

CHAPTER-III PERFORMANCE REVIEWS

This Chapter presents seven performance reviews covering the Performance Audit of Relief Operations during the years 2004 and 2005 by Disaster Management and Relief Department, Implementation of *Sarva Sikhsha Abhiyan*, Information Technology Audit - Rajasthan State Pollution Control Board, Conservation of flagship species – Tiger including India Eco-Development Project (IEDP) in Tiger Reserve, District Poverty Initiatives Project, Food Security, Subsidy and Management of Foodgrains and Implementation of Tourism Policy of Rajasthan.

DISASTER MANAGEMENT AND RELIEF DEPARTMENT (DMRD)

3.1 Performance Audit of Relief Operations during the years 2004 and 2005 by DMRD

Highlights

The State Government declared 31 of the 32 districts in the Rajasthan State as drought affected during the years 2004 and 2005. To provide relief to the affected population, funds were transferred by Government of India and State Government to Calamity Relief Fund. Government of India also extended grant for relief operation activities to the State Government out of National Calamity Contingency Fund. Various irregularities like delay in submission of detailed contingent bills, non-recovery of unutilized amount of advance, unjustified declaration of drought in Banswara, execution of katcha relief works, non-execution of left over relief works of previous drought period were noticed. Further, there were cases of unfruitful expenditure on diggis, delay in payment of wages to labourers, payment of wages without working out task rate, short payment of wages due to non revision of task, irregular maintenance of muster rolls, not lodging First Information Report for embezzled wheat, unsatisfactory implementation of Food Stamp Scheme and non-disposal of complaints in prescribed time limit.

Detailed Contingent bills amounting to Rs 6.16 crore drawn in four districts were pending till June 2006.

(Paragraph 3.1.5.1 (i))

Budget grants of Rs 4.37 crore which were provided for various relief activities in the drought affected areas in four districts were surrendered without any utilisation.

(Paragraph 3.1.5.2)

Declaration of drought in Banswara district and expenditure of Rs 10.21 crore incurred on carrying out relief activities there was unjustified.

(Paragraph 3.1.6)

Expenditure of Rs 2.79 crore was incurred on 425 incomplete and abandoned relief works.

(Paragraph 3.1.7.4)

There was delay of two to 172 days in payment of wages of Rs 4.13 crore to 56,575 labourers.

(Paragraph 3.1.8.1)

Payment of wages of Rs 44.61 lakh was made to labourers without working out task rate.

(Paragraph 3.1.8.2)

Fifteen *gaushalas* in Hanumangarh district incurred expenditure of Rs 2.28 crore between 62 and 100 *per cent* on maintaining cattle during drought period after obtaining subsidy whereas expenditure during non-drought period was Rs 87.11 lakh (38 to zero *per cent*).

(Paragraph 3.1.10.2 (ii))

Subsidy of Rs 2.67 crore was paid to nine *gaushalas* in Pali (five) and Hanumangarh (four) despite their having sound financial position.

(Paragraph 3.1.10.2 (v))

3.1.1 Introduction

Disaster Management and Relief Department (DMRD) is a permanent department of the State Government and functions under a Commissioner-cum-Secretary at Jaipur. As DMRD has no subordinate offices or branches, relief work is carried out by different departments/organisations such as Public Works Department (PWD), Forest Department, Soil Conservation Department, Public Health Engineering Department (PHED), Panchayati Raj Department, Revenue Department and local bodies etc. District Collectors and district level officers of other organisation act as administrative, technical, controlling and coordinating officers in their districts but the expenditure incurred in executing the relief activities is borne by the DMRD. During the years 2004 and 2005, drought conditions were declared (November 2004) in 25 districts for the period 1 December 2004 to 30 June 2005. Due to hail storms during February and March 2005 in 16 districts, six additional districts (10 districts out of these 16 were already declared as drought affected) were declared as scarcity affected. Following delay in rains, relief activities in all the 31 districts were extended (June 2005) till 15 July 2005. The relief works covered 31¹ (out of

1. All districts except Jhalawar.

32 districts of the State) having human population of 2.28 crore, 2.32 crore livestock and 19,814 villages.

3.1.2 Audit Objectives

The broad objectives were to examine the implementation of relief activities carried out by the DMRD so as to assess whether:

- financial resources were adequate and expended as per rules;
- declaration of drought was based on factual data of crop damage due to drought and hail storm;
- relief works were sanctioned and executed properly to provide employment;
- payments made to labourers engaged in relief work was as per rules;
- foodgrains were properly sanctioned, lifted and distributed to the labourers;
- arrangement for supply of fodder and drinking water for human and cattle consumption was adequate;
- the internal control system, inspection and monitoring was effective.

3.1.3 Audit coverage

Audit of the records in the office of the Relief Commissioner-cum-Secretary, DMRD and 10 District Collectors were test checked from March to June 2006. Five districts (Barmer, Bikaner, Jaisalmer, Jodhpur and Pali) were selected on the basis of the highest expenditure on relief incurred, four (Banswara, Dungarpur, Rajsamand and Udaipur) on the basis of highest percentage of villages affected and Hanumangarh was selected as it suffered the maximum damage in terms percentage of area affected due to hailstorm. Audit findings of the test checked districts are discussed in the succeeding paragraphs.

3.1.4 Audit Methodology and Criteria

In order to understand the functioning of the department, an entry conference was organised with the Commissioner-cum-Secretary, DMRD in February 2006. Audit examination included scrutiny of records in the DMRD and the Relief wing of District Collector offices in 10 districts. Besides, records in the offices of executing agencies (PWD, Forest, PHED etc.) were examined. Study of annual administrative reports and various rules framed by the State Government, departmental old inspection reports was done.

The performance of DMRD in providing relief was assessed with reference to various criteria fixed by it and executing Government departments regarding payment of wages, selection of works, payment for fodder transportation and *gaushala* subsidy etc.

Audit findings

3.1.5 Financial Management

Funds released (75 per cent) by Government of India (GOI) and share contributed (25 per cent) by the State Government for Calamity Relief Fund (CRF) and grant (100 per cent) sanctioned by the GOI from National Calamity Contingency Fund (NCCF) for 2004-06 and expenditure incurred thereagainst is tabulated below:

(Rupees in crore)								
Year	Opening balance of CRF	Receipts				Total (col. 2+3+4+5+6)	Expenditure	Closing balance (col. 7-8)
		Share of GOI	Share of State Government	GOI grant from NCCF	Interest on investments			
1.	2.	3.	4.	5.	6.	7.	8.	9.
2004-05	146.17	188.71	62.90	216.79	6.63	621.20	190.55	430.65*
2005-06	-	311.74	103.90	-	-	415.64	364.11	51.53
Total		500.45	166.80	216.79	6.63	1,036.84	554.66	482.18

* Balance of CRF (Rs 430.65 crore) was credited (November 2005) to the revenue of the State Government as per provisions of the CRF scheme.

Thus, the expenditure incurred on disaster management and relief works (Rs 554.66 crore) was less than the grants received from GOI (Rs 500.45 crore + Rs 216.79 crore) by Rs 162.58 crore.

3.1.5.1 Delay in submission of Detailed Contingent bills

General Financial and Accounts Rules (GF&AR) prescribe that the Detailed Contingent (DC) bills be rendered to the Accountant General (Accounts and Entitlements) (AG/A&E), Rajasthan within three months of the month of drawal of Abstract Contingent (AC) bills. Test check of AC and DC bills pertaining to drought relief revealed the following:

38 AC bills for Rs 6.16 crore were pending till June 2006.

(i) DC bills of 38 AC bills for Rs 6.16 crore drawn (May 2005 to March 2006) by four District Collectors² were not submitted to the AG (A&E) till June 2006.

162 AC bills of Rs 22.27 crore were rendered late by period ranging between one to seven months.

(ii) DC bills of 162 AC bills (Rs 0.07 lakh to Rs 5.20 crore) amounting to Rs 22.27 crore drawn during October 2004 to November 2005 were rendered by eight District Collectors³ to the AG (A&E) with delay ranging from one to seven months.

(iii) Despite Finance Department's instructions (March 2005) to all District Collectors not to draw funds in excess of immediate requirement, it was observed that entire funds of Rs 70.21 lakh drawn on 19 AC bills between

2. Banswara-3 (Rs 0.23 crore), Bikaner-27 (Rs 5.16 crore) Jaisalmer-2 (Rs 0.11 crore) and Udaipur -6 (Rs 0.66 crore).

3. Banswara-20 (Rs 1.28 crore), Barmer-15 (Rs 0.84 crore), Bikaner-34 (Rs 3.18 crore), Dungarpur-13 (Rs 0.95 crore), Hanumangarh-2 (Rs 0.40 crore), Jaisalmer -57 (Rs 6.56 crore), Jodhpur-5 (Rs 8.45 crore) and Pali-16 (Rs 0.61 crore).

April and June 2005 by three District Collectors⁴ were deposited back into treasuries without any utilisation during June and November 2005 after lapse ranging from 25 to 206 days. This shows that funds were drawn without proper assessment. The District Collector, Banswara stated (June 2006) that amount was refunded due to relief works being not executed due to circumstances prevalent at that time. The District Collector, Pali stated (May 2006) that delay in issuance of sanction for purchase of material for relief works to be executed by PWD, Pali led to non-utilisation of funds while District Collector, Bikaner stated (May 2006) that the amount was drawn and placed at the disposal of Inspecting Officers by way of abundant caution for arranging drinking water and sheds for labourers, if not arranged by the executing agencies concerned who were to arrange them and as these agencies completed the works, funds were deposited back into treasuries.

3.1.5.2 Surrendering of funds

Rs 4.37 crore were surrendered without utilisation under various sub heads.

The entire budget provision of Rs 4.37 crore made (2004-05 and 2005-06) by the DMRD under service heads like cattle camps, cattle feed, bull subsidy, etc. for four districts⁵ were surrendered. District Collector, Jaisalmer attributed (April 2006) the surrender of Rs 2.33 crore due to budget allocation being sanctioned by the DMRD at the end of the financial year 2004-05 despite scarcity of fodder in the district. District Collector, Pali and Hanumangarh stated that funds were allocated without any demand from them and therefore surrendered. Thus, funds (Rs 1.11 crore) were unnecessarily sanctioned for these two districts. Reply was awaited (August 2006) from District Collector, Banswara.

3.1.5.3 Non-recovery of unutilised amount of advance

District Collector, Bikaner released (June 2005) advance of subsidies of Rs 75 lakh to Rajasthan State Co-operative Dairy Federation (RCDF), Bikaner to arrange cattle feed to the individual cattle breeders in scarcity affected areas of Bikaner. RCDF utilised Rs 58.05 lakh for supply of 2,322 Metric Ton (MT) cattle feed but the balance amount of Rs 16.95 lakh was lying (May 2006) with the RCDF even after lapse of over 10 months.

3.1.5.4 Pending recoveries of principal/penal interest

DMRD sanctioned (December 2004) in favour of District Collectors, Barmer and Bikaner interest free loans upto Rs 0.50 lakh for each fodder depot organised by co-operative societies, Non-Government Organisations (NGOs) and *Gram Panchayats* in drought hit areas with the condition of refund of the loan amount soon after closure of financial year or drought relief activities, whichever is later failing which penal interest would be recovered for the period of delay in refunding of the loan. Scrutiny of records revealed that while principal amount of Rs 1.20 lakh was outstanding for recovery (April 2006) from three units of Bikaner, penal interest of Rs 3.95 lakh at the

4. Banswara –10 (Rs 41.66 lakh), Bikaner-6 (Rs 0.55 lakh) and Pali-3 (Rs 28.00 lakh).

5. Banswara (Rs 0.11 crore), Hanumangarh (Rs 0.32 crore), Jaisalmer (Rs 3.15 crore) and Pali (Rs 0.79 crore).

rate of 18 *per cent* per annum as per rules was not recovered from 30 units in both districts⁶ due despite closure of relief activities from 15 July 2005. The District Collector, Bikaner stated (May 2006) that action had been initiated against the defaulting units for recovery of principal and penal interest.

3.1.6 *Unjustified declaration of drought in Banswara district*

Expenditure of Rs 10.21 crore was irregular due to unjustified declaration of drought in Banswara district.

The main determinants for assessment of the drought as laid down in the Relief Manual are deficiency in rainfall, low water level in the various major and minor irrigation sources in each *tehsil*, signs of malnutrition, shortage of fodder supply, final *Girdawari* of crops in comparison with the preceding two years, damage to crops, number of villages artisans, category-wise who need economic support, number of children and nursing/expectant mothers who need special diet supplement etc. For the period under review, all the 31 districts which reported 50 *per cent* and over failure of *kharif* crops were declared as scarcity affected. Reasons for declaring 31 districts scarcity affected without considering other determinants were awaited from the DMRD (August 2006). Test check was carried out in case of Banswara district and information was obtained regarding parameters such as crop production during *kharif*, availability of labour for relief works and position of rainfall in the district during the preceding years. Further, records of three of five *tehsils* of Banswara district pertaining to mandatory preparation of village-wise *kharif* crop damage statements were scrutinised in audit. Scrutiny revealed following deficiencies and discrepancies:

(i) In the village-wise crop damage statements, 267 figures of crop damage in Banswara (207) and Ghatol (60) *tehsils* were erased and tampered to increase the crop damage to the range 50-74 *per cent*. In the village-wise crop damage statement of Surpur *Patwar* circle consisting of seven villages, the data of crop damage was first written in pencil which was later on changed and overwritten with red ink.

(ii) In the records of Daduka *Patwar* circle in Garhi *tehsil*, the original figures of crop damage in 38 hectare area recorded in village-wise crop damage statement was changed to 338 hectare. Likewise, the net sown crop area of 503 hectare was reduced to 203 net sown hectare crop area to inflate crop damage to 62 *per cent*.

(iii) Examination of records in Garhi *Patwar* circle in Garhi *tehsil* revealed that no test check of quantum of *kharif* crop damage as noted by the Patwari in the *kharif* crop damage register was done by the *Girdawar* and *Tehsildar*. Such test check is mandatory under Land Revenue Act.

(iv) The total *kharif* crop production in all the five *tehsils* of Banswara district in 2004-06 as per Agriculture Department (September 2004) was 2,18,312 MT. However, total *kharif* crop production as reported (September 2004) by District Collector, Banswara was 1,02,108 MT. Thus, there was a difference of *kharif* crop production of 1,16,204 MT for the same period. Further, District Collector informed (October 2004) the DMRD about

6. Barmer-7 units (Rs 3.41 lakh) and Bikaner-23 units (0.54 lakh).

availability of essential foodgrain commodities in adequate quantity in the markets of Banswara district.

(v) Test check of records revealed that during December 2004 to April 2005 employment opportunities through relief works were availed by 60,650 labourers (56 *per cent*) only against total labour ceiling of 1,08,900 sanctioned by the DMRD for the district. The shortage in achievement of labour ceiling too did not reflect lack of employment opportunities on account of drought.

(vi) Average rainfall 1056.6 mm in 2004-05 in Banswara district was better than previous years⁷ in 2000-01 to 2003-04.

Adequate *kharif* crop production as per Agriculture Department, availability of essential foodgrain commodities in the market, non-utilisation of labour ceiling and good average rainfall in the district reflected that drought conditions did not prevail in Banswara district. Expenditure of Rs 10.21 crore on various relief activities carried out in 1,510 villages in Banswara district was, thus, unjustified.

3.1.7 Execution of relief works

The DMRD issued (November-December 2004) instructions to the District Collectors to sanction relief works, so as to create permanent assets as far as possible; to accord priority to the execution of left over relief works of previous drought period; to accord administrative and financial sanction after estimates are prepared and technical sanctions issued for relief works; to sanction only those relief works which could be completed by the end of drought period. Further, it was also instructed to take up relief works of deepening of old structures, construction of *Nadis/Talabs* and *Diggis* near any water source point, on priority basis in villages having fluoride level above 5 Parts Per Million (PPM); to sanction the relief works of water conservation included in the District Master Plan prepared by Irrigation Department on top priority for execution during 2004-06; to dovetail berm repair works, as far as possible, with the ongoing schemes of other departments. The DMRD also instructed the District Collectors not to incur expenditure on relief works in excess of sanctioned amount. Irregularities noticed in audit are given in succeeding paragraphs.

3.1.7.1 Execution of Katcha works

In 10 test checked districts, it was noticed that out of total expenditure of Rs 170.07 crore on various relief works, Rs 55.81 crore (33 *per cent*, with 9 *per cent* in Jaisalmer and 78 *per cent* in Udaipur district) (**Appendix-XVIII**) were incurred on *katcha* relief works (mud boundary walls, berms repair, link roads etc.) and were not in conformity with Government objectives.

7. 494.4 mm in 2000-01, 629.8 mm in 2001-02, 527.4 mm in 2002-03 and 857.2 mm in 2003-04.

3.1.7.2 Non-execution of relief works of previous drought period

Five relief works of previous drought period remaining incomplete after incurring expenditure of Rs 11.12 lakh were not sanctioned for completion in 2004-06.

Scrutiny of records of Executive Engineer (XEN), Irrigation Division, Pali revealed that five relief works of anicut construction sanctioned (August-October 2002) during drought period of 2002-04 at a cost of Rs 22.04 lakh that remained incomplete after incurring expenditure of Rs 11.12 lakh were not undertaken for completion in 2004-06 (there was no drought during 2004-05). This not only resulted in unfruitful expenditure of Rs 11.12 lakh but left open the possibility of damage to work already done.

3.1.7.3 Relief works sanctioned without preparing proper estimates

Technical estimates of 429 relief works for Rs 11.90 crore were completed at a cost of Rs 1.89 crore indicating that estimates were not prepared properly.

Examination of works registers revealed that 429 relief works sanctioned by eight District Collectors⁸ at an estimated cost of Rs 11.90 crore were actually completed at a cost of Rs 1.89 crore (16 per cent). Audit further observed that after issuance of the administrative and financial sanctions (February 2005) by the District Collector, Rajsamand, the technical sanctions were accorded (June 2005) precisely for the amount in financial sanctions which shows that technical estimates were prepared without adequate survey and rigour.

Further, 35 relief works sanctioned at a cost of Rs 72.81 lakh were completed with actual expenditure of Rs 93.76 lakh resulting in excess expenditure of Rs 20.95 lakh (excess ranged between 11 and 96 per cent) by 11 executing agencies in five districts⁹.

3.1.7.4 Incomplete works resulted in wasteful expenditure

Expenditure of Rs 2.79 crore was incurred on 425 works that were left incomplete or abandoned.

Audit scrutiny revealed that 367 relief works sanctioned with an estimate of Rs 8.57 crore were left incomplete as of 10 July 2005 (last date for completion of works) after incurring expenditure of Rs 2.44 crore¹⁰ by 15 executing agencies in seven districts. Thus, the full benefit from expenditure of Rs 2.44 crore may not accrue.

Fifty eight relief works sanctioned in six districts at a cost of Rs 1.31 crore were either cancelled or abandoned by eight executing agencies after incurring expenditure of Rs 0.35 crore¹¹ resulting in unfruitful expenditure.

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8. Banswara (11 works : sanctioned Rs 0.15 crore : expenditure Rs 0.03 crore), Barmer (57 works : Rs 2.24 crore : Rs 0.30 crore), Dungarpur (29 works : Rs 0.66 crore : Rs 0.11 crore), Hanumangarh (70 works : Rs 1.83 crore : Rs 0.31 crore), Jodhpur (58 works : Rs 1.42 crore : Rs 0.18 crore), Pali (26 works : Rs 0.78 crore : Rs 0.12 crore), Rajsamand (133 works : Rs 3.89 crore : Rs 0.66 crore) and Udaipur (45 works : Rs 0.93 crore : Rs 0.18 crore).
 9. Banswara-1 executing agency (Excess Rs 2.23 lakh), Hanumangarh-1(Rs 0.11 lakh), Pali-2 (Rs 2.26 lakh), Rajsamand-4 (Rs 9.28 lakh), and Udaipur-3 (Rs 7.07 lakh).
 10. Banswara (20 works : Rs 0.10 crore), Barmer (54 works : Rs 0.53 crore), Dungarpur (166 works : Rs 0.63 crore), Hanumangarh (14 works : Rs 0.10 crore), Pali (23 works: Rs 0.20 crore), Rajsamand (36 works : Rs 0.18 crore) and Udaipur (54 works: Rs 0.70 crore).
 11. Barmer-2 executing agencies (Rs 0.04 crore), Bikaner-2(Rs 0.22 crore), Hanumangarh-1(Rs 0.055 crore), Jodhpur-1 (Rs 0.03 crore), Pali-1(Rs 0.003 crore) and Rajsamand-1(Rs 0.002 crore).

3.1.7.5 *Water conservation works not sanctioned in villages having fluoride above 5 Parts Per Million (PPM)*

Lists of 242 villages/other habitation having fluoride between 5.1 and 41 PPM were made available to four District Collectors¹². It was, however, observed that out of 1,211 relief works¹³ of water conservation executed in these districts, no relief work was sanctioned in the 242 villages/other habitation that had been identified by the DMRD.

3.1.7.6 *Irregular expenditure on relief works not included in Master Plan*

It was observed that instead of sanctioning 105 works included in the Master Plan of Jodhpur district, 160 other relief works of water conservation were sanctioned by District Collector, Jodhpur at a cost of Rs 3.88 crore and completed by Executive Engineer, Irrigation Division, Jodhpur at an expenditure of Rs 1.48 crore in two *Panchayat Samiti*¹⁴ areas.

3.1.7.7 *Wasteful expenditure on repair of berm with soil only*

Wasteful expenditure of Rs 6.80 crore was incurred on *katcha* berms repair works.

The DMRD issued (December 2004) instructions that since the *katcha* berms¹⁵ repair works carried out by the PWD are of temporary nature and expenditure so incurred prove wasteful, as far as possible berms repair works may be dovetailed with the ongoing schemes of other departments. Expenditure on labour component may, however, be met from DMRD. Five hundred and twenty eight berms repair works sanctioned at a cost of Rs 13.83 crore in five districts¹⁶ were, however, executed by 17 executing agencies at a cost of Rs 6.80 crore without dovetailing them with ongoing schemes of other departments. The execution of berms repair works with soil only resulted in wasteful expenditure.

3.1.7.8 *Unfruitful expenditure on diggi construction*

Unfruitful expenditure of Rs 21.04 lakh was incurred on construction of 116 diggi works upto *katcha* level.

To help farmers in irrigation and to create permanent assets, sanctions were accorded (March to June 2005) by the District Collector, Jaisalmer for construction of 212 diggis each of 8 lakh litre capacity, total unit cost being Rs 1.63 lakh with labour component of Rs 49,000 including Rs 36,750 (75 *per cent*) to be borne by DMRD in the form of wheat and balance of Rs 12,250 (25 *per cent*) in cash on account of labour component to be borne by the Agriculture Department. As per guidelines issued (February 2005) by the DMRD, expenditure on material component was to be borne by the farmer himself or arranged through loan and partial grant by the Agriculture Department.

12. Bikaner (31), Dungarpur (28) Jodhpur (144) and Udaipur (39).
13. Bikaner (217), Dungarpur (374), Jodhpur (229) and Udaipur (391).
14. Shergarh-106 works (Rs 0.96 crore) and Phalodi-54 works (Rs 0.52 crore).
15. Strengthening both sides of a road with soil.
16. Barmer-6 executing agencies (190 works-Sanctioned amount Rs 5.36 crore/expenditure Rs 2.14 crore), Bikaner-5 (188-Rs 4.65 crore/Rs 2.60 crore), Dungarpur-2 (62-Rs 1.86 crore/Rs 0.65 crore), Jodhpur-3 (62-Rs 1.83 crore/Rs 1.33 crore) and Udaipur-1 (26-Rs 0.13 crore/Rs 0.08 crore).

There were two stages of construction work involving (i) *katcha* digging work and (ii) *pucca* boundary construction work with bricks, cement etc. The instructions further provided that half (Rs 18,375 of labour component in the form of wheat) was payable on completion of first stage and balance on completion of second stage. Scrutiny of records in office of Assistant Director, Agriculture (Extension), Jaisalmer revealed that out of 212 works, 116 works were left incomplete after first stage. The DMRD issued (June 2005) instructions for payment of half of labour component after getting the *katcha* diggins covered with polythene. Four thousand five hundred seventy three quintal and sixty kg wheat valuing Rs 21.04 lakh was distributed to the farmers towards labour component for 116 diggins. Polythene work in the diggins was not safe and durable as confirmed (May 2006) by the Assistant Director, Agriculture (Extension), Hanumangarh during test check of diggi construction works in his district. The payment proved unfruitful as the intended purpose was defeated.

3.1.7.9 Unfruitful expenditure on blasting/deepening of wells

The District Collector, Banswara sanctioned (April and May 2005) deepening of 700 wells in eight *Panchayat Samiti*¹⁷ areas by Ground Water Department (GWD) (474) and a private agency (226) with per well financial assistance of Rs 6,000¹⁸ to be borne by Tribal Area Development (TAD) Department and labour component upto Rs 6,000 payable by DMRD. Examination of files, statements obtained from District Collector and GWD, vouchers and MRs in Banswara revealed that out of 700 sanctioned wells, 132 to 133 blasts were done in 319 wells and shown completed while 310 wells were reported incomplete with 12 to 120 blasts. Expenditure of Rs 27.75 lakh was incurred on these 629 wells by TAD Department on blasting and Rs 21.99 lakh by DMRD on labour component. Payment of blasting charges was, however, made without verifying the increase in availability of water. Neither the sanctions issued by the District Collector contained any condition about this nor any information about it was available in the statements of expenditure and progress of works produced by the GWD and the private agency. As such, fruitfulness of expenditure of Rs 49.74 lakh incurred on blasting/deepening of wells for irrigation purpose could not be verified.

3.1.7.10 Fictitious expenditure

Work-wise details of expenditure obtained from *Panchayat Samiti*, Talwara in Banswara district revealed that expenditure of Rs 1.73 lakh was shown incurred fictitiously on carrying out two relief works by the *Panchayat Samiti* in village Borkheda already under submergence. This village was in reservoir of Mahi dam.

