (June 2023) provided by the GP, Girls were not residing due to purchase of furniture in the end of session 2022-23 and most of the girls belong to local area.

<sup>4</sup> Information provided by Principal, GP Varanasi.

S.N.	Name of Government Polytechnic (GP) /Institute	Date of joint physical inspection	Number of girl students enrolled at the time joint physical inspection	Status of construction of women's hostel during joint physical inspection	Date of Handing over of the Hostel building by EAs	Operational/Not operational	Year, if operational	No. of Girls residing in the hostel if not reasons thereof
								Directorate stated (May 2024) that applications were invited from girl students for academic session 2023-24, however, girls refused to stay in the hostel citing their personal reasons.
10.	GP Basti	02.06.2023	82	Completed	28.12.2019	Not operational		It was noticed during joint physical inspection that the hostel was not made operational due to security reasons in view of lack of boundary wall in the GP. Furniture was also not available. Directorate also stated (May 2024) that hostel accommodation was not allotted due to lack of furniture along with other shortcomings.
11.	GP Hamirpur	04.06.2023	32	Completed	01.10.2019	Not operational		It was noticed during joint physical inspection that guard room was not available. Directorate also stated (May 2024) that applications were invited in September 2022, October 2023 and February 2024, but no girl applied for hostel accommodation.
12.	GP Orai, Jalaun	26.05.2023	78	Completed	25.08.2020	Not operational		It was noticed during joint physical inspection that boundary wall was damaged. Girls were not residing in the hostel due to unavailability of security arrangement. Directorate also stated (May 2024) that applications were invited in August 2021, August 2022, September 2023 and February 2024, but no girl applied for hostel accommodation.
13.	GP Kanpur Dehat	24.05.2023	52	Completed	29.06.2022	Not operational		It was informed by the GP during joint physical inspection that staff were not residing in the GP premise. Directorate stated (May 2024) that girl

S.N.	Name of Government Polytechnic (GP) /Institute	Date of joint physical inspection	Number of girl students enrolled at the time joint physical inspection	Status of construction of women's hostel during joint physical inspection	Date of Handing over of the Hostel building by EAs	Operational/Not operational	Year, if operational	No. of Girls residing in the hostel if not reasons thereof
								students were not taking interest in residing in the hostel due to security reason. There was requirement of CCTV camera, caretaker, generator/invertor, watercooler/R.O. and study tables in the hostel.
14.	GP Siddharthnagar	21.6.2023	05	Completed	31.10.2019	Not operational		It was informed by the GP during joint physical inspection that furniture was not available for the hostel and only five girls were enrolled who belongs to local area. However, Directorate stated (May 2024) that girl students were not interested in taking hostel accommodation and no application for allotment of hostel was received.
15.	GP Sonbhadra	14.06.2023	13	Completed	11.09.2019	Not operational		It was noticed during joint physical inspection that proper water supply and guard room was not available. Directorate stated (May 2024) that no application was received from girl students for allotment of hostels in the year 2020-21 and 2021-22. Six girl students though applied for hostel in the year 2022-23, but they refused to reside in the hostel at the time of allotment. In 2023-24, eight girl students took interest in residing hostel, but left the hostel after a week due to personal reason.

(Source: Joint physical verification of GPs and information provided by GPs and Technical Education Directorate /State Government)

### Appendix 3.3

#### Progress of Shooting Range

(Reference Para 3.11)

Sl. No.	Description	Status of Work	Expenditure (₹ lakh)
1	Boundary, chain-link fencing	completed	72.03
2	Approach khadanja road/culvert, site office	completed	39.79
3	Administrative Building	completed	66.45
4	10 meter indoor shooting range	Partially completed	538.05
5	25 meter outdoor shooting range (41M×66M) 6th for 30 shooters	Partially completed	127.35
6	25 meter first floor boundary wall, target site	Partially completed	47.76
7	50 meter outdoor shooting range (110M×85M) for 70 shooters	Partially completed	277.69
8	Trap and skeet	Partially completed	157.02
9	Armory block	Partially completed	54.05
10	Shooting range streetlight, panels, transformer, sub-station, generators and other electrification work.	Partially completed	244.45
11	Supply of equipment	No procurement	0
12	LESA electric connection charge	completed	46.70
13	Internal CC road	Not Started	0
14	Internal panel work	Partially completed	79.44
15	External road construction	Not Started	0
16	Drainage	Not Started	0
17	Tubewell, pump house, external water supply line, Septic tank	completed	55.26
18	Horticulture	completed	20.47
19	Site survey, soil testing and building management system	Partially completed	0.64
20	Consultancy fee, CA fee, legal fee		33.81
	<b>Total</b>		<b>1860.96</b>









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