17. Anandpuri, Bagidaura, Garhi, Ghatol, Kushalgarh, Peepalkhunt, Sajjangarh and Talwara

18. Rs 6,000 rounded off for carrying out 133 blasts through holes at the rate of Rs 45 per hole.

3.1.8 Irregularities in payment of wages to labourers

As per instructions issued (November 2004, April-May 2005) by the DMRD, the payment of wages were to be made to labourers engaged on relief works within 10 days of the close of the fortnight for which payment is due; payment of wages to labourers was to be made on the basis of task rate and quantity of work done by a labourer; the DMRD further instructed that while preparing estimates of relief works, the rates as fixed (September 2004) by the Labour Department should be adopted for payment of wages for determining task rate. Where rates of items of work are not fixed by the Labour Department, the rates prevailing in the districts as per respective *Gramin Karya Nirdeshika* (GKN) were to be adopted. Reduction in task by 16.67 per cent from 1 May 2005 and 20 per cent of the balance task from 1 June 2005 as relief to labourers in peak summer season was also ordered. Instructions were also issued to identify and prepare lists of the affected poor persons requiring employment on relief works in drought affected areas. Priority was to be accorded to (i) Below Poverty Line (BPL) family members, (ii) landless labourers, (iii) marginal farmers, (iv) small farmers, (v) Scheduled Caste and Scheduled Tribe (SC/ST) labourers not covered in serial no. (i) to (iv) and (vi) other persons requiring labour. Instructions emphasised not to deploy children and senior citizens on relief works. Weekly holiday was to be provided to the labourers during each period of 10 days. The irregularities noticed in audit are discussed in succeeding paragraphs.

3.1.8.1 Delay in payment of wages to labourers engaged on relief works

Delay of two to 172 days in payment of wages of Rs 4.13 crore to 56,575 labourers.

Test check of 5,370 muster rolls (MRs) of 21 executing agencies in seven districts¹⁹, however, revealed that payment of wages aggregating Rs 4.13 crore was delayed by two to 172 days beyond prescribed period of 10 days affecting a total of 56,575 labourers. Besides, inordinate delay in drawing wages through AC bills in two districts led to delayed payment of Rs 1.32 crore²⁰ by 12 to 162 days as wages to labourers on 2,130 MRs.

3.1.8.2 Payment of wages without working out task rate

Payment of wages of Rs 44.61 lakh was made to labourers without taking measurement of work done.

Scrutiny of 323 MRs and Measurement Books (MBs) in three districts revealed that payment of Rs 44.61 lakh²¹ as wages was made to labourers without measurement of work done being entered in the MRs and MBs by four executing agencies in three districts. In absence of these details, validity of actual wages paid could not be ascertained in audit.

3.1.8.3 Excess payment of wages to labourers

Scrutiny of 425 MRs in *Panchayat Samiti*, Garhi in Banswara district, however, revealed that expenditure of Rs 4.98 lakh was incurred in excess due

19. Banswara-4 executing agencies (Rs 0.46 crore), Bikaner-2 (Rs 0.11 crore), Hanumangarh-2 (Rs 0.74 crore), Jaisalmer-3 (Rs 1.97 crore), Pali-1 (Rs 0.56 crore), Rajsamand-4 (Rs 0.17 crore) and Udaipur-5 (Rs 0.12 crore).
20. Pali - Rs 0.13 crore and Rajsamand - Rs 1.19 crore.
21. Banswara- 1 executing agency (180 MRs -Rs 10.82 lakh), Hanumangarh- 2 (91 MRs - Rs 30.09 lakh), Rajsamand- 1 (52 MRs - Rs 3.70 lakh)

to adoption of district GKN (2004) in place of lower rates for different relief works already fixed (September 2004) by the Labour Department. Additionally, Rs 16.72 lakh²² were paid in excess to labourers by six executing agencies in four districts on 451 MRs due to adoption of old task rates²³ of the year 2000 in place of new lower task rates²⁴ fixed (September 2004) by the Labour Department.

The Executive Engineers, PWD of District Division, Bhadra (Hanumangarh) and District Division, Pali admitted (June 2006) the excess payments.

3.1.8.4 Short payment of wages due to non-revision of task

Short payment of wages worth Rs 19.63 lakh was made to labourers due to non-revision of task.

Test check of 800 MRs revealed that Rs 63.93 lakh were actually paid (May and June 2005) to 14,660 labourers by eight executing agencies in five districts against Rs 83.56 lakh payable on the basis of revision in task. This resulted in short payment of wages of Rs 19.63 lakh²⁵. The Block Development Officers (BDOs) of *Panchayat Samiti*, Kherwara and Badgoan (Udaipur) admitted (March-April 2006) the short payments.

3.1.8.5 Irregular maintenance of muster rolls

Test check of 502 MRs involving engagement of 4,859 labourers by 27 executing agencies in nine districts²⁶ revealed the following:

(i) The category of 3,151 labourers (65 per cent) was not mentioned by 16 executing agencies in five districts²⁷, in the absence of which genuineness of deployment of needy labourers as per the priority fixed by the DMRD could not be verified in audit.

(ii) While age of 2,175 labourers (45 per cent) was not recorded on MRs by 16 executing agencies in five districts²⁸, 46 children of the age of 10 to 17 years by five agencies in two districts²⁹ and 341 senior citizens of the age of 60 to 85 years by eight agencies in four districts³⁰ were found engaged.

22. Dungarpur – 1 executing agency (Rs 6.71 lakh), Hanumangarh – 1 (Rs 3.10 lakh), Jaisalmer – 2 (Rs 1.82 lakh) and Pali – 2 (Rs 5.09 lakh).

23. Rs 60 (daily wage rate) for 2.19 cum. Of earth work (Rs 27.40/cum.)

24. Rs 73 (daily wage rate) for 4 cum of earth work (Rs 18.25/cum.)

25. Barmer – 2 executing agencies (Rs 0.93 lakh), Bikaner– 2 (Rs 3.86 lakh), Dungarpur– 1 (Rs 1.31 lakh), Jodhpur– 1 (Rs 0.35 lakh), Udaipur– 2 (Rs 13.18 lakh)

26. Banswara-5 executing agencies (23 MRs-226 labourers), Barmer-2 (22-31), Dungarpur-3 (109-216), Hanumangarh-2 (59-1003), Jaisalmer-6 (149-2,109), Jodhpur-2 (12-18), Pali-2 (47-784), Rajsamand-3 (20-350) and Udaipur-2 (61-122).

27. Banswara-4 executing agencies (101 labourers), Hanumangarh-2 (289), Jaisalmer-6 (1,709), Pali-2 (784) and Rajsamand-2 (268).

28. Banswara-3 executing agencies (108 labourers), Hanumangarh-2 (499), Jaisalmer-6 (1,176), Pali-2 (283) and Rajsamand-3 (109).

29. Dungarpur-3 executing agencies (21 labourers) and Udaipur-2 (25).

30. Barmer-2 executing agencies (31 labourers), Dungarpur-3 (195), Jodhpur-1 (11) and Udaipur-2 (104).

(iii) Name of village of 1,427 labourers (29 per cent) was not mentioned by 16 executing agencies in five districts³¹.

(iv) Payment of wages was not made to 1,906 labourers for 10,124 attendances marked in 204 MRs but crossed later on by 12 executing agencies in five districts³². Replies of the executing agencies regarding the circumstances under which the attendances were crossed has not been received (July 2006).

The above points reflected irregular maintenance of MRs.

(v) Record involving payment of wages worth Rs 4.89 crore through MRs was not produced to Audit by four executing agencies³³ in Banswara (3) and Rajsamand (1) despite instructions issued (20 February and 17 March 2006) by the DMRD to the District Collectors. The facts were reported (3 April, 15 April and 6 June 2006) to the Commissioner-cum-Secretary, DMRD but no response could be evoked. This limited the scope of audit.

3.1.8.6 Weekly holiday not provided

No holiday was allowed to 22,335 labourers engaged on 477 relief works by seven *Panchayat Samitis* in three districts³⁴ resulting in irregular payment of wages of Rs 10.88 lakh.

3.1.9 Sanctioning, lifting and distribution of wheat

3.1.9.1 Shortcomings in distribution of wheat to labourers for wages

Minimum daily wage of Rs 73 per day was payable to a labourer wherein 75 per cent was in the form of wheat and balance in cash. Out of 55.89 lakh quintal wheat allocated by the GOI to eight out of 10 districts (*Appendix-XIX*), (information not furnished by District Supply Officers (DSO), Barmer and Udaipur), 55.86 lakh quintal wheat including carry over balance of previous year 0.045 lakh quintal was lifted, of which 52.74 lakh quintal was distributed to labourers through Fair Price Shops (FPS) leaving a balance of 3.12 lakh quintal with the FPS and wholesale dealers as of May 2006. Following observations were made:

(i) DSO, Rajsamand failed to lift the balance 7,865 quintal wheat sanctioned by the GOI free of cost while 3.12 lakh quintal was not utilised by

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31. Banswara-4 executing agencies (58 labourers), Hanumangarh-2 (285), Jaisalmer-6 (576), Pali-2 (451) and Rajsamand-2 (57).
 32. Banswara-2 executing agencies (43 labourers), Hanumangarh-2 (845), Jaisalmer-4 (908), Pali-2 (72) and Rajsamand-2 (38).
 33. Chief Engineer, Mahi Project (Rs 2.01 crore), Divisional Forest Officer, Banswara (Rs 0.64 crore), *Panchayat Samiti*, Ghatol (Rs 1.60 crore) in Banswara and *Panchayat Samiti*, Kumbhalgarh (Rs 0.64 crore) in Rajsamand district.
 34. Barmer-2 executing agencies (5,696 labourers -Rs 2.85 lakh), Dungarpur-3 (10,486-Rs 5.31 lakh) and Jodhpur-2 (6,153-Rs 2.72 lakh).

the eight districts leading to shortfall in providing employment to labourers equal to 26.21 lakh labour days³⁵.

7,782 quintal wheat was embezzled by the Fair Price Shop and Wholesale dealers.

(ii) Though 7,782 quintal wheat valuing Rs 78.21 lakh was embezzled by 26 FPS and wholesale dealers, no first information report (FIR) was registered against 16 FPS and wholesale dealers by DSOs in four districts³⁶ for embezzling 4,093.98 quintal wheat. Examination of files further revealed that neither the cost (Rs 78.21 lakh) of embezzled wheat at market rate of Rs 1,005 per quintal as fixed by the Food Corporation of India (FCI) was recovered nor action taken against Enforcement Officers and Enforcement Inspectors directly responsible for not checking embezzlement of wheat.

(iii) No wastage was permissible in wheat made available by the GOI. Wastage of 17,775.73 quintal wheat was, however, shown by 535 FPS dealers in three districts³⁷ and recovery of Rs 81.77 lakh was made at the rate of Rs 460 per quintal in place of market rate of Rs 1,005 per quintal as fixed (July-August 2005) by the FCI resulting in loss of Rs 96.88 lakh to Government.

3.1.10 Fodder, Gaushalas and Drinking water facility

3.1.10.1 Irregularities in fodder management

To check excess billing, DMRD instructed (April 2005) that payment for weight of fodder transported in the drought affected districts by trucks should not exceed 100 quintal on an average. The District Collector, Hanumangarh also issued (22 December 2004) instructions to *Tehsildar*, Nohar that the net weight of dry fodder cannot be more than 30 to 45 quintal in a tractor. It was, however, observed that in 280 cases, 642.39 MT fodder was transported in excess of 120 quintal (ranging from 121 to 262.7 quintal) on trucks and 50 quintal (ranging from 51 to 78 quintal) on tractors in five districts³⁸ resulting in irregular release of fodder transportation subsidy of Rs 5.86 lakh. In light of excess carriage this amount released as subsidy also appears to be doubtful and matter needs further investigation.

3.1.10.2 Payment of gaushala subsidy

As per instructions issued (December 2004) by the DMRD, subsidy was payable to *gaushalas* at the rate of Rs 18 and Rs 9 per day for cattle and calf respectively or actual expenditure, whichever is less. According to further instructions issued (March 2005), *gaushalas* were to arrange cattle feed containing protein at the rate of one kg to cattle and half kg to calf per day

35. Minimum wage rate Rs 73 per day, 75 per cent wheat component=Rs 54.75 divided by rate of wheat Rs 4.60 per Kilogram (kg), net wheat payable to one labour per day= 11.902 kg Total labour days = 3,11,92,072 kg divided by 11.902 kg = 26,20,742 i.e. 26.21 lakh.

36. Banswara (1138.99 quintal), Hanumangarh (82.94 quintal), Jaisalmer (20.49 quintal) and Pali (2,851.56 quintal).

37. Jaisalmer (5,997.58 quintal), Pali (5,391.11 quintal) and Rajsamand (6,387.04 quintal).

38. Barmer-68 cases (Rs 2.18 lakh), Bikaner-56 (Rs 1.42 lakh), Hanumangarh-88 (Rs 0.41 lakh), Jodhpur-57 (Rs 1.63 lakh) and Pali-11 (Rs 0.22 lakh).

with effect from 1 April 2005. Scrutiny of sanctions, vouchers and files revealed following irregularities:

(i) In three districts, Rs 47.77 lakh were paid to 11 *gaushalas* at normative rates instead of actual expenditure of Rs 35 lakh incurred on the maintenance of cattle leading to excess payment of Rs 12.77 lakh³⁹.

(ii) Fifteen *gaushalas* in Hanumangarh incurred expenditure of Rs 2.28 crore (**Appendix-XX**) i.e. between 62 to 100 *per cent* of total expenditure incurred during 2005 on maintaining cattle during drought period (1 January to 15 July 2005) after obtaining subsidy from the district administration whereas their expenditure during balance period (16 July 2005 to December 2005) was Rs 87.11 lakh (38 to zero *per cent*) against 46 *per cent* that should have been incurred on *pro rata* basis. This indicates that the subsidy paid to *gaushalas* by the State Government is generally excessive.

(iii) Inadmissible amount of Rs 1.67 lakh incurred on hiring of vehicles, medicines, telephone, water, electricity and office expenses were paid to two *gaushalas* by Sub-Divisional Officer (SDO), Nathdwara (Rs 1.20 lakh) and Rajsamand (Rs 0.47 lakh).

(iv) Less subsidy of Rs 12.22 lakh was paid to 11 *gaushalas* in two districts⁴⁰ due to (i) payment on old rates of Rs 12 and Rs 6 instead of new rates Rs 18 and Rs 9, (ii) non-payment of cost of cattle feed despite submission of bills for April 2005 by *gaushalas* and (iii) bills not forwarded by the *Tehsildar* to the District Collector for payment.

The District Collectors, Banswara and Hanumangarh admitted (May-June 2006) the facts.

Gaushala subsidy of Rs 2.67 crore was paid to nine gaushalas having sound financial position.

(v) Scrutiny of balance sheets of nine *gaushalas* in two districts⁴¹ revealed that subsidy of Rs 2.67 crore was paid to them despite their having sound financial position to the extent that Rs 2.51 crore were lying in fixed deposit, each owning agriculture land between 29 and 2,103 *bighas*, getting grant from other agencies etc. Test check of records further revealed that neither any cattle camps were organised in these two districts nor any unclaimed/stray cattle were added in these *gaushalas* and the amount paid was for same number of cattle that were maintained by them round the year. By paying subsidy of Rs 2.67 crore, the purpose of DMRD to minimise stress on public finance by way of taking support of NGOs for maintaining suffering cattle during drought period was, thus not served.

39. Jaisalmer-7 *gaushalas* (Rs 4.25 lakh), Pali-1 (Rs 4.21 lakh) and Rajsamand-3 (Rs 4.31 lakh).

40. Banswara-3 *gaushalas* (Rs 7.22 lakh) and Hanumangarh-8 (Rs 5.00 lakh).

41. Pali (5) and Hanumangarh (4).

(vi) Subsidy of Rs 2.82 crore was paid to 44 *gaushalas* of five *tehsils* in Hanumangarh (four) and Pali (one) districts⁴² not declared scarcity affected areas.

3.1.10.3 Irregularities in drinking water transportation

During test check of records of drinking water transportation in 10 districts, following audit observations were made:

(i) Rupees 3.14 lakh were paid in excess to two private contractors for 4,630 kilometers (km) of return journey from villages to water source points in Bikaner district whereas the rates were per round trip. The reply given (May 2006) by the District Collector that consumption of fuel was unavoidable in return journey, was not tenable as the rates finalised were inclusive of transportation charges both ways.

(ii) Despite instructions (June 2004) of DMRD that no water needs to be transported to villages having water source within 1.6 km, payment of Rs 1.75 lakh was made to five private contractors towards water transportation charges for eight villages of three *tehsils* in Pali district having water sources within radius of 0.5 to 1.5 km. The District Collector, Pali accepted (May 2006) the irregularity.

(iii) According to directions issued (August 2004) by the DMRD private contractors were required to get drinking water supply slips verified invariably from the different local women of the village. It was, however, observed that in 37 cases (Kumbhalgarh-10, Nathdwara-7 and Rajsamand-20) one to 11 signatures of different local women were obtained on the water supply slips in advance of actual supply. Further, irregular payment of Rs 7.13 lakh for supply of 7,170 kilolitre (kl) drinking water in 62 villages during April to July 2005 was made by District Collector, Bikaner (Rs 6.28 lakh) and SDO, Rajsamand (Rs 0.85 lakh) without verification of water supply slips from different local women of the villages. The SDO, Rajsamand and the District Collector accepted (April-May 2006) the facts.

(iv) Relief activities were required to be carried out only in those areas which were declared drought affected. Expenditure of Rs 39.92 lakh incurred (January to 15 July 2005) by District Collector, Pali on drinking water transportation in *tehsil* Desuri (Pali district) not declared scarcity affected was irregular.

3.1.11 Medical facilities for labourers, gratuitous relief and Food Stamp Scheme

3.1.11.1 Inadequate medical facilities for labourers on work sites

As per instructions issued (November 2004) by the DMRD medical facilities were to be provided to labourers engaged on relief works. Test check of

42. Hanumangarh-11 *gaushalas* (Rs 78.94 lakh), Pilibanga – 10 (Rs 70.08 lakh), Sangaria – 4 (Rs 27.88 lakh), Tibbi – 12 (Rs 65.39 lakh) in Hanumangarh and Desuri- 7 (Rs 40.14 lakh) in Pali district.

sanctions, purchase vouchers, stock registers, issue slips of medicines costing Rs 18.53 lakh purchased by Chief Medical and Health Officers (CMHOs) in five districts⁴³ out of Rs 21.00 lakh allotted by respective District Collectors, revealed that Rs 2.49 lakh were utilised by CMHO, Jaisalmer for clearance of old liabilities of medicines purchased during September 2003 to August 2004, while Rs 4.11 lakh (22 per cent) only were utilised by all the five CMHOs on providing 32,636 medicine kits to labourers on work sites. Examination of 552 inspection notes submitted by seven district level officers (DLOs) in three districts⁴⁴ revealed that medicine kits were not available at 201 (55 per cent) out of 367 work sites in two districts⁴⁵. The balance medicines costing Rs 11.93 lakh were lying with CMHOs concerned.

3.1.11.2 Payment of gratuitous relief to persons not eligible under the scheme

The DMRD instructed (July 2004 and February 2005) to conduct survey in scarcity areas ahead of time and prepare lists of deserving helpless, old, infirm, destitute children who are unable to earn their livelihood and not getting any type of pension, and to pay monthly gratuitous relief in form of 50 kg wheat alongwith Rs 30 in cash for March-May 2005 and Rs 50 for June 2005 to each helpless person. Test check of records in eight *tehsils* in four districts⁴⁶ revealed that out of Rs 12.20 lakh drawn on AC bills, gratuitous relief of Rs 1.68 lakh in cash alongwith 2,353 quintal wheat costing Rs10.82 lakh was paid to 1,356 widows⁴⁷ in seven *tehsils* who were not eligible under the scheme. Payment of gratuitous relief was paid to seven disabled persons (Rs 770 in cash and 1,050 kg wheat of Rs 4,830) and 31 widows in Banswara, Garhi and Ghatol *tehsils* of Banswara district who were already availing pension benefits. This showed that while preparing lists of eligible persons, pensionary benefits already being availed was not taken care of. The *Tehsildar*, Ghatol (district Banswara) stated (June 2006) that the matter of paying double benefit to widows and disabled persons as pointed out by Audit is being investigated.

3.1.11.3 Unsatisfactory implementation of Food Stamp Scheme

Food Stamp Scheme launched (April 2004) by the DMRD and Food, Civil Supplies and Consumer Affairs Department of the State Government intended to provide one time assistance of 10 kg wheat at any time to any person/family suffering from acute hunger. A quota of 10 quintal wheat was stocked in FPS of the village at the disposal of a committee headed by *Sarpanch* of the *Gram Panchayat*. Under the scheme, a bunch of 50 coupons was earmarked for six months, and after expiry of the six month period, the *Sarpanch* was required to submit counterfoils of used coupons alongwith unused coupons to take another

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43. Banswara-Rs 1.87 lakh, Hanumangarh-Rs 0.97 lakh, Jaisalmer-Rs 3.69 lakh, Pali-Rs 6.00 lakh and Rajsamand-Rs 6.00 lakh.
 44. Jaisalmer (330), Hanumangarh (203) and Pali (19).
 45. Hanumangarh (88) and Jaisalmer (113).
 46. Banswara (3), Hanumangarh (2), Jaisalmer (2) and Pali (1).
 47. Banswara (327), Garhi (133), Ghatol (202) in Banswara, Nohar (56) in Hanumangarh, Jaisalmer (430), Pokaran (43) in Jaisalmer, and Rohat (165) in Pali district.

bunch of 50 coupons for next six months. Use of coupons in balance as of 31 March was prohibited. Scrutiny of guidelines, sanctions, coupon registers and files maintained in 12 *tehsils* in six districts⁴⁸ revealed following irregularities:

(i) While 32,163 unused coupons of 2004-2006 lying with the *Sarpanch* were not returned to eight *Tehsildars* even after close of both the financial years, 25,900 coupons of 2004-2006 lying unused in seven *tehsils* of four districts⁴⁹ were not deposited in respective DSO offices.

(ii) In the absence of receipt of monthly statements containing details of the beneficiaries from FPS dealers, the monthly returns as per instructions were not sent to the DMRD and the Food, Civil Supplies and Consumer Affairs Department by the DSOs. This limited the scope of monthly monitoring of the scheme at State level.

(iii) Signature of *Sarpanch* in respect of 570 kg wheat distributed to beneficiaries on 57 coupons in Jaisalmer (50) and Dungarpur (seven) *tehsils* and signatures of the beneficiaries were not found on 26 coupons in Jaisalmer (21) and Dungarpur (five) *tehsils*.

(iv) Receipt (15 March 2005) of 200 kg wheat by the beneficiaries from FPS of village Galnarpal in Dungarpur *tehsil* after 100 days on 20 coupons issued during 4-6 December 2004 indicated misuse of the scheme intended to provide immediate assistance to the persons/families dying of hunger.

3.1.12 Inspections, internal control system, complaints, monitoring etc.

3.1.12.1 Inspections

The DMRD issued instructions to inspect engagement of sanctioned labourers, distribution of skilled and unskilled labourers, marking of their attendances regularly in MRs, availability of drinking water, sheds etc. on work sites. Test check of 552 inspection notes submitted by seven DLOs to three District Collectors⁵⁰ revealed that 11,339 labourers were sanctioned on 552 relief works. While no labourer was found working on 94 work sites, only 8,985 (86 per cent) labourers out of 10,453 sanctioned on 441 relief works were found working. Further, in inspection notes of 255 relief works inspected by the Assistant Director, Agriculture, Jaisalmer and Executive Engineer, PHED, Jaisalmer, it was reported that sheds/drinking water were available on 145 work sites and the labourers had to take shelter under the trees on 27 relief works. This reflected not only the indifference on the part of labourers towards relief works but also inadequate arrangements by district administration in providing required facilities to labourers engaged on relief works.

48. Banswara, Bikaner, Dungarpur, Hanumangarh, Jaisalmer and Pali.

49. Banswara (7200) and Garhi (800) in Banswara, Bhadra (2450) and Nohar (4700) in Hanumangarh, Pokaran (5150) in Jaisalmer and Pali (4450) and Rohat (1150) in Pali district.

50. Hanumangarh (203), Jaisalmer (330) and Pali (19).

213 complaints were pending for period ranging between eight and 10 months.

3.1.12.2 Non-disposal of complaints

Complaints received in District Collector's office are required to be disposed of within a period of 30 days. Contrary to this, out of 340 complaints received (December 2004 to July 2005) in offices of six District Collectors⁵¹ only 127 (38 per cent) were disposed of (May 2006). While 213 complaints were pending for period ranging between eight and 10 months, there was delay of 32 to 171 days in disposal of 11 complaints by District Collector, Hanumangarh. Sixty two complaints were under investigation in offices of District Collectors, Jaisalmer (60) and Rajsamand (2). The District Collector, Hanumangarh attributed (May 2006) heavy load of work with the investigating authority as main reason for delay in disposal of 11 complaints. The District Collector, Bikaner stated (May 2006) that instructions had been issued for early disposal of pending complaints. Timely action was thus not taken by the District Collectors to dispose of the complaints within prescribed period of 30 days.

3.1.12.3 Monitoring and Evaluation

(i) Disaster Management Authority (DMA), a State Level Empowered Committee was required to meet quarterly. Contrary to this, only one meeting was held (February 2005) during eight months of drought period (December 2004 to July 2005).

(ii) For monitoring the relief activities at State level, the DMRD issued (November 2004) instructions to the District Collectors for submission of monthly returns of inspections done by DLOs. No such monthly returns were, however, furnished by any of the 10 District Collectors as stated (June 2005) by the Commissioner-cum-Secretary, DMRD.

Evaluation of the relief activities carried out during 2004 and 2005 was not done.

3.1.13 Conclusion

The financial management during relief operations were deficient as there were delays in submission of DC bills, cases of allocation of funds without demand resulting in surrender, non-recovery of unutilised amount of advances and cases of pending recovery of principal and penal interest. Even the funds released by Government of India including grant from NCCF was not fully utilised. Expenditure of Rs 10.21 crore incurred for relief operations in Banswara district was irregular as declaration of drought in this district was not justified. Instructions issued by DMRD for execution of relief works were not adhered to as instead of creation of permanent assets execution of *katcha* works were undertaken. Further, relief works of previous drought period which had remained incomplete were not taken up and large number of relief works undertaken during this period were also incomplete. Irregularities in payment of wages to labourers were noticed such as payment of wages

51. Bikaner (Received 66/Disposed off 4), Dungarpur (37/28), Hanumangarh (21/20), Jaisalmer(163/59), Pali (40/5) and Rajsamand (13/11).

without working out task rates, short payment of wages due to non-revision of tasks and deficiencies in maintenance of muster rolls. Further, delay beyond prescribed period of 10 days in making payment of wages of Rs 4.13 crore affecting 56,575 labourers was also noticed. *Gaushala* subsidy of Rs 2.67 crore was paid to nine *gaushalas* despite their having sound financial position. More than thirty thousand unused coupons of Food Stamp Scheme lying with *Sarpanch* were not returned to eight *Tehsildars*. Cases of payment of gratuitous relief to the disabled and widows who were already availing respective pensionary benefits were noticed. Monitoring by the DMA and DMRD was inadequate.

3.1.14 Recommendations

Based on audit observations, the following recommendations are made:

- Strict monitoring should be made to ensure that the DC bills are submitted in time and unutilised amount extended as advance should be recovered from the agencies who had availed the same for execution of the relief works.
- A complete review should be made of incomplete works and funds provided for their completion with an aim to maximize their utilisation for the intended purpose.
- Instructions pertaining to payment of the wages to labourers engaged in relief works should be reiterated to field formations so as to ensure strict adherence to the provisions in this regard.
- Recovery on account of wastage of wheat should be strictly enforced at prevailing market rates from FPS dealers to curb malpractices.
- A system of periodic reconciliation of food stamps issued to the *Sarpanch* should be evolved and compliance mechanism strengthened through regular monitoring and inspection.

EDUCATION DEPARTMENT

3.2 Implementation of *Sarva Shiksha Abhiyan*

Highlights

In Rajasthan, the programme Sarva Shiksha Abhiyan, a Centrally Sponsored Scheme, is being implemented since 2001-02 in all the districts of the State to cover elementary education by laying special emphasis on enrolment, retention and quality education in primary and upper primary schools. The achievement of the objective to enroll all children in school was below target. Similarly, targets relating to providing infrastructure facilities to schools were not fully achieved. Zero rejection policy in case of Children with Special Needs was also not achieved besides the teacher pupil ratio was not maintained. The important findings are indicated below:

Funds were not provided as per Annual Work Plan during 2001-05. Out of funds given to seven test-checked districts during 2002-05, Rs 5.67 crore were lying unutilised as of March 2005. In 21 blocks and 115 School Development and Management Committees Rs 2.92 crore were lying unutilised as of March 2005.

(Paragraph 3.2.7)

Sarva Shiksha Abhiyan funds were overcharged by State Government to the tune of Rs 17.11 crore on account of honorarium paid to para teachers.

(Paragraph 3.2.7.3)

Advances given during 2002-04 amounting to Rs 32.55 crore were pending adjustment for want of expenditure statements/utilisation certificates as of March 2005.

(Paragraph 3.2.7.4)

Teacher pupil ratio in primary schools during 2001-05 in six of the test checked districts ranged between 1:43 and 1:106 as against the stipulated 1:40.

(Paragraph 3.2.8.4)

Zero rejection policy in case of children with special needs was not achieved.

(Paragraph 3.2.8.8)

3.2.1 Introduction

Sarva Shiksha Abhiyan (SSA) is a comprehensive and integrated flagship programme of Government of India (GOI) to attain Universal Elementary Education (UEE) in the country in a mission mode. Launched in the year 2000-01 with the partnership of GOI, State Government and Local Self Government, programme aims to provide useful and relevant education to all children in the age group of 6-14 by 2010 through community ownership of the school system. The programme aims to promote and strengthen exclusively the elementary education. The framework of SSA promotes 'local need based planning' based on national policy norms so that children and parents find the schooling system useful and in consonance with the natural and social environment.

The programme is being implemented in all the districts of the State since 2001-02 to cover elementary education by laying special emphasis on enrolment, retention and quality education in primary and upper primary schools. SSA is an extensive scheme submerging within itself all major Governmental educational interventions and all programmes like Operation Black Board (closed in 2001-02), Shiksha Karmi Board (SKB) (extended upto June 2005), Lok Jumbish Project (closed in June 2004), Jan Shala (closed in December 2004), District Primary Education Programme (DPEP) Phase-I (extended upto December 2005), DPEP Phase-II (continued) and Education Guarantee Scheme (EGS). Restructured Non-Formal Education (NFE) scheme called EGS has been absorbed as a component of SSA at the end of IX plan with the instructions that parameters and norms as laid down in the guidelines of EGS shall be followed.

3.2.2 Objectives

The objectives of the programme were:

- All children to be enrolled in school, Education Guarantee centre, Alternative School, "Back to school" camps by 2005.
- All children (6-11 age group) complete five years of primary schooling by 2007.
- All children (11-14 age group) complete eight years of elementary schooling by 2010.
- Focus on elementary education of satisfactory quality with emphasis on education for life.
- Bridge all gender and social category gaps at primary stage by 2007 and at elementary education level by 2010.
- Universal retention by 2010.

3.2.3 *Organisational set up*

Rajasthan Council of Primary Education (RCPE), a registered Society under Rajasthan Society Registration Act, 1958 (registered on 3 November 1997) is responsible for the implementation of the programme at State level. The Governing council of the Society is headed by the Education Minister. The Executive Committee of the RCPE is headed by the Secretary, Elementary Education. The Director, SSA who is also the Member Secretary of the Executive Committee (also known as State Project Director) is responsible for the execution of the programme in the State. District Project Coordinator (DPC) assisted by facilitators of Block Resource Centres, Cluster Resource Centres is responsible for directions, co-ordination and implementation of the programme at district level. At school level School Development and Management Committees (SDMCs) are formed for community mobilisation and ownership of society in schools.

3.2.4 *Scope of Audit*

Seven districts⁵² were planned for field study including capital district i.e. Jaipur. The purpose of audit was to evaluate and assess the overall performance of the SSA programme vis-à-vis availability of funds and the extent of achievement of the programme objectives. Selection of districts was done as per cumulative sampling, expenditure being the basis during period under audit coverage (2001-02 to 2004-05). In each district two rural and one urban block and in each block one EGS, two Primary, two Upper Primary, two High schools having upper primary classes and SDMC/*Panchayat* of above schools were selected for audit during April to August 2005.

3.2.5 *Audit Objectives*

Audit was conducted to examine and ascertain whether:

- adequate funds were timely provided and released as per rules;
- the objectives of the programme to attain universalisation of Elementary Education, bridge social and gender gap, enrolment and retention were achieved;
- sufficient manpower and facilities including teaching, learning material were made available for exercising effective control over programme implementation;
- the monitoring system evolved in the programme was adequate and effective enough to achieve the objectives.

3.2.6 *Audit Methodology*

In order to know the detailed Organisational set up and functioning of RCPE and DPCs, an entry conference was organised with Secretary, Elementary Education, Rajasthan, Jaipur. Study of framework of SSA, manuals, financial sanctions, annual work plan and budget, expenditure statements, programme

52. Alwar, Banswara, Barmer, Bundi, Jaipur, Jodhpur and Udaipur.

documents, cash vouchers, special focus groups, evaluation reports, progress reports, various information/statements maintained by RCPE and DPCs, circulars and guidelines was conducted. Meetings were held with State Project Director/Controller Finance and other officers of the project from time to time during audit.

The Social and Rural Research Institute (SRI), a specialist unit of Indian Market Research Bureau International (IMRB) was engaged by the Comptroller and Auditor General of India to conduct a survey on the impact of SSA from the perspective of the beneficiaries and their parents. SRI carried out during December 2005 to February 2006 the survey in 400 primary sampling units (Rural 240; Urban 160). A total of 7,963 households out of 17,171 eligible households (with at least one child in the age group 6-14) were covered with whom a detailed structured interview was administered. The engagement of SRI was communicated to the Government in February 2006 and their findings were further communicated in September 2006. Findings of the survey on the matter have been included in the review at appropriate places. The summary of the findings of SRI on implementation of SSA and methodology of sampling utilised by SRI is given in *Appendix-XXI (A)* and *Appendix-XXI (B)* respectively.

Audit Findings

3.2.7 Financial Management

The assistance under the Programme of the SSA was to be shared between the Central and State Government in the ratio of 85:15 during the year 2001-02 (IX Plan) and 75:25 during the years 2002-03 to 2006-07 (X Plan).

Details of the funds requirements as per Annual Work Plan (AWP), funds provided to the RCPE and expenditure thereagainst during 2001-05 were as under:

(Rupees in crore)

Year	AWP approved by Project Approval Board			Funds transferred by			Expenditure incurred
	GOI	GOR	Total	GOI	GOR	Total	
2001-02	6.41 35.88	1.13 11.97	7.54 47.85 (EGS)	3.20 ⁵³ 35.88 ⁵⁴	0.57 ⁵⁵ 20.48	3.77 56.36	- 20.48
2002-03	130.76	43.58	174.34	64.07	13.16	77.23	36.84
2003-04	337.74	112.57	450.31	156.27	63.80	220.07	222.97
2004-05	480.67	160.22	640.89	235.00	108.72	343.72	395.90
Total	991.46	329.47	1,320.93	494.42	206.73	701.15	676.19⁵⁶

Note: While GOI share during 2001-02 was provided to the RCPE through State Government, the same was provided by GOI directly to the RCPE in subsequent years.

53. GOI share transferred to Government of Rajasthan (GOR) in 2001-02 but GOR gave the funds in 2002-03 on 31 March 2003.
54. Transferred by GOI in 2002-03.
55. The amount was sanctioned during 2001-02 but GOR transferred it finally during 2002-03 on 31 March 2003.
56. Unspent balance at the end of 2004-05 : Rs 24.96 crore.

In seven test checked districts Rs 220.50 crore were received during 2002-05 out of which Rs 5.67 crore were lying unspent as of March 2005. Rs 12.63 crore and Rs 4.51 crore were given to 21 blocks of these districts and 115 SDMCs of 21 blocks respectively, out of which Rs 2.42 crore and Rs 0.50 crore were lying unspent as of March 2005.

3.2.7.1 Delay in implementation of the programme

No activity could be undertaken by RCPE during 2001-02 due to late transfer of funds.

Central as well as State funds were not provided as per AWP during 2001 to 2005 as the sanction of funds ranged between 44.3 and 53.6 per cent only. Rs 3.20 crore being the first instalment of central share was given by GOI on 27 March 2002 for 19 districts. As the amount was received at the fag end of the year, the State Government sought permission of GOI to utilise the amount during 2002-03. Though permission was received in September 2002, the amount alongwith State share of Rs 0.57 crore was provided (March 2003) to RCPE after 13 months with the result that no activity could be undertaken by the RCPE during 2001-02.

The Government while accepting the facts stated (December 2006) that there were procedural delays.

3.2.7.2 Delay in transfer of matching share of grant by the State Government

Delay in receipt of State matching share ranged between four to 332 days.

As per framework of implementation of the Programme, the State Government was to transfer its share to RCPE within 30 days of the receipt of the Central share. It was, however, observed that the State Government failed to fulfill its obligation of providing matching share on due dates. The delay ranged from four to 332 days during 2002-05.

The Government while accepting the facts stated (December 2006) that there were delays in starting years.

3.2.7.3 Excess charging to SSA (EGS) funds

Excess charging of Rs 17.11 crore to SSA funds on account of honorarium to para teachers.

Education Guarantee Scheme (EGS) guidelines envisaged payment of honorarium to para teachers of *Rajiv Gandhi Swaran Jayanti Pathshalas* (RGSJPs) at the rate of Rs 1,000 per month per para teacher. Accordingly, Rs 29.78 crore were to be paid to 24,816 (rural 24,191 and urban 625) para teachers of RGSJP from SSA funds. It was, however, observed that Rs 46.89 crore (Central share: Rs 35.17 crore and State share: Rs 11.72 crore) was transferred from SSA funds during 2003-04 to Block Elementary Education Officers (BEEOs) for the payment of honorarium to para teachers of RGSJPs for the period March 2003 to February 2004 on the basis of their demand which was worked out on the basis of different rates ranging from Rs 1,200 to Rs 1,800 per teacher per month and was paid to them. Thus, the SSA funds were irregularly charged in excess by Rs 17.11 crore because this additional liability was to be borne by the State Government from its own financial resources.

The Government while accepting the facts stated (December 2006) that para teachers of RGSJPs were to be paid honorarium at the rate of Rs 1,000 per month from EGS and further added that 2,317 RGSJPs were upgraded as primary schools in the year 2003-04. So, honorarium was paid at the rate of Rs 1,600 per month by considering them as regular teachers and excess matching share of Rs 11.72 crore was received from State Government in the year 2003-04. The reply is not tenable as excess honorarium above Rs 1,000 to para teachers of upgraded primary schools was not to be paid from EGS and adjustment of any excess share of State matching grant was not done.

3.2.7.4 Non/irregular adjustment of advances

Non-adjustment of advances of Rs 32.55 crore given to various authorities.

The funds released by the RCPE to the districts and by districts to blocks were initially to be classified as advances, which were to be adjusted on the basis of the expenditure statements/Utilisation Certificates (UCs) required in RCPE/DPC to be submitted by the concerned authority within one month after the close of the financial year. In the test checked districts it was observed that the advances of Rs 32.55 crore⁵⁷ given during April 2002 to March 2004 were pending adjustment by the concerned DPCs for want of expenditure statement/UCs from concerned authorities as of March 2005. In absence of expenditure statements/UCs bonafide utilisation of the funds could not be ascertained in audit.

During review of records, it was observed in two districts that advances of Rs 1.45 crore⁵⁸ given to implementing agencies for various activities during 2002-04 were booked as expenditure by the respective DPCs.

3.2.7.5 Lack of internal controls

As envisaged, a register of assets in the prescribed form for the assets acquired wholly or substantially out of GOI grant was to be maintained at RCPE and all other levels. It was observed that the asset registers were not being maintained by the RCPE as well as by the DPCs of test checked districts. As a result, physical verification could not be arranged by RCPE and maintenance and safety of the assets acquired/created out of the programme funds could not be ascertained in audit.

No internal audit existed in SSA though envisaged under Manual of Financial Management and Procurement for SSA.

The Government accepted the facts (December 2006).

3.2.8 Programme Implementation

3.2.8.1 Unreliable figures of enrolment of children

CTS data were not reliable.

One of the main objectives of SSA was to achieve Universalisation of Education by 2003. The target was revised (August 2005) to be achieved by 2005. According to the statistics of Child Tracking System (CTS) based on

57. 2002-03: Rs 4.15 crore and 2003-04: Rs 28.40 crore.

58. Alwar: Rs 63.58 lakh in 2002-03; Banswara: Rs 81.43 lakh in 2003-04.

household survey the number of enrollable, dropout and never enrolled children as of March 2005 was as under:

Category	Total number of children in the State in each category	Enrolment achieved with percentage
Enrollable in class I (on attaining age of 6 years)	11,55,042	11,02,803 (95.48 %)
Out of school ⁵⁹ (Dropout)	2,54,909	1,58,580 (62.21 %)
Never enrolled in 6-14 age groups ⁶⁰	1,53,762	98,306 (63.93 %)

The above data of the State Government showed that the objective of enrolling all children in school could not be achieved by the stipulated date. Non-achievement of first objective would have adverse effect on the subsequent objective of all children completing five years of primary schooling by 2007.

To assess reliability of data under CTS, a survey of 148 schools of 144 villages of selected districts in respect of dropout/never enrolled children was conducted by Audit during July-August 2005. Following variations were observed:

- As per CTS register maintained in 148 schools the number of never enrolled and dropout children in 6-14 age group was 274 as of July 2005, whereas in the field study of these schools by Audit, number of such children was found to be 876 in the same month.
- In 58 schools of three test checked districts⁶¹, number of enrollable children during 2004-05 as per CTS was 1,516. Of these 71.31 *per cent* only (1,081 children) were enrolled for the academic year 2005-06 against an overall projected percentage (95.48) of enrolment.
- In four and 12 schools respectively of Bundi and Udaipur districts, 42 and 140 children were found enrolled in excess of the figure of enrollable children under CTS.

A survey conducted by SRI estimated that a total number of 8,46,731 children (3,05,333 male and 5,41,398 female) were out of school which is about 6.2 *per cent* of the enrollable children (4.2 *per cent* boys and 8.6 *per cent* girls) in the age group of 6-14 years. In social categories 8.9, 8.3, 5.9 and 2.4 *per cent* of enrollable children amongst SC, ST, OBC and General Category children respectively were out of school.

Further, sample checking of CTS statistics by authorities concerned at district, block, cluster and nodal centres for their effectiveness and reliability was not done as envisaged in RCPE guidelines. It was also observed in one test checked district that in Alwar city household survey for CTS was conducted in 35 slums alone indicating inadequate coverage. Such wide variations, absence

59. Children who left the school after enrolment

60. Children above six years who were never enrolled in the school.

61. Barmer, Bundi and Udaipur.

of sample checking and inadequate coverage noticed during field study/test check indicated that CTS statistics were not reliable.

The Government while accepting the facts stated (December 2006) that the differences were due to collection of data from different sources and non-conducting of household survey in CTS.

Never enrolled and dropout children were to be benefited by alternative schooling i.e. *Shiksha Mitra Kendras*, Residential and Non-Residential Bridge courses and back to school camps with a focus on mainstreaming out of school children into regular schools. It was noticed in three test checked districts that out of 39,659 children enrolled in various camps during 2003-05, 37,063 children were not enrolled in mainstream after completion of camps as of March 2005 as detailed below:

District	Number of children enrolled in various camps	Enrolled in mainstream after completion of mainstreaming activity	Non-enrolled in any school after completion of mainstreaming activity
Alwar	90	45	45
Barmer	16,710	2,034	14,676
Udaipur	22,859	517	22,342
Total	39,659	2,596	37,063

When it was pointed out (October 2005) State Government stated (March 2006) that efforts were being made to achieve the target of 100 *per cent* enrolment of children.

3.2.8.2 *Inadequacy of Primary Schools in habitations*

2,961 habitations in the State were without any primary school or EGS centre.

It was stipulated in SSA that new primary schools or EGS centres were to be opened in those areas where no school was available within a radius of one kilometre of every habitation. It was, however, observed that there were 2,961 habitations without any primary school or EGS centre in the State as of March 2005 despite falling under the above criteria.

The Government while accepting the facts intimated (December 2006) that each habitation would be covered with school facility in the Plan of 2006-07.

3.2.8.3 *Lack of community mobilisation*

There was lack of training in interaction and in arranging meetings in SDMCs.

SDMCs were formed for community mobilisation and ownership of society in schools. Survey of 1,222 SDMCs out of 12,200 in seven test checked districts was conducted in field study. The results of the evaluation revealed that training was not imparted to all members of SDMCs in 680 SDMCs, funds were not provided for stipulated activities in 1,042 SDMCs and Communities' participating share was also not received in 819 SDMCs. There was no interaction with District Project Officers in case of 541 SDMCs and resource persons did not visit in 342 SDMCs. Monthly meetings were not being arranged in 180 SDMCs.

Results of SRI survey also revealed that community members were trained under SSA in respect of only 49.2 *per cent* of schools in Rajasthan.

This indicated that important requirements/activities essential for the successful and smooth running of the programme and effectiveness of SDMCs were lacking.

The Government stated (December 2006) that planning was being done to impart training to all SDMC members as per 2006-07 Plan.

3.2.8.4 Inadequate strength of teachers

Shortfall of teachers ranged between six to 22 *per cent*.

As per SSA norms of guidelines, teacher pupil ratio of 1:40 was to be maintained in primary schools. In six test checked districts the ratio ranged between 1:43 (Alwar) to 1:106 (Udaipur) during 2001-05 and ratio was adverse as detailed below:

Year	2001-02	2002-03	2003-04	2004-05
District	Teacher pupil ratio			
Alwar	1:43	1:45	1:47	1:47
Barmer	1:53	1:59	1:66	1:67
Bundi	1:52	1:57	1:57	1:63
Jaipur	1:69	1:73	1:72	1:73
Jodhpur	-	-	1:49	1:45
Udaipur	1:62	1:106	1:82	1:79

It was, further, observed in test checked districts that the teachers in schools were not posted in accordance with sanctioned strength during 2003-05, the shortfall ranged between 6 to 22 *per cent* as detailed below:

Name of District	2003-04				2004-05			
	Sanctioned posts	Working strength	Short-fall	Percentage shortfall	Sanctioned posts	Working strength	Short-fall	Percentage shortfall
Alwar	9,639	8,352	1,287	13	10,040	8,172	1,868	19
Banswara	6,481	5,489	992	15	6,481	5,489	992	15
Barmer	6,744	5,480	1,264	19	7,302	5,695	1,607	22
Bundi	3,509	3,081	428	12	3,601	3,187	414	11
Jaipur	NA	NA	NA	NA	12,704	10,474	2,230	18
Jodhpur	7,229	6,541	688	10	7,902	6,535	1,367	17
Udaipur	9,477	8,251	1,226	13	9,573	9,038	535	6

As per norms of SSA guidelines, minimum two teachers in a primary school and one teacher for every class in upper primary school were to be posted. It was noticed that there was only a single teacher in 1,031 Primary Schools⁶² and 36 UPS⁶³ having I to VIII classes.

State Government stated (December 2006) that after appointment of 35,529 fresh teachers during March-April 2005, the position of pupil teacher ratio has reduced to some extent.

62. Alwar : 185, Banswara: 64, Jaipur : 193, Jodhpur : 307 and Udaipur : 282

63. Jodhpur : 7 and Udaipur : 29

3.2.8.5 *Lack of facilities in schools*

Lack of basic facilities in schools.

Basic infrastructure/facilities play important role in better enrolment and retention of children in schools. The enrolment of children would be adversely affected due to lack of facilities in schools, more particularly in case of girl child. In seven selected districts it was noticed that out of 15,111 schools covered under SSA facilities like building (690 schools), common toilet (3,345 schools), girls toilet (8,715 schools), drinking water (3,941 schools), additional rooms (3,832 schools), play ground (5,071 schools), boundary wall (5,547 schools) and electricity (9,313 schools) were not provided in a number of schools as mentioned against each facility as of March 2005.

The Government while accepting the facts intimated (December 2006) that all facilities would be provided upto 2007-08 Plan.

3.2.8.6 *Irregularities in sanctioning maintenance and repairs grants*

As envisaged in SSA guidelines maintenance and repairs grant for schools was to be given only to those schools which have existing buildings of their own after specific proposals are submitted by SDMCs. Manual of SSA on Financial Management and Procurement stipulated that schools with upto three class rooms will be eligible for maintenance grant upto a maximum of Rs 4,000 per school per year and school having more than three class rooms would get upto a maximum of Rs 7,500 per school per year with a condition that average grant per school in a district should not exceed Rs 5,000.

Excess grant of Rs 34.61 lakh for repair and maintenance was paid.

In test checked districts DPC sanctioned maintenance and repairs grant of Rs 13.36 crore during 2002-05 to schools without submitting specific proposals by SDMCs. Scrutiny of the records revealed that in four test checked districts, the grant was sanctioned during 2004-05 at the rate of Rs 5,000 per year per school in respect of 3,461⁶⁴ schools instead of Rs 4,000 even for those schools having upto three class rooms in contravention of guidelines provisions which resulted in excess sanction of grant amounting to Rs 34.61 lakh @ Rs 1,000 per school.

It was, further, observed that DPC, Bundi purchased *Jhoola* and *Phisal-patties* of Rs 30.95 lakh from the maintenance and repairs grant which was irregular.

The Government while accepting the facts stated (December 2006) that due to late receipt of SSA Manual and approval of Executive Committee, the norms were implemented during the year 2006-07.

3.2.8.7 *Inadequate provisioning of Teaching Learning Equipment/Material (TLE/TLM)*

Students and teachers were deprived of TLM benefits.

As per the SSA guidelines Rs 10,000 was to be granted to upgraded primary schools for TLE at the time of upgradation. During review of records of DPC, Alwar it was noticed that TLE amount was not sanctioned to 97 upgraded

64. Barmer: 1,131 schools; Bundi: 592 schools; Jaipur: 622 schools and Udaipur; 1,116 schools

Primary schools out of 163 during 2004-05 depriving the benefit of TLE to these schools.

The Government while accepting the facts stated (December 2006) that due to non-forming of SDMCs, TLE was not provided to upgraded primary schools.

As laid down in EGS guidelines, TLM was to be provided for enrolled children of RGSJPs @ Rs 100 per child per year. It was noticed in four test checked districts that TLM was not sanctioned to 56,461 children during 2003-04 (three districts⁶⁵) and 1,79,887 children during 2004-05 (four districts⁶⁶) out of 1,63,232 and 1,91,719 children respectively.

The Government while accepting the facts stated (December 2006) that during the year 2003-04 some activities were conducted under Lok Jumbish Project and therefore targets of SSA were not achieved.

In DPC, Jodhpur though budget provisions for Rs 4.80 lakh and Rs 5.95 lakh was kept during 2003-04 for distribution of TLM to 3,000 girls and 8,500 SC/ST children respectively the material was not purchased and distributed depriving these children of the TLM benefits.

In three test checked districts⁶⁷ TLM amount @ Rs 500 per teacher per year was required to be provided as per SSA guidelines. However, funds were not provided to 1,135 teachers during 2003-04 in Jodhpur district and 2,346 teachers of three districts⁶⁸ during 2004-05.

3.2.8.8 Shortfall in achievements of providing education to disabled children

Zero rejection policy in case of children with special needs was not achieved.

As per SSA norms, every child with special needs (CWSN) irrespective of the kind, category and degree of disability, was to be provided with education in an appropriate environment. Zero rejection policy was to be adopted so that no child was left out of the education system.

Scrutiny of relevant records revealed that only 45,690 and 31,700 children with disability were enrolled against identified 52,959 and 40,583 CWSN during 2003-04 and 2004-05 respectively. It was, further, observed that number of identified CWSN was far behind the actual number of CWSN which is normally two to three *per cent* out of the identified children of 6-14 age groups in the State. The Principal Secretary, Education in his communication (May 2005) with the Collectors directing them to collect the correct information in respect of CWSN also mentioned that number of identified CWSN were far less than the possible population of CWSN among identified children of 6-14 age group.

As of March 2005, even identified CWSN could not be enrolled and 21.89 *per cent* of identified disabled children remained out of school. Further, aids

65. Bundi, Jaipur and Udaipur

66. Alwar, Bundi, Jaipur and Udaipur

67. Barmer, Jodhpur and Udaipur

68. Barmer, Jodhpur and Udaipur

and appliances were supplied to 5.6 *per cent* enrolled children only. Thus, the objective of SSA to adopt Zero rejection policy in case of CWSN failed.

State Government stated (December 2006) that 1,84,000 CWSN have been identified in the year 2005-06 and efforts were being made to provide aids and appliances to needy CWSNs.

3.2.9 *Monitoring*

Monitoring at various levels was inadequate.

As stipulated a three tier monitoring system was envisaged under the programme viz. at the local community level, the State level and the National level.

At the local community level two kinds of information system were to be developed for monitoring the progress of SSA in the State. One was the Educational Management Information System (EMIS) which captures data like enrolment gross enrolment ratio, non-enrolment ratio, retention rate, drop out rate, etc. and the second one was the Project Management Information System (PMIS) in which progress made both physically as well as financially was to be monitored.

It was, however, noticed that no software containing all the information *ibid* was developed for EMIS. Therefore, progress made in achievement of key outcome indicators like enrolment, out of school children, access to access-less habitations, etc. were not readily available.

At State level no system for monitoring and supervision was evolved till April 2004. To review the continuous progress of the different activities under SSA the norms and responsibilities were decided for the first time in May 2004 and circulated to all levels of implementation of SSA. According to the norms, nominated District Officers Incharge (DOI) at district level were to make visits for two days in a month for reviewing the progress of each activity at district headquarters and in one block, two clusters and few schools at field level and to submit their report within seven days to Monitoring Cell at the State level. Monitoring Cell was to analyse the monthly progress reports and to issue the necessary directions to remove the deficiencies. No such reports of DOI were found received in Monitoring Cell. Deputy Director (Planning) of RCPE intimated (July 2005) that reports of the visits by DOI were being called for. In absence of these reports purpose of issue of directions by Monitoring Cell has been defeated.

At national level considering the task of monitoring and supervision as big one requiring considerable efforts, the GOI nominated two institutions i.e. Institute of Development Studies, Jaipur and Jai Narain Vyas University, Jodhpur for monitoring the implementation of the programme. In spite of protracted correspondence with the institutions including other institutions also and GOI, the work could not be entrusted to any institution. GOI also showed dissatisfaction (May 2004) on abnormal delay by the State Government in entrusting the work to monitoring institutions and apprehended that further delay would severely jeopardise the monitoring work of SSA.

Two Supervision Missions comprising representatives of GOI and funding agency were required to visit the State every year to assess the quantitative and qualitative aspects of the implementation of the programme. No Supervision Mission visited Rajasthan as of July 2005.

No survey was conducted by National Institute of Education Planning and Administration (NIEPA) and National Council of Educational Research and Training (NCERT) as envisaged in the SSA guidelines.

The Government while accepting the facts stated (December 2006) that RajCOMP has been engaged to develop a software and approval of Central Government is still awaited to nominate Regional Institute of Education (RIE), Ajmer as second monitoring agency.

3.2.10 Non-conduct of Research studies and verification of data

SSA framework envisaged the undertaking of studies on base line assessment with regard to retention, access, gender/social equality etc. which should be diagnostic in nature and utilised in planning process with consistence in data presentation. Besides, District Information System for Education (DISE) database should be used in the planning process. No such studies were conducted.

Further, NIEPA guidelines envisaged five *per cent* sample checking of DISE data to ensure the reliability of these data. It was observed that in spite of the fact that DISE data for the year 2002 was not considered reliable by the GOI, the work of sample checking of subsequent DISE data had not been done as of March 2005.

The Government while accepting the facts stated (December 2006) that action is being taken to conduct 15 research studies within the year 2006-07.

3.2.11 Conclusion

The implementation of the programme suffered as funds provided in AWP&B were not made available. There were delays in transfer of matching shares by the State Government. The financial management of the programme in the state was deficient as there were cases of excess charging of SSA funds and irregular and non-adjustment of advances released to field implementing agencies.

No activities could be taken up during the first year and progress during second year was also slow. The target of enrolling all children in school was not achieved by March 2005 and CTS data was unreliable. The teachers in schools were not posted in accordance with sanctioned strength during 2003-05. Never enrolled and dropout children were also not enrolled in mainstream after completion of camps/bridge courses. The State Government failed to adopt Zero rejection policy in case of CWSN.

At State level no system for monitoring and supervision was evolved as software containing all information was not developed till March 2004.

Supervision Missions also did not visit Rajasthan till July 2005 and no survey was conducted by NIEPA and NCERT.

3.2.12 Recommendations

- Delays in implementation at every stage should be avoided and matching share of grant by State Government should be released in time to ensure implementation is not effected.
- A system should be evolved to track the advances released to DPCs with emphasis on timely and regular adjustments.
- Data under CTS should be verified by an independant agency.
- Special attention should be given to adopt the Zero rejection policy in respect of CWSN.
- There is need to improve the monitoring aspect to ensure strict adherence to norms of the programme as well proper and timely availability of facilities and teaching learning material.

ENVIRONMENT DEPARTMENT

3.3 Information Technology Audit - Rajasthan State Pollution Control Board

Highlights

The Rajasthan State Pollution Control Board was constituted under the Water (Prevention and Control of Pollution) Act, 1974 enacted by Parliament with a view to plan a comprehensive programme for the prevention and control of water pollution in the State and its execution. Water (Prevention and Control of Pollution) Cess Act, 1977 was enacted by Parliament to make the State Board financially independent. An integrated software to computerise its core activities as well as house keeping functions was planned for development in September 2001. The software was to be developed by January 2002. The software developed by the consultant RajCOMP was non-operational/incomplete (June 2006) even after incurring Rs 1.39 crore. Important findings were as under:

Despite investment of Rs 1.39 crore till June 2006, the Board is yet to prepare an Information Technology Plan setting out the short term and long term milestones to be achieved.

(Paragraph 3.3.5.1)

Due to non-functioning of the software, Board assigned the work of 'upgradation' of the existing system to National Informatics Centre (NIC) at the cost of Rs 2.39 crore rendering the earlier expenditure of Rs 1.39 crore as wasteful.

(Paragraph 3.3.5.4)

Out of total 8,109 assessments of 164 major industrial units made since April 1978 to December 2005, 7,288 (90 per cent) assessments for a total assessed value of Rs 46.93 crore (60 per cent of the total water cess assessed) were not based on quantity of water consumed as was to be recorded from the meters.

(Paragraph 3.3.6.2)

Computerised data relating to the water cess revealed gaps between two successive assessments ranging between 2 and 3,958 days which shows that the assessments for the period covered under gaps have not been made resulting in the loss of revenue to the Government.

(Paragraph 3.3.6.4)

Non-renewal of consent for periods ranging from one year to 26 years led to the failure of the Board in exercising a check to control water pollution besides non-realisation of consent fee.

(Paragraph 3.3.6.5)

3.3.1 Introduction

The Rajasthan State Pollution Control Board (RSPCB) was constituted (February 1975) under Section 4 of the Water (Prevention and Control of Pollution) Act, 1974 enacted by Parliament. The objectives of the Act included prevention and control of water pollution and maintaining or restoring wholesomeness of water. Later, the Board was entrusted with the responsibilities of prevention, control and abatement of air pollution under the provisions of Air (Prevention and Control of Pollution) Act, 1981. Water (Prevention and Control of Pollution) Cess Act, 1977 was enacted by Parliament to make the State Boards financially independent by giving them powers to collect water cess on the basis of water consumed by the industries etc. The above Acts empower the State Boards to grant or refuse consent to establish an industrial unit and undertake commercial activities. The Environment (Protection) Act, 1986 enacted by Parliament further widened the scope of the activities of the Board.

3.3.2 Organisational set up

The Board is headed by Chairman who is assisted by a Member Secretary. There are ten regional offices in Rajasthan headed by Regional Officers all reporting to Member Secretary. At Headquarters level, Accounts wing headed by a Chief Accounts Officer is responsible for accounting and budgetary control. A Central Laboratory wing is responsible for analysis of water and air samples collected from industrial units and sites. Assessment of cess for major industrial unit assessee is done by three technical groups at Headquarters level and its accountal and reconciliation is done by Accounts wing using Cess module of computerised Management Information System. Information Technology (IT) wing was headed by Senior Environment Engineer working under Member Secretary.

3.3.3 Computerisation in RSPCB

Ministry of Environment and Forests, Government of India (GOI) granted (May 2001) Rs 1.65 crore to the Board for information management activity. Thereupon, the Board planned (September 2001) to develop integrated software to computerise its core activities as well as house keeping functions and selected RajCOMP, a body of State Government registered under the Rajasthan Societies Act, as consultant (September 2001) for the execution of the project. The objectives of computerisation were enhancement in methodology of monitoring environmental effects of industries and other polluting bodies, effective decision making and optimal use of resources. The consultant was to transfer the data from the existing systems to the new computerised system. The Board incurred expenditure of Rs 1.39 crore towards purchase of hardware, software and consultancy. RajCOMP was to

develop six modules⁶⁹ by January 2002. The computerisation was deemed as complete in May 2003.

3.3.4 Scope of Audit

This included scrutiny of records relating to computerisation maintained at the Head Office of the Board for the period December 1999 to June 2006. The computer system data relating to the assessment and realisation of water cess under Water (Prevention and Control of Pollution) Cess Act, 1977, in respect of 164 major assesseees and the data relating to the grant of consent to establish and consent to operate industries, as available upto 31 December 2005, were analysed using audit software tool viz., IDEA (Interactive Data Extraction and Analysis) package, MS Excel and MS FoxPro. The data analysed covered the period April 1978 to 31 December 2005. The findings of audit are discussed in the succeeding paragraphs.

3.3.5 Programme implementation

3.3.5.1 Lack of IT strategy and policies

No policies and procedures were in place for development/ implementation/ testing/ monitoring of systems.

Despite investment of Rs 1.39 crore till June 2006, the Board is yet to prepare an IT Plan setting out the short term and long term milestones to be achieved. No policies and procedures were in place for development/ implementation/testing/monitoring of systems. No internal audit of IT systems had been conducted so far.

3.3.5.2 Lack of system documentation policy

Absence of documentation resulted in dependence on RajCOMP.

Absence of documentation policies increase the risk of unauthorised working practices being adopted and may render the system difficult to correct, improve and maintain. It was found that no documentation policy existed in the Board. Technical documentation including the source code specified in the Terms of Reference was also not obtained by the Board from the consultant. This resulted in the Board being completely dependant on RajCOMP. Incidentally, RajCOMP refused to provide software maintenance support beyond May 2003 resulting into non-use/incomplete use of modules of the computerised system.

In reply, the Board accepted (August 2006) that it was entirely relying on RajCOMP for policies and procedures for implementation of the project. The reply was not tenable in view of the fact that the Board was responsible for making policies and procedures for documented IT strategy and the consultant was to act as per Board's directions. This shows that the Board had no control over the process of computerisation and operation of the computerised system.

69. (i) Technical section including consenting procedure and water cess collection module, (ii) Accounts and Finance, (iii) laboratory section, (iv) library section, (v) personnel management and (vi) legal section.

3.3.5.3 Lack of involvement of Board personnel in various development stages of software

In the absence of any comments suggesting any change or revision in the design document of the software, RajCOMP developed the software on the basis of its own perception in an uncontrolled manner which resulted in development of non-working/incomplete modules.

As per contract, 10 *per cent* amount of the consultancy charges were to be paid to RajCOMP on submission of Inception Report, 50 *per cent* on submission of Intermediate Report, 20 *per cent* on submission of Draft Final Report and remaining 20 *per cent* on its acceptance. However, Board released payments (Rs 1.39 crore) to consultant without scrutiny and comments on the Intermediate Report and Draft Final Report. The consultant did not submit the Final Report. In the absence of any comments suggesting any change or revision in the design document of the software, RajCOMP developed the software without the requirement specifications which resulted in non-working/incomplete modules. It was further observed in audit that end users were not involved and various activities in the developing stage had to be withheld for long time due to lack of timely response from the Board. Board accepted (August 2006) that it had entirely relied on RajCOMP for implementation of the project. Lack of involvement of the Board coupled with lack of appropriate monitoring of the implementation of computerisation resulted in near failure of the computerisation efforts.

3.3.5.4 Application software not fully operational

Most of the modules of the application software were not implemented by Board.

Application software developed by RajCOMP called RSPCB MIS was not fully operational as of June 2006. The modules of the application software were not implemented by Board. The objectives of different modules that were to be developed and their status thereof are depicted in *Appendix-XXII*. Out of 23 components of six modules, 22 components were either not working/developed or were not being used by the Board. Only one component viz. "Water Cess Assessment and payment details" was in operation. Board accepted (August 2006) that none of the other five modules was operational.

Thus, expenditure to the tune of Rs 1.39 crore incurred on computerisation proved wasteful. Due to non-functioning of the software, Board assigned the work of 'upgradation' of the existing system to National Informatics Centre (NIC) at the cost of Rs 2.39 crore out of which a sum of Rs 23.10 lakh was paid (March 2006) in advance. Audit scrutiny revealed that the work assigned to NIC involved no upgradation but was for the computerisation of same areas afresh.

3.3.5.5 Inadequate password/user account management

There was no password policy for the MIS application, SQL Database and operating system.

There was no password policy for the MIS application, SQL Database and operating system. There was no restriction on number of unsuccessful login attempts and no time schedule for change of passwords. Most of the passwords initially created were still continuing and were known to all users in the Board. The administrator password was residing in memory of the system thereby allowing easy access to login on server and make modifications in the database.

3.3.5.6 *Inadequate trainings imparted by consultant*

No special training or workshops were organised. The consultant imparted only computer awareness training to staff members.

As per the Terms of Reference of agreement with RajCOMP, special training was to be provided to senior staff, system analyst and users. Besides, three workshops covering database and MIS administration, networking administration, etc. for 50 senior officers were to be organised. However, no special training or workshops were organised. The consultant imparted only computer awareness training to staff members. This resulted in non-implementation of the software at all Regional Offices and only partial implementation at Head Office.

3.3.5.7 *Lack of Input Controls leading to ineffective computerisation*

The transactions pertaining to the period prior to implementation of the Water Cess component of Technical Section module were entered into the system by RajCOMP. After implementation of the Technical Section module fresh transactions could be directly entered into the system by data entry operators of the Board.

The Water (Prevention and Control of Pollution) Cess Act, 1977, stipulates that if the assessee fails to pay any amount of cess payable within the date specified in the order of assessment, he is liable to pay interest at the rate of two *per cent* for every month or part of the month till such amount is actually paid.

Field meant for due date of payment was blank in 7,202 cases (89 *per cent*).

Scrutiny of all the 8,109 transactions relating to 'assessment of water cess and realisation' entered into the system revealed that the field meant for due date of payment was blank in 7,202 cases (89 *per cent*). This was apparently because the due date of payment was not generated by the system but had to be entered manually. Further, the entry of due date was also not mandatory. As interest is to be calculated by the system on the basis of the due date of payment, this omission led to non-calculation of interest and penalty to be levied against defaulters. Wrong MIS reports could be generated from the system due to incomplete input data which could result in short realisation of dues from the assessees.

The Board could not realise the benefits of computerisation in collecting the interest and penalty due.

3.3.6 *Analytical review of data*

Analysis of data relating to assessment of water cess under the aforesaid Act in respect of major assessments made by Board during April 1978 to December 2005 and database of industries revealed several discrepancies as discussed in succeeding paragraphs.

3.3.6.1 *Non-computerisation of all assessees' records*

Out of 2.22 lakh industries, records relating to 164 industries for water cess and 9,408 industries for industrial database have only been computerised.

The Water (Prevention and Control of Pollution) Cess Act, 1977 provides that the water cess shall be payable by (a) every person carrying on any industry and (b) every local authority. The Board had computerised data of only 164 industries as major assessees. However, information available on the website of Bureau of Investment Promotion indicates existence of 384 Large and Medium Scale and 2,21,369 Small Scale industries in Rajasthan (2000-01).

The data of other industries which have been classified as self assessees had not been computerised. The Board's database of industries which had been granted consent by it under various environmental Acts aggregated only 9,408 industries, keeping a large number of assessees out of the ambit of computerisation.

3.3.6.2 Assessment of Water Cess was not based on actual water consumption as recorded by water meters

Out of total 8,109 assessments of 164 major industrial units made since April 1978 to December 2005, only 106 industries had fixed meters. Thus 7,288 (90 per cent) assessments for a total assessed value of Rs 46.93 crore (60 per cent of the total water cess assessed) were not based on quantity of water consumed as recorded from the meters.

The Water (Prevention and Control of Pollution) Cess Act, 1977 provides that each user of the water shall affix meters for measuring and recording the quantity of water consumed and if the user fails to affix meters, the Board may cause to affix the water meters and the cost of affixing of meters may be recovered from the users in the same manner as an arrear of land revenue. On the basis of the return furnished by the users showing the quantity of water consumed during previous month, the Board assesses the amount payable. Analysis of the computerised data revealed that out of total 8,109 assessments of 164 major industrial units made during April 1978 to December 2005, only 106 industries had fixed meters. Thus, 7,288 (90 per cent) assessments for a total assessed value of Rs 46.93 crore (60 per cent of the total water cess assessed) were not based on quantity of water consumed as recorded from the meters. Only in remaining 821 (10 per cent) cases assessments were based on consumption of water recorded by meters contributing Rs 31.06 crore (40 per cent).

3.3.6.3 Non-assessment of Water Cess on a monthly basis resulting in undue benefits to the assessees

5,030 (62 per cent) assessments involving an amount of Rs 67.63 crore (87 per cent of the total water cess assessed) were made for periods ranging from two months to 120 months at one time resulting in undue benefit to the consumers.

As per Water (Prevention and Control of Pollution) Cess Rules, 1978, every consumer shall furnish on or before the 5th of every calendar month to the assessing authority a return showing the quantity of water consumed in the previous month. The Rules further direct the State Government to collect and remit to the Central Government the amount of cess collected from the consumer before the 10th of the month succeeding the month of collection.

Analysis of the data relating to collection of water cess revealed that out of 8,109 assessments relating to 164 major assessees made by Board during April 1978 to December 2005, 5,030 (62 per cent) assessments involving an amount of Rs 67.63 crore (87 per cent of the total water cess assessed) were made for periods ranging from two months to 120 months at one time instead of the assessment being on monthly basis. Consequently, undue benefit on account of interest leviable was given to the assessees.

3.3.6.4 Gaps between two assessments and overlapping of assessment period

There were gaps between two assessments ranging between 2 to 3,958 days which shows that the assessments for the period covered under gaps have not been made resulting in the loss of revenue to the Government.

As per Water (Prevention and Control of Pollution) Cess Rules, 1978 there should not be any gap between the two assessments. Analysis of computerised data revealed that period of gap during which no assessment was made ranging between 2 and 3,958 days. This indicated that the assessments for the gap period were not made resulting in the loss of revenue to the Government.

On the other hand there were also cases of overlapping of periods of assessments in 687 cases which showed lack of data input controls in the software.

The Board stated (August 2006) that analysis by Audit was based on non-updated data. The reply is not tenable because Audit analysed the latest data available on the system. Audit noted that the data of water cess is updated regularly.

3.3.6.5 *Non-renewal of expired consents to operate industrial units*

As per provisions of Water (Prevention and Control of Pollution) Act 1974, no person shall without the previous consent of the State Board establish or take any step to establish any industry, operation or process, or any treatment and disposal system or an extension or addition thereto. Similarly, under the Air (Prevention and Control of Pollution) Act 1981, no person shall without the previous consent of the State Board, establish or operate any industrial plant in an air pollution control area. Institutions engaged in carrying out hazardous substances and bio medical wastes also need to obtain consent under the relevant Acts before establishing or commencing operation.

1,964 units had not renewed the consent to operate under Water Act after the expiry of the previous consent for periods ranging from one year to 26 years.

Analysis of the data relating to the 'Consent to Establish' and 'Consent to Operate' of industries revealed that in respect of the 9,408 units, whose data was computerised, 1,964 units had not renewed the consent to operate under Water Act after the expiry of the previous consent for periods ranging from one year to 26 years. This indicates failure of the Board in exercising a check to control water pollution besides non-realisation of consent fees.

Further, there were 2,139 industries which did not take any consent to operate the industrial units for any of the periods after their establishment. Out of these 2,139 industries, 1,773 did not even obtain consent to establish. In absence of adequate data the loss on account of consent fee could not be ascertained in audit.

The Board stated (August 2006) that the Audit observation was based on non-updated data. Audit had, however, downloaded this data from the official website of RSPCB that had been operationalised at the time of audit (July 2006).

3.3.7 *Conclusion*

Due to non-participation by the top management and users, the consultant (RajCOMP) developed the software without firmed up requirement specifications which resulted in development of deficient software. The system development life cycle approach was not adopted and software development was not completed. The objective of enhancement in methodology of monitoring environmental effects of industries and other polluting bodies, effective decision making and optimal use of resources were not achieved. The deficiencies in controls like system documentation policy, input and processing controls resulted in lack of data consistency and integrity and inability of application software to run queries. Further, due to non-

availability of the source code the desired changes could not be made in system developed at a total cost of Rs 1.39 crore. This necessitated computerising the same areas afresh at an estimated cost of Rs 2.39 crore (September 2005), rendering the earlier expenditure amounting to Rs 1.39 crore as unfruitful.

3.3.8 Recommendations

- While re-computerising the same areas the Board should prepare a strategic plan which should be documented and the management and users should have the ownership of the plan.
- An agreement should be executed with the NIC describing roles, time schedule, deliverables, documentations, responsibilities of the agency and management, procedure of acceptance, post implementation support and terms and conditions of change management.
- The management should actively participate in the development as well as in the implementation of the project. Similarly, the users should be involved right from the inception through the implementation after imparting appropriate training to different level of users.
- Application controls e.g. input, processing and output controls should be in place to avoid fraudulent activities and ensure consistency, integrity and availability of data.

FOREST DEPARTMENT

3.4 Conservation of flagship species - Tiger including India Eco-Development Project (IEDP) in Tiger Reserve

Highlights

The 'Project Tiger' was launched in 1973 as a Centrally Sponsored Scheme. Within Rajasthan, Ranthambhore and Sariska Tiger Reserves were covered with a view to conserve the tiger and preserve the eco-system. The objective of saving the tigers from imminent extinction seems far from realisation as effective measures to stop the degradation and fragmentation of the habitats were not taken during 2000-06. This review revealed that there were delays in preparation of management plan and transfer of funds, failure in fixing time schedules for achieving targets and improper management of Tiger Reserves. There was complete failure in control of poaching and encroachment on forest lands. Also, the schemes/works executed under India-Eco Development Project such as providing of LPG connections, immunisation of cattle, etc. could not achieve the desired objectives.

Management Plan (MP) of Ranthambhore Tiger Reserve was prepared with a delay of seven years and works were executed (1995-2001) without the MP. The provisions of both the MPs were not periodically reviewed.

(Paragraph 3.4.7)

Final notifications in respect of complete area of both the reserves were not issued in spite of clear direction (August 1997) of the Supreme Court to notify the areas as Sanctuaries and National Park within a period of six months.

(Paragraph 3.4.9)

Complete demarcation of boundaries by constructing pillars in protected areas was not done and beat maps were not provided to beat guards of all 170 beats of both the Reserves.

(Paragraphs 3.4.9 and 3.4.10)

Tiger population reduced drastically from 47 in 2004 to 26 in 2005 in Ranthambhore Tiger Reserve and from 16 to Nil in Sariska Tiger Reserve. This showed complete failure of the project authorities and monitoring at Government level.

(Paragraph 3.4.12)

Against the requirement of 26 revolvers and 73 guns in both the reserves only seven revolvers and eight guns were available for use.

(Paragraph 3.4.20)

Undisturbed breeding sites in the core area of the reserves were to be developed, however, no specific proposals for this purpose were incorporated in the annual plans.

(Paragraph 3.4.22)

Against Rs 38.38 crore projected as estimated expenditure under India Eco-Development Project, only Rs 18.40 crore were spent.

(Paragraph 3.4.26)

3.4.1 Introduction

'Project Tiger' was launched in 1973 by Government of India (GOI) as a Centrally Sponsored Scheme (CSS) to cover all the Tiger Reserves in India. Within Rajasthan, Ranthambhore and Sariska Tiger Reserves were covered by this Project. The primary objectives of the project were to maintain a viable population of tiger in India for scientific, economic, aesthetic, cultural and ecological values, and to preserve for all times, areas of biological importance as a national heritage.

Ranthambhore Tiger Reserve (RTR) is situated in Sawaimadhopur and Karauli districts and is divided by the river Banas. The total area of RTR is 1394 sq. km which includes Sawaimadhopur Sanctuary (131 sq. km), Ranthambhore National Park (RNP) (282 sq. km.), Sawai Man Singh Sanctuary (113 sq. km), Keladevi Sanctuary (673 sq. km) and other reserve forest and protected forest areas (195 sq. km) transferred to the RTR. No human activity is allowed inside a National Park, while limited activities are permitted within the Sanctuaries. The area of RNP is the core of the reserve and remaining area acts as 'buffer'. India Eco-Development Project was conceived in 1996 as a pilot project with the objective to improve the capacity of protected area in RTR to conserve biodiversity and increase opportunity for local participation in management activities.

Sariska Tiger Reserve (STR) is situated in Alwar district. The area of STR is 892 sq. km which includes Wild Life Sanctuary (492 sq. km) and area of the proposed National Park (400 sq. km).

3.4.2 Organisational set up

At the State level, Forest Department is responsible for overall implementation of the Project. The Department is headed by a Principal Secretary who is assisted by a Principal Chief Conservator of Forests-cum-Chief Wild Life Warden (CWLW) responsible for implementation of the project in both the Tiger Reserves (TR). The field level activities in both the TR are being coordinated by officers of the rank of Conservator of Forests (CF) and Deputy Conservator of Forests (DCF) at Sawaimadhopur, Karauli and Sariska.

3.4.3 Audit objectives

In view of the high focus on conservation of the tiger and serious risks involved in the preservation and maintenance of the eco-system in the TR, this performance review was conducted with the objective to assess whether:

- the process of formulating the long term and short term plans was in place and programmes/schemes were implemented as per plan/guidelines and the tiger reserves could meet the conservation objectives;
- measures were taken for conservation of tiger reserve by way of relocation of villages and decreasing the dependence of people on forests etc.;
- effective protection measures were taken by the project authorities in curbing the menace of poaching, taxidermy and illegal trade in wild animals and plant species;
- promotion activities such as wild tourism were regulated in proper manner and effective steps for education and awareness were undertaken;
- an effective mechanism of reporting, monitoring and evaluation of performance was in place so as to enable timely corrective actions.

3.4.4 Audit criteria

Performance audit was conducted with reference to the provisions of:

- Management Plans and Annual Plan Operations.
- Wild Life Protection Act, 1972.
- Various orders/directives issued by State Government/Forest Department.
- Rajasthan Land Revenue Act, 1956.
- Environment (Protection) Act, 1986.
- Agreement executed with World Bank with reference to India Eco-Development Project (IEDP).

3.4.5 Scope of audit

Records of Principal Chief Conservator of Forests-cum-Chief Wild Life Warden, Rajasthan, Jaipur, Conservator of Forests, RTR, Sawaimadhopur and three field units⁷⁰ for the period 2000-06 were test checked during December 2005 to June 2006.

70. Deputy Field Director, RTR (Core) at Sawaimadhopur, Deputy Field Director, RTR (Buffer) at Karauli and Deputy Field Director, STR at Sariska.

3.4.6 Audit Methodology

In order to know the Management's perspective on the functioning of the scheme, an entry conference was organised with the various officials concerned of Forest Department in December 2005 and subsequently during the course of the review. Financial sanctions, expenditure statements, scheme documents, records pertaining to offence register, beat trekking register, stock registers of arms, ammunitions and communication equipment, various information/statements obtained from project authorities, etc. were examined.

Audit findings

Formulation of plan

3.4.7 Deficiency in preparation of long term plan

Unrealistic targets were fixed in the MP as only 12 per cent works were carried out against the provision of approved MP of RTR.

The Directorate of Project Tiger, GOI, prescribed guidelines for preparation of Management Plan (MP) for each tiger reserve. Accordingly, every protected area was to prepare a MP to guide and control the management of protected area resources. This facilitated establishment of a long term planning perspective and all management actions to be implemented in the Protected Areas (PAs). Annual Plans of Operation (APO) were to be prepared with reference to the MP.

The MP of RTR from 2002 to 2011 was prepared in 2002 for Rs 243.45 crore and the earlier plan (1990-91 to 1994-95) remained in force upto 1994-95. As such during the intermittent period (1995-2001), works were carried out without any MP. Reasons for delayed preparation of plans were neither on records nor intimated to Audit.

For effective implementation of PA management activities in RTR, Rs 12.63 crore (Rs 5.19 crore under CSS and Rs 7.44 crore under IEDP) was spent during 2002-06 against Rs 102.71 crore envisaged in the MP. Thus, only 12 per cent works were carried out against provisions of approved MP. Further, no concrete time schedule was fixed to achieve the objectives of the MP viz., relocation of villages from RNP, rehabilitation of nomadic tribe *Mogiyas* and other hunters, development of prey base in poor wildlife areas, development of breeding sites, development of Eco-Tourism zone, plan for movement of pilgrims, plan for education and awareness programme, etc. resulting into delays in implementation of all these activities.

It was, further, observed that the MPs of both RTR and STR were never appraised after approval for incorporation of any suggestions from experts in the mid-term.

The Government accepted (September 2006) the facts.

3.4.8 Planning of funds and their release

The Reserves were getting 50 per cent grant for recurring items and 100 per cent grant for non-recurring items from GOI under 'Project Tiger'. The

year-wise position of funds sanctioned, disbursed and expenditure incurred during the period 2000-06 in respect of both the reserves is as given in following table:

Ranthambhore Tiger Reserve

(Rupees in crore)

Year	Amount projected in MP	Amount projected in the Annual Plan by RTR	Amount released by GOI	State share released for recurring items	Actual expenditure incurred
2000-01	MP not prepared	2.46	1.73	0.80	1.88
2001-02	-do-	3.33	1.69	0.82	1.98
2002-03	24.64	1.97	2.79	0.15	0.84
2003-04	28.55	2.64	2.23	0.20	1.36
2004-05	25.76	2.49	1.08	0.32	1.23
2005-06	23.76	7.58	1.59	0.37	1.76
Total		20.47	11.11	2.66	9.05

Sariska Tiger Reserve

(Rupees in crore)

Year	Amount projected in the MP	Amount projected in the Annual Plan by STR	Amount released by GOI	State share released for recurring items	Actual expenditure incurred
2000-01	MP not prepared	6.82	2.54	0.75	3.19
2001-02	-do-	10.67	2.02	0.71	2.43
2002-03	-do-	10.24	1.10	0.12	1.22
2003-04	-do-	11.20	1.44	0.17	1.38
2004-05	12.27	8.28	0.99	0.19	0.92
2005-06	13.08	9.06	1.58	0.21	0.78
Total		56.27	9.67	2.15	9.92

GOI sanctioned 58 per cent and 24 per cent funds of what was proposed for RTR and STR. Despite this, there were substantial savings in both RTR and STR.

During 2000-06, the project authorities of RTR and STR proposed for provisioning of Rs 20.47 crore and Rs 56.27 crore respectively as per the annual plans. Rupees 11.80 crore and Rs 13.55 crore were sanctioned for RTR and STR respectively by GOI against these proposals which included the matching share from Government of Rajasthan (GOR). The total expenditure during the period 2000-06 was Rs 9.05 crore for RTR and Rs 9.92 crore for STR. It was observed that GOI sanctioned 58 per cent and 24 per cent funds of what was proposed for RTR and STR. Both in RTR and STR the actual expenditure incurred in all the years during 2001-2006 was much lower than the amount that was released. In 2002-03 at RTR and 2005-06 at STR amounts unutilised were Rs 2.10 crore and Rs 1.01 crore respectively. Short utilisation of funds was attributed to delayed issue of sanctions/release by GOR and not taking up the proposed activities such as construction of barracks, anicut, *talai* (drinking water holes), *chowki*, roads and drought combating measures which ultimately hampered the progress of development activities to that extent. Scrutiny revealed that delay in transfer/sanction of funds by GOR ranged from one month to nine months.

It was, further, observed that GOR did not disburse its matching share of 50 per cent stipulated for recurring items under 'Project Tiger'. During 2000-06,

GOR disbursed only Rs 2.66 crore for RTR and Rs 2.15 crore for STR against its matching share of Rs 3.21 crore for RTR and Rs 2.80 crore for STR.

Assistance under World Bank aided IEDP was also provided for RTR with the objectives of preservation of tiger as flagship species, establishment of a network of PAs and maintenance and development of PAs of the RTR. During the period 1996-2004, an amount of Rs 20.10 crore was disbursed through GOI out of which Rs 18.40 crore only was incurred on various components of the project. IEDP was closed in June 2004 in the State.

While accepting the facts the Government stated (September 2006) that short utilisation of funds was due to non-completion of relocation proceedings and less expenditure for recurring items.

Measure taken for conservation of Tiger Reserve

3.4.9 Unclear demarcation of protected areas

Legal formalities for issue of final notification were not completed in both the reserves and demarcation of boundaries by constructing pillars could not be completed due to lack of survey of forest land.

Out of 1394 sq. km. area of RTR, preliminary notification for about 157 sq. km. area transferred to the Reserve (April 1999) was not issued. Thus, about 11 *per cent* area of RTR could not be legally protected. It was further observed that final notifications in respect of complete area of both the reserves (2286 sq. km) were not issued despite direction (August 1997) of Supreme Court to notify the areas as Sanctuaries and National Park within a period of six months. Final notifications by GOR could not be issued due to unavailability of base line information in respect of PAs by the divisions concerned, lack of survey of Forest *Rund*⁷¹ of STR and non-completion of relocation proceedings in both the reserves.

In PAs, pillars are constructed on the boundaries of such areas for clear demarcation. As per MPs of RTR and STR, 8,113 pillars were to be constructed in both the reserves but 2,032 pillars only were constructed till March 2006 in the PAs of RTR and STR. The respective DCF attributed this to non-issue of final notifications and non-completion of survey of Forest *Rund*. Besides, closed area of Qualji in Sawaimadhopur district and areas transferred (April 1999) to RTR from Tonk and Bundi Divisions were also not demarcated.

It was, further, observed that only 1,502 sq. km. land of the two reserves was mutated in favour of the Forest Department prior to 2002. The respective DCF stated (February/March 2006) that the remaining area out of 2,286 sq. km of the two reserves could not be mutated due to non-demarcation of boundaries after proper survey.

3.4.10 Absence of beat maps

Beat maps were not prepared and distributed to 170 beats (65 in RTR (Core), 30 in RTR (Buffer) and 75 in STR) of the divisions which was indicative of

71. Unsurveyed forest land.

ineffective management of the PAs. In absence of beat maps, beat guards were not able to properly identify the areas falling under their control.

3.4.11 Deterioration of eco-system due to presence of villages in PAs

Presence of 74 villages (Keladevi Sanctuary: 42, RNP: 4 and STR: 28) inside PAs depleted the habitats because of collection of timber and fuel wood inside the PAs and degraded the forest areas as habitats of the villages depended upon the forest resources. To minimise the negative impact of these villages on the PAs, relocation of these villages was essential but proposals for four villages of STR and one village of RNP only were made in the MPs. Since the MPs were prepared for 10 years (RTR 2002 to 2012 and STR 2004 to 2014), non-provision for relocation of the balance 69 villages within the MP period was not prudent.

Adequate provisions for relocation of villages were not made and resettlement of 52 families of a village in RTR was not carried out despite expenditure of Rs 90.76 lakh.

Of four villages⁷² of RNP, relocation package of only one village (Padra) was prepared and sanctioned (August 2001) for Rs 1.46 crore by GOR which was to be completed by March 2003. Scrutiny revealed that out of 111 families, only 59 families were relocated after incurring an expenditure of Rs 90.76 lakh (March 2006). The remaining 52 families could not be relocated due to allotment of unsuitable agriculture land and delays in construction of houses for them.

Protection measures undertaken

3.4.12 Failure of department to control tiger poaching

During the period January 2003 to March 2005, no tiger poaching was registered in both (STR and RTR) Reserves even though tiger population declined drastically during the same period.

Census was being carried out in both the tiger reserves in the months of May/June using traditional pug mark method till 2004 census. Digital pug mark technique was used in June 2005 for estimating tiger population. The year-wise estimated population of tigers in the two reserves was as per following details:

Year	2001	2002	2003	2004	2005
RTR	38	43	45	47	26
STR	Census was not done	26 to 28	25 to 28	16 to 18	Nil

Thus, the number of tigers in RTR reduced drastically from 47 (2004) to 26 (2005). The decrease of 21 tigers may be either due to (a) poaching, (b) migration or (c) over-estimation of their population in earlier years. The DCF, RTR (Core) initially attributed (August 2005) the disappearance of tigers to changing territories or migration to Madhya Pradesh and subsequently informed (January 2006) that the matter was under investigation. In STR, there were no tigers in 2005 compared to an estimated population of 16 to 18 in 2004.

72. Khathauli, Padra, Indala, Moredungri.

Incidentally, no case of tiger poaching was registered in RTR during the period January 2003 to March 2005. Likewise in STR, no case of tiger poaching was registered during August 2002 to February 2005. However, 13 cases of tiger poaching were registered with a delay ranging from seven to 37 months in STR during March to December 2005. The cases were registered at a later date when it came to light in 2005 that the entire tiger population vanished from STR.

A State Empowered Committee (SEC) on Forests and Wildlife Management was constituted (February 2005) by the Chief Minister of Rajasthan. In its report, SEC stated (August 2005) that STR lost its tigers because of poaching and negligence. It was stated that the possibility of connivance of forest staff with the poachers could not be ruled out. It was also stated that a slack, complacent, negligent and ineffective management team failed to enforce the basic forest and wildlife laws to render effective protection to the tigers and other major species. SEC report also held the Project Tiger Management as equally responsible for their lack of a professional approach to the science of wildlife management and their failure to detect the imminent threats to STR. Regarding RTR, it was stated in its report by SEC that the systems put into place for monitoring tigers in RTR were either non-existent or failed to deliver. While accepting the facts Government stated (September 2006) that matter is being investigated with a view to fix the responsibility of forests officers/officials posted in the last ten years for negligence of duties.

Though the Project Tiger scheme was considered as one of the biggest conservation efforts in the world at the time of its inception in the year 1973, the tiger population had decreased drastically in the RTR during 2004-05 and tigers had completely vanished from STR during the same period. The reasons for decline as analysed in audit are discussed in succeeding paragraphs.

3.4.13 Delay in registration and disposal of cases of poaching

Scrutiny of offence register of RTR (Core) revealed that out of 153 cases of poaching including tiger poaching only 82 were disposed of during 2000-06. It was also observed in STR that 37 cases of poaching (13 tigers and 24 leopards) were registered belatedly after seven to 48 months during 2000-06. The trend of cases registered during 2001-05 showed that no concrete action was taken by the departmental authorities for control of poaching.

3.4.14 Abnormal decrease of prey animals in RTR

Scrutiny of records revealed that there was a declining trend in the population of prey animals in RNP (Core) during 2003-04. This decline was equivalent to biomass of 13,395 *chital*. There was no justifiable reason for decrease in the number of prey animals. In this regard specific reasons were neither intimated nor found on record. The assessment regarding any further change in prey base during 2004-05 could not be made in audit due to non-availability of authentic figures of prey animals.

It was, further, observed in audit that prey population was significantly lower in Sanctuaries compared to the core area of RNP. The density of prey base per

sq. km was only 16 equivalents of *chital* in the three Sanctuaries in 2003 as compared to the density of 106 equivalent of *chital* in core area of the reserve. As the population of tiger is directly proportional to the available prey biomass, the prevalence of tigers was low in area of Sanctuaries. It was, further, noticed that low prey base in Sanctuaries was due to higher biotic pressure in terms of grazing and illegal tree felling as degree of protection was low in comparison to the core area. The department accepted the facts.

3.4.15 Failure to relocate hunting tribes

Mogiya tribes live in RTR. They use fire arms to shoot animals and villagers engage them for crop protection. In and around the RTR 200 families of *Mogiya* were identified and packages of Rs 2 crore during 2002-06 were proposed in the MPs for their rehabilitation. However, no proposal in this regard was found initiated. Thus, the very objectives of the proposed strategy for control of poaching remained unachieved. While accepting the facts Government stated (September 2006) that proposals were initiated but could not be implemented due to non-availability of suitable land.

3.4.16 Encroachment on forest land due to non-mutation

Three hundred ninety seven ha of forest land covering RTR (Buffer) (as per Forest Department records) stands allotted as *Khatadari*⁷³ land, 639 ha of forest land was recorded either as common land (214 ha), pasture land or Government land (425 ha) and 200 ha of notified forest land has not been recorded as forest land by Revenue Department. No concrete action was taken by the Forest Department to rectify these entries made by the Revenue Department and get these land mutated. Thus, due to lack of vigilance on the part of Forest Department, the effective area of RTR (Buffer) was reduced by 1,236 ha.

Scrutiny of records of RTR (Core) revealed that forest land measuring 44.9 ha of *khasra* number 921 was recorded as Government land by the Revenue Department during settlement in 1966-67. This mistake came to notice of Forest Department while initiating action to close down the mines running on the forest land in question. However, mine owners succeeded in getting stay orders (March 1993/April 2000) from Munsif Judicial Magistrate Court, Sawaimadhopur on the plea that the mines are not located in forest land. Thus, slackness of Forest Department led to continued unauthorised mining on forest land.

In STR, Revenue Department unauthorisedly allotted (April 1998) forest land (*khasra* nos. 681 and 682) to a hotel adjoining its existing *khasras* (679 and 680) in village Ajabgarh. No Objection Certificate (NOC) was irregularly issued (April 1995) by CWLW, Rajasthan, Jaipur for construction of resort because *khasra* nos. 679 and 680 were surrounded by forest land. Hotel owner also succeeded (September 1997) in converting adjoining forest land (*khasras* 681 to 699 and 722 to 724 and 677) from Revenue Department in contravention of provisions of Section 3(1) and 3(2) of the Environment

73. The ownership of the land transferred to the individual by the Revenue Department.

(Protection) Act, 1986. As per Settlement Report of 1947 this was the forest land of Ajabgarh. The Forest Department belatedly served notice (August 2003) for evacuation of 30 *bighas* (approximately 7.5 ha) of land which was irregularly converted (September 1997) and case was registered (August 2003) under Section 91 of Land Revenue Act (LRA). The case was decided (January 2004) by Assistant Conservator of Forests (ACF) *ex-parte* in favour of hotel owner. Though the matter is now in the Court of District Collector, Alwar, the fact remains that this unauthorised occupation continued for eight years despite knowledge of the same being available with the department. Due to lack of monitoring at various levels and delayed and ineffective pursuance this unauthorised occupation had continued.

3.4.17 Lack of effective and speedy disposal of the encroachment cases

Out of 698 cases 349 cases of encroachment registered under Section 91 of LRA were pending since 1994-95.

Scrutiny of records revealed that 110 cases (STR : 77 and RTR-Buffer : 33) of encroachment of forest land were pending as on 31 March 2000 and 588 (STR: 222, RTR-Buffer : 267 and Core : 99) new cases were registered during 2000-06 under Section 91 of LRA. Of the 698 cases, only 349 (STR : 97, RTR-Buffer : 236 and Core : 16) cases were decided by imposing nominal penalty, leaving 349 cases⁷⁴ involving 522.329 ha forest land (STR : 265.733 ha, RTR-Buffer : 156.801 ha and Core : 99.795 ha) to be decided. The details of penalty imposed and recovered and land actually got evacuated from the encroachers was not available at division level. It was intimated (May/June 2006) by the department that eviction reports and details of recovery of penalty amount were awaited from the Range Officers concerned. Reply was not convincing as it was the responsibility of the DCF concerned to get the encroached land of the National Park/Sanctuary evacuated.

3.4.18 Lack of initiative for development of corridors

To facilitate uninterrupted gene flow, corridors between separate forest land within reserve areas were to be developed. The activities of protection and afforestation, soil conservation, sand/water harvesting measures, eco-tourism and recreational facilities and anti-poaching measures were to be carried out on forest lands, community pasture lands and privately owned lands for development of corridors in an area of 541 sq. km⁷⁵ of RTR. Scrutiny revealed that no activities were undertaken for the development of corridors. In STR, objective of developing and maintaining corridors was included in MP but requirement of funds for this component was not projected. Thus, the objective of widening genetic pool of wildlife population remained unfulfilled.

3.4.19 Deficient manpower for checking illegal activities in the protected areas

Illegal grazing could not be controlled due to deployment of inadequate manpower.

(i) Staff strength at various sensitive *chowkies* in RNP was to be increased during monsoon to check the grazing problem as envisaged in the MP. Review of records revealed that staff deployed at specified *chowkies* and in temporary

74. 1994-95 : 1; 1995-96 : 49; 1996-97 : 1; 1997-98 : 1; 1998-99 : 4; 2000-01 : 52; 2001-02 : 4; 2002-03 : 57; 2003-04 : 46; 2004-05 : 129 and 2005-06 : 5.

75. Ranthambhore - Keladevi : 125 sq. km; Keladevi-Van Vihar : 262 sq. km; Ranthambhore-Ramgarh : 88 sq. km and Qualji - Ramgarh : 66 sq. km.

anti-grazing camps ranged between 1 and 12 only against the MP provision of 10 to 30 during 2000-06. Due to short deployment of staff, illegal grazing cases increased from 73 in 2000-01 to 319 in 2005-06.

The DCF, RTR (Core) intimated (January 2006) that Home Guards, Rajasthan Armed Constabulary and staff from other divisions were posted at sensitive *chowkies*. The measures taken to check the grazing were not sufficient as requirement of 238 additional employees was sent (January 2005) by CF, RTR to CWLW.

(ii) There were 95 beats in RTR and 75 in STR employing 89 and 75 beat guards respectively. Out of which 29 beat guards (RTR:15, STR:14) were aged more than 50 years and 104 beat guards (52 each in RTR and STR) were in the age group 41-50 years. Given the demands of the job, it was difficult for aged frontline staff to manage and protect the reserves effectively. This fact was also pointed out (August 2006) in the report of SEC⁷⁶.

3.4.20 *Insufficient availability of communication network equipment and arms*

In STR 33 and in RTR (Buffer) 17 beats were not provided with wireless sets. Against the requirement of 26 revolvers and 73 guns both the reserves held only seven revolvers and eight guns.

Modernised communication network is an essential factor for effective protection of the protected areas. However, in STR out of 100 fixed wireless sets and 97 wireless hand sets available, only 48 fixed sets and 52 hand sets were functional as of March 2006. As a result, only 42 beats out of 75 were equipped with the wireless sets and no action was taken by the project authorities for augmentation by way of repairing the non-functional wireless sets or replacing by new sets. In RTR (Buffer), only 13 beats out of 30 were provided with wireless sets as of March 2006. Thus, the management of the PA was adversely affected due to insufficient communication network.

Scrutiny of records relating to weapons revealed that there were only five revolvers and four guns which were available for use by the forest officials in RTR (Core) against the requirement of eight revolvers and 36 guns according to the MP. Incidentally, five officials of the Forest Department did not return the guns issued to them after their transfers despite lapse of considerable periods.

In RTR (Buffer), against the requirement of eight revolvers and 21 guns, only one gun was available. Likewise, against the requirement of 10 revolvers and 16 guns in STR, only two revolvers and five guns were available, of which two guns were lying non-functional since August 2002 and September 2003 respectively. No action was taken to augment the availability of arms which adversely affected their ability to enforce protection measures.

3.4.21 *Inadequate measures taken for control of fire incidents*

Scrutiny of records of RTR (Core) revealed that 11 cases of fire incidences affecting 23.9 ha land were registered during 2000-06. The losses were neither

76. SEC on Forests and Wildlife Management was constituted by GOR in February 2005 with a view to identify problems.

assessed nor were offenders traced by the Department. Further, against the proposed three fire watch towers and 84 km fire lines, only one tower and 17 km of fire line was constructed during 2000-06.

In STR against target of 10 fire watch towers in core area, no watch tower was constructed during 2000-06 despite there being 12 cases of fires that had affected 174.5 ha land during this period.

Promotion activities in Tiger Reserve

3.4.22 Breeding sites in the core area were not developed

Specific provisions to develop undisturbed breeding sites by way of reducing heavy tourist pressure in the core areas were not made.

As per provisions of MPs of RTR and STR undisturbed breeding sites in the core area of the reserves were to be developed. Scrutiny revealed that no such specific proposals were incorporated in the APOs to develop breeding sites by way of reducing the heavy tourist pressure in the core area. Due to non-implementation of above strategy, breeding of the predators was adversely affected which was evident from the census figures of the period 2000-06. The DCF, STR intimated (May 2006) that funds demanded (2005-06) for the purpose were not sanctioned by GOI.

It was, further, observed that there was one entry point in existence which was in the core area and there was a pressure from the public to open more three entry points for tourist in the core area. The DCF, RTR (Core) intimated (January 2006) that allowing the entry of tourist in the core area from *Bodal*, *Khandar* and *Basso* entry points were being opposed to protect the breeding sites.



Inadequate control over number of vehicles and tourists entering RTR

3.4.23 Lack of regulatory control on movement of pilgrims and vehicles

To reduce the negative impact of unregulated movement of vehicles and pilgrims specially at the time of *melas*, specific strategies such as development of adequate public facilities, the speed limitation for the vehicles plying inside the park, display and distribution of material to pilgrims, ban on private vehicles coming from outside the district as well as State for entering inside

the park and imposition of normal entry fee etc. were proposed in the MP of RTR. However, scrutiny of records of RTR (Core) revealed that no such strategies were found implemented. Non-preparation and implementation of regulatory measures to control of pilgrims adversely affected the protection of reserve. The DCF, RTR (Core) pointed out that fire incidences mainly happened due to the negligence of pilgrims visiting the park. It was also observed that the number of vehicles permitted to enter the RTR (Core) exceeded the limit of 71 vehicles on many occasions.

Likewise such strategy was neither incorporated in the MP of STR nor implemented. Number of tourist vehicles plying in the park area of STR reached up to 138 on usual days and 398 on the days of worship (two days in a week).

3.4.24 No action taken against commercial activities in the park area

Commercial activities such as establishment of hotels and other commercial activities were totally banned (December 2002) within the radius of 500 metres from the boundary of park areas. Scrutiny revealed that 13 hotels were located within 500 metres in RTR and five in STR contrary to this order. Even two hotels of Rajasthan Tourism Development Corporation, one each in RTR and STR exist within the protected area. No concrete action was found to be initiated at State level to close down those hotels/commercial institutions.

3.4.25 Negligible expenditure was incurred on environmental education and awareness

To create an understanding and appreciation of the ecological sense for protection of natural forests in the TR and for implementation of education and awareness programme, provision for various activities such as setting up of extension units to prepare and disseminate publications, organising film shows, exhibitions, *chaupals*, puppet shows, organising workshops and exchange visits for sharing of field experience, setting up of tiger libraries, etc. was made in MP of RTR.

Scrutiny of records of DCF, RTR (Core) revealed that against an outlay of Rs 1.02 crore for environmental and education programme under IEDP, only Rs 6.01 lakh was incurred (1999-2004) on awareness programme which indicated that performance in implementation of the proposed activities was inadequate.

India Eco-Development Project in Tiger Reserve

India Eco-Development Project was conceived (1996) as a pilot project with World Bank assistance through Global Environment Facility (GEF) and International Development Association (IDA) support with the objectives to improve the capacity of PAs to conserve biodiversity and increase opportunities for local participation in management activities.

Against the initial estimate of Rs 38.38 crore to be spent under IEDP, only Rs 18.40 crore could be spent due to lack of proper planning and monitoring.

3.4.26 Reduction in size of project due to poor performance

Initially Rs 38.38 crore were earmarked for RTR under IEDP for the initial period 1996-97 to 2001-02 of project but RTR authorities could utilise only Rs 3.29 crore during 1996-97 to 1999-2000. As a consequence the World Bank reduced (April 2000) the project allocation to Rs 22.85 crore. Though the project allocation was subsequently revised (November 2002) to Rs 26.26 crore while extending the project period till June 2004, an expenditure of Rs 18.40 crore only was incurred up to completion of the project (June 2004). Thus, due to lack of proper planning and monitoring, financial progress of the project was reduced to a considerable extent.

3.4.27 Unfruitful expenditure due to non-completion of interpretation centres

One nature interpretation centre in buffer area of RTR at Keladevi was constructed during 2000-05 under CSS at a cost of Rs 5.31 lakh but necessary material for setting of interpretation centre such as display material, graphic network and literature was not provided (March 2006).

Likewise, it was decided (May 2001) to construct an interpretation centre at a cost of Rs 41 lakh in RTR at *Mishradara* entrance gate. It was noticed that an expenditure of Rs 5.63 lakh was incurred (March 2004) on purchase of various equipment for installation at the proposed centre and Rs 2.65 lakh on drawings and designs and laying of foundation stone. It was, however, noticed that the proposed centre was not constructed (March 2006).

Thus, the expenditure of Rs 13.59 lakh incurred proved unfruitful besides, defeating the very purpose of increasing the awareness about eco-system.

3.4.28 Providing of LPG connections did not achieve the desired objective

To dissuade the people living in the PAs from using jungle wood as domestic fuel, it was decided to provide (July 2000) LPG connections to families living in peripheral areas of the park and sanctuaries within RTR. Cost of LPG connection out of total cost of Rs 1,762 was to be subsidised to an extent of 75 per cent from IEDP funds. Further, 25 per cent contribution from villagers of the area was to be deposited in the respective accounts of Eco-Development Committees of the villages in RTR. Accordingly, an expenditure of Rs 1.81 crore was incurred on 10,251 gas connections made available to families living in the PAs.

A survey by the field staff of the Core Division where 9,138 gas connections were issued was carried out (July 2002) covering 2,647 gas connections. Survey revealed that 354 gas connections (13 per cent) were never refilled after issue and rest of the families (87 per cent) got the cylinders refilled thrice on an average during a period of two years. For remaining 6,491 gas connections in jurisdiction of Core Division, no field survey about utilisation was conducted by the DCF, RTR (Core). Likewise, a survey conducted by Buffer Division (June to November 2002) revealed that out of total 1,113 gas

connections, 668 cylinders (60 per cent) were never refilled after first issue and 61 connections were not traceable.

Audit analysis revealed that the scheme of providing gas connections at a cost of Rs 1.81 crore did not yield the desired results largely because of non-availability of a refilling facility near the villages. It was also evident from the fact that reported cases of illegal tree felling and wood cutting increased from 326 cases (2000-01) to 378 (2005-06) in the core area of the Reserve.

3.4.29 Lack of immunisation activities

Against the target of 1.5 lakh cattle population of RTR and 4 lakh of STR only 4 per cent and 3.3 to 5.9 per cent cattle population could be covered under immunisation activities during 2003-05.

MP for RTR envisaged immunisation of nearly 1.5 lakh domestic cattle of the villagers in the months of April-June every year against communicable animal diseases i.e. Foot and Mouth Disease (FMD) and Rinderpest etc. Such a provision was included after a Supreme Court observation that all cattle and livestock present within 10 km. periphery of the park and buffer area should be immunised. Audit scrutiny revealed that insufficient units of vaccines were purchased and issued (2004-05) to the Animal Husbandry Department which could cover only about 6,300 cattle (four per cent) in RTR.

In STR, Rs 2.83 lakh were transferred by DCF, STR to the Deputy Director, Animal Husbandry, Alwar for purchase of FMD vaccines during 2003-05. Out of these funds the medicines purchased could cover only 13,200 cattle (3.3 per cent) and 23,844 cattle (5.9 per cent) during 2003-04 and 2004-05 respectively in STR against the target of four lakh cattle each year.

Thus, the very objective of the immunisation activity to save the wild animals from communicable diseases was defeated.

3.4.30 Lack of monitoring, evaluation and research activities

No monitoring and evaluation wing was established in RTR and STR. In their absence, the desired activities were not carried out as per MP provisions. This resulted in non-assessment of impact on conservation of wildlife and non-preparation of suitable management programmes for future developmental activities. Under IEDP, an amount of Rs 16.03 lakh was incurred and booked during 2000-05 under the component 'Impact Monitoring and Research' but Rs 13.89 lakh (87 per cent) of this amount was incurred on construction of buildings, purchase and maintenance of vehicles and periodicals.

In 2002-03, 10 research activities were proposed in RTR and Rs 10 lakh were earmarked in Annual Plan Operation of IEDP, but no research was conducted in RTR till 2005-06. Also, there was no research unit in RTR.

In STR, the research wing headed by ACF was established and an amount of Rs 13.85 lakh was incurred on pay and allowances of the staff during the period 2000-06 but no research study was conducted resulting in nugatory expenditure.

No monthly, quarterly, half-yearly and annual returns in respect of physical progress of the reserves were being sent to the Principal Chief Conservator of Forests and other higher authorities.

State Board of Wild Life (SBWL) was constituted in October 2003 under chairmanship of Chief Minister after enactment of Wild Life Protection (Amendment) Act, 2002. No meeting of the Board has ever been held (May 2006).

3.4.31 Conclusion

On the basis of financial progress only 12 *per cent* of the activities envisaged in MP were undertaken in RTR during 2000-06. Activities such as construction of demarcation pillars, mutation of forest land, etc. were not undertaken facilitating encroachment on forest land. Inadequate provisions were made for relocation of villages out of Reserve and rehabilitation of villagers. Breeding sites in the designated core area could not be developed. No development of corridors between forest areas could take place. The mechanism for control of poaching, grazing and movement of tourists and pilgrims was deficient. This resulted in drastic decrease of tiger population in RTR and complete elimination of tiger population in STR in 2005 thus, defeating the very purpose and objectives of Project Tiger. The movement of pilgrims and vehicles were not properly regulated and action was not taken against commercial activities in park area in contravention to the provisions. Expenditure incurred on environmental education and awareness was negligible and due to lack of planning and monitoring the scope of IEDP was reduced. Subsidy released from IEDP fund for providing LPG connections to the villagers living in PAs did not achieve the desired objectives as refillings were not subsequently obtained by the villagers resulting in continued pressure on the forest resources.

3.4.32 Recommendations

- Proper demarcation of boundaries of forest areas by constructing boundary pillars in both the Reserves should be completed and land should be mutated by conducting proper surveys of unsurveyed land.
- The relocation of villages in both the reserves should be completed on priority basis in a time bound manner.
- Measures need to be taken for early detection and speedy and effective disposal of forest offence cases.
- Regulatory mechanism for control of pilgrims and tourists should be strengthened in RTR and STR. Special efforts for development of undisturbed breeding sites and corridors should be made.
- In order to strengthen the protective measures wireless communication sets should be expeditiously made available to the beats and requirement of fire arms both category-wise and quantity-wise should be assessed and sufficient number should be made available to the officials.

RURAL DEVELOPMENT DEPARTMENT

3.5 District Poverty Initiatives Project

Highlights

The District Poverty Initiatives Project (DPIP) was launched (May 2000) with a view to reduce poverty in some of the poorest districts of Rajasthan, with assistance of US Dollars 100.48 million from International Development Association (IDA) of World Bank. Project period was extended from June 2005 to December 2007. The objectives of the Project includes (a) to assist in reducing poverty in the project districts through mobilizing the poor with focus on women and (b) access to social and economic infrastructure and employment opportunities to hear, reach and serve poor clients in a gender equitable manner. The progress in achieving Project objectives during initial three years was very slow. The booked expenditure was inflated as funds shown expended were actually transferred to Personal Deposit/bank accounts. The position of adjustment of completion certificates was poor and there were delays in approval of sub-projects. Monitoring at State level and at district levels was found to be weak. Significant points noticed were:

Actual expenditure during 2000-2006 was Rs 329.32 crore against projected expenditure of Rs 643.63 crore. There was very little progress in achieving project objectives during 2000-03.

(Paragraph 3.5.6)

Expenditure was inflated by Rs 58.08 crore by including in the booked expenditure the transfer of funds made to Personal Deposit/Bank accounts.

(Paragraph 3.5.6.1)

Completion Certificates amounting to Rs 67.58 crore only were adjusted against completion certificate for Rs 261.50 crore due upto March 2006.

(Paragraph 3.5.7.6)

There was shortfall in imparting Orientation Training to Common Interest Groups (40 per cent) and Skill Based Training (69 per cent).

(Paragraph 3.5.7.7)

Rupees 3.25 crore were sanctioned for items like sanitation, causeway/bridge, marble slurry road/brick works which were not to be covered under the project.

(Paragraph 3.5.7.8)

Though an amount of Rs 1.09 crore was transferred in the accounts of Common Interest Groups for construction of 82 irrigation/ drinking wells in Baran, Dholpur and Jhalawar the works for the same were incomplete.

(Paragraph 3.5.7.13)

3.5.1 Introduction

District Poverty Initiatives Project (DPIP) was launched in seven⁷⁷ selected poor districts of Rajasthan with financial assistance of 75 million Special Drawing Rights equivalent of US Dollars 100.48 million from International Development Association (IDA) of World Bank in May 2000 for a period of five years. The project was to be implemented by the Government of Rajasthan (GOR) and it was to make available additional funds from its own resources to cover expenditure of the executing agencies at State level and district levels. At the request (April 2005) of the GOR the project period was extended from June 2005 till December 2007.

The objectives of DPIP were to assist in reducing poverty in the Project districts through mobilising the poor with focus on women and helping them in developing strong grass root organisations that enable them to increase their access to the democratic and development process. This was planned to be achieved by supporting small scale sub-projects that were chosen, to be implemented by the poor, and by expanding the involvement of the poor in economic activities by improving their organisation skills. Access to social and economic infrastructure and employment opportunities, and improving the ability of Non-Governmental Organisations (NGOs) and Government institutions to hear, reach and serve poor clients in a gender equitable manner were also thus the objectives of the project.

For achieving these broad objectives, it was planned to form and develop Common Interest Groups⁷⁸ (CIGs) in villages with the help of NGOs in the selected seven districts. NGOs were responsible for providing technical assistance to these groups in identification and preparing a sub-project proposal for activities that the poor people wanted to initiate and for building the capacities of the CIGs. Major portion of the investment for such sub-projects was approved and financed by District Project Management Unit (DPMU) at district level and a fixed small proportion of investment (ranging from 10 to 20 *per cent* of the sub-project funding) was required to be made by the CIGs as well.

3.5.2 Organisational set up

At the Apex level, the Governing Council (GC) headed by the Minister for Panchayati Raj and Rural Development was responsible for deciding policy matters and Empowered Committee (EC) under the chairmanship of Chief

77. Baran, Churu, Dausa, Dholpur, Jhalawar, Rajsamand and Tonk.

78. The CIGs are small groups of about 10 persons which get together to take up a project that address a livelihood, productivity or similar problem confronting them and helps them to overcome their poverty.

Secretary was responsible for implementation of decisions of the GC and for co-ordination with line departments. Department of Rural Development headed by the Principal Secretary was responsible for overall implementation of the Project. A State Project Management Unit (SPMU) headed by a State Project Director (SPD) was mainly responsible for fund flow, supervision, monitoring etc. At district level the DPMUs headed by a District Project Manager (DPM), was responsible for transfer of funds to CIGs, sanction of sub-projects, ensuring training of CIGs for group activities and monitoring. The DPMUs function under the overall administrative control of the Additional Collector (Development).

3.5.3 Scope of Audit

The records maintained by SPMU, Jaipur, DPMUs in selected seven project districts and 21 blocks⁷⁹ out of 42 blocks of seven districts for the years 2000-01 to 2005-06 were test checked in audit from February to July 2005 and March to June 2006.

3.5.4 Audit objectives

Audit was conducted to examine and ascertain whether:

- funds were expended for the purpose and regulated as per rules,
- project was implemented in an economical and effective manner,
- the monitoring system envisaged in the programme was adequate to achieve the desired objectives.

3.5.5 Audit Methodology

Performance audit was conducted with reference to departmental manuals, Project Implementation Plan (PIP), financial sanctions, expenditure statements, scheme documents, agreement with IDA, transfer of money in CIGs' accounts, cash vouchers, CIGs'/NGOs' records, various information/statements obtained from project management etc. Besides, an entry conference was organised on 23 February 2005 with the Principal Secretary, Rural Development Department. Meetings were also held with SPD and other officers of the project from time to time during audit.

Audit findings

3.5.6 Financial Management

Total expected expenditure planned for the project for the period May 2000 to June 2005 was Rs 643.63 crore inclusive of State share (amounting to

79. Chhabra, Kishanganj, Shahbad (district Baran); Churu, Ratangarh, Sujangarh (district Churu); Dausa, Lalsot, Mahuwa (district Dausa); Bari, Basedi (district Dholpur); Dag, Manoharthana, Pirawa (district Jhalawar); Bhim, Kumbhalgarh, Khamnor, Railmagra (district Rajsamand); Deoli, Todaraisingh and Uniara (district Tonk).

Rs 91.50 crore), loan amount agreed to by IDA and the contribution of CIGs. Expected expenditure beyond June 2005 has not been projected.

The State Government was to transfer funds to SPMU through an interest bearing personal deposit (PD) account established for the Project. The SPMU was to transfer funds to the seven DPMUs through banking channels based on their fund requirement projections and claim reimbursement. The flow of funds from the DPMUs to beneficiary institutions (mainly CIGs) was based on the schedule in the sub-project agreements that had been entered with them.

The year-wise expected expenditure, actual expenditure and reimbursement claim from 2000-01 to 2005-06 was as under:

(Rupees in crore)			
Year	Expected expenditure as per PIP	Actual expenditure shown by SPMU	Reimbursement claims sent to IDA
2000-01	40.23	1.61*	1.40
2001-02	67.73	5.13	4.48
2002-03	122.51	18.30	15.53
2003-04	214.24	107.83	92.04
2004-05	198.92	128.94	109.67
2005-06	Not Projected	67.51	57.25
Total	643.63	329.32	280.37

* This figure includes an establishment expenditure of Rs 15.26 lakh incurred during 1999-2000.

As against claims of Rs 280.37 crore, claims reimbursed by the IDA to GOI upto March 2006 were Rs 270.42 crore.

Actual expenditure during 2000-2006 was Rs 329.32 crore against projected expenditure of Rs 643.63 crore. There was little progress in achieving project objectives during 2000-03.

The actual expenditure incurred during first three years (2000-03) was only Rs 25.04 crore against estimated expenditure of Rs 230.47 crore. The progress towards achievement of the objectives of DPIP was slow during initial years primarily due to delay in identification of NGOs/execution of agreements, non-performance by some NGOs, non-receipt of contribution from CIGs due to famine and inadequate monitoring of the work of NGOs by DPMUs and SPMU.

3.5.6.1 Irregular transfer of budgeted funds to Personal Deposit Account

The booked expenditure was inflated by Rs 58.08 crore by transferring funds to Personal Deposit/Bank accounts.

General Financial and Accounts Rules provide that funds should be withdrawn from the treasury for immediate disbursement only. Further, the rules also prohibit withdrawal of money to avoid lapse of budget by depositing in Public Account or in a bank.

Audit scrutiny revealed that Rs 58.08 crore⁸⁰ was transferred in excess by SPMU to non-interest bearing PD Account in stages since 2001. PD funds were partly transferred subsequently to the Bank accounts maintained by SPMU. Balances in PD account and bank accounts as of 31 March 2006 were Rs 22.93 crore and Rs 35.21 crore (inclusive of interest earned) respectively. The funds to the extent of Rs 58.08 crore were thus not actually spent, however, this amount was reflected in the expenditure statements furnished to Accountant General (A&E) giving incorrect impression as the extent of expenditure that has been stated to have been incurred.

80. 2000-01- Rs 3.85 crore; 2001-02- Rs 5.95 crore; 2002-03 - Rs 16.60 crore; 2003-04- Rs (-) 4.81 crore; 2004-05 - Rs 4.30 crore; 2005-06 - Rs 32.19 crore.

3.5.6.2 Irregular claim of reimbursement by exhibiting incorrect expenditure figures

State Government claimed reimbursement from IDA even for the unspent balance of Rs 54.12 crore lying in banks.

Till December 2002, money was transferred by DPMUs to the bank accounts of CIGs in instalments on receipt of utilisation certificates due after implementing each milestone in the sub-project. SPMU instructed (January 2003 and February 2004) DPMUs to transfer the funds in a single instalment into CIGs' bank accounts without awaiting recovery of beneficiaries' contribution and signing of Memorandum of Understanding (MoU). However, funds could be withdrawn by CIGs only after issue of authorisation letters from DPMU to bank in accordance with completion schedule of the sub-projects. The one time transfer of money was treated as expenditure by SPMU. Out of total expenditure of Rs 261.81 crore shown in the books of accounts up to March 2005, Rs 54.12 crore⁸¹ were lying unutilised in the various bank accounts. GOR claimed reimbursement from IDA even for the unutilised amount shown as expenditure and the same was also reimbursed. Thus, SPMU had exaggerated the financial progress. IDA pointed out (December 2003) excess claim of the credit by incorrect exhibition in accounts and directed that the accounts be corrected. This was also objected by audit in the audit certificate for the project for the year 2003-04.

On being pointed out in audit, SPMU issued (January 2006) fresh instructions to all DPMUs that funds be recovered where no activity was initiated even after six months of transfer of funds. Accordingly, recovery of Rs 22.22 crore has been made and adjustment/authorisation of Rs 29.12 crore was made by respective DPMUs during January to May 2006. However, Rs 2.78 crore was still lying in the various CIGs bank accounts as of May 2006 which have neither been recovered nor adjusted.

3.5.6.3 Wasteful expenditure on formation of CIGs

Every NGO was to be paid Rs 3,125 upon formation of a CIG. It was, however, observed that in five DPMUs⁸², 565 sub-projects that were approved to CIGs were cancelled, primarily due to non-receipt of contribution from beneficiaries. Similarly, 10 CIGs in Tonk district comprising only of non-BPL members, sub-projects were cancelled and funds that were transferred were recovered. The formation of these 575 groups did not serve any purpose and therefore expenditure of Rs. 17.97 lakh paid to NGOs for formation of these groups was wasteful. No steps had been taken to obtain refund of the amount from the NGOs.

3.5.6.4 Irregular payment of conveyance allowance

The Governing Council (GC) in its fifth meeting held in May 2005 granted conveyance allowance ranging from Rs 400 to Rs 1,000 per month to the project staff (Government employees) posted in Jaipur. Rs 0.92 lakh were paid in pursuance of the above decision during 2005-06. This was irregular as the

81. Baran (Rs 12.64 crore), Churu (Rs 5.01 crore), Dausa (Rs 11.29 crore), Dholpur (Rs 1.54 crore), Jhalawar (Rs 8.30 crore), Rajsamand (Rs 11.94 crore) and Tonk (Rs 3.40 crore).

82. Dausa (198), Dholpur (98), Jhalawar (144), Rajsamand (1) and Tonk (124).

GC was not authorised to regulate pay and allowance of the project staff. SPMU stated (June 2006) that GC was supreme body and empowered to take all decisions. Reply was not acceptable as payment of conveyance allowance without concurrence of Finance Department was irregular.

3.5.6.5 Non-recovery of balances from CIGs

In Rajsamand district a sum of Rs 7.15 lakh remained unspent in the accounts of 12 CIGs after completion of sub-projects between October 2002 and March 2005. Contrary to the provisions of Financial Management Manual of DPIP, SPMU instructed (January and July 2003) DPMUs to keep unspent amount with CIGs with the result that unspent amount of Rs 7.15 lakh was not received back by DPMU.

3.5.7 Project implementation

3.5.7.1 Irregularities in selection of Non-Governmental Organisations

To ensure flexibility and responsiveness to the village poor, DPIP was to involve NGOs for Project Implementation and Capacity Building and Support through community facilitators. Thus, the NGOs were vital links and intermediaries for successful implementation of the project. As of March 2006, agreements were executed with 94 NGOs for coverage of 5,743 villages having a total contract value of Rs 30.23 crore.

A review of records revealed following irregularities in the selection of NGOs:

(i) The NGOs were to be independently assessed by a screening committee. NGOs not achieving at least 75 out of 100 points fixed for qualifying criterion were to be disqualified. NGOs namely “Gram Vikas Navyuvak Mandal” and “Consumer Units and Trust Society” were selected (April 2002 and August 2003) without fulfillment of qualifying criterion.

(ii) Ten NGOs⁸³ though not considered and recommended by the screening committee on the basis of lack of experience, legal status etc. were finally selected (October to December 2003) by SPMU. As per World Bank Guidelines, State and district level workshops were required to be held for serving the purpose of introducing the project to potential NGOs, so as to identify willing and capable NGOs. No such workshops were organised.

83. 1. Gimat Education Rural Development Society (Rajsamand) 2. Neo Humanistic Development Society (Baran) 3. Creative Action for Rural Development (Churu) 4. Adarsh Saroj Vidya Mandir Samiti (Dausa) 5. Gramin Vikas Yuva Sansthan (Dausa) 6. Society for Education and Environment Training (Churu) 7. Shri Laxminathji Vikas Avam Prashikshan Sansthan (Tonk) 8. Shri Dev Narayan Gram Vikas Sansthan (Tonk) 9. Jan Sewa Khadi Gramodyog Vikas Samiti (Tonk) 10. Jhunjhunu Zila Paryawaran Sudhar Samiti (Churu).

3.5.7.2 *Shortfall in formation of CIGs and delay in submission of sub-projects*

As per PIP 6,912 villages were to be covered in the State. Against this 5,743 villages (83 *per cent*) only were allotted to 94 NGOs as of March 2006. Out of the 5,743 villages allotted, 205 villages in six project districts were not covered by NGOs due to non/short availability of BPL families in these villages. As such the selection of villages had been done without proper survey. Further, as per agreement executed with the NGOs, four CIGs per village were to be formed and after their formation, a sub-project proposal for each CIG was to be submitted within three months. Scrutiny of the relevant records revealed that against of 22,152 CIGs to be formed, 21,162 CIGs were actually formed till March 2006. Out of the formed CIGs, sub-projects of only 15,837 (74.84 *per cent*) had been approved as of March 2006.

The Government, while accepting the facts (October 2006) attributed the slow progress to continued famine during project period, enforcement of code of conduct due to elections and lack of awareness. The reply is not entirely acceptable as (a) period of code of conduct for elections is for a limited period, (b) it was the responsibility of NGOs to create awareness and irregularities in the selection of NGOs. Lack of monitoring of the work of NGOs at district and State levels as elucidated in paragraph 3.5.8 also contributed to shortfall in achieving the targets.

3.5.7.3 *Advances remaining unrecovered with NGOs*

Rupees 4.47 crore were advanced between November 2000 and August 2005 to 94 NGOs and seven units of Rajasthan Co-operative Dairy Federation (RCDF) by SPMU at the rate of 10 or 20 *per cent* of the total cost of agreement without any security. However, Rs 1.26 crore paid as advances to 57 NGOs and one unit of RCDF between April 2003 and August 2005 were outstanding till March 2006. Further scrutiny revealed that Rs 12.60 lakh were outstanding against three NGOs⁸⁴ till March 2006 who had not performed any task assigned to them. No action was taken to recover the advances from these three NGOs by SPMU.

In DPMUs Churu, Dausa and Dholpur it was observed that three NGOs⁸⁵ did not perform any tasks in the 87 villages that were allotted to them. The work allotted to these NGOs was not re-allotted and villages remained uncovered by institutional support.

As the payment to NGOs was linked to work performed, an analysis was carried out in audit considering the payment made to the NGOs with the targets to be achieved by them commensurate with payments released. It was observed that considering the payment released 85 *per cent* of the work should

84. Development Communication India, Baran (Rs 4.80 lakh), Sugam International Sansthan, Dholpur (Rs 4.80 lakh) and Uthan Gramin Evam Shahari Vikas Seva Samiti, Jhalawar (Rs 3.00 Lakh).

85. Khadi Mandir (10), Mata Shree Gomati Devi Jan Sewa Nidhi (MSGD) (14), Lupin Human Welfare and Research Foundation (63).

have been completed as against which only 29 per cent work was actually performed by the NGOs as of March 2006.

3.5.7.4 Non-extension of agreements with NGOs

In three districts, work initially allotted to five NGOs was neither re-allotted nor were agreements renewed after expiry of initial agreement period as per details below:

Sl. No.	District	NGO	Number of villages	Period of agreement	Number of CIGs formed	Number of sub-projects approved
1.	Churu	Khadi Mandir	67	31.10.03 to 31.10.05	225	10
2.	Dausa	MSGD ⁸⁶	100	1.8.2000 to 30.6.05	397	339
		GVYS ⁸⁷	30	29.11.03 to 31.10.05	93	48
		ASVM ⁸⁸	30	28.11.03 to 31.10.05	95	32
3.	Tonk	SSS ⁸⁹	62	7.8.03 to 31.10.05	146	72
		Total	289		956	501

From the above it would be seen that these NGOs were to cover 289 villages and form 1,156 CIGs and equivalent sub-projects but only 956 CIGs were formed and 501 sub-projects were approved. The balance 200 CIGs were yet to be formed and 455 sub-projects from the CIGs that had been formed were to be approved. Considering the total CIGs required to be formed, the number of sub-projects yet to be approved was 655. Despite this, the re-allotment/renewal of agreements with these NGOs has not been done. Efforts were also not made to cover the balance work of formation of CIGs and approval of sub-projects by appointing other NGOs. The coverage thus, in the selected village also was partial. Government while accepting the facts intimated (October 2006) that works of Khadi Mandir and SSS had now been allotted to other NGOs, while in other cases action was being taken.

3.5.7.5 Delay in approval of sub-projects

A sub-project was to be sanctioned by DPMU within 15 days from receipt of proposal from NGO/CIG. It was, however, noticed that there were inordinate delays in 1,990 cases in sanction of sub-projects ranging up to three months (1,654 cases), three to six months (234 cases) and more than six months (102 cases).

The Government, in their reply stated (October 2006) that delays were due to non-submission of complete proposals by the NGOs. No action was, however, taken by the DPMUs to remove the bottlenecks and to liaise with NGOs for submitting proposals in complete shape.

86. Mata Shree Gomati Devi Jan Sewa Nidhi.
 87. Gramin Vikas Yuva Sansthan.
 88. Adarsh Saroj Vidya Mandir Samiti.
 89. Shiv Shiksha Samiti.

Completion Certificates amounting to Rs 67.58 crore were only adjusted as against Rs 261.50 crore due upto March 2006. In DPMUs Baran, Dholpur, Jhalawar, Rajsamand and Tonk, 11 NGOs did not submit a single CC.

3.5.7.6 Adverse position of works' completion

As per PIP, a sub-project should be completed within six months from the date of release of first instalment and Completion Certificates (CCs) to be submitted immediately after completion. A review of works in all seven project districts revealed that out of Rs 261.50 crore transferred into CIG's accounts up to September 2005, CCs worth Rs 67.58 crore only had been adjusted till March 2006 which constituted only 26 *per cent* of the total funds transferred. It was also noticed that in DPMUs Baran, Dholpur, Jhalawar, Rajsamand and Tonk, 11 NGOs did not submit a single CC against the funds of Rs 31.04 crore transferred up to September 2005.

DPMUs stated (April-June 2006) that NGOs were directed to submit completion/utilisation certificates in time.

3.5.7.7 Non-achievement of training targets

(i) Two day orientation training was planned for members of all CIGs after group formation but before the sanction of the sub-projects with a view to help the CIGs understand DPIIP and to prepare the group for taking up a sub-project. It was noticed that as against 21,162 CIGs formed till March 2006, orientation training was imparted to only 12,645 CIGs (60 *per cent*).

(ii) To provide skill based training in leather, wood, textile, stone, ceramic, potteries etc., a MoU was signed (September 2003) between the DPIIP and Rural Non-farm Development Agency (RUDA) an agency of the GOR. Accordingly, RUDA was to arrange 700 training courses between September 2003 and June 2005. A review of the records revealed that no trainings were arranged by RUDA during September 2003 to February 2004 and only 215 skill-based trainings were arranged during March 2004 to March 2006 as against requirement of 700 training courses.

RUDA attributed the shortfall to non-constitution of CIGs by NGOs, unwillingness of CIGs to undertake the particular micro enterprise activity, delays in project appraisal and approval by the competent authority and due to elections. The fact remains that these issues were not adequately addressed at the planning stage of the project by SPMU.

3.5.7.8 Sanction of items included in negative list

In the project appraisal document, activities not eligible for project financing were indicated. Activities that do not directly improve the productivity of the poor, cost of running/operating constructed facilities, relief activities, rehabilitation or construction on private land or improvement of private property etc. were included in the negative list.

It was observed that 228 sanitation sub-projects were sanctioned in Churu district that had no relation with the primary objectives of the project. An amount of Rs 2.29 crore was transferred for these works till March 2006.

Activities like technologically complex construction or facilities that do not directly improve the productivity of the poor were not to be taken up for DPIP financing. It was, however, noticed that in Rajsamand district, Rs 95.96 lakh was sanctioned (September 2002 and July 2004) for causeway (Rs 36.14 lakh), construction of bridge (Rs 38.93 lakh), marble slurry brick construction (Rs 7.43 lakh) and marble slurry road (Rs 13.46 lakh). The Government stated (October 2006) that (a) such projects were sanctioned as a special case and are innovative in nature and (b) that causeway and bridge works were sanctioned for providing marketing linkages. The reply was not tenable because financing such works was in direct contravention of the objectives of DPIP and in no way had any direct bearing on improvement of economic activity of the individuals of CIGs.

3.5.7.9 Incomplete dovetailed relief works

Funds amounting to Rs 31.55 crore were provided (March 2003 to May 2005) by the DPIP for dovetailing famine relief works. However, 240 works e.g. construction of school building, *Anganbadi Bhawan*, health sub-centre, community centre, link roads etc. were lying incomplete (March 2006) for which Rs 2.41 crore⁹⁰ were transferred between March 2003 and August 2005. Thus, beneficiaries were deprived of the facilities due to non-completion of works. On being pointed out (July 2006) Government stated (October 2006) that (a) several works had actually been completed but their completion certificates had not been received and (b) DPMUs have been directed to obtain such completion certificates.

3.5.7.10 Non-submission/ pending insurance claims

Audit scrutiny revealed that under dairy and other sub-projects a total of 156 buffaloes, 2,091 goats and 140 sheep of CIGs died during August 2004 to April 2006 in Churu, Dausa, Dholpur, Jhalawar, Rajsamand and Tonk districts and insurance claims of CIGs amounting to Rs 12.63 lakh were pending as of June 2006 with insurance agencies out of total claims submitted for worth Rs 23.74 lakh. Though Rs 11.11 lakh were received during October 2004 to May 2006 against claims by CIGs in Churu, Jhalawar, Dholpur and Rajsamand districts, repurchasing of cattle had not been done till June 2006.

It was also noticed that 107 CIGs in Dholpur, Rajsamand and Tonk districts did not send claims amounting to Rs 27.45 lakh in respect of 1,809 cattle who had died during August 2004 to April 2006. Besides, DPMUs were not monitoring such cases of insurance claims.

3.5.7.11 Roads constructed despite the decision of Governing Council

No road works were to be sanctioned as per GC's decision of March 2002. However, it was noticed that six cement concrete roads were sanctioned (June and July 2002) in Dholpur and Rajsamand districts and an amount of Rs 34.35

90. Baran-38 (Rs 47.19 lakh), Churu-61 (Rs 46.25 lakh), Jhalawar-75 (Rs 74.58 lakh), Rajsamand- 63 (Rs 64.57 lakh) and Tonk-3 (Rs 7.98 lakh).

lakh was transferred in CIG's accounts between July 2002 and June 2004. DPM, Dholpur stated that administrative/technical sanctions were issued before above decision. DPM, Rajsamand stated (June 2006) that decision of GC was received after issue of sanctions. Reply was not tenable because financial sanctions were issued after March 2002.

3.5.7.12 *Non-taking up of feasibility studies before sanction of sub-projects*

Three sub-projects relating to fisheries were sanctioned by DPMU, Dholpur for Rs 9.11 lakh in February and April 2002 and a sum of Rs 6.59 lakh was transferred in CIG's bank accounts. It was reported to SPMU (November 2003) by DPM, Dholpur that fisheries sub-projects were not viable in Dholpur district due to the high temperature during summer. It was also reported in the meeting of district coordination committee held in February 2004 that due to shortage of water, fisheries sub-projects failed in Dholpur district. Thus, technical viability was not seen before sanction of sub-projects resulting in wasteful expenditure of Rs 6.59 lakh.

Fifteen sub-projects relating to land leveling and cultivation of medicinal plants (*safed musli*) were sanctioned by DPMU, Rajsamand in June and July 2002 and Rs 18.72 lakh were transferred in CIG's accounts. However, the crop was not successful due to low rainfall and alternate arrangements for supply of water could not be made. SPMU directed DPMU (November 2003 and February 2004) to submit revised proposals for new crops after deducting the cost of the seeds of *safed musli*. No action was taken till March 2006 and Rs 4.81 lakh were still lying unutilised in bank accounts of CIGs (May 2006). As funds of Rs 13.91 lakh had already been expended without benefits by CIGs, through the revised project with limited funds the objectives of providing livelihood may not get achieved to these CIGs.

3.5.7.13 *Delay in completion of irrigation/ drinking water wells*

Eighty two irrigation/ drinking wells in Baran, Dholpur and Jhalawar were not completed though an amount of Rs 1.09 crore was transferred.

Seventy one sub-projects of wells (58 irrigation and 13 drinking) were sanctioned between June 2001 and March 2002 by DPMU, Dholpur for Rs 2.63 crore⁹¹. Out of this, Rs 93.51 lakh were transferred in CIGs accounts. The estimate was finalised by a committee comprising of members from DPMU, Public Works Department (PWD), Public Health Engineering Department, and 'Lupin' (a NGO) in April 2001. On receipt of complaints, an enquiry was initiated by SPMU (September 2001) in which DPM, Dholpur and Manager (Monitoring and Learning) were found guilty (April 2003) for approving higher rates. The case is under investigation in Anti Corruption Bureau (May 2006). On the request (June 2003) of DPMU, Executive Engineer, PWD intimated (June 2003) estimated rates of Rs 2.25 lakh per well. As this was considered too low by the NGO, no further work was executed. Further, revised rates of Rs 3.10 lakh per well recommended by a committee constituted under the Chairmanship of Collector were approved (May 2006). The sub-projects thus could not be completed for more than four

91. Average cost per well: Rs 3.70 lakh.

years and the beneficiaries were deprived of irrigation/drinking water facilities.

DPMU, Baran sanctioned nine tube-well sub-projects during March 2003 to January 2004 and transferred an amount of Rs 12.32 lakh in CIG/*Gram Panchayat* accounts. Similarly, in Jhalawar district, two sub-projects of drinking water wells were sanctioned for Rs 3 lakh in December 2004 without feasibility report from Ground Water Department. The above 11 sub-projects remained incomplete (March 2006) and no benefits had accrued to CIGs.

3.5.7.14 Funds transferred for Milk collection centres remained unutilised

Rupees 1.66 crore were transferred by five DPMUs⁹² between December 2003 and February 2005 for 142 dairy sub-projects involving construction of milk collection centres. However, no centre was constructed and amount transferred into CIGs' accounts remained unutilised as of March 2006. The Government, while accepting the facts stated (October 2006) that six milk collection centres were under construction and in remaining cases amount was being recovered.

3.5.7.15 Model cost estimates not prepared

During review it was seen that activity wise model cost estimates were not prepared. Without model costs, different items were included at different rates by DPMUs while approving sub-projects. This resulted in cost variation even in similar types of sub-projects as discussed below:

SPMU allowed (January 2003) purchase of radios for CIGs at a rate not exceeding Rs 500 per unit. However, DPMUs/NGOs procured 7,204 radios at rates ranging from Rs 460 to Rs 762 for a total amount of Rs 42.26 lakh. State level tenders were not floated for purchase of radios for obtaining minimum rates. This resulted in extra expenditure of Rs 9.12 lakh in comparison to the lowest rate of Rs 460 per radio.

In DPMU, Dholpur it was noticed that minimum market rates were not finalised for bee-keeping boxes. Test check revealed that 1,531 boxes were purchased by CIGs/NGOs at different rates ranging from Rs 1,540 to Rs 4,335 per box between January 2003 and January 2006. It was also observed that rates of bee-keeping boxes ranged from Rs 2,000 to Rs 3,300 in the budget for sub-projects during 2003-04 to 2004-05. Extra expenditure of Rs 16.78 lakh was incurred in comparison with the lowest rate of Rs 1,540 per box.

Reasons for non-preparation of models were not intimated.

3.5.8 Lack of Monitoring

Only six meetings of GC and seven meetings of Empowered Committee (EC) were held upto March 2006 since inception of the project. No meeting of GC was held during 2002-2003 and EC during 2004-2005. Compliance of

92. Baran (Rs 40.95 lakh), Dausa (Rs 22.23 lakh), Jhalawar (Rs 23.40 lakh), Rajsamand (Rs 16.38 lakh) and Tonk (Rs 63.18 lakh).

decisions taken in the 2nd meeting of GC (March 2002) to convene meeting in each quarter was also not done.

A monthly progress report in a prescribed format was required to be submitted by the NGOs to the DPMU by 7th of the next month alongwith CIG-wise information of funds received, expenditure, balance at the end of the month and progress of work etc. information of group formation, sanction of sub-projects, training, status of sub-project, quantity of production with value, sale of finished products amount of profit/loss, benefit to BPL families etc. The DPMU was required to send monthly progress report to SPMU indicating consolidated information regarding CIG formation, sub-projects sanction, funds transfer etc.

It was, however, noticed that the Monthly Progress Reports (MPRs) were not submitted by the NGOs in time and in complete form. The information regarding production, sales etc. were not filled in. In absence of MPRs, status of sub-projects could not be known at DPMU level.

Audit scrutiny also revealed (a) monthly/quarterly progress reports were not being sent by RUDA/RCDF consultants, (b) monthly/six monthly progress reports were not being sent regularly by SPMU to IDA and (c) discrepancies existed between the figures maintained by DPMUs at district level and SPMU at State level regarding funds sanctioned and expenditure incurred.

Asset Register in complete format containing details about date of acquisition, value, physical verification report, etc. was not available. District-wise details of beneficiaries' contribution were not shown in accounts. It was intimated (July 2005) by the SPMU that beneficiary contribution would be taken into account on receipt of CC.

3.5.9 Conclusion

The pace of implementation during first three years was slow with the result that actual expenditure was only Rs 329.32 crore as against a projected expenditure of Rs 643.63 crore during the six years 2000-06. Money was transferred to CIG accounts with riders resulting in funds remaining unutilized in banks. Eighty two irrigation/drinking wells in Baran, Dholpur and Jhalawar were not completed though an amount of Rs 1.09 crore was transferred to CIG/*Gram Panchayats* accounts depriving the beneficiaries of irrigation/drinking water facilities. Two hundred forty works relating to construction of school buildings *Anganbadi Bhawans*, health sub-centres, community centres and link roads etc., for which Rs 2.41 crore were transferred, were lying incomplete as of March 2006 which deprived the beneficiaries from the facilities. There were delays in formation of CIGs and in submission of sub-projects and transfer of money to CIG's accounts. Pendency of huge amounts of completion certificates reflected upon deficiencies in implementation of project and control mechanism. There was significant shortfall in fulfilling training requirements of CIGs, which was essential for successful implementation of the project. It was, further, observed that many sub-projects, which did not benefit the poor people directly, were undertaken. Many capital intensive works including construction of roads,

bridges etc. which were not covered under the project were also undertaken. Monitoring by DPMUs and SPMU was weak.

3.5.10 Recommendations

- Unutilised amounts lying in CIG's accounts without accomplishment of any tasks should be recovered immediately.
- Mechanism should be evolved to keep watch over timely receipt and adjustment of the completion certificates in order to enable close watch over physical progress achieved in this project.
- Action should be taken to cover the remaining villages, which have remained uncovered in the project. Fresh agreements should be executed in cases where NGOs had not started the work or extension could not be provided after expiry of the agreements.
- Items of work particularly capital intensive and technologically complex works should not be undertaken as they do not have any direct bearing on fulfillment of objectives of the project particularly in providing employment opportunities to the members of the CIGs.
- Model cost estimates should be prepared for each sub-project activity applicable to all the districts.
- The instructions pertaining to obtaining of monthly progress reports from NGOs needs to be reiterated and the system should be evolved to keep a tab over timely and complete receipt of information to be furnished by NGOs at the prescribed duration.

FOOD, CIVIL SUPPLIES AND CONSUMER AFFAIRS DEPARTMENT

3.6 Food Security, Subsidy and Management of Foodgrains

3.6.1 Introduction

Food Management strategy involves procurement of foodgrains at reasonable prices from farmers, its storage/handling, maintenance of buffer stocks and implementation of a well targeted and properly functioning Public Distribution System (PDS) which is a major instrument for ensuring availability of foodgrains to the public at affordable prices as well as for enhancing the food security of the poor. Government of India (GOI) introduced and Government of Rajasthan (GOR) implemented a number of schemes for distribution of foodgrains to the needy based on the economic and social status of beneficiaries, namely Targeted Public Distribution System (TPDS) for Above Poverty Line (APL) and Below Poverty Line (BPL) families, *Antyodaya Anna Yojana* (AAY) and *Annapurna* Scheme.

Under TPDS, 35 kg of foodgrains are provided to the APL and BPL families at subsidised rates fixed by GOR on recommendation of GOI. The retail price at Fair Price Shop (FPS) for BPL families was fixed (August 2005) by GOR at Rs 4.70 per kg for wheat and Rs 6.30 per kg for rice. In case of APL families, retail price at FPS level was fixed (August 2005) at Rs 6.80 per kg for wheat and Rs 9 per kg for rice.

AAY was introduced (December 2000) by GOI for providing 35 kg of foodgrains to the poorest of the poor identified from amongst the BPL families at highly subsidised rates of Rs 2 and Rs 3 per kg for wheat and rice respectively. Additional subsidy for this scheme is provided by GOI.

Annapurna Scheme provided food security to those who are 65 years or above in age and not getting old age pensionary benefits. The scheme was launched (April 2000) by GOI and persons identified in the scheme are entitled to get 10 kg of foodgrains per month free of cost. Funds for this scheme were provided by GOI till December 2002 and thereafter it was brought under State Plan.

The audit objectives were to ascertain whether (a) mechanism for identification of target groups, (b) distribution arrangements of foodgrains, and (c) quality control system were proper, adequate and effective.

The schemes pertaining to TPDS, AAY and *Annapurna* Scheme are being implemented under the overall administrative control of the Principal Secretary, Food, Civil Supplies and Consumer Affairs Department with assistance of a Commissioner at the State level. At district level, District Supply Officers (DSOs) are responsible for implementing the schemes.

Distribution of foodgrains

3.6.2 Shortfall in lifting of foodgrains against allotment

The Food, Civil Supplies and Consumer Affairs Department was responsible for the distribution of foodgrains to people through TPDS. Test check of records of Commissioner, Food, Civil Supplies and Consumer Affairs Department revealed that the demand for foodgrains was assessed by the Department on the basis of allotment of previous year instead of actual off take in the past. This resulted in short lifting of foodgrains at the State level during 2001-06 as per details in the table:

(In metric tonnes)

	APL			BPL			AAY			Percentage of shortfall		
	Allotted by GOI	Lifted	Short lifted	Allotted by GOI	Lifted	Short lifted	Allotted by GOI	Lifted	Short lifted	APL	BPL	AAY
2001-02												
Wheat	3,92,160	12,969	3,79,191	5,39,323	3,65,458	1,73,865	1,10,496	1,01,939	8,557	97	32	8
Rice	9,360	85	9,275	5,732	500	5,232	1,284	484	800	99	91	62
2002-03												
Wheat	29,30,382	1,47,651	27,82,731	7,94,796	6,26,910	1,67,886	1,54,692	1,48,176	6,516	95	21	4
Rice	72,210	10	72,200	9,252	448	8,804	1,800	425	1,375	100	95	76
2003-04												
Wheat	26,96,376	1,05,960	25,90,416	7,69,728	5,92,890	1,76,838	1,79,760	1,64,460	15,300	96	23	9
Rice	67,380	0	67,380	8,960	317	8,643	2,092	329	1,763	100	96	84
2004-05												
Wheat	26,96,376	3,02,814	23,93,562	7,01,294	6,50,466	50,828	2,48,194	2,28,637	19,557	89	7	8
Rice	67,380	0	67,830	8,162	0	8,162	2,890	325	2,565	100	100	89
2005-06												
Wheat	21,88,544	1,98,433	19,90,111	5,17,808	4,48,715	69,093	3,36,195	2,93,333	42,862	91	13	13
Rice	5,75,212	190	5,75,022	75,574	19,803	55,771	3,823	2,318	1,505	100	74	39

The DSOs of the nine test checked districts⁹³ attributed the shortfall in lifting for APL category to availability of wheat in open market at comparable prices and a segment of the population preferring coarse grain like maize (in Udaipur and Chittorgarh). Short lifting in BPL category was attributed to poor economic conditions of beneficiaries and availability of foodgrains in other related schemes. It was observed in audit that there was no system in the State to monitor the progress of receipt of foodgrains by BPL population under other foodgrain based schemes; therefore the extent of effect of other schemes on lifting under TPDS remained unanalysed.

Test check revealed that short lifting of foodgrains was attributable to inadequacies in internal control mechanism as reflected in the following instances that were noticed during test check of various DSOs:

- Three DSOs did not lift 12535.50 MT⁹⁴ of foodgrains for BPL and AAY categories during 2005-06 due to non-distribution of previous stocks and

93. Alwar, Barmer, Baran, Banswara, Chittorgarh, Churu, Dungarpur, Jaipur and Udaipur.

94. Barmer (BPL : 740 MT), Banswara (BPL : 11,585.50 MT) and Chittorgarh (AAY : 210 MT).

lack of coordination between FPS dealer and wholesale dealers leading to accumulation of stock with wholesale dealers.

- In Alwar district, *Kraya Vikraya Sahakari Samiti* (KVSS), Behror (Alwar) did not lift the monthly allotment of foodgrains for 32 months and 19 months under BPL and AAY schemes respectively during 2001-05. Thus, BPL and AAY beneficiaries of Behror *tehsil* were deprived of the benefits.
- The KVSS, Kherli (Alwar) did not lift the allotted foodgrains under *Annapurna* Scheme during January to March 2005 due to non-deposit of dues by KVSS to Food Corporation of India (FCI). Thus, 623 beneficiaries of the scheme could not derive benefits for three months.
- Likewise, a FPS in Kishanganj *Tehsil* (Baran) did not lift wheat under BPL scheme during July 2003 to July 2004 depriving 169 families of the benefits.

Government while accepting the facts stated (October 2006) that concerned DSOs are being asked to take suitable action against defaulting wholesale dealers viz. KVSSs.

3.6.3 Foodgrains were not distributed to beneficiaries of Annapurna Scheme for entire period

To expand the coverage of *Annapurna* scheme, GOR fixed (February 2005) a target of identifying an additional 0.87 lakh persons by 31 March 2005. Against this, 45,956 beneficiaries only could be identified till September 2005. Even the identified 45,956 beneficiaries were not given any foodgrains since October 2005. This was due to non-release of funds to DSOs by Department despite availability of funds in the budget.

Government stated (October 2006) that GOI is providing foodgrains for only those persons who were identified before transfer (December 2002) of *Annapurna* Scheme to State Plan and refused to give foodgrains for persons identified thereafter and that the matter has been taken up with the Ministry of Rural Development, GOI. Reply is not tenable as the targets were fixed by the State Government after transfer of the scheme to State Plan, as such; the Department should have ensured providing of funds to DSOs for lifting of foodgrains as GOI was ready to provide foodgrains at open market rate.

3.6.4 Foodgrains were not distributed as per prescribed scales

Test check of records of Commissioner, Food, Civil Supplies and Consumer Affairs Department, Rajasthan and nine DSOs revealed that BPL and AAY beneficiaries under TPDS were not getting the foodgrains as per the prescribed scale of 35 kg per month from November 2005. Average distributions during November 2005 to March 2006 were found to be 22.49 kg in BPL and 28.74 kg in AAY at State level. This was mainly due to short availability of foodgrains in some FCI depots.

Government attributed (October 2006) the low level of distribution to the beneficiaries not lifting rice.

Identification of beneficiaries

3.6.5 Identification of ineligible persons under Annapurna Scheme

Scrutiny of lists of beneficiaries indicating their names and age recommended by *Panchayat Samitis* at offices of six DSOs⁹⁵ revealed that 737 beneficiaries of *Annapurna* Scheme were below the age of 65 years. This resulted in providing benefits to ineligible persons.

Government stated (October 2006) that after verification names of ineligible persons, if any, will be deleted.

Monitoring and quality control system

3.6.6 Issue of wheat having less than "Fair Average Quality"

Foodgrains were lifted from FCI without ascertaining Fair Average Quality.

According to the Public Distribution System (PDS) Control Order, 2001, the quality of wheat to be distributed under various schemes should conform to fair average quality. Scrutiny of records revealed that one railway rake of wheat containing 46,091 bags of quality less than fair average was received (July 2003) at Chanderia, Chittorgarh for various food security schemes. FCI accepted (November 2005) that the quality of wheat delivered was less than fair average and stock was issued after acceptance of State Government.

Government stated (October 2006) that (i) DSOs have been directed to take samples while lifting the foodgrains from the FCI depots and (ii) FCI must also ensure supply of fair average quality foodgrains.

3.6.7 Issue of poor quality wheat against norms of quality control

Government of India allowed (July 2001) procurement of wheat with lustre lost⁹⁶ grains upto a maximum extent of 50 per cent to meet the norms of quality control. Later, GOI directed (August 2002) to stop the issue of lustre lost stocks irrespective of its percentage under TPDS. A review of records at Food Storage Depot, FCI, Churu, revealed that 5,453 MT lustre lost wheat (cost Rs 3.33 crore) was issued under various schemes during July 2001 to August 2002 out of which 1,826 MT wheat contained more than 50 per cent of the lustre lost grains. For rest of the quantity (3,627 MT), percentage of lustre lost grains was not recorded. Further, a quantity of 344 MT of lustre lost wheat was issued (December 2002) after GOI instructions (August 2002).

Government stated (October 2006) that comments of FCI are being obtained on this matter. The reply was not tenable as the lustre lost grains should not have been accepted by the DSOs.

95. Baran, Banswara, Barmer, Chittorgarh, Churu and Jaipur.

96. Dull appearance of wheat.

3.6.8 Non-submission/delay in submission of Utilisation Certificates to GOI by State Government

According to PDS Control Order, August 2001, future allocation of foodgrains was to be linked with the regular receipt of reports and furnishing of Utilisation Certificates (UCs) from the State within a period of two months from the month for which the earlier allocation was made. Test check of records of Food, Civil Supplies and Consumer Affairs Department, Rajasthan revealed that these instructions were not being followed and there were delays in submission of UCs ranging from four to six months which pertained to the period August 2004 to March 2005. Further, it was also noticed that UCs for the year 2005 -06 were not submitted to GOI.

Government stated (October 2006) that efforts will be made for submission of UCs in time.

3.6.9 Shortfall in meeting held by vigilance committees

As per PDS Control Order, August 2001 and GOR directions (May 1999), vigilance committees were to be constituted at district, *tehsil*, and FPS level for keeping effective watch on the distribution of foodgrains under various schemes of TPDS. These committees were required to meet once in two months at district level and monthly at *tehsil* level and FPS level.

Test check of records of DSOs of nine selected districts, revealed that only 18 district level meetings were held in Churu, Dungarpur and Udaipur districts against the requirement of 90 meetings during 2001-06. No district level meetings were being held during 2001-06 in rest of the six selected districts. No information was provided in respect of other such committees in the test checked districts. An audit survey of 108 FPSs in nine districts further revealed that no meetings of the FPS level vigilance committee was ever been held in 49 shops⁹⁷.

Government stated (October 2006) that Collectors and Divisional Commissioners will be instructed to ensure that the vigilance committees meet in time.

3.6.10 Shortfall in inspection

As per instructions of GOR issued in January 2002, DSOs and Enforcement Officers (EOs)/Inspectors were required to conduct nine and 15 inspections of FPSs per month respectively. Review of records of Commissioner, Food, Civil Supplies and Consumer Affairs Department revealed that the shortfall in inspection of DSOs and EOs/EIs ranged between 28 to 42 and 68 to 74 *per cent* respectively in 24 districts during the period 2001-05. No information was available with Commissioner regarding eight other districts in the State.

While accepting the facts, Government stated (October 2006) that shortfall in inspections was due to shortage of enforcement staff.

97. Alwar : 12, Banswara : 10, Baran : 12, Barmer : 10 and Churu : 5.

3.6.11 Conclusion

Implementation of various schemes reflected inadequacies and deficiencies in execution and monitoring. Shortfall in lifting of foodgrains was noticed during the period 2001-06 in BPL and AAY categories. Further, foodgrain was not distributed as per prescribed scale resulting in hardship to the beneficiaries.

3.6.12 Recommendations

- Reasons for short lifting of foodgrains at district levels should be comprehensively analysed and measures taken at State Government level to stop short lifting of foodgrains under BPL and AAY schemes.
- Government of Rajasthan should ensure the regular meeting of vigilance committees at district, *tehsil* and FPS levels for effective working of Public Distribution.

DEPARTMENT OF TOURISM, ART AND CULTURE

3.7 Implementation of Tourism Policy of Rajasthan

3.7.1 Introduction

The Tourism Policy of Rajasthan launched in September 2001, was formulated for (i) optimum utilisation of rich tourism resources of the State to generate employment specially in rural areas; (ii) to develop a ready market for the rich and varied handicrafts; (iii) to preserve varied bio-diversity, natural, historical and cultural heritage of the State by scientific methods.

The Policy envisages that the State will play the role of a catalyst, promoter and facilitator and encourage private sector participation to accelerate the contribution of tourism industry in socio-economic development of the State. The Department of Tourism (DoT) and Department of Art and Culture (DOAC) were to administer and implement the Policy.

Audit evaluation of the implementation of Tourism Policy covered the period 2001-02 to 2005-06. Audit was conducted in the office of Commissioner, DoT, two Regional Tourists Offices at Jodhpur and Udaipur, seven out of 12 Tourist Reception Centres⁹⁸ and Director of Archaeology and Museums during April to June 2006. Important points noticed are mentioned in succeeding paragraphs.

3.7.2 Financial Management

Budget allotments were not utilised in full.

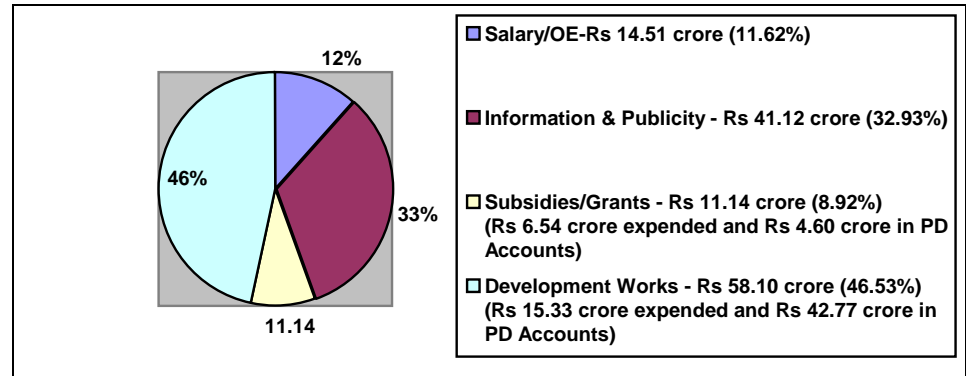
3.7.2.1 During 2001-06 the DoT incurred expenditure of Rs 124.87 crore against budget provision of Rs 159.78 crore as detailed in *Appendix-XXIII*. Rs 34.91 crore were not utilised due to vacancy of posts (Rs 0.72 crore) and less expenditure (Rs 34.19 crore) on development works/publicity/grants etc. which resulted in surrender (Rs 32.98 crore) and lapse (Rs 1.93 crore) of allotted budget. The DoT attributed the surrender mainly to reduction in annual plan ceiling by the Planning Department. The contention of DoT is not acceptable since the plan ceiling is usually reduced only after review of progress of the expenditure that has been incurred. In the event the expenditure that has been slated has not been incurred and progress has been slow, orders for revised plan ceiling entailing reduced expenditure are issued.

3.7.2.2 Out of the expenditure of Rs 124.87 crore during 2001-06, Rs 56.93 crore⁹⁹ was transferred to Personal Deposit (PD) Account of Rajasthan Tourism Development Corporation (RTDC-Rs 50.24 crore), Department of Archaeology and Museums (DoA&M-Rs 3.71 crore), Rajasthan State Museum Management and Development Society (RSMM&DS-Rs 0.15 crore) and Amber Development and Management

⁹⁸ Alwar, Bikaner, Jaipur, Jhalawar, Jodhpur, Udaipur and Sawaimadhopur.

⁹⁹ 2001-02 (Rs 1.47 crore), 2002-03 (Rs 2.58 crore), 2003-04 (Rs 8.12 crore), 2004-05 (Rs 8.14 crore) and 2005-06 (Rs 36.62 crore).

Authority (AD&MA-Rs 2.83 crore). It was observed that the expenditure incurred during 2001-06 out of PD Account was Rs 9.56 crore only. Thus, the expenditure incurred by the DoT was inflated to the extent of Rs 47.37 crore. The break up of the expenditure of Rs 124.87 crore is depicted below:



3.7.2.3 Funds were transferred to PD Account of RTDC with the instructions that these would not be withdrawn for the purpose other than the purpose for which these were provided. It was, however, observed that during 2004-06 RTDC withdrew Rs 20.26 crore¹⁰⁰ from PD Account and invested in Fixed Deposits with Oriental Bank of Commerce and Allahabad Bank, Jaipur to earn interest at the rate of 4.00 to 7.25 *per cent* per annum. Such transfers did not have approval of Finance Department (FD) and violated the instructions of the FD.

3.7.3 Formulation of Master Plan and enactment of Tourism Trade Regulation Act for growth and regulation of tourism

Absence of a Master Plan and a regulatory law has reduced the envisaged role of the State.

3.7.3.1 Framing of a comprehensive Tourism Master Plan covering all potential tourist destinations and its execution in a time bound manner was *sine-qua-non* for the growth of tourism sector and to achieve objectives laid down in the Policy. However, such a Plan has still to be framed (July 2006). In absence of the Master Plan, DoT was unable to (a) formulate any location or region based plan with deliberations on the potential of each destination and (b) draw an investment plan and annual action plan based on the Master Plan for the development of tourism in the State. The above indicated that measures taken to achieve the goals set out in the policy were driven by *ad hoc* planning and therefore the benefits that could have been obtained from comprehensive Master Plan could not be derived.

3.7.3.2 To (a) support safety, security and trouble free stay of tourist and (b) protect possible exploitation and harassment of tourists, a Tourism Trade Regulation Act was envisaged in the Policy. The Act was projected to conserve and preserve tourist areas and to regulate persons/agencies/institutions dealing with travel and tourism. No such legislation has been enacted so far (July 2006) for regulating tourism trade despite various complaints of exploitation that have been received from tourists.

100. 2004-05 (Rs 1.45 crore) and 2005-06 (Rs 18.81 crore).

3.7.3.3 In absence of a Master Plan and a regulatory law the envisaged role of the State as a catalyst and controller/regulator of tourism trade and its growth had remained unachieved.

3.7.4 Infrastructure Development

3.7.4.1 The Policy recognises that (a) creation of adequate and suitable tourism infrastructure is essential for tourism development in the State, (b) the Government as well as private sector shall jointly develop such an infrastructure and (c) efforts should also be made to dovetail Central assistance, State Plan resources with private investment.

DoT was not aware about the actual establishment of tourist units in the private sector.

3.7.4.2 To promote public-private participation in developing tourism infrastructure, incentives and concessions were offered by State Government to new units (hotels, safari park, holiday resorts, amusement parks, ropeways, multiplexes/lodging units, camping sites etc). Remissions and reductions in stamp duties and luxury taxes to the extent of 50 to 100 *per cent* were offered for such units subject to certain conditions like minimum investment of Rs one crore and commencement of operations by a stipulated date. These concessions were to be considered by Revenue and Sales Tax Department respectively on furnishing of a certificate by the DoT on the bonafide of the private unit holder.

During 2001-06, proposals of 112 private units involving estimated investment up to Rs 261.93 crore as detailed below were approved by DoT.

Sl. No.	Year	Number of units	Estimated investment (Rs in crore)
1.	2001-02	36	45.95
2.	2002-03	22	39.70
3.	2003-04	12	49.84
4.	2004-05	19	19.95
5.	2005-06	23	106.49
Total		112	261.93

Test check (May 2006) in Alwar, Bikaner, Jhalawar and Jodhpur, Tourism Offices revealed that Deputy/Assistant Directors of Tourism in these districts were not aware of any such approvals during last five years. The DoT also did not monitor whether the units actually qualified for the concessions granted in terms of minimum investment and had commenced operation on or before the stipulated date. As no details were available with these offices the possibility of misutilisation of incentives/concessions in shape of remissions in Luxury Taxes and Stamp Duty cannot be ruled out.

Shortage of accommodation for tourists.

3.7.4.3 On the basis of projected tourist arrivals, DoT estimated (September 2001) the need for 39,000 rooms by 2005 at important tourists places. Against this, availability was only 32,549 rooms (December 2005), causing a shortage of 6,451 rooms (17 *per cent* shortage). Thus, DoT was not able to encourage enough private investment in the hotel industry. Moreover,

out of 71 tourist units in public sector, 19 tourist units¹⁰¹ (hotel/motel/wayside facilities) having 22 rooms remained closed during 2001-06 due to uneconomical operations.

3.7.4.4 Efforts were to be made to dovetail Central assistance and State Plan funds to achieve goals set in the Policy. Government of India, Ministry of Tourism (GOI) accorded sanctions to 15 project proposals of Rs 53.95 crore made by DoT, Government of Rajasthan during 2001-06. For these works/projects the State Government had released Rs 0.15 crore only on 31 March 2006 against their share of Rs 5.40 crore while Government of India released Rs 35.76 crore against their share of Rs 48.55 crore. Of this, State Government released Rs 35.21 crore to executing agencies and only Rs 1.28 crore was spent on six works and Rs 33.93 crore deposited in PD Accounts of RTDC (Rs 27.39 crore), DoA&M (Rs 3.71 crore) and AD&MA (Rs 2.83 crore). It was observed that though these funds (Rs 33.93 crore) were lying in PD Accounts but were shown as expended in the State Government Account.

Delay in release of funds adversely affected improvement of infrastructure for tourism development.

3.7.4.5 Audit examination revealed that out of 15 works sanctioned by GOI during 2001-06, only three works¹⁰² of 2001-04 costing Rs 1.15 crore were completed, two works¹⁰³ of 2003-05 costing Rs 7.94 crore were in progress and ten works of 2004-06 costing Rs 44.86 crore were yet to commence despite a lapse of two to 12 months from the date of their sanction. Of these ten works, funds (Rs 12.89 crore) for five works¹⁰⁴ of 2004-05 were received from GOI in February-March 2005 but State Government had released Rs 12.67 crore for four works to executing agencies after lapse of six to ten months due to delay in according Administrative and Financial sanctions by DoT and Rs 0.22 crore for one work¹⁰⁵ had not been released (March 2006). Similarly, funds (Rs 15.64 crore) for four works¹⁰⁶ of 2005-06 received from GOI in November-December 2005 were released in March 2006. The delay in release of funds to executing agencies impacted upon timely completion of works consequently the purpose of improvement of infrastructure for development of tourism also was adversely affected.

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101. Closed units included (i) Hotel Hanumangarh, (ii) Hotel Jaisamand, (iii) Hotel Purjan Niwas, Mount Abu, (iv) Rest House, Haldighati, (v) Yatrika, Salasar and (vi) Yatrika, Keladevi.
 102. (i) Food Festival at Mumbai and Vadodara, (ii) Lok Rang Mahotsav at Jaipur and (iii) purchase of Swiss cottages for Pushkar.
 103. (i) Renovation of existing Vishram Sthali at Pushkar Road and (ii) Development of Hadoti Circuit.
 104. (i) Development of NCR Circuit, (ii) establishment of elephant village, (iii) establishment of sound and light show at Amber (Jaipur), (iv) Development of Amber Fort and (v) conversion of Rajasthan web portal in five other languages.
 105. Conversion of web portal of Rajasthan into five other languages.
 106. (i) Development and conservation of Hawa Mahal and Jantar Mantar, Jaipur, (ii) Integrated Development of Mewar Wagad Circuit, (iii) Development of Brij Bhoomi Religious Tourism Circuit and (iv) Integrated Development of Pushkar.

3.7.4.6 Apart from above, DoT had sanctioned 61 works from State plan during 2001-06 amounting to Rs 19.41 crore as tabled below:

Sl. No.	Year	Works sanctioned		Works completed (Number of works)	Works incomplete (Number of works)
		Number of works	Amount (Rs in crore)		
1.	2001-02	06	4.61	3	3
2.	2002-03	07	1.30	3	4
3.	2003-04	05	1.42	1	4
4.	2004-05	28	3.04	-	28
5.	2005-06	15	9.04	-	15
Total		61	19.41	07	54

Out of the 61 works, seven works costing Rs 4.20 crore (22 per cent) were completed while 54 works with an estimated cost of Rs 15.21 crore (78 per cent) were lying incomplete after incurring expenditure of Rs 1.83 crore. Of these, 26 works were in progress and 21 works¹⁰⁷ had not even started after a lapse of one to four years. Status of progress of seven works was not available with DoT.

Fruitful utilisation of subsidy of Rs 5.11 crore could not be ascertained.

3.7.4.7 The State Government introduced (November 1993) a State Capital Investment Subsidy Scheme (CIS) for establishment and development of tourism units. It was applicable to tourism units and all heritage hotels established in the State. The quantum of CIS was based on eligible investment made in fixed assets (land, building, plant and machinery, electric and sanitary installation) and other miscellaneous items of a approved tourist unit during operative period (upto March 1999). DoT sanctioned Rs 5.11 crore as subsidy on capital investment to 55 private tourism units (amount ranging between Rs 1.14 lakh and Rs 20 lakh) during 2001-02 to 2003-04 to accelerate tourism development in the State. As per guidelines of the scheme tourism units receiving subsidy had to be furnished to disbursing agency (DoT) annual performance report for a period of five years from the year of disbursement of subsidy. The subsidy was recoverable along with 15 per cent interest from the unit if they failed to submit the report. It was, however, observed in the 13 test checked units¹⁰⁸ that though the mandatory annual performance report was not submitted (March 2006) by these units to DoT, it had failed to initiate action against them. Further, DoT had not conducted inspection to ascertain the proper utilisation of subsidy and performance of these units. Thus, in absence of proper watch on the performance and inspection of beneficiary units by

107. Some of the important works which have not even started were (i) conservation of Jaisalmer Fort, (ii) conservation of Palace of Talabshahi, Dholpur, (iii) Development of Museum Statues in Shree Mahaveerji, (iv) construction of water tank for elephants at Amber, Jaipur and (v) Development of Mewar Complex.

108. (i) Hotel Basant Vihar Palace, Bikaner, (ii) Hotel Residency Palace, Jodhpur, (iii) Hotel Suncity International, Jodhpur, (iv) Hotel Royal Palace, Jodhpur, (v) Karni Hotel Pvt. Ltd., Jodhpur, (vi) Shiv Niwas Palace, Udaipur, (vii) Fateh Prakash Palace, Udaipur, (viii) Hotel Vishnupriya, Udaipur, (ix) Gopal Niwas Hotel Pvt. Ltd., Nathdwara, (x) Hotel Paras Mahal Pvt. Ltd., Udaipur, (xi) Hotel Chaitanya Palace, Phalodi, (xii) Marval Water World Pvt. Ltd., Udaipur and (xiii) Hotel Bothra Planet, Bikaner.

DoT, the fruitful utilisation of Rs 5.11 crore for the purpose of development and establishment of tourism could not be ascertained.

3.7.4.8 The units receiving subsidy were to remain operational continuously for five years after commencement of operations. This subsidy was refundable with 15 per cent simple interest if (a) the unit is sold without prior approval within this five years period and (b) if the unit remains closed for more than six months. Test check of a sample beneficiary units revealed that Hotel Bothra Planet, Bikaner, which had received subsidy of Rs 6.78 lakh in 2001-02, was sold in January 2005 without prior approval of DoT. Similarly, Marvel Water World (P) Limited, Udaipur which had received subsidy of Rs 11.27 lakh in 2003-04, remained out of operation for more than six months till March 2006. In terms of the conditions attached to the grant of subsidy, the subsidy amount was refundable to DoT by these two units. However, DoT had not initiated action to recover Rs 25.49 lakh representing the subsidy along with interest computed at 15 per cent per annum (Rs 7.44 lakh)¹⁰⁹ from these units.

Nazool properties were not developed for tourism even after a lapse of three to nine years.

3.7.4.9 As per Policy, nazool properties having historical value (three such properties illustrate in Annexure-A) were to be transferred to the DoT for developing them into Heritage Hotels/Tourist Museums/Tourist Complexes/Tourist Resorts in collaboration with private entrepreneurs. Thirty five such properties¹¹⁰ were identified and transferred to DoT by the General Administration Department, Government of Rajasthan during 1997-98 to 2002-03. RTDC was designated as the executing agency for development of such properties.

Audit scrutiny revealed that none of these properties were developed even after a lapse of three to nine years. Development of Tijara Fort in Alwar District was in progress for which tenders were invited in newspapers (July 2003) without obtaining dereservation sanction of forest land from the Forest Department. The dereservation sanction of forest land was awaited (June 2006). Thus, the twin objectives of establishment of tourism units and preservation of historical heritage from dilapidation were frustrated.

3.7.5 Development of ready market for handicraft

Ready market for rich handicrafts was not developed.

To develop a ready market for rich and varied handicrafts the Policy envisaged that RTDC would establish shopping arcades in their properties and provide space for artisans to display and market their products so that tourists have

109. Bothra Planet- Rs 6.78 lakh X 15 % X 4 (year)=Rs 4.06 lakh,
Marval Water World - Rs 11.27 lakh X 15% X 2 (year)=Rs 3.38 lakh

110. **Ajmer-1** (Sarwar Fort), **Alwar-6** (Tijara Fort, Bala Fort, Bardah, Ajabgarh, Kesarpur, Sarhata), **Bharatpur-3** (Badal Fort at Bayana, Kadam Kund, Kishori Mahal at Kumher), **Baran-2** (Shahabad Fort, Gagori Fort), **Bhilwara-7** (Badnaur, Kakan House on Mandalgarh Fort, House of Bari on Mandalgarh Fort, Rajaswa Mahal on Mandalgarh Fort, Topkhana on Mandalgarh, Old Court Building, Old School Building), **Jaipur-3** (Ramgarh Fort, Sagar Fort of Dausa, Viratnagar Fort), **Jaisalmer-4** (Fatehgarh Fort, Lakh Kot, Devi Kot, Lathi Kot), **Jhalawar-1** (Gagron Fort), **Jhunjhunu-5** (Sukh Mahal at Khetri, Jai Niwas Kothi, Bhopalgarh, Mertari Ki Bawari, Tebaries at Moda Mountain), **Rajsamand-1** (Rajsamand Palace), **Sawaimadhapur-1** (Sukh Mahal) and **Sikar-1** (Harsh Parvat).

direct access to artisans. It was, however, observed in test checked units¹¹¹ that RTDC had not developed shopping arcades in any of the locations. To provide market for handicrafts, *shilpgrams* at various tourist destinations were to be set up in the State. For developing the *shilpgrams* at Sawaimadhopur and Jhunjhunu, DoT sanctioned (March 2006) Rs 40 lakh (Rs 20 lakh for each). However, DoT transferred this amount to the PD Account of RTDC with the instruction that it would not to be withdrawn without the prior permission of FD. It was observed in audit that this amount was still lying in PD Account of RTDC and works for development of above *shilpgrams* had not started (July 2006). Thus, the policy objective of providing direct access of artisans with tourists has not been realised (July 2006).

3.7.6 Tourism Information and Publicity

Optimum utilisation of published literature was not ensured.

3.7.6.1 To facilitate dissemination of information for foreign and domestic tourists, DoT published and distributed tourist literature costing Rs 84.22 lakh between April 2002 and March 2004. Audit scrutiny, however, revealed that similar old literature (priced) worth Rs 51.90 lakh was lying undistributed in stock for four to eight years with DoT as on March 2006. Due to inadequate storage facilities, literature worth Rs 3.97 lakh had got infested with termites. Thus, DoT was not able to ensure optimum utilisation of published literature.

Wasteful expenditure of Rs.20.27 lakh due to negligence of DoT.

3.7.6.2 DoT placed orders to M/s Chiranjan Advertising, New Delhi (December 2003 and January 2004) for printing of 2.55 lakh brochures as publicity material of 14 tourist cities in the State. The proofs of the dummy brochures were vetted (November 2003) by officials in DoT. Payment of Rs 54.65 lakh (January 2004 and March 2004) was also made. On being pointed out by a domestic tourist, it was found (September 2004) that 1.30 lakh brochures of eight cities¹¹² out of a total of 2.55 lakh (51 per cent) were factually incorrect. For example, picture of Menal waterfall was shown in brochure of Alwar though it is located in Chittorgarh District. Meanwhile, defective 94,598 (73 per cent) brochures had been distributed. The balance 35,402 (27 per cent) brochures were got rectified by the supplier subsequently. Thus, due to negligence on the part of the DoT, expenditure of Rs 20.27 lakh incurred on printing of 94,598 brochures was rendered wasteful. Moreover, the very objective of disseminating correct information to tourists was also defeated.

3.7.7 Preservation of Historical and Cultural Heritage

Policy objective of preservation of historical and cultural heritage was not met after lapse of five years.

Tourism policy provides for preservation of monuments, forts and palaces which with passage of time, have reached a stage that urgently calls for their upkeep and conservation.

DOAC launched (February 2004) Adopt-A-Monument (AAM) Scheme as an instrument for public-private participation for preserving the State's historical and cultural heritage. The scheme invites participation from individuals,

111. Head Office Jaipur, Amber Fort Jaipur, Alwar (Meenal and Silished), Bikaner, Kajri Udaipur, Joomar Baori, Sawaimadhopur and Jhalawar.

112. Ajmer- Pushkar, Alwar, Bikaner, Chittorgarh, Jaisalmer, Jodhpur, Mount Abu and Udaipur

organisations and associations, corporate entities and Non-Resident Rajasthanis (NRRs). These donors were to sponsor conservation and maintenance of the identified monument of their choice by making contributions to the Heritage Fund managed and operated by Rajasthan Adopt -A- Monument Society (RAAMS). DOAC identified 268 protected monuments to be conserved under AAM Scheme. Out of these, 30 monuments¹¹³ were selected under the scheme for 2005-06. To ensure the regular monitoring of conservation works, a High Powered AAM Steering Committee consisting of senior Government officers, representative of private donor, NGO and implementing agency was to be constituted. To carry out the conservation works, a Heritage Fund out of contributions from different donors was also to be created.

Audit scrutiny revealed that DOAC created RAAMS in July 2004, but had not set up AAM Steering Committee and Heritage Fund. Thus, the scheme has yet to take off even after two years and failed to initiate prime conservation projects in Rajasthan. Further, the policy objective of preservation of historical and cultural heritage with private participation could not be met even after five years of the Policy.

3.7.8 Human Resource Development and Employment Generation

Organisation of training programmes for guides was inadequate.

Trained, well-informed and multi-lingual guides with adequate motivation are crucial for tourism development. As per Policy, DoT was to select and train appropriate number of guides for all destination and tourist circuits within the State. Further, DoT and Rajasthan Institute of Tourism and Travel Management in collaboration with universities and Embassies of various important countries functioning at Delhi had to launch special foreign language capsule course for guides. During 2002-03, 2,199 guides were trained at 13 places in the State. However, despite increased flow of foreign tourists no further training programmes for guides were organised. The special foreign language capsule course for guides has not been organised (July 2006). Further, target for creation of 40,000 jobs per year in rural areas and 10,000 jobs per year in urban areas was fixed (July 2001) from tourism sector by the Government. However, the State Government had not conducted any exercise as yet to estimate extent to which employment has been generated from tourism in the State.

Exercise to estimate employment generated not conducted.

3.7.9 Inadequate and inappropriate manpower

Tourist Information Centres were not functioning as required.

Modern, well equipped and adequately well manned Tourist Reception Centres (TRCs) and Tourist Information Centres (TICs) at important entry points and destinations are critically important. These Centres were to make available confirmed reservation for RTDC hotels and private sector hotels apart from offering tourist information and other details like package tours, fairs and festivals, paying guest accommodations etc. There are 23 TICs in the country. Of these, one each is in Kolkata, Chennai and Mumbai. These Centres are required to function with one Tourist Officer/Assistant Tourist

113. Ajmer (1), Alwar (1), Bharatpur (6), Bikaner (1), Bundi (1), Dholpur (4), Jaisalmer (2), Jaipur (11), Jodhpur (1), Nagaur (1) and Tonk (1).

Officer with the assistance of a Lower Division Clerk and a Group-D employee.

Audit scrutiny revealed that in seven TICs¹¹⁴ no staff was posted for one to five years. Further, eight TICs¹¹⁵ were running with Group-D employee/Lower Division Clerk. Thus, 15 out of 23 (65 *per cent*) TICs were not functioning as per the requirement of manpower that was approved. Keeping in view the role envisaged of these TICs, adequacy of proper trained staff having skills in tourism promotion was essential. Inadequacy of appropriate staff obviously has adverse impact on services that were required to be provided by those centres to the prospective tourists of the State.

3.7.10 Security to Tourists

To provide security to tourists, a Tourist Assistance Force (TAF) Scheme was introduced by DoT in the year 2000. Initially, police personnel were deputed in TAF. Later, due to shortage of staff, police personnel were removed (March 2002) and ex-servicemen were deployed from 2002 at the major tourism destinations in the State. It was observed that during 2005-06, the TAF personnel in 10 cities¹¹⁶ were not deployed for three to eight months. DoT attributed the reason for non-deployment of TAF personnel to according sanction late by Finance Department. Non-availability of TAF personnel had resulted in non-achievement of object of providing security to tourist in the light of fact in these numbers of cases of exploitation and harassment of tourist getting reported in the State. This issue assumes greater significance.

3.7.11 Conclusion

The goals set out in the Policy were driven largely by *ad hoc* planning due to non-formulation of Master Plan and non-enactment of Tourism Trade Regulation Act. Delay in release of funds adversely affected the improvement of tourism infrastructure. Policy objectives of preservation of historical and cultural heritage were not met. Sufficient tourism promotion and dissemination of tourism information was not ensured. Tourist Information Centers were not functioning properly. Market for rich and diverse handicrafts could not be established. In sum, the DoT was unable to successfully play the role of a catalyst, promoter and facilitator and was unable to encourage adequate private sector participation to accelerate the contribution of tourism industry in the socio-economic development of the State.

3.7.12 Recommendations

- For the growth of tourism and to achieve objectives of the Tourism Policy a comprehensive Tourism Master plan should be framed.

114. Barmer, Dungarpur, Nagaur, Bundi, Jodhpur, Chennai, Nathdwara.

115. Alwar, Amber Jaipur, Jaisalmer, Banswara, Jhunjhunu, Airport Udaipur, Railway Station Udaipur and Mount Abu.

116. Bharatpur, Bikaner, Chittorgarh, Jaipur, Jaisalmer, Jodhpur, Mount Abu, Pushkar (Ajmer), Sawaimadhopur and Udaipur.

- To support safety, security and hassle free stay of tourists and to protect possible exploitation and harassment of tourists, a Tourism Trade Regulation Act should be enacted.
- A proper mechanism should be evolved to monitor the performance of the units that has availed subsidy and in case of non-compliance prompt action as laid down should be initiated.
- Earnest efforts towards preservation of historical and cultural heritage with private participation should be made.
- Tourist Information Centres should be strengthened by providing sufficient and well qualified staff.

The matter was referred to the Government in August 2006; reply had not been received (September 2006).

ANNEXURE

Some nazool properties awaiting development for tourism



Tiara Fort, Alwar



Sarwad Fort, Ajmer



Kesar Pur Fort, Alwar